Marketing Communications of Latvian Social Enterprises from a Consumer Perspective: Practical Suggestions for Improvement

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Abstract

The purpose of this study is twofold - to contribute to the further understanding of social enterprises’ marketing by providing a consumers’ perspective on the content that social enterprises generate in order for them to be able to better understand their strengths and weaknesses and to establish a reference point with regards the current situation in social enterprise marketing which will allow to compare and measure improvement in the future and, if needed, provide fact-based evidence to assist social enterprises in their call for support from public authorities. For data analysis such quantitative research methods were used as analysis of descriptive statistics (indicators or central tendency or location (arithmetic mean, mode, median), indicators or variability (range, standard deviation and standard error or mean), testing of statistical hypothesis with t-test and analysis or variance - ANOVA. Results of the research indicate that social enterprise consumers are supportive of social enterprises and their cause and are also interested in the marketing content provided, however, the full potential of word-of-marketing is not used, suggesting that there is significant room for improvement. With regards marketing communication content, social enterprises are most appreciated by consumers for aesthetic and interesting content. On the drawback side – the greatest challenges for social enterprises are to provide content on a regular basis and achieve visibility. Since the comparatively lower evaluations for aforementioned characteristics may be directly associated with lack of financial resources and skills, Authors recommend greater support from Ministry of Welfare of Republic of Latvia for development of support programs with the aim of increasing the marketing skills of social enterprises as well as promoting close win-win cooperation between commercial outdoor, print and online media holders and social enterprises (e.g. in the form of subsidized advertisement spaces while they are not used by commercial clients in return for lower taxes) in order to help social enterprises reach higher visibility.

KEYWORDS: social enterprise, marketing communications, social entrepreneurship, consumer research, marketing research.

Introduction

Social enterprises are increasingly receiving recognition from consumers and public authorities worldwide for their ability to target social and economic problems with a commercial approach thus achieving a double or at times even triple bottom line. Often characterized by a non-profit background, their marketing skills are below par compared to their commercially-oriented counterparts which, among others, is a significant challenge social enterprises are faced with. While the amount of research with regards marketing aspects of social enterprises is steadily increasing, this specific topic is still relatively under-researched, especially in Latvia, where, to
Authors’ current knowledge, there are only few research studies published (Kerlin, 2010; Young, Lecy, 2014; Bartha, Bereczk, 2019; Blagoycheva, 2019, Dobele, 2013). Thus the purpose of this study is twofold - to contribute to the further understanding of social enterprises’ marketing by providing a consumers’ perspective on the content that social enterprises generate in order for them to be able to better understand their strengths and weaknesses and to establish a reference point with regards the current situation in social enterprise marketing which will allow to compare and measure improvement in the future and, if needed, provide fact-based evidence to assist social enterprises in their call for support from public authorities. Tasks of research: 1) to analyze recent research findings on social entrepreneurship, the state of the discipline in Europe and in Latvia as well as recent research findings with regards social enterprise marketing; 2) analyze the survey results (survey was carried out from 24th of January to 31st of March, 2019): i.e. the evaluations provided by respondents on various characteristics of social enterprise marketing content. For analysis or survey results the following statistical analysis methods were applied: descriptive statistics (indicators or central tendency or location (arithmetic mean, mode, median), indicators or variability (range, standard deviation and standard error or mean), testing of statistical hypothesis with t-test and analysis or variance - ANOVA. The results of research accentuate overall support and interest in social economy on behalf of social enterprise consumers and highlight both the strengths and weaknesses of the marketing content generated by Latvian social enterprises.

