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THREE ESSAYS ON SOCIAL ENTERPRISES' LEGITIMACY BUILDING

JIN QIAN

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The Hong Kong Polytechnic University

Department of Applied Social Sciences

Three Essays on Social Enterprises' Legitimacy Building

JIN Qian

A thesis submitted in partial fulfilment of the requirements for the degree of Doctor of

Philosophy

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CERTIFICATE OF ORIGINALITY

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ABSTRACT

Legitimacy is central for the interaction between social enterprise (SE) and its primary audience: the consumers. Although there is a growing interest in legitimacy in SE scholarship, little research has investigated how SEs can strategically build legitimacy and how consumers respond to such legitimation in natural and experimental settings. In a series of three essays, I aim to investigate SE's legitimation strategies and consumer's legitimacy judgment. In the first essay, I adopted unsupervised topic modeling to examine what drives SEs' legitimacy evaluated by consumers. In the second essay, I drew on the theory of cultural entrepreneurship and conducted two scenario-based experiments to investigate the effectiveness of SEs' rhetorical legitimation strategies and consumer responses towards the legitimacy of SEs. In the last essay, I employed an automated image clustering method and used SEs' Instagram images seeking to explore how SEs use visuals to build legitimacy. The essays make important contributions to organization and SE scholarship by bringing consumers into the front and center and demonstrating the potential of computational and experimental methods in advancing organization and SE research. The essays also offer implications to SE practitioners and policymakers for constructing organizational and institutional legitimacy for SE.

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Introduction

Legitimacy, defined as “a perceived appropriateness of an organization to a social system in terms of its rules, values, norms and definitions” (Deepphouse et al., 2017). Legitimacy plays an important role for organizations from acquiring resources, gaining stakeholder support, to catalyzing institutional changes, among others (e.g., Brown et al., 2012; Rao et al., 2008; Zimmerman & Zeitz, 2002). Scholars have theorized legitimacy into a *process* which sees entrepreneurs as active change agents who are able to strategize for legitimacy building as well as a *perception* that is manipulable and can be altered (Smith et al., 2021; Suddaby et al., 2017; Tost, 2011).

Social enterprises (SEs) as a relatively new form of organization hybridize commercial and social logics within a single organization (Battilana & Lee, 2014; Mair, 2020). As a response to address the government failure, the inefficiency of non-profits in tackling social problems and the ignorance of business players in contributing to improving the welfare of the society and the sustainability of the environment, SEs bears more complex features than commercial business and non-profits (Defourny & Nyssens, 2010; Eikenberry & Kluver, 2004; Jung et al., 2016; Teasdale & Dey, 2019). The complexity caused by SEs’ hybridity has alerted SEs to re-examine their identity – “who we are” and scrutinize their legitimacy-building strategies – “how we present who we are”. Hence, for SEs to compete with peer competitors in the market, it is important to build legitimacy strategically to win more resources and opportunities.

Following the theorizations of legitimacy-as-process and legitimacy-as-perception, a growing body of SE research started to investigate how SEs can build legitimacy deliberately (e.g., Girschik, 2020; Neuberger et al., 2021; Pache & Santos, 2013; Ruebottom, 2013). However, an important question for SE’s legitimacy building is “legitimate to whom” (Fisher et al., 2017). Organizations are supposed to devise different legitimation strategies when facing

different audiences because legitimacy is audience-sensitive (Fisher et al., 2017). Prior literature on SE's legitimacy building has assumed the universality of legitimation strategies and failed to differentiate legitimation strategies for the diverse audience groups. More importantly, consumers are a key audience group and legitimacy evaluator of SEs because consumers are one of the main revenue sources of SEs and are critical to sustain SEs' operation. To date, little is known how SEs build legitimacy in the eyes of consumers.

A prominent line of research in SE's legitimacy building pointed to the role of linguistic devices in enabling SE's legitimacy (e.g., Chandra, 2017; Parkinson & Howorth, 2008; Ruebottom, 2013). This line of research is rooted in the theory of cultural entrepreneurship that sees entrepreneurs as skillful cultural operators who navigate cultural repertoire to build organizational identity and legitimacy for future opportunities, resources and support (Lounsbury & Glynn, 2001). However, cultural tools are not limited to linguistic devices. Visuals as another powerful cultural tool in legitimacy building started to gain scholarly attention until recently (e.g., Banerjee et al., 2022; Barberá-Tomás et al., 2019; Lefsrud et al., 2020).

To address the "legitimacy-consumer" and "legitimacy-visual" gaps in organization and SE research, this dissertation aimed to interrogate SE's legitimacy building strategies (visual + rhetorical) and consumer's legitimacy judgment with three essays. In the first essay, I started from SE consumers and investigated *what drives SE's legitimacy in the eyes of consumers* using consumer reviews and unsupervised topic modeling (Blei et al., 2003). Following the exploratory study of Essay 1, I drew on the literature of cultural entrepreneurship and proposed an integrative legitimation process from SE's rhetorical legitimation strategies, consumer's legitimacy judgment to consumer responses towards the legitimacy of SEs. I tested the model using two scenario-based experiments. In the last essay, I moved from rhetorical legitimation

strategies to visual strategies and explored *how do SEs use visuals to build legitimacy*. I used Instagram images as the data and adopted a deep learning-based image clustering method.

This dissertation contributes to organization and SE research and practices in several ways. First, this dissertation extends cultural entrepreneurship into the field of social entrepreneurship and broadens the scope of cultural entrepreneurship and organizational legitimacy from linguistic aspect to visual aspect. Second, consumers have long been an ignored audience group in the field of SE. By highlighting the important role of consumers in making legitimacy judgment towards SEs, this dissertation brings consumers into the front and center of SE research. Third, this dissertation contributes to methodological advancement by bringing experimental and computational methods – topic modeling and deep learning-based image clustering into the toolkits of organizational and SE scholars as well as adopting novel data sources – consumers reviews and Instagram images in SE research. Last, this dissertation offers practical implications for SE practitioners on how they can utilize cultural tools to construct legitimacy deliberately.

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What Drives Social Enterprises' Legitimacy: Insights from Online Consumer Reviews

Introduction

Legitimacy, commonly defined as “a perceived appropriateness of an organization within a social system regarding its rules, values, norms and definitions”, has been a pivotal construct for organizations to survive and thrive (Deephouse et al., 2017). Legitimacy is an intangible asset that grants organizations with resources and support (Lounsbury & Glynn, 2001). Particularly, it is critically important for new ventures to acquire legitimacy, because the liability of newness has been a fatal threat to organizations' survival and legitimacy helps organizations gain acceptance from stakeholders (Singh et al., 1986).

Social enterprise (SE) – the hybridity of social and commercial logics (Battilana & Lee, 2014; Mair, 2020)– emerged as an alternative organizing to combat the evils of capitalism (Mair & Rathert, 2021), yet is still a “pre-paradigmatic” field and lacks well-developed legitimacy (Nicholls, 2010). To accelerate the legitimacy building of SEs, powerful and resource-rich actors such as government, investors and network organizations are among the first to shape the discourse and establish an identifiable social category for social entrepreneurship. Consequently, existing studies on SE's legitimacy have predominantly assumed that the influential actors are the main audiences of SE's legitimacy, and implicitly suggested that gaining legitimacy for SEs is a strategy-seeking process to align with the expectations of those powerful actors (e.g., Kerlin et al., 2021; Kibler et al., 2018; Sud et al., 2009).

Admittedly, powerful actors play an important role in shaping and determining the legitimacy of SE. However, SE that is sustained by business operation not only needs the support from resource providers and regulators, but more importantly, needs to win the heart and purse of *consumers* imperatively. Consumer as the demand side of organizations is the main revenue source to sustain the business operation and is a potential disseminator of the social values that SEs promote. Unfortunately, past SE literature has overlooked and

underplayed the role of consumers in SE's legitimacy building and sees consumers as a passive group to receive the normalized result from large institutions.

However, recent studies have increasingly seen the power of consumers in shaping the legitimacy of organizations, particularly, consumers as active legitimating agency challenged the experts and marketer legitimacy (Beuscart et al., 2016; Clauzel et al., 2019; Lillqvist et al., 2018). In this study, I see consumers as an active arbiter of SEs' legitimacy who are entitled to confer or deny the legitimacy of SEs and seek to explore *what drives SEs' legitimacy judged by consumers*. Specifically, I asked *what is the content of consumer's legitimacy judgment towards SEs? And how do consumer's judgment of SE's hybridity matter in determining the legitimacy conferred by consumers?*

To address the "legitimacy – consumer" gap in SE research, I adopted an exploratory quantitative method and topic modeling approach (Blei et al., 2003; Wennberg & Anderson, 2020). An exploratory quantitative method allows researchers to investigate underexplored phenomenon in an early-stage effort to inductively generate new theories and insights (Wennberg & Anderson, 2020). First, I employed a novel dataset – online consumer reviews of SE restaurants – and unsupervised topic modeling to uncover the *content* of consumers' legitimacy judgment of SEs (Blei et al., 2003). By "content", I refer to consumers' perceptions and attitudes that support and form into consumers' judgment on organizations' legitimacy (Tost, 2011). Next, based on the result of topic modeling and drawing on the literature of hybridity (Pache & Santos, 2013), I further investigated how moral evaluation and instrumental evaluation influence consumers' legitimacy judgment of SEs by running a multilevel regression. In doing so, I revealed how the hybridity of SE – the blend of social and commercial identity – is perceived and evaluated in the eyes of consumers for legitimacy judgment.

This study makes novel contribution to SE and organization studies in several ways. First, it brings the long-ignored actor "consumer" into the arena SE studies and moves the spotlight

from organizational side (e.g., social enterprise, social entrepreneurs, cross-sector partners; Battilana & Lee, 2014; Granados & Rosli, 2020; Nicholls, 2010) – to demand side (i.e., consumer). Second, it adds another layer to the study of SE’s hybridity by introducing SE consumers’ viewpoint and bridges the discussion of hybridity with legitimacy judged by consumers. Third, this study uses a novel dataset and approach to study SEs’ legitimacy. To our knowledge, it is the first attempt in SE research to utilize user-generated large data from online, which enriches and advances the methodology of SE studies that are previously dominated by case study and survey.

Literature Review

Organizational Legitimacy

The wide scholarly popularity in organization studies has turned legitimacy into an anchor linking to many other important theorizations (Suchman, 1995; Suddaby et al., 2017). Legitimacy is thus bestowed with excessive meanings. For example, legitimacy has been theorized into *property*, *process* and *perception* subject to which of the three prominent actors – the *focal organization* that owns or possesses legitimacy, the *change agent* who seeks to purposefully build, maintain or repair legitimacy, and the *evaluator* who makes legitimacy judgment on the focal organization – is accentuated in the construct (Suddaby et al., 2017).

In legitimacy-as-property, scholars view legitimacy as a resource, an asset or a capacity that an organizational can acquire, own or consume (J. A. Brown et al., 2021; Huybrechts & Nicholls, 2013; Weidner et al., 2019). Consequently, relevant studies concentrate on focal organizations and study how large institutions (e.g., government, media, bank) shape the legitimacy of focal organizations, how focal organizations align themselves with external environment under isomorphic pressure, and what the outcomes of owning or lacking legitimacy are (e.g., Díez-Martín et al., 2013; Glynn & Abzug, 2002; Lundmark et al., 2017;

Schultz et al., 2014). In addition, a large body of research rooted in legitimacy-as-property has also devoted to identifying the typologies of legitimacy, among which Suchman (1995)'s work is among the most influential ones and has classified legitimacy into cognitive legitimacy, moral legitimacy and pragmatic legitimacy. Cognitive legitimacy refers to a "natural" state where the existence of the focal organization is highly undoubtable and congruent with external environment and expectations of different stakeholders (Suddaby et al., 2017). It has also been described as comprehensibility and "taken-for-grantedness" (Suchman, 1995). Moral legitimacy examines the level of alignment with the normative values in the sociocultural environment. Pragmatic legitimacy focuses on the utility of the focal organization and measures to what extent the focal organization can satisfy the interest of its audiences.

Legitimacy-as-process moves beyond a static condition where organizations possess or lack legitimacy as a property. Instead, it focuses on an interactive process in which the change agent actively negotiates the external environment and deliberately manipulates available resources to construct or repair the sense-making and interpretation of the focal organization's existence in the external environment (Bolzani et al., 2020; Smith et al., 2021). Legitimacy-as-process thus highlights the role of the change agent and prevalently asks how the change agent can strategize to build legitimacy. Several streams of research converge on the use of cultural tools such as rhetoric, symbols and images to persuade stakeholders, establish identifiable categories and theorize into abstraction aids for efficient diffusion with the primary purpose of legitimacy building (e.g., Parhankangas & Renko, 2017; Richards et al., 2017; Suddaby & Greenwood, 2005).

Legitimacy-as-perception, however, turns the spotlight from the focal organization and the change agent to the evaluator, and construes legitimacy as a social judgment, perception and evaluation that reside in the eyes of evaluators. Legitimacy under this construct thus establishes on the micro-foundations of organizing process often involving diverse audience

groups and heterogeneous expectations. Despite the individual-orientation of legitimacy-as-perception, legitimacy judgment implies a cross-level process: individual evaluators perceive the macro cues and pressure, consult others' opinions, make legitimacy judgment, act upon the judgment and aggregate into collective-level effects on focal organizations (Bitektine & Haack, 2015). Essentially, legitimacy-as-perception looks into two major questions, one is how individuals make legitimacy judgment, the other one is how individual legitimacy judgments form into collective validity (Suddaby et al., 2017). Most research assuming legitimacy-as-perception tried to interrogate the first question by viewing audiences' perception and attitude as manageable and manipulatable outcomes of deliberate legitimacy strategies and often linking audiences' legitimacy perception with organizational strategies (Chen et al., 2020; Lortie et al., 2022). This study is also driven by how individuals make legitimacy judgment, however, with the focus shifting from organizations to evaluators.

In the next section, I will review how the three configurations of legitimacy has been studied in SE research and justify how this study can add values to current SE scholarship and enrich the dialogue of SE legitimacy building.

Social Enterprise's Organizational Legitimacy

Social enterprise as a novel type of organization form transgresses the boundaries of traditional business, non-profit and public management in a single organization (Chandra & Paras, 2021; Mair, 2020; Peredo & McLean, 2006). In particular, SE as an emerging field still struggles to establish legitimacy in the front of a broader audience group such as consumers (Nicholls, 2010). Previous studies on SE's legitimacy fit into the three configurations of organizational legitimacy in general – legitimacy-as-property, legitimacy-as-process and legitimacy-as-perception, while a substantive number of studies follow the viewpoints of legitimacy-as-

property and legitimacy-as-process, only a few adopted legitimacy-as-perception approach (See Table 1).

Establishing on the perspective of legitimacy-as-property, relevant SE studies highlighted large institutions as the legitimating agents to build legitimacy for SE as a paradigmatic field and the role of legitimacy to elicit subsequent capital and resources. As noted by Nicholls (2010), SE resorted to influential players such as government, foundations, fellowship organizations (e.g., Ashoka, Schwab Foundation) and network builders to establish dominant discourses, identify and finance archetypal SEs and build supportive networks as an initial effort to shape the legitimacy of SE as an institutionalized field. Other institutions such as intermediary organizations, market and social welfare sector also demonstrate far-reaching influence on the legitimacy of SE in specific sociocultural context (Kerlin et al., 2021; Kibler et al., 2018).

In addition, the perspective of legitimacy-as-property highlights another stream of research that focuses on the outcomes of acquiring, accumulating or losing legitimacy. For example, Dart (2004) borrowed Suchman (1995)'s typology of legitimacy and argued that moral legitimacy explains the emergence and the possible trajectories of SE in neoliberal value dominated context. In another study by Brown et al. (2021), moral legitimacy was seen as an important resource to gain long-term stakeholder support. Similarly, social entrepreneurs were found to use pragmatic and moral legitimacy to initiate and justify cross-sector collaborations between SEs and corporates (Huybrechts & Nicholls, 2013).

The perspective of legitimacy-as-process, however, celebrates the strategic and active role of SEs in devising legitimation tactics. In parallel with organization studies, several SE studies examined how SEs utilized cultural tools such as rhetoric, storytelling and relational work to build legitimacy purposefully (e.g., Chandra, 2017; Girschik, 2020; Margiono et al., 2019; Parkinson & Howorth, 2008; Ruebottom, 2013). Other research that adopts the

perspective of legitimacy-as-process also explored SEs' legitimation strategies under different institutional contexts (e.g., transnational SEs, Bolzani et al., 2020; authoritarian context, Neuberger et al., 2021) and at different development stages (Chen et al., 2022). While the uniqueness that differentiates SE studies from traditional organization studies is the interrogation on the hybridity of SEs. Motivated by how SEs legitimize the competing institutional logics that SEs inherently embrace, scholars identified that social entrepreneurs selectively enacted practices to demonstrate symbolic appropriateness from the competing logics within the SEs (Pache & Santos, 2013). Additionally, it has also been found that to legitimize the hybridity, social entrepreneurs actively engaged with different stakeholders and built supportive and collective systems to gain credibility and reputation (Granados & Rosli, 2020).

The perspective of legitimacy-as-perception receives the least attention from SE scholars among the three configurations of legitimacy. Initial attempts have tried to investigate entrepreneurial partners (Zheng et al., 2022) and consumer (Lortie et al., 2022) as the legitimacy-granting audiences of SEs and see SEs' legitimation as an essential impression management work (Molecke & Pinkse, 2020). In the study by Zheng et al., (2022), institutional and market uncertainty are found to negatively influence entrepreneurial partners' legitimacy judgment of SEs, while partners' entrepreneurial passion is a positive predictor of partners' legitimacy judgment of SEs. Using an experimental design, Lortie and his colleagues (2022) found that SEs were granted with more legitimacy by consumers compared with traditional business without a social impact model. The two empirical studies adopting the perspective of legitimacy-as-perception focused more on the *organizational* side by looking at SEs' social impact model and *institutional* side by examining the role of uncertainty, however, they have failed to pay more attention to the *evaluators'* rationales of SEs' legitimacy judgment.

The scarcity of literature under the perspective of legitimacy-as-perception echoes the legitimacy-deficient status of SE as an institutionalized field. Consequently, at an initial stage of legitimacy building, much more scholarly attention has been paid to *institutional* actors that shape SE as a paradigmatic field and *organizational* actors that strategically build legitimacy for SEs, while *micro-level* actors exemplified by consumers are still less studied, more importantly, how consumers make legitimacy judgment of SEs remain largely unexplored. Researching into micro-level actors of SEs' legitimacy judgment allows us to have a deeper understanding towards the diverse expectations of stakeholders, mirror audiences' perceptions of SEs' identity building and impression management work and provide nuanced insights for enhancing SEs' legitimacy in the market.

----Insert Table 1 here----

Legitimacy-as-Perception

Building on the standpoint of legitimacy-as-perception, I recognize the multilevel construction within legitimacy – individual and collective-level legitimacy (Bitektine & Haack, 2015). Specifically, legitimacy has been theorized into *propriety* and *validity* belief at the individual level and been portrayed as a form of *validity cue* at the collective level. Propriety belief represents how individuals perceive and assess the focal organization's appropriateness, while validity belief refers to an individual's judgment that a focal organization is perceived as appropriate by authoritative institutions such as government, media and juridical institutions (Haack & Sieweke, 2020). Validity cue pertains to a collective belief that is shared among a group, a field or the society. Individual-level propriety judgment is both a vehicle that drives the emergence of collective-level validity belief (Tost, 2011) as well as cognitive heuristics that rely on validity cues from the collective level (Bitektine & Haack, 2015).

Tost (2011) provided some insights on how evaluators form their legitimacy judgment from the perspective of social cognitive theory. She identified that both active and passive modes are involved in the formation process of legitimacy judgment. Particularly, when evaluators are actively motivated to assess the legitimacy of a focal organization, they will conduct careful examinations on organizations' instrumental utilities, moral values and relational affirmation, and make *instrumental* evaluation, *moral* evaluation and *relational* evaluation correspondingly. While in the passive mode, evaluators are more likely to rely on *validity cues* – the attitudes, beliefs and opinions of the authoritative parties such as government, media and juridical systems, among others – to form into their validity belief and reduce the mental effort for legitimacy judgment.

The typologies of individual-level legitimacy judgment theorized by Tost (2011) have been applied in empirical studies. For example, Quy and colleagues (2014) qualitatively studied the role of middle managers (MMs)' legitimacy judgment towards top managers in the implementation of radical change within an organization and found that MMs' cognitive, instrumental and moral judgment play different roles at different stages of change efforts. At the formulation stage, the approval of radical change was mainly driven by MMs' cognitive judgment towards top managers' competence to enact the radical change. At the implementation phase, MMs' relational and moral judgment became the major drivers in updating their previous cognitive judgment and eliciting resistance against the radical change. At the evaluation phase, instrumental judgment took the lead in evaluating top managers' performance and forming into continuous resistance against the radical change.

In another study, Ivanova Ruffo et al. (2020) qualitatively examined how the managers of small-and-medium size enterprises (SMEs) render legitimacy judgment and found that when SMEs were conferred with legitimacy, managers highlighted the instrumental, moral and relational values of the organization as the rationales to support the judgment; while when the

legitimacy was denied, the reason was mainly rooted in the instrumental deficiency of the organization. The finding suggests that the evaluations of the instrumental, moral and relational values weight differently in audiences' legitimacy judgment. However, the quantitative relationship between different types of evaluations and the legitimacy of focal organizations remains untapped in organization studies. It is important to scrutinize the relationship quantitatively because to clarify the quantitative relationship will advance scholarly understanding towards the legitimacy judgment process from a more refined perspective, i.e., which type of legitimacy evaluation matters most in the overall legitimacy of the focal organization. Additionally, it will shed light on legitimacy building strategies in terms of which identity and value should be prioritized for winning legitimacy from evaluators from a practical perspective.

Consumer's Legitimacy Judgment of Social Enterprise's Hybridity

SE as a hybridity combines inherently conflicting institutional logics, i.e., social welfare logic and commercial logic within an organization (Battilana & Lee, 2014). Hybridity is a dominant topic in SE studies that evokes various discussions on the origins, strategies and impact of maintaining hybridity (Davies & Doherty, 2019; Haigh et al., 2015; Holt & Littlewood, 2015). However, most of relevant studies on the hybridity of SEs emphasized organizational actors that own, maintain or benefit from hybridity, little looks at the audience of hybridity (e.g., consumer) and investigates how audience's perception of SE's hybridity influences SE's legitimacy.

In evaluating SE's hybridity, consumers as the evaluator of SEs make moral evaluation and instrumental evaluation of SE's social and commercial logics accordingly (Moss et al., 2011; Tost, 2011). Thus, moral and instrumental evaluation represent how consumers as the evaluator of SEs perceive SE's hybridity. In the next section, I further review how consumers'

perception of SEs' hybridity (e.g., moral and instrumental evaluation) influences their legitimacy judgment.

Consumer's Moral Evaluation and Social Enterprise's Legitimacy

As argued by Dart (2004), moral legitimacy, based on the judgment of normative values of organizations, arises from SE's prosocial logic and explains the emergence of SEs. The prosocial value that SE creates through alternative organizing characterizes and differentiates SE from traditional profit-driven business and becomes the source of moral evaluation when audiences make legitimacy judgment towards SEs. Numerous studies in SE have emphasized on the importance of showing prosocial values to audiences for gaining legitimacy with the assumption that legitimacy-granting actors' moral evaluation is critical for the legitimacy of SEs (e.g., J. A. Brown et al., 2021; Molecke & Pinkse, 2020; Moss et al., 2018).

For example, Moss and his colleagues (2018) studied how prosocial crowdfunding lenders reacted to SEs that demonstrate business identity, social identity or both identities, their result suggested that prosocial crowdfunders favored SEs that display their social identity only compared with SEs that adopted other strategies. Importantly, Lortie et al. (2022)'s study suggested that consumers' moral evaluation is important to predicting SEs' legitimacy as the results showed that consumers evaluated SEs with higher legitimacy than ventures without a social impact model. Together, the evidence highlighted the importance of audiences' moral evaluation in gaining legitimacy.

It is also noteworthy that the importance of audiences' moral evaluation towards organizations can be reflected through organizations' strategic efforts in eliciting audiences' moral evaluation in building legitimacy. For example, using TOMS story, Brown et al. (2021) argued that SEs can take advantage of moral imagination and moral values to gain long-term stakeholders' support. In a similar vein, Lock and Araujo (2020) found that corporations from

more environmentally sensitive industries (e.g., oil and gas, chemicals) are more likely to use social-themed images to divert audiences' attention and drive audiences' moral evaluation.

Consumer's Instrumental Evaluation and Social Enterprise's Legitimacy

The other important dimension of SEs' hybridity is the business or utilitarian identity (Moss et al., 2011), which usually demonstrates the commercial advantages of SEs through showing product/service quality, functionality, among others. The utilitarian identity of SEs responds to consumers' basic need for instrumental utility in purchase and consumption, accordingly, consumers will make instrumental evaluation to assess the instrumental utility of SEs. Instrumental utility has been seen as a fundamental attribute of organizations when audiences are making legitimacy judgment.

For example, using an experimental study, Chitturi et al. (2007) showed that consumers see instrumental utility or functionality as a necessary basis to satisfy before pursuing other types of consumption benefits. In a qualitative study by Liu (2013), it was suggested that the instrumental logic is important to attract consumers' attention and to generate revenue for companies. Additionally, Moss and his colleagues (2011) used content analysis to demonstrate that successful SEs attached equal importance to exhibiting the utilitarian identity and social identity to stakeholders including consumers. The literature suggests that consumers' instrumental need in purchase is important for organizations such as SEs to satisfy and thus consumers' instrumental evaluation is also crucial for SEs' legitimacy evaluated by consumers.

From the organizational side, it is also important for organizations to highlight the business identity to trigger audiences' positive instrumental evaluation. For example, Pache and Santos (2013) showed that when a SE originated from a social welfare background, the SE enacted more commercial strategies and emphasized commercial logic to balance with the social welfare logic, align with audiences' expectation of commercial competence and gain

legitimacy from audiences' evaluation with the strategy of selective coupling. Besides, it is acknowledged that lacking attention in demonstrating business identity to audiences might lead to mission drift, which risks SEs' survival and growth (Ebrahim et al., 2014).

Methodology

Data

Data was collected from a popular dining app in Hong Kong – OpenRice (<https://www.openrice.com/en/hongkong>) where consumers search and rate restaurants and write reviews about their dining experience. “Social Enterprise Restaurant” is a category on OpenRice that labels restaurants operated in the form of social enterprise. Using a self-built Python crawler, I collected data from restaurants under the category of “Social Enterprise Restaurant” including *restaurant-level* information – restaurant name, price range, the number of bookmarks by consumers, the number of consumer reviews – and *consumer-level* information – review content and consumer rating.

I accessed the data in December 2020. In total, the dataset contains 79 SE restaurants and 1692 consumer reviews. The time frame of consumer reviews ranges from 2002 to 2020 (See Figure 1 for consumer review distribution by year). The average length of consumer review is 233 words (min = 27, max = 1935, SD = 209).

----Insert Figure 1 here----

Unsupervised Topic Modeling: Latent Dirichlet Allocation (LDA)

The Mechanism of LDA

To identify the content of consumers' legitimacy judgment, I used unsupervised topic modeling – Latent Dirichlet Allocation (LDA) in this study (Blei et al., 2003). Unsupervised topic

modeling is a proper tool for unveiling the hidden semantic structure in large corpora and automatically cluttering term groups without *a priori* assumption of the data. Compared to traditional textual analysis methods, unsupervised topic modeling takes advantage of the power of machines and is able to handle large-scale data which traditional textual analysis methods can barely process. More importantly, the procedure of analyzing textual data by using topic modeling is more transparent and replicable, while traditional textual analysis is often criticized for not being able to replicate.

LDA is a popular and fundamental unsupervised topic modeling method that has been commonly used in political science, communication and management research to handle large and unstructured corpora (e.g., Archak et al., 2011; Hannigan et al., 2019; Karell & Freedman, 2019). Essentially, it is a generative probabilistic model of the corpus that sees a corpus entail two main matrixes – the *document-topic matrix* and the *topic-term matrix* (Blei et al., 2003). The aim of LDA is to infer the two matrixes from the target corpus. To do so, LDA reverse engineers the process of generating documents with topics and words where a document is seen as a probabilistic distribution over topics and a topic is a probabilistic distribution over words. The output of LDA will show the weight or proportion of each topic in the whole corpus and clustered words that characterize the topic.

Data Analysis

Before conducting LDA, the textual data in the dataset was pre-processed as follow. First, I recognized that the language of consumer reviews is highly informal and contains a mixture of Cantonese, English and emojis. To avoid inaccurate interpretations of the meanings of emojis, I removed all emojis from the corpus. Relevant research also suggests that emoji is becoming a complex rhetoric in the era of social media and requires many other factors to interpret such as gender, age, platforms, cultural background, among others (Bai et al., 2019; Ge & Gretzel,

2018; Prada et al., 2018). Second, as LDA is only applicable for monolingual setting and analyzing multilingual corpora adds more complexities to topic modeling, I translated Cantonese content in the corpus into English. Another reason that I chose English as the working language is that English as the most studied language in Natural Language Processing has more well-established and validated tools to pre-process the corpora (T. Brown et al., 2020), while Cantonese as a more minor language still lacks well-developed tools and influential research. After translation, there were two independent scholars checking and validating the quality of translation by randomly selecting 100 reviews from the corpus. Third, I lowered the case of the words, removed punctuations, stop words and additional “noisy” words (See Appendix A) and stemmed words into root form.

I ran LDA with the pre-processed corpus by using the package *topicmodels* in R (Hornik & Grün, 2011). As users need to presume the number of topics (K) in the corpus, I ran the corpus with topics from 20 to 60 with an interval of 5. There is no consensus on how to choose the best number of topics in a corpus (DiMaggio et al., 2013). I followed the common approach adopted by researchers by printing out all the results ($K = 20$ to 60) and manually assessing the results based on the *semantic coherence* within one topic and *topic diversity* across the corpus (e.g., DiMaggio et al., 2013; Hu et al., 2019). There were two researchers involved in the process and final agreement was achieved on 30 topics as the best number of topics for the corpus.

Result of Topic Modeling

The result is shown in Table 2. I followed the Gioia methodology in interpreting and aggregating the 30 topics generated from LDA (Gioia et al., 2013). First, two independent researchers with the expertise in social entrepreneurship manually and independently labelled the 30 topics based on the top 10 words in each topic. By doing so, the interpretation of 30

topics formed into 30 labels that capture the salient themes of each topic. Next, topics with the same labels were merged, which yielded 12 unique topics including describing food, dining environment, dining service, activating emotions, experience in SE, food price, healthy and organic eating, helping children, overall evaluation, repurchase intention, social bonding and supporting SE. Third, two researchers further aggregated the topics into four dimensions – *instrumental evaluation*, *moral evaluation*, *relational evaluation* and *emotional reaction*. Example quotes for different topics and dimensions are presented in Table 3.

Specifically, instrumental evaluation represents the largest proportion of the corpus with the total topic weight of 0.56, including *describing food*, *dining environment* and *food price*. The result indicates that when consumers evaluate SE restaurants, they used the largest proportion to evaluate the instrumental utilities of SE restaurants such as food quality, dining environment and food price.

Moral evaluation includes topics related to *experience in SE*, *healthy and organic eating*, *helping children and supporting SE* and contains a total topic weight of 0.14. Moral evaluation depicts consumers' evaluation of the moral values that SEs bring to the society. For example, *experience in SE* describes consumers' dining experience in Dialogue in the Dark – a SE restaurant in Hong Kong that allows consumers to experience deaf people's dining process and enhance consumers' awareness on the deaf. *Healthy and organic dining* refers to consumers' assessment to the healthy and environmental values that SE restaurants promote. *Helping children* is a topic where consumers identified the social mission that some SE restaurants work on to help disabled children and described their perceptions towards the social value. *Supporting SE* conveys the supportive attitude of consumers after they are aware of the goodwill of the restaurant and the SE identity.

Relational evaluation shows consumers' evaluation on whether they were treated with respect by SE restaurants and how their social identity was affirmed during the dining process.

It includes topics related to *dining services and social bonding* with a total weight of 0.10. *Dining service* generally indicates consumers' opinions of the service quality in the restaurant. *Social bonding* describes how consumers' social identities are affirmed and social ties are strengthened.

Emotional reaction is a new dimension that emerges from the corpus and contains the topic related to *activating emotions*. Emotional reaction presents how and why consumers' emotions were activated during the dining process. For example, topic 10 describes consumers' nostalgic feeling when dining in an old-style SE restaurant that promotes traditional Hong Kong culture and educates consumers about Hong Kong history. Other types of emotions such as happiness and love were also highlighted in related topics. Importantly, this dimension shows that affective foundation is becoming a new "rationale" behind consumers' judgment for SEs' legitimacy.

In general, I used LDA – an unsupervised topic modeling – to explore the content of consumers' legitimacy judgment towards SEs. The result highlighted four major dimensions – instrumental evaluation, moral evaluation, relation evaluation and emotional reaction – as the attitudes and belief that support consumers' legitimacy judgment. In particular, the analysis features *emotional reaction* as a new dimension in consumers' legitimacy judgment that past literature rarely paid attention to.

----Insert Table 2 and 3 here----

Multilevel Regression

To further examine how the weight of consumers' evaluation towards SE's hybridity (i.e., moral evaluation and instrumental evaluation) influences SEs' legitimacy judged by consumers, I conducted a multilevel regression using the topic weight and meta-data of consumer reviews.

Consumer reviews are naturally nested on restaurants, thus multilevel regression is a proper tool to investigate the quantitative relationship between consumers' moral and instrumental evaluation and restaurants' legitimacy evaluated by individual consumers. The multilevel model contains fixed slope and random intercept where the fixed slope is used to estimate the effects of moral and instrumental evaluation on restaurant's legitimacy and the random intercept is to control for the unobserved heterogeneity at restaurant level.

Dependent Variable

Restaurant's legitimacy assessed by consumer is the dependent variable in the analysis. I used consumer rating as a proxy of restaurant's legitimacy because consumer rating aligns with the meaning of legitimacy in this study that represents consumers' perception and evaluation of the restaurant on its appropriateness and acceptance in the market. Specifically, consumer rating consists of the ratings on food taste, restaurant environment, service quality, hygiene and price. I used the average value of ratings (ranging from 1 to 5) as the legitimacy assessed by consumers.

Explanatory Variables

The Weight of Instrumental Evaluation. As discussed in previous section, instrumental evaluation includes topics on describing food, dining environment and food price. I extracted the document-topic matrix from the result of LDA and summed up the 17 topics characterizing instrumental evaluation (See Table 2) in each of the consumer review as the weight of instrumental evaluation. The weight of instrumental evaluation represents the proportion of instrumental evaluation in consumer's legitimacy judgment.

The Weight of Moral Evaluation. Moral evaluation contains topics on experience in SE, healthy and organic eating, helping children and supporting SE. I added up the topic weight of

the four topics in each of consumer review as the weight of moral evaluation. The weight of moral evaluation denotes the proportion consumers used for evaluating the moral values of SE.

Control Variables

I included *consumer's explicit identification of SE*, *review length* and *publication year* at consumer level and *restaurant price level* and *restaurant popularity* at restaurant level as the control variables. Consumer's explicit identification of SE reveals whether consumers explicitly identify the restaurants as SEs in their review. It is suggested by past literature that consumer's knowledge of the identity, product and management of the focal organization plays a role in consumer's legitimacy judgment towards the focal organization (Shepherd & Zacharakis, 2003). Thus, consumer's explicit identification of SE as an indicator of consumer's knowledge of SE was controlled in the analysis and was operationalized into a binary variable. I used SE-related keywords including social enterprise, social venture and social business to detect consumer reviews. If consumers used such keywords in their reviews, consumer's explicit identification of SE will be coded as 1.

