

## TOWARDS A STRONGER SOCIAL ECONOMY IN LATVIA – PRACTICAL RECOMMENDATIONS FOR CLOSING INFORMATIONAL GAPS AND DRIVING SOCIAL ECONOMY

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### **Abstract**

*Social entrepreneurship has turned into a global movement hoping to fight various social and economic problems. Social enterprises combine a social mission with economic activities and often achieve their social impact and economic goals with limited resources, therefore an understanding of effective utilization of finances allocated for marketing purposes is extremely valuable but scarce. Social enterprises are also becoming increasingly recognized and researched in Latvia, however, marketing aspects have not been analyzed much and therefore are significant for enhancement of social economy in Latvia. The purpose of the research is to further investigate the most effective informational strategies for closing the informational gaps about social economy within Latvian society that were identified previously. Research methods used: analysis of scientific publications and previously conducted research and analysis of survey results conducted by Kristīne Casno. Research results indicate that the previously identified top three most preferred information channels (social networks, television and radio respectively) are equally effective for informing consumers with both low and high awareness levels of social economy in Latvia, except for a few nuances that are identified by Authors.*

### **Key words:**

*Social enterprise, social economy, information channels, social entrepreneurship, survey*

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### **Introduction**

The significant role social enterprises play in tackling various social and economic problems across the world is recognized by governments, researchers and consumers who choose to buy products that deliver social impact. Social enterprises often operate in unfavorable conditions characterized by low competitiveness, insufficient support from authorities and limited resources. While there is a wealth of research conducted regarding various aspects of social entrepreneurship, research concerning marketing, which may provide practical hands-on knowledge for social enterprises and assist in their decision-making processes, is relatively scarce on a global scale, including Latvia. Therefore, the purpose of this research is to investigate the most effective informational channels that could be used by both social enterprises as well as social economy support organizations and institutions to fill previously identified information gaps about social economy in Latvia. Tasks of research are to analyze recent research findings on social

entrepreneurship globally and also in Latvia and further elaborate and research the information channel preferences among respondents with below average awareness levels about social enterprises in Latvia, including respondents living in Riga and Zemgale, respondents of age groups 16-25 and 26-35, respondents of male gender and respondents with secondary education. Research methods: scientific publications and previous conducted research results analysis, survey of current customers in social enterprises carried out by Kristīne Casno. For survey data analysis there are applied indicators of descriptive statistics: indicators of central tendency or location (arithmetic mean, mode, median), indicators of dispersion (variance, standard deviation, range and standard error of mean), testing of statistical hypotheses using t – tests.

### **Literature Overview**

Social enterprises today are appreciated and acknowledged as powerful social and economic change agents across the world (Nicholls, 2006, p. 3). In addition to brining

solutions to various economic and social problems, social enterprises are also praised for their potential in delivering sustainable regional development (Blagoycheva, 2019, p. 489-493; Dobeles, 2013, p. 23), innovative solutions (Monroe-White, Zook 2018, p. 499; Tkacz, 2016, p. 22), providing support to the welfare state (Baglioni, 2017, p. 2329). Research by Calò et al indicates that social enterprises, given appropriate long-term funding, have the potential to perform similar to public health care providers or even surpass them on several aspects (Calò et al, 2019, p.160). Social enterprises are appreciated not only for their ability to provide the aforementioned services directly, but also for their positive effect on health of society via social determinants of health such as developing a sense of ownership and control, improving the conditions of the physical and social environment and providing meaningful employment (Macaulay et al, 2018, p.211). Social entrepreneurship is also highly regarded as a potentially effective approach in delivery of sexual health services as donations for sexual health programmes are declining (Tucker et al, 2012, p. 1-6). Seibel also argues that social entrepreneurship practice can also be successfully applied to improve the lives of formerly incarcerated women (Seibel, 2019, p. 16-27).