Social enterprises today are well-recognized on a global scale for their capability to address various social and economic problems

(Bandyopadhyay, Ray, 2019 b; Nicholls, 2006; Berbegal-Mirabend, et. al. 2019), to promote sustainable development (Bartha, Bereczk, 2019; Blagoycheva, 2019, Dobele, 2013), and drive innovations (Monroe-White, Zook 2018; Tkacz, 2016). Having originated as a public response to the failures of government and public organizations to provide the required level of social services (Satar, et. al. 2016; Mitra, et. al. 2019; Bandyopadhyay, Ray, 2019 b; Nicholls, 2006), social enterprises achieve a double or even triple (people, planet and profit) bottom line (Bandyopadhyay, Ray, 2019 c). Social enterprises are also referred to as one of the approaches to “socializing capitalism” which, as Brdulak, et. al. (2019) note, “…sensitize the economy to the needs of citizens, shaping their quality of life” and bring more balance to the economic processes by highlighting and solving social issues which capitalism in its pure form has left behind (Brdulak et. al. 2019).

Although a relatively new phenomenon, social entrepreneurship has become a widely discussed research topic across the world as researchers have tried to gain an in-depth understanding of the concept (Kerlin, 2010; Young, Lecy, 2014) and of the variety of social enterprise types (Defourny, Niesens, 2017; Ličite, 2018 b, Saebi, 2019) as well as of marketing aspects associated with social enterprises (Bandyopadhyay, Ray, 2019 b; Tsai, et. al. 2019; Berbegal-Mirabend, et. al. 2019; Casno, et. al. 2019 a, b). Increasingly attention has been paid also on how to best educate the future social entrepreneurs and prepare them for challenges of social enterprise management (Mitra, et. al. 2019). Due to the unique and inherently dual nature of social enterprises reflected in their ambitions to combine social and economic goals, researchers are divided in their opinions with regards to which sector social enterprises belong to – the for-profit, non-profit or the so-called third sector – a hybrid model of the previous two (Satar, et. al. 2016). In the same manner, there is also a lack of consensus with regards a universal definition of a social enterprise (Singh et al, 2015; Berbegal-Mirabend, et. al. 2019; Bandyopadhyay, Ray, 2019 c; Young, Lecy, 2014; Defourny, Niesens, 2017), however, there is a unified understanding about a social enterprise as primarily focused on solving social problems by applying a business-like approach (Nicholls, 2006; Young, Lecy, 2014; Bandyopadhyay, Ray, 2019 a; Satar, et. al. 2016) which clearly makes it distinctly different from a traditional commercial enterprise or a non-profit organization.
Overview of current situation in Europe and Latvia

As of 2020, social economy provides jobs to 13.6 million people across member states of European Union (European, 2020 a). As Bartha and Bereczk (2019) note, social enterprises in the Central Eastern European region are characterized by weak financial viability which coincides with observations of Ūlande, Līcīte (2018) regarding the situation in Latvia where social enterprises must rely on donations or grants to make ends meet and often operate in “survival mode” (Ūlande, Līcīte, 2018). Bartha and Bereczk (2019), based on their research of social enterprises in Hungary, argue that in order to enhance the ability of social enterprises to earn their own income, public policy should focus on developing the business-mindset of social entrepreneurs’ as well as provide continued access to grants and other forms of financial support, as these factors are found to have the most significant impact on financial viability of social enterprises in Hungary (Bartha, Bereczk, 2019). The development of social economy across European Union member states is not uniform, however, much effort and financial support is invested towards improvement.

Across Europe, government support provided to social enterprises varies significantly. While the social economy of Great Britain is the most well-developed, some countries have not passed any legislation to support their social economy yet (European, 2019). Insufficient public awareness about social enterprises and social entrepreneurship is characteristic of many European Union member countries (European, 2019), including Latvia (Ūlande, Līcīte, 2018). Support for social economy, also coined “economy that works for people” (European 2020 a) is indeed needed as the life-span of social enterprises is shorter than that of traditional enterprises (Berbegal-Mirabend, et. al. 2019). European Union is strongly appreciative of the significant role social economy plays in the public welfare sector of its member states (European, 2020 b). With the aforementioned in mind, cooperation between social economy and traditional enterprises has been a recent research topic of European Commission, recognizing the vital role social economy plays in securing sustainable development. Research results indicate that key to successful cooperation between social economy and traditional enterprises is development of a win-win model between partners, highlight 16 different forms of cooperation that are currently applied to a greater or lesser extent and recommend greater support in terms of various legal policies that could further incentivize the aforementioned partnerships (European, 2019). The recognition and strong support provided to social economy by European Union provides favorable conditions to further development of the social entrepreneurship field in Latvia and motivating people be economically active in social entrepreneurship.

