

PUBLIC RECOGNITION OF THE SOCIAL ENTREPRENEURSHIP SECTOR IN LATVIA AND THE WAY FORWARD

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Abstract. In Latvia social entrepreneurship is relatively new, but highly potential. Especially over the last 5 years many incremental positive developments have resulted in 193 social enterprises with the official status as of September 30, 2021, the overall competitiveness of the sector remains relatively low as social enterprises struggle with digital skills, sales and marketing. Many are fighting to make ends meet with limited budgets and high degree of uncertainty, especially under the circumstances of the Covid-19 pandemic. Research findings from 2019 reveal average or below average information levels within Latvian society and confirm the significant positive role awareness and information about the social entrepreneurship sector within society plays in generating sales in the social economy sector. The purpose of the research is to provide the newest and in-depth data on the degree of public recognition and awareness of the social entrepreneurship sector in order to determine potential directions for improvement with practical implications for social enterprises as well as public authorities. Research methods are analysis of previously conducted research and survey of 1026 respondents. Research results indicate a need to delineate the concept of a social enterprise by clearly distinguishing it from such organization types as a non-governmental organization or charity. Significant number of respondents possess a general idea of what social entrepreneurship is about and express willingness to support social economy by purchasing social enterprise products and services. Challenges remain in the need to increase awareness and reduce the presence of various misconceptions about social enterprises and social entrepreneurship.

Keywords: public recognition, social entrepreneurship, social enterprise, Latvia.

JEL code: O36; Z18; P46

Introduction

Social entrepreneurship has been widely recognized today within European Union and globally as a powerful solution to a wide range of the world's most pressing problems - starting from social inequality to climate change. In Latvia social entrepreneurship sector is relatively new, but highly potential. Especially over the last 5 years, many incremental positive developments have yielded 193 social enterprises with the official status as of September 30, 2021 (Register, 2021). The overall competitiveness of the sector remains relatively low as social enterprises struggle with digital skills, sales and marketing. Many are fighting to make ends meet with limited budgets and high degree of uncertainty, especially under the circumstances of the Covid-19 pandemic. At the same time, social enterprises are facing many expectations from the government and financial authorities in terms of performance, well-crafted business plans, duly filled out paperwork etc. In countries with such a small market as Latvia, for social entrepreneurship initiatives to flourish locally, be able to face competition from commercial enterprises and gather sufficient competency and resources for internationalization, there must be a relatively high degree of support and public awareness of the significant role sector plays within society. Society needs to have a very clear understanding of the concept of social entrepreneurship, free from any misconceptions and biases. Promotion of the sector, on behalf of public authorities, supporting organizations and social enterprises themselves, plays a critical role here. While role of marketing is invaluable for the development of social entrepreneurship sector, only comparatively recently both in Latvia as well as internationally researchers have started paying more attention to the marketing aspects specifically within the social entrepreneurship sector, providing valuable insights and recommendations for practitioners willing to promote the sector. In the light of the aforementioned, this research aims to explore the current state of public recognition of the social entrepreneurship sector in Latvia to provide recommendations for public authorities and social enterprises seeking to promote the sector and contribute to the growing body of research on marketing aspects in the social entrepreneurship context in Latvia. Research methods applied: analysis of scientific publications and analysis of survey on various aspects of public awareness of social entrepreneurship in Latvia, which was conducted by the Social Entrepreneurship Association of Latvia. Tasks of research: 1) to analyse previously conducted research; 2) to analyse survey data; 3) to provide recommendations based on research results. Survey results were analysed using such statistical analysis methods as analysis of descriptive statistics and cross-tabulations.

