

From the two different foreign company analysis it is clear that companies can choose and adapt different elements and get great results in communication with customers, public.

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**Keywords:** integrated marketing, promotional mix, marketing mix, promotion, marketing communication.

**Ключові слова:** інтегрований маркетинг, рекламні суміш, маркетинг-мікс, просування, маркетингові комунікації.

**Ключевые слова:** интегрированный маркетинг, рекламные смесь, маркетинг-микс, продвижение, маркетинговые коммуникации.

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### SITUATION OF SOCIAL ENTREPRENEURSHIP IN LITHUANIA

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**Simanaviciene Z., Sekliuckiene J., Kisielius E., Situation of social entrepreneurship in Lithuania.**

Problem of the paper - what are possible social entrepreneurship drivers and challenges in Lithuania? As there is a wide global attention to social entrepreneurship from policy makers, academics, practitioners, and the general public, but revealing that the social entrepreneurship theory is still in the stage of conceptualization as different countries have different social entrepreneurship coverage specifics and attitudes to social entrepreneurship initiatives, this work tries to complement the lack of research work relating the social entrepreneurship phenomenon by proposing what is the current situation of social entrepreneurship in Lithuania. Methodology consists of 3 steps - scientific literature analysis, experts interview, social entrepreneurship representatives online survey. Although social entrepreneurship is claimed to be a new phenomenon in Lithuania, there are already some scientific works done and cases to be as claimed as good practises.

**Сіманавічіене З., Секліуцкіене Ю., Кіселюс Є. Ситуація соціального підприємництва в Литві.**

У статті зроблено аналіз і висунута проблема - який можливий потенціал чинників розвитку соціального підприємництва і які можливі виклики для Литви? У світі з боку різних зацікавлених багато уваги приділяється соціальному підприємництву - політики, практики і громадянське суспільство. Але теорія соціального підприємництва все ще перебуває в стадії

формування, і є різні підходи до соціального підприємництва в різних країнах. Ця стаття спрямована на огляд поточної ситуації соціального підприємництва в Литві. Дослідження складається з трьох основних частин - наукового огляду літератури, інтерв'ю експертів з соціального підприємництва, опитування представників соціального підприємництва. Хоча соціальне підприємництво є новим явищем в Литві, є наукові роботи і питання соціального підприємництва, які можуть бути представлені в якості прикладів гарної практики.

**Problem.** Various authors provide different definitions of social entrepreneurship. In them components range from social justice, social value, viable socio-economic structures, forging a new equilibrium, employing innovation, entrepreneurial skills, market gaps, solving social problems, to social entrepreneur as a change agent [Zahra et al., 2009]. Leading author Michael Porter in interview even associate social entrepreneurship with new, future order, so called transformational capitalism, as social entrepreneurship creates shared value [Driver, 2011]. It is transforming already. Great Britain Government has provided a new method of funding social entrepreneurship initiatives [Tulba, 2014]. Lithuanian scientist have identified that demand for the social enterprises in Lithuania is expected to rise [Moskvina, 2013]. Company Google has also launched social entrepreneurship initiatives in various fields [Dees, 2007]. So scientists, authorities and even large enterprises worldwide are giving more attention to the social entrepreneurship, it seems that it is a new transformation of market and society, a great rearrangement of doing business. However situation in Lithuania lags behind and it needs to be changed in order to gain stability of society, to fulfil the market need, to change the perception of business, to reach commitments to European Union and achieve given objectives. As social entrepreneurship is new and complex phenomena the problem is formulating as – what are possible social entrepreneurship drivers and challenges in Lithuania?