Review length is the number of words used in a consumer review and shows the effort that consumers have put in drafting the review. To calculate restaurant popularity, I used the average value of bookmark count and review count. Bookmark count is the number of bookmarks that restaurants get from OpenRice users. In a common sense, high bookmarks count indicates high popularity. Review count is the number of reviews that restaurant received from consumers who have patronized the restaurant.

Result of Multilevel Regression

The descriptive statistics is shown in Table 4. The initial corpus contains 1692 consumer reviews, however, after removing metadata with missing values, there are 1663 reviews and 56

restaurants left in the database for fitting the multilevel model. I took the log of review length and restaurant popularity and showed the correlation matrix in Table 5.

To fit the multilevel model, I used the package *lmerTest* in R (Kuznetsova et al., 2017). Variables were centered before running the analysis (González-Romá & Hernández, 2022). First, I ran a null model that contains no explanatory variables. The result of the null model (See Table 6) shows that there is a significant random intercept, indicating that multilevel regression is a proper tool to analyze the dataset. Besides, I calculated intra-class correlation (ICC) as another way to justify the use of multilevel regression. The ICC estimate indicates that 14 percent of the total variance resides at the restaurant level, which fits the recommended range of adopting multilevel model in the analysis (Bliese, 2000). Second, I fit a model with only control variables. The control model demonstrates that restaurant price is significantly related with SE's legitimacy. Third, I ran a full model by adding the two main explanatory variables – instrumental evaluation and moral evaluation. The model summary suggests that instrumental evaluation and moral evaluation are statistically significant in explaining the variance of legitimacy ($B_{instrumental} = 1.10, SE = 0.24, p < 0.001$; $B_{moral} = 1.00, SE = 0.35, p < 0.01$).

To rule out the multicollinearity problem, I checked the variance inflation factors (VIFs). The result shows that the VIFs range from 1.00 to 1.25, indicating that multicollinearity is not a concern in the analysis. Overall, the result of multilevel regression highlights that the weight of consumer's instrumental evaluation and moral evaluation have positive effects on the legitimacy evaluated by consumer.

----Insert Table 4, 5 and 6 here----

Discussion

Established on legitimacy-as-perception, this study aims to address the “legitimacy-consumer” gap in SE scholarship and investigated how consumers make legitimacy judgment towards SEs with an exploratory quantitative approach. Using a novel dataset – online consumer reviews of SE restaurants, I first interrogated the content of consumers’ legitimacy judgment by employing an unsupervised topic modeling approach. The result indicated that consumers’ legitimacy judgment consisted of instrumental evaluation, moral evaluation, relational evaluation and emotional reaction. Specifically, instrumental evaluation showed consumers’ perceptions towards the food quality, dining environment and food price and occupied consumers’ legitimacy judgment with the largest proportion. Moral evaluation denoted consumers’ view and attitude on the social and moral values that SE created including unique experience in SE, healthy and organic eating, helping children and supporting SE. Relational evaluation described how consumer’s social identity was affirmed, including consumers’ evaluation on the dining service and social bonding. Emotional reaction highlighted how consumer’s various emotions (e.g., nostalgia, happiness, love) were activated and grown into a part of the content of legitimacy judgment.

Hybridity is a prominent characteristic that distinguishes SEs from other types of organizations and has received extensive attention from SE scholars to examine how SEs legitimize the competing institutional logics within the hybridity. In this study, I switched from organizational side that focuses on organizational strategies to legitimize SE’s hybridity to demand side that looks into how consumers perceive hybridity when they make legitimacy judgment. In particular, I scrutinized how consumer’s perception of hybridity influences their legitimacy judgment. I examined how the weight of consumer’s instrumental evaluation and moral evaluation affects the legitimacy conferred by consumers through conducting a multilevel regression based on the result of topic modeling. The result indicated that the weight

of instrumental and moral evaluation was positively related to the level of legitimacy conferred by consumers.

Overall, this study demonstrates that when consumers are making legitimacy judgment towards SEs, they do instrumental, moral and relational evaluations and involve emotional reaction. Instrumental evaluation accounts for the majority of consumer's legitimacy judgment. More importantly, there is a positive relationship between the weight of consumer's instrumental and moral evaluation and the legitimacy granted by consumers. It suggests that when consumers evaluate more on the instrumental and moral dimensions of SEs, they are more likely to accord higher legitimacy to SEs.

Contributions

This study contributes to organization studies and SE scholarship in several ways. First, it shifts the research focus from organizations to the audience of organizations, from the organizing side to demand side, and bring consumers into the front and center of SE research. Past SE literature has predominantly focused on organizational features (e.g., hybridity, business models, social impact measurement; Battilana & Lee, 2014) and paradigm-building actors (e.g., social entrepreneurs, government, investor, partners; Nicholls, 2010), while little has examined social entrepreneurship from the demand side – consumer. This study – by focusing on consumer – enhances scholarly understanding towards the neglected but important stakeholder of SE.

Second, this study contributes to hybridity and legitimacy literature by introducing the viewpoint of consumer and bridging legitimacy with consumer-viewed hybridity. This study addresses the missing puzzle of hybridity that dominantly focuses on organizational strategies to legitimize hybridity. The finding confirmed that when consumers talk more about instrumental utilities and moral values in legitimacy judgment, they are more likely to confer

higher legitimacy to SEs. This result implies that the two inherently competing institutional logics are reconciled in the eyes of consumers when they make legitimacy judgment. Consumers may not perceive the tensions within hybridity in the way that the stakeholders of SEs such as social entrepreneurs and investors do (e.g., Battilana & Lee, 2014; Jay, 2013).

Next, this study provides a more refined investigation towards the perspective of legitimacy-as-perception by moving from “what” to “how”. Previous research has focused on *what* the content of an individual evaluator’s legitimacy judgment is, while this study goes beyond the content of legitimacy judgment and further investigates *how* different types of evaluation in the content of legitimacy judgment matter in determining the overall legitimacy of the focal organization. The weight of different types of evaluations and perceptions in legitimacy judgment is important information to obtain because different weights and proportions imply different levels of importance of instrumental utilities, moral values, relational affirmation and emotional activation in the eyes of consumers when they make legitimacy judgment. By revealing not only what different types of legitimacy judgment are, but also how they weight differently in SE’s legitimacy conferred by consumers, I advance scholarly understanding towards the perspective of legitimacy-as-perception.

Third, this study provides nuanced insight to the content of legitimacy judgment by highlighting emotional reaction as an important part of consumer’s legitimacy judgment. Past theory on individual-level legitimacy judgment emphasizes instrumental, moral and relational evaluation as the major dimensions (Tost, 2011), while the empirical inquiry identified emotional reaction as a new and less-discussed element in legitimacy judgment. Scholars has only started to pay attention to the role of emotions in legitimacy judgment recently (Haack et al., 2014; Huy et al., 2014). As argued by Haack et al. (2014), previous discussions on legitimacy judgment have presumed the judgment as a deliberate and conscious process, while overlooked the intuitive process which is exemplified by the activation of emotions. Individuals

who use emotions for legitimacy judgment are thus characterized as “intuiters” (Haack et al., 2014) against the conscious “evaluators”. This study adds empirical texture to the proposition that there is an emotional affective foundation in legitimacy judgment that complements the deliberate and conscious judgment process. Hence, it is corroborated that legitimacy is not only a property, a process, a perception, but also a feeling (Haack et al., 2014).

Last, using a novel dataset and innovative analytical tool, this study advances the methodology of SE studies. The mainstream SE research commonly adopts survey and qualitative methods to study the phenomenon of social entrepreneurship. While as online user-generated content grows virally on various platforms, social scientists started to develop and utilize machine learning-assisted tools to gain insights from big data. This study accepts the invitation and uses large-scale data from online which has not been explored by SE scholars and an unsupervised topic modeling method. The research method of this study demonstrates the potential of exploiting online user-generated content as well as the adoption of novel analytical tools as a future direction in SE research.

Implications

The finding of this study generates important implications for SE practitioners and policymakers. First, four major dimensions in consumer’s legitimacy judgment including instrumental, moral, relational evaluation and emotional reaction were identified in this study. In turn, this result implies that SE practitioners may need to give heed to the instrumental utilities, moral values, relational affirmation as well as the activation of positive emotions during SE operation. SE practitioners should be cognizant that SE consumers are both evaluators and intuiters in legitimacy judgment. Using proper tools to activate consumer’s positive emotions before and/or during consumer’s patronizing process is important to win the heart and purse of consumers.

Second, the result of multilevel regression shows that when consumers comment more on the instrumental and moral sides of SEs in their review, they are more likely to grant high legitimacy with high rating. The finding suggests that SE practitioners and policymakers should promote both the utilitarian advantages as well as the normative values that SEs can bring to the society. In doing so, consumers can be fully aware of the concrete social missions that SEs work on and the specific utilitarian values for consumers to satisfy their own interest. While only informing consumers of the SE identity without promoting concrete normative values may fail to persuade consumers of the legitimacy of SE, as the result indicates that consumer's explicit identification of SE does not have a significant and positive effect on consumer's legitimacy judgment.

Last, this study demonstrates the power of consumer in influencing the legitimacy of SEs, which alerts social entrepreneurs, policymakers and investors to start to pay attention to consumer group in the process of SE's legitimacy building. SE is not only designed to tackle social illness, but also to provide quality products/services and promote social values to consumers. Failure to do so will jeopardize the survival of SEs in the competitive market.

Limitations and Future Directions

Despite that this study explored what drives SE's legitimacy assessed by consumers, it is still subject to several limitations. First, the dataset limits to the context of the dining sector in Hong Kong. It is acknowledged that SEs traverse diverse sectors and regions, thus the limitation on context may constrain the generalization of the finding. Future research can utilize similar datasets from other sectors and regions and replicate the analysis and compare how contextual factors may play a role in consumer's legitimacy judgment. Second, the finding can only demonstrate the association between variables rather than causality due to the cross-sectional nature of the dataset. More research can be done with experiments or panel data to infer the

causality in consumer's legitimacy judgment. For example, scholars can use randomized controlled experiment to test the effects of different legitimation strategies on consumer's legitimacy judgment. Last, emojis as important visual information become prevalent in people's daily communication and carry rich meanings for researchers to interpret. However, as this study primarily focuses on the textual data from consumers and interpreting emojis will add more complexities to this study, I did not include emojis in the analysis. Future research can be done to decode the meanings of emojis within semantic context of consumer reviews and investigate how the use of emojis plays a role in consumer's legitimacy judgment towards SEs. Notwithstanding the limitations, this study offers deeper insight to SE's legitimacy from the eyes of consumers and addresses the "legitimacy-consumer" gap that has long been neglected in SE research and organization studies.

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Table 1: Three Configurations of Legitimacy in SE Studies

Type	Highlighted Actor/Attribute	Topic
Legitimacy-as-Property	Government, foundation, fellowship organization and network builder	<ul style="list-style-type: none"> SE paradigm building (Nicholls, 2010)
	Institutions	<ul style="list-style-type: none"> The role of institutions in solving social problems with SE (Sud et al., 2009)
	Market and social welfare sector	<ul style="list-style-type: none"> How institutional logics of market and social welfare influence the legitimacy of SE (Kibler et al., 2018)
	Intermediary organizations	<ul style="list-style-type: none"> The role of intermediary organizations in helping SE acquire legitimacy (Kerlin et al., 2021)
	SE	<ul style="list-style-type: none"> Legitimacy as a driver for: <ul style="list-style-type: none"> Building sustainable business models (Yang & Wu, 2016) Gaining long-term stakeholder support (J. A. Brown et al., 2021) Creating societal change (Agarwal et al., 2018) Justifying cross-sector collaboration (Huybrechts & Nicholls, 2013) The emergence of SEs (Dart, 2004) Resource acquisition (Weidner et al., 2019)
Legitimacy-as-Process	Cultural devices	<ul style="list-style-type: none"> The use of rhetoric, storytelling and relational work in building legitimacy (Girschik, 2020; Margiono et al., 2019; Ruebottom, 2013)
	SE	<ul style="list-style-type: none"> How SEs build legitimacy in authoritarian context (Neuberger et al., 2021) How transnational SEs build legitimacy (Bolzani et al., 2020) How SEs build legitimacy across different stages of development (Chen et al., 2022)
	Hybridity	<ul style="list-style-type: none"> How hybrid organizations incorporate competing institutional logics (Pache & Santos, 2013) How SEs legitimize hybridity by engaging with stakeholders (Granados & Rosli, 2020)
Legitimacy-as-Perception	Entrepreneurial partners	<ul style="list-style-type: none"> How uncertainty and entrepreneurial passion influence entrepreneurial partners' legitimacy judgment of SEs (Zheng et al., 2022)
	Consumer	<ul style="list-style-type: none"> The role of social impact model and consumer socialization strategies in influencing consumers' legitimacy judgment of SEs (Chen et al., 2020; Lortie et al., 2022)
	Impression management	<ul style="list-style-type: none"> The use of social impact accounts to appeal to cognitive and evaluative legitimacy judgments to create legitimacy (Molecke & Pinkse, 2020)

Table 2: Topic Modelling Result on Online Consumer Reviews

Topic	Topic Weight	Top 10 Terms	Label	Dimension
Topic 12	0.034	order, tabl, wait, take, sit, minut, long, saw, ask, guest	Dining service	Relational evaluation (0.1035)
Topic 19	0.034	restaur, food, servic, environ, staff, comfort, attitud, waiter, polit, good	Dining service	
Topic 9	0.0355	friend, food, meet, parti, servic, compani, kind, time, help, conveni	Social bonding	
Topic 30	0.035	dark, experi, dinner, food, feel, see, use, know, thing, dish	Experience in SE	Moral evaluation (0.1380)
Topic 28	0.0342	vegetarian, veget, food, organ, healthi, dish, drink, take, season, health	Healthy and organic eating	
Topic 8	0.0335	children, gras, tast, delici, fresh, restaur, parol, french, cours, help	Helping children	
Topic 11	0.0353	social, enterpris, support, work, help, need, disabl, employ, societi, group	Supporting SE	
Topic 2	0.0334	dish, cours, main, first, dinner, choos, birthday, waiter, surpris, side	Describing food	Instrumental evaluation (0.5588)
Topic 26	0.0353	fri, fresh, french, red, ice, bake, sweet, tast, garlic, cours, skin	Describing food	
Topic 1	0.0341	sweet, tast, soft, crispy, flavor, crisp, full, layer, strong, sour	Describing food	
Topic 13	0.0341	good, delici, food, time, worth, eat, super, recommend, enough, there	Describing food	
Topic 25	0.0338	fresh, japanes, sea, eat, sweet, raw, mouth, food, wan, piec	Describing food	
Topic 18	0.0332	drink, hot, cup, enough, breakfast, frozen, lemon, afternoon, ice, add	Describing food	
Topic 27	0.0331	lunch, order, set, restaur, good, choic, colleagu, yuan, enough, come	Describing food	
Topic 17	0.0329	green, light, less, small, littl, made, thick, use, tast, big, white	Describing food	
Topic 24	0.0325	tast, flavor, black, feel, strong, special, full, make, light, whole	Describing food	
Topic 14	0.0319	delici, tast, cook, red, dish, good, wine, fresh, melon, well	Describing food	
Topic 3	0.0319	fri, old, chop, enough, roll, crispy, restaur, spring, style, serv	Describing food	
Topic 5	0.0316	just, littl, like, piec, right, look, howev, still, small, seem	Describing food	
Topic 15	0.0309	food, spici, restaur, full, lot, bar, western, kind, west, mexican	Describing food	
Topic 29	0.0308	sweet, shop, water, tast, bowl, past, simpl, tai, fruit, cold	Describing food	
Topic 7	0.0349	place, comfort, quiet, environ, locat, enjoy, see, shop, afternoon, seat, central	Dining environment	
Topic 16	0.0325	quit, much, place, serv, nice, great, get, bit, pasta, better	Dining environment	
Topic 6	0.0319	price, qualiti, high, even, expans, reason, bad, portion, better, standard	Food price	
Topic 22	0.0326	day, time, like, make, happi, love, heart, come, new, eat	Activating emotions	Emotional reaction (0.0959)
Topic 10	0.0324	hong, kong, restaur, museum, room, style, tabl, seat, teahous, nostalg	Activating emotions	
Topic 4	0.0309	bag, bake, store, buy, ibakeri, packag, hospit, love, shop, bakeri	Activating emotions	
Topic 23	0.0353	eat, like, think, want, food, much, hard, better, know, doesnt	Overall evaluation	
Topic 20	0.0353	left, good, call, ill, wild, eat, see, wrong, food, want	Overall evaluation	
Topic 21	0.0334	time, first, want, came, back, come, let, thought, next, last	Repurchase intention	

Table 3: Quotes by Topics

Dimension	Topic	Example
Instrumental Evaluation	Describing food	<i>“The clams were so fresh, they didn’t quite need any extra seasoning, Chef kept the dish quite simply and it contrasts with the first appetizers.”</i>
	Dining environment	<i>“Seating was reasonably comfortable with sufficient room among tables.” “This is my second time going to this restaurant as I am fond of their service and a comfortable and relaxing dining environment.”</i>
	Food price	<i>“A little pricier than typical Sheung Wan restaurants, but worth every cent, great to see good quality restaurants like this popping up everywhere in this area.”</i>
Moral Evaluation	Experience in SE	<i>“The impact really hits you as soon as you enter the dark room as one becomes completely lost in the labyrinth, and surprisingly and perhaps ironically, it’s your blind hosts for the night who will be guiding you between the tables and walls, or how to pour a drink properly.”</i>
	Healthy and organic eating	<i>“Plant-based diet is becoming more common and I’m happy to find vegetarian restaurants in universities. Apart from taking care of vegetarian students and teaching staff, vegetarian restaurants also provide healthy and environment-friendly options to non-vegetarians.”</i>
	Helping children	<i>“This restaurant donates its profits to NGOs in Hong Kong supporting children with speech disabilities. Not only do you get to enjoy their delicious food, you are also helping people in need, which enhances the entire dining experience.”</i>
	Supporting SE	<i>“It feels good to support social enterprises and help those who help themselves.” “After understanding the stories of the children and those volunteers, [I feel] so touched! Let’s support [social enterprise].”</i>
Relational Evaluation	Dining service	<i>“We immediately noticed how attentive and helpful the staff were, our baby was offered kids bowl and cutlery and the waiter was very helpful on the menu with suggestions on the food and drinks.”</i>
	Social bonding	<i>“Party starts right away when I arrived, waitress serving around with some welcome snacks and different wines to go with them.”</i>
Emotional Reaction	Activating emotions	<i>“[I have a] nostalgic Zen Feeling. [I] haven’t come back here for so long. I was back the other day for an amazing talk and decided to reminisce the good old uni days here.” “I was so happy to found this hearty vegetarian restaurant which supports local farmers and serves delicious vegetarian food.”</i>

Table 4: Descriptive Statistics

Statistic	N	Mean	St. Dev.	Min	Pctl(25)	Pctl(75)	Max
<i>Level 1 (Consumer)</i>							
Moral Evaluation	1,663	0.17	0.08	0.04	0.12	0.19	0.62
Instrumental Evaluation	1,663	0.43	0.10	0.12	0.36	0.49	0.82
Explicit Identification of SE	1,663	0.35	0.48	0	0	1	1
Review Length	1,663	232.54	208.96	27	113	272.5	1,935
Legitimacy	1,663	4.03	0.75	1.00	3.67	4.50	5.00
<i>Level 2 (Restaurant)</i>							
Price Level	56	1.91	1.12	1	1	2.2	5
Popularity	56	109.20	164.19	3	18	113.8	1,007

Notes:

1. *Explicit Identification of SE* was dummy coded (1 = Yes, 0 = No)
2. *Price* was coded into an ordinal variable (1 = below HKD 50, 2 = HKD 51 – 100, 3 = HKD 101 – 200, 4 = HKD 201 – 400, 5 = Above HKD 801)

Table 5: Correlation Matrix

Variables	(1)	(2)	(3)	(4)	(5)
<i>Level 1 (Consumer)</i>					
(1) Moral Evaluation	1				
(2) Instrumental Evaluation	-0.43***	1			
(3) Explicit Identification of SE	0.31***	-0.03	1		
(4) <i>log</i> (Review Length)	0.17***	0.14***	0.21***	1	
(5) Legitimacy	0.04	0.09***	0.01	0.06*	1
<i>Level 2 (Restaurant)</i>					
(1) Price Level	1				
(2) <i>log</i> (Popularity)	0.63***	1			

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Table 6: Multilevel Analysis Result

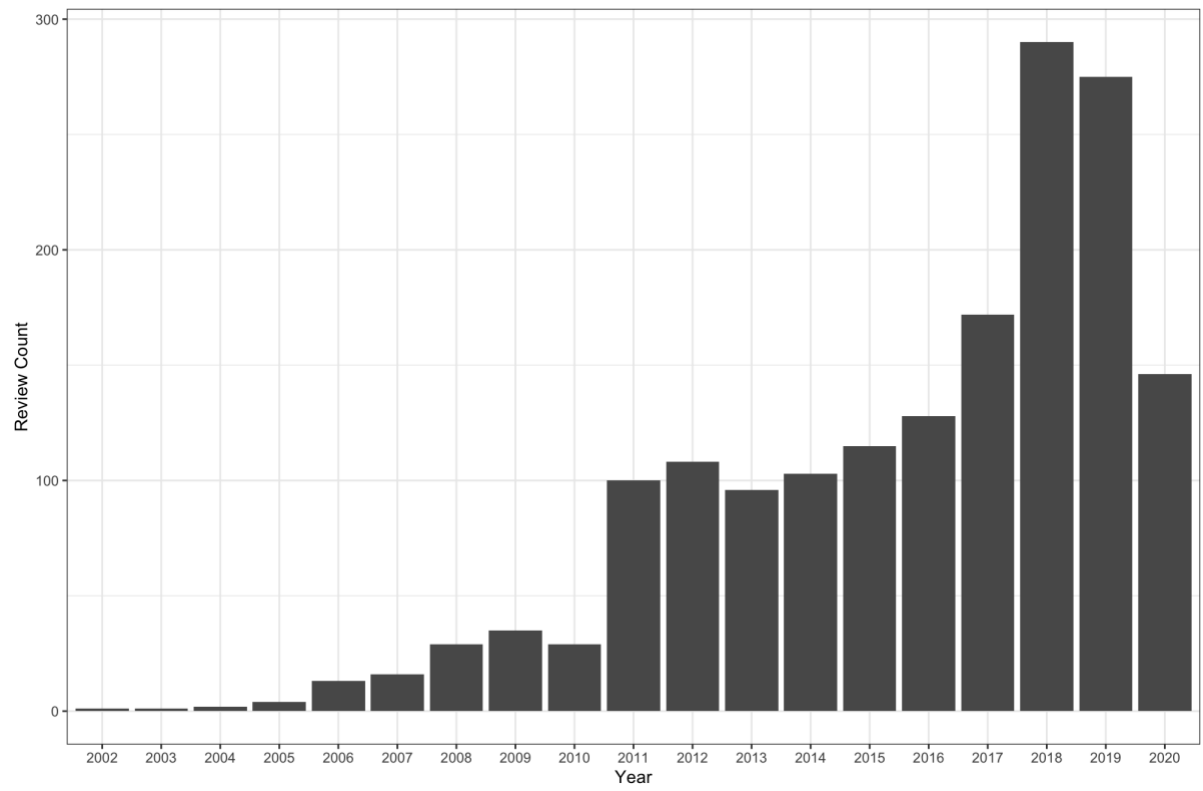
	<i>Dependent Variable: Legitimacy</i>		
	(1) <i>Null Model</i>	(2) <i>Control Model</i>	(3) <i>Full Model</i>
<i>Fixed Effects</i>			
<i>log</i> (Review Length)		-0.03 (0.03)	-0.05 (0.03)
Price		0.10* (0.04)	0.08 (0.04)
<i>log</i> (Popularity)		0.01 (0.04)	0.02 (0.04)
Explicit Identification of SE		0.07 (0.04)	0.06 (0.04)
Moral Evaluation			1.00** (0.35)
Instrumental Evaluation			1.10*** (0.24)
Year		Fixed	Fixed
Intercept	3.96*** (0.05)	4.05*** (0.72)	4.10*** (0.72)
<i>Random Effects</i>			
Intercept (restaurant) variance	0.82 (0.29)	0.07 (0.02)	0.07 (0.27)
Residual variance	0.49 (0.70)	0.48 (0.02)	0.47 (0.69)
ICC	0.14	0.13	0.13
<i>Model Fit</i>			
Pseudo-R ² (Fixed effects)	-	0.04	0.06
Pseudo-R ² (Total effect)	0.14	0.16	0.18
Deviance	3599.50	3565.10	3543.00
Wald χ^2	-	36.66*	58.64***
LR Test vs. Linear Regression	-	110.10***	120.52***
Log Likelihood	-1,799.74	-1,782.53	-1,771.51
Akaike Inf. Crit.	3,605.48	3,615.05	3,597.03
Bayesian Inf. Crit.	3,621.73	3,750.46	3,743.27
<i>Model Info</i>			
Observations	1,663	1,663	1,663
Number of Groups	56	56	56

Notes:

1. *p* values calculated using Satterthwaite d.f.

-
2. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$
 3. Standard errors in parentheses
 4. Variables are grand centered.

Figure 1: Consumer Review Count by Year



Appendix 1: Noisy Word List

many, try, tried, trying, tries, go, went, going, dont, ive, also, will, ask, tea, chicken, egg, eggs, milk, didnt, dessert, desserts, cheese, cake, mango, jelly, fish, sushi, chocolate, bread, butter, sauce, cream*, can, really, soup, meal, spaghetti, beef, rice, curry, roll, pork, meat, steak, juice, salad, potato*, coffee, cafe, hamburger*, sugar, sesame, tomato, shrimp, people, lobster*, duck*, salmon, sashimi, ginger, noodle, noodles, sandwich, mushroom, truffle, cant, sausage, bean, tempura, scallop, fillet, orange, lightskintone, pepper, taro, nacho, nachos, quesadilla, ham, strawberry, lamb, roast, pig, watermelon, coconut, muffin, croissant, face, eggplant, crab, avocado, tuna, urchin, one, two, three, foie, vanilla, said, cookie, cookies, ti, today

*Note: * is a wild card that matches any character and is usually used for matching both the singular and plural nouns.*

The Power of Rhetoric: An Integrative Model of Legitimacy Building, Legitimacy Judgment and Consumer Responses Towards Social Enterprises

Introduction

Legitimacy, as an overarching construct in organization studies, presents multiple forms in scholarly inquiries (Suchman, 1995; Suddaby et al., 2017). With different actors (i.e., the focal organization, change agent and evaluator) being emphasized, legitimacy has been theorized into a property, process and perception (Suddaby et al., 2017). Scholars commonly interrogated the mechanism and dynamics of legitimacy in organization studies by focusing exclusively on the focal organization (e.g., the consequences of lacking or owning legitimacy), the change agent (e.g., how the change agent builds legitimacy) or the individual evaluator (e.g., how the individual evaluator make legitimacy judgment towards the focal organization) (e.g., Clauzel et al., 2019; Glynn & Abzug, 2002; Martens et al., 2007).

Unfortunately, little research adopts a comprehensive perspective and examines legitimacy by combining an organization's legitimation strategies, individual evaluators' legitimacy judgment and the outcomes of legitimacy. A panoramic view of the legitimation process is important because legitimacy is not an ultimate goal of organizations, instead, legitimacy is often a gate pass for future resources, support from stakeholders and opportunities (Suchman, 1995). A full spectrum of legitimation strategies is thus insightful for scholars and practitioners to understand the efficacy and effectiveness of legitimation strategies on more far-reaching outcomes than gaining legitimacy.

Organizational scholars have started to examine the mechanism of the legitimation process and identify effective strategies for legitimacy building (e.g., Drori & Honig, 2013; Huy et al., 2014; Jahn et al., 2020; Neuberger et al., 2021). For example, Suddaby and Greenwood (2005) investigated how companies legitimated a new organizational form and

found that discursive tools were actively involved in the legitimation process, institutional vocabularies that signal a referential relationship between the organization and established institutions and rhetoric of change are two major contributors that legitimated a profound institutional change. Similarly, Humphreys (2010)'s study on how journalists shape the public's legitimacy perception of a controversy industry also pointed to the critical role of rhetoric in the legitimation process. It is established beyond doubt that the use of rhetoric has become a predominant strategy for organizations to build legitimacy.

Defined as a persuasive language, rhetoric has been a longstanding theme in many fields such as business, political science and psychology, among others (e.g., Jung, 2020; Martikainen, 2019; Navis & Glynn, 2011). In the literature of organization studies, rhetoric has been seen as a key cultural tool for organizations to build identity, tackle legitimacy crisis, win reputations and seduce investors (e.g., Navis & Glynn, 2011; Parhankangas & Ehrlich, 2014; Vaara, 2014; Wang et al., 2016). More importantly, rhetoric is a crucial communication device for entrepreneurs to construct legitimacy in the eyes of evaluators (Hoefler & Green, 2016; Suddaby & Greenwood, 2005).

While the increasing awareness on the question of "legitimate to whom" urged scholars to differentiate legitimation strategies when facing different evaluators, as legitimacy is highly audience-dependent (Fisher et al., 2017). However, existing literature on rhetorical strategies for legitimacy building has been insensitive to audiences. Moreover, there is a great dearth of literature on organizations' legitimation strategies with consumers as the audience group. Consumers are a key audience group in enabling organizational legitimacy because their purchase behavior can directly contribute to organizations' revenue and help organizations survive and thrive (Shepherd & Zacharakis, 2003).

Social enterprise (SE) – a novel and hybrid organization that combines inherently competing logics (i.e., social and commercial logics) into one single organizational entity – has

gradually won a place in the market to deliver products or services (Doherty et al., 2014). As an emerging player in the market to deliver products or services, SEs may suffer from consumers' ignorance, misunderstanding, abuse and misuse of the term 'SE' (Chandra, 2019). This legitimacy-deficient status of SEs and the inherently competing institutional logics, especially when consumers are the legitimacy evaluator, calls for more efforts from SEs to devise effective legitimacy-building strategies to rationalize hybridity and gain legitimacy in the eyes of consumers (Neuberger et al., 2021; Nicholls, 2010). Unfortunately, there is little empirical research in social entrepreneurship that examines the legitimacy-building strategies of SE particularly with consumers as the audience group, evaluate the effectiveness of legitimacy-building strategies and interrogate how SE's hybridity influences the legitimacy perception of consumers.

In this research, I draw on the theory of cultural entrepreneurship (Lounsbury & Glynn, 2001) and proposed an integrative model that examines the full process of SE's legitimation in the eyes of consumers from SE's legitimacy building, consumer's legitimacy judgment to subsequent consumer responses. Specifically, I asked *How can SE use rhetoric to build legitimacy? To what extent can SE's legitimacy built by rhetoric translate into favorable consumer responses? And how do SE's competing institutional logics influence consumer's legitimacy judgment?* To answer the questions, I conducted two scenario-based experiments – the first experiment tested a full process model based on the theory of cultural entrepreneurship involving the rhetorical legitimation strategies, consumer's legitimacy judgment and consumer responses, the second experiment validated the result of the first experiment and further interrogated how SE's hybridity influenced SE's legitimacy and consumer responses.

This research makes contributions to existing literature in the following ways. First, it extends the theory of cultural entrepreneurship into the field of social entrepreneurship and adds to the literature of SE's legitimacy building by shifting to the perspective of consumers.

Second, this study is among the *first* to provide a legitimacy-building model in SE research that offers a comprehensive view of SE's legitimacy from organizational side to evaluator's side, including SE's legitimation strategies, evaluator's legitimacy judgment and the subsequent outcomes of legitimacy. A comprehensive model of legitimacy increases scholarly understanding on the profound effects and effectiveness of legitimation strategies as well as the role of organizational legitimacy in driving other preferred outcomes. Third, this research adds novel insights to the growing studies of SE's hybridity by switching from SE's legitimation strategies to consumer's legitimacy perceptions. Last, this research demonstrates the potential of experimental design in advancing SE scholarship. Extant SE studies are dominated by qualitative inquiries and survey, which are explorative in nature. With two scenario-based experiments, I show how experimental studies enrich SE scholarship.

Literature Review

Rhetoric as A Cultural Tool for Legitimacy Building

Rhetoric is defined as a persuasive language or the art of persuasion (Green, 2004). Scholars have found that rhetoric has great power to build, repair and maintain an acceptable organizational identity and has been commonly used by entrepreneurs to build legitimacy and address identity crisis. Wang et al. (2016) studied when and how organizations responded to consumers' devaluation and found that organizations are more likely to respond to more severe responses and will borrow linguistic skills such as the use of justification-related words to tackle consumers' devaluation. van Werven et al. (2015)'s study on what arguments that entrepreneurs used to convince stakeholders of their legitimate distinctiveness showed that there are six significant types of arguments that entrepreneurs used for justifying and legitimating radically innovative ideas to stakeholders including analogy, generalization, classification, cause sign and authority. The scholarly scrutiny of rhetoric in organization

studies demonstrate the strength and power of rhetoric in shaping audiences' perception, hence construing a legitimate identity.

The discussion on rhetoric can be traced back to Aristotle who proposed three types of rhetoric – logos, pathos and ethos, which have been referred as *classical rhetoric* (Aristotle, 1991). Logos indicates the use of reasoning and justification in crafting an argument for increasing the adherence of listeners. Pathos refers to emotional appeals (e.g., fear, passion, greed, etc.) in eliciting audiences' support and acceptance and is highly contagious compared to other types of rhetoric. Ethos is the moral characters of speakers, especially speaker's alignment to socially constructed norms, beliefs and practices and is the indicator for being good and right.

By reviewing the past literature, scholars have found that logos, pathos and ethos play different roles in legitimating organizations and constructing different types of legitimacy (Green, 2004; Hofer & Green, 2016). For example, using content analysis on how an individual text catalyzed institutional change, Brown and colleagues (2012) showed that logos appeal itself is not adequate to support conflicting institutional logics, instead, ethos and pathos play complementary and definitive roles in shaping social categories and enable institutional change. Overall, classical rhetoric places a particular focus on speakers and rhetors who contemplate rhetorical strategies to persuade others, assumes the universality of rhetorical strategies to general public, and is thus less sensitive to the diversity of audiences.

In contrast to classical rhetoric, scholars developed *new rhetoric* as a continuation of Aristotle's classical rhetoric but in a different way that is grounded more on audiences' interpretation and the context where the rhetoric is applied (Hofer & Green, 2016). By emphasizing that audiences are active agent in influencing the creation of rhetoric during the communication process, new rhetoric raises the awareness and need of understanding both the context and the target audience of rhetorical strategies. Particularly, it echoes the question of

“legitimate to whom” from legitimacy theory. In this research, I argue that an effective rhetorical strategy should blend the awareness of institutional context and the target audience inspired by new rhetoric into the stylistic device enlightened by classical rhetoric and this is how cultural entrepreneurship that fuses institutional theory and rhetorical theory stands out and contributes to organization literature.

Social Enterprises’ Rhetorical Strategies in Building Legitimacy

Unexceptionally, social entrepreneurs are also skillful cultural operators who manipulate rhetoric to achieve desirable outcomes. To date, there are only a limited number of studies examining SE’s rhetorical strategies with diverse purposes including building legitimacy, gaining crowdfunding success and catalyzing institutional change (e.g., Chandra, 2017; Parhankangas & Renko, 2017; Parkinson & Howorth, 2008; Ruebottom, 2013).

Several common rhetorical strategies have been identified by SE scholars. For example, Ruebottom (2013) and Chandra (2017) both found that SEs used problematization and contrasting as the rhetorical device to problematize the status quo and highlight their own roles as the heroes in tackling the societal illness and empowering others. In addition, Parhankangas and Renko (2017) showed that using concrete and precise language in seeking support from crowdfunding backers helped SE familiarize themselves with the crowd and hence gain success in crowdfunding campaigns.