The field of social entrepreneurship in Latvia is young but highly potential. It took close to 10 years, since the introduction of the concept of social entrepreneurship in Latvia in 2009 (Līcīte, 2018, a), for the Law of Social Enterprise to come into force on the 1st of April, 2018 (Saeima, 2017). The long-term effectiveness of the Social Enterprise Law has been a source of debates, resulting in several challenges and considerations being highlighted that will require further elaboration (Ūlande, Līcīte, 2018). While there are approximately 200 social enterprises in Latvia, not all of them have decided to pursue the official status of a social enterprise (Līcīte, 2018, a). Most de facto social enterprises operate as service providers in the social services and healthcare sphere, the largest being Latvijas Samariešu Apvienība (Samaritan Association of Latvia) with an annual turnover of more than 5 million EUR and 700 employees (Ūlande, Līcīte, 2018). Majority of social enterprises which have gained the official status are work-integration social enterprises that produce various design products (Līcīte, 2018 b; Register, 2020). While the concept of social enterprise is politically and legally accepted in Latvia, the understanding of the concept within society is rather narrow - social enterprises are primarily equaled with work integration enterprises (European, 2020 a; Ūlande, Līcīte, 2018). Ūlande, Līcīte (2018) argue that while the partnership among various stakeholders within the Latvian social enterprise ecosystem has im-
proved over the past years, disbelief and skepticism among government and municipality institutions regarding the potential of social enterprises in providing effective solutions to social and economic problems is still widespread (Ūlande, Līcīte, 2018). Despite the aforementioned, the number of social enterprises with official status, majority of them newly established, is steadily growing (Casno et al, 2020 b). While most social enterprises are based in Riga, the success of various support programmes has led to an increasing number of social enterprise initiatives in other cities and rural areas (Ūlande, Līcīte, 2018). Although the field of social entrepreneurship is expanding, a significant drawback for most social enterprises in Latvia is lack of sufficient financial confidence to acquire loans or capital investments - social impact investment as a discipline in Latvia is only at the very early stage of development (Ūlande, Līcīte, 2018). Considering the characteristics of development of social entrepreneurship in Europe and specifically in Latvia, the role of stronger, more professional marketing is invaluable for further growth of social economy.

**Marketing – a much needed key element for social enterprise success**

Marketing plays a significant role in securing long term sustainability for social enterprises (Bandyopadhyay, Ray, 2019, a, b; Satar, et. al. 2016; Batraga, et. al. 2018 a, b; Daugeliene & Liepinyte, 2012). They are deemed to be pioneers of responsible marketing who have significant potential to bring about not only increased economic and social value but also sustainable social change, provided they apply a more strategic and professional approach to their marketing efforts (Bandyopadhyay, Ray, 2019 c). An excellent overview of social enterprise marketing aspects that have previously been in the focus of academics is provided by Bandyopadhyay, Ray (2019, b). However, product and service marketing is a serious challenge for many social enterprises (Bandyopadhyay, Ray, 2019, a, b), including those operating in Latvia (Ličīte, 2018 a, b; Lis, et. al. 2017). As indicated by Bandyopadhyay, Ray (2019, b) marketing efforts in social enterprises are generally characterized by lack of skills, focus on mere promotion of products without a deeper strategy beyond, low-cost marketing approach relying on personal networks and social platforms, inherent battle between social and economic aspects, legacy mindset of inferior role of marketing, lack of financing, importance of awareness building and need to simultaneously cater their marketing efforts to different stakeholders (Bandyopadhyay, Ray, 2019, b). Researchers are increasingly paying attention to the marketing aspects of social enterprises and providing practical recommendations with regards various marketing applications and innovations in this sphere as it is important also for the society – to encourage activities of social inclusion and motivating for entrepreneurial activities to the part of society often being not so confident in their success and abilities of self-realisation and getting recognition as their produced goods or services are realized in the market.

