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Attitudes toward Environment-Oriented Social Enterprises: A Comparative Analysis of Korean and Chinese Students Xiaojun Ma

Central University of Finance and Economics, China

Shaoshi Zou

University of Washington, USA

Sung Wook Han

Ross School, USA

Tianze Xu

Dalian Maple Leaf International School, China

Shicheng Zhao

The Beekman School, USA

Abstract

Recent years have witnessed the rise of social enterprises as an important driver of social growth since such business entities are designed to fund areas of society most desperately in need of attention and funding, including the environment. In this regard, environmentoriented social enterprises may help address one of the most urgent issues in society: environmental conservation through sustainability. This paper examines attitudes toward environment-oriented social enterprises by investigating how Korean and Chinese high school students perceive such business entities. The paper also determines those factors they consider to be the most important ones influencing their perception of environmentoriented social enterprises. The results based on a survey of Korean and Chinese high school students indicate that the respondents generally had favorable attitudes toward environment-oriented social enterprises. Korean students showed a higher mean than Chinese students, indicating that Korean respondents were more likely to have favorable attitudes toward environment-oriented social enterprises than Chinese respondents. The respondents emphasized product/service quality as the most important factor influencing their perception of environment-oriented social enterprises, followed by relation to environmental conservation, product/service image, and product/service cost, in that order. In terms of the most important factors influencing perception of environment-oriented social enterprises as perceived by the respondents, Korean students identified product/service quality, followed by product/service image, relation to environmental conservation, and product/service cost, in that order. Chinese students identified

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product/service quality as the most important factor, followed by relation to environmental conservation, product/service image, and product/service cost, in that order.

Keywords: Environment, Social Enterprises, Korea, China, Student, Attitude

I. Introduction: Social enterprises represent an important phenomenon across the world and is generally defined as a business enterprise with "social objectives whose surpluses are principally reinvested for that purpose in the business or in the community" instead of generating profits mainly for its shareholders and owners (Understanding Social Enterprise, 2002). Because of this unique business purpose, social enterprises have expanded gradually since the 1970s (Community Wealth Ventures, 2009). In addition, many not-for-profit organizations are interested in establishing and operating social enterprises (Community Action Partnership, 2011).

Social enterprises have attracted considerable attention in Korea and China. Although such programs have witnessed some degree of success, they have not been enough. In this regard, there is a need for society as a whole and its private sector and citizens to also participate in efforts to conserve the environment. One trend that addresses this need has been the gradual emergence of private firms focusing on environmental needs. Most such firms have focused on trying to minimize pollution in their industrial processes or on recycling and sustainable economic development (Kwak, 2014). In addition, there have been firms that were created with the primary purpose of conserving the environment, that is, social enterprises focusing on the environment.

As of December 2013, there were 950 social enterprises were operating in Korea (Choi & Jang, 2014). In China, there were 22,000 social enterprises as of the end of 2010 (Li, 2012). Their social purpose is diverse but can generally be categorized as follows: 1) job creation (to offer jobs to vulnerable social groups), 2) social service provision (to provide vulnerable social groups with social services), 3) mixed (a combination of job creation and social service provision), 4) local community contribution (to improve the quality of life of people in a local community), and 5) other. Those social enterprises in Korea focusing on environmental conservation belong to the "other" category.

However, such social enterprises remain relatively rare in Korea and China because they face considerable difficulty delivering their products and services because of a lack of public awareness and support. This is an unfortunate situation in that their goal is mainly to contribute to society, not generating maximum profits for shareholders. Therefore, there is a need for more effective ways to promote these social enterprises so that both these enterprises as well as society can benefit from their socially driven products and services.

Based on the aforementioned discussion, this paper examines attitudes toward environment-oriented social enterprises among Korean and Chinese high school students. The rest of this paper is organized as follows: Section II offers the theoretical framework. Section III discusses the methods. Section IV presents the results. Section V concludes with implications.

II. Theoretical Framework: In addition, previous studies have considered diverse factors influencing individuals' perceptions toward products and services, including the quality of products/services, the extent to which products/services are related to environmental conservation, the cost of products/services, and the image of products/services.

In terms of the quality of products/services, Ali and Ahmad (2012) found that the quality of environment-friendly products must be competitive for consumers to purchase such products. In addition, Griffith and Nesheim (2008) reported that consumers may be willing to pay more for organic products of higher quality. This suggests that the quality of environmental products/services of social enterprises may have considerable influence on individuals' perception of those products/services as well as social enterprises.