The global reach and popularity of social enterprise movement is evidenced by *Global Entrepreneurship Monitor: Special Report on Social Entrepreneurship* (Bosma, et al, 2016, p. 1-44) and also reflected by numerous courses offered by universities worldwide as well as by activities of a number of research centres dedicated to social entrepreneurship both in Europe and North America (Nicholls, 2006, p.8) that are actively further exploring the topic of social entrepreneurship and helping social enterprises excel at what they do. Researchers have yet to agree upon an all-inclusive and clear definition of a social enterprise (Dacin et al, 2010, p.39-41; Young, Lecy, 2014, p.1308-1309; Goncalves et al, 2016, p. 1589-1592; Powell, Osborne, 2014, p.26; Defourny, Nyssens, 2017, p. 2471), because in reality the understanding of what a social enterprise is often differs from country to country due to cultural, political and economic factors (Kerlin, 2010, p.166-167). Nicholls argues that a social enterprise is defined primarily by a strategic and central focus on social impact combined with economic activity

(Nicholls, 2006, p.13) and so far there is no disagreement among researchers regarding this aspect of a social enterprise (Young, Lecy, 2014, p. 1309).

The success of the field of social entrepreneurship has attracted attention of scholars around the world. Researchers continue to investigate various aspects of social enterprises – the concept of social enterprise itself (Young, Lecy, 2014, p.1319-1322; Kerlin, 2010, p.166), social enterprise typology (Defourny, Niesens, 2017, p. 2473-2489; Līcīte, 2018 b, p.181-184; Saebi, 2019, p.76), innovation generated by social enterprises (Monroe-White, Zook, 2018) etc. The role of social entrepreneurship in provision of healthcare and social services is especially highly regarded in United Kingdom where a large number of research studies have looked at various aspects of social enterprise operation within the healthcare system (Calò et al, 2018, p. 1790-1814). Another focus of research concerns ability of social enterprises to acquire funding (Castellas et al, 2018, p.130-155). Access to capital is one of the main obstacles inhibiting growth of social economy (Castellas et al, 2018, p. 130) which successful social enterprises today are well able to overcome (Goncalves et al, 2016, p.1587). Research by Castellas et al indicates that even in the mature Australian social economy, impact investment sector prioritizes financial returns over social impact and does not fully serve the needs of social enterprises, especially at the early stages of operation. Consequently, Castellas et al suggest that investment logic based on primarily financial considerations may affect Australian social economy landscape by allowing only a certain type of social enterprises to survive in the long-term (Castellas et al, 2018, p.132-152). While the overall amount of research accumulated about social enterprises is impressive, the research concerning marketing aspects of social enterprises which, in practice, would be among the most useful topics with practical application for social enterprises, is comparatively scarce (Mitchell et al, 2015, p. 288-290).

European Union, with 2 million social economy organizations fully recognizes the significant role social enterprises play in furthering the economies and contributing to the social services schemes of its member countries by offering various support programmes and

developing various legal aspects to enhance the competitiveness of social economy (European, 2020). In the developed countries social enterprises are enjoying strong support from governments contrary to the less-developed countries where social enterprise movement is propelled by society as a reaction to a variety of needs that are not provided by the public sector (Tkacz, 2016, p. 25). While the United Kingdom has achieved what can be characterized as “the most developed institutional support structure for social enterprise in the world” (Calò et al, 2018, p. 1792), in Latvia the social economy sector historically has been driven by societal need and is only at the early stages of development yet, although considerable achievements have been made.

While the concept of social entrepreneurship in Latvia is known since approximately 2009, roots of early social entrepreneurship in Latvia, reflected by activities of various associations and social movements oriented towards promotion of education, culture and national identity, go back as far as the middle of 19<sup>th</sup> century (Līcīte, 2018 a, p. 16-23). The much awaited Law of Social Enterprise came into force on the 1<sup>st</sup> of April, 2018 (Saeima, 2017), marking a turning-point in the history of social economy sector in Latvia and brining to a close the active work on legal aspects of social entrepreneurship, prompted by European Union policies, since 2014 (Līcīte, 2018 a, p. 30). While de-facto social enterprises had the opportunity to gain the official status of a social enterprise, many existing de-facto social enterprises, evaluating the benefits and risks of changing the organizational form to a limited liability company, chose not to do so (Līcīte, 2018 a, p. 23). The number of social enterprises who have gained the official status of a social enterprise is steadily growing and has reached 100 active social enterprises (Register, 2020), compared to 79 at the end of November, 2019 (Casno, Šķiltere, Sloka, 2020 c, in print), majority of them being new social enterprises which is a positive trend that confirms the recognition of the importance of social economy within Latvian society. Overall, social enterprises in Latvia operate across different sectors, but work-integration enterprises, focusing on development of design products, are most popular (Līcīte, 2018 b, p. 182; Register, 2020).