**The analysis of scientific literature.** There is a wide global attention to social entrepreneurship. It can be explained by Kostetska, Berezyak (2014) statement, that for each country, no matter what its social or economic development is - one of the most important success factor is the stability of society and, therefore, in these times it is necessary to use such social innovation methods as the social entrepreneurship. According to Chell et al. (2010) social entrepreneurship development, the emergence of it internationally is influenced by the three main factors – the demand (public desire for social services/products, as customer or user), the supply (social entrepreneurs) and third – because of the environment and institutional factor that influence the previous two factors. These days the social entrepreneurship phenomenon in the world has gained momentum and as argued by Kostetska, Berezyak (2014) for social entrepreneurship development, its promotion and expansion in the world various foundations, organizations are being established, such as the „Schwab Foundation for Social Entrepreneurship” in Switzerland or the „Ashoka Foundation” in India . However, social entrepreneurship is still a growing area for scientific research and it is confirmed by Certo, Miller (2008), who gives few directions for researchers from different disciplines – in education for social entrepreneurs, in their characteristics and performance improvement examination, as well as networks and the importance of venture capital considerations, and value creation of social entrepreneurship. The social entrepreneurship theory is still in the stage of conceptualization [Greblikaite, 2012]. Different countries have different social entrepreneurship coverage specifics. Chell et al. (2010) argues that even in Europe there is variation in the social entrepreneurship elaboration. So in each country with different factors is likely that there will also be variations in social entrepreneurship situation: drivers, opportunities and challenges.

**Purpose of the article.** During the literature analysis it was found out that in some countries the situation of social entrepreneurship initiatives are even financially better than in traditional small and medium enterprises (larger increase in revenue during crisis, increase in number of people involved) [Pearse, 2014] . In Lithuania the phenomena of social entrepreneurship is rather new. As social entrepreneurship initiatives are supported and promoted by European Union funded projects and there are new initiatives launching in Lithuania nowadays - the purpose of this paper is

to identify and justify by research social entrepreneurship drivers and challenges in Lithuania. As it is claimed that social entrepreneurship intentions come from subjective norms and attitude [Prieto et al., 2012] and it is a process, where social entrepreneurs as main actors, with certain skills are seeking to create social value [Adomaviciute et al., 2012], during the research main attention will be given to social entrepreneur as a change agent and his skills [Orhei, Vinke 2012], context that enhance and stimulate social entrepreneurs to take initiatives [Oana, Shahrazad, 2013] and innovation as it is a part of social entrepreneurship [Datta, 2011] and one of important aspects [Dees, 1998].

**Results of the study.** Paper methodology is scientific literature analysis, which enables to describe the phenomenon of social entrepreneurship. Also a qualitative analysis of two steps was presented to reach the purpose. First step was depth interviews with selected experts in order to get a better understanding of this relatively new phenomenon in Lithuanian. Experts were chosen by criteria that they have to be working in area of social entrepreneurship development – provide lectures, write articles or take part in conferences, projects. 18 experts were contacted, but only 8 have responded and agreed to take part in research. They are 6 holders of doctorate degree, with research and work dedicated in area of social corporate responsibility, social enterprises, social entrepreneurship, social innovation and ethics in business and 2 practitioners. One of the experts are working as advisor with social entrepreneurship concept in Lithuania that is now being newly formed by The Ministry of Economy of the Republic of Lithuania. Second step consists of survey research with 37 questions on online questionnaire. Second part of research enabled to identify social entrepreneurship drivers and challenges in Lithuania from practical point of view. 34 various social entrepreneurship initiatives were analysed.

The theoretical research has showed benefits that social entrepreneurship brings; models how and why it should be developed; social-entrepreneurial context factor that is most important challenge – lack of systematic approach on legal, tax, cooperation and institutional conditions, preparation of professionals [Kostetska, Berezyak, 2014]. Arguing that there is lack of research in area and that there are several models, but either to general or to detailed, scientists proposed a model that consists of value creation logic, inner architecture and context [Šalkauskas, Dzemyda, 2015]. Concern regarding social entrepreneurship initiatives development should come from different stakeholders by joining efforts, seeking for long-term benefits and gaining synergies [Laužikas, Černikovaitė, 2011], nevertheless main driver for change is social entrepreneur himself [Adomaviciute et al., 2012]. Most of these findings were confirmed by experts.

Results show that main challenges come from lack of information, support of government, what was also identified in theory and that there is inadequacy in meaning of social enterprise provided in the Law. Respondents see social entrepreneurship as innovation, that can solve unsolved problem, and consider that education plays important role informing society about this beneficial phenomenon. As experts claim during interviews, main drivers are (corresponds to theory) - the social entrepreneurs themselves that have motives, skills and abilities to make changes, to develop social entrepreneurship initiatives regardless of challenges that occur from environment; and demand that comes from society - long lasting social problems have to be solved by cooperation of different stakeholders. Respondents agree that value (economic and social) creation is important component of social entrepreneurship. Tools to measure that shared value are one of drivers for initiatives to attract financial support. Also presumable driver, mentioned by one expert, are the European Union funded projects, which provide a possibility by using best practice from other countries adopt social entrepreneurship initiative models in Lithuania as a result of internationalisation. The findings of case analysis, social initiative representatives research will assess these challenges of social entrepreneurship, that deter from developing initiative; and drivers, that enable development of social entrepreneurship initiatives in Lithuania.