The limited research on SE’s rhetoric, however, shares some of the drawbacks of rhetoric studies in organization research in general. In particular, extant SE research on rhetoric fails to specify the diverse audiences of SE’s rhetorical strategies and assumes the universal feasibility of rhetorical strategies in face of different audiences. Besides, SE scholars’ inquiry to the rhetoric of SE solely relies on qualitative methods to explore the phenomenon and this will limit our understanding to SE’s rhetorical strategies. For example, we still lack knowledge in

the effectiveness and efficacy of rhetorical strategies in helping SEs build legitimacy. This is where quantitative methods can contribute and advance scholarly views on SE's rhetoric.

Rhetorical Strategies in Cultural Entrepreneurship

Cultural entrepreneurship refers to entrepreneurs' use of cultural tools to leverage extant stock of institutional capital and resource capital for constructing a legitimate identity and winning future stocks of resources and opportunities (Lounsbury & Glynn, 2001). Entrepreneurs are seen as skillful cultural operators to navigate various types of cultural tools such as rhetoric, symbols and gesture to establish an acceptable and desirable identity and alter audiences' perceptions towards the focal organization (Überbacher et al., 2015).

Cultural entrepreneurship has highlighted three major rhetorical strategies for legitimacy building, including fitting-in strategy, standing-out strategy and relational strategy. Specifically, fitting-in strategy emphasizes that organizations need to find a cognitive anchor when claiming their identities so that the constructed identity situates within audiences' cognition and is relatable and resonate to audiences. Essentially, organizations need to have a high level of narrative fidelity to achieve desirable legitimacy from audiences. Standing-out strategy indicates the need of being distinct among peer competitors to acquire competitive advantage. While to what extent organizations should demonstrate their distinctiveness to stakeholders attracted extensive discussions and debates as the traditional assumption believes that a high level of distinctiveness will increase cognitive load and create ambiguity which will thus lead to discounted legitimacy. The seemingly contradictory strategies of fitting in and standing out opened a new line of research referred as optimal distinctiveness which investigates the tensions within the two strategies, particularly when and how organizations should present their alignment and distinctiveness to audiences to achieve optimal outcomes.

Chan and colleagues (2021) proposed the concept of anchored differentiation based on a field study on patent design and conducted an experimental study suggesting that optimal distinctiveness can be achieved by anchoring on established practice when simultaneously distinguishing themselves from other peers. In a similar vein, Navis and Glynn (2011) theorized that a legitimately distinctive identity consists of institutional primes that anchor on comprehensible and acceptable practices and the subsequent equivocal cues that present entrepreneurial variances and distinctiveness. The literature indicated that both fitting in and standing out are indispensable strategies for organizations to adopt, among which fitting-in strategy helps reinforce the institutional logics while standing-out strategy further transform it (De Clercq & Voronov, 2009).

The last rhetorical strategy proposed by cultural entrepreneurship is relational strategy, which argues that it is advisable to establish connections with organizations that are already legitimate. By connecting with credible and legitimate organizations, legitimacy spills over to the focal organization and an effective legitimacy building can be achieved. A common and popular approach adopted by entrepreneurs to establish relationships with legitimate organizations is to get a certification from a credible third-party organization. The certification is issued based on whether the quality of certain aspects of the focal organization satisfy the standards set by a third-party organization. Getting certified indicates that the focal organization is backed by the third-party organization regarding its quality and practice. For example, Fairtrade Certification certifies organizations' social, environmental and economic practices to guarantee farmers in developing countries with better prices and decent working conditions. To get Fairtrade Certification, organizations need to adapt their practices to achieve the minimum standards set by the certification-issuing body. The legitimacy of the focal organization is thus closely linked to the certification as well as other certified organizations in the same category.

To apply cultural entrepreneurship in empirical studies, scholars have commonly adopted qualitative methods to explore how different rhetorical strategies – fitting in, standing out, and connecting with legitimate organizations – are orchestrated by entrepreneurs in different contexts, while scant attention has been paid to the effectiveness of rhetorical strategies in building legitimacy for organizations. Particularly, little is known how cultural entrepreneurship is applied in the field of social entrepreneurship. In this research, I aim to extend the use of cultural entrepreneurship in the social entrepreneurship phenomenon and fill in the methodological gap by designing experiments to investigate and compare the effectiveness of different rhetorical strategies of cultural entrepreneurship in constructing legitimacy for social enterprises. In the next section, I will propose a conceptual model (See Figure 1) and hypotheses based on cultural entrepreneurship integrating SE's rhetorical strategies, consumer's legitimacy judgment and consumer responses and theorize how SE's competing institutional logics influence consumer's legitimacy judgment and consumer responses.

----Insert Figure 1 here----

Hypotheses Development

Rhetorical Legitimation Strategies and Consumer's Legitimacy Judgment

Fitting-In Strategy: Social Discourse

Fitting-in strategy requires SEs to increase their resonance with audience so that audiences can comprehend and recognize which social category SEs belong to. Parhankangas and Renko (2017) studied how SE's identity established by linguistic devices influenced the success of crowdfunding campaigns and emphasized the necessity of building a comprehensible and relatable SE identity especially when SE faces the problem of incomplete social category and

ambiguity in front of consumers. To familiarize audiences with the identity of SE, it is essential to find a cognitive anchor with which entrepreneurs can reduce the cognitive load of audiences to digest the identity information of SE and increase cultural resonance (Soublière & Lockwood, 2022).

I posit that the social values that SEs create can be a strong cognitive anchor for consumers to comprehend SEs' identities. Parkinson and Howorth (2008) found that social entrepreneurs draw legitimacy from SEs' social morality. Similarly, Dart (2004) argued that the social values that SEs bring to the society and environment explain the emergence of social entrepreneurship. Overall, the literature suggests that it is the social morality that defines and characterizes SEs and differentiates SEs from profit-oriented commercial business. Hence, highlighting the social values of SEs can potentially increase the comprehensibility of SEs and help SE's legitimacy building process when facing consumers.

A prevalent way to demonstrate the social morality of SEs is to articulate the social mission that SE commits to and the endeavors that SEs devote in promoting the social welfare and environmental sustainability, which is referred as social discourse. Empirical studies have investigated how social discourse helps SEs win support and establish legitimacy. Using an experiment, Jahn and colleagues (2020) studied how extrinsic (e.g., profit motive) and intrinsic motives (e.g., social motive) influence legitimacy judgment and revealed that organizations that exhibited solely social motive and social benefits were evaluated as more legitimate than organizations that exhibited external motives.

In a similar vein, Lortie and colleagues (2022) designed another experiment and investigated how SEs' business models affect consumer's legitimacy perception. They showed that SE that demonstrated the social impact model was perceived as more legitimate than for-profit business without a social impact model. The result suggested that the social impact model is an important source of legitimacy for SEs especially when facing consumers. In another

study by Moss and colleagues (2018), it was revealed that prosocial projects that demonstrated social values in project narratives received funding from crowdfunders more quickly than prosocial projects that showed economic values. Based on the evidence, I hypothesize a positive relationship between the use of social discourse and SE's legitimacy evaluated by consumers.

Hypothesis 1: Social enterprises with social discourse will gain higher legitimacy evaluation by consumers than those without social discourse.

Standing-Out Strategy: Strategic Distinctiveness

Strategic distinctiveness allows SEs to stand out from peer organizations and attract audiences' attention for legitimacy judgment (Navis & Glynn, 2011). However, what level of distinctiveness is legitimately appropriate for organizations attracts growing debate from scholars. The traditional assumption of distinctiveness believes that higher level of distinctiveness would deviate from audiences' cognition and create too much cognitive load for evaluators. The incomprehensibility and ambiguity that are caused by high distinctiveness will risk organizations' legitimacy and SEs are thus advised to display a well-conceived level of distinctiveness to audiences so that it can minimize the legitimacy risk brought by cognitive deviation while simultaneously leverage the competitiveness signaled by being legitimately distinct from peer competitors.

More recent research on organizational distinctiveness, however, turned down the traditional assumption with empirical evidence supporting that higher level of distinctiveness is preferred in legitimacy judgment and other types of evaluations. For example, rooting in the context of crowdfunding, Tauscher and colleagues (2021) found that higher level of distinctiveness manifested through storytelling was granted with superior legitimacy and

produced optimal crowdfunding performance. Jancenelle and colleagues (2019)'s study on prosocial crowdfunding offers a similar result by showing that cultural alignment that is measured by temporal awareness and commonality was positively related to the time length of receiving funding, which indicated that cultural misalignment was more effective in gaining legitimacy and triggering audiences' interest to provide resources. Bu and colleagues (2022) studied the historical data of automobile market and demonstrated that higher between-organization distinctiveness benefits organizations' market performance and can simultaneously attenuate the negative impact brought by within-organization distinctiveness.

Social psychologists offered insights on why higher level of distinctiveness is preferred in consumer's legitimacy judgment. Snyder and Fromkin (1980) found that consumers pursued the distinctiveness of commodity because the commodity that consumer purchased symbolized consumers' identity and the distinctiveness of commodity extended their identity with other possibilities. In addition, consumers saw high level of similarity with others as intolerant and thus felt it necessary to bring in distinctiveness to be differentiated with others (Brewer, 1991). In summary, the literature suggests that when SEs demonstrate higher level of distinctiveness, consumers will perceive the SEs as more legitimate.

Hypothesis 2: Social enterprises with higher distinctiveness will gain higher legitimacy evaluation by consumers.

Relational Strategy: Showcasing Certification

Relational strategy for legitimation centers on the assumption that the legitimacy of an organization has a spillover effect so that other organizations that are connect with the legitimate organization will be granted with the spillover legitimacy (Kostova & Zaheer, 1999). Kuilman and Li (2009) studied the historical data of foreign banks in Shanghai and revealed

that the legitimacy level of the foreign banks in Shanghai was positively related to the entry rate of foreign banks indicating that audiences did not judge organization's legitimacy isolated but with a reference of connected organization's legitimacy level. Even within the same organization, the legitimacy spillovers occur between organizations' prior success and their subsequent endeavors (Soublière & Gehman, 2020).

Organizations that seek legitimacy by using relational strategy commonly resort to certification to gain legitimacy spillovers (Gehman & Grimes, 2017). Certification denotes the evaluative approval that organizations get from respected third-party organizations or powerful institutions. A few regional and international certifications have gained much popularity and recognition from social entrepreneurs, investors and the market, such as B Corporation, Buy Social UK and Ashoka, among others. Gaining a certification helps organizations build legitimacy as it means that organizations have achieved the high standards set by external legitimate organizations and the credibility of the focal organization is vouched by the certification-issuing organization (H. Rao, 1994).

Using a survey on SEs and their key partners, Weidner and colleagues (2019) found that inter-partner legitimacy – defined as partners' legitimacy perception of the focal SE – is important because inter-partner legitimacy is both directly and indirectly related to SE's external legitimacy. Villela and colleagues (2021) studied the impact of B Corp certification on small and medium-sized enterprises (SMEs) that were certified as B Corps and demonstrated that gaining B Corp certification helps SEMs activate the reputation-building process and garner stronger reputation from investors and consumers. In another study by Sin and colleagues (2007), it was found that certification issued by authorized parties helped organizations from the alternative energy sector establish legitimacy and assemble resources, more importantly, the beneficial effect of certification was stronger when the sector legitimacy is low.

The literature suggests that exhibiting certification will prime consumers with a credible and legitimate perception of the focal SE and thus will motivate consumers to follow the judgment of the respected third-party organization and confer legitimacy to the focal SE. Hence, I posit that showing the certification will help SEs gain legitimacy evaluated by consumers.

Hypothesis 3: Social enterprises with certification will gain higher legitimacy evaluation by consumers than those without certification.

Validity Cues: Consumer's Prior Knowledge of SE

Scholars have found that the legitimacy judgment process constantly comprises an active mode and a passive mode (Tost, 2011). The active mode involves audience's evaluation on the moral values, instrumental utilities and relational affirmation of the focal organization, which leads to different types of legitimacy such as moral legitimacy, pragmatic legitimacy and cognitive legitimacy (Bitektine, 2011; Bitektine & Haack, 2015). The passive mode of legitimacy judgment relies on validity cues that portray the collective perception and belief that are shared among a group or the society. With the presence of validity cues, the passive model of legitimacy judgment is automatic and effortless (Suddaby et al., 2017; Tost, 2011). In particular, evaluator's cognitive capacity is often limited, and evaluator is believed to be reluctant to consume too much cognitive energy in making an evaluation. Scholars argued that between the two modes of legitimacy judgment, the passive mode that highly relies on validity cues is predominated in the legitimacy judgment process.

One of the most common forms of validity cues appear as evaluator's prior knowledge of the focal organization (Shepherd & Zacharakis, 2003). Prior knowledge of SE as structured practices and values incorporates opinions and beliefs from various parties such as SE practitioners, experts, government, investors and beneficiaries, among others, and can be

diffused widely and reach to consumers via government's propaganda, SEs' promotion, social media and SE education (Ivanova Ruffo et al., 2020; Jacqueminet & Durand, 2020). Shepherd and Zacharakis (2003)'s study on how consumer's prior knowledge and understanding influence new venture's legitimacy indicated that consumers bestowed higher legitimacy to new ventures that they had more knowledge of and they support such new ventures with higher purchase intention. van den Broek and colleagues (2022) argued that validity cues can arise from both recognized authority as well as peer endorsement of organizations. In particular, peer endorsement was found to effectively stimulate evaluators to follow the judgment of peers and publicly express their evaluation.

In addition, some scholars argue that consumer's prior knowledge creates isomorphic pressure to push consumers to follow the beliefs and opinions that are shared by the majority. Failure to do so will lead to social sanctions (Bitektine & Haack, 2015; Tost, 2011). In summary, based on the literature I postulate that when consumers have more prior knowledge of SEs, they are more likely to confer higher legitimacy to SEs.

Hypothesis 4: Consumer's prior knowledge of social enterprises is positively related to consumer's legitimacy evaluation.

From Rhetorical Legitimation Strategies to Consumer Responses (Commercial Side)

Legitimacy has been theorized into both a property and a perception (Suddaby & Greenwood, 2005). The perspective of legitimacy-as-property contends that legitimacy is an intangible asset and resources that organizations can utilize as a touchstone for support, resources and capital from stakeholders (J. A. Brown et al., 2021). While legitimacy-as-perception suggests that legitimacy is essentially a social judgment from evaluators. Based on the perspective of legitimacy-as-perception, scholars further argued that social judgment and perception are often

important motivators for subsequent behaviors and intentions (Molecke & Pinkse, 2020; Zott & Huy, 2007). The two perspectives of legitimacy imply that being legitimate for organizations is the prerequisite and gate pass for support and resources to come. For example, one of the criteria for investors to support a SE is whether the focal SE has gained adequate legitimacy in the market so that the survive of the focal SE will not be threatened by being inappropriate and undesirable (Parhankangas & Ehrlich, 2014). Similarly, for SEs to receive favorable consumer responses such as purchase intention, word-of-mouth intention and willingness to pay a premium price, one of the most important conditions is consumers perceiving the focal SE of being legitimate.

Hofenk and colleagues (2019)'s experimental study on how and when retailers' sustainability efforts translate into positive consumer responses supports the argument by showing that retailers' sustainability efforts triggers positive consumer responses via important mechanisms such as store legitimacy evaluated by consumers. The result indicated that when the consumers judge stores as being legitimate, they are more likely to be prompted by the legitimacy perception and have more positive responses including higher store evaluation, shopping intention, word-of-mouth intention and willingness to pay more. Li and colleagues (2017) used another experiment to investigate how consumers respond to corporate environmental actions and showed that symbolic and substantial environmental actions significantly led to corporate's environmental legitimacy and the legitimacy in turn had a positive effect on consumer's purchase intention. The literature suggests a positive relationship between consumer's legitimacy perception of SE and favorable consumer responses including positive store evaluation, higher purchase intention, word-of-mouth intention and willingness to pay a premium price.

Referring back to the positive relationship between SE's rhetorical legitimization strategies including fitting-in strategy, standing-out strategy and relational strategy and consumer's

legitimacy judgment, I posit that SE's legitimacy evaluated by consumers will be a positive mediator in the relationship between SE's rhetorical legitimation strategies and consumer responses.

Hypothesis 5: Social enterprises' legitimacy evaluation by consumers will positively mediate social enterprises' rhetorical legitimation strategies and consumer responses to social enterprises' commercial dimension.

From Rhetorical Legitimation Strategies to Consumer Responses (Social Side)

SEs differentiate from commercial business with its hybridity and dual goals within a single organization (Battilana & Lee, 2014; Mair & Marti, 2009). Compared to commercial business, consumer responses to SEs might also differentiate from those of commercial business. Discussions on consumer responses to commercial business commonly focus on consumer's interest of the products/services that commercial business provides including several main dimensions such as store evaluation, purchase intention, word-of-mouth intention and willingness to pay more (e.g., Deng, 2012; Hofenk et al., 2019; Li et al., 2017). I argue that consumer responses to SEs will go beyond the commercial dimensions and will involve social-sided responses that respond to the social missions and values that SEs commit to.

For example, when a SE store is driven by sustainability, consumers who patronize the SE store will be imbued with the sustainable values that the SE promotes via implicit or explicit ways. Essentially, the social values and commercial approach of SEs are interdependent with each other so that the social values are encapsulated into the products/services of SEs and are disseminated through consumers' purchase behavior in a way that consumer's own perceptions and beliefs about the social values get updated and consumer's social awareness can be enhanced by SEs' social mission.

As consumer's legitimacy perception pertains to the acceptance, appropriateness and desirability of the focal SE (Suchman, 1995) and social logic is an important part of being a SE (Dart, 2004), I postulate that consumers conferring legitimacy to SE means that consumers legitimize both the commercial logic and social logic, and thus the legitimacy of SE evaluated by consumers will possibly lead to the enhancement of consumer's social awareness on the social issues that the SE commits to as a social-sided consumer response. Srivetbodee and colleagues (2017)'s study on the marketing strategies of SEs supported the proposition and found that the marketing strategies that SEs adopted helped SEs communicate the marketing legitimacy with consumers which in turn enables consumers to understand and support the social values. In another study by Buykx and colleagues (2016), it was shown that the initially low cognitive legitimacy of the association between alcohol and cancer in the eyes of the public was effectively improved by strategic deployment of mass media campaigns and the improved cognitive legitimacy led to increased public awareness of the negative relationship between alcohol and cancer. In sum, I posit that when consumers confer higher legitimacy to SEs, they are more likely to be motivated to have a higher enhancement of social awareness.

It has been articulated in the previous section that there is a positive relationship between SE's rhetorical legitimation strategies and SE's legitimacy assessed by consumers. Linking back to the hypothesis, I further hypothesize that SE's legitimacy evaluated by consumers positively mediate the relationship between SE's rhetorical legitimation strategies and the enhancement of consumer's social awareness.

Hypothesis 6: Social enterprises' legitimacy evaluation by consumers will positively mediate social enterprises' rhetorical legitimation strategies and consumer's social awareness enhancement.

SE's Competing Logics in Consumer's Legitimacy Judgment

An indispensable step for SEs to build legitimacy is to legitimize the hybridity (Pache & Santos, 2013). SE's hybridity comprises of social logic and commercial logic. A rich body of research has looked into the conflicting nature of the two logics and mission drift that is caused by unbalanced emphasis of the two logics within a single organization (e.g., Ebrahim et al., 2014; Kwong et al., 2017; Ramus & Vaccaro, 2017). The social logic is demonstrated by the social values that SE create to the society and is presented to stakeholders through the manipulation of social discourse. While commercial logic of SE is often shown through SE's commercial competences such as abilities to deliver quality products/services and train diverse staff expertise and is communicated with its audiences through SE's commercial discourse (Moss et al., 2018).

Prior literature has emphasized the role of SE's commercial discourse in building legitimacy. For example, Smith and colleagues (2012) used qualitative method and two experiments to study donors' attitudes and behaviors toward SEs and found that including commercial discourse that indicated SE's commercial competence in SE's introduction narratives increased donor's donation likelihood compared to narratives without commercial discourse. Lee and colleagues (2017)'s study on how consumers respond to SEs with different orientations and revealed that when SE only showed commercial identity to consumers, consumers interpreted the commercial identity as commercial competence and thus reckoned the SE as legitimate. In another study by Liu (2013), it was found that commercial cause-based marketing strategy is effective to attract consumers' attention, establish legitimacy in the eyes of consumers and enhance their purchase intention. In general, demonstrating commercial competence through commercial discourse is expected to have a positive effect on SE's legitimacy evaluated by consumers.

However, the co-occurrence of social discourse and commercial discourse might challenge the legitimacy building process due to its inherently competing institutional logics presumptively in the eyes of regulators and investors (Battilana & Lee, 2014). For example, a category-spanning linguistic style that incorporates both social and commercial logics in the crowdfunding campaign will cause ambiguity for audiences to comprehend and will thus lose support from crowdfunding backers (Moss et al., 2018). Lee and colleagues (2017)'s study showed another evidence that when SEs showed both social discourse and commercial discourse to consumers, consumers interpreted commercial discourse as SE's greed for profit, which threatened SE's legitimacy. In another qualitative study by Carré and colleagues (2021), it was revealed that the hybridity of SEs, indicated by the blend of nonprofit and business practices within an organization, posed a negative impact on the pragmatic legitimacy of organizations in the eyes of stakeholders.

Based on the literature, I posit that the co-occurrence of social and commercial discourses will risk SE's legitimacy in the eyes of consumers. Hence, adding SE's commercial discourse in SE's legitimation strategies will influence the effect of social discourse on SE's legitimacy evaluated by consumers. Additionally, commercial discourse as a demonstration of SE's commercial competence will attract more endorsement from consumers to confer legitimacy to SE because higher commercial competence means that SE's products/services can potentially satisfy consumer's basic need for utilities. Therefore, I hypothesize as follows.

Hypothesis 7a: Social enterprises with commercial discourse will gain higher legitimacy evaluation by consumers than those without commercial discourse.

Hypothesis 7b: Social enterprises' commercial discourse will negatively influence the relationship between social enterprises' social discourse and social enterprises' legitimacy evaluation by consumers.

Study 1

Experimental Design

To examine the effectiveness of the proposed rhetorical legitimation strategies based on cultural entrepreneurship in enhancing SE's legitimacy evaluated by consumers and the efficacy of rhetoric on consumer responses from both social and commercial sides, I designed a 2 (social discourse: Yes vs. No) \times 2 (Distinctiveness: High vs. Low) \times 2 (Certification: Yes vs. No) scenario-based experiment. Scenario-based experimental design is becoming a popular tool for organizational scholars to infer causality among variables through a hypothetical setting without the huge expenses and ethical concern of involving in real settings (Kim & Jang, 2014). Scenarios were constructed using the dining sector in Hong Kong as the context because dining sector has a large number of SEs in Hong Kong and restaurant is a popular form that SEs in Hong Kong choose to operate (British Council, 2020). Eight hypothetical SE restaurant profiles were created based on different combinations of social discourse, distinctiveness and certification (See Figure 2a and 2b for examples).

The marginalization of the disabled in Hong Kong was selected as the social issue that the constructed SE restaurant commit at. The reason is that the disabled group receives the most attention from SEs in Hong Kong (Ho & Chan, 2010), and using the most representative social issue in the scenario will help enhance the ecological validity of the research. To indicate "social discourse" to participants, a social mission related to the disabled group was created by showing that the social enterprise has a mission to "integrate disabled people into the mainstream society by providing them with job opportunities, job training and dignity". Scenarios without social discourse omitted the social mission introduction. I followed the practice of Puzakova and Aggarwal (2018) to construct different levels of distinctiveness. SEs with high distinctiveness were portrayed as "providing unique Hong Kong style cuisine that you will not find elsewhere", while SEs with low distinctiveness provide "typical traditional

Hong Kong style cuisine that is easy to find anywhere”. To demonstrate the certification to participants, a brief introduction on the certification was inserted in the scenario stating that the restaurant was “certified as a social enterprise by a respected third-party organization” along with a SE logo above the photo of the restaurant. Scenarios without certification included a placebo introduction showing that the restaurant is legally registered.

The eight restaurants (See Appendix 1 for scenario introduction) were hypothetical SEs in this experiment to avoid the possible confounding effects of using real SE restaurant profiles. Between-subject design was adopted, only one of the eight scenarios was randomly assigned to each participant. To improve the ecological validity (Grégoire et al., 2019), I embedded the eight hypothetical SE restaurant profiles into the webpages of a real-life dining information website in Hong Kong (i.e., OpenRice).

----Insert Figure 2a and 2b here----

Participants and Procedure

Participants were recruited using Qualtrics’ panel service. Like other crowdsourcing panel service platform MTurk, Qualtrics provides panel services for researchers with customized requirements of participants’ demographic characteristics (e.g., Kwok & Huang, 2019; Ta et al., 2018). I chose Qualtrics over MTurk because the number of MTurk workers who are located in Hong Kong is very limited and the distributions of gender and different age groups of the participants cannot be controlled by using MTurk. In this study, 454 participants ($N_{Male} = 231$, $N_{Female} = 220$) were recruited. One attention check question was inserted after a random scenario was shown to each participant. The attention check question asked what type of restaurant was presented to the participants in the random scenario. Participants who did not answer the attention check question correctly were terminated the experiment directly. Other

criteria were also enacted to ensure the data quality: a) responses that contain straightening and keyboard smashing answers were removed from the dataset; b) responses that have duplicated IP address were removed to ensure that one participant only participated once in this experiment. Based on the criteria, three responses were removed from the dataset and 451 responses constitutes the final dataset for further analysis¹.

Before randomly assigning a SE restaurant profile to the participants, I primed the participants by telling them to imagine that they are doing an online search for a SE restaurant to dine in. After reading the primer, participants were tested on their *prior knowledge* of SE and their prior *social awareness* on the marginalization of the disabled in Hong Kong. Next, a random SE restaurant profile was presented to each participant. After browsing through the SE restaurant profile, participants were asked to evaluate the *legitimacy* of the SE restaurant including pragmatic legitimacy, moral legitimacy and cognitive legitimacy, their *responses* towards the SE restaurant including store evaluation, shopping intention, word-of-mouth intention, willingness to pay a premium price, as well as a post-test on their *social awareness* on the marginalization of the disabled group in Hong Kong. At the end of the experiment, we collected the demographic information from the participants including age, gender, educational level, employment status, income, household size, the district they live in, marital status, volunteer frequency and donation frequency. The sample characteristics are presented in Table 1. Except for volunteer frequency, all other demographic variables do not show significant differences among the eight scenarios suggesting a successful randomization.

----Insert Table 1 here----

¹ Sensitivity power analysis was conducted to justify the sample size for the $2 \times 2 \times 2$ experimental design. Given the $\alpha = 0.05$ and a target power = 0.85, the sample size of 454 was able to detect effect sizes = 0.14, which are close to small effect size.

Manipulation Check

Before officially launching the experiment, a pilot test ($N = 69$) was conducted to check the effectiveness of the manipulations on social discourse, distinctiveness and certification that were tested in the experiment. After presenting the SE restaurant profiles to participants, I asked them to what extent they agree on the following statements on a 7-point scale: 1) *I can get to know the social mission of the social enterprise restaurant from its introduction*; 2) *The cuisine provided by the restaurant is unique*; 3) *This restaurant has been certified as a social enterprise*.

Results show that SE restaurant profiles that contain social discourse can effectively express a higher level of social element than profiles that contain no social discourse ($M_{social} > M_{no\ social}$, $t(52.37) = 8.12$, $p < 0.001$). There is a significant difference on participants' perception to the distinctiveness levels of SE restaurant profiles with high distinctiveness and low distinctiveness ($M_{high\ distinctiveness} > M_{low\ distinctiveness}$, $t(62.02) = 2.66$, $p < 0.05$). Participants can also perceive a higher level of certification discourse in SE restaurant profiles with certification discourse compared to profiles with no certification discourse ($M_{certification} > M_{no\ certification}$, $t(59.64) = 4.31$, $p < 0.001$). Overall, the result suggests that the manipulation on social discourse (Yes vs. No), distinctiveness (High vs. Low) and certification (Yes vs. No) are effective in delivering the differences.

Measures

Legitimacy. Alexiou and Wiggins (2019)'s scale was adapted to measure consumer's legitimacy judgment of SEs. This scale measures SEs' organizational legitimacy from three dimensions – cognitive legitimacy, pragmatic legitimacy and moral legitimacy, and includes 12 items in total (See Appendix 2a). The measurement has been well-validate showing satisfactory reliability with pragmatic $\alpha = 0.91$, moral $\alpha = 0.93$ and cognitive $\alpha = 0.82$ and

adopted by other scholars (e.g., Díez-Martín et al., 2022; Sievert, 2021). 7-point Likert scale from *strongly disagree to strongly agree* was used in this measurement.

Consumer Responses. Hofenk et al. (2019)'s scale was adopted to measure consumer responses after they read the SE restaurant profile. The scale contains 11 items in total and measure consumer responses from store evaluation, shopping intention, word-of-mouth intention and willingness to pay more (See Appendix 2b). This scale captures consumer responses mainly from the commercial side and shows good reliability. The scale has also been applied in other studies with different contexts demonstrating satisfactory reliability (e.g., Culiberg et al., 2022).

Social Awareness on Social Problems. To measure participants' social awareness on the social problem that SE restaurants devote to, I adapted Freestone and McGoldrick (2008)'s measurement by firstly showing a brief description of the disabled in Hong Kong before the six following items (See Appendix 2c) and asked the participants to indicate their attitudes on a 7-point Likert scale. This scale is well validated with a good reliability (Cronbach's $\alpha = 0.833$). The brief introduction of the disabled group in Hong Kong is shown below.

People with disabilities refer to the group who experience physical or mental impairment which has an impact on their effective interaction with others in the society.

Past research shows that people with disabilities in Hong Kong face higher risk in living in poverty, discrimination, deprivation and social exclusion.

Consumer's Prior Knowledge of SE. Four items were developed to measure consumer's knowledge of SE before reading the scenario introduction (See Appendix 2d). The measurement includes three multiple choice questions and one open-ended question and covers a self-perceived evaluation on participants' knowledge level of SE and their shopping

frequency and experience of SEs. The open-ended question asks participants to name one SE that they know. This question is used to confirm their knowledge level of SE from the researcher side. Responses with correct SE names will be coded as 1 and wrong SE names will be coded as 0.

Measurement Checks

I conducted a confirmatory factor analysis (CFA) to check the validity and reliability of the measurements used in this experiment. Table 2 presents measurement items, factor loadings, composite reliability (CR), average variance extracted (AVE) and Cronbach's alpha. The result shows that the factor loadings of the measurement items range from 0.56 to 0.92 passing the acceptable value 0.5 (Hair et al., 2009). The CR ranging from 0.71 to 0.90 all exceeds the threshold value 0.7. Except for cognitive legitimacy and social awareness on social problems whose AVEs are slightly less than 0.5, all other AVEs pass the minimum value of 0.5. However, I consider that the convergent validity of cognitive legitimacy and social awareness on social problems is acceptable as AVE, according to Fornell and Larcker (1981), is a more conservative indicator for measuring convergent validity and can be ignored for its slight deviation from the recommend level of 0.5.

To check the discriminant validity, the square root of AVEs were compared against the correlations among the main variables. The result shows that the square root of AVEs were all greater than the correlation values suggesting good discriminant validity (See Table 3). Cronbach's alpha was calculated to check the internal consistency of the measurements. Except for cognitive legitimacy (Cronbach's alpha = 0.68), all other Cronbach's alpha values are greater than the acceptable value 0.7 indicating good internal consistency of each measurement.

----Insert Table 2 here----

Common Method Bias

To rule out the common method bias, I conducted Harman's one-factor analysis by loading all items on a single factor (Podsakoff et al., 2003). The result shows that the single factor extracted 41.69% of the total variance which is less than 50% indicating that common method bias is not a problem in this study. In addition, I used variance inflation factors (VIFs) to check the potential collinearity in the study. The result shows that VIFs range from 1.08 to 4.75 which demonstrates that collinearity is not a concern.

Result

Table 3 presents the descriptive statistics. Social discourse and certification are both positively associated with SE's legitimacy and consumer responses. In addition, there is a positive relationship between SE's legitimacy and consumer responses at the significant level of 0.001. Similarly, the relationship between consumer responses and social awareness enhancement is significantly positive.

I tested the hypotheses 1 to 6 by running a mediation model with *Lavaan* in R (Rosseel, 2012). *Lavaan* is an alternative tool to the commonly used software such as AMOS and STATA and has been adopted by scholars in various fields (e.g., Griffith et al., 2020; Pollack et al., 2021; Spinelli et al., 2020). The result of the model is shown in Figure 3 and Table 4. Robust Maximum Likelihood (MLR) was adopted as the estimator of the mediation analysis. The reason MLR was chosen over the default estimator Maximum Likelihood is that MLR is recommended as a robust method against the non-normality of the data (Yuan & Bentler, 2000). With MLR as the estimator, researchers can tackle the skewness of the data and get more robust confident intervals.

As shown in Figure 3, social discourse and certification are two significant predictors of SEs' legitimacy ($\beta_{social\ discourse} = 0.23, p < 0.001$; $\beta_{certification} = 0.10, p < 0.05$), while

distinctiveness is not significant in predicting SEs' legitimacy evaluated by consumers. More precisely, the use of social discourse and showing the certification that SEs gain from a third-party organization will lead to higher legitimacy evaluated by consumers. Thus, Hypotheses 1 and 3 are supported, while Hypothesis 2 is not supported. Consumer's prior knowledge of SE is another significant predictor of SE's legitimacy evaluated by consumers ($\beta_{\text{prior knowledge}} = 0.24, p < 0.001$) indicating that hypothesis 4 is well supported. Additionally, SE's legitimacy evaluated by consumers positively leads to consumer responses both on commercial side including store evaluation, purchase intention, word-of-mouth intention and willingness to pay more as well as social side manifested by the enhancement of consumer's social awareness ($\beta_{\text{consumer responses}} = 0.81, p < 0.001$; $\beta_{\text{social awareness enhancement}} = 0.21, p < 0.001$). The results of subgroup analyses on different types of legitimacy (i.e., pragmatic, cognitive and moral legitimacy) were shown in Appendix 3a, 3b and 3c.

I further calculated the direct, indirect and total effects of social discourse, distinctiveness and certification on consumer responses and social awareness enhancement. The results are presented in Table 5a and 5b. It can be seen from the two tables that social discourse has significant indirect effects on consumer responses ($\beta = 0.18, 95\% \text{ CI} = [0.11, 0.24]$) and social awareness enhancement ($\beta = 0.05, 95\% \text{ CI} = [0.13, 0.53]$). The indirect effects of certification on both consumer responses ($\beta = 0.08, 95\% \text{ CI} = [0.01, 0.15]$) and social awareness enhancement ($\beta = 0.02, 95\% \text{ CI} = [0.001, 0.04]$) are also tested to be significant. This suggests that SE's legitimacy evaluated by consumers mediates the relationship between SE's rhetorical strategies including social discourse and certification and consumer responses as well as the relationship between SE's rhetorical strategies including social discourse and certification and the social awareness enhancement. The result supports the hypotheses 5 and 6 about the mediating role of SE's legitimacy evaluated by consumers, while no adequate

evidence supports the effect of distinctiveness on SE's legitimacy building, consumer responses and social awareness enhancement.

----Insert Figure 3, Table 3, 4, 5a and 5b here----

Study 2

Experimental Design

Study 2 was designed to validate the result of Study 1 with a different context and to further investigate how SE's inherently competing institutional logics influence consumer's legitimacy judgment and whether the inclusion of commercial discourse will contribute to SE's legitimacy building. I continued to use the scenario-based experimental design but with a new context – hypothetical SEs that provide cleaning services for homes and offices. The use of new context in this study helps extend the external validity of the conceptual model. In this experiment, I adopted a 2 (social discourse: Yes vs. No) × 2 (commercial discourse: Yes vs. No) × 2 (Distinctiveness: High vs. Low) × 2 (Certification: Yes vs. No) design. In total, 16 hypothetical scenarios were generated based on different combinations (See Figure 4a and 4b as examples). This experiment used between-subject design and participants was randomly assigned with one of the 16 scenarios in the experiment and evaluated the hypothetical SE in the scenario regarding its legitimacy and subsequent responses.