Since not all social enterprises have gained the official status of a social enterprise, it is difficult to assess the size of social economy in Latvia. It is estimated that in fact there are about 200 social enterprises in Latvia, majority of them located in Riga, generating turnover of 2000 EUR to 2 million EUR annually depending on the sphere they operate in (Līcīte, 2018 a, p. 41-43). L. Līcīte proposes to classify social enterprises in Latvia in four key categories based on two factors – the initiative (either public or private) and intensity of support instruments (lower or higher) – i.e. the self-initiative model, the company-initiated development model, municipality participation model and government participation model (Līcīte, 2018 b, p. 183-185).

Overall, research conducted in Latvia regarding social entrepreneurship mostly concerns various economic aspects (Līcīte, 2018 b, p. 180). Economic gains that social enterprises can potentially bring to the economy have been calculated (Dobele, Dobele, 2014, p. 30-39). Attention has been also paid to evaluation of competitiveness of social enterprises which has been established as low (Dobele, Pietere, 2015, p. 48-49), the role of local governments as a support instrument for social enterprises (Lis et al, 2017, p.1-55) and theoretical models of social enterprises in Latvia (Līcīte, 2018 b, p.180-186). Researchers agree that among other obstacles, lack of marketing skills are deficient in Latvian social enterprises (Lis et al, 2017, p.9; Līcīte, 2018 b, p. 182; Līcīte, 2018 a, p.49), therefore Casno, Šķiltere, Sloka have focused on various aspects of this important topic of research recently (Casno, Šķiltere, Sloka, 2019, a, b; Casno, Šķiltere, Sloka, 2020).

In Latvia Casno, Šķiltere, Sloka have found that consumers of social enterprises are, on average, most motivated to make socially responsible purchases by such factors as product or service quality, social impact and convenience of the shopping location but the factors that have the most influence on the number of repeat purchases are pleasant atmosphere and friendly service (Casno, Šķiltere, Sloka, 2019 a, p.97). While among information channels that are most preferred by consumers of social enterprise products or services in Latvia are social networks, followed by television and radio, communication via e-mail was found to have a significant potential in generation of repeat purchases

(Casno, Šķiltere, Sloka, 2019 b, p. 24-25). While the research of L. Dobeļe from 2015 indicated low overall awareness of social entrepreneurship in Latvian society (Dobeļe, Pietere, 2015, p. 48-49), which is also consistent with recent research results from Poland (Reichel et al, 2019, p.2-7), Casno, Šķiltere, Sloka from 2019 indicate average or below average information levels about the field of social economy in Latvia, highlight and statistically confirm the vital role information plays in driving social economy, accentuating the existence of an informational saturation point, and point out several informational gaps that should be specifically targeted - consumers with lowest information levels about social economy in Latvia: with place of residence in Riga and Zemgale, with regards age groups: consumers of ages 16-25 and 26-35, with regards gender: males, and with regards educational level: consumers with secondary education (Casno, Šķiltere, Sloka, 2020, in print).

### **Goal and Methodology**

Building upon previous research results with regards preferred information channels of consumers of social enterprise products and services in Latvia and the identified informational gaps, Authors' goal was to combine the existing knowledge and focus on an in-depth research answering the question: which informational channels would be most efficient at closing the awareness gaps about social economy, providing a clear focus for informational strategies that would allow to further drive social economy in Latvia.

Tasks or research were first, to analyze recent research findings on social

entrepreneurship both worldwide and in Latvia and second, to analyze in depth the preferences for receipt of information about social enterprises among respondents whose awareness of social economy sector in Latvia was established as below average, specifically focusing on previously identified target groups.