Literature Review

Social enterprises have been recognized as an effective solution for achieving sustainable development (Bartha, Bereczk, 2019; Blagoycheva, 2019; Littlewood, Holt, 2018), balancing out the failures of capitalism (Baglioni, 2017; Mansfield, Gregory, 2019; Brdulak et al 2019), solving various social and economic problems (Bandyopadhyay, Ray, 2019; Berbegal-Mirabend et al 2019) and driving innovations (Monroe-White, Zook 2018). Prodanov (2018) has specifically accentuated the role of social entrepreneurship in reducing social inequality and social stratification, provided authorities integrate social entrepreneurship in their agendas, "...social entrepreneurship must be embraced by the state and political parties that are able to put it in the center of their socio-economic policies" (Prodanov, 2018, p.136). The previously described significance and recognition of social enterprise and social economy is well summarized in the recent report *The State of Social Enterprise in Europe – European Social Enterprise Monitor 2020-2021*. The aforementioned report recognizes social entrepreneurs "... as key actors to build a society and economy where people and the planet are at the centre and to reach the United Nations Sustainable Development Goals (SDGs) by 2030" (Dupain et al 2021, p.12). Given the young age of the social entrepreneurship sector in Latvia, there is still a long way ahead before social enterprises in Latvia will reach the same level of recognition and support from the government as they enjoy in the developed countries. Nevertheless, with the help of financial grants and increased publicity, the number of social enterprises with official status is continuing to grow (Register, 2021).

Although, the development of the sector in Latvia is continuing, the overall competitiveness of the sector remains rather low (Dobele, Pietere, 2015; Casno, Sloka, 2020). The Covid-19 pandemic also negatively affected the sector, although it also showed some signs of resilience as some social enterprises managed to adapt successfully especially with the help of digital technologies (Casno, Sloka, 2021 b). However, the digital skills of social enterprises (work integration social enterprises specifically) in the context of presence and activity in the digital environment vary significantly, indicating a need for improvement of skills (Casno, Sloka, 2021 a). Overall, public recognition and awareness of the sector is weak (Ūlande, Līcīte, 2018; Dobele, Pietere, 2015), although preliminary research results from 2019 reveal average or below average information levels within Latvian society (Casno, Šķiltere, Sloka, 2020 a). Social enterprises struggle with marketing and sales (Lis et al, 2017; Līcīte, 2018) which prevent further expansion of operations regionally and internationally. While overall people appreciate the marketing content provided by social enterprises, marketing messages lack visibility and regularity (Casno, Šķiltere, Sloka, 2020 b) which potentially indicates lack of marketing skills as well as lack of financial resources for implementation of comprehensive integrated marketing campaigns. In Latvia social enterprises are also very often equalled with work integration enterprises (Ūlande, Līcīte, 2018) which indicates a

rather narrow understanding of the concept within society. Overall, improvement in public awareness is critical for development of the social entrepreneurship sector as research results confirm that, on average, the more informed consumers are, the more often they make purchases from social enterprises (Casno, Šķiltere, Sloka, 2020 a). Increased public awareness, resulting from more effective and strategically sophisticated informative and marketing campaigns on behalf of public authorities and social enterprises (provided they receive appropriate training), has the potential to not only contribute to the development of social economy but also stimulate interest and the efforts of social enterprises towards upscaling and internationalization (under the pre-condition of sufficient resources and management capacity), of which the latter, while yet underdeveloped as a research strand (Misbauddin, Nabi, 2019), has also been an important topic on the agenda of researchers.

Internationalization is certainly not a prerogative only for commercial enterprises, however, the aforementioned, compared to social enterprises, may exploit certain privileges in terms of easier access to capital, better skills and capacities etc. especially in countries where social entrepreneurship is yet underdeveloped. Nevertheless, social enterprises, if possible, should explore opportunities to scale their impact internationally, especially when the domestic market is small, as it could not only provide additional revenue but also provide new market opportunities. Magoulios et al (2019) in the context of Greek social enterprises have highlighted enhanced viability and growth as positive effects of internationalization, "specifically related to strengthening their competitive position in the domestic and international markets, by raising capacity innovation, increasing sales, creating new jobs and acquiring a healthier financial position (Magoulios et al, 2019, p.239). Additionally, Weber et al (2015) have identified such benefits as economies of scale, opportunity to apply of ideas and practices learned from the foreign country in the domestic context, and opportunity to develop partnerships with either international non-governmental organizations or commercial enterprises seeking to establish cooperation both in the domestic as well as international context (Weber et al, 2015). Kusa (2016) have highlighted such dimensions of international social entrepreneurial activity as type of activity, scale of activity (global vs selected markets) and internationalization path (gradual expansion vs the so-called "born-globals") (Kusa 2016). Overall, the extent to which social enterprises internationalize is determined by a combination of demand and supply side and contextual and institutional factors that determine the interplay between the aforementioned two (Spear, 2006 as cited in Kusa, 2016). Specifically in Europe, the degree of internationalization in the social economy sector can be explained with such factors as, "the development level of economic and social systems, the characteristics of the welfare systems, the role of the traditional third sector, and the nature of the underlying legal systems" (Borzaga and Defourny, 2001 as cited in Kusa, 2016, p. 83).

