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**The Patterns of Usage and Impact of Social Media in Spanish  
Social Economy:  
A Case Study of the Triodos Bank and Facebook**

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## Abstract

Following the trend of usage of social media as a business tool to reach organizational customers and supporters, this exploratory research aims to contribute to our theoretical understanding of impact of social media on social capital of social economy organizations. This study presents a theoretical model consisting of a set of propositions describing how the usage of social media impacts various types of organizational social capital as well as perception of organizational innovativeness. The model is tested through the analysis of a revelatory case study of usage of Facebook social media by Triodos Bank Spain. The preliminary data indicate potential generalizability of the model.

**Key words:** Social Media, Social Enterprise, Social Capital, Innovation

## 1. Introduction

According to a European tradition, the third sector brings together cooperatives, associations, mutual societies, foundations, and, with increasing frequency, social enterprises. Often these organizations are grouped under the common label of the ‘Social Economy’ (Evers and Laville 2004; Defourny and Nyssens, 2012). The ‘Social Economy’ provides a wide range of products and generates millions of jobs. European commission<sup>1</sup> estimates that social economy employs over 11 million people (the equivalent of 6% of the working population of the European Union) working in more than 2 million of social economy enterprises which operate in almost every sector of economy, including banking, insurance, various commercial services, health and social service. In this article, focuses will be put mainly on the social enterprises. In addition to provide a generalized insight of the term of social enterprises, we particularly emphasize the type of hybrid social enterprises.

Moreover, there have been literally hundreds of different social media platforms organizations can use to engage consumers (Hanna et al, 2011). According to Zabin,

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<sup>1</sup> [http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/social-economy/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/social-economy/index_en.htm)

Wilder and Carr (2011), companies are placing an ever-greater amount of emphasis on listening and responding to the voice of the customer across a variety of channels. Gleansight (2011) raised the awareness that social platforms foster engagement by enabling brands to deliver interactive campaigns – such as those that involve contests, polls, and referrals – that make an audience feel like that it's part of a community that includes the company. These findings show that social media has become an effective strategically marketing tool for organizations to interact with there customers.

Social capital, or resources accessed through such connections and relations, is critical (along with human capital, or what a person or an organization actually possesses) to individuals, social groups, organizations, and communities in achieving objectives (Lin, 2001, p.1). For social enterprises, which depend a lot on innovative approach to achieve social missions or provide services and products that community need, it's crucial to obtain social capital through the usage of social media. In on hand, by using social media, the social enterprises can provide a platform for people to know better what social enterprises are so as to create new customers making use of the social capital resource embedded in the social media system. On the other, during the interaction with customers in social media, there are opportunities for social enterprises to take into account the comments and communications left through social media to develop their innovation, meanwhile, customers can fulfill their expectation and also find themselves a member of the social enterprises.

In this article, we preliminarily design a model explaining the relationship among social enterprises, social media and social capital because of the scarcity of research in linking these three economic concepts. In this model, four propositions are proposed to study how the usage of social media affects customer participation, customer perception of innovativeness, and organizational innovation. We use a case study method taking the Triodos Bank (a hybrid social enterprise) and the Facebook (the widely used social media application by) as example and convey a questionnaire survey to obtain descriptive statistic to generalize some important findings.

The remainder of this paper is organized as follows. In the next section, we review the literature of social media, social enterprise and social capital, including

their definition and typology. Further, we develop a theoretical framework and conclude four propositions in explaining the model. Next, we describe the sample, research technique and the instruments. Moreover, we analyze the results and explain the findings. Finally, we conclude with a brief limitation of this article and present comprehensive suggestions for further research about this topic.

## **2. Literature Review**

In this section, we will give the definition, and typology of social enterprise, social media and social capital to have a basic understanding of these three concepts.

### **2.1 Social Enterprise**

In most of the literature, the notions of ‘SE’ can be interpreted interchangeably as ‘social entrepreneurship’, ‘social entrepreneur’ and ‘social enterprise’, but as more and more studies appear aiming at this theme, some papers also clarify that there are differences among the three. According to the paper *Social Entrepreneurship Research: A Source of Explanation, Prediction, and Delight* of Mair and Martí (2006), ‘social entrepreneurship’ typically refers to a process or behavior, while ‘social entrepreneur’ focuses instead on the founder of the initiative, and definitions of ‘social enterprise’ refer to the tangible outcome of social entrepreneurship.

In many cases, ‘social entrepreneurship’ is defined as a type of behavior, ‘social entrepreneur’ is considered to be the individual and ‘social enterprise’, the organization. Social entrepreneurship is a process involving the innovative use and combination of resources to pursue opportunities to catalyze social change and/or address social needs (Mair and Martí, 2006). A social entrepreneur is an individual, group, network, organization, or alliance of organizations that seeks sustainable, large-scale change through pattern-breaking ideas in what or how governments, nonprofits, and business do to address significant social problems (Light, 2006). Therefore, social enterprise is an institutional expression of the term social entrepreneur (Alter, 2007), and is also an organizational form of the term social entrepreneurship (Borzaga and Defourny, 2001). As the use of ‘social enterprise’ is



spreading in most regions of the world (Defourny and Nyssens, 2012), for convenience and simplification, the notion of ‘social enterprise’ will be used as the extended expression of SE in this article.

### **2.1.1 Definition of Social Enterprise**

Although many studies show that the concept and definition of social enterprise has not gained a same recognition of definition throughout the world, the truth that cannot be neglected is that international literature aiming at this theme is increasing and developing very fast. In this part we will give a definition about what is social enterprise concluding the main definitions of others organizations and studies.

“Social enterprise is businesses whose prime purpose is social, who operate ethically and are democratically owned and governed”, according to the summarized international definition of social enterprise from the Social Enterprise Europe<sup>2</sup>. Defourny and Nyssens (2008) summarized the EMES European Research Network definition as follows: Social enterprises are not-for-profit private organizations providing goods or services directly related to their explicit aim to benefit the community. Social enterprises - defined simply – are organizations seeking business solutions to social problems (Thompson and Doherty, 2006, p.362). These definitions are basically given from the perspective of the enterprises’ purpose, i.e., social enterprises take social or community benefit as their prime aim but not merely for profits like others enterprises do.

A social enterprise is an organization that applies commercial strategies to maximize improvement in human and environmental well-being, rather than maximizing profits for external shareholders. Social enterprises can be structured as a for-profit or non-profit, and may take the form of a co-operative, mutual organization, a social business, or a charity organization (Ridley-Duff and Bull, 2011). Social enterprise is a collective term for a range of organizations that trade for a social purpose adopting one of a variety of different legal formats but have in common the principles of pursuing business-led solutions to achieve social aims and the reinvestment of surplus for community benefit (Haugh, 2006, Ch.1, p.5). Social

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<sup>2</sup> <http://www.socialenterpriseeurope.co.uk>

enterprise is innovative, social value creating activity that can occur within or across the nonprofit, business, and public sectors (Austin, Stevenson and Wei-Skillern, 2006). These definitions not only focus on the purpose of the social enterprise but also the form and the sectors that the enterprise is in.

To conclude from different definitions mentioned above, social enterprise is defined in this article as follow:

***Social enterprise is a business using innovative approach to achieve social missions or provide services and products that community need, such as creating employment for physically or mentally disabled people, protecting environment, etc. not matter the characteristic of the business is for-profit or not-for-profit.***

This implies that social enterprises need to reinvest the profits principally on the social objectives that they aim at, rather than distribute the profits among the shareholders.

### **2.1.2 Typology of Social Enterprise**

From the interviews conducted by the Global Entrepreneurship Monitor (GEM), for social enterprises report, there are three characteristics that social enterprises have to a greater or less extent (Kelley et al. 2010):

- Prominence of a social purpose (o environmental purpose) against the economic purpose.
- Dependence of the revenues that they earned and contribution of these to the total income of the organization.
- Presence of innovation.

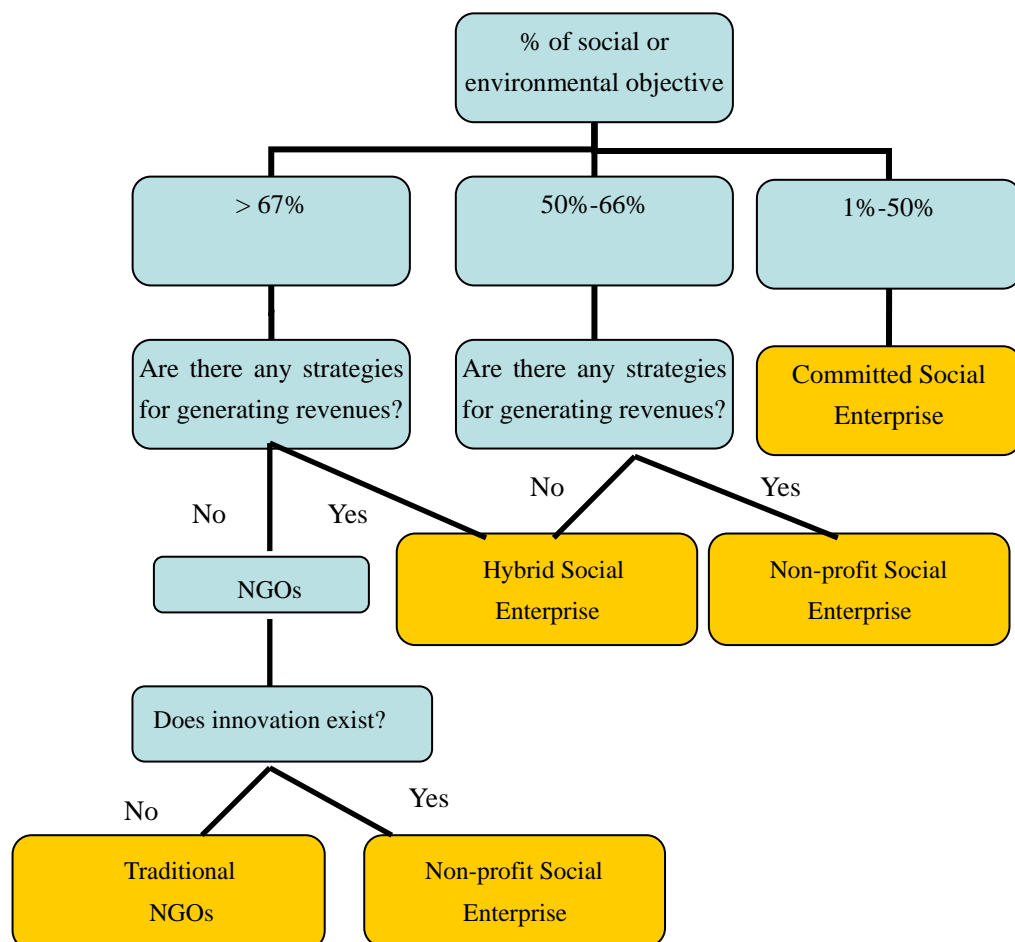
Thus, depending on the relevance that these factors have, four types of social enterprises can be identified:

- Traditional Non-governmental Organizations (NGOs): the social or environmental objective is the only objective or principal; have the status of non-profit organization
- Nonprofit Social Enterprise: the social or environmental objective is the sole objective or principal; has the status of non-profit organization and is innovative in its projects.

- Hybrid Social Enterprise: the social or environmental objective is the only objective or occupies a very important position; there is a revenue generation strategy that is ‘integrated’ or ‘complementary’ to the mission of the organization.
- For-profit Social Enterprise: the social or environmental objective occupies an important position, but there is no need to be the only objective; there is a clear strategy for generating revenue.

To have a better comprehension of the typology of social enterprises, the four categories defined above are summarized in Figure 1.

**Figure 1. Typology of social enterprises**



Source: Curto Grau (2012)

In this article, the case chosen to study is a hybrid social enterprise. We focus on this type of social enterprise because there has been a large trend among social

innovators toward creating hybrid organizations that primarily pursue a social mission but rely significantly on commercial revenue to sustain operations. Such hybrids have long existed in certain sectors, such as job training, health care, and microcredit—but in recent years they have begun to appear in new sectors, including environmental services, consulting, retail, consumer products, catering, and information technology (Battilana et al., 2012). As a result, it's worthy and also interesting to study this 'hybrid trend' in the field of social enterprises.

From the categories and figure 1, hybrid social enterprises have two objectives, one is generating revenues for the distribution to shareholders, and another is for achieving the social mission of the enterprise itself. But different from the categories defined in figure 1, which shows that innovation is the necessary condition just for non-profit enterprises, innovation is also an important or moderating factor for hybrid social enterprises in the process of designing and implementing their strategies as hybrid social enterprises also have the non-profit part,

According to Alter (2007, p.15), as a hybrid, the social enterprise is driven by two strong forces:

(1) The nature of the desired social change often benefits from an innovative, entrepreneurial, or enterprise-based solution.

(2) The sustainability of the organization and its services requires diversification of its funding stream, often including the creation of earned income.

To develop a healthy and sustainable hybrid social media, one of the avenue to achieve these two strong forces that has been increasingly used and observed is through the use of social media. This linkage between SEs and social media is an important aspect studied in this article. In the following we will discuss briefly what is social media and its typology.

## **2.2. Social Media**

The rapid development of Information and Communication Technologies (ICT) has made our world a global village. Especially in the current information society, the Web 2.0 has brought a revolution in every aspect (information, communication, social

relationships, work methods, etc.) Thanks to the ideological and technological foundations of Web 2.0, groups of Internet-based applications such as Facebook, Twitter, YouTube, have allowed a great change of business strategies. According to Forrester Research (Kaplan and Haenlein, 2010), 75% of Internet surfers used 'Social Media' in the second quarter of 2008 by joining social networks, reading blogs, or contributing reviews to shopping sites; this represents a significant rise from 56% in 2007. Therefore, Social Media, which represents the revolutionary new era of information, is raising great interest of many researchers and also companies to study on it. By adopting the use of social media, social economy organizations can better decide their marketing strategies to generate revenues. In this part, we will explain what social media is and the main types of social media.

### **2.2.1 Definition of Social Media**

Some researchers use the terms Web 2.0 and social media interchangeably, but there is in fact a difference between them (Alarcon-del-Amo, Lorenzo-Romero and Constantinides, 2013). Constantinides and Fountain (2008) defined the Web 2.0 and described it as an online interactive platform consisting of three components: application types (social media), social effects and enabling technologies. Hence, from this perspective of dimensions, social media is an important component of Web 2.0, which means Web 2.0 is a broader concept and social media is a part of it. After having a basic concept of where does social media come from, it's now time to have a better insight about what do social media refer to.

Kaplan and Haenlein (2010) defined social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (p.61). Social media refer to the means of interactions among people in which they create, share, and exchange information and ideas in virtual communities and networks (Ahlqvist, Bäck, Halonen and Heinonen, 2008, p.13). Social media can also be understood as Internet-based applications that carry consumer-generated content which encompasses 'media impressions' created by consumers, typically informed by relevant experience, and archived or shared online for easy access by other impressionable consumers

(Xiang and Gretzel, 2010; Blackshaw, 2006). So, the definition of social media can be made as follow: social media is a group of Internet-based applications that allows the consumers interact among themselves by creating, sharing and exchanging contents such as information, ideas and experience.

### **2.2.2 Typology of Social Media**

Up till now, there is indeed no systematic or theoretical typology in which different social media applications can be categorized. But in most of the literatures about social media and based on different functions of social media, it is common and easy to differentiate between social networking (e.g. Facebook), social bookmarking (e.g. Digg), video-sharing (e.g. Youtube), picture-sharing (e.g. Flickr), professional networking (e.g. LinkedIn), user forums, weblogs (or blogs), and microblogging (e.g. Twitter) (Fischer and Reuber, 2011). However, new sites, new applications appear everyday, it's of great importance and convenience to have a basic classification for the existent and forthcoming social media. The convincible classification of social media should be that one of Andreas Kaplan and Haenleinwe (2010), who took social presence/media richness and self-presentation/self-disclosure as the two key elements and dimensions of social media relying on a set of theories in the field of media research, such as presence theory (Short, Williamms and Christie, 1976) and media richness theory (Draft and Lengel, 1986). The classification is depicted in Table 1:

In this article, we will choose the famous social networking sites – Facebook as the case study to examine how the selected hybrid social enterprise utilizes the social capital developed in this social media tool to help achieve its perception of innovativeness of the followers/customers and its development of innovation.

**Table 1. Classification of social media by social presence/media richness and self-presentation/self-disclosure**

		Social presence/ Media richness		
		Low	Medium	High
Self-presentation/ Self-disclosure	High	Blogs	Social networking sites (e.g., Facebook)	Virtual social worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content communities (e.g., YouTube)	Virtual game worlds (e.g., World of Warcraft)

Source: Kaplan and Haenlein (2010)

## 2.3. Social Capital

### 2.3.1 What is Social Capital

The concept of social capital has a long history in the social sciences. Bourdieu (1980, 1986), Coleman (1988, 1990) and Putnam (1993, 1995, 2000) are credited for introducing the concept of social capital and popularized it (Dinda, 2008). Bourdieu is the researcher who firstly proposed a systematic contemporary analysis of social capital, he gave the definition to social capital as “the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition” (Bourdieu 1986, p.248; 1980). Putnam (2000) brought the idea of social capital emphasizing the relationship or interdependence between individuals: “Social capital refers to connections among individuals—social networks and the norms of reciprocity and trustworthiness that arise from them.” “Social capital may be defined operationally as resources embedded in social networks and accessed and used by actors for actions” (Lin, 2001).

Social capital is widely defined by researchers as actual and potential assets embedded in relationships among individuals, communities, networks and societies (Burt, 1997; Nahapiet and Ghoshal, 1998; Mair and Martí, 2006). So, the concept of social capital has two important points: (1) it represents actual and potential resources embedded in social relationships between individuals; (2) access and deployment of

such resources subsist in the actors. As a result, social capital can create opportunities for individuals to ensure benefits taking advantages of their relationship and networks. By the tangible or intangible engagement (time, money or idea) of individuals who repeat interactions with others (no matter individual, community or enterprises), social transaction cost can be lessened. Thereby, social capital can be considered as the stock of active connections among individuals—the trust, mutual understanding, and shared values and behaviors that bind the members of human networks and make possible cooperative action (Cohen and Prusak, 2001).

### **2.3.2 Types of Social Capital and Relationship with Social Enterprises**

Social capital can be categorized into four general categories: collective efficacy, social trust and reciprocity, participation in voluntary organizations, and social integration (Harpham, Grant and Thomas, 2002).