Among research methods applied were scientific publications analysis, analysis of previously conducted research results and quantitative research for data collection purposes - specifically, a survey that was available online and was filled out by 329 respondents, 224 of whom completed surveys in full. Main characteristics of respondents were as follows: 84% females and 16% males, 80% of age 16-45 with a university degree, majority had purchased social enterprise products or services in 2018. For survey data analysis indicators of descriptive statistics (indicators of central tendency or location), indicators of variability as well as independent t test for comparison of means were applied.

### **Findings**

First, Authors were interested to establish the distinct preferences for information channels of respondents whose information level about social economy was lower than average and determine if they were statistically significantly different compared to preferences of consumers with above average awareness levels. Main statistical indicators on evaluations of information channel preferences of respondents with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 1.

Table 1: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents with information level about social enterprises of 5 or below

	Printed media	E-mail	Radio	Social networks	Direct mail	Television
Valid	119	128	127	138	122	129
Missing	28	19	20	9	25	18
Mean	3.53	4.25	6.16	7.67	1.84	6.33
Standard. Error of Mean	0.277	0.281	0.263	0.216	0.170	0.290
Median	2	3	6	8	1	7
Mode	1	1	10	10	1	10
Standard. Deviation	3.016	3.185	2.967	2.538	1.876	3.289
Variance	9.099	10.142	8.800	6.443	3.521	10.815
Range	9	9	9	9	9	9
Minimum	1	1	1	1	1	1
Maximum	10	10	10	10	10	10

*Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329*

Based on comparison of mean indicators for preference of various information channels, social networks are the most preferred means of communication among respondents with below average awareness about social economy, followed by television and radio, which is consistent with previous research results regarding consumer preferences for various information channels (Casno, Skiltere Sloka, 2019, b).

Authors also wanted to investigate if there were any differences in preferences for information channels among respondents with above average awareness levels about social enterprises, compared to respondents whose awareness level was below average. Main statistical indicators on evaluations of information channel preferences of respondents with above average (6-10) awareness levels (measured on a 10 point scale) are presented in table 2.

Table 2: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents with information level about social enterprises of 6 or above

	Printed media	E-mail	Radio	Social networks	Direct mail	Television
Valid	80	86	80	92	78	86
Missing	15	9	15	3	17	9
Mean	4.40	5.93	6.41	8.32	2.78	6.35
Standard Error of Mean	0.330	0.343	0.294	0.224	0.299	0.345
Median	4.5	6	7	9	1	8
Mode	1	10	8	10	1	8; 10

Standard Deviation	2.954	3.180	2.627	2.148	2.637	3.198
Variance	8.724	10.113	6.904	4.614	6.952	10.230
Range	9	9	9	9	9	9
Minimum	1	1	1	1	1	1
Maximum	10	10	10	10	10	10

*Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329*

Comparison of mean indicators reveals that respondents with above average awareness levels have a stronger preference across all information channels, but there are minimal changes with regards the order of preference. Social networks still dominate as the most preferred means on communication, followed by

a preference for radio and television. Overall, the differences in preferences for information channels between respondents with below average and above average information levels are statistically insignificant across all information channels investigated (sig. 0.05), as reflected in table 3.

Table 3. Results of the independent samples t-test between respondents with below average and above average awareness levels about social economy in Latvia for respondents' preference for receipt of information from selected information channels.

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Printed media	Equal variances assumed	0.101	0.752	-0.664	57	0.510	-0.513	0.773	-2.062	1.036
	Equal variances not assumed			-0.673	36.707	0.505	-0.513	0.763	-2.060	1.033
E- mail	Equal variances assumed	1.098	0.299	-0.400	60	0.691	-0.350	0.876	-2.102	1.402
	Equal variances not assumed			-0.411	36.782	0.684	-0.350	0.853	-2.078	1.378
Radio	Equal variances assumed	0.073	0.788	1.865	58	0.067	1.211	0.649	-0.089	2.510
	Equal variances not assumed			1.926	38.074	0.062	1.211	0.629	-0.062	2.483
Social networks	Equal variances assumed	0.936	0.337	-0.762	63	0.449	-0.406	0.532	-1.469	0.658
	Equal variances not assumed			-0.767	37.017	0.448	-0.406	0.529	-1.477	0.666
Direct mail	Equal variances assumed	4.111	0.047	-1.123	57	0.266	-0.682	0.607	-1.897	0.533
	Equal variances not assumed			-1.003	27.319	0.325	-0.682	0.680	-2.075	0.712
Television	Equal variances assumed	0.328	0.569	1.654	59	0.104	1.385	0.837	-0.291	3.060
	Equal variances not assumed			1.606	32.540	0.118	1.385	0.862	-0.371	3.140

*Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329*

Authors conclude, that the most effective channel of communication with consumers regardless of their awareness level about social economy is social networks. In case of available

funding, the next most preferred information channel for consumers with lower information levels, most of whom may be also potential consumers, is television, followed by radio. In

order to more effectively reach existing consumers who may also have higher awareness levels, social enterprises and support organizations may gain better results by selecting radio over television as their second and third options. E-mail communication, considering the mode indicators, could be a viable option for communication in aforementioned group as well.

Authors were also interested in determining the preferred information channels of previously identified consumer groups where

information gaps about social entrepreneurship were most characteristic – consumers with below average awareness levels: residing in Riga and Zemgale, belonging to age groups of 16-25 and 26-35, of male gender and with secondary education. Main statistical indicators on evaluations of information channel preferences of respondents residing in Riga with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 4.

Table 4: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents with information level about social enterprises of 5 or below residing in Riga

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	65	69	70	77	65	72
	Missing	15	11	10	3	15	8
Mean		3.05	4.35	5.89	7.56	1.46	6.03
Standard Error of Mean		0.331	0.378	0.365	0.307	0.180	0.414
Median		2	4	6	8	1	6
Mode		1	1	10	10	1	10
Standard Deviation		2.666	3.143	3.058	2.693	1.448	3.512
Variance		7.107	9.877	9.349	7.250	2.096	12.337
Range		9	9	9	9	8	9
Minimum		1	1	1	1	1	1
Maximum		10	10	10	10	9	10

*Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329*

Comparison of indicators of central tendency or location: arithmetic means, mode and median indicates that respondents with below average awareness levels about social economy in Latvia residing in Riga most prefer such information channels as social networks, followed by television and radio, which is consistent with results for the overall group of respondents with information levels about social economy of 5 or below (Table 1). It should be noted that the mean indicators for respondents with awareness about social economy of 5 or below residing in Riga,

compared to the overall 5 or below information level group, are slightly weaker for the top three most preferred information channels (namely, social networks, television and radio) and slightly stronger for e-mail. Authors conclude that, since e-mail has been evaluated with 8 and above (on a ten point scale), by 23% of respondents in the respective group, e-mail as an information channel may serve as an additional focus for targeting consumers in Riga, given the high cost of radio and television advertising.

Main statistical indicators on evaluations of information channel preferences of respondents residing in Zemgale with below

average (1-5) awareness levels (measured on a 1-10 point scale) are presented in table 5.

Table 5: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents with information level about social enterprises of 5 or below residing in Zemgale

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	9	9	9	10	8	9
	Missing	1	1	1	0	2	1
Mean		4.67	3.33	7.44	8.20	1.88	7.00
Standard Error of Mean		1.143	0.943	0.930	0.892	0.743	1.155
Median		4	3	7	9.5	1	9
Mode		1	1	7	10	1	10
Standard Deviation		3.428	2.828	2.789	2.821	2.100	3.464
Variance		11.750	8.000	7.778	7.956	4.411	12.000
Range		9	8	9	9	6	9
Minimum		1	1	1	1	1	1
Maximum		10	9	10	10	7	10

*Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329*

Comparison of indicators of central tendency or location: arithmetic means, mode and median indicates the previously observed trend of highest preference for social networks which, contrary to respondents of the same group residing in Riga, are followed by radio, leaving television in the third place. It should be noted that the mean indicators for respondents with awareness about social economy of 5 or below residing in Zemgale, compared to the overall 5 or below information level group, are slightly higher for social networks, television and radio and

lower for e-mail. Authors conclude that social networks could be the most cost-effective means of communication for targeting potential consumers in Zemgale, followed by radio and television and do not recommend investing in direct marketing activities for this purpose.

