

THE INFLUENCE OF SOCIO-DEMOGRAPHIC CHARACTERISTICS ON PERCEPTIONS OF SOCIAL ENTERPRISES IN ROMANIA

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Abstract: *The purpose of the research is to identify possible correlations between certain socio-demographic characteristics (sex, age, education, occupation, income, residence) and the perception of products and services obtained in social economy entities in Romania. The research objectives were achieved by conducting a sociological survey in the North West, West and North East Regions, among the general public. The research results reveal important aspects of how this public relates to social economy enterprises: identifying the existence of such enterprises in the locality of residence, the interest to purchase products and services offered by social economy entities, the perception of quality and price, the preference for certain products. The limitations of this study are related to the research area (only three administrative regions of Romania), the results emerging from the answers of a limited number of respondents. However, the practical implications are relevant to future entrepreneurs in the social economy, by adapting the marketing strategies to the target audience expectations.*

Key words: *perception, social economy, products, services, socio-demographic characteristics*

INTRODUCTION

The social economy sector, also called the non-profit sector, in recent decades has represented a very interesting research topic because of the economic, political and social implications that it has (Vlăsceanu, M., 2010). The contributions of the third sector in the social and economic development consist in the creation of new jobs, equitable distribution of income, obtaining goods and services better tailored to the needs, achieving social inclusion (Moldovan-Teselios, C., C.B. Pocol, 2012). Strengthening the social economy in the European society is due to its social utility and the multitude of forms it takes: cooperatives, mutual societies, associations and other similar organizations (Monzon, J.L, R. Chaves, 2008). Defourny and Nyssens talk about a “hybridization” of the social enterprise in Europe by combining revenues from sales with the public financial support (public subsidies), donations with voluntary work (Defourny, J, M. Nyssens, 2010). These are different from the social entities in the United States, that are more market oriented and towards independent strategies for obtaining income, in response to lower subsidies from the state.

Comparative studies on the perception of social enterprises (as concept, practice, context) were conducted in countries from seven different regions of the world, Western Europe, East-Central Europe, Japan, the United States, Zimbabwe and Zambia, Argentina, and Southeast Asia, the regional differences of perception being due, in this case, to the different socio-economic context (Kerlin, J.A, 2010). The interest in purchasing the goods or services obtained within the social enterprises is perceived by Moizer and Tracey as follows: on the one hand, consumers buy these products and services to meet their needs and, on the other hand, to support the development of the social objectives of the respective enterprises; thus legitimacy is combined with competitiveness, ensuring the sustainability of these economic entities (Moizer, J., P. Tracey, 2010).

The assessment of the social economy in Romania was carried out by Katsikaris and Parcharidis from three perspectives: resources, effectiveness and results, demonstrating the low capacity of the local communities to initiate social enterprises due to lack of funding and specific legislation (Katsikaris L., J. Parcharidis, 2010).

Arpinte *et al.* analyze the capacity the social economy to contribute to the social inclusion of vulnerable groups in two development regions of Romania: South Muntenia and South West Oltenia. Their analysis is based on three types of entities - cooperatives, nongovernmental organizations and mutual societies, results demonstrating a low development potential, a clear lack of support from the state and a low social impact, by increasing employment only in isolated cases (Arpinte D *et al.*, 2010).

Starting from this state of facts of the social economy in Romania, the present study aims at analyzing the perception regarding the products and services achieved in the social enterprises and how socio-demographic characteristics (sex, age, education, occupation, income, residence) influence this perception.

MATERIALS AND METHODS

The research was conducted within the centers for support of the social vulnerable groups, developed in the following regions of Romania: North-West, West and North-East. These centers were established within the project “An integrated intervention in order to strengthen social entrepreneurship among vulnerable women”, financed by the European Social Fund through the Sectorial Operational Programme for Human Resources Development 2007-2013, Contract POSDRU/84/6.1/S/53513.

The research method was the sociological survey, the investigated population being represented by the general public aged 18 and over. The sample was composed of 305 respondents, who are equally distributed across the three centers, the theoretical margin of error of the sample is 6%. Based on the data collected, it was tested the level of association between the main socio-demographic variables (gender, age group, educational level, occupational status) and three items relevant to the issue under investigation:

1. the interest to purchase products from a social enterprise (“To what extent is your household interested in the purchase of products/services from a social enterprise?”);
2. the perception of the quality offered by a social enterprise (“What do you think, to what extent a social enterprise can provide products or services of a similar quality to that provided by the other competitors?”);
3. the choice of a social enterprise, in the competition with the other companies (“If you were to choose between two products or services of a similar quality and price, one produced/supplied by a social enterprise and the other produced/supplied by another company, which would you choose?”).