Although social enterprises may increase their performance by integrating the best marketing practices of traditional enterprises (Newbert, 2012), social enterprise marketing is unique due to the duality of their mission and necessity to meet the needs of various stakeholders under circumstances of limited resources (Bandyopadhyay, Ray, 2019, b). Satar, et. al. (2016) also have argued for a unique approach to social enterprise marketing and consider social marketing a viable option (Satar, et. al. 2016). Singh, et. al. 2015, Daugeliene, 2016, however, highlight that for social marketing to succeed, the internal and external context (environment) of the social enterprise should be integrated in the campaigns and the socioeconomic profile of consumers as well as the type of social enterprise should be taken into account (Singh et al, 2015). Berbegal-Mirabend, et. al. (2019) accentuate how important it is for social enterprises to have a well-crafted mission statement and argue that such components as customers and product or service offer should be the primary focus for social enterprises when building their mission statements as they are associated with higher economic performance, however, the relative importance of various mission statement components changes depending on the maturity and size of the social enterprise (Berbegal-Mirabend, et. al. 2019). Researchers have also provided recommendations for social enterprises for
more efficient communication and relationship-building with their target audiences. Tsai, et. al. (2020) recommend social enterprises to focus on increasing transparency of their social impact and overall benefits provided to the larger society, as well as to focus on operational transparency to increase consumer confidence in product quality and implement word-of-mouth marketing practices (Tsai, et. al. 2020, p. 359). Bandyopadhyay and Ray (2019 a) argue that relationship marketing is essential for social enterprises to gain acceptance of their new products and services and increasing their value which results in more sustainable operational outcomes due to stronger relationship with target audience and surrounding community (Bandyopadhyay, Ray, 2019 a). Casno, et. al. (2019, a, b) highlight the role of pleasant in-store shopping experience for consumers and the significance of digital presence as factors that motivate socially responsible purchases in Latvia the most (Casno, et. al. 2019 a) and also investigate the information channel preferences of Latvian social enterprise product and service consumers which suggest that the top three communication channels with the highest potential to drive social economy are social networks, followed by television and radio (Casno, et. al. 2019, b). According to the opinion of Authors, the amount of research concerning marketing aspects of social enterprises is slowly increasing, however, this topic is still relatively under-researched given the critical role it plays for social enterprise sustainability and may never lose its actuality given the ever-changing and dynamic challenges posed by the modern world. In Latvia, according to the knowledge of Authors, only several research articles are available on the topic of marketing aspects of social enterprises, therefore Authors hope to further expand the knowledge regarding social enterprise marketing and provide practical recommendations to assist social entrepreneurs in their decision-making processes.

For data collection purposes, Authors applied quantitative research design in the form a survey which requested respondents to evaluate the various characteristics of social enterprise marketing content on a scale 1-10 in order to be able to conduct a more detailed analysis and respond with a “yes” or “no” to questions reflecting their actual interest in the marketing content provided by Latvian social enterprises and if they have recommended social enterprise products or services to anyone. Survey realized with survey tool QuestionPro which ensures excellent monitoring of the survey process and get survey data in SPSS format to make deeper analysis of the obtained data in the survey. Social enterprise customers are estimated as 5% of the active population (CSB of Latvia, 2019), it means 5% from 800 000 persons are 4000 persons. Survey was available online and was filled out by 329 respondents (8,22% of the hypothetical population), 224 of whom completed the survey in full. Respondents were mainly of female gender, of age group 16-45 with a higher education degree and majority had made a purchase from a social enterprise at least once in 2018. Overall, a significant proportion of respondents are interested in the informational content provided by social enterprises, as confirmed by the summary of responses in Figure 1.

