Corporate Perceptions Survey: An event by Social Enterprise Association

In an event organized by the Social Enterprise Association on the 12th of June, a team of students from the National University of Singapore Business School presented the results for a survey they had conducted mapping the perception of social enterprises in the corporate sector. This report will aim to outline the results of this corporate perceptions survey, and also capture the insights that can be gained by an examination of these results.

The Corporate Perceptions Survey (CPS) on Social Enterprises was conducted by final year students of the NUS Business School on behalf of the SE Association. They were guided by the School’s Asia Centre for Social Entrepreneurship and Philanthropy (ASCEP). The aim of this survey was to investigate the behaviours and attitudes of corporations with regards to social enterprises (SEs), and also to not only raise an awareness about SEs to the corporations that were a part of the survey, but also to raise an awareness about the perceptions of these corporations to SEs so that they might learn from it and better harness their resources for success. This survey represented the corporations by using data from the top 1000 large enterprises and top 1000 small to medium enterprises in Singapore, and conducted 155 interviews among such corporations with C-level to mid-level employees. The results of this survey were broadly categorized into a few categories, which shall now be presented.

Awareness and Understanding

Some of the first perceptions that were queried were those pertaining to what a social enterprise actually is. When posed this exact question, only 34% of the corporations surveyed were able to give an adequate answer, and of these, when further tested and asked to name any one SE, only 41% were able to give a correct answer. The participants were also queried on the objectives and functions of SEs by being provided a mix of correct and incorrect possible functions and then asked to choose. While the top 2 most chosen functions were correct, the third most chosen one (“The function of SEs is to encourage staff in offices to do community work”) was incorrect.
Purchasing Behaviour

The next set of behaviour tested was the readiness of corporations to purchase goods and services provided by SEs. 13% of corporations had purchased from SEs before (‘Buyers’) while another 21% had not done so previously, but were ready to do so (‘Ready Buyers’). The remaining 61% (‘Non-buyers’) had neither done so before, nor have the plans to do so in the future. Of the Buyers and the Ready Buyers, the most commonly used methods of purchase were direct sales (55%) and through retail outlets (25%). For these two groups, the motivating reasons for purchasing the goods and services of SEs were to (1) contribute back to society, and (2) a belief in the mission of the SE.

Buyers and Ready Buyers were also asked what the key factors that affected their purchasing behaviour were, and their responses, in order of popularity were: (1) the quality of the product and/or service; (2) the social cause being promoted; (3) the need for the product or service within the corporation; and finally (4) the price of the good. One important insight that can be drawn from this is that if these corporate perceptions truly affect the behaviour of corporations when they interact with SEs, then it is not enough for SEs to simply rely on their social cause for sales – 3 out of the 4 main factors affecting purchasing behaviour are ones that specifically target the commercial aspect of the SE, and these have to be taken into consideration in developing a market strategy as well.

The team also surveyed Non-buyers for their reasons for not purchasing from SEs, and the top explanations for their behaviour were either that none of the SE products fulfilled corporate needs for them, that they didn’t know precisely what an SE was, or that they already had a supplier for that range of goods and services.

Supporting Behaviour

In this segment of the survey, the team queried corporations in their larger engagement with SEs, outside of purchasing behaviour. This larger “supporting” behaviour consists of funding, donations, sponsorships, volunteering of professional services and other activities that fall along a similar vein.

Similar to what was done for the Purchasing Behaviour segment, corporations were classified according to Supporters, Ready Supporters and Non-supporters (with the same accompanying connotations), with the weightages at 17%, 21% and 62% respectively. Furthermore, the most
common forms of support volunteered by the Supporters and Ready Supporters, in order of popularity, were (1) funding and donations, (2) sponsorship and free publicity, and finally, with a much smaller consensus (3) volunteering professional services. One trend that can thus be seen from this is that for the support offered, the most common forms of support are those which require the least level of involvement and effort.

Supporters, Ready Supporters and Non-supporters were also asked about the reasons that motivated their positions. The former two mentioned their main reasons as, in order of popularity, wanting to contribute back to society, a belief in the social cause being championed by the SEs, and a desire to empower the less-privileged in society. Non-supporters mentioned their reasons as being that (a) their company is already making donations to charities, and (b) that they’re not precisely clear on what an SE actually is.

### Behavioural Insights

<table>
<thead>
<tr>
<th>n=155</th>
<th>Buyers and Ready Buyers</th>
<th>Non-Buyers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporters and Ready Supporters</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>Non-supporters</td>
<td>11%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Overall, as can be seen from the table above, the total proportion of corporations which are either Buyers, Ready Buyers, Supporters or Ready Supporters is 49%. This statistic, along with the fact the 47% of corporations consider supporting SEs as better than giving donations to social causes, lead the team to conclude that the overall business environment for SEs is quite promising.

### Future Action Plans

Given these results of the Corporate Perceptions Survey, the team then outline some general avenues that can be explored in the future, along with more specific recommendations as to how one might go about doing so. The three general options suggested were to (1) increase the awareness, recollection and understanding of SEs in Singapore, (2) to increase the presence of SEs among corporations, and (3) improve the marketability of SE products.

These recommendations can be achieved via some of the following avenues:
1. **Road-shows and Trade-shows**: Such events, for example food expos, can be used to match the needs of the consumers of the SE products and services with the right SE. Through getting the right match, the collaboration and/or partnership would also promote greater satisfaction and uptake. Furthermore, it would provide a platform for direct sales, which through the CPS has been shown to be a preferred mode of interaction for corporations. Such an exhibition can also allow for small purchases, which would permit sampling of the goods, and marketing the SE and/or industry as a whole.

2. **Corporate Link-ups**: Such relationships could be facilitated by organizations such as the Social Enterprise Association. It would encourage a more involved interaction between SEs and corporations, and would allow for not just funding but other activities such as the volunteering of professional services by corporates for the SEs.

3. **Social Enterprise Industry Accreditation**: If such an accreditation could be provided, not only would it distinguish SEs from normal enterprises and thus facilitate choices in favour of SEs for the more social-minded consumer, but it would also provide greater credibility for SEs.

4. **Internet and Social Media**: For marketing purposes, SEs can embrace social media as a platform by setting up Facebook accounts to spread the word about their social objectives, and to communicate with the public or other corporates. An on-line directory of SEs can also be commissioned to provide a more systematic access not only to individual users but also to other corporates who want to engage the SEs.

*By Abhishek Mishra; Abhishek is on a student internship with Asia Centre for Social Entrepreneurship and Philanthropy (ACSEP) from 28th May to 2nd August 2013.*