A new social issue was used in the scenario design. I chose the marginalized youth in Hong Kong as the targeted group of SE because of its representativeness of the social issues in Hong Kong (Ho & Chan, 2010). Scenarios with social discourse included an introduction of the social mission based on marginalized youth showing that the SE “trains and hires marginalized youths in Hong Kong”, while the social mission was omitted in the scenarios without social discourse. To demonstrate the commercial discourse, the SE profile shows that “This social enterprise has extraordinary service quality and well-trained staff”. As discussed

in previous section, commercial discourse exhibits the commercial competence through the ability to provide quality products/services and satisfactory staff expertise. The commercial discourse was absent for scenarios without commercial discourse. A similar design to Study 1 was used to indicate different levels of distinctiveness. Scenarios with high distinctiveness emphasized the uniqueness while scenarios with low distinctiveness underlined the typicalness. A Social Enterprise Endorsement Mark (SEE Mark) will be shown in the profile if the scenario is designed to include certification. SEE Mark is initiated by General Chamber of Social Enterprises in Hong Kong and has wide recognition in the society. A certification that truly exists in the society reflects the true world and helps improve the ecological validity of the experiment.

----Insert Figure 4a and 4b here----

Participants and Procedure

Participants were recruited using Qualtrics' panel service. Qualtrics was adopted because it has richer resources in recruiting participants than other platforms such as MTurk. Several criteria were defined to ensure the data quality: a) Participants who did not pass the attention check question were ended the experiment immediately, the attention check question was shown to participants after they read the scenario that was randomly assigned to them and asked them what type of service the SE in the scenario provides; b) responses that contain straightening and keyboard smashing answers were removed from the final dataset; c) responses that have duplicated IP address were removed to ensure that one respondent only participated in the experiment once. In the end, 562 responses were included in the final dataset².

² Sensitivity power analysis was done to justify the sample size for a $2 \times 2 \times 2 \times 2$ experimental design. Given the $\alpha = 0.05$ and a target power = 0.85, the sample size of 562 is sufficient to detect small effect sizes ($f = 0.13$).

The procedure of the experiment is similar to that of the first study. First, participants were tested on their prior knowledge of SE and prior social awareness on marginalized youth in Hong Kong. Followed with the two tests, participants were primed with an instruction that asked them to imagine that they need to find a cleaning service and they are reading some SEs profiles that provide cleaning service. Participants were then randomly assigned with one of the 16 scenarios. After reading the SE profile in the scenario, participants were asked to evaluate the legitimacy of SE in the scenario, report their consumer responses including firm evaluation, purchase intention, word-of-mouth intention and willingness to pay more and do a post-test on their social awareness on marginalized youth in Hong Kong. Before the experiment ended, participants' demographic information including gender, age, education, employment, household size, religion, donation frequency, volunteer frequency, income, district, marital status was recorded. Sample characteristics by scenario of Study 2 is shown in Table 6. It shows that there is no significant difference regarding the demographic variables among the 16 scenarios, suggesting a good randomization.

----Insert Table 6 here----

Manipulation Check

I conducted a manipulation check on the designed scenarios before the official launch to ensure that participants can perceive the different elements inserted in the scenarios. 202 participants were recruited and each of them was randomly assigned with one of the 16 scenarios. After they read through the scenarios, they were asked to indicate the extent to which they agree on the following statements with a 7-point Likert scale: 1) *I can get to know the social mission of this social enterprise from the profile shown earlier*; 2) *The social enterprise that you just saw has professional staff and good service quality to be commercially competitive*; 3) *The user*

experience of the social enterprise you just saw is unique and you will not find elsewhere; 4) This SE has been endorsed as a social enterprise as can be seen from a Social Enterprise Mark shown in the profile.

The result shows that the difference between SE profiles with social discourse and without can be effectively expressed to the participants ($M_{social} > M_{no\ social}$, $t(155.15) = 3.89$, $p < 0.001$). Similarly, the manipulation of commercial discourse also shows satisfactory result ($M_{commercial} > M_{no\ commercial}$, $t(199.99) = 2.04$, $p < 0.05$). Participants can perceive the difference between high vs. low distinctiveness in the scenarios ($M_{high\ distinctiveness} > M_{low\ distinctiveness}$, $t(546.34) = 7.45$, $p < 0.001$). The difference between scenarios with and without certification can be well reflected in the scenario design $M_{membership} > M_{no\ membership}$, $t(497.90) = 8.10$, $p < 0.001$). In sum, the manipulations on social discourse, commercial discourse, distinctiveness and certification are successful.

Measures

The same measurements on *Legitimacy*, *Consumer Responses* and *Consumer's Prior Knowledge of SE* were used in Study 2 (See Appendix 2a, 2b and 2d). Regarding the measurement on *Social Awareness on Social Problems*, I changed the brief introduction of the social problem to be consistent with the marginalized youth in the social discourse used in the scenario (See below). The other part of the measurement remains the same as the measurement *Social Awareness on Social Problems* of used in Study 1 (See Appendix 4).

Marginalized youths refer to young people who suffer from homelessness, being pushed out of school, poverty, disabilities, immigration, racism and other factors. Past research shows that marginalized youths face higher risk in living in social exclusion, deprivation and discrimination, which are detrimental to their health and wellbeing.

Result

The descriptive statistics is presented in Table 7. SE's legitimacy evaluated by consumers is positively related to social discourse ($r = 0.12, p < 0.01$), commercial discourse ($r = 0.10, p < 0.05$), distinctiveness ($r = 0.15, p < 0.001$) and certification ($r = 0.10, p < 0.05$). In addition, legitimacy is also positively associated with consumer responses ($r = 0.82, p < 0.001$) and social awareness enhancement ($r = 0.23, p < 0.001$). Consumer responses are positively related to social discourse ($r = 0.09, p < 0.05$), commercial discourse ($r = 0.09, p < 0.05$) and distinctiveness ($r = 0.13, p < 0.01$).

To test hypothesis 7a and 7b, I fit regression models on SE's legitimacy evaluated by consumers, one with the main effects of social discourse, commercial discourse, distinctiveness, certification and consumer's prior knowledge of SE only, the other one adding the interaction of social discourse and commercial discourse. The result shows that the main effects of social discourse, commercial discourse, distinctiveness and certification are all significantly positive on SE's legitimacy evaluated by consumers (See Table 8 and Figure 5a). After adding the interaction of social discourse and commercial discourse in the model, the main effects remain significant, however, the interaction effect of social discourse and commercial discourse is not significant in predicting SE's legitimacy suggesting that adding commercial discourse will not influence the relationship between social discourse and SE's legitimacy (See Figure 5a and 5b; See Appendix 7a, 7b and 7c for subgroup analyses on different types of legitimacy). The result supports hypotheses 7a but fails to support 7b.

To further validate the result of Study 1, I conducted a mediation analysis including social discourse, commercial discourse, distinctiveness and certification as the main rhetorical legitimization strategies (See Figure 6 and Table 9). The results of subgroup analyses on different types of legitimacy are present in Appendix 6a, 6b and 6c. In addition, I also calculated the direct, indirect and total effects of the main variables in the model (See Table 10a and 10b).

The result indicates that social discourse, commercial discourse, distinctiveness and certification all have significantly indirect effects on both consumer responses and social awareness enhancement. To be more specific, the indirect effects of the rhetorical legitimation strategies are all positive on consumer responses and social awareness enhancement suggesting that SE's legitimacy is a positive mediator in the relationship of SE's rhetorical legitimation strategies and consumer responses and social awareness enhancement. Hypotheses 1 to 7a are thus supported.

However, an inconsistency was identified between the results of Study 1 and Study 2 on the role of distinctiveness. More precisely, distinctiveness is a positive predictor of SE's legitimacy evaluated by consumers in Study 2 but not in Study 1. Besides, Study 2 shows that SE's legitimacy can positively mediate the relationship between distinctiveness and consumer responses and social awareness enhancement in Study 2, whereas Study 1 does not show this. The inconsistency occurred after adding commercial discourse in the model, which possibly indicates that adding commercial discourse in the rhetorical legitimation strategies helps SE strengthen the attributes of distinctiveness in the eyes of consumers and thus might enable distinctiveness discourse take effect in the legitimation process. Detailed discussions on the inconsistent result of Study 1 and 2 and the result of Hypothesis 7b will be conducted in General Discussion section.

Overall, the result of Study 2 demonstrates that social discourse, commercial discourse, distinctiveness and certification as rhetorical strategies are effective to help SE build legitimacy in the eyes of consumers, the legitimacy will in turn translate into favorable consumer responses including positive store evaluation, higher purchase intention, word-of-mouth intention, and willingness to pay more, as well as the enhancement of consumer's social awareness towards the social issues that SEs commit to. In addition, the result of Study 2 also

validates that the more consumer's prior knowledge of SE, the higher legitimacy consumer is likely to confer to SE.

----Insert Figure 5a, 5b, 6 and Table 7, 9, 10a, 10b here----

Discussion

This research aims to investigate an integrative process centering on SE's legitimacy building from SE's legitimation strategies, consumer's legitimacy judgment and subsequent consumer responses. To do so, I drew on the theory of cultural entrepreneurship and proposed three major rhetorical legitimation strategies including social discourse, distinctiveness and certification (Lounsbury & Glynn, 2001). I conducted two scenario-based experimental studies – the first one examined the effectiveness of the rhetorical legitimation strategies on SE's legitimacy evaluated by consumers and interrogate whether SE's legitimacy will be further translated into favorable consumer responses both at the *commercial* dimension including store evaluation, purchase intention, word-of-mouth intention and willingness to pay a premium price as well as the *social* dimension which is shown through consumer's social awareness enhancement. Additionally, I also examined how consumer's prior knowledge of SE as an important type of validity cue influences consumer's legitimacy judgment towards SE. The result of the first experimental study shows that social discourse and certification are effective for SEs to build legitimacy evaluated by consumers and the legitimacy built through rhetoric translates into both commercial-sided consumer responses and consumer's social awareness enhancement. Consumer's prior knowledge of SE also shows a positive effect on SE's legitimacy evaluated by consumers. The result of Study 1 supports Hypotheses 1, 3 to 6 (See Table 11).

I conducted a second experimental study to validate the result of first experiment with a different context and further investigate how the definitive feature of SEs – hybridity that is demonstrated using both social discourse and commercial discourse in SE's rhetoric –

influences consumer's legitimacy judgement towards SEs. The result of the second experimental study shows that adding commercial discourse will not influence the effect of social discourse on SE's legitimacy evaluated by consumers. Instead, commercial discourse is another significant predictor of SE's legitimacy. The result of Study 2 supports Hypothesis 7a but fails to support Hypothesis 7b. The result of Study 2 also validates that social discourse, commercial discourse, distinctiveness and certification are all effective in driving SE's legitimacy evaluated by consumers, and the legitimacy built through rhetoric can positively mediate SE's rhetorical strategies and both commercial- and social-sided consumer responses. Consumer's prior knowledge of SE was also confirmed in the second experiment to positively affect consumer's legitimacy judgment. Overall, the result of Study 2 supports Hypotheses 1 to 6 (See Table 11).

Overall, the two experimental studies demonstrate that rhetorical strategies including social discourse, commercial discourse, distinctiveness and certification are effective to build SE's legitimacy in the eyes of consumers. The legitimacy built through rhetoric in turn leads to subsequent consumer responses including positive store evaluation, higher purchase intention, word-of-mouth intention, and willingness to pay more as well as consumer's social awareness enhancement. Additionally, consumers who have more prior knowledge of SE are more likely to confer more legitimacy to SE. In particular, the presumed competing institutional logics within SEs shown through the co-occurrence of social and commercial discourse in SE's rhetoric fails to exhibit a conflicting effect on SE's legitimacy evaluated by consumers. Instead, social and commercial discourse signal constructive effects on SE's legitimacy separately.

----Insert Table 11 here----

The Role of Distinctiveness in Social Enterprises' Legitimacy Building

The inconsistent result on the legitimating effect of distinctiveness arising from the two studies is thought-provoking. Distinctiveness failed to take effect on SE's legitimacy in Study 1 but became effective in Study 2 when adding commercial discourse in SE's rhetorical strategies. The possible explanation for the failure of distinctiveness in producing SE's legitimacy in Study 1 is that SE is still an emerging sector in Hong Kong and lacks an established and identifiable social category especially when facing consumers who might not know what SE is (British Council, 2020). Lounsbury and Glynn (2001) argued that for organizations to build legitimacy using cultural devices, it is important to be cognizant of the institutional context where the SE sector is located. Particularly, when the institutional context lacks legitimacy, fitting-in strategy (i.e., social discourse for SEs) might outperform standing-out strategy (i.e., discourse that emphasizes distinctiveness for SEs) in building legitimacy. By showing that fitting-in strategy is effective while standing-out strategy is not, the result of Study 1 implicitly confirms that SE sector in Hong Kong still lacks legitimacy and need more paradigm-building efforts to increase audiences' knowledge and recognition of SE (Kerlin et al., 2021; Nicholls, 2010).

Study 2 demonstrates that distinctiveness becomes effective when commercial discourse is included in SE's rhetorical strategies. This result conflicts with what have been found in Study 1. However, a tentative explanation for the conflicting result is that commercial discourse exhibits the commercial competence of SEs, which is possibly complementary with the strategic distinctiveness and enhance audience's comprehension towards to the identity of SEs (Bu et al., 2022). A more comprehensible SE identity indicates an identifiable social category to which SE belongs and thus helps consumer make legitimacy judgment towards SE (Suddaby et al., 2017).

Another tentative explanation is that the contextual background of the scenarios might play a role in leading to the inconsistent result. In the scenarios of Study 1, I adopted the dining sector and created hypothetical SEs that are operated as restaurants. While in the scenarios of Study 2, I changed the contextual background of scenarios to cleaning service companies with the initial purpose of enhancing the external validity. However, it might be possible that consumers of SEs that originate from different industrial sectors have different rationales in evaluating the distinctiveness of products/services. Liu and colleagues (2020) found a similar result showing that the product type – utilitarian vs. hedonic product – plays a role in influencing consumer’s preference for the novel design of product.

The Insignificant Result of the Interaction of Social Discourse and Commercial Discourse

The result of Study 2 shows that the interaction effect of social discourse and commercial discourse is not significant, which suggests that the inherently competing institutional logics of SEs do not pose a threat to SE’s legitimacy evaluated by consumers (Battilana & Lee, 2014). A possible explanation is that consumers reconcile the competing nature of social and commercial logics by interpreting commercial logic as the commercial competence to satisfy their need for instrumental utilities and seeing social logic as an expansion of consumer’s social identity (Zollo, 2021).

Drawing on the model of legitimacy judgment (Tost, 2011), instrumental evaluation and moral evaluation are two major dimensions in the content of individual’s legitimacy judgment. This implies that the pursue of instrumental utilities is a basic need for consumers in their purchase behavior and is in parallel with the pursue of social values. Empirical studies also demonstrate that exhibiting both the social values and commercial competitiveness through rhetorical devices is necessary especially when facing consumers as the legitimacy evaluator.

For example, Moss and colleagues (2018) found that award-winning SEs usually exhibit dual identities – both social and commercial identities – to external stakeholders such as consumers.

From the consumer side, it can also be indicated that the competing nature of social and commercial logics of SE can be mitigated in the eyes of consumers. For example, in the literature of ethical consumption, scholars borrowed the perspective of symbolic interactionism and saw consumers' ethical consumption as a process of assigning symbolic meanings to the consumption behavior, creating ethical self-identities through symbolic meanings and perceptions of others, and making sense of the ethical consumption behavior (Zollo, 2021). Ethical consumption and consumer's consumption in SEs share similarities that in both scenarios social values are embedded in the products/services. In another quantitative study by Tsai and colleagues (2020), it was shown that consumers' purchase intention was driven by both goodwill factors such as perceived contribution that SE can make to the society (i.e., social logic of SE) and product factors including consumer's perception towards the quality of product which signaled the commercial logic of SE.

In sum, it is likely that despite that other stakeholders of SEs such as investors and internal organization members may see SEs embracing competing institutional logics, consumers of SE may not follow but interpret the social logic as the extension of self-identity and see commercial logic as SE's competence to satisfy the utilitarian need. Therefore, the co-occurrence of social and commercial discourses does not threaten SE's legitimacy evaluated by consumers.

Contributions

An Integrative Model of SE's Legitimation Strategy

In general, this research makes contribution to organization and SE studies in several ways. This research proposed an integrative process focusing on SE's legitimacy from SE's

legitimation strategies, consumer's legitimacy judgment to the subsequent consumer responses (See Figure 6). The integrative process of legitimation provides a panoramic view towards the process of organization's legitimation involving both organizational strategies and how audiences respond to the strategies. Past literature has parsimoniously focused on one link of the process, such as the exploration of legitimation strategies (e.g., Elsbach, 1994; Glynn & Abzug, 2002; Tauscher et al., 2021), individuals' legitimacy judgment (e.g., Ivanova Ruffo et al., 2020; Jahn et al., 2020; Tost, 2011) or the outcomes of gaining legitimacy (e.g., Arnold et al., 1996; R. S. Rao et al., 2008; Tornikoski & Newbert, 2007). The panoramic view provided in this research helps us gain a more thorough understanding towards the legitimation strategies regarding their far-reaching influence beyond legitimacy building. More importantly, this study is among the first to propose and validate a legitimacy building model for SEs.

Contributions to Social Entrepreneurship Research

This research extends the theory of cultural entrepreneurship into the field of social entrepreneurship and contributes to SE studies by bringing consumers into the front and center. Consumer has long been an ignored actor in SE studies. SE scholars only started to pay attention to consumers recently (e.g., Y. N. Lee et al., 2020; Lortie et al., 2022; Tsai et al., 2020) and exclusively focused on consumer's purchase intention as an important construct. This research adds rich layers and novel insights to the studies of SE consumer through multiple ways. First, I took SE's legitimacy as a central construct and investigated SE's legitimacy in the eyes of consumers. Legitimacy as an overarching construct in organization studies is a gate pass for driving other preferred outcomes (e.g., R. S. Rao et al., 2008; Tauscher et al., 2021; Zimmerman & Zeitz, 2002). However, a large proportion of studies on SE's legitimacy took on the perspective of legitimacy-as-property and defaulted to powerful actors as the audiences of legitimacy (e.g., Kerlin et al., 2021; Kibler et al., 2021; Nicholls, 2010). While I argue that

gaining legitimacy from consumers is particularly important as it wins the heart and purse of consumers and provides a substantial percent of revenues for SEs. This research adds nuanced insights to the literature of SE's legitimacy by examining SE's strategies to build legitimacy evaluated by consumers.

Second, this research contributes to SE studies by identifying the enhancement of consumer's social awareness as another important dimension of consumer responses. Past literature on SE consumers followed the paradigm of business research in general and saw store evaluation, purchase intention, word-of-mouth intention and willingness to pay a premium price as the major representations of consumer responses (Y. N. Lee et al., 2020; Tsai et al., 2020). However, SE differentiates from commercial business with its primary driving force of social values. Based on the fundamental feature of SE, I argue that SE's consumer responses might also be different from those of commercial business. The results of the two studies confirmed my proposition showing that by building legitimacy in the eyes of consumers, SEs can enhance consumer's social awareness towards the social issues that SEs commit to.

Last, the view of consumer has also been taken to investigate the hybridity of SE. SE's hybridity suggests that the inherently competing institutional logics – social welfare and business commercial logics – are deliberately blended in a single organization (Battilana & Lee, 2014). To probe into hybridity, SE scholars presumed the competing nature of hybridity and explored how SEs strategize to reconcile the tensions within the hybridity (e.g., Battilana et al., 2015; Moss et al., 2018; Pache & Chowdhury, 2012). In this research, I took a new path to examine hybridity by bringing in consumer's perspectives. This research shows that by exhibiting social and commercial discourse concurrently, consumers do not see the inherently competing institutional logics within hybridity as conflicted with each other. Instead, social and commercial discourses are respectively effective to build SE's legitimacy. This conclusion updated our initial understanding about SE's hybridity that presumes that there are tensions

within. Instead, this research shows that the tensions between the two logics within SEs are reconciled in the eyes of consumers. A possible explanation is that consumers need to rely on SE's commercial competence to satisfy their utility need for the products/services, while one of the nonnegligible features of consumption is that it symbolizes and extends consumer's identities (Belk et al., 1982; Bellezza et al., 2016). For example, an environmentalist consumer may purchase green food and avoid too much meat to sustain his or her green identity. Similarly, consumers patronize SEs and support the social values with the purpose of building and sustaining their social identity. Hence, the competing nature of hybridity is mitigated from the perspective of consumers.

Unleashing The Power of Experiments

This research demonstrates the potential of experiment in organization and SE studies. By using experimental design, scholars are enabled to tease out causality among different variables. For example, most of studies rooted in cultural entrepreneurship are explorative in nature and commonly used qualitative methods to explore how entrepreneurs utilized cultural devices (e.g., Hedberg & Lounsbury, 2021; Navis & Glynn, 2011; Überbacher et al., 2015). While in this research, the use of experiments allows us to move from descriptive relationship to causal relationship in cultural entrepreneurship. In addition, experimental design enables us to examine the effectiveness of different rhetorical strategies on legitimacy building. The quantitative interrogation of SE's rhetorical strategies offers deeper insights to scholars regarding which type of rhetoric is more effective than others. Besides, it advances SE studies that are dominated by qualitative methods and surveys by offering a more diverse perspective using experiments.

Implications

This research offers practical implications to SE practitioners and policymakers. First, the results show that social discourse, commercial discourse, distinctiveness and certification are effective tools to build legitimacy and the legitimacy will in turn translate into preferred consumer responses. The results imply that SE practitioners can use different tools such as social media promotion and store design to demonstrate their social values, commercial competence, strategic distinctiveness to consumers. Gaining certifications from third-party organizations such as Ashoka, B Corp and BuySocial are also conducive for constructing legitimacy.

Second, the results show that consumer's prior knowledge of SEs helps SEs gain acceptance. The finding suggests that enhancing public understanding and knowledge of SE will help SE sector establish an institutional legitimacy and prepare SEs to compete with commercial peers in the market. Policymakers are thus advised to promote the public education on SE through various methods such as SE competition, nurturing star SEs as an archetype and establishing more partnerships with SE to expand their impact.

Last, the research highlights that legitimacy is an important antecedent in driving positive consumer responses both at the commercial side and social side. SE practitioners and policymakers are suggested to explore more diverse approaches to help SE sector and individual SEs build legitimacy. Experiment as demonstrated in this research is a viable and powerful way to identify appropriate approaches for legitimacy construction and it can be applied in SE's daily operation and government's policy experimentation to explore potent approaches.

Limitations and Future Directions

There are several limitations to this research. First, the context of the two experiments is limited to Hong Kong where the SE sector is still new and emerging. The experimental design is hypothetical and is subjected to dining sector and cleaning services. Thus, field experiments that are able to capture the real behaviors of consumers are encouraged to be conducted to validate and extend the external validity of the comprehensive model of SE's legitimacy building. Future experiments can be conducted in other contexts where the SE sector is more mature and in other sectors such as healthcare, education or transportation.

Second, the current finding cannot explain the inconsistent results arising from the two studies regarding the effectiveness of distinctiveness in SE's legitimacy building. Replication studies can be done to validate the result and qualitative studies can be carried out to examine why distinctiveness is effective with the appearance of commercial discourse but is not when no commercial discourse is shown.

Next, recent research on organizational legitimacy started to call for scholarly attention on the distinction between propriety belief and validity belief within an individual evaluator's legitimacy judgment because the two different types of legitimacy judgment might lead to different behavioral outcomes and evaluators often silence their propriety belief under validity belief (Haack et al., 2021; Haack & Sieweke, 2020). However, the measurement on SE's legitimacy adopted in this research failed to differentiate validity belief and propriety belief. Future research can be done to develop and experiment potential measures that can discriminate propriety belief and validity belief such as implicit association test. Despite the limitations, this research still offers valid and nuanced insights to SE's legitimization strategies and consumer's legitimacy judgment and responses.

Conclusion

Drawing on the literature of cultural entrepreneurship (Lounsbury & Glynn, 2001), this research proposed and examined an integrative process on SE's legitimacy building from SE's rhetorical legitimation strategies (i.e., social and commercial discourse, distinctiveness and certification), consumer's legitimacy judgment to consumer responses and consumer's social awareness enhancement. The results generated from two experiments confirmed the effectiveness of SE's rhetorical strategies on SE's legitimacy evaluated by consumers and showed that SE's rhetorical legitimation strategies have far-reaching effects on consumer responses and consumer's social awareness enhancement. This research makes important contributions to organization and SE studies and provides valuable insights to SE practitioners and policymakers.

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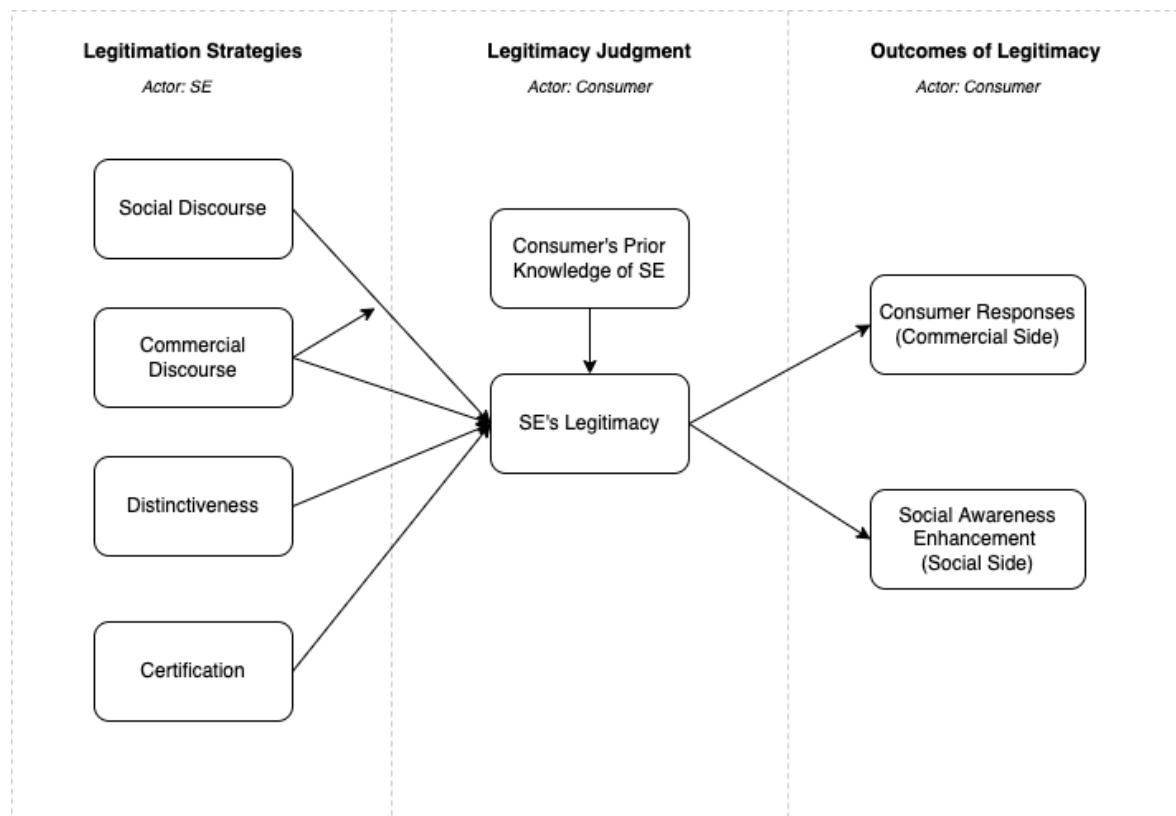
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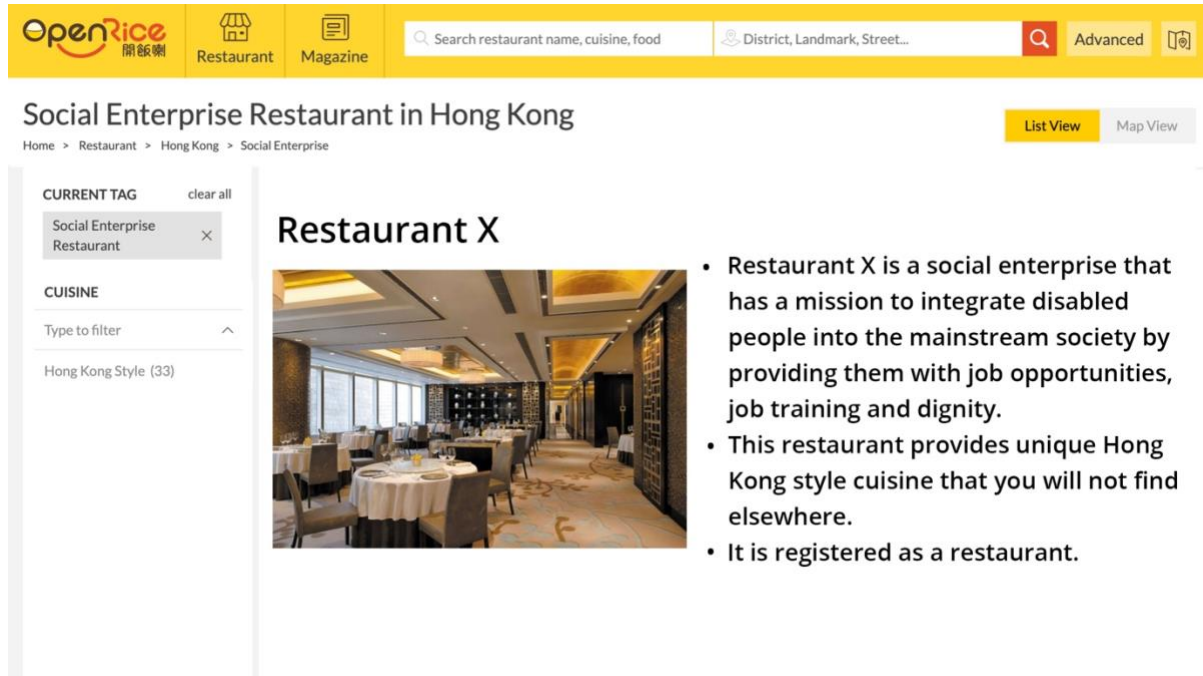
Figure 1: Conceptual Model



STUDY 1

Figure 2a: Example Scenario in Study 1

A SE restaurant profile showing social discourse, high distinctiveness and no certification

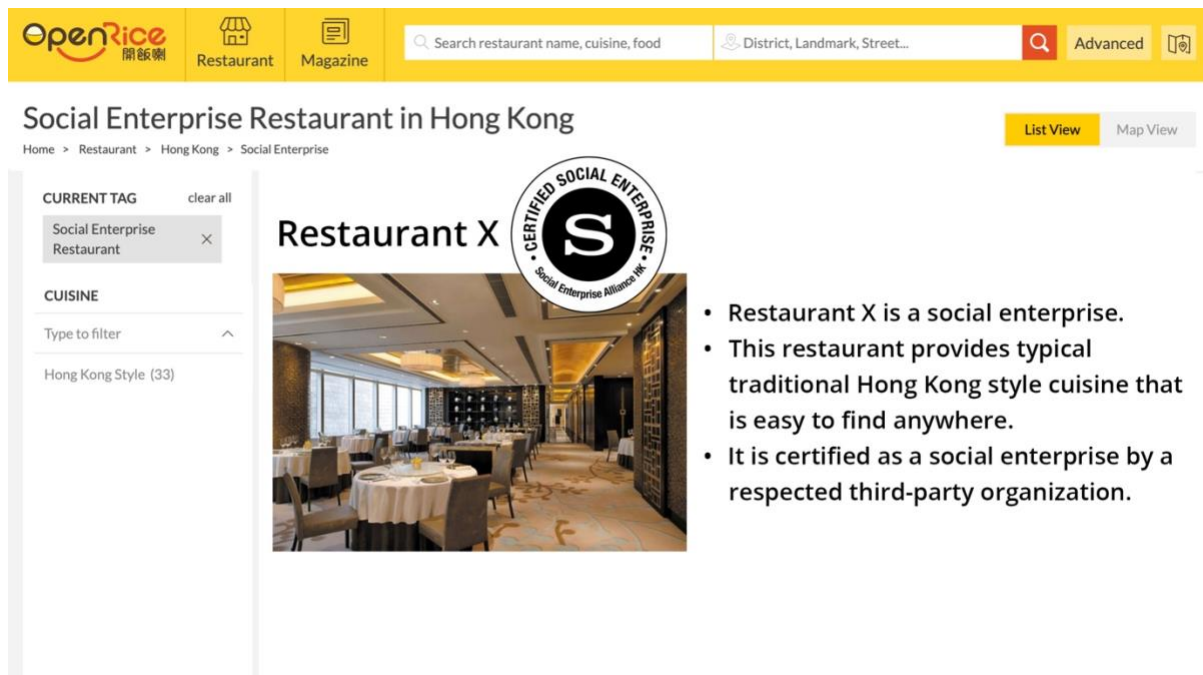


Restaurant X

- Restaurant X is a social enterprise that has a mission to integrate disabled people into the mainstream society by providing them with job opportunities, job training and dignity.
- This restaurant provides unique Hong Kong style cuisine that you will not find elsewhere.
- It is registered as a restaurant.

Figure 2b: Example Scenario in Study 1

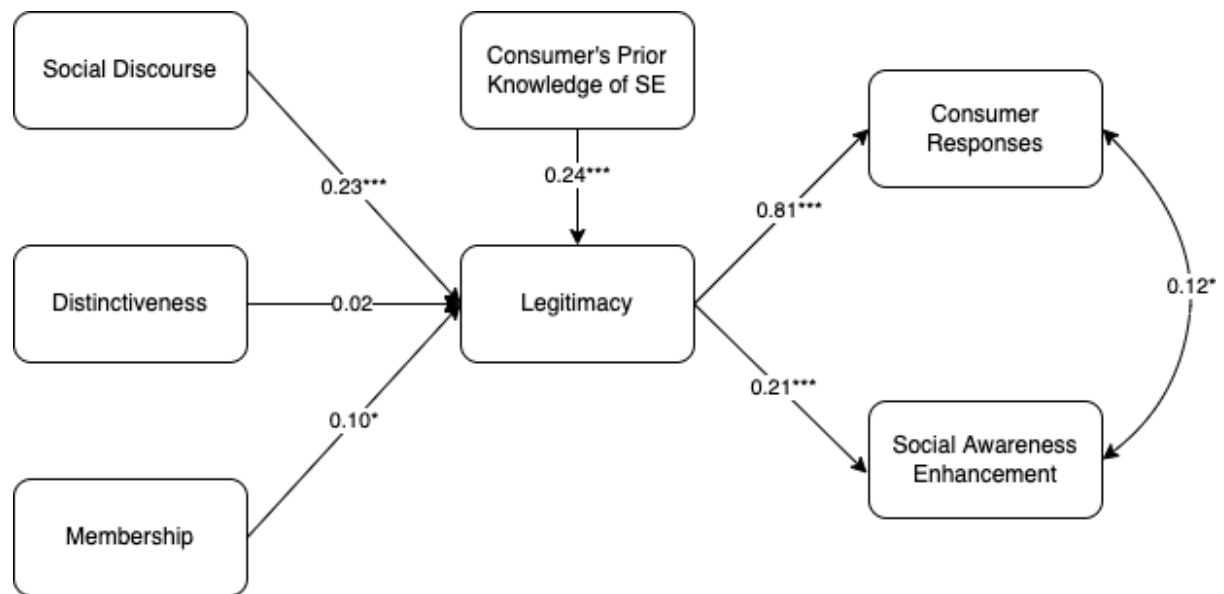
A SE restaurant profile showing no social discourse, low distinctiveness and certification



Restaurant X

- Restaurant X is a social enterprise.
- This restaurant provides typical traditional Hong Kong style cuisine that is easy to find anywhere.
- It is certified as a social enterprise by a respected third-party organization.