For the extent to which products/services are related to environmental conservation, Harben (2009) found that the fit between the brand and some social cause has significant effects on consumers' purchase intentions. This suggests that the extent to which the offerings of social enterprises are related to environmental conservation may have considerable influence on individuals' perception of their products/services.

For the cost of products/services, Ali and Ahmad (2012) found that the price of products and services have considerable influence on consumers' perception toward those products and services. In addition, Sachdev, Mahna, Rachna, and Haryana found price to be a significant determinant of consumers' intentions to purchase environment-friendly products in India. This suggests that the cost of products/services offered by social enterprises focusing on environmental conservation may have considerable influence on individuals' perception of those products/services as well as social enterprises.

In terms of the image of products/services, Ko, Hwang, and Kim (2012) found product image to have a direct effect on consumers' purchase intentions toward environment-friendly products. Al Zubi, Al Dmour, Al Shami, and Nimri (2015) demonstrated that eco-friendly labeling had a significant effect on consumers' attitudes toward environment-friendly products. This suggests that the image of offerings of social enterprises focusing on environmental conservation may have considerable influence on individuals' perception of their products/services.

Many studies have examined the impact of social enterprises (Ma, Kim, Heo & Jang, 2012; Frykberg, 2013; Shim, 2009), but few have considered those investigating environment-oriented programs. In addition, no study appears to have examined attitudes toward environment-oriented social enterprises by evaluating attitudes of high school students in Korea. Therefore, this paper contributes to the social enterprise literature by conducting a survey of Korean high school students to determine their attitudes toward environment-oriented social enterprises.

This paper considers Korean and Chinese high school students' perception of environment-oriented social enterprises and determines which key factors influence those perceptions. In addition, the paper investigates any differences in these perceptions.

Based on the aforementioned discussion and factors, this paper is guided by the following four research questions:

- RQ1. How do Korean and Chinese high school students perceive environment-oriented social enterprises?
- RQ2. Is there a difference in this perception of environment-oriented social enterprises?
- RQ3. Which key factors of environment-oriented social enterprises do Korean and Chinese high school students emphasize?
- RQ4. Is there a difference in the emphasis of this factor?

III. Methods

Participants: A total of 153 high school students participated in this survey. These students included 85 Korean students and 68 Chinese students. The location of the Korean survey was at the waiting lounge of one of the largest movie theatres in Seoul in Yongsan, Korea. The location of the Chinese survey was at one of the largest train station malls in Dalian, China. The questionnaire took about three minutes to complete. At the start of the survey, each student was given a brief definition of an environment-oriented social enterprise ("businesses that offered products and services that could help protect and sustain the environment while prioritizing that objective over maximizing corporate profits"). Standard survey techniques were employed, and because no personal data were asked, no informed consent form was needed. All students were informed of the voluntary nature of their participation in the survey. The survey was conducted from March 2 to Aug. 20, 2016.

Instrumentation: Five items were employed for the assessment of respondents' attitudes toward environment-oriented social enterprises. One item was for demographic data (country of origin; nominal scale), and the remaining four were for their attitudes measured using a five-point Likert-type scale ranging from "strongly disagree" (1) to "strongly agree" (5). These four items were adapted from James (2002). The internal consistency and reliability were assessed based on Cronbach's α (.866), which indicated sufficient internal consistency and reliability (Nunnally, 1978). Table-1 shows these four items.

Table-1: Items for attitudes toward environment-oriented social enterprises

Using products/services of environment-oriented social enterprises would help protect the environment.

I would get a lot of satisfaction from being consumers of products/services of environment-oriented social enterprises.

I am interested in using products/services of environment-related products/services offered by social enterprises.

Using products/services offered by environment-oriented social enterprises would be my way of contributing to society.

For respondents' perception of key factors influencing their perception of environment-oriented enterprises, the questionnaire asked each student to select one of the following four factors that he/she considered to be the most important one: the quality of products/services,

the extent to which products/services are related to environmental conservation, the cost of products/services, and the image of products/services.

Analysis: For RQ1, means and standard deviations for four items for attitudes toward environment-oriented social enterprises were assessed. For RQ2, differences in means between Korean and Chinese students were evaluated. Here statistical significance was evaluated through the independent-samples t-test. For RQ3 and RQ4, the chi-square test was conducted using four key factors influencing attitudes toward environment-oriented social enterprises, including the quality of products/services, the extent to which products/services are related to environmental conservation, the cost of products/services, and the image of products/services. Internal consistency was assessed using Cronbach's alpha (.866).