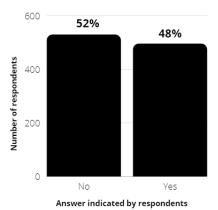
Weber et al (2015) have referred to transnational scaling rather than internationalization which may be a better fitting term for the context of social entrepreneurship as social entrepreneurs are primarily concerned with scaling social impact. Their analysis of social enterprises in 5 European countries (Germany, United Kingdom, France, Spain, Poland and Sweden), of which United Kingdom revealed the highest proportion of social enterprises who managed to scale internationally (i.e.22%), revealed obstacles associated with cultural and legal environment as well as geographical distance and shortage of human capital indicating a need for extremely careful planning and coordination for transnational scaling to succeed. A significant drawback identified was also shortage in financial resources incurred during internationalization (Weber et al 2015), Misbauddin and Nabi (2019) have referred to the firm specific context-specific and entrepreneur-specific factors as significant in identification of internationalization opportunity and its implementation (Misbauddin, Nabi, 2019). In the context of the aforementioned Weber et al (2015) have recommended transnational scaling only once the model of operation of the social enterprise is tested for robustness and financial sustainability and has undergone national scaling successfully – i.e. when the social enterprise has reached considerable maturity. A success factor is scaling to countries which are geographically close or culturally similar and select a local partner /-s for scaling who already has considerable knowledge of the new environment and also access to a variety of networks (Weber et al, 2015). The role of utilization of networks in overcoming any barriers to internationalization was also accentuated by Misbauddin, Nabi, 2019. Overall, exporting as a type of internationalization has been also identified as a viable option for social enterprises as they can continue to provide social impact locally rather than at a foreign country and export their products or services and generate revenue from sales abroad (Misbauddin, Nabi, 2019). Magoulious et al (2019) have recommended social enterprises to engage in internationalization via a model of networked businesses and also suggested specifically indirect exports as another low cost and low risk option for internationalization (Magoulios et al, 2019). While public recognition per se will not be sufficient to induce social enterprises into internationalization, strategic efforts and support towards greater awareness will certainly be perceived as a significant sign of support from public authorities and government, thus building a solid foundation of a bridge towards internationalization.

Research results and discussion

Research results were obtained using online survey research method, which allows convenient and fast collection of data and contributes to efficiency of data analysis. Survey was conducted from the 7th to 14th of July, 2021 by Social Entrepreneurship Association of Latvia and yielded a total of 1026 responses from the target group defined as permanent residents of Latvia within the age group of 18-75. The obtained sample of responses had the following characteristics: in relation to gender: 47.2% males, 52.8% females; in relation to age group: 18-24 years (8.5%), 25-34 years (17.4%), 35-44 years (18.4%), 45-54 years (18.5%), 55-60 years (13.7%) and 61-75 years (23.5%); in relation to place of residence: Riga region (49.6%), Latgale (13.8%), Kurzeme (13.2%), Vidzeme (10.9%) and Zemgale (12.5%). In relation to occupation, majority of respondents (32.2%) were specialists or clerks (performers of mental work), followed by workers (performers of physical work) (17.6%), retired persons or recipients of disability pension (17.1%) and managers (with at least one subordinate) (12.8%). The occupations such as self-employed (5%), students (4.5%), housewives (4.5%), unemployed (5%) and farmers (0.8%) and were represented the least. More than half of respondents (58.6%) indicated Latvian language as the spoken language in their family, 39.6% indicated Russian but 1.8% indicated other language. Majority of respondents (22.5%) did not indicate their earnings (i.e. selected "Difficult to say"), but of those who did, (20.2%) indicated average monthly earnings after taxes per family member between 550-1000 EUR, followed by earnings between 300-399 EUR (16.3%) and earnings of 1001-1500 EUR (14.8%). Overall, with regards involvement in public activities (multiple answers were allowed), 33.72 % of respondents indicated that they actively follow changes in social policies in Latvia. However, a similar proportion (33.24%) indicated that they are not socially active. 19.88% of respondents indicated that they publicly express their opinions and proposals in the social policy context, 8.58% indicated that they are a member of a non-governmental organization, 8.19% indicated that they are a member of a socially active group, but 6.82 % indicated