The above 136 positive responses from respondents indicate that social enterprises are well-capable to attract and retain the attention of their customers, however, taking into account that overall 174 respondents had made purchases from social enterprises in 2018, Authors con-
clude that almost 22% of them did not pursue further interest in social enterprise activities, which also taking into account the high share of respondents who did not provide an answer to this question, indicates a significant potential for social enterprises to improve the effectiveness of their marketing. An almost equally high proportion of respondents have also recommended the products and services of Latvian social enterprises to their friends or acquaintances as reflected in Figure 2, which confirms relatively strong support of social economy on behalf of the consumers or social enterprise products and services and a positive word-of-mouth marketing trend.

However, taking into account that 174 respondents actually made purchases in 2019, almost 20% of them may not have been confident enough to recommend a social enterprise due to various considerations. While the aforementioned results confirm interest in and support to the Latvian social economy, they also clearly highlight that there are significant opportunities for engagement with existing and potential audience that social enterprises are not fully exploiting.

As not all customers have to think about marketing aspects - not all respondents have provided their evaluations related to marketing communications context of Latvian social enterprises (not all aspects were asked to be evaluated), a little more than 120 respondents (for different analyzed aspects from 123 respondents to 126 respondents) provided their opinions regarding marketing communications of social enterprises they are familiar with by evaluating several characteristics, as reflected in Table 1 below.

| Statistical indicators | Aesthetic | Interesting | Noticeable | Convincing | Regular | Captivating |
|------------------------|-----------|-------------|------------|------------|---------|-------------|
| N Valid                | 125       | 124         | 126        | 126        | 123     | 123         |
| Missing                | 204       | 205         | 203        | 203        | 206     | 206         |
| Mean                   | 7.45      | 7.42        | 6.83       | 6.94       | 6.39    | 7.17        |
| Standard Error of Mean | 0.158     | 0.144       | 0.172      | 0.176      | 0.201   | 0.177       |
| Median                 | 8         | 8           | 7          | 7          | 7       | 8           |
| Mode                   | 7         | 8           | 7          | 7          | 7       | 8           |
| Standard Deviation     | 1.762     | 1.608       | 1.931      | 1.979      | 2.235   | 1.962       |
| Variance               | 3.104     | 2.587       | 3.729      | 3.916      | 4.994   | 3.848       |
| Range                  | 9         | 8           | 9          | 9          | 9       | 9           |
| Minimum                | 1         | 2           | 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
On average, social enterprise customers are rather modest in their evaluations of provided characteristics of social enterprises’ marketing communications content – while mean indicators are clearly above average for all characteristics, they do not reach 8 or above for any of the characteristics provided which highlights marketing challenges of social enterprises and is consistent with previous research. Social enterprises are currently doing best at generating aesthetic and interesting content but would need to work most on increasing the regularity and visibility of the content they provide as well as on the ability of the actual message to bring in sales.

Opinions of respondents do vary across age groups (age groups above 56 years were excluded from analysis as they were represented by only 3 respondents in total), as reflected in Table 2 below.

| Age group | Aesthetic | Interesting | Noticeable | Convincing | Regular | Captivating |
|-----------|-----------|-------------|------------|------------|---------|-------------|
| 16 - 25   | Mean 7.36 | 7.82        | 6.73       | 7.09       | 6.55    | 7.36        |
|           | N 11      | 11          | 11         | 11         | 11      | 11          |
|           | Standard deviation 1.362 | 1.722 | 2.328 | 2.663 | 2.697 | 1.912 |
| 26 - 35   | Mean 7.52 | 7.40        | 6.72       | 6.98       | 6.34    | 7.11        |
|           | N 58      | 57          | 58         | 57         | 56      | 57          |
|           | Standard deviation 1.678 | 1.438 | 1.673 | 1.747 | 2.193 | 1.887 |
| 36 - 45   | Mean 7.32 | 7.36        | 7.00       | 7.10       | 6.44    | 7.38        |
|           | N 38      | 39          | 39         | 40         | 39      | 37          |
|           | Standard deviation 2.028 | 1.678 | 2.077 | 1.997 | 2.049 | 1.977 |
| 46 - 55   | Mean 7.60 | 7.53        | 6.73       | 6.27       | 6.73    | 6.80        |
|           | N 15      | 15          | 15         | 15         | 15      | 15          |
|           | Standard deviation 1.682 | 2.031 | 2.282 | 2.154 | 2.404 | 2.305 |