In this article, the engagement (tangible or intangible) of individuals and its effect on the social enterprises mediating the platform that social media provide is the main concern. This means among the four types of categories mentioned above, trust and reciprocity and participation will be better paid attention to because these two types link tightly with the social enterprises. What's more, in order to have a better interpretation and understanding of social capital, sociologists and organizational theorists have also developed three highly interrelated dimensions of social capital:

Structural capital: the structure of the overall network of relations (Burt, 1992);

Relational capital: the kind and quality of an actor's personal relations (Granovetter, 1992);

Cognitive capital: the degree to which an individual shares a common code and systems of meaning within a community (Nahapiet and Ghoshal, 1998).

As a multi-dimensional construct, any study of social capital must clearly define the dimensions that are being measured (Portes, 2000a). According to Mair and Martí (2006), the first two dimensions, structural and relational capital, contribute to the study of social enterprises, because structural capital defines the potential or possibilities that the social enterprise has to access information, resources and support. It is also one of the factors that will determine whether and to what extent social



entrepreneurs are able to solve and alleviate social problems. As for the relational dimension, it highlights the quality of relationship such as reciprocity and trustworthiness. Evidence proves that when trust is better built up between parties, they are more eager to engage in cooperative activity, through which further trust may be generated (Fukuyama, 1997).

For these reasons, to study the relationship among social enterprises, social media and social capital, it's important to consider the participation of individuals on the structural and relational dimensions of social capital.

#### **2.4. Linkages among Social Enterprise, Social Media and Social Capital**

Plenty of academic researchers have focused on the impact of the social media on business enterprises, as more and more attention is paid to the non-profit sector of the social economy, after late 1990s, studies about the role that social media play in the management of non-profit organizations appear gradually (Curtis et al., 2010; Nah and Saxton, 2013). However, there is a scarcity of papers focusing on the importance of social media for social enterprises, and the existent studies are limited to the scope of traditional business enterprises and non-profit organizations. Compared to the researches at the business level, more studies are presented to analyze how social media and social capital affect mutually. For example, in the paper of Ellison, Steinfield and Lampe (2007), the research shows that the intensive use of the famous social media Facebook has positive impact on the bridging and maintenance of social capital. As for studies on social capital and social enterprise, Mair and Martí (2006) proved that different dimensions of social capital play different types of role for social enterprises both in the collection of information, resources or support and in the achievement of their objective.

Based on the literature resources, it's obvious that no one has studied how social enterprises, social media and social capital link and affect among each other, and most researches just basically focus on the relationship between two of the three concepts. We argue that social enterprises' social media usage can impact various types of organizational social capital as well as perception of organizational innovativeness

and actual organization innovation. This has been an intriguing question and it has not been done before, so this is exactly the reason to conduct the pilot trial to build a theoretical framework and propose various propositions to analyze an overall relationship among the three concepts.

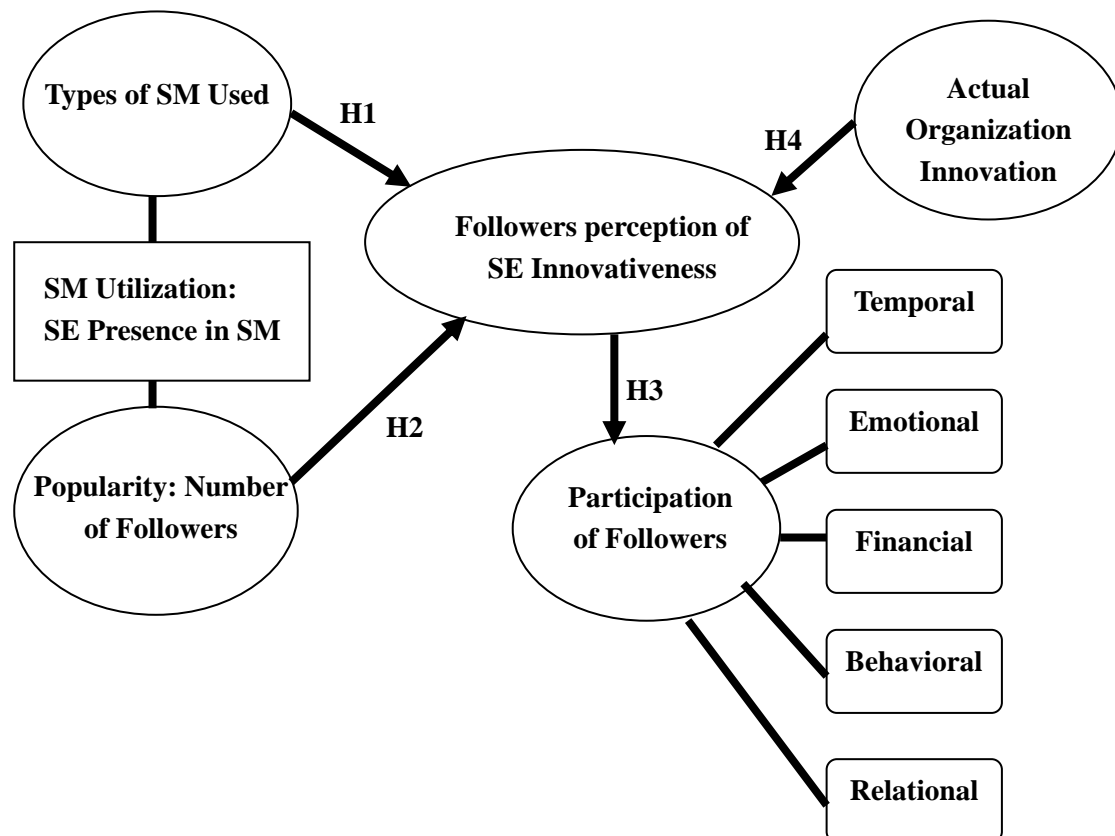
### **3. Theoretical Framework and Propositions**

#### **3.1. Theoretical Framework**

Social enterprises are organizations that accomplish their social missions through the development of innovative ventures or by reorganizing existing activities to improve operational efficiency (Pomerantz, 2003; Weerawardena and Sullivan-Mort, 2006; Zappala, 2001). According to the three main characteristics of social enterprises and the two strong forces of hybrid social enterprises mentioned in the literature review part, the presence of innovation plays a key role in the sustainable development of the social enterprises. Mulligan et al. (2007b) define that social enterprises pursue social innovations with the aim of developing and implementing new ideas (products, services and models) to meet social needs. Other studies also show that social enterprises are characterized by innovation, activities that create new things instead of replicating others enterprises or practices (Austin, Stevenson and Wei-Skillern, 2006; Shaw and Carter, 2007). However, during the process of innovation, not only the social enterprise itself, but also its customers (social media followers in our case) can achieve the creation of something new (such as ideas about package design, promotion, advertising, new product categories, etc.) through the interaction between them. To have a better interaction, social media (SM) plays the mediating role to exchange information of both sides, especially with the fast development of Web 2.0, more and more enterprises take SM as effective tools in marketing strategies implementation, brand management, customer communications, etc. On the other hand, as the product of the usage of SM, through which customers can perceive the innovativeness of the SE and engage themselves in the innovation process to express their opinions, preferences, idea, or even complaints, the social

enterprises obtain the social capital from the customers, i.e., their tangible and intangible participation. Indeed, the literature review section reveals the absence of researches focus on relationship among social enterprises innovation, social media and social capital of customer engagement. Considering this situation, this article outlines a theoretical framework as shown in the Figure2.

**Figure 2. Theoretical Framework**



## 3.2. Propositions

### 3.2.1 Perception of Innovativeness: Role of Social Media

Social media are interactive platforms via which individuals and communities share, co-create, discuss, and modify user-generated content (Kaplan and Haenlein, 2010), they are also a variety of applications in the technical sense which allow consumers to “post”, “tag”, “dig”, or “blog”, and so forth, on the Internet (Xiang and Gretzel, 2010), like Facebook, Twitter and YouTube. Social media have been highly adopted to such extent that they are emerged in our daily private and business lives. As a result, researches about social media have developed to be

multidisciplinary, and most of them analyze the beneficial consequences of social media as marketing tools for society and business initiatives (Fischer and Reuber, 2011; Bughin and Chui, 2011). In this part, we will focus on the role of the social media play in affecting social media followers' perception on the innovativeness of social enterprises.

Social network can help to construct cognitive awareness of an individual, for social enterprises, social media is of great convenience to convey their entrepreneurial image and social value, especially if deploying well the social media, customers / SM followers can have a better perception about how innovative the social enterprises are.

According to Alexander et al. (2012), brand value can be defined as value facets (functional, economic, emotional and social) perceived by an individual consuming a particular brand. Similarly, customer perception can also be affected by functional, economic, emotional and social value facets of social enterprises. This implies that apart from reading annual report to see the economic investment on innovation (economic) and percentage of innovation activities in the achievement of entrepreneurial goals (functional), an individual can also get the perception of a certain social enterprise's innovativeness (which is the important characteristic and also the value of social enterprises) from social media, because by the communication with friends or interaction with social enterprise, the individual will receive emotional and social evaluation and gradually, in his / her mind, the judgment of how the innovative the social enterprise is can be formed.

Inspired by the interpretation of brand image perception of Keller (1993, p.3) and Brodie, Whittome and Brush (2009, p.3), perceptions about innovativeness can be reflected by the innovativeness associations held in consumers' memory, and this perception also combines cognitive and affective innovativeness beliefs, which together form the consumer's overall impression of the social enterprise. That is to say, perception of innovativeness consists of various innovation associations which social enterprises transfer from the enterprise itself to the consumer's memory through integrated marketing communication channels, such as social media. Based on these comprehension of how innovativeness of social enterprises is perceived, this article

argue that to form better cognitive perception of innovativeness in the (existent or potential) consumers' memory, social enterprises need to transfer their belief, i.e. innovation, by a series of interaction with their customers through the usage of social media, such as diversifying and extending social enterprises' social media presence.