IV. Results

RQ1: The respondents generally had favorable attitudes toward environment-oriented social enterprises. According to the results, the mean for the whole sample was 3.1275 (SD=.85220). The mean for Korean students was 3.2382 (SD=.86766), whereas that for Chinese students was 2.9890 (SD=.81775). Table 2 shows the results.

Table-2: Means and standard deviations

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
score	153	1.00	4.75	3.1275	.85220
Valid N (listwise)	153				

Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean
Country	Korea	85	3.2382	.86766	.09411
	China	68	2.9890	.81775	.09917

RQ2: Korean students (3.2382 (SD=.86766)) showed a higher mean than Chinese students (2.9890 (SD=.81775)). As shown in Table-3, the results of the independent-samples t-test indicate a significant difference between the two groups (t(151)= 1.811, p=.072), indicating that Korean respondents were more likely to have favorable attitudes toward environment-oriented social enterprises than Chinese respondents.

Table-3: The independent-samples t-test

Independent Samples Test

	Levene for Equ Variand	-							
								95% Confidence Interval of the Difference	
	F	Sig.	t	df	Sig. (2- tailed)		Std. Error Difference		Upper
Equal variances assumed	.007	.934	1.811	151	.072	.24926	.13762	02265	.52118
Equal variances not assumed			1.823	146.954	.070	.24926	.13672	02092	.51945

RQ3: As shown in Table-4, the respondents emphasized product/service quality (57.5%) as the most important factor influencing their perception of environment-oriented social enterprises, followed by relation to environmental conservation (17.0%), product/service image (16.3%), and product/service cost (9.2%), in that order.

Table-4: Most important factors influencing perception of environment-oriented social enterprises by country (N, %)

		-	Factor				
			Product/ser	_	Product/servi	Product/ service image	Total
Country	Korea	Count	50	11	7	17	85
		% within country	58.8%	12.9%	8.2%	20.0%	100.0%
	China	Count	38	15	7	8	68
		% within country	55.9%	22.1%	10.3%	11.8%	100.0%
Total	•	Count	88	26	14	25	153

			Factor				
				Relation to environmental conservation	Product/servi ce cost	Product/ service image	Total
Country	Korea	Count	50	11	7	17	85
		% within country	58.8%	12.9%	8.2%	20.0%	100.0%
	China	Count	38	15	7	8	68
		% within country	55.9%	22.1%	10.3%	11.8%	100.0%
Total	•	Count	88	26	14	25	153
		% within country	57.5%	17.0%	9.2%	16.3%	100.0%

RQ4: As shown in Table-4, in terms of the most important factors influencing perception of environment-oriented social enterprises as perceived by the respondents, Korean students identified product/service quality (58.8%), followed by product/service image (20.0%), relation to environmental conservation (12.9%), and product/service cost (8.2%), in that order. Chinese students identified product/service quality (55.9%) as the most important factor, followed by relation to environmental conservation (22.1%), product/service image (11.8%), and product/service cost (10.3%), in that order. The results of the chi-square test for the relationship between country of origin and these factors indicate a non-significant relationship (χ 2(3) = 3.648, p=.302). Cramer's V was .154, implying a strong relationship (Martínez-Casasnovas, Klaasse, Nogués & Ramos, 2008).

V. Discussion: This paper examines Korean and Chinese high school students' attitudes toward environment-oriented social enterprises. The results indicate that the respondents generally had favorable attitudes toward environment-oriented social enterprises. Korean students showed a higher mean than Chinese students, indicating that Korean respondents were more likely to have favorable attitudes toward environment-oriented social enterprises than Chinese respondents. The respondents emphasized product/service quality as the most important factor influencing their perception of environment-oriented social enterprises, followed by relation to environmental conservation, product/service image, and product/service cost, in that order. In terms of the most important factors influencing perception of environment-oriented social enterprises as perceived by the respondents, Korean students identified product/service quality, followed by product/service image, relation to environmental conservation, and product/service cost, in that order. Chinese students identified product/service quality as the most important factor, followed by relation to environmental conservation, product/service image, and product/service cost, in that order.

The results have important policy implications. For policymakers interested in fostering social enterprises and environmental conservation, Korean respondents' favorable attitudes toward environment-oriented social enterprises may be taken to indicate that males are more likely to be aware of such enterprises than their Chinese counterparts. That is, Koreans may be more knowledgeable about the concept of social enterprises than Chinese students. In this regard, policymakers should focus on coming up with educational initiatives that can help better inform Chinese students of benefits of social enterprises, particularly those focusing on environmental conservation.

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