Overall, a little less than half of respondents indicated that they know what social entrepreneurship is, as reflected in Figure 1 below.

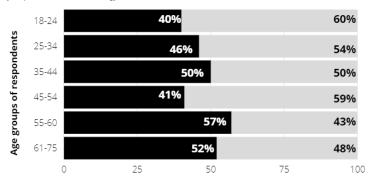




Source: author's construction based on survey data, n=1026

Fig. 1. Number of respondents by answer to the question "Do you know what social entrepreneurship is?",

Most often, females (50% compared to 46% males) and speakers of Latvian language (55% compared to 39% Russian speakers and 42% other language speakers) provided affirmative answers. With regards age groups, respondents of age groups above 55 where most often informed about what social entrepreneurship is, as reflected in Figure 2.



Percentage of respondents who indicated "Yes" or "No" to question "Do you know what social entrepreneurship is?"

Source: author's construction based on survey data, n=1026

Fig. 2. Percentual distribution of respondents answers "Yes" or "No" to the question "Do you know what social entrepreneurship is?" by age groups

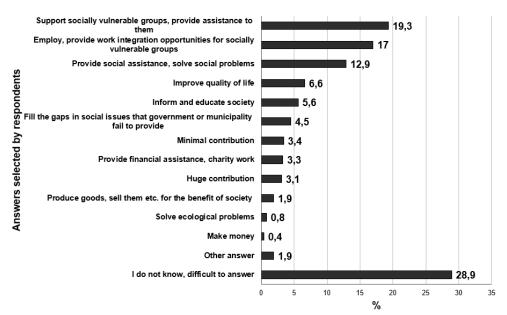
With regards place of residence, Latgale is the only region where respondents indicated affirmative answers above the 50% threshold – i.e. 53%. The distribution of affirmative answers by remaining regions is as follows – 46% in Riga, 50% in Vidzeme and Kurzeme and 48% in Zemgale. The highest proportions of affirmative answers – 67% and 62% were found among respondents who belonged to a socially active group and were a member of a nongovernmental organization respectively. 57% of respondents who were actively following changes in social policies also indicated that they knew what social entrepreneurship was. Overall, with regards the educational level and income, the higher the income and education level of respondents, the more often they provided affirmative answers to the question about the concept of social entrepreneurship. With regards the occupational profiles of respondents, only managers and housewives indicated affirmative answers above the 50% threshold – i.e. 58% and 54% respectively.

In order to obtain an in-depth view of the overall thoughts and viewpoints, respondents were asked to name the first associations that came to their minds when thinking about social entrepreneurship. Overall, only 16.2% of respondents associated social entrepreneurship with business, enterprise or production processes that are oriented towards people and society at large (i.e. creation of social value) which was also the most frequent association. 14.5% of respondents associated social entrepreneurship with disabled people, their employment and assistance to the disabled. While the aforementioned associations were most precise and appropriate for the context of social entrepreneurship in Latvia, the remaining associations only partially reflected what social entrepreneurship is about (e.g. social care and social care homes (12.8%), support for the socially vulnerable groups (10.7%), social assistance (9.9%), well-being of society (8.3%), responsibility for social issues (6.6%), promotion of education (2.9%), people (2.3%), work and employment (2.1%) or reflected misconceptions about the concept (non-governmental organizations (4.5%), influencers, internet and Facebook (2.1%), volunteer work (1.9%). While the misconceptions about social entrepreneurship constitute a relatively small proportion, nevertheless, the aforementioned results indicate for a need to emphasize the double-bottom line of social entrepreneurship in marketing materials and informational campaigns for the public.