Figure 3: The Mediation Model Result of Study 1



Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized path coefficients

STUDY 2

Figure 4a: Example Scenario in Study 2

A SE company profile showing social discourse, no commercial discourse, high distinctiveness and no certification

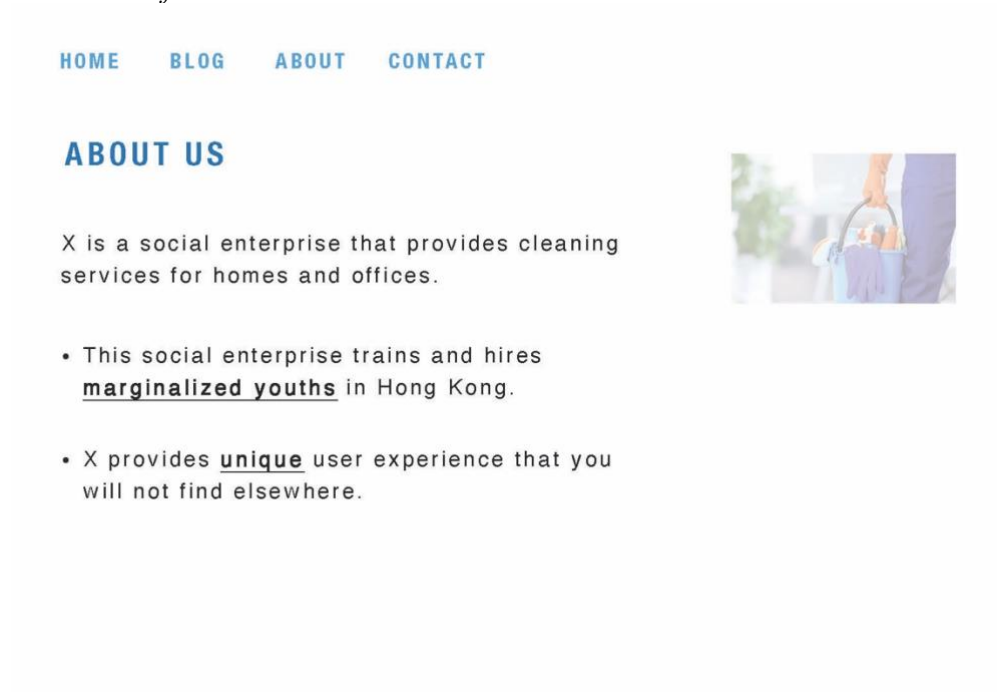


Figure 4b: Example Scenario in Study 2

A SE company profile showing no social discourse, commercial discourse, low distinctiveness and certification



Figure 5a: Parameter Estimates in Study 2 (Main Effects Only)

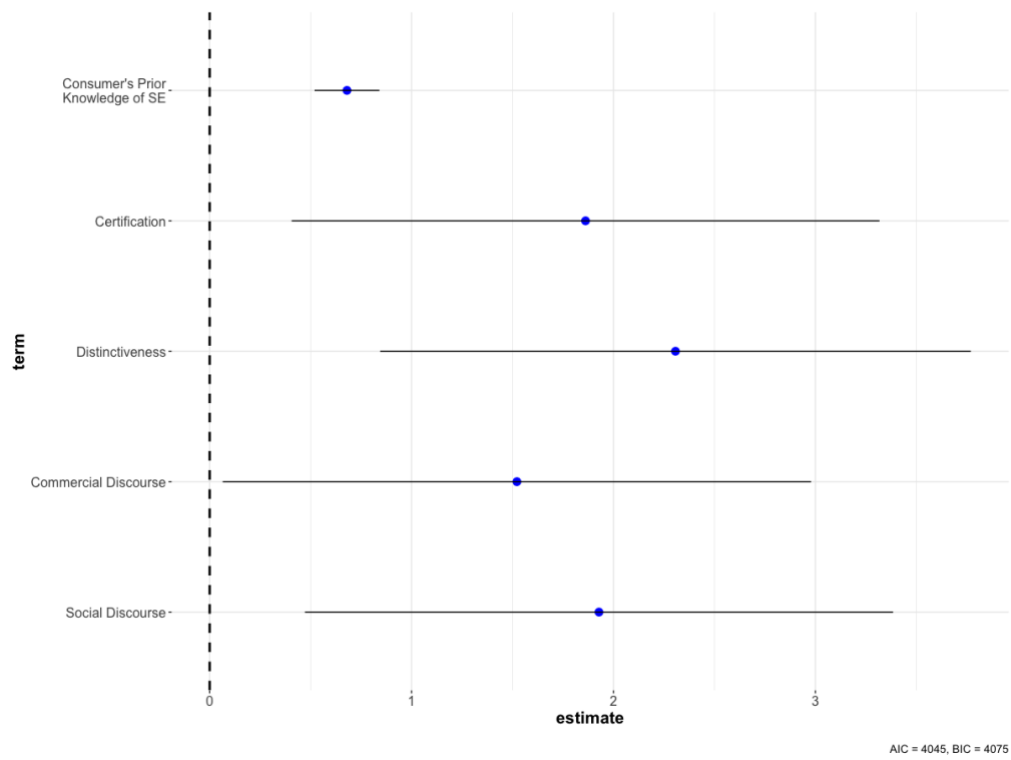


Figure 5b: Parameter Estimates in Study 2 (Main Effects + Interaction Effect)

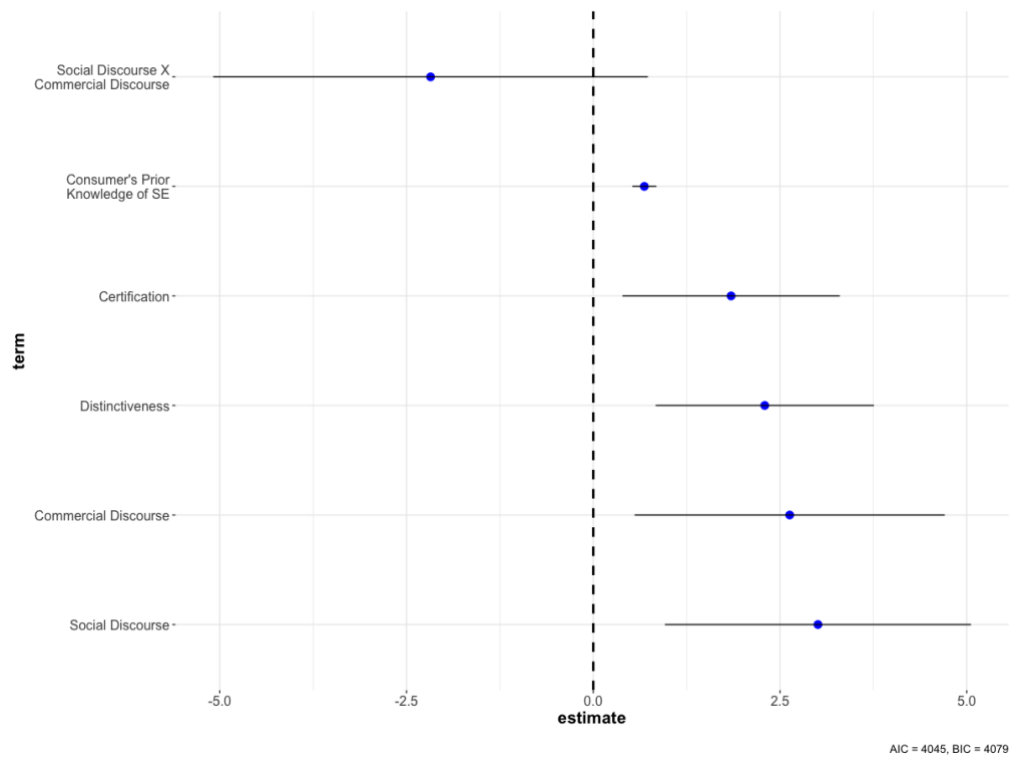
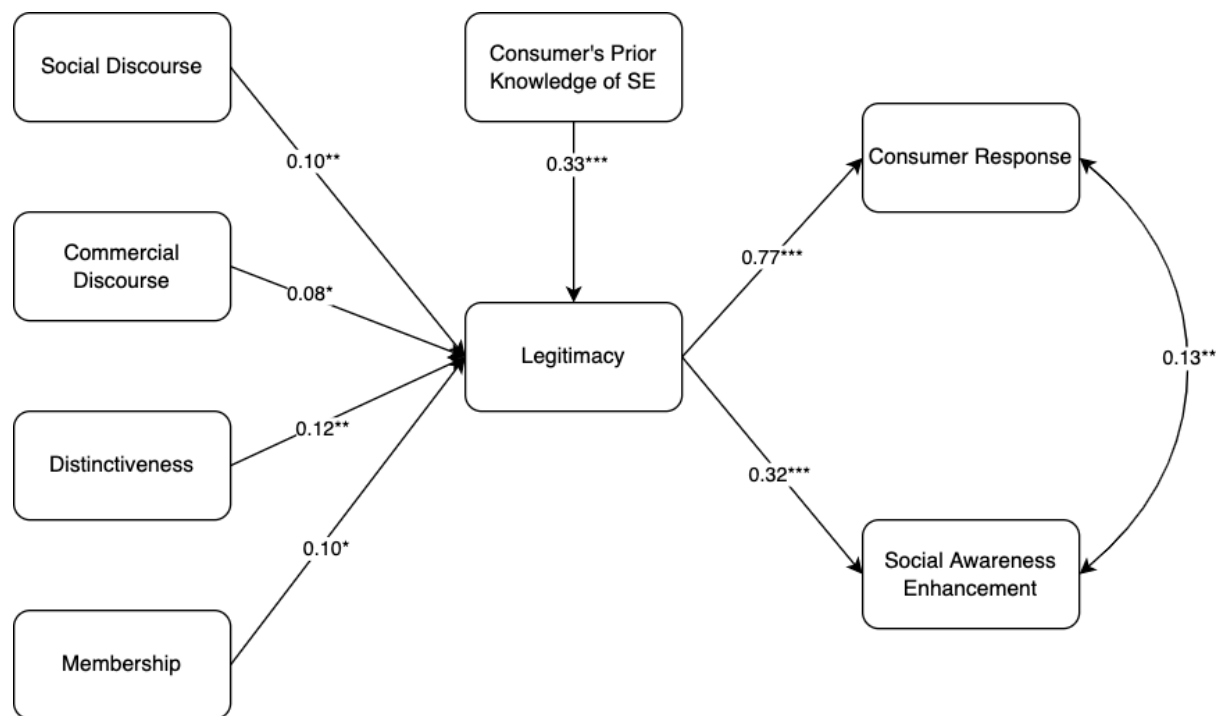


Figure 6:



STUDY 1

Table 1: Sample Characteristics of Study 1 (By Scenario)

Variables	Overall, N = 451 ¹	Scenarios								p-value ²
		1, N = 59 ¹	2, N = 53 ¹	3, N = 70 ¹	4, N = 52 ¹	5, N = 56 ¹	6, N = 51 ¹	7, N = 60 ¹	8, N = 50 ¹	
Gender										0.5
Male	231 / 451 (51%)	25 / 59 (42%)	30 / 53 (57%)	32 / 70 (46%)	28 / 52 (54%)	28 / 56 (50%)	32 / 51 (63%)	32 / 60 (53%)	24 / 50 (48%)	
Female	220 / 451 (49%)	34 / 59 (58%)	23 / 53 (43%)	38 / 70 (54%)	24 / 52 (46%)	28 / 56 (50%)	19 / 51 (37%)	28 / 60 (47%)	26 / 50 (52%)	
Age										0.8
≤ 44 y/o	231 / 451 (51%)	29 / 59 (49%)	31 / 53 (58%)	31 / 70 (44%)	25 / 52 (48%)	31 / 56 (55%)	28 / 51 (55%)	29 / 60 (48%)	27 / 50 (54%)	
> 44 y/o	220 / 451 (49%)	30 / 59 (51%)	22 / 53 (42%)	39 / 70 (56%)	27 / 52 (52%)	25 / 56 (45%)	23 / 51 (45%)	31 / 60 (52%)	23 / 50 (46%)	
Education										0.7
Below Bachelor's Degree	175 / 451 (39%)	23 / 59 (39%)	21 / 53 (40%)	27 / 70 (39%)	17 / 52 (33%)	17 / 56 (30%)	23 / 51 (45%)	24 / 60 (40%)	23 / 50 (46%)	
Bachelor's Degree or Higher	276 / 451 (61%)	36 / 59 (61%)	32 / 53 (60%)	43 / 70 (61%)	35 / 52 (67%)	39 / 56 (70%)	28 / 51 (55%)	36 / 60 (60%)	27 / 50 (54%)	
Employment										0.2
Not Working	63 / 451 (14%)	11 / 59 (19%)	3 / 53 (5.7%)	13 / 70 (19%)	7 / 52 (13%)	4 / 56 (7.1%)	9 / 51 (18%)	7 / 60 (12%)	9 / 50 (18%)	
Working	388 / 451 (86%)	48 / 59 (81%)	50 / 53 (94%)	57 / 70 (81%)	45 / 52 (87%)	52 / 56 (93%)	42 / 51 (82%)	53 / 60 (88%)	41 / 50 (82%)	
Household Size										0.8
3 or less	262 / 451 (58%)	38 / 59 (64%)	29 / 53 (55%)	39 / 70 (56%)	29 / 52 (56%)	33 / 56 (59%)	32 / 51 (63%)	37 / 60 (62%)	25 / 50 (50%)	
More than 3	189 / 451 (42%)	21 / 59 (36%)	24 / 53 (45%)	31 / 70 (44%)	23 / 52 (44%)	23 / 56 (41%)	19 / 51 (37%)	23 / 60 (38%)	25 / 50 (50%)	
Religion										0.2
Non-Religious	272 / 451 (60%)	30 / 59 (51%)	33 / 53 (62%)	49 / 70 (70%)	32 / 52 (62%)	28 / 56 (50%)	31 / 51 (61%)	34 / 60 (57%)	35 / 50 (70%)	
Religious	179 / 451 (40%)	29 / 59 (49%)	20 / 53 (38%)	21 / 70 (30%)	20 / 52 (38%)	28 / 56 (50%)	20 / 51 (39%)	26 / 60 (43%)	15 / 50 (30%)	
Donation Frequency	2.31 (1.19)	2.36 (1.23)	2.08 (1.03)	2.30 (1.21)	2.48 (1.24)	2.54 (1.35)	2.10 (1.01)	2.43 (1.14)	2.18 (1.27)	0.4
Volunteer Frequency	1.62 (0.97)	1.64 (0.94)	1.87 (1.14)	1.50 (0.79)	1.52 (0.96)	1.80 (1.05)	1.37 (0.82)	1.90 (1.17)	1.30 (0.61)	0.002
Income										0.4
Less than USD 60,000	275 / 451 (61%)	42 / 59 (71%)	30 / 53 (57%)	45 / 70 (64%)	26 / 52 (50%)	33 / 56 (59%)	34 / 51 (67%)	35 / 60 (58%)	30 / 50 (60%)	
USD 60,000 or above	176 / 451 (39%)	17 / 59 (29%)	23 / 53 (43%)	25 / 70 (36%)	26 / 52 (50%)	23 / 56 (41%)	17 / 51 (33%)	25 / 60 (42%)	20 / 50 (40%)	
District										0.5
NT	255 / 451 (57%)	34 / 59 (58%)	33 / 53 (62%)	39 / 70 (56%)	28 / 52 (54%)	31 / 56 (55%)	27 / 51 (53%)	40 / 60 (67%)	23 / 50 (46%)	
KLW	116 / 451 (26%)	11 / 59 (19%)	12 / 53 (23%)	20 / 70 (29%)	15 / 52 (29%)	16 / 56 (29%)	17 / 51 (33%)	8 / 60 (13%)	17 / 50 (34%)	
HK	80 / 451 (18%)	14 / 59 (24%)	8 / 53 (15%)	11 / 70 (16%)	9 / 52 (17%)	9 / 56 (16%)	7 / 51 (14%)	12 / 60 (20%)	10 / 50 (20%)	

Variables	Overall, N = 451 ¹	Scenarios								p-value ²
		1, N = 59 ¹	2, N = 53 ¹	3, N = 70 ¹	4, N = 52 ¹	5, N = 56 ¹	6, N = 51 ¹	7, N = 60 ¹	8, N = 50 ¹	
Marital Status										0.10
Single	191 / 451 (42%)	28 / 59 (47%)	24 / 53 (45%)	29 / 70 (41%)	11 / 52 (21%)	26 / 56 (46%)	25 / 51 (49%)	25 / 60 (42%)	23 / 50 (46%)	
Non-Single	260 / 451 (58%)	31 / 59 (53%)	29 / 53 (55%)	41 / 70 (59%)	41 / 52 (79%)	30 / 56 (54%)	26 / 51 (51%)	35 / 60 (58%)	27 / 50 (54%)	
Prior Knowledge of SE	11.42 (4.53)	11.76 (4.40)	11.79 (4.27)	10.87 (4.55)	10.63 (4.63)	12.39 (4.99)	10.35 (4.29)	12.50 (4.62)	10.92 (4.08)	0.072

Notes:

¹ n / N (%); Mean (SD)

² Pearson's Chi-squared test; Kruskal-Wallis rank sum test

³ See Appendix 1 for scenario introduction

Table 2: Measurement Check

Construct Items	Loading (λ)	Composite Reliability	AVE	Cronbach's alpha
Legitimacy (Alexiou and Wiggins, 2019)				
<i>Pragmatic Legitimacy</i>				
		0.87	0.69	0.87
1. In general, this organization creates value for its stakeholders (e.g., employees who are disabled, consumers, investors and etc.).	0.81			
2. The policies of this organization cater to the interests of its stakeholders.	0.82			
3. I believe the activities of this organization benefit their immediate stakeholders.	0.87			
<i>Moral Legitimacy</i>				
		0.89	0.58	0.89
1. The general public would approve of this organization's policies and procedures.	0.77			
2. Most people would consider this organization's practices to be moral.	0.77			
3. The way this organization operates promotes the common good.	0.79			
4. This organization is concerned with meeting acceptable standards for ethical behavior in their field.	0.76			
5. This organization's policies seem appropriate.	0.80			
6. If more organizations adopted policies and procedures like this one, the world would be a better place.	0.69			
<i>Cognitive Legitimacy</i>				
		0.71	0.45	0.68
1. I believe that this organization fulfills a need in the economy.	0.67			
2. In general, organizations like this provide an essential function.	0.66			
3. It is difficult to imagine a world in which this organization did not exist.	0.67			
Consumer Responses (Hofenk et al. 2019)				
<i>Store Evaluation</i>				
		0.87	0.68	0.87
1. This organization makes a good impression.	0.82			
2. The impression I have of this organization is favorable.	0.84			
3. I have a positive image of this organization.	0.81			
<i>Shopping intentions</i>				
		0.90	0.75	0.90
1. It would be very possible for me to shop at this organization.	0.83			
2. I would certainly shop at this organization.	0.87			
3. The likelihood that I would shop at this organization is high.	0.88			
<i>Word-of-mouth intentions</i>				
		0.89	0.74	0.89
1. I would say positive things about this organization to other people	0.82			
2. I would recommend this organization to people who seek my advice.	0.88			
3. I would encourage friends and relatives to shop at this organization.	0.87			
<i>Willingness to pay more</i>				
		0.88	0.79	0.88
1. I would be willing to pay higher prices at this organization than at other stores selling the same products.	0.85			
2. I would be willing to continue shopping at this organization, even if its prices increased.	0.92			

Social Awareness on Social Problems (Freestone and McGoldrick, 2008)		0.85	0.45	0.85
1.	Please choose the best option that describes your view on the social issue displayed above.	0.56		
2.	This is an issue that I like to be associated with.	0.61		
3.	I feel better about myself if I take some form of action to support organizations that try to solve this issue.	0.73		
4.	It would be better for everyone in the long run if people favoured products/services that address this issue.	0.70		
5.	It would help if people bought from organizations that address this issue.	0.75		
6.	Society would benefit from the introduction of products/services that try to address this issue.	0.71		
7.	People could make fairer choices if they were aware of which organizations had high ethical principles regarding this issue.	0.66		

Table 3: Descriptive Statistics

	Mean	SD	1	2	3	4	5	6
1. Social Discourse	0.52	0.50	1					
2. Distinctiveness	0.49	0.50	-0.01	1				
3. Certification	0.54	0.50	0.02	-0.04	1			
4. Legitimacy	63.65	9.64	0.22***	0.02	0.13**	(0.89)		
5. Consumer Responses	56.39	10.16	0.14**	0.05	0.14**	0.82***	(0.86)	
6. Social Awareness Enhancement	-0.97	3.34	0	-0.08	-0.03	0.19***	0.22***	(0.67)

Notes:

¹ * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

² Values in the parentheses are the square root of AVE.

Table 4: Mediation Analysis of Study 1

	<i>Dependent Variable:</i>		
	Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	5.53*** (1.48)	0.01 (2.17)	-1.43*** (1.03)
<i>Control Variables</i>			
Volunteer Frequency	0.07 (0.47)	0.03 (0.33)	-0.02 (0.17)
<i>Main Predictors</i>			
Social Discourse	0.23*** (0.85)	-0.03 (0.51)	-0.05 (0.32)
Distinctiveness	0.02 (0.85)	0.03 (0.54)	-0.09 (0.31)
Certification	0.10* (0.85)	0.02 (0.55)	-0.06 (0.31)
Legitimacy		0.78*** (0.03)	0.22*** (0.02)
Consumer's Prior Knowledge of SE	0.24*** (0.10)	0.13*** (0.06)	-0.03 (0.04)
Observations	451	451	451
R ²	0.14	0.69	0.05

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

Table 5a: Direct, Indirect and Total Effect on Consumer Responses in Study 1

Direct, Indirect and Total Effect	Effect	95% CI
<i>Indirect Effect</i>		
Social Discourse on Consumer Responses	0.18***	[0.11, 0.24]
Distinctiveness on Consumer Responses	0.01	[-0.05, 0.08]
Certification on Consumer Responses	0.08*	[0.01, 0.15]
<i>Direct Effect</i>		
Social Discourse on Consumer Responses	-0.03	[-0.08, 0.02]
Distinctiveness on Consumer Responses	0.03	[-0.02, 0.08]
Certification on Consumer Responses	0.02	[-0.04, 0.07]
<i>Total Effect</i>		
Social Discourse on Consumer Responses	0.15**	[0.07, 0.23]
Distinctiveness on Consumer Responses	0.04	[-0.045, 0.12]
Certification on Consumer Responses	0.10*	[0.01, 0.18]

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized effects

Table 5b: Direct, Indirect and Total Effect on Social Awareness Enhancement in Study 1

Direct, Indirect and Total Effect	Effect	95% CI
<i>Indirect Effect</i>		
Social Discourse on Social Awareness Enhancement	0.05**	[0.02, 0.08]
Distinctiveness on Social Awareness Enhancement	0.004	[-0.02, 0.02]
Certification on Social Awareness Enhancement	0.02*	[0.001, 0.04]
<i>Direct Effect</i>		
Social Discourse on Social Awareness Enhancement	-0.05	[-0.14, 0.04]
Distinctiveness on Social Awareness Enhancement	-0.09	[-0.17, 0.0004]
Certification on Social Awareness Enhancement	-0.06	[-0.15, 0.03]
<i>Total Effect</i>		
Social Discourse on Social Awareness Enhancement	0.13*	[0.01, 0.24]
Distinctiveness on Social Awareness Enhancement	-0.08	[-0.18, 0.03]
Certification on Social Awareness Enhancement	0.02	[-0.09, 0.13]

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized effects

STUDY 2

Table 6: Sample Characteristics by Scenario in Study 2

Variables	Overall, N = 562 ¹	Scenarios																p-value ²
		1 N = 33 ¹	2 N = 35 ¹	3 N = 36 ¹	4 N = 37 ¹	5 N = 36 ¹	6 N = 36 ¹	7 N = 36 ¹	8 N = 32 ¹	9 N = 35 ¹	10 N = 37 ¹	11 N = 33 ¹	12 N = 36 ¹	13 N = 32 ¹	14 N = 33 ¹	15 N = 35 ¹	16 N = 40 ¹	
Gender																		0.2
Male	328 / 562 (58%)	20 / 33 (61%)	25 / 35 (71%)	18 / 36 (50%)	18 / 37 (49%)	24 / 36 (67%)	23 / 36 (64%)	20 / 36 (56%)	14 / 32 (44%)	17 / 35 (49%)	23 / 37 (62%)	21 / 33 (64%)	18 / 36 (50%)	19 / 32 (59%)	26 / 33 (79%)	20 / 35 (57%)	22 / 40 (55%)	
Female	234 / 562 (42%)	13 / 33 (39%)	10 / 35 (29%)	18 / 36 (50%)	19 / 37 (51%)	12 / 36 (33%)	13 / 36 (36%)	16 / 36 (44%)	18 / 32 (56%)	18 / 35 (51%)	14 / 37 (38%)	12 / 33 (36%)	18 / 36 (50%)	13 / 32 (41%)	7 / 33 (21%)	15 / 35 (43%)	18 / 40 (45%)	
Others	0 / 562 (0%)	0 / 33 (0%)	0 / 35 (0%)	0 / 36 (0%)	0 / 37 (0%)	0 / 36 (0%)	0 / 36 (0%)	0 / 36 (0%)	0 / 32 (0%)	0 / 35 (0%)	0 / 37 (0%)	0 / 33 (0%)	0 / 36 (0%)	0 / 32 (0%)	0 / 33 (0%)	0 / 35 (0%)	0 / 40 (0%)	
Age																		0.7
≤ 44 y/o	325 / 562 (58%)	23 / 33 (70%)	17 / 35 (49%)	23 / 36 (64%)	18 / 37 (49%)	22 / 36 (61%)	19 / 36 (53%)	19 / 36 (53%)	20 / 32 (62%)	20 / 35 (57%)	23 / 37 (62%)	21 / 33 (64%)	20 / 36 (56%)	15 / 32 (47%)	17 / 33 (52%)	20 / 35 (57%)	28 / 40 (70%)	
> 44 y/o	237 / 562 (42%)	10 / 33 (30%)	18 / 35 (51%)	13 / 36 (36%)	19 / 37 (51%)	14 / 36 (39%)	17 / 36 (47%)	17 / 36 (47%)	12 / 32 (38%)	15 / 35 (43%)	14 / 37 (38%)	12 / 33 (36%)	16 / 36 (44%)	17 / 32 (53%)	16 / 33 (48%)	15 / 35 (43%)	12 / 40 (30%)	
Education																		0.3
Below Bachelor's Degree	202 / 562 (36%)	10 / 33 (30%)	17 / 35 (49%)	11 / 36 (31%)	18 / 37 (49%)	9 / 36 (25%)	8 / 36 (22%)	14 / 36 (39%)	14 / 32 (44%)	8 / 35 (23%)	14 / 37 (38%)	14 / 33 (42%)	10 / 36 (28%)	12 / 32 (38%)	15 / 33 (45%)	12 / 35 (34%)	16 / 40 (40%)	
Bachelor's Degree or Higher	360 / 562 (64%)	23 / 33 (70%)	18 / 35 (51%)	25 / 36 (69%)	19 / 37 (51%)	27 / 36 (75%)	28 / 36 (78%)	22 / 36 (61%)	18 / 32 (56%)	27 / 35 (77%)	23 / 37 (62%)	19 / 33 (58%)	26 / 36 (72%)	20 / 32 (62%)	18 / 33 (55%)	23 / 35 (66%)	24 / 40 (60%)	
Employment																		0.2
Not Working	65 / 562 (12%)	4 / 33 (12%)	4 / 35 (11%)	6 / 36 (17%)	5 / 37 (14%)	4 / 36 (11%)	5 / 36 (14%)	4 / 36 (11%)	4 / 32 (12%)	2 / 35 (5.7%)	3 / 37 (8.1%)	6 / 33 (18%)	0 / 36 (0%)	7 / 32 (22%)	6 / 33 (18%)	1 / 35 (2.9%)	4 / 40 (10%)	
Working	497 / 562 (88%)	29 / 33 (88%)	31 / 35 (89%)	30 / 36 (83%)	32 / 37 (86%)	32 / 36 (89%)	31 / 36 (86%)	32 / 36 (89%)	28 / 32 (88%)	33 / 35 (94%)	34 / 37 (92%)	27 / 33 (82%)	36 / 36 (100%)	25 / 32 (78%)	27 / 33 (82%)	34 / 35 (97%)	36 / 40 (90%)	
Household Size																		0.6
3 or less	318 / 562 (57%)	16 / 33 (48%)	19 / 35 (54%)	19 / 36 (53%)	24 / 37 (65%)	17 / 36 (47%)	23 / 36 (64%)	15 / 36 (42%)	19 / 32 (59%)	19 / 35 (54%)	21 / 37 (57%)	23 / 33 (70%)	19 / 36 (53%)	17 / 32 (53%)	20 / 33 (61%)	19 / 35 (54%)	28 / 40 (70%)	

Variables	Overall, N = 562 ¹	Scenarios																p-value ²	
		1 N = 33 ¹	2 N = 35 ¹	3 N = 36 ¹	4 N = 37 ¹	5 N = 36 ¹	6 N = 36 ¹	7 N = 36 ¹	8 N = 32 ¹	9 N = 35 ¹	10 N = 37 ¹	11 N = 33 ¹	12 N = 36 ¹	13 N = 32 ¹	14 N = 33 ¹	15 N = 35 ¹	16 N = 40 ¹		
More than 3	244 / 562 (43%)	17 / 33 (52%)	16 / 35 (46%)	17 / 36 (47%)	13 / 37 (35%)	19 / 36 (53%)	13 / 36 (36%)	21 / 36 (58%)	13 / 32 (41%)	16 / 35 (46%)	16 / 37 (43%)	10 / 33 (30%)	17 / 36 (47%)	15 / 32 (47%)	13 / 33 (39%)	16 / 35 (46%)	12 / 40 (30%)		
Religion																			0.6
Non-Religious	328 / 561 (58%)	24 / 33 (73%)	18 / 35 (51%)	22 / 36 (61%)	22 / 37 (59%)	25 / 36 (69%)	22 / 36 (61%)	20 / 36 (56%)	16 / 32 (50%)	18 / 35 (51%)	20 / 37 (54%)	22 / 33 (67%)	16 / 36 (44%)	21 / 32 (66%)	21 / 33 (64%)	19 / 34 (56%)	22 / 40 (55%)		
Religious	233 / 561 (42%)	9 / 33 (27%)	17 / 35 (49%)	14 / 36 (39%)	15 / 37 (41%)	11 / 36 (31%)	14 / 36 (39%)	16 / 36 (44%)	16 / 32 (50%)	17 / 35 (49%)	17 / 37 (46%)	11 / 33 (33%)	20 / 36 (56%)	11 / 32 (34%)	12 / 33 (36%)	15 / 34 (44%)	18 / 40 (45%)		
Unknown	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0		
Donation Frequency	2.19 (1.12)	2.24 (1.06)	2.54 (1.31)	2.28 (1.06)	2.00 (1.18)	1.89 (1.04)	2.06 (1.01)	2.11 (0.98)	2.50 (1.24)	2.46 (1.17)	2.16 (1.12)	1.97 (1.21)	2.17 (1.00)	2.03 (1.09)	2.36 (1.22)	2.20 (0.96)	2.08 (1.23)		0.3
Volunteer Frequency	1.75 (1.02)	1.94 (1.00)	1.69 (0.83)	1.86 (1.07)	1.73 (0.96)	1.75 (1.18)	1.58 (0.87)	1.86 (1.02)	2.00 (1.16)	2.09 (1.31)	1.54 (0.96)	1.55 (0.97)	1.72 (0.91)	1.78 (0.97)	1.67 (1.05)	1.66 (0.87)	1.70 (1.02)		0.6
Income																			0.5
Less than USD 60,000	363 / 562 (65%)	21 / 33 (64%)	21 / 35 (60%)	22 / 36 (61%)	25 / 37 (68%)	24 / 36 (67%)	19 / 36 (53%)	20 / 36 (56%)	23 / 32 (72%)	19 / 35 (54%)	28 / 37 (76%)	24 / 33 (73%)	23 / 36 (64%)	17 / 32 (53%)	22 / 33 (67%)	25 / 35 (71%)	30 / 40 (75%)		
USD 60,000 or above	199 / 562 (35%)	12 / 33 (36%)	14 / 35 (40%)	14 / 36 (39%)	12 / 37 (32%)	12 / 36 (33%)	17 / 36 (47%)	16 / 36 (44%)	9 / 32 (28%)	16 / 35 (46%)	9 / 37 (24%)	9 / 33 (27%)	13 / 36 (36%)	15 / 32 (47%)	11 / 33 (33%)	10 / 35 (29%)	10 / 40 (25%)		
District																			0.6
NT	329 / 562 (59%)	21 / 33 (64%)	21 / 35 (60%)	25 / 36 (69%)	21 / 37 (57%)	18 / 36 (50%)	18 / 36 (50%)	19 / 36 (53%)	19 / 32 (59%)	18 / 35 (51%)	24 / 37 (65%)	17 / 33 (52%)	18 / 36 (50%)	16 / 32 (50%)	22 / 33 (67%)	24 / 35 (69%)	28 / 40 (70%)		
KLW	145 / 562 (26%)	7 / 33 (21%)	7 / 35 (20%)	7 / 36 (19%)	9 / 37 (24%)	15 / 36 (42%)	14 / 36 (39%)	13 / 36 (36%)	6 / 32 (19%)	10 / 35 (29%)	7 / 37 (19%)	10 / 33 (30%)	11 / 36 (31%)	8 / 32 (25%)	5 / 33 (15%)	7 / 35 (20%)	9 / 40 (22%)		
HK	88 / 562 (16%)	5 / 33 (15%)	7 / 35 (20%)	4 / 36 (11%)	7 / 37 (19%)	3 / 36 (8.3%)	4 / 36 (11%)	4 / 36 (11%)	7 / 32 (22%)	7 / 35 (20%)	6 / 37 (16%)	6 / 33 (18%)	7 / 36 (19%)	8 / 32 (25%)	6 / 33 (18%)	4 / 35 (11%)	3 / 40 (7.5%)		
Marital Status																			0.070
Single	243 / 562 (43%)	20 / 33 (61%)	9 / 35 (26%)	17 / 36 (47%)	13 / 37 (35%)	19 / 36 (53%)	17 / 36 (47%)	14 / 36 (39%)	17 / 32 (53%)	8 / 35 (23%)	14 / 37 (38%)	19 / 33 (58%)	14 / 36 (39%)	14 / 32 (44%)	15 / 33 (45%)	18 / 35 (51%)	15 / 40 (38%)		
Non-Single	319 / 562 (57%)	13 / 33 (39%)	26 / 35 (74%)	19 / 36 (53%)	24 / 37 (65%)	17 / 36 (47%)	19 / 36 (53%)	22 / 36 (61%)	15 / 32 (47%)	27 / 35 (77%)	23 / 37 (62%)	14 / 33 (42%)	22 / 36 (61%)	18 / 32 (56%)	18 / 33 (55%)	17 / 35 (49%)	25 / 40 (62%)		

Variables	Overall, N = 562 ¹	Scenarios																p-value ²
		1 N = 33 ¹	2 N = 35 ¹	3 N = 36 ¹	4 N = 37 ¹	5 N = 36 ¹	6 N = 36 ¹	7 N = 36 ¹	8 N = 32 ¹	9 N = 35 ¹	10 N = 37 ¹	11 N = 33 ¹	12 N = 36 ¹	13 N = 32 ¹	14 N = 33 ¹	15 N = 35 ¹	16 N = 40 ¹	
Prior Knowledge of SE	11.02 (4.56)	12.15 (4.30)	10.77 (4.93)	12.11 (4.33)	9.95 (4.67)	10.61 (4.88)	10.61 (4.30)	10.53 (4.64)	12.19 (4.86)	11.89 (5.31)	11.05 (4.25)	9.94 (4.29)	11.42 (3.61)	11.06 (4.42)	11.06 (5.24)	11.23 (3.79)	10.05 (4.83)	0.6

Notes:

¹ n / N (%); Mean (SD)