RESEARCH RESULTS

Regarding the interest, analyzing the values of the χ^2 association coefficients, values significantly different from 0 are identified at a confidence level of 95% (with Asymp. Sig. values (2-sided) less than 0.005) in the case of education and the income level (table 1).

Table 1

χ^2 values of association between the item “To what extent is your household interested to purchase products/services from a social enterprise?” and the socio-demographic variables

To what extent is your household interested to purchase products/services from a social enterprise	Chi-Square Tests		
	Value	df	Asymp. Sig. (2-sided)
Gendre	4,171	2	,124
Age	3,958	6	,682
Education	15,457	6	,017
Employment	8,393	4	,078
Monthly income per household member	15,39	4	,004

However, χ^2 indicates only association and not what actually occurs between the categories of the two variables. For this, the adjusted and standardized residual values in all cells have to be analyzed, values presented in the table below. If these residual values are greater than 1.96 in absolute value, there is a significant statistical difference between the observed and expected values, at a confidence level of 95%. In other words, those cells are significant contributors for the value of the χ^2 association coefficient. These situations were marked with a frame (Table 2).

Table 2

Percentages at the level of the socio-demographic variables and the adjusted and standardized residual values, in the case of the association between the item “To what extent is your household interested to purchase products/services from a social enterprise?” and the socio-demographic variables

To what extent is your household interested to purchase products/services from a social enterprise?		not at all, to a very small or small extent	to a great or very great extent	I do not know, do not answer	Total
Gendre	male	% 51,7%	44,1%	4,2%	100,0%
		Adjusted Residual	-,1	1,1	
	female	% 52,5%	37,7%	9,9%	100,0%
		Adjusted Residual	,1	-1,1	
Age	18-30 years	% 52,3%	38,5%	9,2%	100,0%
		Adjusted Residual	,0	-,4	
	31-50 years	% 49,4%	43,2%	7,4%	100,0%
		Adjusted Residual	-,6	,5	
	51-65 years	% 51,0%	44,8%	4,2%	100,0%
		Adjusted Residual	-,3	1,0	
66 years and over	% 57,1%	33,3%	9,5%	100,0%	
	Adjusted Residual	,9	-1,3		,8
Education	maximum 8 clasees	% 53,8%	26,9%	19,2%	100,0%
		Adjusted Residual	,2	-1,5	
	vocational school, 10 classes	% 65,5%	27,3%	7,3%	100,0%
		Adjusted Residual	2,2	-2,2	
	high school, post high school, foremen school	% 50,7%	42,1%	7,1%	100,0%
		Adjusted Residual	-,5	,5	
higher education	% 45,2%	51,2%	3,6%	100,0%	
	Adjusted Residual	-1,5	2,3		-1,5
Occupation	activ, unoccupied	% 48,0%	36,0%	16,0%	100,0%
		Adjusted Residual	-,6	-,7	
	retired	% 57,1%	37,1%	5,7%	100,0%

To what extent is your household interested to purchase products/services from a social enterprise?		not at all, to a very small or small extent	to a great or very great extent	I do not know, do not answer	Total	
Monthly income per household member	employed	Adjusted Residual	1,3	-,9	-,7	100,0%
		%	50,0%	44,7%	5,3%	
	maximum 400 lei / member	Adjusted Residual	-,7	1,4	-,2	100,0%
		%	45,3%	41,5%	13,2%	
	401 - 800 lei / member	Adjusted Residual	-1,5	,2	3,0	100,0%
		%	64,1%	32,0%	3,9%	
	over 800 lei / member	Adjusted Residual	2,5	-2,2	-,7	100,0%
		%	49,5%	48,5%	2,0%	
	Total	Adjusted Residual	-1,3	2,1	-1,8	100,0%
		%	52,1%	40,7%	7,2%	

The data in Table 2 indicates such situations, with adjusted and standardized residual values greater than 1.96 in the case of education and monthly income per household member. Persons with average vocational education (vocational school, 10 classes) are to a lesser extent (27.3%) interested to purchase products / services from a social enterprise, while people with higher education are to a greater extent (51.2%) interested to purchase products / services from a social enterprise. Furthermore, persons from households with a monthly income of 401-800 lei/member are to a lesser extent (32.0%) interested to purchase products / services from a social enterprise, while those from households with a monthly income over 800 lei/member are to a greater extent (48.5%) interested to purchase products / services from a social enterprise. It can be noticed the degree of indecision, higher than the expected one, in the case of the active persons unemployed (students, homemakers, unemployed) (16.0%) or those with low monthly income, of maximum 400 lei/member (13.2%).

The interest for purchase is determined mainly by the level of education and income, and less by demographic variables or occupational status. The median level of education and income, the middle class population is the least interested in purchasing the products of social enterprises, while the upper level is the most interested.