Main statistical indicators on evaluations of information channel preferences of respondents of age group 16-25 with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 6.

Table 6: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents of age group 16-25 with information level about social enterprises of 5 or below

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	11	11	12	13	10	13
	Missing	2	2	1	0	3	0
Mean		4.55	4.64	6.58	7.08	1.30	6.92
Standard Error of Mean		1.082	1.081	0.892	0.866	0.153	0.990
Median		6	4	7.5	8	1	9
Mode		1	1	10; 9; 8; 6	10; 9	1	10
Standard Deviation		3.588	3.585	3.088	3.121	0.483	3.570
Variance		12.873	12.855	9.538	9.744	0.233	12.744
Range		9	9	9	9	1	9
Minimum		1	1	1	1	1	1
Maximum		10	10	10	10	2	10

Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329

Comparison of indicators of central tendency or location: arithmetic means, mode and median indicates that preferences of respondents of age group 16-25 with awareness levels about social economy of 5 or below are similar to the respective general group (Table 1) – most preferred are social networks, television and radio. It should be noted that the mean indicators for respondents of age group 16-25 with awareness about social economy of 5 or below, compared to the overall 5 or below information

level group, are slightly higher for television, radio and e-mail but slightly lower for social networks. Authors conclude that, given the relatively small sample of respondents in this age group, social networks should still be considered a priority in selection of information channels.

Main statistical indicators on evaluations of information channel preferences of respondents of age group 26-35 with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 7.

Table 7: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents of age group 26-35 with information level about social enterprises of 5 or below

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	52	56	58	63	57	61
	Missing	12	8	6	1	7	3
Mean		3.31	4.32	6.24	7.86	1.46	6.34
Standard Error of Mean		0.372	0.409	0.376	0.275	0.166	0.425
Median		2.5	3.5	6	8	1	7
Mode		1	1	10	10	1	10
Standard Deviation		2.683	3.058	2.861	2.184	1.255	3.316
Variance		7.198	9.349	8.186	4.770	1.574	10.996
Range		9	9	9	9	7	9
Minimum		1	1	1	1	1	1
Maximum		10	10	10	10	8	10

Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329

Comparison of indicators of central tendency or location: arithmetic means, mode and median indicates that preferences of respondents of age group 26-35 with awareness levels about social economy of 5 or below are similar to the respective general group (Table 1) – most preferred are social networks, followed by television and radio. It should be noted that the mean indicators for respondents of age group 26-35 with awareness about social economy evaluation of 5 or below, compared to the overall 5 or below information level group are slightly

higher for all top three information channel preferences. Authors conclude that the previously identified options of importance of social networks, followed by television and radio are the most effective information channels for reaching this age group.

Main statistical indicators on evaluations of information channel preferences of respondents of male gender with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 8.

Table 8: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents of male gender with information level about social enterprises of 5 or below

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	23	24	25	24	23	25
	Missing	3	2	1	2	3	1
Mean		2.48	5.54	5.20	6.38	1.26	5.48
Standard Error of Mean		0.565	0.659	0.586	0.696	0.220	0.731
Median		1	6.5	5	7.5	1	6.00
Mode		1	1	5	10; 1	1	10; 1
Standard Deviation		2.711	3.230	2.930	3.411	1.054	3.653
Variance		7.352	10.433	8.583	11.636	1.111	13.343
Range		9	9	9	9	5	9
Minimum		1	1	1	1	1	1
Maximum		10	10	10	10	6	10

Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329

Comparison of means indicates social networks as the highest evaluated preference of respondents of male gender with awareness levels about social economy of 5 or below. The second most preferred information channel in this group is e-mail, which Authors find consistent with previous research results with regards receipt of information across various information channels by gender (Casno, Škiltere, Sloka, 2019 b, p. 28), leaving television and radio as third and fourth most preferred options respectively. The dominance of evaluation of 1 (scale 1-10) across mode indicators suggests that men with low awareness levels about social economy may not

be interested in the subject thus informational campaigns for this groups may be challenging and resource consuming. Authors conclude that, considering the current data, social networks and e-mail communication may prove to be the most cost-efficient channels for reaching out to the male audience with regards topics of social economy.