The ambiguity and lack of clear boundaries of the concept of social entrepreneurship among respondents was further confirmed by the significant variety in organizational types that respondents indicated as social enterprises. Respondents most often indicated social care centers and shelters (4.9%), non-governmental organization "Red Cross" (3.5%) and "Ziedot.lv" (3%), government social service (2.5%) as social enterprises, which reflects a strong image of a social enterprise as a form of non-governmental organization. Among social enterprises with official status that were recognized by respondents are "Otrā elpa" (2.4%) and animal shelter "Ulubele" (1.7%). Several other social enterprises were recognized but significantly less often (e.g. "Mammām un Tētiem" (0.7%), "Sonido"(0.5%), "Visi Var"(0.5%), "Hopp" (0.5%), "Lude" (0.4%), "RB Café"(0.4%), "Dabas Zirgi" (0.3%), "Tuvu" (0.3%) and "Svaigi.lv" (0.2%). However, respondents also recognized several *de facto* social enterprises which operate as non-governmental organizations but also perform some functions of a social enterprise e.g. "Red cross" (3.5%) and "Latvian Samarithan Association" (2.3%) both of which have a long history of operation in Latvia. The aforementioned image of a social enterprise as a non-governmental organization is partially correct as many *de-facto* social enterprises exist which operate under the form

of a non-governmental organization, association or foundation, however, for purposes of effectiveness and clarity of communication, information campaigns may benefit from a stronger orientation and focus on business aspects of the social enterprise.

In order to evaluate the degree of understanding of the concept of social entrepreneurship, respondents were asked to indicate what kind of contribution or value social enterprises provide to the well-being of society. While the largest proportion of respondents indicated that they do not know/difficult to answer (28.9%), overall, results revealed a rather good understanding of the social value provided by social entrepreneurship, as reflected in Figure 3 below.

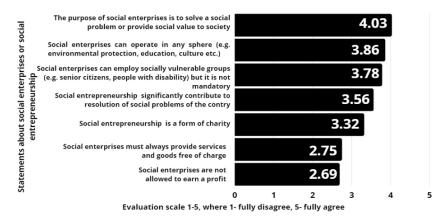


Source: author's construction based on survey data, n=1026

Fig. 3. Distribution (share in %) of answers indicated by respondents to the question "What kind of contribution or value social enterprises provide to the well-being of society?"

Taking into account that answers were provided to respondents, and previously 52% of respondents indicated that they did not know what social entrepreneurship was, roughly 20% of respondents may have selected their answer by guessing. Nevertheless, a significant proportion of respondents indicated correct statements. While 17% of respondents correctly identified the value of a social enterprise in work integration, only 1.9% identified the associated value of production of goods and services for the well-being of society. A strong association of social enterprises as mainly engaged in social service provision remains. For promotion of correct and clear image of social enterpreneurship within society, the role of social enterprises as profitable businesses with a social mission should be emphasized.

Another means of establishing the actual knowledge and any potential misconceptions about social enterprises among respondents was a question where respondents were asked to indicate their level agreement to various statements about social enterprises and social entrepreneurship. All correct statements were evaluated by respondents on average with an indicator above 3.5 suggesting moderate agreement or, in the case of the statement about social enterprise purpose being providing solutions to social problems or providing social value, even 4.03, suggesting agreement, as reflected in Figure 4.



Source: author's construction based on survey data, n-1026, evaluation scale 1-5, where 1-fully disagree, 5-fully agree

Fig. 4. Arithmetic mean indicators of degree of agreement to statements about social enterprises or social entrepreneurship among respondents

It is evident that the remaining statements that were not true also received a relatively high degree of agreement, especially the statement about social entrepreneurship as a form of charity, which may reflect inherent opinions within society and suggests a need to particularly address this misconception in informational campaigns. The remaining two misconceptions, evaluated on average with an indicator of a little below 3, while indicate a certain degree of doubts about the statements, also suggest that respondents were not fully convinced of the statements being