Regarding the *perceived product quality* of the social enterprise, χ^2 association values are as follows (table 3):

Table 3

χ^2 values of association between the item “What do you think, to what extent a social enterprise can provide products or services of a similar quality to that provided by the other competitors?” and the socio-demographic variables

	Chi-Square Tests		
	Value	df	Asymp. Sig. (2-sided)
Genre	4,432	2	,109
Age	9,029	6	,172
Education	19,431	6	,003
Employment	10,985	4	,027
Monthly income per household member	4,193	4	,380

In this case, associations with high χ^2 values are identified in the case of education and occupational status. In order obtain additional information, the data is analyzed in a contingency table, providing in this way the adjusted and standardized residual values (table 4):

Table 4

Percentages at the level of the socio-demographic variables and the adjusted and standardized residual values, in the case of the association between the item “What do you think, to what extent a social enterprise can provide products or services of a similar quality to that provided by the other competitors?” and the socio-demographic variables

What do you think, to what extent a social enterprise can provide products or services of a similar quality to that provided by the other competitors?		not at all, to a very small or small extent	to a great or very great extent	I do not know, do not answer	Total	
Genre	male	%	36,4%	53,8%	9,8%	100,0%
		Adjusted Residual	1,7	-,5	-1,6	
	female	%	27,2%	56,8%	16,0%	100,0%
		Adjusted Residual	-1,7	,5	1,6	
Age	18-30 years	%	30,8%	58,5%	10,8%	100,0%
		Adjusted Residual	-,1	,6	-,6	
	31-50 years	%	33,3%	60,5%	6,2%	100,0%
		Adjusted Residual	,4	1,1	-2,2	
	51-65 years	%	30,2%	55,2%	14,6%	100,0%
		Adjusted Residual	-,3	,0	,5	
Education	66 years and over	%	31,7%	46,0%	22,2%	100,0%
		Adjusted Residual	,1	-1,7	2,4	
	maximum 8 clasees	%	11,5%	53,8%	34,6%	100,0%
		Adjusted Residual	-2,3	-,2	3,4	
	vocational school, 10 classes	%	36,4%	52,7%	10,9%	100,0%
		Adjusted Residual	,9	-,4	-,5	
Occupation	high school, post high school, foremen school	%	29,3%	55,7%	15,0%	100,0%
		Adjusted Residual	-,8	,1	,9	
	higher education	%	38,1%	57,1%	4,8%	100,0%
		Adjusted Residual	1,5	,4	-2,7	
Monthly income per household member	activ, unoccupied	%	28,0%	60,0%	12,0%	100,0%
		Adjusted Residual	-,6	,7	-,3	
	retired	%	33,3%	45,7%	21,0%	100,0%
		Adjusted Residual	,5	-2,5	2,9	
Monthly income per household member	employed	%	31,3%	60,7%	8,0%	100,0%
		Adjusted Residual	-,1	1,8	-2,6	
	maximum 400 lei / member	%	32,1%	52,8%	15,1%	100,0%
		Adjusted Residual	,2	-,9	1,2	
Monthly income per household member	401 - 800 lei / member	%	31,1%	56,3%	12,6%	100,0%
		Adjusted Residual	,0	-,6	,9	
	over 800 lei / member	%	30,3%	63,6%	6,1%	100,0%
	Adjusted Residual	-,2	1,3	-1,9		
Total	%	31,0%	58,4%	10,6%	100,0%	

In this case, it can be observed that the main difference is provided by the share of those who do not know or do not answer the question, in general the share of those who can not make a comparison between the products of the social enterprises and those of other competitors. Therefore, in this situation the experiential dimension is the most important and less the financial resources. Under these conditions, the adults (31-50 years) (6.2%), those with higher education (4.8%), the employed (8.0%) are those with the lowest rates of non-response, while pensioners (21.0%), those with elementary education (34.6%) or those over 65 years (22.2%) are those who, to a higher proportion, can not provide an answer.

In addition, the pensioners (45.7%) are the most skeptical about the ability of social enterprises to provide products of a similar quality to that of competitors, while those with elementary education (11.5%) are those who sustain to the lowest percentage the contrary.