² Fisher's Exact Test for Count Data with simulated p-value (based on 2000 replicates); Pearson's Chi-squared test; Kruskal-Wallis rank sum test

³ See Appendix 3 for scenario introduction

Table 7: Correlation Matrix of Study 2

Statistic	Mean	St. Dev.	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) Social Discourse	0.51	0.50	1						
(2) Commercial Discourse	0.50	0.50	0.01	1					
(3) Distinctiveness	0.48	0.50	0.01	0.02	1				
(4) Certification	0.50	0.50	0	0.03	0	1			
(5) Legitimacy	63.43	9.54	0.12**	0.10*	0.15***	0.10*	1		
(6) Consumer Responses	50.83	9.89	0.09*	0.09*	0.13**	0.07	0.82***	1	
(7) Social Awareness Enhancement	-0.67	3.45	0	-0.07	0.01	0.05	0.23***	0.22***	1

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Table 8: Model Estimation in Study 2

	<i>Dependent variable:</i>	
	Legitimacy	
	(1)	(2)
Social Discourse	1.93** (0.74)	3.01** (1.04)
Commercial Discourse	1.52* (0.74)	2.63* (1.06)
Distinctiveness	2.31** (0.74)	2.30** (0.74)
Certification	1.86* (0.74)	1.85* (0.74)
Consumer's Prior Knowledge of SE	0.68*** (0.08)	0.68*** (0.08)
Social Discourse × Commercial Discourse		-2.18 (1.48)
Constant	52.15*** (1.17)	51.58*** (1.23)
Observations	562	562
R ²	0.16	0.16
Adjusted R ²	0.15	0.15
Residual Std. Error	8.78 (df = 556)	8.77 (df = 555)
F Statistic	21.19*** (df = 5; 556)	18.06*** (df = 6; 555)

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; unstandardized coefficients

Table 9: Mediation Analysis in Study 2

	<i>Dependent Variable:</i>		
	Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	5.47*** (1.11)	-0.37* (1.53)	-1.65*** (0.88)
<i>Main Predictors</i>			
Social Discourse	0.10** (0.74)	-0.002 (0.47)	-0.03 (0.28)
Commercial Discourse	0.08* (0.74)	0.01 (0.45)	-0.09* (0.28)
Distinctiveness	0.12** (0.75)	-0.003 (0.47)	-0.01 (0.28)
Certification	0.10* (0.74)	-0.013 (0.46)	0.03 (0.28)
Legitimacy	-	0.77*** (0.03)	0.32*** (0.02)
Consumer's Prior Knowledge of SE	0.33*** (0.08)	0.158*** (0.06)	-0.24*** (0.04)
Observations	562	562	562
R ²	0.16	0.70	0.12

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

Table 10a: Direct, Indirect and Total Effects on Consumer Responses in Study 2

Direct, Indirect and Total Effect	Effect	95% CI
<i>Indirect Effect</i>		
Social Discourse on Consumer Responses	0.08**	[0.02, 0.14]
Commercial Discourse on Consumer Responses	0.06*	[0.003, 0.12]
Distinctiveness on Consumer Responses	0.09**	[0.03, 0.15]
Certification on Consumer Responses	0.08*	[0.02, 0.13]
<i>Direct Effect</i>		
Social Discourse on Consumer Responses	-0.002	[-0.05, 0.04]
Commercial Discourse on Consumer Responses	0.01	[-0.04, 0.05]
Distinctiveness on Consumer Responses	-0.003	[-0.05, 0.04]
Certification on Consumer Responses	-0.01	[-0.06, 0.03]
<i>Total Effect</i>		
Social Discourse on Consumer Responses	0.08*	[0.002, 0.15]
Commercial Discourse on Consumer Responses	0.07	[-0.002, 0.14]
Distinctiveness on Consumer Responses	0.09*	[0.02, 0.16]
Certification on Consumer Responses	0.06	[-0.01, 0.14]

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized effects

Table 10b: Direct, Indirect and Total Effects on Social Awareness Enhancement in Study 2

Direct, Indirect and Total Effect	Effect	95% CI
<i>Indirect Effect</i>		
Social Discourse on Social Awareness Enhancement	0.03*	[0.05, 0.41]
Commercial Discourse on Social Awareness Enhancement	0.03*	[0.004, 0.35]
Distinctiveness on Social Awareness Change	0.04**	[0.09, 0.45]
Certification on Social Awareness Change	0.03*	[0.04, 0.40]
<i>Direct Effect</i>		
Social Discourse on Social Awareness Change	-0.03	[-0.76, 0.34]
Commercial Discourse on Social Awareness Enhancement	-0.09*	[-1.18, 0.10]
Distinctiveness on Social Awareness Change	-0.01	[-0.62, 0.46]
Certification on Social Awareness Change	0.02	[-0.38, 0.70]
<i>Total Effect</i>		
Social Discourse on Social Awareness Change	0.004	[-0.08, 0.09]
Commercial Discourse on Social Awareness Enhancement	-0.07	[-0.15, 0.01]
Distinctiveness on Social Awareness Change	0.03	[-0.06, 0.11]
Certification on Social Awareness Change	0.06	[-0.02, 0.14]

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized effects

Table 11: Hypotheses Testing

	Path	Result of Study 1	Result of Study 2
Hypothesis 1	Social Discourse → Legitimacy	Supported	Supported
Hypothesis 2	Distinctiveness → Legitimacy	Not supported	Supported
Hypothesis 3	Certification → Legitimacy	Supported	Supported
Hypothesis 4	Consumer's Prior Knowledge of SE → Legitimacy	Supported	Supported
Hypothesis 5	SE's Rhetorical Legitimation Strategies → Legitimacy → Consumer Responses (commercial side)	Supported	Supported
Hypothesis 6	SE's Rhetorical Legitimation Strategies → Legitimacy → Social Awareness Enhancement (social side)	Supported	Supported
Hypothesis 7a	Commercial Discourse → Legitimacy	N.A.	Supported
Hypothesis 7b	Commercial Discourse → The Effect of Social Discourse on Legitimacy	N.A.	Not supported

Note: Hypotheses 1 to 6 were tested in Study 1; Hypotheses 1 to 7b were tested in Study 2

Appendix 1: Scenario Introduction of Study 1 (*N* = 451)

	Social Discourse	Distinctiveness Level	Certification
Scenario 1 (<i>N</i> = 59)	Yes	High	Yes
Scenario 2 (<i>N</i> = 53)	Yes	High	No
Scenario 3 (<i>N</i> = 70)	Yes	Low	Yes
Scenario 4 (<i>N</i> = 52)	Yes	Low	No
Scenario 5 (<i>N</i> = 56)	No	High	Yes
Scenario 6 (<i>N</i> = 51)	No	High	No
Scenario 7 (<i>N</i> = 60)	No	Low	Yes
Scenario 8 (<i>N</i> = 50)	No	Low	No

Appendix 2a: Measurement on Legitimacy

Measurement on Legitimacy (Adapted from Alexiou and Wiggins, 2019)

7-point Likert (1 = *strongly disagree*, 7 = *strongly agree*)

- **Pragmatic Legitimacy**
 1. In general, this organization creates value for its stakeholders (e.g., employees who are disabled, consumers, investors and etc.).
 2. The policies of this organization cater to the interests of its stakeholders.
 3. I believe the activities of this organization benefit their immediate stakeholders.
- **Moral Legitimacy**
 1. The general public would approve of this organization's policies and procedures.
 2. Most people would consider this organization's practices to be moral.
 3. The way this organization operates promotes the common good.
 4. This organization is concerned with meeting acceptable standards for ethical behavior in their field.
 5. This organization's policies seem appropriate.
 6. If more organizations adopted policies and procedures like this one, the world would be a better place.
- **Cognitive Legitimacy**
 1. I believe that this organization fulfills a need in the economy.
 2. In general, organizations like this provide an essential function.
 3. It is difficult to imagine a world in which this organization did not exist.

Appendix 2b: Measurement on Consumer Responses

Measurement on Consumer Responses (Adapted from Hofenk et al., 2019)

7-point Likert (1 = *strongly disagree*, 7 = *strongly agree*)

- **Store evaluation**
 1. This organization makes a good impression.
 2. The impression I have of this organization is favorable.
 3. I have a positive image of this organization.
- **Shopping intentions**
 1. It would be very possible for me to shop at this organization.
 2. I would certainly shop at this organization.
 3. The likelihood that I would shop at this organization is high.
- **Word-of-mouth intentions**
 1. I would say positive things about this organization to other people
 2. I would recommend this organization to people who seek my advice.
 3. I would encourage friends and relatives to shop at this organization.
- **Willingness to pay more**
 1. I would be willing to pay higher prices at this organization than at other stores selling the same products.
 2. I would be willing to continue shopping at this organization, even if its prices increased.

Appendix 2c: Measurement on Social Awareness on Social Problems

Measurement on Social Awareness on Social Problems (adapted from Freestone and McGoldrick, 2008)

7-point Likert (1 = *strongly disagree*, 7 = *strongly agree*)

People with disabilities refer to the group who experience physical or mental impairment which has an impact on their effective interaction with others in the society. Past research shows that people with disabilities in Hong Kong face higher risk in living in poverty, discrimination, deprivation, and social exclusion.

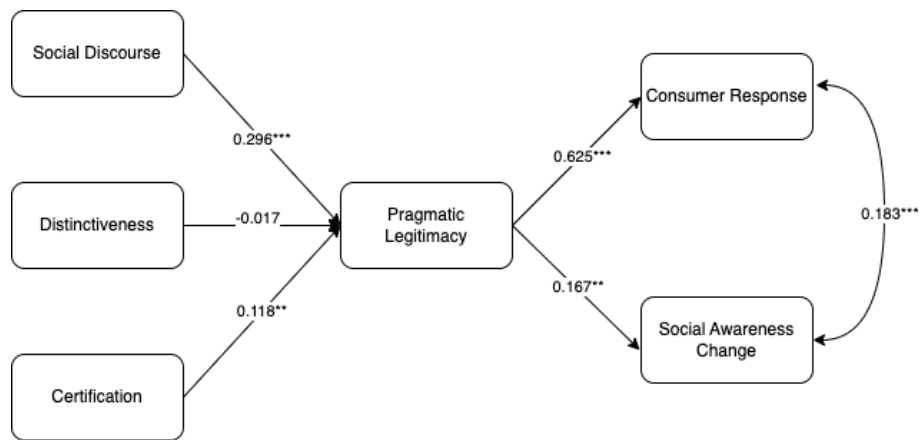
1. Please choose the best option that describes your view on the social issue displayed above.
 - 1) Not noticed this issue; 2) Aware but not greatly concerned; 3) Aware and concerned but not intend to take action to help; 4) concerned and intend to take minor action to help; 5) concerned and intend to take major action to help
2. This is an issue that I like to be associated with.
3. I feel better about myself if I take some form of action to support organizations that try to solve this issue
4. It would be better for everyone in the long run if people favoured products/services that address this issue.
5. It would help if people bought from organizations that address this issue.
6. Society would benefit from the introduction of products/services that try to address this issue.
7. People could make fairer choices if they were aware of which organizations had high ethical principles regarding this issue.

Appendix 2d: Measurement on Consumers' Prior Knowledge of Social Enterprise

Measurement on Consumers' Prior Knowledge of Social Enterprise

1. How well do you think you know social enterprise? (7-point Likert scale; 1 = Not familiar at all – 7 = Extremely familiar)
2. In the past 6 months, how many times did you shop at social enterprises?
 - a) Not at all
 - b) Once or twice
 - c) 3 – 4 times
 - d) 5 – 6 times
 - e) 6 – 7 times
 - f) Over 8 times
3. [Show this question if Q1 “Not at all” is not chosen] How is your experience with social enterprises? (7-point Likert scale; 1 = Extremely dissatisfied – 7 = Extremely satisfied)
4. Please name one social enterprise that you know. (open-ended question)

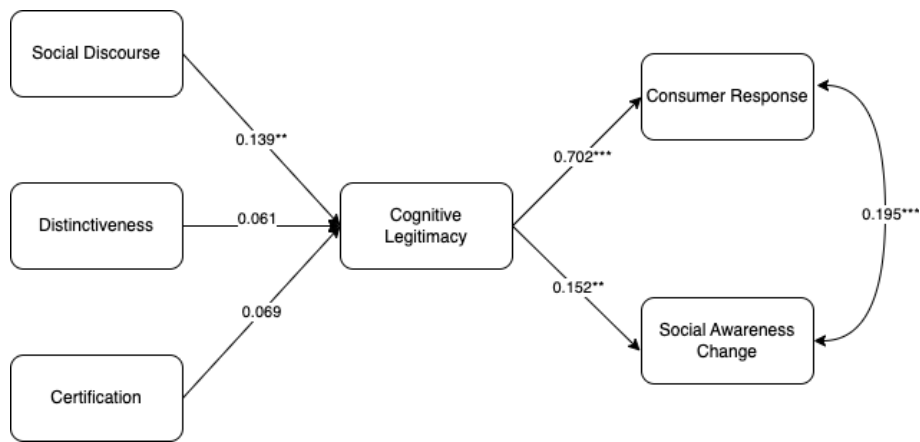
Appendix 3a: Subgroup Analysis of Study 1 (Pragmatic Legitimacy)



	<i>Dependent Variable:</i>		
	Pragmatic Legitimacy (1)	Consumer Responses (2)	Social Awareness Enhancement (3)
Constant	4.511*** (0.489)	1.511*** (2.666)	-0.984** (0.965)
<i>Control Variables</i>			
Volunteer Frequency	0.075 (0.126)	0.033 (0.399)	-0.016 (0.177)
<i>Main Predictors</i>			
Social Discourse	0.296*** (0.256)	-0.037 (0.641)	-0.050 (0.329)
Distinctiveness	-0.017 (0.252)	0.051 (0.685)	-0.081 (0.308)
Certification	0.118** (0.251)	0.023 (0.705)	-0.056 (0.311)
Pragmatic Legitimacy		0.625*** (0.180)	0.167*** (0.060)
Consumer's Prior Knowledge of SE	0.192*** (0.030)	0.193*** (0.078)	-0.006 (0.036)
Observations	451	451	451
R ²	0.157	0.489	0.032

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

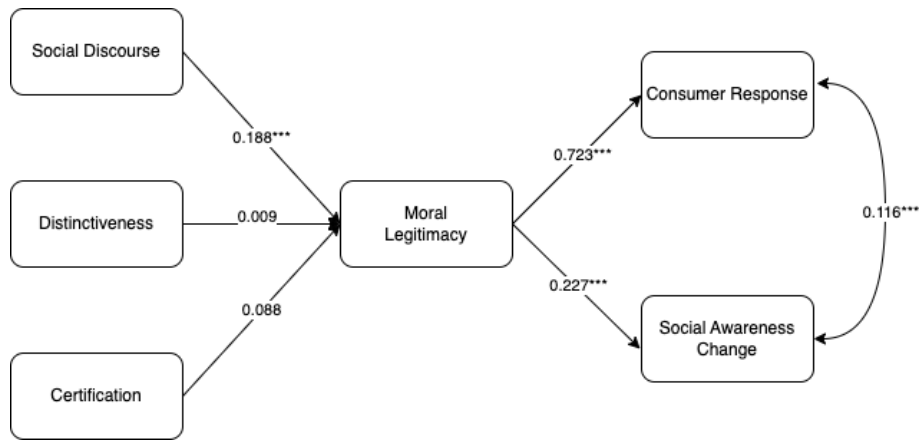
Appendix 3b: Subgroup Analysis of Study 1 (Cognitive Legitimacy)



	<i>Dependent Variable:</i>		
	Cognitive Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	4.803*** (1.48)	0.962*** (2.17)	-0.960** (1.03)
<i>Control Variables</i>			
Volunteer Frequency	0.055 (0.124)	0.041 (0.344)	-0.012 (0.173)
<i>Main Predictors</i>			
Social Discourse	0.139** (0.232)	0.050 (0.592)	-0.022 (0.313)
Distinctiveness	0.061 (0.233)	-0.003 (0.603)	-0.093 (0.309)
Certification	0.069 (0.238)	0.048 (0.620)	-0.047 (0.312)
Cognitive Legitimacy		0.702*** (0.139)	0.152** (0.068)
Consumer's Prior Knowledge of SE	0.258*** (0.028)	0.132*** (0.073)	-0.013 (0.037)
Observations	451	451	451
R ²	0.110	0.597	0.029

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

Appendix 3c: Subgroup Analysis of Study 1 (Moral Legitimacy)



	<i>Dependent Variable:</i>		
	Moral Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	5.404*** (0.817)	0.423* (2.161)	-1.457*** (0.993)
<i>Control Variables</i>			
Volunteer Frequency	0.057 (0.262)	0.038 (0.341)	-0.016 (0.167)
<i>Main Predictors</i>			
Social Discourse	0.188*** (0.462)	0.012 (0.573)	-0.043 (0.319)
Distinctiveness	0.009 (0.457)	0.033 (0.584)	-0.086 (0.305)
Certification	0.088 (0.462)	0.033 (0.594)	-0.056 (0.310)
Moral Legitimacy		0.723*** (0.065)	0.227*** (0.035)
Consumer's Prior Knowledge of SE	0.205*** (0.052)	0.165*** (0.070)	-0.020 (0.037)
Observations	451	451	451
R ²	0.099	0.631	0.055

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

Appendix 4: Scenario Introduction of Study 2 ($N = 562$)

	Social Discourse	Commercial Discourse	Distinctiveness Level	Certification
Scenario 1 ($N = 33$)	Yes	No	High	Yes
Scenario 2 ($N = 35$)	No	Yes	High	Yes
Scenario 3 ($N = 36$)	Yes	Yes	High	Yes
Scenario 4 ($N = 37$)	Yes	No	Low	Yes
Scenario 5 ($N = 36$)	No	Yes	Low	Yes
Scenario 6 ($N = 36$)	Yes	Yes	Low	Yes
Scenario 7 ($N = 36$)	Yes	No	High	No
Scenario 8 ($N = 32$)	No	Yes	High	No
Scenario 9 ($N = 35$)	Yes	Yes	High	No
Scenario 10 ($N = 37$)	Yes	No	Low	No
Scenario 11 ($N = 33$)	No	Yes	Low	No
Scenario 12 ($N = 36$)	Yes	Yes	Low	No
Scenario 13 ($N = 32$)	No	No	High	Yes
Scenario 14 ($N = 33$)	No	No	High	No
Scenario 15 ($N = 35$)	No	No	Low	Yes
Scenario 16 ($N = 40$)	No	No	Low	No

Appendix 5: Measurement on Social Awareness on Social Problems

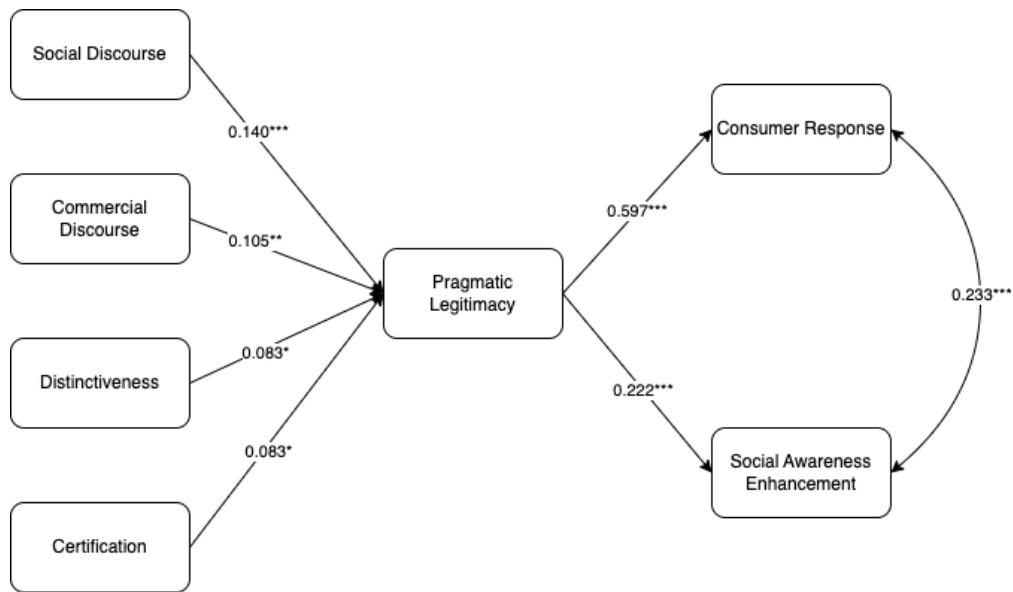
Measurement on Social Awareness on Social Problems (adapted from Freestone and McGoldrick, 2008)

7-point Likert (1 = *strongly disagree*, 7 = *strongly agree*)

Marginalized youths refer to young people who suffer from homelessness, being pushed out of school, poverty, disabilities, immigration, racism and other factors. Past research shows that marginalized youths face higher risk in living in social exclusion, deprivation and discrimination, which are detrimental to their health and wellbeing.

1. Please choose the best option that describes your view on the social issue displayed above.
 - 2) Not noticed this issue; 2) Aware but not greatly concerned; 3) Aware and concerned but not intend to take action to help; 4) concerned and intend to take minor action to help; 5) concerned and intend to take major action to help
2. This is an issue that I like to be associated with.
3. I feel better about myself if I take some form of action to support organizations that try to solve this issue
4. It would be better for everyone in the long run if people favoured products/services that address this issue.
5. It would help if people bought from organizations that address this issue.
6. Society would benefit from the introduction of products/services that try to address this issue.
7. People could make fairer choices if they were aware of which organizations had high ethical principles regarding this issue.

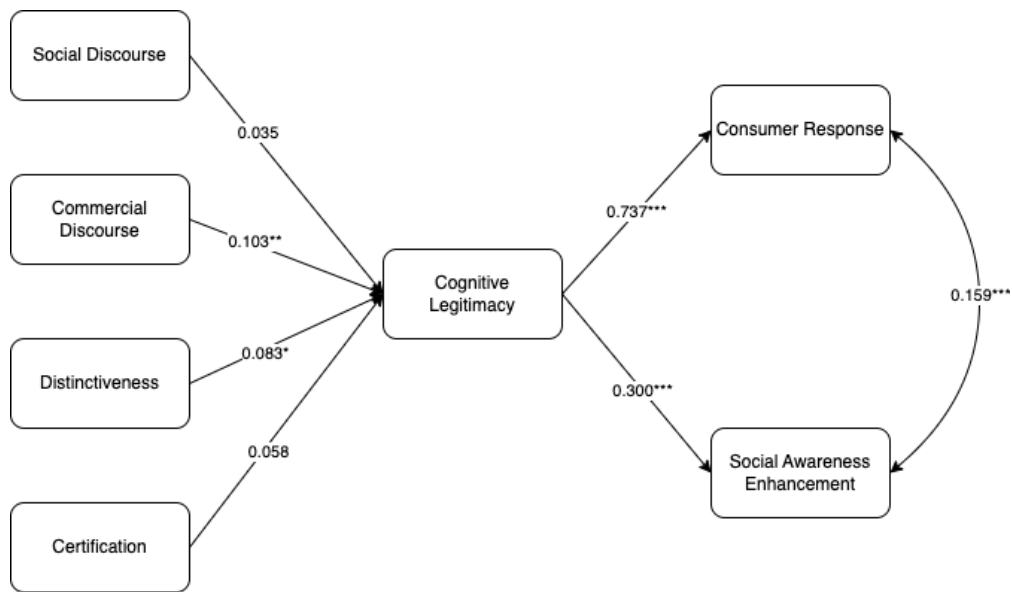
Appendix 6a: Subgroup Analysis of Study 2 (Pragmatic Legitimacy)



	<i>Dependent Variable:</i>		
	Pragmatic Legitimacy (1)	Consumer Responses (2)	Social Awareness Enhancement (3)
Constant	4.722*** (0.353)	1.038*** (1.953)	-0.927*** (0.846)
<i>Main Predictors</i>			
Social Discourse	0.140*** (0.224)	-0.008 (0.591)	-0.027 (0.285)
Commercial Discourse	0.105** (0.223)	0.009 (0.586)	-0.090* (0.286)
Distinctiveness	0.083* (0.226)	0.041 (0.593)	0.008 (0.283)
Certification	0.083* (0.223)	0.013 (0.593)	0.038 (0.280)
Pragmatic Legitimacy	-	0.597*** (0.140)	0.222*** (0.056)
Consumer's Prior Knowledge of SE	0.246*** (0.024)	0.262*** (0.068)	-0.193*** (0.034)
Observations	562	562	562
R ²	0.115	0.518	0.071

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

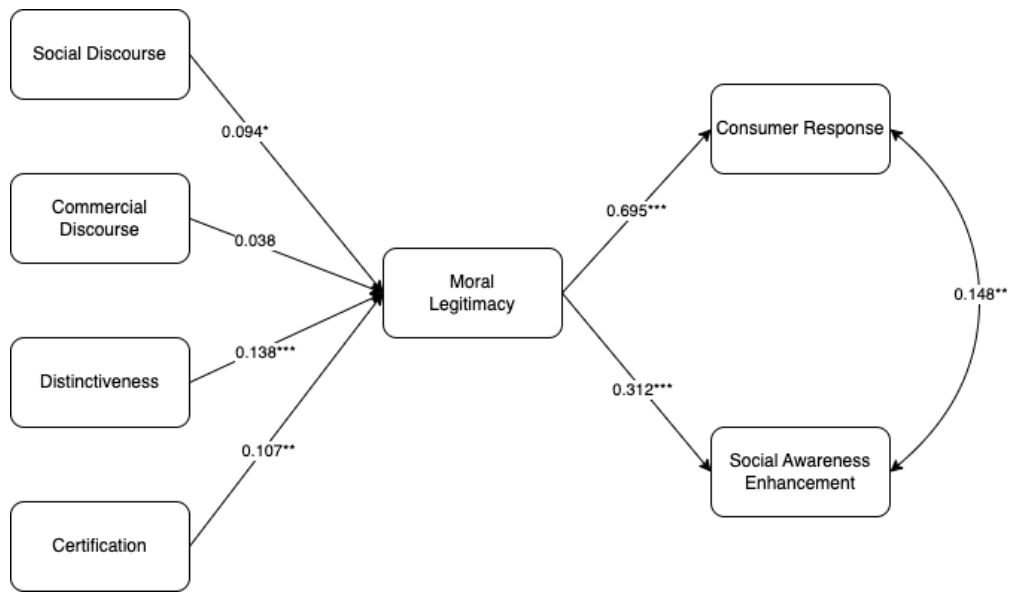
Appendix 6b: Subgroup Analysis of Study 2 (Cognitive Legitimacy)



	<i>Dependent Variable:</i>		
	Cognitive Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	4.679*** (0.317)	0.406** (1.395)	-1.281*** (0.810)
<i>Main Predictors</i>			
Social Discourse	0.035 (0.205)	0.050* (0.489)	-0.007 (0.277)
Commercial Discourse	0.103** (0.204)	-0.005 (0.489)	-0.098* (0.278)
Distinctiveness	0.083* (0.207)	0.029 (0.489)	0.001 (0.281)
Certification	0.058 (0.205)	0.020 (0.486)	0.039 (0.277)
Cognitive Legitimacy	-	0.737*** (0.099)	0.300*** (0.060)
Consumer's Prior Knowledge of SE	0.357*** (0.022)	0.146*** (0.059)	-0.245*** (0.035)
Observations	562	562	562
R ²	0.160	0.659	0.102

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

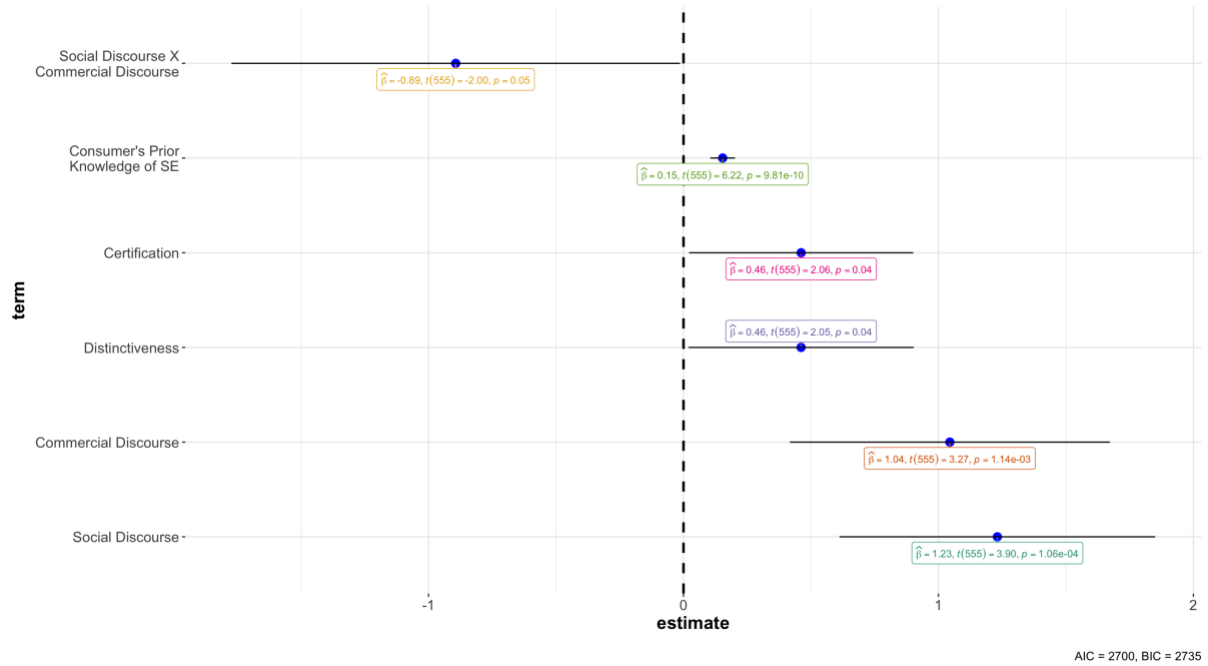
Appendix 6c: Subgroup Analysis of Study 2 (Moral Legitimacy)



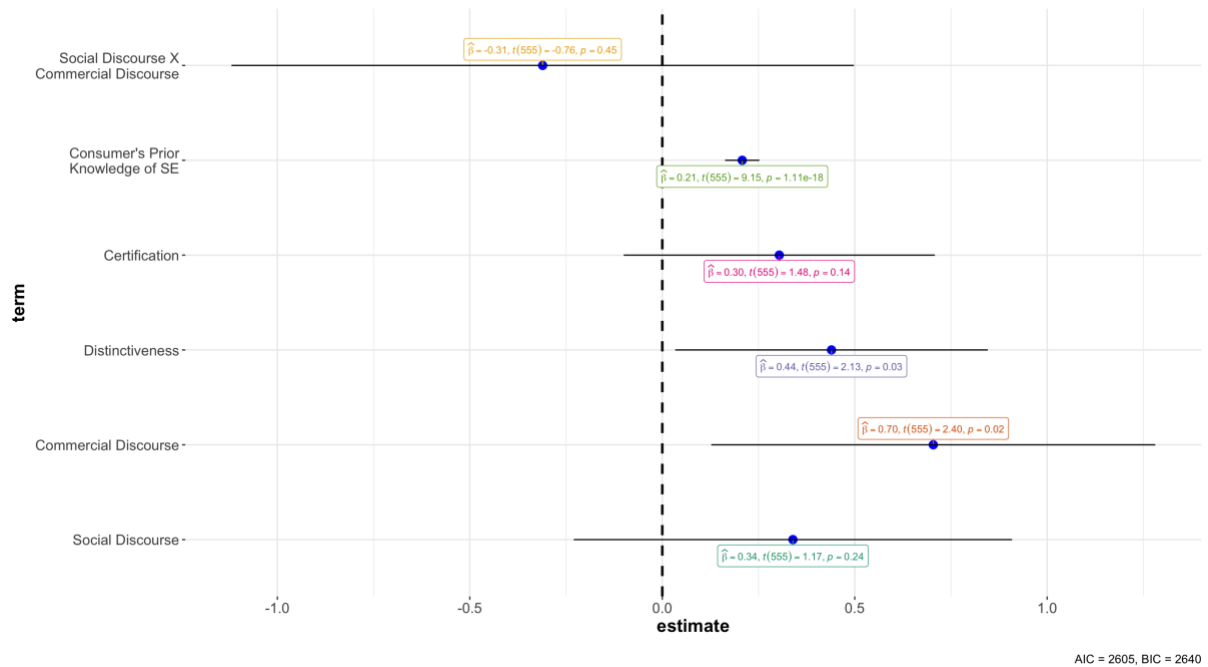
	<i>Dependent Variable:</i>		
	Moral Legitimacy	Consumer Responses	Social Awareness Enhancement
	(1)	(2)	(3)
Constant	5.217*** (0.582)	0.231 (1.704)	-1.505*** (0.869)
<i>Main Predictors</i>			
Social Discourse	0.094* (0.400)	0.011 (0.527)	-0.026 (0.279)
Commercial Discourse	0.038 (0.399)	0.045 (0.511)	-0.079* (0.276)
Distinctiveness	0.138*** (0.402)	-0.006 (0.524)	-0.017 (0.277)
Certification	0.107** (0.399)	-0.012 (0.523)	0.023 (0.278)
Moral Legitimacy	-	0.695*** (0.059)	0.312*** (0.031)
Consumer's Prior Knowledge of SE	0.288*** (0.042)	0.209*** (0.065)	-0.228*** (0.034)
Observations	562	562	562
R ²	0.135	0.620	0.111

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; standardized coefficients

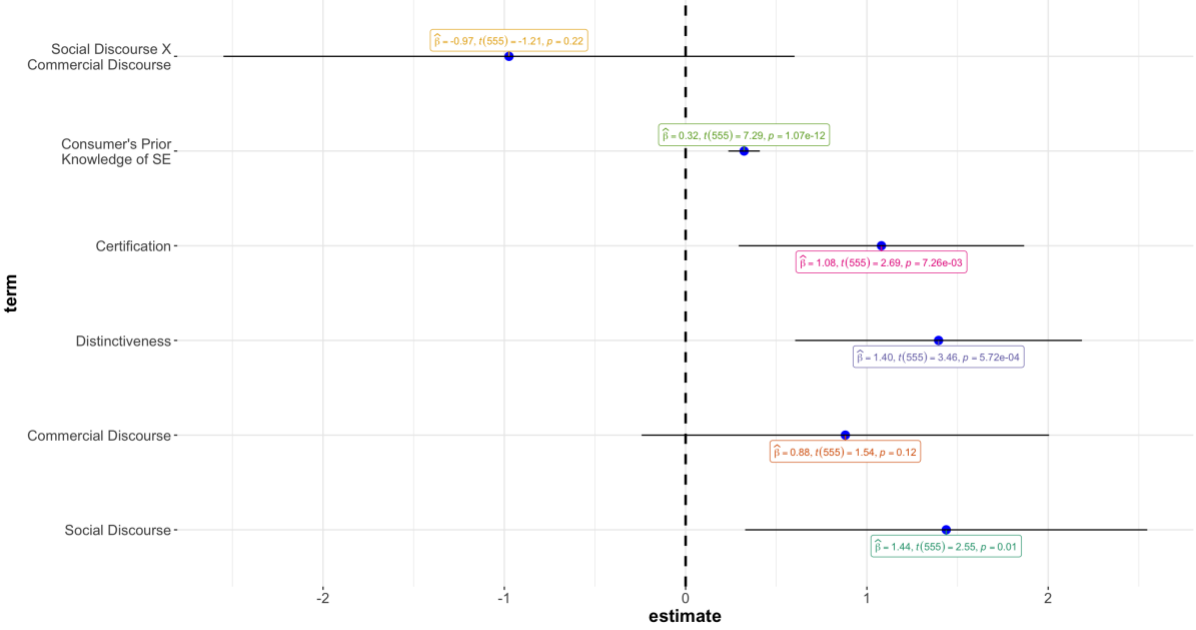
Appendix 7a: Subgroup Interaction Analysis of Study 2 (Pragmatic Legitimacy)



Appendix 7b: Subgroup Interaction Analysis of Study 2 (Cognitive Legitimacy)



Appendix 7c: Subgroup Interaction Analysis of Study 2 (Moral Legitimacy)



AIC = 3355, BIC = 3390

How Social Enterprises Gain Legitimacy Using Visuals: Insights from Social Enterprises' Instagram Images

Introduction

Legitimacy as a perceived appropriateness of an organization has received abundant theorizations in organization studies (Deephouse et al., 2017). For example, scholars have interrogated legitimacy by conceiving of it as a perception (Suddaby et al., 2017). The perspective of legitimacy-as-perception sees legitimacy residing in the eyes of evaluators and hence legitimacy is conditioned on the cognition, perception and judgment of evaluators (e.g., Tost, 2011).