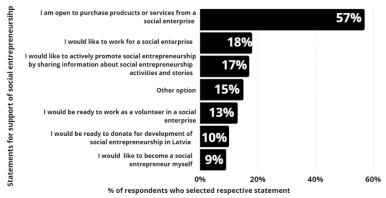


incorrect thus indicating for a need to clarify them in any information dissemination activities. Analysis of the aforementioned data by gender, age group, place of residence and level of education do not reveal any significant deviations from the aggregate mean indicators. Among respondents from Latgale region there is highest agreement (i.e. average mean indicator) to the statement that the purpose of social enterprises is to solve a social problem or provide social value to society (i.e. 4.15), followed by respondents from Zemgale (4.09) and Riga region (4.06). The aforementioned statement has also received the highest agreement among respondents of age groups 61-75 (4.22), 55-60 (4.11) and also among respondents with higher education (4.13). No other statements have reached the threshold of indicator of value 4, neither by gender, place of residence or age group, nor have they, in case of misconceptions, reached a threshold of below 2.4.

In order to evaluate the effectiveness of previous information dissemination efforts, respondents were asked to indicate whether they have noticed information about social entrepreneurship in public space, media or social networks. Research results, taking into consideration the relatively young age of the sector and the fact that it can be assumed that respondents may have not had any previous purchasing experience from social enterprises, indicate solid but still relatively low visibility of social enterpreneurship - only 23% of respondents provided an affirmative answer (20% were males, 25% were females), which indicates room for improvement. The proportion of affirmative answers was higher for speakers of Latvian language (29% compared to 13% for Russian language speakers and 16% for other language speakers), allowing to conclude that Latvian language possibly dominates in promotional materials about social entrepreneurship. It was also evident that respondents who live in the countryside indicated that they have noticed information about social entrepreneurship significantly more often than respondents living in the cities, which may reflect effectiveness of the regional information campaigns organized by Social Entrepreneurship Association of Latvia. Similarly as in the case with the question about the meaning of social entrepreneurship, respondents who were members of a non-governmental organization, an active social group or actively followed developments in social politics in the country indicated affirmative answers to the question if they had noticed information about social entrepreneurship more often (31%, 29% and 30% of affirmative answers respectively). The same applies for respondents with a higher income level – e.g. respondents with an income level of 1001-1500 EUR provided 28% of affirmative answers, while respondents with an income level of more than 1501 EUR provided even 42% of affirmative answers to the question. What requires further explanation and attention is the fact that while only 23% of respondents had noticed information about social entrepreneurship in public, space, media or social networks, the proportion of respondents who indicated that they knew the meaning of social entrepreneurship, was even slightly more than two times higher (i.e. 48%). The aforementioned gap may indicate that respondents may have erroneously indicated understanding of the concept of social entrepreneurship. However, more importantly it may also indicate insufficient and inefficient selection of information channels suggesting a need for integrated marketing communications or possibly a need to change the communicated content (also in terms of language availability).

To identify the proportion of respondents who have been actively engaged with the topic of social entrepreneurship, respondents were asked to indicate whether they have been searching for information about social entrepreneurship. Of only 231 respondents who answered the question, only 17% provided an affirmative answer, indicating that they have searched for information and have also found what they were looking for and another 4% indicated that they have searched for information but were not able to find what they were looking for. 68% of respondents had never searched for information but 10% indicated that they have never searched for information and social entrepreneurship has never been of interest to them. Lastly, 1% indicated "Other" providing a comment. Overall, women, respondents of age group 55-60, respondents from Riga region and respondents whose spoken language in the family is other than Latvian or Russian and also respondents with the occupational profile of a manager tend to be most often engaged with the concept of social entrepreneurship (i.e. have searched for information and managed to find it) which possibly indicates greater appeal of the concept of social entrepreneurship among those groups, suggesting a need to potentially enhance the informative focus in this direction to stimulate creation of new social enterprises.

Potential engagement with social entrepreneurship sector was also revealed by answers to the question where respondents were asked to indicate how they would be ready to support social entrepreneurship. More than half of respondents indicated their readiness to purchase products and services from social enterprises, as reflected in Figure 5, which suggests an overall positive attitude and high engagement level towards social enterprises.