To summarize, what the article tends to present about the perception of innovativeness is that the more diverse and extended social media presence that the social enterprises have, the followers should perceive social enterprises as more innovative. The diversity of social media presence is examined by the types of social media used, and the extension of social media presence, we use numbers of social media followers to measure it. So, the first two propositions are:

**Proposition1 (H1):**

The number of social media used by the organization is positively correlated with the follower's perception of organizational innovativeness.

**Propositon2 (H2):**

The number of followers of a specific organizational social media is positively correlated with the follower's perception of organizational innovativeness.

**3.2.2 Social Entrepreneurial Innovation: Role of Social Media Followers' Participation**

Based on the platform that social media provide, customers (social media followers) can be easier to engage in the innovation process of the social enterprises. Actually, customers have been increasingly encouraged to actively participate with firms, and it's becoming a new frontier for enterprises in getting competitive effectiveness and obtaining co-created customized experience (Bendapudi and Leone, 2003; Payne, Storbacka and Frow, 2008; Ravald and Gronroos, 1996; Prahalad and Ramaswamy, 2004). Rodie and Kleine (2000, pp. 118-20) suggest that customers' willingness to participate is determined by the perceived benefits of their input, which may be increased efficiency, increased efficacy or hedonistic/emotional benefits. In this context, both customers and social enterprises find mutual benefit from their interaction. In one hand, participation of customers facilitates and stimulates the innovation process of social enterprise. On the other, the more

innovative the social enterprises are, the more community benefit will be generated, which is beneficial for the customers. Taking Starbucks Ideas as example, Starbucks provides this well-popularized platform for customers to share feedback, customers can also express their new ideas about new offerings in form of an active dialogue among each other or even with the company's management (Gallaughier and Ransbotham 2010). Thanks to this social media platform, Starbucks can generate feedback and ideas for customers to improve the quality or create new type of coffee, in the meanwhile, customers can find and taste the type of coffee that they want exclusively in Starbucks, and they also find themselves to be a part of the company and gradually their brand royalty to Starbucks are developed.

Ennew and Binks (1999) suggest that customer participation consists of three broad dimensions: information sharing, responsible behavior, and personal interaction. Among the three dimensions, customer participation includes both physical and mental inputs (Cermak et al., 1994; Silpakit and Fisk, 1985). These two forms are the main types of customer participation. However, the widely cited and completed forms should be that one of Ple, Lecocq and Angot (2010). (See Table 2) Depending on the role of participation in the process of social entrepreneurial innovation, proposition 3 can be concluded as:

**Propositon3 (H3):**

The followers' perception of organizational innovativeness is positively correlated with their participation in/with the organization.

**Table 2. Forms of customer participation (Ple, Lecocq and Angot,2010)**

<b>Form</b>	<b>Refers to...</b>	<b>Authors</b>
<b>Mental</b>	the information given by the customer to the firm, as well as the mental efforts he agrees to do to get product (Rodie and Kleine, 2000, pp.112).	Mills et al. (1983); Mills and Turk, (1986); Rodie and Kleine (2000)
<b>Physical</b>	customers' own tangibles and physical efforts, as well as physical efforts that refer to actions undertaken during the participation (Rodie and Kleine, 2000, pp.112).	Rodie and Kleine (2000); Siehl et al. (1992).
<b>Emotional</b>	all the emotions felt by customers while participating (Rodie and Kleine, 2000, pp.112).	Rodie and Kleine (2000)
<b>Financial</b>	the price paid by the customer to get the product.	Bitner et al. (1997)
<b>Temporal</b>	the time it takes a customer to participate before even getting the product or to learn how to use the product.	Beaven and Scottie (1990); Song and Adams (1993); Mills and Morris (1986)

Form	Refers to...	Authors
<b>Behavioral</b>	mental and physical forms. Particularly, it refers to interpersonal dimensions of the interaction between a customer and a service employee, and focuses on the way the customer behaves during this interaction: how fast he will give information, bring his good to the firm, whether he show goodwill to participate, etc. Summing up, it refers to the participative behavior of the customer.	Mills and Morris (1986); Gronroos (1984; 2001); Kelley et al. (1990; 1992)
<b>Relational</b>	derives form the fact that a customer's expectation and future behavior towards a service provider is influenced by previous encounters with a service provider.	Gronroos (2001)

### 3.2.3 Organizational Innovation

Innovation is a necessity for firms that compete in environments where change is pervasive, unpredictable, and continuous (Brown and Eisenhardt, 1997). Innovation is a strategy of great importance for all kinds of enterprises. In our study, the type on which we take in the survey is the hybrid social enterprises. As literature review states, they “enact hybrid nonprofit and for-profit activities” (Dart, 2004, p. 415). For this type of social enterprises, they are two kinds of innovation: the social innovation and business innovation. According to Elliot (2006), social innovation is different from business innovation. Social innovation occurs to satisfy unmet human and societal needs, whereas business innovation is market and consumer driven (Bridgstock et al., 2010). In other words, for hybrid social enterprises, they comply with two types of innovation correspondent with their hybrid characteristics: social innovation, which is society mission driven, and business innovation, which is market and consumer



driven.

In this section, we will explore how much customer perception of social enterprises' innovativeness matches actual social entrepreneurial innovation. The proposition posited in this part is:

**Propositon4 (H4):**

The level of actual organizational innovation is positively correlated with the followers' perception of organizational innovativeness.

## **4. Research Method**

### **4.1 Context**

Because of the dearth of research with respect to the relationship among social media, social capital and social entrepreneurs, it is both appropriate and necessary to undertake qualitative research, in the form of case study research, so as to build comprehension of the phenomenon that how social enterprises make use of social media to develop their social capital and to help further researchers to formulate a more systematic theory in this area.

#### **4.1.1 Selection of the Case: the Triodos Bank and Facebook**

we select the Triodos Bank as the case study because it is a typical hybrid social enterprise that meets the concept as presented previously in the literature review. For a hybrid social enterprise,

- a. its social or environmental objective is the only objective or occupies a very important position;
- b. there is a revenue generation strategy that is “integrated” or “complementary” to the mission of the organization;
- c. one of its objective is generating revenues for the distribution to shareholders, another is for achieving the social mission of the enterprise itself.

As for the selection of the Facebook as the representative social media tools, it is because Facebook constitutes a rich site for researchers interested in the affordances of social networks due to its heavy usage patterns and technological capacities that

bridge online and offline connections.

#### **4.1.2. Brief Introduction to the Triodos Bank**

Triodos Bank is a European social bank registered in the Netherlands, which lends only to organizations and businesses with social and environmental aims. It professes to support only those projects ‘which benefit the community, enhance the environment and respect human freedom’ and as such it actively targets ‘ethical’ borrowers. It sources its funds by accepting deposits from individuals, charities and businesses. Its promotional messages tend to emphasize the positive nature of choosing Triodos, e.g. “Let your choice count for more” and “A choice where more than money counts”. Triodos is a prime example of the European tradition of ‘social banking’, which has evolved to meet the particular needs of social economy initiatives that often face difficulties in obtaining finance from conventional providers (Cowton and Thompson, 2001).

#### **4.1.3. Brief introduction to Facebook**

Launched in 2004, Facebook is the most popular SNS (Jain, 2010) with over one billion users (Facebook, 2012). Each Facebook member controls a profile that allows them to describe to a network of selected “friends” various aspects of their life, including their workplace, educational background, marital status, life events, photographs and preferences on a variety of matters. New additions to the profile can be immediately shared with all members of one’s network.

### **4.2 Data Collection**

To determine the Facebook followers’ / customers’ perception of innovativeness of the Triodos Bank and their participation, a questionnaire survey was sent by email randomly to 150 Facebook followers of the Triodos Bank in Spain during August of 2013 (see Appendix 2). A total of 42 usable, complete responses are obtained (28% respondent rate). The gender breakdown is 48 percent of male and 52 percent female; almost all are of age ranging from 18 to 35 with 88 percent. Moreover, 43 percent have bachelor’s degree and the same to those with master’s degree. Table 3 gives a detailed description of the demographic statistics for the respondents.

To determine the actual innovation situation of the Triodos Bank, another survey for managers of the Triodos Bank is designed (see Appendix 3). This survey is an on-going published survey design of the Social Entrepreneurs as Lead Users for Service Innovation (SELUSI), a project which places an emphasis on economic, managerial and behavioral perspectives with empirical, theoretical and experimental methodologies. SELUSI experiments with action-oriented research. To illustrate, SELUSI collaborates and pilot-test SELUSI service innovation mechanisms with real-life companies and social entrepreneurs. However, this survey is not conducted in this article, but further researchers can employ this designed survey to collect information about actual innovation from managers or CEO of the Triodos Bank (or the social enterprises that are studied).

**Table 3. Descriptive statistics of respondents' characteristics**

<b>Measure</b>	<b>Value</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Gender</b>	Male	20	47.62
	Female	22	52.38
<b>Age</b>	<18	0	0
	18-25	19	45.24
	26-35	18	42.86
	36-45	4	9.52
	46-55	1	2.38
	56-65	0	0
	>66	0	0
<b>Degree</b>	High School and Under	2	4.76
	Associate's Degree	1	2.38
	Bachelor's Degree	18	42.86
	Master's Degree	18	42.86
	Doctorate	3	7.14

### **4.3 Instrument and Measures**

In this article, the constructs are measured using multi-item scales. Appendix 1 shows specific variables, items, response formats and sources where the questions are adapted. For each variable, respondents are asked to rate the items (statements) on a 5-point Likert Scale, except the variable of financial participation, of which respondents just need to choose ‘yes’ or ‘no’ using ‘1’ and ‘0’ respectively.