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

Respondents of age groups 46-55 and 26-25 find the aesthetics of social enterprise marketing communications to be most appealing compared to the mean indicator of all respondents for this characteristic. Respondents of age group 16-25 find the content most interesting, however, the age group of 36-45 find the content to be most visible and convincing, compared to other groups. With regards regularity, the age group of 46-55 have provided the most favorable evaluation but age groups of 36-45 and 16-25 are most captivated by social enterprise marketing content. Across all age groups, except for age group of 46-55, the greatest concern of social enterprises should be the regularity of the content they provide. Social enterprises with age group of 46-55 years as their target audience, should particularly focus on the ability of the content to convince, as this age group on average has provided the lowest evaluation for this characteristic compared to others. While social enterprises are doing a little better at reaching the audience of 36-45, compared to others, visibility is the second major concern that social enterprises should pay attention to across all age groups. Although differences in evaluations among various age groups.
groups are not statistically significant, they still provide a valuable insight and a general roadmap for enhancing the marketing efforts across various age groups. Overall, comparatively low evaluations on content regularity and lack of its visibility indicates that the visually pleasing and interesting marketing messages of Latvian social enterprises often may not reach their audience either because of constraints of financial or human resources or lack of skills to select the appropriate medium of communication which is consistent with previous research in the field of social enterprise marketing.

Opinions of respondents regarding various characteristics of social enterprise marketing content also vary across the place or residence of respondents, as reflected in Table 3 below.

| Place of residence | Aesthetic | Interesting | Noticeable | Convincing | Regular | Captivating |
|--------------------|-----------|-------------|------------|------------|---------|-------------|
| Riga               | Mean      | 7.46        | 7.34       | 6.82       | 7.00    | 6.43        | 7.15        |
|                    | N         | 74          | 74         | 74         | 74      | 74          | 73          |
|                    | Standard deviation | 1.896   | 1.762      | 1.996      | 2.020   | 2.270       | 2.032       |
| Administrative territories surrounding Riga | Mean | 7.00 | 7.18 | 6.67 | 6.41 | 5.59 | 6.75 |
|                    | N         | 17          | 17         | 18         | 17      | 17          | 16          |
|                    | Standard deviation | 1.275   | 1.237      | 1.910      | 1.372   | 1.698       | 1.291       |
| Kurzeme            | Mean      | 7.78        | 7.56       | 6.44       | 6.70    | 6.11        | 7.22        |
|                    | N         | 9           | 9          | 9          | 10      | 9           | 9           |
|                    | Standard deviation | 0.667   | 0.726      | 1.810      | 2.312   | 2.028       | 1.922       |
| Vidzeme            | Mean      | 7.59        | 7.88       | 7.18       | 7.00    | 6.63        | 7.41        |
|                    | N         | 17          | 16         | 17         | 17      | 16          | 17          |
|                    | Standard deviation | 1.839   | 1.500      | 1.944      | 2.092   | 2.473       | 2.320       |
| Zemgale            | Mean      | 7.63        | 7.63       | 6.88       | 7.63    | 7.71        | 7.63        |
|                    | N         | 8           | 8          | 8          | 8       | 7           | 8           |
|                    | Standard deviation | 2.200   | 1.847      | 1.808      | 2.200   | 2.498       | 1.923       |

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

Respondents residing in the administrative territories surrounding Riga have evaluated the marketing content of social enterprises below average across all characteristics and have provided only slightly above average evaluation with regards to the regularity of the marketing content which indicates that, for social enterprises operating in this area, this may be a major concern. Respondents from Kurzeme and Vidzeme are especially appreciative of the aesthetics of the marketing content and consider it more interesting compared to other groups. However, respondents from Zemgale have indicated higher than average evaluations for regularity of the content.
which may indicate that social enterprises from this area may be better equipped in this position. Although the differences in evaluations among various respondent groups based on their place of residence are not statistically significant, they may also provide valuable insight with regards the areas of marketing communications content where social enterprises operating in particular area are doing better than others or, on the contrary, may need significant improvement.