The choice between the products of a social enterprise and the products of another economic competitor, indicate a high association with age, education and the monthly income per household member (table 5):

Table 5

χ^2 values of association between the item “If you were to choose between two products or services of a similar quality and price, one produced/supplied by a social enterprise and the other produced/supplied by another company, which would you choose?” and the socio-demographic variables

If you were to choose between two products or services of a similar quality and price, one produced/supplied by a social enterprise and the other produced/supplied by another company, which would you choose	Chi-Square Tests		
	Value	df	Asymp. Sig. (2-sided)
Gender	4,043	3	,257
Age	19,988	9	,018
Education	30,917	9	,000
Employment	10,542	6	,104
Monthly income per household member	25,88	6	,000

Table 6

Percentages at the level of the socio-demographic variables and the adjusted and standardized residual values, in the case of the association between the item “If you were to choose between two products or services of a similar quality and price, one produced/supplied by a social enterprise and the other produced/supplied by another company, which would you choose?” and the socio-demographic variables

If you were to choose between two products or services of a similar quality and price, one produced/supplied by a social enterprise and the other produced/supplied by another company, which would you choose		%	the one produced by a social enterprise	the one produced by another enterprise	either, it does not matter	I do not know, do not answer	Total
Gendre	male	%	65,0%	7,7%	22,4%	4,9%	100,0%
		Adjusted Residual	-,1	-1,3	1,6	-,7	
	female	%	65,4%	12,3%	15,4%	6,8%	100,0%
		Adjusted Residual	,1	1,3	-1,6	,7	
Age	18-30 years	%	49,2%	15,4%	29,2%	6,2%	100,0%
		Adjusted Residual	-3,1	1,6	2,5	,1	
	31-50 years	%	65,4%	7,4%	17,3%	9,9%	100,0%
		Adjusted Residual	,0	-1,0	-,4	1,8	
	51-65 years	%	77,1%	5,2%	14,6%	3,1%	100,0%
		Adjusted Residual	2,9	-1,9	-1,2	-1,4	
	66 years and over	%	63,5%	15,9%	15,9%	4,8%	100,0%
		Adjusted Residual	-,3	1,7	-,6	-,4	
Education	maximum 8 claseses	%	38,5%	3,8%	38,5%	19,2%	100,0%
		Adjusted Residual	-3,0	-1,1	2,7	3,0	
	vocational school, 10	%	67,3%	3,6%	20,0%	9,1%	100,0%
		Adjusted Residual	,3	-1,8	,3	1,1	

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classes	Residual					
high school, post high school, foremen school	%	62,9%	15,0%	19,3%	2,9%	100,0%
	Adjusted Residual	-,8	2,6	,2	-2,1	
higher education	%	76,2%	8,3%	10,7%	4,8%	100,0%
	Adjusted Residual	2,5	-,7	-2,2	-,5	
activ, unoccupied	%	54,0%	12,0%	26,0%	8,0%	100,0%
	Adjusted Residual	-1,8	,5	1,5	,7	
Occupation retired	%	60,0%	15,2%	19,0%	5,7%	100,0%
	Adjusted Residual	-1,4	2,1	,1	-,1	
employed	%	72,7%	6,0%	16,0%	5,3%	100,0%
	Adjusted Residual	2,7	-2,4	-1,2	-,4	
Monthly income per household member maximum 400 lei / member	%	49,1%	11,3%	35,8%	3,8%	100,0%
	Adjusted Residual	-3,4	,8	4,0	-,6	
401 - 800 lei / member	%	69,9%	4,9%	16,5%	8,7%	100,0%
	Adjusted Residual	,4	-1,8	-,3	1,9	
over 800 lei / member	%	77,8%	11,1%	8,1%	3,0%	100,0%
	Adjusted Residual	2,5	1,1	-3,1	-1,4	
Total	%	68,6%	8,6%	17,3%	5,5%	100,0%

As shown in Table 6, there are several cells where the observed values differ significantly from those expected. In the case of age, it can be noticed the unusual behavior of young people (18-30 years), who prefer to a lesser extent the social enterprises, but to a greater extent they are indifferent. Instead, the segment 51-65 years is among those who mostly prefer to purchase products or services provided by a social enterprise.

Education differentiates once again the behavior, those with elementary education preferring less the social enterprises, being indifferent for them from where they buy, while those with higher education prefer to a higher percentage to buy from a social enterprise. It can be noticed that those with high school education and post high school are those who prefer to a greater extent other companies.

Employment is as well a factor that determines the purchasing behavior towards social enterprises. The employed prefer to a greater extent the social enterprises and to a lesser extent other companies, while pensioners prefer to a greater extent conventional companies. Persons from households with low income, under 400 lei per month / member, prefer to a lesser extent to purchase products or services from a social enterprise, being rather indifferent for them. In contrast, those with high income, over 800 lei / member are in favor of social enterprises to a greater extent.

CONCLUSIONS

Among all socio-demographic variables, education is the one that associates mostly with the issue of perception and favorability of social enterprises. Moreover, education is a good predictor of the occupational status, but also of the income level, and therefore, the association between them and the tested items was predictable. Demographic variables, especially age and gender, are in a more independent relationship in relation to the perception of social entrepreneurship.

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