#### ***Perception of Innovativeness (PI)***

To measure the perception of innovativeness of the Facebook followers of the Triodos Bank, a six-item construct is employed. The items are borrowed from the previous research of Werner Kunz, Bernd Schmitt and Anton Meyer (2011), and are presented on 5-point Likert rating scales.

#### ***Social Media Presence (SMP\_T and SMP\_F)***

In order to study the diversity extension of social media, types of social media presence (SMP\_T) and number of social media followers (SMP\_F) need to be measured. The construction of these two instruments is based on the UTAUT model developed by Venkatesh et al. (2003): the four-item construct of SMP\_T is adapted from the items for attitude study of the UTAUT model to measure what is the attitude of Facebook followers toward types of social media presence employed by the Triodos Bank; as for the four-item construct of SMP\_F, it describes the social influence of being a follower of the Triodos Bank in Facebook page, also using the respective items of UTAUT model.

#### ***Participation of Followers***

In our model, participation is a construct that reflects various ways of contributing/participating and as such will be measured in different ways. According to the forms of participation classified in Annex 1 previously, there are five types of participation to measure this construct: temporal, emotional, financial, behavioral and relational.

#### ***Temporal Participation (PT)***

A three-item construct assesses the followers’ temporal participation in Facebook and each item is adapted from different previous research. To measure times and

hours of use per week, the 5-point Likert scales is modified from the study of Moon and Kim (2001), and about the percentage of comparison of usage, I add this item so as to have a better cognition, the scales of this item are borrowed from Reynol Junco (2012).

### ***Financial Participation (PF)***

This variable is measured by the thirteen products presented in the official webpage of the Triodos Bank in Spain, ranging from account and deposit to investment, card and donation, etc. Respondents are asked to choose the products that they have bought or will buy using 1 to represent yes and 0 to represent no.

### ***Emotional participation (PE)***

As emotion can be expressed by different feelings and to simplify the study, this article focuses on the satisfaction with being a follower of the Triodos Bank in Facebook. Designed items for satisfaction scale of Casaló et al. (2010) lead to only some minor modifications in the wording and presentation of the items presented in this article. Respondents are asked their level of agreement using a 5-point scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*) with each of the following four statements: “I think that I make the correct decision to be a follower of the Triodos Bank in Facebook”, “The experience that I am a follower of the Triodos Bank in Facebook has been satisfactory”, “To be a follower in Facebook can fulfill my expectation to the Triodos Bank”, “In general terms, I am satisfied with being a follower of the Triodos Bank in Facebook”.

### ***Behavioral Participation (PB)***

The four items developed for the variable PB are cited from a report about civic engagement in the digital age of the Pew Internet and American Life Project, including promotion of related material, encouragement, posting thoughts or comments, and reposting links or content about the Triodos Bank.

### ***Relational Participation (PR)***

According to the classification of participation listed in the Propositions part, relational participation refers to expectation and future behavior of the customers. To assess this variable, the items can be selected from researches about brand expectation

and brand commitment. And finally, the measurement of relational participation is from the research of Chaudhuri and Holbrook (2001), in which a two-item scale assesses purchase-related commitment while another two-item scale describes attitudinal loyalty.

## 5. Findings and discussion

Although the sample of the study is too small to do explorative statistic analysis or to do regression to examine relationship among the variables, from the descriptive statistics tables displayed below, we can also obtain some important and practical findings.

a. From Table 4, we can find that respondents on average agree with that the Triodos Bank is an innovative social enterprise with a mean value of 3.82 considering the six items examined.

b. On the official web page of the Triodos Bank Spain, there are five types of social media employed: Facebook, YouTube, Twitter, Linkedin and Google+. About the attitudes toward the types of social media (SMP\_T) employed by the Triodos Bank, generally speaking, each item has a mean value of 4 approximately, which can indicate that for Facebook followers of the Triodos Bank, they agree with the idea of using different types of social media tool to help people know the bank better and recognize it easier.

c. As Table 5 shows, people are tend to be influenced by their friends and other people related to the Triodos Bank and to the Facebook because the mean value of the variable SMP\_F is 3.5, which means people hold the attitude between neutral and agreeable to become followers of the Triodos Bank in Facebook page. If we enter in the social media page of Triodos Bank Spain, we can find that there are 61,869 followers in Facebook, 2,045 in YouTube, and 992 in Twitter. From the numerical aspect, Facebook obviously provides a wider platform for people to know the bank.

Combing findings *a* and *b*, we can induce that H1 can be supported. Because more types of social media used by the social enterprises, social media followers or

customers can recognize better their interested enterprises, as a result, a better perception of innovativeness is obtained. Similarly, based on findings *a* and *c*, H2 can also be accepted. Facebook has provided people a wide range of platform to communicate, to exchange information and to build up their network of social capital. The larger number of social media followers the social enterprises have, the better the customers / social media followers' communication with each other and the easier influenced by each other, the better the perception of innovativeness will grow.

**Table 4. Descriptive statistics of Perception of Innovativeness (PI)**

Variables	Items	Frequency of the scales					Mean of Items (=scale*frequency/total)
		1	2	3	4	5	
PI	PI_1	0	1	9	27	5	3.86
	PI_2	0	1	18	20	4	3.71
	PI_3	0	0	6	28	8	4.05
	PI_4	0	4	15	19	4	3.55
	PI_5	0	4	10	21	7	3.74
	PI_6	0	2	7	22	11	4
<b>Mean of PI</b> (=Sum mean of items/ Number of items )							<b>3.82</b>

d. From the results of the three items for temporal participation measurement shown in Table 6a, we can find that on average followers of the Triodos Bank visit its Facebook page 2 to 3 times a week (mean of PT\_1 is 2.4) and spend 1 to 5 hours every week more or less on reading the posted material (mean of PT\_2 is 1.76). Compared to their total time spent on visiting Facebook, 25% to 50% is dedicated to the page of the Triodos Bank because the mean value of PT\_3 is 2.45. To sum up, people who are interested in knowing the Triodos Bank are willing to pay attention to the read the updated information of the Triodos Bank.

Although we can not find any support for showing that followers' perception of organizational innovativeness is positively correlated with their temporal participation in/with the organization, finding *d* provides the suggestion that the Triodos Bank should make full use of the social media such as Facebook to post its notice for gathering innovative idea or something related to its innovation process, because once the followers have interested in it, they might take part in it or promote it to their social capital network to let more people participate in it.

**Table 5. Descriptive statistics of Social Media Presence (SMP)**

		Frequency of the scales					
Variables	Items	1	2	3	4	5	Mean of Items (=scale*frequency/total)
<b>SMP_T</b>	SMP_T_1	0	0	2	20	20	4.43
	SMP_T_2	0	1	5	24	12	4.12
	SMP_T_3	0	2	13	22	5	3.71
	SMP_T_4	0	0	11	25	6	3.88
<b>Mean of SMP_T</b> (=Sum mean of items/ Number of items )							<b>4.035</b>
<b>SMP_F</b>	SMP_F_1	1	3	15	15	8	3.62
	SMP_F_2	2	7	14	17	2	3.24
	SMP_F_3	1	2	19	13	7	3.55
	SMP_F_4	2	1	13	22	4	3.60
<b>Mean of SMP_F</b> (=Sum mean of items/ Number of items)							<b>3.50</b>



		Frequency of the scales					Mean of Items
Variables	Items	1	2	3	4	5	(=scale*frequency/total)
PT	PT_1	10	16	8	5	3	2.40
	PT_2	18	17	6	1	0	1.76
	PT_3	2	23	13	4	0	2.45
Mean of PT							
2.20							
(=Sum mean of items/ Number of items )							
PE	PE_1	0	0	11	25	6	3.88
	PE_2	0	0	14	24	4	3.76
	PE_3	0	2	14	22	4	3.67
	PE_4	0	0	16	19	7	3.79
Mean of PE							
3.78							
(=Sum mean of items/ Number of items )							
PB	PB_1	0	1	10	25	6	4
	PB_2	1	4	9	22	6	3.67
	PB_3	1	4	9	21	7	3.69
	PB_4	1	10	17	10	4	3.14
Mean of PB							
3.63							
(=Sum mean of items/ Number of items )							

		Frequency of the scales					Mean of Items
Variables	Items	1	2	3	4	5	(=scale*frequency/total)
PT	PT_1	10	16	8	5	3	2.40
	PT_2	18	17	6	1	0	1.76
	PT_3	2	23	13	4	0	2.45
Mean of PT							
2.20							
(=Sum mean of items/ Number of items )							
PE	PE_1	0	0	11	25	6	3.88
	PE_2	0	0	14	24	4	3.76
	PE_3	0	2	14	22	4	3.67
	PE_4	0	0	16	19	7	3.79
Mean of PE							
3.78							
(=Sum mean of items/ Number of items )							
PB	PB_1	0	1	10	25	6	4
	PB_2	1	4	9	22	6	3.67
	PB_3	1	4	9	21	7	3.69
	PB_4	1	10	17	10	4	3.14
Mean of PB							
3.63							
(=Sum mean of items/ Number of items )							

e. According to the mean value of emotional and behavioral participation obtained in Table 5a (3.78 and 3.63 respectively).