With regards the gender of respondents, women on average tend to provide more positive evaluations than men across all characteristics of marketing communications provided, as reflected in Table 4 below.

| Gender | N  | Mean | Standard deviation | Standard error of mean |
|--------|----|------|--------------------|------------------------|
| Aesthetic | | | | |
| Female | 111 | 7.61 | 1.722 | 0.163 |
| Male | 12 | 5.92 | 1.564 | 0.452 |
| Interesting | | | | |
| Female | 110 | 7.55 | 1.548 | 0.148 |
| Male | 12 | 6.25 | 1.865 | 0.538 |
| Noticeable | | | | |
| Female | 112 | 7.02 | 1.796 | 0.170 |
| Male | 12 | 5.33 | 2.188 | 0.632 |
| Convincing | | | | |
| Female | 112 | 7.16 | 1.809 | 0.171 |
| Male | 12 | 5.25 | 2.137 | 0.617 |
| Regular | | | | |
| Female | 109 | 6.61 | 2.130 | 0.204 |
| Male | 12 | 4.75 | 2.137 | 0.617 |
| Captivating | | | | |
| Female | 109 | 7.35 | 1.868 | 0.179 |
| Male | 12 | 5.75 | 2.221 | 0.641 |

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

Furthermore, Authors find these differences to be statistically significant, which indicates that Latvian social enterprises may be more effective at communicating with female rather than male audience. This also suggests that male audience may be more critical of social enterprise marketing content and may potentially demand greater effort on behalf of Latvian social enterprises. Overall, Authors have highlighted that social enterprise consumers are supportive of social enterprises and their cause and are also interested in the marketing content provided, however, research results indicate that the full potential of word-of-marketing is not used suggesting that there is significant room for improvement. With regards marketing communication content, social enterprises are most appreciated by consumers for aesthetic and interesting content. On the drawback side – the greatest challenges for social enterprises are to provide content on a regular basis and achieve visibility.

Current research focuses on social enterprises working in the Latvian B2C market and includes social enterprises working in such areas as education and culture, charity shops and design products. Further research could expand the scope of social enterprises to include those operating in the B2B market and also include social enterprises working in other areas (e.g. catering etc.). Another innovative and valuable path of future research area would be to study social enterprise marketing from the point of view of social enterprises themselves.
Conclusions and recommendations

Majority of social enterprise customers are interested in the marketing content provided by Latvian social enterprises and have previously recommended social enterprises’ products and services to others, thus highlighting a general positive attitude and support towards social economy. However, there are significant relationship-building and sales opportunities that are not fully exploited and indicate a need to create a stronger bond with consumers as well as to increasingly pay attention to quality aspects of products and services which are significant for the success of word-of-mouth marketing, those aspects could be deeper analyzed in future research.

While social enterprises are currently best-skilled at providing aesthetic and interesting marketing content, some of the biggest challenges are to ensure its regularity and visibility. Since the lower evaluations for aforementioned characteristics may be directly associated with lack of financial resources and skills, Authors recommend greater support from Ministry of Welfare of Republic of Latvia for development of support programs with the aim of increasing the marketing skills of social enterprises as well as promoting close win-win cooperation between commercial outdoor, print and online media holders and social enterprises (e.g. subsidized advertisement spaces while they are not used by commercial clients in return for lower taxes).

Overall, marketing communications content provided by Latvian social enterprises is higher evaluated by women than by men. With regards age groups, respondents of age 16-25 find the content of social enterprise marketing particularly interesting, respondents of age 46-55 and 26-25 have provided the highest evaluations for aesthetics, however, respondents of age group 46-55 have provided the lowest scores for the ability of content to convince thus social enterprises who are targeting the aforementioned audience may benefit from improving this aspect. The evaluations indicated by respondents residing in the territories surrounding Riga may suggest that social enterprises operating in this area may significantly enhance the effectiveness of their marketing content by improving its regularity.

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