Recently, an emerging line of research started to identify the emotional affective underpinnings of legitimacy and proposed the perspective of legitimacy-as-feeling as a complement of legitimacy-as-perception (Garud et al., 2014; Haack et al., 2014; Huy et al., 2014). The perspective of legitimacy-as-feeling assumes that evaluators have limited cognitive capacity to make judgment deliberately and adopt a heuristic and spontaneous approach to make legitimacy intuitively (Haack et al., 2014). Therefore, legitimacy arises from evaluators' feelings and emotions towards the focal organization. It is thus important for organizations to manage evaluators' emotions for legitimacy building, maintenance and repair.

For organizations to build legitimacy, prior literature has proposed the theory of cultural entrepreneurship that regards entrepreneurs as skillful cultural operators to navigate cultural repertoire artfully to gain legitimacy from evaluators through fitting-in, standing-out and relational strategies (Lounsbury et al., 2019; Lounsbury & Glynn, 2001). Scholars have empirically examined cultural entrepreneurship with a focus on how organizations utilize linguistic devices such as discourse, narrative, rhetoric and storytelling during the legitimation

process (e.g., Garud et al., 2014; Martens et al., 2007; Suddaby & Greenwood, 2005; Vaara & Tienar, 2008).

It is evident that fitting-in strategy, standing-out strategy and relational strategy aim to win legitimacy by targeting at evaluator's cognition through situating within evaluators' cognition, improving cognitive visibility of organizations and creating cognitive shortcuts (e.g., Glynn & Abzug, 2002; Kuilman & Li, 2009; Navis & Glynn, 2011). However, extant literature has suggested that evaluators rely on both cognitive and emotional processing systems to make legitimacy judgment (Haack et al., 2014; Huy et al., 2014; Lefsrud et al., 2020; Suddaby et al., 2017). Importantly, cultural devices such as verbal and visual tools not only persuade others through a cognitive mechanism by enhancing the cognitive resonance and visibility of organizations, but also via an emotional mechanism by triggering evaluators' emotions (Moisander et al., 2016; Sadeh & Zilber, 2019; Voronov & Vince, 2012). However, little is known about how cultural entrepreneurship informs the emotional mechanism in legitimacy building, more precisely, how entrepreneurs as cultural operators leverage both the cognitive and emotional power of cultural devices to build legitimacy for organizations.

Social enterprise (SE) as a novel form of organization enters the market with a legitimacy-deficient status (Nicholls, 2010). Due to its hybrid nature that fuses social and commercial logics within a single organization, SE presents an ambiguous identity to its stakeholders, which adds complexity to SE's identity building work (Battilana & Lee, 2014; Mair & Marti, 2009). Past literature has examined how SEs orchestrate social, public and commercial logics to enhance the comprehensibility of SE cognitively with a predominant focus on linguistic devices (e.g., Chandra, 2017; Parhankangas & Ehrlich, 2014; Parkinson & Howorth, 2008; Ruebottom, 2013). Scant attention in SE studies has been paid to how SE exploits the emotional power of cultural devices and deploy emotional strategies for legitimacy building. In particular, cultural devices are not limited to linguistic tools. Visuals as another

major cultural device are commonly used by organizations in practice for meaning construction and communication (Boxenbaum et al., 2018; Meyer et al., 2013). In practice, visuals are pervasive in SE's organizing process as well. For example, SEs need to incorporate visuals into brand logo, package design and promotions on social media platform, among others. Yet how SEs use visuals as cultural devices for legitimacy building remains largely unexplored.

To address the visual-emotional gap in cultural entrepreneurship and SE studies, I adopted an exploratory quantitative method and asked *How do social enterprises use visuals for legitimacy building?* An exploratory quantitative method allows researchers to interrogate a new and underexplored phenomenon without formally proposing and testing hypotheses as little theory is available to provide reference (Wennberg & Anderson, 2020). To do so, I underlined the *cognitive* and *emotional affective* foundations of legitimacy and drew on the literature of cultural entrepreneurship. Specifically, I employed a novel analytical tool built on deep learning – image clustering and an untapped type of data source in SE studies – Instagram images in this study (Peng, 2021; H. Zhang & Peng, 2022). More precisely, I used image clustering to first investigate SEs' visual strategies for legitimacy building, followed with a regression to examine how SEs' visual strategies are related to SEs' legitimacy.

This study makes important contributions in threefold. First, this study adds new insights to cultural entrepreneurship by addressing the emotional-visual gap. By interrogating the visual strategies of SEs, this study broadens the scope of cultural entrepreneurship and unleashes the full power of cultural devices in legitimacy building. Second, this study contributes to SE studies by highlighting the role of emotions in legitimacy building and articulating SE's legitimacy as enabled by both the cognition and emotion of evaluators. Besides, this study brings visuals as a new type of data into SE research where has been dominated by case study and survey data. Third, this study contributes to methodological innovation by bringing in a deep learning-based image clustering into the toolkits of organization and SE scholars. Image

clustering was initially developed and applied in the field of political science. However, the power of image clustering goes beyond explaining political phenomenon. By using the novel method in this study, I demonstrated the potential of image clustering in organization and management studies.

Theoretical Background

Legitimacy by Visual Imageries

With the exponential growth of social media platforms, legitimacy by visual imageries has been increasingly important for organizations to obtain and defense, especially when visual-based social media platforms (e.g., Instagram, Tik Tok) start to gain more active users and occupy more time (Chen et al., 2021). In particular, social media platforms can be both an enabler and destroyer to organization's visual legitimacy depending on how organizations use visual language to communicate with the public. For example, McCosker and colleagues (2021) studied the geographic data and image data from the Instagram of Australian Red Cross and found that the use of visual-based social media platform allows nonprofit organizations to promote prosocial values in a more visible and transparent way. This, in turn, endows the organization with high visual legitimacy in the eyes of the public. However, if not being managed properly, social media platforms can also jeopardize organizational legitimacy when online devaluations converge and influence the broader discourse (Illia et al., 2022).

Past literature has indicated that individuals rely on cognitive and emotional processing systems to make legitimacy judgment (Haack et al., 2014; Huy et al., 2014; Lefsrud et al., 2020; Suddaby et al., 2017). For organizations to build legitimacy through visuals on social media platform, it is thus wise to increase the cognitive resonance and activate emotions to enhance audience engagement and drive positive legitimacy judgment from audiences. Extant studies on organizations' visual-legitimacy work converge on two major lines, one focusing on the

content of visuals and exploring how specific types of visual elements influence audience responses, the other one looking into the aesthetic features of visuals including color, brightness, contrast, among others.

The salient visual elements emerged from past literature include human faces/crowds, natural landscape, products, text/illustrations, among others (e.g., Kharroub & Bas, 2016; Kong et al., 2022; Lock & Araujo, 2020; Peng, 2021). These visual elements play a role in altering audiences' perception through acting as cognitive and emotional appeals. For example, in studying political activism, Kharroub and Bas (2016) found that images showing crowds encouraged audiences to join the protest. The mechanism behind attributes to the key features of visuals – attention grabbing and emotional arousing (Meyer et al., 2013, 2018). By presenting crowds that contains deeper details such as facial expression, third-person or first-person view and amount of faces, audiences get emotionally mobilized and the emotions get amplified through the scale of crowd and concreteness of scenes, which spills over to audience's legitimacy judgment implicitly (See Figure 1a for example) (Li et al., 2022; Warnick et al., 2021).

In comparison to visuals comprising of emotional appeals, there is another category emerging from prior literature – images with cognitive appeals (P. Hartmann et al., 2005; Matthes et al., 2014; C. W. Park et al., 2013). Cognitive appeal refers to the information that primarily relies on audience's cognition instead of emotion to achieve the optimal effectiveness of message delivery. In most of the cases, organizations choose to highlight texts along with complementary visual elements (e.g., cartoon characters) to promote values, activities and introduce products/services to audiences (See Figure 1b), or present details of products/services to enhance the concreteness of organizations' commercial competitiveness.

The aesthetic features of visuals add rich layers to the expressiveness and performativity of visual language. With empirical settings, scholars have confirmed that aesthetic features

including color, contrast and composition can play important roles in altering audience's perception towards the organizations and influencing audience's subsequent behaviors. Chan and Park (2015) studied how the use of red and blue in business plans affected individual's perception during screening decisions and found that red elicited negative associations and decreased individual's favorability of judgment. Using images on Airbnb as data, Zhang and colleagues (2021) found that the property images on Airbnb could make a difference in the property occupation rate. Specifically, visual balance of colors, saturation, brightness, contrast and the use of diagonal dominance and clear figure-ground relationship constitutes a good image and lead to higher property occupancy rate.

---- Insert Figure 1a and 1b here ----

Legitimacy-as-Perception: The Cognitive Foundation of Legitimacy

The perspective of legitimacy-as-perception emphasizes the role of evaluators in enabling organization legitimacy and sees evaluators' legitimacy judgment as an important source of organizational legitimacy (Bitektine, 2011; Tost, 2011). Organization scholars have revealed the sociocognitive process that facilitates evaluators' legitimacy judgment at both the individual and collective levels (e.g., Jahn et al., 2020; Tost, 2011; J. Zhang et al., 2022). At the individual level, legitimacy judgment is conceived as *propriety* judgment including moral, instrumental and relational judgment towards the focal organization (Bitektine & Haack, 2015; Haack et al., 2021). At the collective level, legitimacy is construed as a collective perception of acceptance and desirability shared among a group, field or the society and is present as *validity*. Thus, validity cues become an important reference for evaluators to make legitimacy judgment.

In general, legitimacy judgment through propriety judgment and validity cues represents two modes of evaluation – active and passive (Tost, 2011). Making legitimacy judgment by looking at the moral, instrumental and relational attributes of organizations requires evaluators to deploy cognitive resources to notice the focal organization, compare the focal organization with other similar organizations and categorize the focal organization into an established social category (Suddaby et al., 2017). Hence, the propriety judgment is cognition demanding.

While making legitimacy judgment by referring to validity cue demonstrates a passive mode of legitimacy judgment (Haack et al., 2021). As validity cues are highly institutionalized, evaluators do not need to invest their own cognitive effort in making legitimacy judgment but follow the judgment implied by validity cues (Tost, 2011). For example, establishing a relationship with the government allows the focal organization to gain organization legitimacy from other stakeholders because connecting with the government indicates that the legitimacy of the focal organization is backed by the government and thus the connection becomes a validity cue for the legitimacy judgment of other stakeholders. Therefore, validity cues serve as cognitive shortcuts for evaluators to make legitimacy judgment in an effortless and fast way.

Legitimacy-as-Feeling: The Emotional Affective Foundation of Legitimacy

Among the rich theorizations of legitimacy, the perspective of legitimacy-as-feeling started to gain scholarly attention until recently (Haack et al., 2014; Huy et al., 2014; Suddaby et al., 2017). Legitimacy-as-feeling is a complement of legitimacy-as-perception because the perspective of legitimacy-as-feeling was brought up when organization scholars started to problemize the role of evaluator in legitimacy-as-perception as a rational cognitive miser and lacking an emotional process in the legitimacy judgment process (Voronov & Vince, 2012). To fulfill legitimacy evaluator as an integrated human being who are not only bounded by rationality but also driven by emotions, scholars highlighted the emotional affective

underpinnings of legitimacy in addition to cognition (Ashkanasy et al., 2017; Sadeh & Zilber, 2019; Voronov & Vince, 2012).

Haack and colleagues (2014) theorized the role of *intuiter* in legitimacy-as-feeling to differentiate with the *evaluator* in legitimacy-as-perception who makes legitimacy judgment based on evaluator's cognition. Intuiter in legitimacy-as-feeling avoids the deliberate and calculative thinking and eludes cognitive load by relying on instant and spontaneous intuitions and emotional appeals to confer legitimacy to organizations. For example, in a study of the anti-bullfighting campaign in Spain, Valor and colleagues (2021) found that emotions are prominent drivers for evaluators to illegitimize certain practices. Negative collective emotions such as shame were ignited by campaigners' emotion discourse and the pathic stigmatization created thereafter and drove the public to illegitimize the consumption practice of bullfighting despite that bullfighting as a traditional cultural contest in Spain had high cognitive legitimacy among the public.

Emotion as an intrinsic mechanism for sensemaking exhibits two different types of facets – affective and moral emotions (Fan & Zietsma, 2017; Jasper, 1998, 2011; Moisander et al., 2016). More specifically, organization scholars conceptualize affective emotions as individual emotions such as trust, fondness, love or the negative types of those. Affective emotions are more permanent and individual feelings towards places, objects, memories and people, among others, which are largely based on individual cognition but are different from moods (Fan & Zietsma, 2017; Moisander et al., 2016). While moral emotion is the feeling bounded by socially constructed cultures, norms and principles and is highly regulated and institutionalized such as pride, shame, indignation, compassion and hope towards a collective event or identity (Jasper, 2011). Prior literature has identified both affective and moral emotions in organizations' strategies to legitimize or illegitimize certain practices, while what determines the effects of

emotion-legitimation work is the valence of emotions, i.e., positive or negative emotions (Fan & Zietsma, 2017; Haack et al., 2014).

Positive emotions such as pride, compassion, hope, trust and fondness motivate evaluators to confer higher legitimacy to the focal organization, while negative emotions such as shame, fear, anger and distrust towards the focal organization put the legitimacy at risk. For example, Farny and colleagues (2019)'s study on post-disaster management showed that positive collective emotions such as feeling of security, collective confidence, affective solidarity and collective hope justified and legitimized the social practices of developing material solutions, building collective visions and instilling collective alertness, which enable the creation of new institutions. On the contrary, in another study by Toubiana and Zietsma (2017), it was indicated that when organizational development deviated from organization members' expectations, strong negative emotions of anger and betrayal arose from the internal organization and undermined organization members' support for organizations and the overall organizational legitimacy.

In general, extant literature on legitimacy-as-feeling suggests that evaluators' emotional reaction (i.e., affective emotion and moral emotion) is an important source of organizational legitimacy. Therefore, managing evaluators' emotions is a necessary content in organizations' legitimation work. More importantly, the perspective of legitimacy-as-feeling also implies that through the use of appropriate tools, organizations can strategically manipulate evaluators' emotions to win legitimacy.

Cultural Entrepreneurship: Using Cultural Tools for Legitimacy Building

The theory of cultural entrepreneurship elaborates on the process of entrepreneurs as cultural operators using cultural devices to leverage on extant stock of resource capital and institutional capital for organizational legitimacy and future stock of resources and support (Lounsbury &

Glynn, 2001). The cultural toolkits in cultural entrepreneurship were initially exemplified as entrepreneurs' storytelling and were further expanded to narrative, framing, loan description, product name pattern, among others in subsequent empirical examinations (e.g., Jancenelle et al., 2019; Lounsbury & Glynn, 2001; S. H. Park & Zhang, 2020; Vossen & Ihl, 2020; Zhao et al., 2013). These studies prevalently explored the linguistic aspect of legitimacy and investigated organizations' legitimacy building strategies by focusing on the linguistic tools (Martens et al., 2007; Phillips et al., 2004; Suddaby & Greenwood, 2005).

Furthermore, cultural entrepreneurship features three legitimation strategies for organizations' legitimacy building – fitting-in strategy, standing-out strategy and relational strategy (Lounsbury & Glynn, 2001). The three strategies predominantly target at evaluators' cognition by creating cognitive anchor via fitting in with evaluators' cognition, increasing the cognitive visibility of organizations via standing out from peer organizations within the same social category, and creating cognitive shortcuts by establishing connection with already legitimate organizations (e.g., Tauscher et al., 2021; Villela et al., 2021; Vossen & Ihl, 2020). However, as Voronov and Vince (2012) pointed out that it is highly inadequate to theorize an institutional process by only looking at rational cognition as the underpinnings and ignoring emotions as a potential casual mechanism, cultural entrepreneurship, with an important missing puzzle of the emotional mechanism, has not fully uncovered the legitimation process of organizations. Particularly, organization literature has confirmed the emotional affective foundation of legitimacy and sees evaluators' emotional reaction with an important weight in determining organization legitimacy.

In addition to enhance cognitive resonance, the cultural devices used by entrepreneurs for legitimacy building are inevitably endowed with emotional power. For example, in studying the resourcefulness narratives of entrepreneurs, Fisher and colleagues (2021) theorized that resourcefulness narrative – a narrative about how entrepreneurs creatively deploy resources to

overcome resource constraints – had an emotion-based pathway for mobilizing stakeholders’ support and winning legitimacy as highlighting organizations’ resourcefulness elicited emotions such as surprise, interest and admiration, which drove stakeholders’ approval and support. In another study by Brown and colleagues (2012), it was found that to legitimize a change in institutional practices, emotionally compelling stories were used to problemize the old practice, provoke the feeling of guilty and guide evaluators’ understanding towards the new practice.

Overall, prior research has shown that despite that cultural entrepreneurship has demonstrated its competence in explaining how entrepreneurs utilize cultural devices to enhance organization legitimacy via a cognitive pathway, what remains unclear is how the emotional power of cultural devices play a role in helping organizations build legitimacy. Additionally, the linguistic aspect of legitimacy has been over-emphasized in the past literature. However, we still know little about how visuals as pervasive cultural devices with outstanding competences in creating cognitive resonance and arousing emotions enable organizational legitimacy.

Social Enterprises’ Legitimacy Building

SE’s legitimacy building centers on SE’s strategies to legitimize its hybridity, i.e., the combination of social and commercial logics within a single organization (Battilana & Lee, 2014; Haigh et al., 2015). As the definitive feature of SE, hybridity often creates ambiguity and tensions to SE’s identity building (Battilana et al., 2015; Jay, 2013). For example, SEs integrate social welfare logic originated from nonprofit sector and commercial logic from business sector into the organizing process. However, it is difficult for audiences to categorize SEs into established social categories because it obviously does not belong to either nonprofit

sector or business sector. Lacking an established social category indicates that SE sector is still at a pre-paradigm stage and needs to strategize to establish legitimacy (Nicholls, 2010).

Scholars have investigated SEs' strategies for legitimacy building. In general, these studies can be classified into two major lines, one adopting the cognitive approach (e.g., Neuberger et al., 2021; Pache & Santos, 2013) and the other one focusing on the emotional approach (Barberá-Tomás et al., 2019; Ruebottom, 2013). The cognitive approach exemplified by Pache and Santos (2013)'s selective coupling demonstrates SE's effort to engage in symbolic alignment work to increase the cognitive resonance. Neuberger and colleagues (2021)'s study on SE's legitimacy work in authoritarian context also highlights the importance of protective disguise by using rhetoric alignment to promote the values that are consistent with the goals of the government and hide the social actions that are contested against the institutions.

The emotional approach, however, attracts less attention from SE scholars. Ruebottom (2013) identified SE's rhetorical strategies to depict SEs as heroes and those who challenge the social change that SEs aim at as villains. The contrasting rhetoric aroused audiences' emotional reactions towards SEs and the emotional energy thus became a source of legitimacy for SEs. Similarly, Barberá-Tomás and colleagues (2019) revealed that SEs used "moral shock" to elicit emotional reactions from audiences and then transform the emotional energy into audiences' support and actions to enact the social cause.

Generally, prior literature on SE's legitimacy building shows that SEs construct organizational legitimacy through two important pathways – the cognitive approach and emotional approach despite that the cognitive approach is more studied while the emotional approach receives little attention. However, we still lack an integrative approach to exploit both the cognitive and emotional power of cultural tools in SE's legitimacy building, more precisely, how SE's hybridity is legitimized through the use of cultural tools via the cognitive and emotional mechanisms altogether.

Methodology

Data

Data was collected from Instagram using a self-built Python crawler (See Appendix A). Before starting to collect data from Instagram, I curated a list of SEs' Instagram accounts in Hong Kong. The list consists of 163 SEs from different industries including lifestyle and retail ($N = 22$), education and training ($N = 61$), food and beverages ($N = 19$), fitness and health care ($N = 2$), art and culture ($N = 11$), eco living, recycling and upcycling ($N = 12$), care service ($N = 10$), business service and corporate support ($N = 23$) and others ($N = 3$). Both *account-level* and *post-level* data was collected from the 163 Instagram accounts including account name, number of followers, number of following accounts, number of posts, image, post caption, number of likes, number of comments and publication date. In total, the dataset contains 38,085 images and units of metadata from 163 Instagram accounts. The time span of the dataset dates back from January 2013 to May 2022. Two criteria were defined and followed during the data collection to ensure the consistency of data. First, Instagram allows users to publish both image and video types of posts as well as time-sensitive stories that will disappear after 24 hours, while in this study only image posts were included for data collection and analysis. Second, users can post more than one images in a single post on Instagram, only the cover image was collected because multiple images attached to one post will complicate the analysis.

Image Clustering

The Attributes of Visuals

Visuals as a major approach of meaning construction and communication are able to materialize, construct, store, transport and communicate meanings and social reality (Boxenbaum et al., 2018; Meyer et al., 2013). Compared to another major communication media, i.e., verbal language, visuals exhibit different attributes. According to Meyer and

colleagues (2013), verbal language is “linear and sequential”, while visuals are spatial and holistic. Hence, compared to verbal language that needs time to get the whole sequence of words, visuals are more immediate and instantaneous to show the whole content. The immediacy grants visual language with more advantages compared to verbal language regarding attention grabbing and reducing the cognitive load of audiences (Meyer et al., 2018). In particular, when organizational identity is complex and ambiguous to understand (e.g., social enterprise), visuals outperform verbal language in simplifying the communication and enabling sense-giving (Geise & Baden, 2015; Höllerer et al., 2013).

In addition, visuals, due to the complex symbolic system, can achieve stronger coerciveness and persuasiveness implicitly in comparison to verbal language because visuals are more capable to deliver concreteness and facticity than verbal language through accurate description and strategic use of aesthetic features (e.g., color, composition, contrast) (e.g., Chan & Park, 2015; Li & Xie, 2020; S. Zhang et al., 2021). Overall, the distinct attributes of visuals indicate that the decoding system of visuals is more complicated than that of verbal language and requires researchers to pay attention to visual details that are beyond the basic unit of visuals (i.e., pixels that are represented by numeric values and do not have meanings compared to the basic unit of word) (Meyer et al., 2013).

An Overview of Automated Image Analysis

To identify SEs’ visual strategies in building legitimacy on SEs’ Instagram, I adopted a novel unsupervised image analysis method powered by transfer learning and image categorization – image clustering – to analyze the images in the dataset (Peng, 2021; H. Zhang & Peng, 2022). The advancement of computer science has enabled computers to detect visual objects, understand visual content and categorize visual elements. The visual technology has become increasingly mature and formed into computer vision as a fast-growing subfield of computer

science (Sonka et al., 2014). Computer vision allows social scientists to deal with a large amount of visual data without sacrificing the accuracy (Torres & Cantú, 2022). To date, scholars from communication studies, political science and marketing research have adopted automated image analysis to interrogate a variety of social phenomena (e.g., Bast, 2021; Lee, 2021; Valensise et al., 2021).

In general, two types of analytical tools emerged from prior empirical social science studies that used automated image analysis. One relies on the API services provided by large technology companies such as Google Vision, Microsoft Azure and Clarifai Vision, among others (e.g., Li & Xie, 2020; Lock & Araujo, 2020; Philp et al., 2022). One advantage of using API services is that it does not require much programming work from researchers. By making a request to the API service, researchers can get the result from the platform. However, API services usually subject to limited functions built by the platforms and do not have high flexibility that allows researchers to customize the analytical process.

The other type of analytical tool resorts to customized deep learning methods such as transfer learning to train their own dataset on pre-trained models (e.g., Banerjee et al., 2022; J. Hartmann et al., 2021; Peng, 2021; S. Zhang et al., 2021). Transfer learning is a deep learning method that borrows the architecture from existing deep learning models (i.e., pre-trained models) and repurpose it for new dataset (Simonyan & Zisserman, 2015). Popular pre-trained models including VGG, AlexNet, Xception are trained on external large dataset (i.e., ImageNet) and are known for their high performance in ImageNet competitions. In this study, I adopted transfer learning to analyze the images in the dataset as it allows researchers to choose proper pre-trained models and extract the features for further analysis.

The Procedure of Data Analysis

To conduct image clustering with deep learning methods, I followed the analytical procedure proposed by Zhang and Peng (2022) by combining transfer learning and clustering. Zhang and Peng (2022)'s image clustering method was initially applied in political science to analyze political communication of U.S. politicians, climate change and protests. While it has great potential to be adapted for business communication because the unsupervised nature makes the image clustering method free from the limit of visual content. Unsupervised approaches such as Latent Dirichlet Allocation (LDA) in natural language processing can be applied to wide range of linguistic contexts (Hannigan et al., 2019; Schmiedel et al., 2019).

I conducted image clustering as follows. First, the images were resized for preprocessing. An image is originally represented using pixels – an a (height) \times b (width) \times c (color; = 3 if it is an RGB color image) dimensional matrix that stores the information of the image. Original images in the dataset have different image sizes making the analysis and comparison difficult to conduct. After resizing, all images in the dataset have the same size 224×224 . Second, the resized images were sent to the pre-trained model for feature extraction. I chose VGG16 as the pre-trained model in this analysis because VGG16 only has 16 layers. Layers in deep learning models are the basic structures that take on different types of functions to process images. Each layer takes the weighted input from its previous layer, transforms the input with one specific function (e.g., convolution, maximum pooling, ReLU) and passes the output to the next layer for processing. According to Simonyan and Zisserman (2015), deep learning models with fewer layers prevents over-fitting problem and are faster to run. After feeding the images into VGG16, I extracted one of the last layers (fc2) for clustering and it is a 4,096-dimensional vector. Next, I conducted a principal component analysis (PCA) to reduce the dimensions and extracted the top 200 dimensions for clustering.

To cluster the images in the dataset, I chose K-means clustering to assign single membership to each image. K-means clustering requires a pre-determined K (i.e., number of clusters) to start clustering. I followed the practice of finding the best K (number of topics) in conducting LDA (Hu et al., 2019) and the recommendation from Zhang and Peng (2022) by running K-means clustering with a range from 5 to 20 with an interval of 1. Followed with the results of 16 solutions of clusters, two researchers independently evaluated each solution regarding its cluster exclusivity among all clusters and cluster consistency within one cluster. Last, agreement was achieved on the solution with 15 clusters as it demonstrates the most varieties of categories while keeps the 15 categories as exclusive as possible.

Result of Image Clustering

The result of image clustering on 38,085 images is shown in Figure 2 (See Table 1 for examples). The two researchers labelled the 15 clusters based on 10 random images from each cluster independently. After discussion, final agreement was reached on the labels of 15 cluster. Overall, the 15 clusters contain labels including *Products*, *Texts/Illustrations*, *Social Activities*, *Crowds*, *Natural Environment* and *Green Products*. These labels converge on four major categories – *Togetherness*, *Commercial Framing*, *Ecological Framing* and *Textual/Illustrative Information*. In Figure 3, the height of the rectangle next to each image cluster and cluster label is proportional to the total weight of each cluster in the overall dataset. The color of the rectangle shows the category in which the cluster belongs to. For example, Cluster 3 was labelled as *Social Activities* and was attached with a yellow rectangle which indicates that it belongs to the category of *Togetherness*. The height of the yellow rectangle next to the label of Cluster 3 shows that it has a relatively moderate proportion in the overall dataset. In general, among the four major visual categories, *Textual/Illustrative Information* has the largest proportion (39.13%), followed with *Togetherness* (29.34%) and *Commercial Framing*

(22.98%). While *Ecological Framing* has the lowest proportion among the four major visual categories (8.55%).

Togetherness includes labels such as *Social Activities* (Cluster 3 and 6) and *Crowds* (Cluster 4 and 13). Images labelled with *Social Activities* contain scenes of organizational activities and events which are designed for promoting social values or tackling social issues, as indicated by some images showing that several people hold the signs with slogans or products laden with social values (e.g., the 3rd and 5th images in Cluster 3, the 7th and 8th images in Cluster 6). Similarly, images with the label of *Crowds* show the photos containing a group of people gathering for social activities or events. In sum, images under the category of *Togetherness* show the effort and footprints of SEs in mobilizing others, either a small group of people or a large crowd, for a particular social purpose to their audiences.

Commercial Framing demonstrates concrete products including label *Products* (Cluster 1, 5, 14 and 15). The products shown in the example vary in types (e.g., handmade accessories, beverages, food, artworks and etc.) and the ways that they were displayed in the images. For example, the 10 random images of Cluster 5 were more visually well-designed than those of Cluster 15 regarding colorfulness, contrast, brightness and photographic composition. By adding more aesthetic design, the visual perception of the images gets improved, along with a possible enhanced perception towards the quality of the product in the image.

Ecological Framing delineates the beauty of nature environment and makes a call for a harmonious relationship between human and natural. It contains the labels *Natural Environment* (Cluster 10) and *Ecological Products* (Cluster 12). *Natural Environment* includes images showing various types of natural environment with or without people in it. *Ecological Products* show concrete products from ecological farming or other green products such as plants and bouquet.

Textual/Illustrative Information demonstrates how SEs highlight texts and cartoons in an image to deliver messages to audiences (Cluster 2, 7, 8, 9 and 11) and are the most common type on SE's Instagram. From the examples shown in Figure 3, several types of textual/illustrative information are spotted such as event poster, value and knowledge delivery, slogan, company introduction, among others. Though texts are highlighted in the image, SEs still add aesthetic design to texts trying to grab audiences' attention using different types of fonts, colors, font sizes and cartoon design.

Overall, the dataset of SEs' Instagram images exhibits four major visual themes – *Togetherness*, *Commercial Framing*, *Ecological Framing* and *Textual/Illustrative Information*. The four different themes of images build SEs' identity by showing concrete social efforts, commercial competence, ecological devotion and deliver unequivocal messages (e.g., values, knowledge, events and etc.) to audiences by using textual/illustrative information. Among the four visual themes, *Textual/Illustrative Information* is the most adopted one by SEs on Instagram, followed with *Togetherness*, *Commercial Framing* and *Ecological Framing*.

---- Insert Figure 2 and Table 1 here ----

Multilevel Negative Binomial Regression

Following the identification of four major visual themes from the dataset of SE's Instagram images, I continue to interrogate how the four visual themes are related to SEs' legitimacy. To address the question, I performed a multilevel negative binomial regression using the metadata of Instagram post and account. As Instagram posts are naturally nested on Instagram accounts, multilevel regression is an appropriate tool to analyze the data. I used fixed slope and random intercept to estimate the model. Specifically, fixed slope is used for estimating the effects of

explanatory variables and random intercept is to control for the unobserved effect from account level.

Dependent Variable

SE's legitimacy is measured using the number of likes and comments that Instagram post got from its audiences. Likes and comments are two important indicators for audience's engagement with organizations on social media platforms. As argued by Castelló and colleagues (2016), audience's engagement on social media platforms produces legitimacy for organizations because an open platform (i.e., interactive social media platforms such as Instagram) allows organizations to participate in public dialogue with multi-stakeholders and enables multiplicity and transparency of judgments, which brings moral legitimacy to organizations. Other empirical studies also confirmed that audience engagement on social media platform is a proper indicator for organizational legitimacy (Bonsón & Ratkai, 2013; Ralph, 2021).

As the numbers of likes and comments are naturally count data and their distributions are highly skewed to zero, I chose negative binomial regression over Poisson regression to overcome the overdispersion problem. Combined with multilevel regression, I fit the model using multilevel negative binomial regression.

Explanatory Variables

Visual Themes. To examine how the four visual themes – *Togetherness*, *Commercial Framing*, *Ecological Framing* and *Textual/Illustrative Information* influence audience's engagement, I created three binary variables – commercial framing, ecological framing and textual/illustrative information with the reference of togetherness. Images in the dataset have single membership suggesting that an image only belongs to one of the four visual themes.

Control Variables

The Number of Faces. The number of faces was detected using an API service provided by Face++³. Other popular tools such as the open-source library *face_recognition*⁴ are also commonly used by scholars to detect face features in images. However, Face++ performs better regarding its ability to detect human faces with masks compared to *face_recognition*. Hence, Face++ was used in this study to guarantee the accuracy rate given that there are more images containing human faces with masks during the pandemic.

Aesthetic features. I included brightness, contrast and colorfulness to control for the aesthetic features of images. Brightness was calculated using the average brightness of pixel values after the image is converted to greyscale. Contrast was measured by using the value of standard deviation of the pixel values in greyscale condition. Following the recommendations of Hasler and Süssstrunk (2004), colorfulness was assessed by the pixel values in RGB color system (Red, green and blue as the primary colors). I used OpenCV – an open-source library for analyzing images in Python to calculate brightness, contrast and colorfulness (Bradski, 2000).

Textual Features. I used the number of hashtags, the number of tagged accounts, token length, positive and negative emotions in post captions to control for textual features. Using hashtags and tagging other accounts in the post encourage more interactions and engagement with audiences as hashtags enhance the visibility of Instagram posts and tagging other account grabs others' attention in a more straightforward way. Token length indicates the length of the caption. To measure positive and negative emotions in the captions, I used an open-source tool *Empath*, a lexicon-based Python library built on “bag-of-words” approach, to analyze the post captions (Fast et al., 2016). *Empath* has built-in and pre-validated lexical categories (e.g.,

³ See <https://www.faceplusplus.com/>

⁴ See GitHub page https://github.com/ageitgey/face_recognition

positive and negative emotions) for researchers to use and demonstrates a high correlation ($r = 0.906$) with the result generated by Linguistic Inquiry and Word Count (LIWC), a commonly adopted but paid software (Fast et al., 2016). *Empath* has been applied by scholars in other business and information management studies (e.g., Muñoz & Iglesias, 2022; Nartey et al., 2022).

Account Features. Account features including the number of followers and following accounts were controlled in this study. In general, accounts with more followers have higher visibility and will thus influence the level of audience engagement.

Result of Multilevel Negative Binomial Regression

The sample characteristics including image level and account level are shown in Table 2. The correlation matrixes of the variables from image level and account level are presented in Table 3a and 3b. Overall, the result reveals that the two dependent variables – the number of likes and comments – are significantly associated with the variables of textual features (i.e., the number of hashtags and tagged accounts, token length, positive and negative emotions), the variables of visual features (i.e., brightness, contrast, colorfulness), the number of faces in the images and the four visual themes (i.e., togetherness, ecological framing, commercial framing and textual/illustrative information).

I performed the multilevel negative binomial regression using the package *lme4* in R (Bates et al., 2014). *lme4* is a commonly adopted tool to fit mixed-effect linear models and contains the negative binomial family. Table 4 shows the result of multilevel negative binomial regression. The result suggests that with togetherness being the reference group, commercial framing ($\beta = -0.095$, 95% CI = [-0.116, -0.075]) and textual/illustrative information ($\beta = -0.089$, 95% CI = [-0.109, -0.069]) demonstrate significantly negative associations with the number of likes, while ecological framing ($\beta = 0.026$, 95% CI = [-0.0003, 0.053]) does not show

significantly different effect on the number of likes from togetherness. The number of faces in images is also positively associated with the number of likes ($\beta = 0.032$, 95% CI = [0.025, 0.039]). In aesthetic features, contrast ($\beta = -0.028$, 95% CI = [-0.035, -0.021]) and colorfulness ($\beta = -0.069$, 95% CI = [-0.077, -0.062]) are negatively related to the number of likes, while brightness ($\beta = 0.001$, 95% CI = [-0.008, 0.009]) does not show significant effect on getting more likes from audiences. Among textual features, positive and negative emotions ($\beta_{positive} = 0.020$, 95% CI = [0.014, 0.026]; $\beta_{negative} = 0.021$, 95% CI = [0.014, 0.027]), the number of hashtags and tagged accounts ($\beta_{hashtag} = 0.076$, 95% CI = [0.067, 0.085]; $\beta_{tagged\ account} = 0.035$, 95% CI = [0.027, 0.042]) are all positively associated with the number of likes. At the account level, the number of followers and following accounts ($\beta_{follower} = 1.754$, 95% CI = [1.279, 2.229]; $\beta_{following} = 0.242$, 95% CI = [0.110, 0.375]) have positive associations with the number of likes.