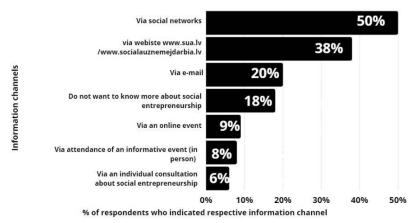
Source: author's construction based on survey data, n=1026 (multiple answers allowed)

Fig. 5. Distribution (share in %) of answers to the question "How would you personally be ready to support social entrepreneurship?

Among the different age groups, the greatest proportion of respondents who indicated willingness to purchase products or services from social enterprises belonged to the age group of 35-44 (66%). Among respondents of age groups 18-24 and 55-60 respondents more often (22% in each group) indicated their willingness to work for a social enterprise. Respondents of age group of 35-44 more often indicated willingness to become a social entrepreneur (13%), but respondents of age group 61-75% more often indicated willingness to work as a volunteer for a social enterprise (18%). With regards willingness to donate for the cause of development of social entrepreneurship, among the various age groups particularly respondents of age group 18-24 indicated interest most often (14%). Respondents of age group 25-34 more often, compared to other groups, indicated willingness to promote social entrepreneurship by sharing information about activities and various stories (24%). In terms of language spoken in the family, speakers language other than Latvian or Russian where particularly interested in purchasing social enterprise products and services (63%), followed by speakers of Latvian language (60%) and Russian language (52%). The aforementioned

results suggest a strong support among respondents with regards purchasing from social economy, while other means of engagement have received significantly less support. Nevertheless, positive trends are observed suggesting a positive influence on social economy in the future.

To obtain an insight with regards the preferred communication channels of respondents, respondents were asked to indicate the preferred means for receipt of information about social entrepreneurship. Social networks as an information channel received the highest preference from respondents, as reflected in Figure 6.



Source: author's construction based on survey data, n=1026, multiple answers allowed

Fig. 6. Distribution (share in %) of answers to the question "How would you like to receive information about social entrepreneurship?

The above results, in accordance with previous research, confirm a need to pay particular attention to social networks as a significant communication channel for both social enterprises as well as public authorities seeking to promote the social economy sector. Website and email communication (particularly preferred by speakers of language other than Latvian or Russian -42%) have also been preferred by a significant number of respondents, indicating a need to invest in those information channels. Overall, respondents favor in person engagement for informative purposes significantly less. Among the different age groups, respondents of age 18-22 significantly more often than other age groups indicate preference for social networks as an information channel (64%).

Conclusions, proposals, recommendations

- 1. Social entrepreneurship is a valuable and effective solution against a variety of social, economic and environmental problems.
- 2. For social enterprises to realize their full potential, public awareness and recognition of the sector is crucial, especially in countries with small markets, such as Latvia.
- 3. While the social entrepreneurship sector has experienced significant developments over the course of the past 10 years, currently only half of population know what social entrepreneurship is.
- 4. Taking into account the young age of the sector and given the size of the market, public awareness and recognition remain to be improved. Previous research from 2019 indicated an average information level of 5.06 about social entrepreneurship among respondents, majority of whom had previously purchased social enterprise products and services (scale 1-10, where 1 not informed at all, 10 fully informed).
- 5. Only a little more than 20% of society notice information about social entrepreneurship in the public space and media, indicating for a need to apply focused integrated marketing campaigns for better results and possibly also to change the communicated content (also in terms of language availability).
- 6. Rather often social enterprises are associated with non-governmental organizations or charities, mainly engaged in service provision rather than generation of social value via economic /business activity.
- 7. For promotion of correct and clear image of social entrepreneurship within society, the role of social enterprises as profit-seeking businesses with a social mission (i.e. double bottom line) should be emphasized, clearly distinguishing them from non-governmental organizations or charities.
- 8. There is a need to pay particular attention to such communication channels as social networks, website and e-mail as they are most preferred among respondents respectively as more than half of society express their support towards social economy indicating their willingness to purchase products or services from social enterprises which indicates a positive influence and potential further growth of the social economy sector in the future.

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