This means that people who have become followers of the Triodos Bank in Facebook feel satisfied to do so. Nevertheless, we cannot deduce the positive relationship between the perception of innovativeness and the degree of satisfaction during the participation in the innovation process. The proposition 3 (H3) cannot be supported in emotional aspect based on the descriptive analysis, and for further research, it's of great importance to test the coefficient of PI and PE.

In the aspect of behavioral participation, rather than posting links or reposting content about the Triodos Bank for others to read in Facebook, people are more likely to click "Like", promote the Triodos Bank and leave their won thoughts and comments (mean value of PB\_4 is the lowest and that of PB\_1 is highest). We can not say that the finding about PB\_4 and PB\_1 is contradictive, because they are part of the variable measurement, what we can confirm is that people are more likely to promote material that others have posted instead of posting the content in their page. However, in general, people have the initiative to take action in order to let others know the Triodos Bank (the mean value of the variable PE is 3.63), and this implies that proposition 3 (H3) can be supported at the behavioral level to some extent.

f. From the results of financial participation in Table 6b, comparing different types of products/services, people are more likely to open an account rather than deposit the money in the Triodos Bank. Among six types of deposit products, the 2 year deposit and 5 year deposit are not popular, maybe this is because of its long lasting characteristic. Overall, considering all the products, respondents do not reject buying the products/services of the Triodos Bank mainly because through the Triodos Bank the customers have the choice to donate certain interests to an organization. This infers that the statement of proposition 3 (H3) with the character of financial participation cannot be totally rejected but for an accurate answer, more detailed survey and more completed explorative analysis are necessary in further study to test if the followers' perception of organizational innovativeness is positively correlated with their financial participation in/with the organization.

**Table 6b. Descriptive statistics of Participation (PF & PR)**

		Frequency of the scales					
Variables	Items	1	0 (PF) /2(PR)*	3	4	5	Mean of Items (=scale*frequency/total)
<b>PF</b>	PF_1	34	8				0.81
	PF_2	24	18				0.57
	PF_3	26	16				0.62
	PF_4	25	17				0.60
	<b>Mean of PF (Account)</b>						<b>0.65</b>
	PF_5	33	9				0.79
	PF_6	35	7				0.83
	PF_7	24	18				0.57
	PF_8	18	24				0.43
	PF_9	7	35				0.17
	<b>Mean of PF (Deposit)</b>						<b>0.56</b>
	PF_10	26	16				0.62
	PF_11	30	12				0.71
	PF_12	30	12				0.71
	PF_13	23	19				0.55
	<b>Mean of PF (All)</b> <b>(=Sum mean of items/ Number of items )</b>						<b>0.63</b>
<b>PR</b>	PR_1	0	1	10	25	6	3.86
	PR_2	0	1	12	26	3	3.74
	<b>Mean of PR (Purchase Commitment)</b>						<b>3.80</b>
	PR_3	0	1	19	19	3	3.57
	PR_4	1	10	17	10	4	3.14
	<b>Mean off PR (Loyalty)</b>						<b>3.36</b>
	<b>Mean of PR (All)</b> <b>(=Sum mean of items/ Number of items )</b>						<b>3.58</b>

\*For the measurement of PF, there is only 2-item scale, 1 represent yes and 0 represent no; For the measurement of PR, it is a 5-item scale

g. The last type of participation of proposition 3 (H3) is relational participation. To study this construct, the items are separated into two categories, one is purchase related commitment and the other, attitudinal loyalty. For the first two items, respondents agree with their intention to the future purchase. But as for the loyalty, they do not have the confidence to be so loyal that they are ready to pay more for the products/services of the Triodos Bank over other banks (as PR\_4 is the item with lowest mean value). Similar as the situation of financial participation, in the aspect of relational participation, proposition 3 (H3) cannot be totally rejected because of a good mean value of the variable PR, but for an accurate answer, more efforts should be paid to the further research.

To conclude, with the descriptive analysis of the survey, for H1, H2 and some aspects of H3, we can have optimistic but not affirmative estimation. For H4, further researches can conduct the survey (Appendix 3) designed for entrepreneurial managers, in this article we just propose the hypothesis. Table 7 depicted below gives a concise result of this study:

## **6. Limitation and Further Research**

Given its preliminary nature, this study has several limitations. In addition to the lack of data collected due to the limited number of questionnaire respondent, this study employed a case study approach in that the questionnaire design reflected only a snapshot of the role that social media plays for social enterprises to develop innovation through social capital, which means this article only aims at one specific type of social enterprise and for a specific group of Facebook users. Obviously, it is more desirable to conduct longitudinal studies capturing the role of social media over time in a dynamic environment such as including other types of Spanish social enterprises. Also, other mainstream social media such as Twitter and YouTube also handle a substantial number of users and they are popular business marketing use for social enterprises. These social media should be included in future analyses to reflect the mediation of these technologies in a more comprehensive way. Further, future

studies should focus on improving the validity and respondent rate for the research questions by including a wider range of social media followers. This will also allow for additional comparisons and analysis of the patterns of usage and impact of social media in Spanish social economy beyond the context used in this article.

A goal of future research could also be the development of practical tools (e.g., benchmarking systems) to keep track of the change in the role of social media in order to provide useful and timely insights for Spanish social enterprises.

**Table 7. Study Results**

<b>Proposition</b>	<b>Statement</b>	<b>Descriptive Analysis Result</b>
H1	The number of social media used by the organization is positively correlated with the follower's perception of organizational innovativeness.	Somehow Supported
H2	The number of followers of a specific organizational social media is positively correlated with the follower's perception of organizational innovativeness.	Somehow Supported
H3	The followers' perception of organizational innovativeness is positively correlated with their participation in/with the organization.	Temporal: Not Supported Emotional: Not Supported Financial: Somehow Supported Behavioral: Somehow Supported Relational: Somehow Supported
H4	Social enterprises with higher perception of innovativeness from social media followers will actually be more innovative.	Remain unstudied

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## Appendices

### Appendix 1. Instruments and Measures

Variables	Items and Formats	Authors and Articles
<b>Perception of Innovativeness (PI)</b>	<p>The entire range of goods/services offered by the Triodos Bank</p> <ul style="list-style-type: none"> <li>- is highly innovative compared to other bank in the social enterprises field. (PI_1)</li> <li>- is frequently updated with new goods/services. (PI_2)</li> <li>- provides new alternatives for the customers. (PI_3)</li> <li>- is frequently supplemented with new features/elements for the customers. (PI_4)</li> <li>- differs from competing alternatives in the market. (PI_5)</li> <li>- frequently comprises new goods/services which are meaningful to customers. (PI_6)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	Kunz, W., Schmitt, B., & Meyer, A. (2011)
<b>Social Media Presence-Types / Attitude about types of social media usage (SMP_T)</b>	<ul style="list-style-type: none"> <li>- The Triodos Bank using different types of social media is a good idea. (SMP_T_1)</li> <li>- Triodos Bank using different types of social media makes the recognition more interesting. (SMP_T_2)</li> <li>- Knowing the Triodos Bank by its usage of different types of social media is fun. (SMP_T_3)</li> <li>- I like knowing the Triodos Bank with its usage of different types of social media. (SMP_T_4)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	Venkatesh, et al. (2003)
<b>Social Media Presence-Followers / Social influence for being followers (SMP_F)</b>	<ul style="list-style-type: none"> <li>- People who influence my behavior think that I should be the follower of the Triodos Bank in Facebook. (SMP_F_1)</li> <li>- People who are important to me think that I should be the follower of the Triodos Bank in Facebook. (SMP_F_2)</li> <li>- The Facebook administrator has been helpful for me to be the follower of the Triodos Bank in Facebook. (SMP_F_3)</li> <li>- In general, the Triodos Bank has supported me being its follower in Facebook. (SMP_F_4)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	Venkatesh et al. (2003)
<b>Participation-Te</b>	Times of use per week	a. - Moon and

<p><b>Temporal (PT)</b></p>	<p>a. - How many times do you visit the Triodos Bank page in Facebook a week? (PT_1) [1=less than once a week; 2=1 to 2 times a week; 3=3 to 5 times a week; 4=about once a day; 5=several times a day]</p> <p>Hours of use per week</p> <p>b. - On average how many hours per week do you spend visiting the Triodos bank in facebook page? (PT_2) [1=less than 1 hour; 2= 1-5 hours; 3=5-10hours; 4=10-15 hours; 5=more than 15 hours]</p> <p>Percentage of comparison of use</p> <p>c. - How frequently do you spend / what is the percentage of hours spent on Triodos Facebook page considering the total hours spent on Facebook (PT_3) [1= never (0%); 2= rarely (25%); 3= sometimes (50%); 4= somewhat frequently (75%); 5= very frequently (close to 100%)]</p>	<p>Kim (2001))</p> <p>b. - Moon and Kim (2001), Legris et al. (2003); Shih y Fang (2004)</p> <p>c. - Reynol Junco (2012)</p>
<p><b>Participation-Financial (PF)</b></p>	<p>I have bought or I will buy the following products/service of the Triodos bank (Multiple choices) [1=yes; 0=No]</p> <p>Account: (PF_1~ PF_4)</p> <ul style="list-style-type: none"> <li>- Triodos Account</li> <li>- Triodos Current Account</li> <li>- Infantile Account</li> <li>- Housing Account</li> </ul> <p>Deposit: (PF_5~ PF_9)</p> <ul style="list-style-type: none"> <li>- Triodos6</li> <li>- Triodos12</li> <li>- Triodos18</li> <li>- Triodos2</li> <li>- Triodos5</li> </ul> <p>Investment: (PF_10)</p> <ul style="list-style-type: none"> <li>- Certificate of Deposit</li> </ul> <p>Card: (PF_11)</p> <ul style="list-style-type: none"> <li>- Debit Card</li> </ul> <p>Saving Newspapers: (PF_12)</p> <ul style="list-style-type: none"> <li>- Saving Newspapers</li> </ul>	<p><a href="http://www.triodosbank.es">http://www.triodosbank.es</a></p>