Main statistical indicators on evaluations of information channel preferences of respondents with secondary education with below average (1-5) awareness levels (measured on a 10 point scale) are presented in table 9.

Table 9: Main indicators of descriptive statistics for question “Which information channels would you prefer as a source of information about social enterprises and their offers?” for respondents with secondary education with information level about social enterprises of 5 or below

		Printed media	E-mail	Radio	Social networks	Direct mail	Television
N	Valid	7	9	9	10	9	9
	Missing	3	1	1	0	1	1
Mean		3.86	4.00	5.22	7.80	1.56	5.56
Std. Error of Mean		1.280	1.302	1.222	0.696	0.556	1.069
Median		3	1	5	8	1	6
Mode		1	1	1	10	1	6
Std. Deviation		3.388	3.905	3.667	2.201	1.667	3.206
Variance		11.476	15.250	13.444	4.844	2.778	10.278
Range		9	9	9	5	5	9
Minimum		1	1	1	5	1	1
Maximum		10	10	10	10	6	10

Source: Authors' construction based on questionnaire developed by Kristine Casno and survey conducted in 2019, n=329

Comparison of means indicates that preferences of respondents with secondary education with awareness levels about social economy of 5 or below are similar to the respective general group of respondents with identical awareness levels (Table 1). While a mode indicator of 1 for radio and 6 for television may suggest that there may be some nuances with regards to the most effective means for communication with this group, a larger respondent sample is necessary for further conclusions. Authors conclude that the previously identified pattern of communication (social networks, followed by television and radio) may be most appropriate for informational purposes within this group.

## Discussion

Authors main aims of this research were to further elaborate previous research results with regards to identified information gaps within Latvian society about social economy in Latvia and prepare practical recommendations for closing those gaps and increasing the

informational reach which would in turn further enhance the social economy sector in Latvia.

Although Authors find the trends for information channel preferences across the discussed groups to be somewhat similar, there are nuanced differences such as, for example, preference for radio over television or vice versa. In cases of limited marketing budgets, taking those nuances into account may result in higher and more effective informational reach, however, additional research with a larger respondent sample may be required to further validate this, especially with regards male audience, audience of age group 16-25 and audience with secondary education.

Current research is limited to social enterprises with operations in the Latvian B2C market in such spheres as education and culture, charity shops and design products. Including social enterprises working in other fields (e.g. catering, social services etc.) and those operating in the B2B market may generate additional insights with regards overall awareness of social economy in Latvia and recommendations with

regards increasing the informational reach and closing informational gaps.

### Conclusions

It is clear that social networks are the most preferred means of communication with consumers about topicality of social enterprises regardless of how much they have been informed about social economy previously which should serve as additional encouragement for Latvian social enterprises to invest, if possible, in development and maintenance of social networks as their primary mode of communication. The next most preferred means of communication for consumers with below average information levels about social economy is television, followed by radio, which is also consistent with previous research. However, for more effective communication with existing consumers whose awareness levels about social economy may be higher, radio should be preferred over television as the second best information channel choice and additionally social enterprises may consider communication via e-mail as well.

Consumers with below average awareness levels about social economy residing in Riga are to be informed preferably via social networks,

television and radio respectively, which also holds true for consumers in Zemgale, except they may find communication over radio more appealing than television. While e-mail communication, given the high cost of mass media advertising, has potential for good results for consumers residing in Riga, email as a means of communication with consumers in Zemgale may not bring the expected returns. Considering the relatively small sample of respondents of age group 16-25 and respondents with secondary education, Authors conclude that social networks should be the main focus for information purposes with consumers of age 16-25, while the previously identified preference trend of social networks, television and radio can be effectively applied to inform consumers with secondary education as well. The aforementioned top three informational channels should be also selected to fill in the informational gaps in consumer audience of age 26-35. However, informational activities for consumers of male gender may be more effective if in addition to social networks, e-mail communication is selected as an informational channel, leaving television and radio only as third and fourth best options respectively.

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