This research identifies main entrepreneurship drivers and challenges in Lithuania, as mentioned this field is new in Lithuania and never before such considerations were explored. Results might be used for further research, in fostering social entrepreneurship initiatives by

government organisations or business. It could also play a role in the development of social entrepreneurship concept law that is now being newly formed by The Ministry of Economy of the Republic of Lithuania. Scientific contribution – research done in Lithuania was necessary in the field of social entrepreneurship as there are rather few scientists working in this sphere; social entrepreneurship is almost not researched in Lithuanian context [Greblikaite, 2012]. Even though there are only few social entrepreneurship experts in Lithuania, respondents repeated basic thoughts about drivers and challenges in Lithuania for social entrepreneurship. These ideas will be tested in further research with Lithuania social entrepreneurship initiative representatives.

Social entrepreneurship is beneficial for society as authors claim “it is as one kind of social innovation and might bring benefits to various stakeholders: for business - rise in incomes and profits, customer’s volume, loyalty and satisfaction, business reputation; for the social targeted groups: reduction of unemployment and social exclusion of social targeted groups; for the state: favourable public opinion, reduced pollution and the state’s image” [Laužikas, Černikovaitė, 2011]. Research results might help government to create the effective social entrepreneurship environment and encourage starting new social entrepreneurship initiatives. Suggestion is to use models that were applied in other countries, found during theoretical analysis and the results from interviews where most important factors for fostering social entrepreneurship development were stated. As almost all of the respondents mentioned lack of legal basis for social entrepreneurship initiatives it is clear who has to take first move in making environment more suitable for such initiatives. Novel finding - that lack of information is also one of the issues, challenge as it was raised by respondents, so important role goes to education and organisations, which get funds from European Union to promote social entrepreneurship.

Although social entrepreneurship is claimed to be insufficiently researched phenomena in Lithuania, there are already some scientific works done. Problem that was raised in 2007 – “researches about social enterprises activity show that the Law of Social Enterprises insufficiently encourages businessmen to take initiatives” [Simanavičienė, 2007] as indicates in research results carried out and presented in this paper is still present now, at 2015. Benefits that social entrepreneurship brings to society are clearly stated in scientific literature and statistics of foreign countries approve them, as well as fact that European Union gives greater attention to social entrepreneurship [Ministry of Foreign Affairs of the Republic of Lithuania, 2012]. Lack of information, shared agreement on definitions, legal framework decisions raises a question if what has been done in scientific research, by authorities and business was enough? Are changes that are identified to be provoked by social entrepreneurship still to come? Michael Porter in interview claims that it might be even 10 years process before we will face adoption of new paradigm [Driver, 2011].

**Conclusions:** Social entrepreneurship lacks researches, especially in Lithuanian context. Changes to be done that were indicated in previous works are still not implemented - lack of government support, appropriate legal conditions, information for wider society and clarity in definitions. Although there are these challenges that social entrepreneurs willing to take initiatives face, they by themselves are the drivers for social change. Nevertheless it is common to refer to social entrepreneurship as a new phenomenon in Lithuania “Mano Guru” is great illustration of successful case, working even for 12 years; other initiative show new successful case - “Talent Garden Kaunas” that makes Lithuania famous for successfully adopting, internationalising franchise and becoming a new standard.

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**Keywords:** social entrepreneurship; social entrepreneurship initiatives; social entrepreneur; social entrepreneurship process; social enterprises.

**Ключові слова:** соціальне підприємництво; ініціативи соціального підприємництва; соціальний підприємець; Процес соціального підприємництва; соціальні підприємства.

**Ключевые слова:** социальное предпринимательство; инициативы социального предпринимательства; социальный предприниматель; Процесс социального предпринимательства; социальные предприятия.