	<p>Donation: (PF_13)</p> <p>Responsible Donation</p>	
<p><b>Participation-Emotional (Satisfaction) (PE)</b></p>	<ul style="list-style-type: none"> <li>- I think that I make the correct decision to be a follower of the Triodos Bank in Facebook. (PE_1)</li> <li>- The experience that I am a follower of the Triodos Bank in Facebook has been satisfactory. (PE_2)</li> <li>- To be a follower in Facebook can fulfill my expectation to the Triodos Bank. (PE_3)</li> <li>- In general terms, I am satisfied with being a follower of the Triodos Bank in Facebook. (PE_4)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	<p>Casaló et al. (2010)</p>
<p><b>Participation-Behavioral (PB)</b></p>	<ul style="list-style-type: none"> <li>- I have been willing to “Like” or promote material related to the Triodos Bank that others have posted in Facebook. (PB_1)</li> <li>- I have been encouraging other people to be followers of the Triodos Bank in Facebook. (PB_2)</li> <li>- I have post my own thoughts/comments about issues of the Triodos Bank in Facebook. (PB_3)</li> <li>- I have post links or repost content about the Triodos Bank for others to read in Facebook. (PB_4)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	<p>Aaron Smith (2013)</p>
<p><b>Participation-Relational (PR)</b></p>	<p>Purchase-related commitment</p> <ul style="list-style-type: none"> <li>- I will buy the product/service of the Triodos Bank the next time I buy. (PR_1)</li> <li>- I intend to keep purchasing the product/service of the Triodos Bank in the future. (PR_2)</li> </ul> <p>Attitudinal loyalty</p> <ul style="list-style-type: none"> <li>- I will be committed to this brand. (PR_3)</li> <li>- I would be willing to pay a higher price for the products/services of the Triodos Bank over other banks. (PR_4)</li> </ul> <p>[Respondents applied a single scale from 1 (“strongly disagree”) to 5 (“strongly agree”)]</p>	<p>Chaudhuri and Holbrook (2001)</p>

## **Appendix2. Questionnaire for Facebook Followers**

### **Section I: Questionnaire about perception of innovativeness and participation of Facebook followers of the Triodos Bank**

#### **Part I: Personal Information (Please choose with X)**

##### **1. Age**

Under 18 (   )

46-55 (   )

18-25 (   )

56-65 (   )

26-35 (   )

More than 66 (   )

36-45 (   )

##### **2. Gender**

Male (   )

Female (   )

##### **3. Degree**

High School and Under (   )

Associate's Degree (   )

Bachelor's Degree (   )

Master's Degree (   )

Doctorate (   )

**Part II: Please answer the following 8 questions / statements with coded number in the right column.**

**1. Innovativeness Perception**

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	- The entire range of products/services offered by the Triodos Bank is highly innovative compared to other bank in the social enterprises field.	
	- The entire range of products/services offered by the Triodos Bank is frequently updated with new goods/services.	
	- The entire range of products/services offered by the Triodos Bank provides new alternatives for the customers.	
	- The entire range of products/services offered by the Triodos Bank is frequently supplemented with new features/elements for the customers.	
	- The entire range of products/services offered by the Triodos Bank differs from competing alternatives in the market.	
	- The entire range of products/services offered by the Triodos Bank frequently comprises new goods/services which are meaningful to customers.	

**2. Social Media Presence-Types (Attitude about types of social media usage)**

Such as Facebook, Twitter, Flickr, etc.

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	- The Triodos Bank using different types of social media is a good idea.	
	- Triodos Bank using different types of social media makes the recognition more interesting.	
	- Knowing the Triodos Bank by its usage of different types of social media is fun.	
	- I like knowing the Triodos Bank with its usage of different types of social media	



### 3. Social Media Presence-Followers (Social influence for being followers)

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	- People who influence my behavior think that I should be the follower of the Triodos Bank in Facebook.	
	- People who are important to me think that I should be the follower of the Triodos Bank in Facebook.	
	- The Facebook administrator has been helpful for me to be the follower of the Triodos Bank in Facebook.	
	- In general, the Triodos Bank has supported me being its follower in Facebook.	

### 4. Participation-Temporal

Variables Coded Number	Questions / Statements	Answer
1=less than once a week 2=1 to 2 times a week 3=3 to 5 times a week 4=about once a day 5=several times a day	Frequency of use - How many times do you visit the Triodos Bank page in Facebook a week?	
1=less than 1 hour 2= 1-5 hours 3=5-10hours 4=10-15 hours 5=more than 15 hours	Hours of use - On average how many hours per week do you spend visiting the Triodos bank in facebook page?	
1= never (0%) 2= rarely (25%) 3= sometimes (50%) 4= somewhat frequently (75%) 5= very frequently (close to 100%)	Percentage of comparison of use - How frequently do you spend / what is the percentage of hours spent on Triodos Facebook page considering the total hours spent on Fecebook?	

## 5. Participation-Financial

Variables Coded Number	Questions / Statements	Answer
<p>I have bought or I will buy the following products / services of the Triodos bank (Multiple choices): <b>Account</b></p> <p>1=yes; 0=No</p>	- Triodos Account (without commission nor change of bank; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Triodos Current Account (for your daily operations, payment of payroll and receipts; you can donate 100% of the interests to an organization)	
	- Infantile Account (thinking ahead for the smaller; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Housing Account (savings to buy a house; you can donate 25%,50%,70% or 100% of the interests to an organization)	
<p>Participation-Financial</p> <p>I have bought or I will buy the following products / services of the Triodos bank (Multiple choices): <b>Deposit</b></p> <p>1=yes; 0=No</p>	- Triodos6 (6 months; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Triodos12 (12 months; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Triodos18 (18 months; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Triodos2 (2 years; you can donate 25%,50%,70% or 100% of the interests to an organization)	
	- Triodos5 (5 years; you can donate 25%,50%,70% or 100% of the interests to an organization)	
<p>Participation-Financial</p> <p>I have bought or I will buy the following products / services of the Triodos bank (Multiple choices): <b>Others</b></p> <p>1=yes; 0=No</p>	Investment: - Certificate of Deposit (A socially responsible investment to finance sustainable projects; Price of 76 euros; profitability and stability for your investment)	
	Card: - Debit Card (Cash in Servired, no commission SMS notice of the charges; When it's not in use, your money will be promoting initiatives with social added value)	

	Saving Newspapers: - Saving Newspapers (Save every month in an easy and comfortable way)	
	Donation: - Responsible Donation (All your accounts and deposits allow the possibility of donating your interests; 25%, 50%, 75% or 100% donation of your interests, except in the Current Account that only allows 100%)	

#### 6. Participation-Emotional (Satisfaction)

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	- I think that I make the correct decision to be a follower of the Triodos Bank in Facebook.	
	- The experience that I am a follower of the Triodos Bank in Facebook has been satisfactory.	
	- To be a follower in Facebook can fulfill my expectation to the Triodos Bank.	
	- In general terms, I am satisfied with being a follower of the Triodos Bank in Facebook.	

#### 7. Participation-Behavioral

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	- I have been willing to “Like” or promote material related to the Triodos Bank that others have posted in Facebook..	
	- I have been encouraging other people to be followers of the Triodos Bank in Facebook.	
	- I have post my own thoughts/comments about issues of the Triodos Bank in Facebook.	
	- I have post links or repost content about the Triodos Bank for others to read in Facebook.	

8. Participation-Relational (Expectation and future behavior)

Variables Coded Number	Questions / Statements	Answer
1= strongly disagree 2= disagree 3= neutral/nondecided 4= agree 5= strongly agree	Purchase-related commitment - I will buy the products/services of the Triodos Bank the next time I buy.	
	Purchase-related commitment - I intend to keep purchasing the products/services of the Triodos Bank in the future”	
	Attitudinal loyalty - I will be committed to this brand	
	Attitudinal loyalty - I would be willing to pay a higher price for the product/service of the Triodos Bank over other banks	

Comment about the questionnaire:

Thank you for your cooperation!

### Appendix3. Questionnaire for managers of the Triodos Bank

In this section we focus on innovation, first of all

#### 1. Do you consider it important for your organization to innovate?

*O yes O no*

*If yes, 2. why do you consider it important?*

*if answer is 'its our reason of existence' or 'all we do is innovation', probe further,*

*e.g. 'could you please elaborate what you mean by this? What in particular do you want to achieve by innovating?'*

*O increasing financial sustainability*

*O increase of range of products/services*

*O improved quality of products/services*

*O increased flexibility of production/service provision*

*O increased capacity of production/service provision*

*O reducing costs*

*O reducing environmental impact*

*O meeting regulatory requirements*

*O **responding to** regulatory changes*

*O entering new markets/increased market share*

*O spreading social impact*

*O **increasing** quality of social impact*

*O **responding to** pressures from competitors (i.e. similar organizations in the field)*

*O **responding to** pressures from financing/funding agencies*

*O other: \_\_\_\_\_*

**To double-check, would you say (yes or no) that**

#### 3. you typically innovate, because other organizations in your field and competitors 'get better'?

**That is, do you have to come up with better products/services or ways to provide a product/service - else you loose business?**

*O yes O no*

#### 4. you innovate to create change in the environment?

*O yes O no*

#### 5. Over the past 12 months, did you experience problems in terms of getting started with innovation activities?

*Probe:*

**In other words, what kept you from developing new or improved products/services or processes in your organization?**

*O no/nothing → go to question 8*

*O yes/ something, follow-up:*

6. How many times did that happen in the past 12 months? \_\_\_\_\_

7. Could you please take me through the factors that led your organization not to develop new or improved products/services or processes in your organization?

*If needed, probe:*

**What barriers, so-to-speak, did you encounter?,**

**What kept you from initiating new product/service development or from improving processes in your organization?**

*[open-ended, interviewer classifies, tick all that apply]*

*O excessive perceived economic risk*

*O due to the economic crisis*

*O direct innovation costs too high*

*O cost of finance*

*O availability/ lack of finance*

*O lack of time*

*O lack of qualified personnel*

*O lack of information on technology*

*O lack of information on markets*

*O market dominated by established organization*

*O uncertain demand for innovative good or services*

*O need to meet government regulations*

*O need to meet EU regulations*

*O no acceptance/ legitimacy in the market*

*O no need to innovate, because of prior innovation*

*O no need to innovate, because stable market conditions*

*O no institutional support – because institutions don't know where to fit our organization in*

8. How many people within your organization work exclusively on developing new products services or processes?

**Number of employees:** \_\_\_\_\_ *(interviewer write in)*

*If respondent cannot answer, try to classify the following:*

*O Cannot say*

*O everybody all the time*

*O people in a dedicated R&D department*

*O everybody a bit*

*O some people some time*

*O nobody*

9. Is you/your organization contributing to another organization's innovation, e.g. through collaborating or information exchange?

O yes O no

Now I would like to discuss specific examples.

Within the last year, did your organization introduce new or significantly improved

- **10. products?** O YES/ O NO
- *[Interviewer: Exclude the simple resale of goods purchased from other businesses and changes of a purely cosmetic nature]*
- **11. Services?** O YES/ O NO

*If no: skip to question 18.*

*If yes:* 12. How many? \_\_\_\_\_ products  
\_\_\_\_\_ services

Were any of these products

13a. - new to your market O yes O no

14b. - (only) new to your organization O yes O no

Were any of these services

13a. - new to your market O yes O no

14b. - (only) new to your organization O yes O no

15. How much did you approximately spend within the last year on developing new or improved products/services? \_\_\_\_\_ euro/local currency

16. *Question about success of these innovations as of today:* What percent of your current revenues stem from new and/or significantly improved products/services that you introduced in the past year? \_\_\_\_\_ %

17. Could you also say, what percent increase in social impact in the past year is due to introducing these products/services? \_\_\_\_\_

18. Within the last year, did your organization introduce any new or significantly improved processes for producing or delivering your product or services? This includes changes in your organization's internal organization and human resource management. O YES/ O NO

*Probe if unclear*

Such processes can e.g. significantly improve service delivery speed or quality.

Similarly they can significantly shorten the process of producing goods and/or their quality.

( → if no go to 25.)

*If yes:* 19. How many? \_\_\_\_\_

Were any of these processes

- 20. new to your market      O yes O no  
 - 21. (only) new to your organization      O yes O no

22. How much did you approximately spend within the last year on developing new or improved processes? \_\_\_\_\_euro/local currency

23. *Question about success of these innovations as of today:* What percent of your current revenues stem from new and/or significantly improved processes that you introduced in the past year?  
 \_\_\_\_\_%

24. Could you also say, what percent increase in social impact in the past year is due to introducing these processes? \_\_\_\_\_

25. Could you please take me through the calculus or reasoning that you make when you evaluate whether or not to introduce a new or improved process, product or service?

*Record verbatim and score criteria:*

**Probe:** Which factors do you usually consider?

What kind of criteria do you apply whether or not to introduce a change?

Factors (expected benefits)

- ☐ Increased Profitability,
- ☐ increased market share,
- ☐ increase customer base ...
- ☐ increased Social impact
- ☐ positive image of the organization,
- ☐ legitimacy of the organization
- ☐ staff motivation and drive,
- ☐ Novelty to the market 'we always do the innovative stuff' (*probe whether respondents means to say that novelty implies increased profitability, market share, customers base, social impact, etc., if so code above*)
- ☐ liked the improved (process of) product/service and 'gave it a try' based on limited budget that we could afford to loose.
- ☐ Other:\_\_\_\_\_

*Probe:*

**Do you usually consider the time-frame in which the innovation might pay off?**

Time horizon

- ☐ no
- ☐ pay-offs in the short-term (next year only)
- ☐ medium term (2 to 5 years),
- ☐ long-term (5+ years)



**Probe:**

**How do you usually make the decision to launch it? Can you walk me a bit through the process?**

Process characteristics:

- ☐ Pre-test with select customers: We pre-tested with limited customer group to see what they think of newly develop product/service and they liked the results. Alternatively how customers accepted improved way of service/product delivery.
- ☐ Pre-test with family/friends to see what they think of newly develop product and they liked the results. Alternatively how family/friends accepted improved way of service/product delivery.
- ☐ Pre-commitment: We got a number of customers, suppliers, other organizations to agree to pre-commit to the product/service, the improved way of product/service delivery
- ☐ gut feeling
- ☐ systematic market research
- ☐ internal advisors (board, other owners) recommended/demanded it
- ☐ funding agencies/financing bodies recommended/demanded it
- ☐ other\_\_\_\_\_

**26. When you develop a new product/service or process, are there typically other organizations or institutions involved?**

**☐ yes ☐ no**

*If yes:*

**27. Could you tell me what type of organization is typically involved?**

Acess drop down table	Type of Actor	Location	Relation	Nature of the relationship	Problems
1					
2					
3					
4					

**Probe: Are these typically for-profit, non-profit, government or other organizations?**

Type

- ☐ pure for-profit: *an organization whose core primary purpose is to maximize profit, not to simultaneously achieve social goals*
- ☐ pure non-profit: *mean an organization whose primary goal is to create social value but does so without engaging in any self-financing activities*
- ☐ hybrid: an organization that is simultaneously driven by commercial aims and social objectives
- ☐ government/public-sector organization/ public research organization
- ☐ individuals

- ☐ university/other higher education institutions
- ☐ professional and industry associations

**Probe: Are the organizations you involve typical from your region, your country, or are these international organizations?**

Location

- ☐ local/regional
- ☐ national
- ☐ international    ☐ international developed world    ☐ international developing world

**Probe: And what is your relation with them, i.e. are they your clients, suppliers, consultants, competitors, i.e. other organizations in your field?**

Relation

- ☐ customers or clients
- ☐ suppliers
- ☐ consultants, commercial labs or private research organizations
- ☐ competitors or other organizations in your field/sector
- ☐ Other: ...

**Probe: Also how would you describe the nature of the relationship?**

Nature of the relationship (tick all that apply)

- ☐ Funding relationship
- ☐ Formal contract: contract that specifies nature of the transaction
- ☐ Informal relationship - specific: no formal contract though nature of transaction is clear and commonly understood.
- ☐ Informal relationship - unspecific: no formal contract, nature of transaction is unclear.
- ☐ Other: ...

**Probe: What are the main reasons for experiencing problems, if any, when collaborating with these actors?**

Problems

- ☐ No problems
- ☐ lack of trust
- ☐ disagreement on contractual terms (including IP)
- ☐ cultural/technical distance 'too big'
- ☐ disagreement on funding/resource mobilization
- ☐ divergence/disagreement in terms of values
- ☐ other: \_\_\_\_\_

**And lastly, can you tell me a bit more,**

**28. What do you expect from a partner?**

*Probe further, if necessary: What are the reason(s) for selecting an organization as a partner?*

(tick all that apply):

- (1) Capacity demands, organization size
- (2) Specialized competencies offered by your partner organization
- (3) Superior technological equipment and processes
- (4) Financial support
- (5) Distribution network
- (6) Distribution of project risks among several organizations
- (7) Learning from partner, transfer of knowledge
- (8) Reputation, legitimacy or rapport with important stakeholders
- (9) Reliability/trust
- (10) Other: \_\_\_\_\_

**29. I would like to summarize this section by reading you five pairs of statements that relate to your organization's strategy vis-à-vis innovation. Please tell me where on a scale from 1 to 7 you would position your organization.**

a. In general my organization favours

1 a strong emphasis on the marketing of tried and true products and services, or 2 3 4 5 6 7 7 an emphasis on R & D, and innovations

b. How many new lines of products or services has your organization marketed in the past 12 months?

1 - No new lines of products or services, or 1 2 3 4 5 6 7 7 - very many new lines of products or services

c. Changes in product or service lines have been

1- mostly of a minor nature, or 1 2 3 4 5 6 7 7 usually been quite dramatic  
*O no changes have occurred so far*

d. Does your organization favour

1 - experimentation and original approaches to problems, or 1 2 3 4 5 6 7 7 imitating methods that other firms have used for solving their problems

e. Does your organization prefer

1 - to design its own unique new processes and methods of production, or 1 2 3 4 5 6 7 7 - to adapt methods and techniques that others have developed and proven