With the number of comments being the dependent variable, ecological framing shows a significantly negative effect compared with togetherness ($\beta = -0.140$, 95% CI = [-0.221, -0.059]). While commercial framing ($\beta = -0.046$, 95% CI = [-0.108, 0.016]) and textual/illustrative information ($\beta = 0.003$, 95% CI = [-0.054, 0.068]) does not exhibit significant differences from togetherness. The number of faces, however, fails to show a significant effect on the number of comments. Among the aesthetic features, contrast ($\beta = -0.059$, 95% CI = [-0.081, -0.038]) and colorfulness ($\beta = -0.080$, 95% CI = [-0.101, -0.058]) have significantly negative associations with the number comments, which is consistent with the effect on the number of likes. In contrast with the negative effect of contrast and colorfulness, brightness is found to have a positive association with the number of comments ($\beta = 0.027$, 95% CI = [0.003, 0.052]). In textual features, negative emotion ($\beta = 0.022$, 95% CI = [0.007, 0.036]), the number of hashtags and tagged accounts ($\beta_{hashtag} = 0.058$, 95% CI = [0.034, 0.082]; $\beta_{tagged\ account} = 0.100$, 95% CI = [0.081, 0.120]) show consistent effects on the

number of comments. There are no significant effects found in positive emotion and token length. In account features, the result suggests that the number of followers and following accounts are positively related to the number of comments ($\beta_{followers} = 1.241$, 95% CI = [0.622, 1.860]; $\beta_{tagged\ account} = 0.240$, 95% CI = [0.064, 0.416]).

---- Insert Table 2, 3a, 3b and 4 here ----

Discussion

Drawing on the perspectives of legitimacy-as-perception and legitimacy-as-feeling and the literature of cultural entrepreneurship, this study seeks to address the emotional-visual gap in organization and SE studies and explore how SEs use visuals to build legitimacy strategically (Haack et al., 2014; Lounsbury & Glynn, 2001; Tost, 2011). To address the research question, I adopted an exploratory quantitative approach and automated image clustering (Wennberg & Anderson, 2020; H. Zhang & Peng, 2022). First, I employed a deep learning based automated image analysis method, i.e., image clustering, to identify the visual themes among SEs' Instagram images (Peng, 2021; H. Zhang & Peng, 2022). The result of image clustering on 38,085 images highlighted four major visual themes including *Togetherness*, *Commercial Framing*, *Ecological Framing* and *Textual/Illustrative Information*. Among the four visual themes, *Textual/Illustrative Information* is the most common type used by SEs, followed with *Togetherness* and *Commercial Framing*, while *Ecological Framing* is the least used theme among all images in the dataset. Next, I continued to examine how the four visual themes relate to SE's legitimacy by conducting a multilevel negative binomial regression and controlling for the variables of aesthetic, textual and account features. Audience's engagement including the number of likes and comments are used as the proxies of SE's legitimacy. The result revealed that with the reference of *Togetherness*, *Commercial Framing* and *Textual/Illustrative*

Information showed negative associations with the number of likes, *Ecological Framing* was negatively related to the number of comments.

In general, the four visual themes - *Togetherness*, *Commercial Framing*, *Ecological Framing* and *Textual/Illustrative Information* – reflect SEs’ cognitive and emotional strategies to construct legitimacy. In interpreting the roles of the four visual themes in SEs’ legitimacy building, I proposed four pathways of legitimacy by visual imageries including enacting emotional mobilization, enhancing cognitive visibility, increasing emotional resonance and cognitive resonance.

Togetherness: Enacting Emotional Mobilization

By showing the scenes of crowds and social activities, *Togetherness* indicate SEs’ competence in mobilizing others as supporters, elicit audiences’ emotions and transform audiences’ emotional energy into potentially subsequent actions to support the social causes that SEs promote. Past studies on social movement have suggested that visuals showing the crowds and the concrete scenes of social events had a compelling effect in arousing audiences’ emotions, boosting audiences’ efficacy towards the cause and motivating audiences to behaviorally support the cause (e.g., join the protest) (e.g., Kharroub & Bas, 2016). In addition, audiences can easily get infected by the emotions and facial expressions of the crowd or human figures in the visuals and the effect can be amplified by the scale of the crowd (e.g., Lee, 2021; Li et al., 2022; Warnick et al., 2021). Similarly, in using visuals with the theme of togetherness, SEs attach emotional values to the social cause and transform SEs’ social logic into emotionally compelling cause in an attempt to mobilize audiences to accept, understand and devote to the social values of SEs.

Commercial Framing: Enhancing Cognitive Visibility

Commercial Framing delineates the visual details of SEs' commercial products and is understood as an approach to demonstrate SEs' commercial competitiveness and enhance SEs' visibility among peer competitors. It was found that SEs in the dataset used different aesthetic strategies to improve the aesthetic values of Instagram images containing commercial products. For example, Figure 4 shows an image from the dataset under the visual theme of commercial framing. The image used balanced color, brightness and contrast and contained a clear figure-background relationship. In using images with high aesthetic values, SEs improve the visibility of Instagram posts and try to "stand out" and catch the attention of social media users whose attention span is usually short.

Commercial framing represents how SEs stand out and legitimize the commercial logic in the eyes of audiences. In an effort to improve the aesthetic values and highlight the commercial products in the visuals, SEs exploit the cognitive power of visuals and present the commercial logic in a cognitively visible way to grab audiences' attention, shape audiences' perception and elicit positive legitimacy judgment. Past literature has provided evidence on how the level of perceived aesthetic or visual "standing-out" affects individuals' attention and subsequent perceptions and evaluations. For example, Tractinsky and colleagues (2000) conducted an experiment and found a strong association between products' perceived aesthetics and perceived usability, the association persisted even after participants have tried the products. van der Heijden (2003)'s study showed a similar result showing that perceived attractiveness of a website is positively related to the perceived usefulness and participants' subsequent intention to use and actual usage behaviors. In general, it is suggested that adding aesthetic values to the images of products affects audiences' perceptions towards the product and legitimacy judgment.

---- Insert Figure 3 here ----

Ecological Framing: Increasing Emotional Resonance

Ecological Framing portrays the beauty of natural landscape and promotes a healthy, green and ecological lifestyle by showing green vegetables and plants. Ecological framing is projective and tries to establish an association between the attractiveness of natural landscape and the organizational identity among the audiences. Prior studies also uncovered the important role of ecological framing in arousing positive emotions among audiences and revealed that natural landscape and green-themed images contains huge emotional power in attracting and healing audiences (e.g., Kong et al., 2022; Roe et al., 2013).

Similar to togetherness, ecological framing shows how SEs promote the social/ecological values and legitimize the social/ecological identity. By borrowing the emotional power of ecological framing and associating the ecological aesthetic with organizational identity, SEs legitimize the social logic in hybridity by eliciting audiences' positive emotions and creating emotional resonance.

Textual/Illustrative Information: Improving Cognitive Resonance

Textual/Illustrative Information demonstrates an efficiency-oriented approach to communicate organizational identity with audiences. In textual/illustrative information, visual element is less emphasized while texts are embedded as highlighted information in visuals. It was found from the dataset that SEs used textual/illustrative information most commonly and adopted it for introducing SEs' basic information, delivering knowledge and promoting future events. These common usages indicate that textual/illustrative information is used by SEs to optimize information delivery and increase cognitive resonance with audiences. Therefore, textual/illustrative information shows a visual strategy that SEs manipulate the cognitive power of visuals and legitimize SEs' identity by enhancing cognitive resonance.

Cognitive and Emotional Strategies in Legitimacy by Visual Imageries

The result of multilevel negative binomial regression suggests that cognition-based visual strategies, i.e., commercial framing and textual/illustrative information, are less associated with SE's legitimacy indicated by the number of likes than emotion-based visual strategies including togetherness and ecological framing. However, both being the emotional strategies for legitimacy building, togetherness is more related to SE's legitimacy indicated by the number of comments than ecological framing.

Summary

Overall, this study revealed that SEs' visual-legitimacy work contains both cognitive and emotional strategies. In legitimizing SE's hybridity, SEs utilize the emotional power of visuals and attach emotional values to SEs' social logic with the attempt to emotionally mobilize and resonate with audiences. In the meanwhile, SEs also exploit the cognitive power of visuals and grant the cognitive values to the commercial logic to enhance the cognitive resonance and visibility for legitimacy building. Emotional strategies including togetherness and ecological framing are more related to the number of likes than cognitive strategies, while within the emotional strategies, togetherness is more associated with the number of comments than ecological framing.

Contributions

Methodological Contribution

This study contributes to methodological innovation in organization and SE studies by demonstrating the use of image clustering in analyzing and categorizing images. With the advancement of computer vision, scholars started to bring the technology into the field of social science research (Chen et al., 2021). One group of researchers that use automated image

analysis turned to the API services provided by large technology companies (e.g., Google, Amazon, Microsoft) to process images. The other group adopted transfer learning and analyzed images using pre-trained CNN models. While this study brings image clustering – a deep learning method combining transfer learning and clustering and is initially developed and applied in political science – to the field of organization and SE studies. Similar to topic modeling that identifies latent semantic structures from large and unorganized corpora and has been widely applied in business and management studies, image clustering is able to categorize a large amount of unorganized images into visually-coherent clusters (Blei et al., 2003; Hannigan et al., 2019; Schmiedel et al., 2019). This study demonstrates the potential of image clustering in interrogating business and management topics.

Contributions to Social Entrepreneurship Studies

This study makes novel contributions to SE studies in three ways. First, this study adds new insights to SE's legitimacy by revealing the emotional foundation of legitimacy. Prior literature on SE's legitimacy building predominantly focused on the cognitive foundation and tried to alter audiences' perception towards SEs through deploying cognitive resources such as selective coupling, protective disguise, creating spaces of negotiations, among others (e.g., Battilana et al., 2015; Neuberger et al., 2021; Pache & Santos, 2013). Very few SE studies examined the emotional affective foundation of legitimacy (Barberá-Tomás et al., 2019; Ruebottom, 2013). This study adds to the emotional stream of research on SE's legitimacy and emphasizes that SEs can win legitimacy by manipulating emotional resources. More importantly, this study provides nuanced insights to SE's strategies to legitimize hybridity. Past studies have commonly adopted a mono-perspective of legitimacy, either focusing on the cognitive foundation or the emotional foundation of legitimacy, and theorized SE's legitimation strategies from either cognition-based or emotion-based mechanism. This study,

by resorting to the visual aspect of legitimacy, reveals SEs' legitimation strategies through exploiting the emotional and cognitive power of visuals and allocating emotional and cognitive values to social and commercial logic to win legitimacy from audiences.

Second, this study is among the first to investigate the visual strategies of SE in legitimacy building. Being consistent with organization studies, prior SE literature has investigated the linguistic styles of social entrepreneurs (e.g., Chandra, 2017; Parkinson & Howorth, 2008; Ruebottom, 2013). This study adds nuanced insights to SE's legitimacy building by looking into the visual strategies on social media platform and expands the scope of SE's legitimacy from linguistic-oriented legitimacy to legitimacy by visual imageries.

Third, this study utilized social media data, i.e., Instagram images and metadata, to examine SE phenomenon, which add new texture to SE scholarship. Existing SE studies have commonly adopted case study and survey data as the dominant data source. Until recently, SE scholars start to embrace experimental data to identify causal relationships in SE phenomenon (e.g., Lortie et al., 2022). However, scant attention in SE research has been paid to social media data and other types of big data despite that some SEs are active social media users (e.g., Facebook, Twitter, Instagram and Tik Tok) for promoting their identity and business in an open and interactive platform (Ali et al., 2022). This study fills in the data-source gap in SE studies by resorting to big data from social media platforms.

Contributions to Organization Studies

This study makes important contributions to organization studies in several ways. First, it adds empirical texture to the literature of legitimacy-as-feeling which has not been extensively studied and demonstrates SEs' emotional mobilization and resonance strategies for legitimacy building (Haack et al., 2014; Voronov & Vince, 2012). More importantly, this study adopts an integrative perspective of legitimacy by addressing both the cognitive and emotional

underpinnings of legitimacy and examined SEs' legitimacy strategies from both cognitive and emotional aspects. It is acknowledged from past literature that evaluators do not rely on solely cognitive or emotional system to make legitimacy judgment (Haack et al., 2014; Huy et al., 2014; Lefsrud et al., 2020). This study thus sees legitimacy judgment as a cognition and emotion-laden process.

Second, this study contributes to cultural entrepreneurship by addressing the emotional gap. Extant studies on cultural entrepreneurship commonly resorted to three major legitimation strategies – fitting in, standing out and establishing relationship with already legitimate organizations – to demonstrate how entrepreneurs navigate cultural devices for legitimacy building (e.g., Glynn & Abzug, 2002; Lounsbury & Glynn, 2001; Tauscher et al., 2021; Villela et al., 2021). However, recognizing the emotional affective underpinnings of legitimacy as well as the potential emotional power of cultural devices, I add to the theory of cultural entrepreneurship by identifying the emotional foundation of legitimacy, unveiling the emotional strategies of organizations for constructing legitimacy and unleashing the full power of cultural devices in enhancing cognitive resonance as well as eliciting emotional energy for driving organizational legitimacy.

Third, this study enriches cultural entrepreneurship by turning attention to visuals as cultural devices for legitimacy building. Past literature in cultural entrepreneurship has prevalently examined the role of linguistic tools as the dominant cultural devices and interrogated the linguistic aspect of legitimacy while has not fully explored the possibilities of other cultural devices (e.g., Brown et al., 2012; Fisher et al., 2021; Phillips et al., 2004; Suddaby & Greenwood, 2005). By using Instagram images as the data source, this study expands the scope of cultural devices from linguistic tools to visual tools and proposes the visual aspect of legitimacy as another important dimension of organization legitimacy for organizations to build, manage and maintain.

Implications

This study has strategic implications for policymakers and SE practitioners. First, this study highlights SE's legitimacy by visual imageries as a crucial element in SE's overall legitimacy. In building organizational legitimacy for SEs and institutional legitimacy for SE sector, SE practitioners and policymakers are suggested to take visual tools into account and exploit the power of visuals in persuading stakeholders and the public. For example, manipulating the visual strategies on social media platforms, strategizing the use of aesthetic features in funding proposal and logo design can be plausible approaches to apply visuals into practices.

Second, the result of the study provides detailed and robust suggestions on social media management. For example, the result highlights togetherness as a salient visual theme in getting more likes and comments from audiences. SE practitioners can adjust their visual strategies intentionally to get more engagement and interactions with audiences on social media platform. In addition, the finding also revealed that negative emotions in textual caption are related to higher level of audience engagement. Accordingly, SE practitioners can manipulate the textual features in getting more attention and interaction.

Third, this study demonstrates that analyzing social media data is able to generate valuable insights for communication management and marketing research. For SE practitioners and policymakers who aim to understand and track audiences' preferences of visual language, similar methods and data source can be adopted.

Limitations and Future Directions

This study has some limitations. First, Instagram accounts included in this study do not cover all SEs in Hong Kong and might be biased to SEs which are social-media savvy. Second, the audiences of Instagram are dominated by people aged below 44 years old (Statista, 2022). Thus, audience engagement in this study might be skewed by age. Third, the estimated model in this

study can only be able to show associations between variables rather causal relationship as the nature of the data is sectional. Last, the inferences on how the four major visual themes generated from the SEs' Instagram led to emotional/cognitive outcomes were based on relevant literature. This sets avenues for future research to validate the cognitive and emotional mechanisms of SE's legitimacy building with more empirical studies such as experiments.

Future studies can be carried out to continue the investigation towards SE's legitimacy from the following approaches. First, replicated studies can be done to examine SE's visual strategies of legitimacy building in different cultural contexts and different social media platforms (e.g., Twitter, Facebook, Weibo) and interrogate the role of contexts in differentiating SE's visual strategies. Scholars can use similar methods, i.e., automated image analysis, or develop new methods by training their own visual models.

Second, by utilizing visuals as data source, SE scholars can quantitatively measure the degree of SE's hybridity on social media platform (Shepherd et al., 2019) and examine how the degree of hybridity demonstrated by SE's visual strategies influences SE's legitimacy evaluated by audiences. Past literature has examined SE's hybridity through qualitative methods (e.g., Battilana et al., 2015; Pache & Santos, 2013; Smith & Besharov, 2019) and there lacks a quantitative perspective to look into SE's hybridity and link it to outcome variables (e.g., organizational performance, legitimacy).

Third, this study, with a sectional dataset, is not able to infer causal relationships between variables. Future studies can use experimental design to investigate the causality and the effectiveness of SE's visual strategies for legitimacy building. Scholars can use survey experiment to manipulate SE's visual strategies and test the effectiveness of certain visual themes (e.g., togetherness, commercial framing, ecological framing and textual/illustrative information) and compare the effectiveness of visual strategies with rhetorical strategies in driving SE's legitimacy. Additionally, eye-tracking experiment is another plausible method to

explore what type of visual elements is more effective in attention grabbing and emotional eliciting than others and their effectiveness in producing SE's legitimacy.

Next, SE scholars can examine the role of the multimodal information (e.g., text + visual) in building SE's legitimacy. With different attributes and strengths, visual and verbal language should be deployed differently and strategically to achieve the optimal outcomes in different contexts. In scenarios where texts and visuals are both important, practitioners are advised to resort to multimodal information by combining texts and visuals. However, we still know little about the optimal approaches to combine texts and visuals in achieving desirable outcomes for SEs' identity building. Experiment and survey are optional methods to investigate the research question.

Last, as short videos start to dominant social media platforms (e.g., Tik Tok), videos play an increasingly important role in information delivery and organizational communication with audiences (e.g., Wiley et al., 2022; Zhou et al., 2021). If managed properly, videos can be an effective tool for SEs to build preferred identity, reduce perceived complexity and legitimize hybridity in the eyes of audiences. To date, we still do not know how SEs use videos as a communication method on social media platforms and the effectiveness of videos compared to other types of communication methods (e.g., linguistic tools, visuals). Scholars can use an exploratory quantitative method and use video analysis methods to analyze SEs' strategies to build legitimacy by using videos.

Conclusion

This study sets out to explore how SEs use visuals for legitimacy building. Drawing on the perspectives of legitimacy-as-perspective and legitimacy-as-feeling and the literature of cultural entrepreneurship, this study revealed that SEs fully exploit the cognitive and emotional power of visuals. By attaching emotional values to social logic, SEs make the social cause

more emotionally compelling as to emotionally mobilize and resonate with audiences. By allocating visuals' cognitive power to commercial logic, SEs aim to enhance the cognitive resonance and visibility. This study contributes to organization and SE studies by addressing the emotional-visual gap and provides insightful implications for SE practitioner and policymakers.

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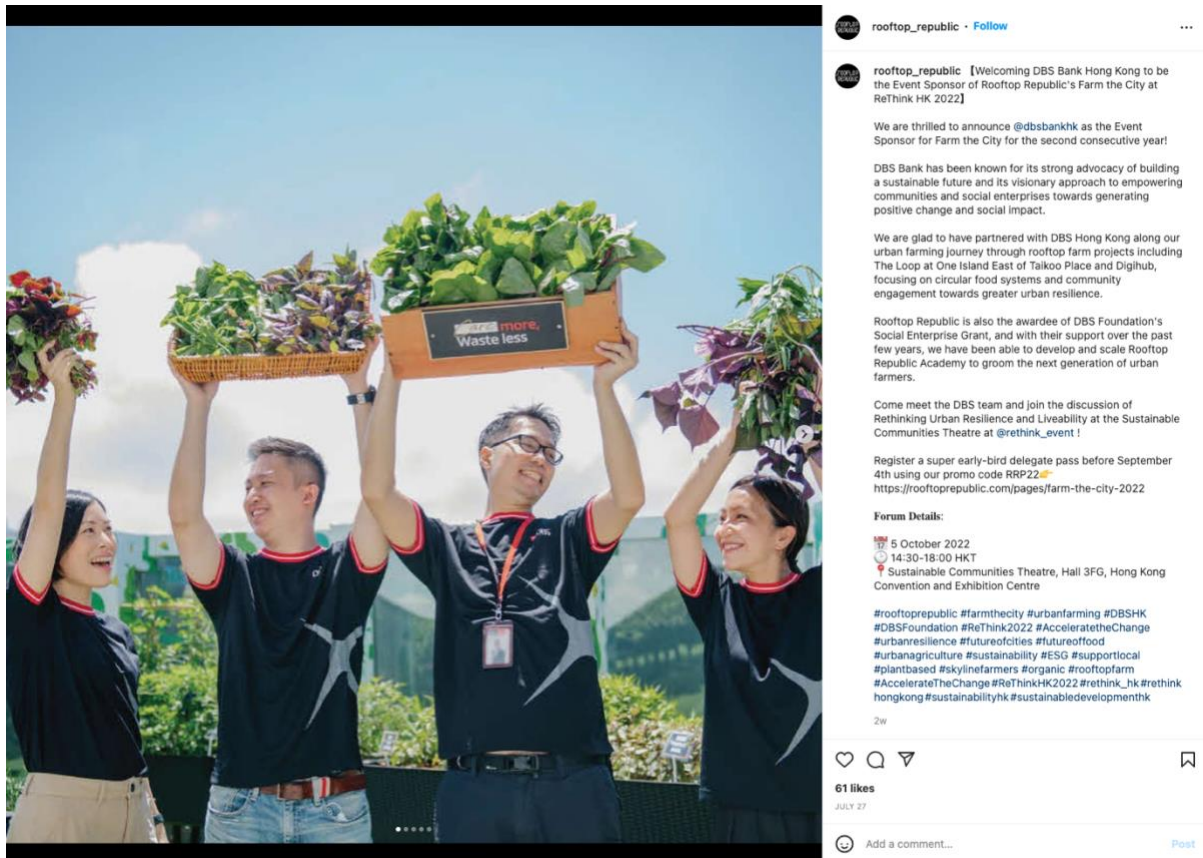
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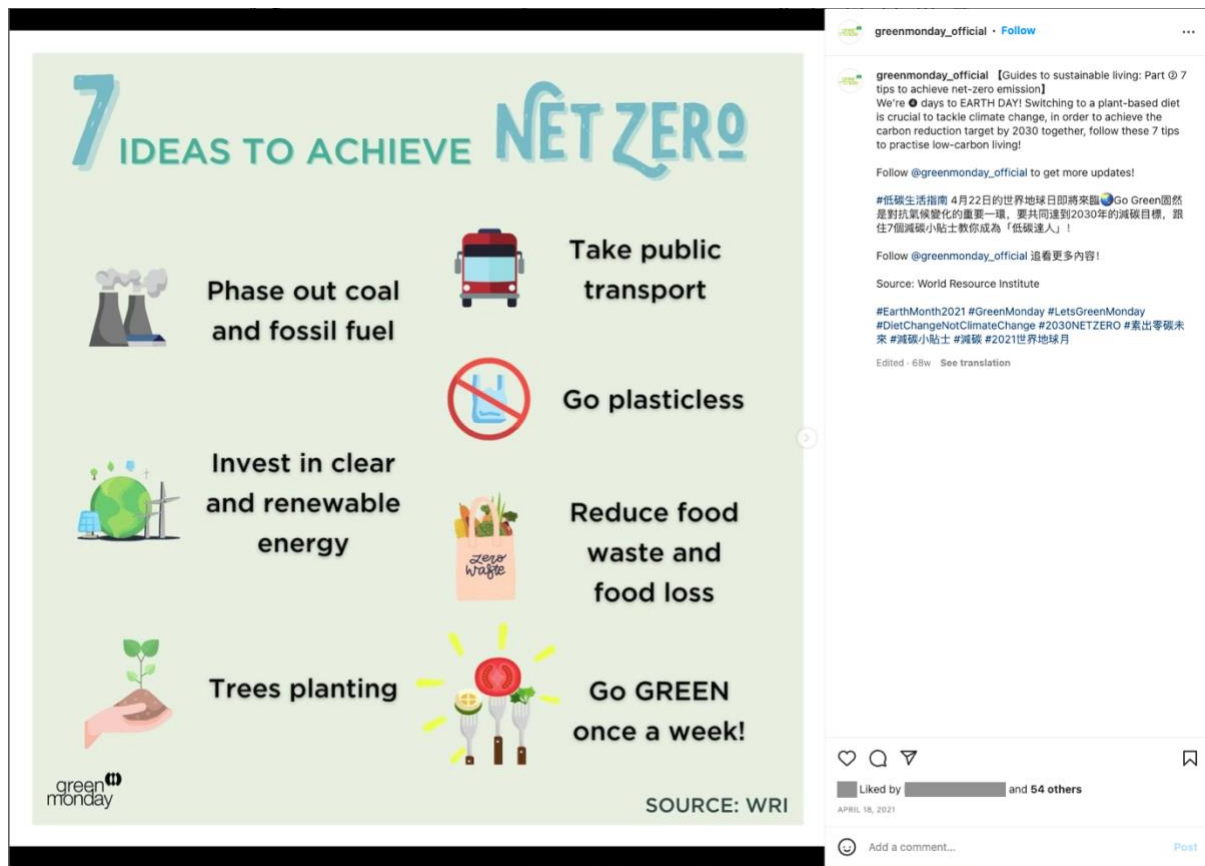
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Figure 1a: Example of Images with Emotional Appeal



(Source: Instagram post of Rooftop Republic Urban Farming)

Figure 1b: Example of Image with Functional Appeal



(Source: Instagram post of Green Monday)

Figure 2: Result of Image Clustering



Figure 3: Example Image of Commercial Framing



Table 1: Example Images for Visual Categories

Category	URL	Account Name	Image Description
Togetherness	https://www.instagram.com/p/BWcPOL0B6U0	dialogue_experience	A group of people in front of a sports center after a running activity
	https://www.instagram.com/p/B6rgyWqDV3c	timeauction	A group of people in a restaurant after a volunteer-hour raising activity
	https://www.instagram.com/p/Bd2LoR8lmUU	eldpathy	Six people in front of a screen after a training session
Commercial Framing	https://www.instagram.com/p/CQNfcFaj_bo	joyster.living	A handmade accessory
	https://www.instagram.com/p/CKV-RE9g23C	veggielabo	A bowl of oden
	https://www.instagram.com/p/BoDjCBWnPo0	gingko2005	A pot of fruit tea
Ecological Framing	https://www.instagram.com/p/CGRqx9Og0pM	dyelicioushouse	Four people doing farm work
	https://www.instagram.com/p/CCLE8wMjBy-	battalion_thai.boxing	A person doing yoga on the beach with the background of sunset
	https://www.instagram.com/p/Bd4KYtZF2fb	rooftop_republic	Some green vegetables
Textual/Illustrative Information	https://www.instagram.com/p/8gDGI815Pi	dustykid_hk	Two cartoon characters and a quote that encourages positive mentality
	https://www.instagram.com/p/BRmKTe6jQKK	clean_the_world_asia	A quote that encourages change making behaviors
	https://www.instagram.com/p/CAOsVwrD2mh	sweetstories.hk	A poster promoting an online event

Table 2: Sample Characteristics

Statistic	N	Mean	St. Dev.	Min	Pctl(25)	Pctl(75)	Max
<i>Level 1 (Image)</i>							
Brightness	38,085	0.61	0.18	0.00	0.48	0.75	1.00
Contrast	38,085	60.98	15.80	0.00	50.53	71.87	122.76
Colorfulness	38,085	51.27	28.51	0.00	32.87	66.01	238.13
No. of Faces	38,085	1.14	3.36	0	0	1	50
No. of Hashtags	38,085	10.73	9.94	0	2	18	53
No. of Tagged Accounts	38,085	0.51	1.31	0	0	1	27
Token Length	38,085	109.59	119.29	0	27	153	1,438
Positive Emotion	38,085	0.01	0.04	0.00	0.00	0.01	1.00
Negative Emotion	38,085	0.004	0.02	0.00	0.00	0.00	0.50
No. of Likes	38,085	182.92	569.05	0	9	56	16,750
No. of Comments	38,085	1.61	6.24	0	0	1	280
<i>Level 2 (Account)</i>							
No. of Togetherness	163	68.546	182.764	0	6	57	2,079
No. of Ecological Framing	163	19.982	66.510	0	0	12	605
No. of Commercial Framing	163	53.699	152.369	0	3	35.5	1,432
No. of Text/Illustration	163	91.423	220.212	0	16	94.5	2,671
No. of Posts	163	233.65	457.93	1	43.5	261	3,944
No. of Followers	163	2,203.26	8,454.63	54	304	1,499	102,000
No. of Following Accounts	163	456.65	815.84	0	65	484.5	5,317

Table 3a: Correlation Matrix (Image Level)

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<i>Textual Features</i>															
(1) No. of Hashtags	1														
(2) No. of Tagged Accounts	0.08***	1													
(3) Token Length	0.12***	0.12***	1												
(4) Positive Emotion	-0.03***	-0.03***	-0.10***	1											
(5) Negative Emotion	-0.02***	-0.03***	-0.04***	0.09***	1										
<i>Visual Features</i>															
(6) Brightness	0.02***	-0.06***	0.00	0.05***	0.06***	1									
(7) Contrast	0.05***	0.03***	0.08***	-0.08***	-0.06***	-0.36***	1								
(8) Colorfulness	0.00	0.07***	0.11***	-0.02***	-0.06***	-0.22***	0.10***	1							
(9) No. of Faces	-0.06***	0.04***	-0.02***	0.00	-0.02***	-0.17***	0.2***	0	1						
(10) Togetherness	0.08***	0.03***	0.02**	0.02***	-0.02***	0.04***	0.02**	0.10***	-0.06***	1					
(11) Ecological Framing	-0.09***	0.03***	-0.02***	0.01	-0.02***	-0.27***	0.04***	0.07***	0.27***	-0.24***	1				
(12) Commercial Framing	-0.02***	-0.05***	-0.08***	0.03***	0.07***	0.25***	-0.12***	-0.25***	-0.09***	-0.32***	-0.22***	1			
(13) Text/Illustrations	-0.01*	-0.01*	0.08***	-0.05***	-0.02***	-0.04***	0.08***	0.09***	-0.03***	-0.41***	-0.29***	-0.38***	1		
(14) No. of Likes	-0.16***	-0.08***	-0.18***	0.10***	0.15***	0.35***	-0.29***	-0.33***	-0.08***	-0.08***	-0.09***	0.34***	-0.15***	1	
(15) No. Comments	-0.02**	0.03***	-0.07***	0.02***	0.10***	0.15***	-0.13***	-0.15***	-0.05***	-0.04***	-0.04***	0.17***	-0.09***	0.46***	1

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Table 3b: Correlation Matrix (Account Level)

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1) No. of Togetherness	1						
(2) No. of Ecological Framing	0.51***	1					
(3) No. of Commercial Framing	0.38***	0.70***	1				
(4) No. of Text/Illustration	0.25**	0.18*	0.40***	1			
(5) No. of Posts	0.72***	0.67***	0.78***	0.74***	1		
(6) No. of Followers	0.20*	0.20*	0.42***	0.89***	0.68***	1	
(7) No. of Following Accounts	0.05	0.13	0.14	0.04	0.10	0.03	1

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Table 4: Multilevel Negative Binomial Regression Result

	<i>Dependent Variables</i>			
	Number of Likes		Number of Comments	
	β	95% CI	β	95% CI
<i>Fixed Effects</i>				
Visual Themes (ref = Togetherness)				
Commercial Framing	-0.095***	[-0.116, -0.075]	-0.046	[-0.108, 0.016]
Ecological Framing	0.026	[-0.0003, 0.053]	-0.140***	[-0.221, -0.059]
Textual/Illustrative Info	-0.089***	[-0.109, -0.069]	0.003	[-0.054, 0.068]
Number of Faces	0.032***	[0.025, 0.039]	-0.019	[-0.058, 0.064]
Aesthetic Features				
Brightness	0.001	[-0.008, 0.009]	0.027*	[0.003, 0.052]
Contrast	-0.028***	[-0.035, -0.021]	-0.059***	[-0.081, -0.038]
Colorfulness	-0.069***	[-0.077, -0.062]	-0.080***	[-0.101, -0.058]
Textual Features				
Positive Emotion	0.020***	[0.014, 0.026]	-0.011	[-0.027, 0.004]
Negative Emotion	0.021***	[0.014, 0.027]	0.022**	[0.007, 0.036]
Token Length	-0.003	[-0.01, 0.005]	0.021	[-0.002, 0.044]
No. of Hashtags	0.076***	[0.067, 0.085]	0.058***	[0.034, 0.082]
No. of Tagged Accounts	0.035***	[0.027, 0.042]	0.100***	[0.081, 0.120]
Account Features				
Number of Followers	1.754***	[1.279, 2.229]	1.241***	[0.622, 1.860]
Number of Followings	0.242***	[0.110, 0.375]	0.240**	[0.064, 0.416]
Publication Year	Fixed		Fixed	
Industrial Category	Fixed		Fixed	
Intercept	2.309***	[1.816, 2.802]	-0.103	[-0.817, 0.610]
<i>Random Effects</i>				
Std.Dev. of Accounts	0.824		1.059	
<i>Model Fit</i>				
Pseudo-R ² (fixed effects)	0.808		0.465	
Pseudo-R ² (total)	0.985		0.698	
AIC	331149.509		91427.745	
BIC	331440.127		91718.363	
<i>Model Info</i>				
Observations	38,085		38,085	
Number of Groups	163		163	

Notes:

1. * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$
2. Standardized coefficients are shown.

Appendix A: Example Code of Self-Built Python Crawler

```
1. import instaloader
2. import traceback
3. import time
4. import random
5. from itertools import dropwhile, takewhile
6. from datetime import datetime
7.
8.
9. L = instaloader.Instaloader(
10.     download_videos=False, download_video_thumbnails=False, save_metadata=False,
11.     compress_json=False, post_metadata_txt_pattern="", slide= "1",
12.     dirname_pattern="$LOCAL_PATH$",
13.     filename_pattern="{target}_{date_utc}_UTC")
14.
15. L.login($ACCOUNT_NAME$, $PASSWORD$)
16. print("*****LOGIN GOOD*****")
17.
18. def get_post_images_date(username):
19.     posts=instaloader.Profile.from_username(L.context,username).get_posts()
20.     SINCE = datetime(yyyy,mm,dd)
21.     UNTIL = datetime(yyyy,mm,dd)
22.     i=0
23.     for post in takewhile(lambda p: p.date > SINCE, dropwhile(lambda p: p.date > UNTIL,
posts)):
24.         try:
25.             if post.typename=="GraphVideo":
26.                 pass
27.             else:
28.                 L.download_post(post,username)
29.                 i+=1
30.                 print("*****RETRIEVING "+str(i)+" IMAGE FROM
"+post.profile+" DONE*****")
31.         except Exception:
32.             print("ERROR https://www.instagram.com/p/"+post.shortcode)
33.             traceback.print_exc()
34.             sleeptime=random.randint(20,30)
35.             time.sleep(sleeptime)
36.
37.
38. def get_post_images(username):
39.     posts=instaloader.Profile.from_username(L.context,username).get_posts()
40.     i=0
41.     for post in posts:
42.         try:
43.             if post.typename=="GraphVideo":
44.                 pass
45.             else:
46.                 L.download_post(post,username)
47.                 i+=1
48.                 print("*****RETRIEVING "+str(i)+" IMAGE FROM
"+post.profile+" DONE*****")
49.         except Exception:
50.             print("ERROR https://www.instagram.com/p/"+post.shortcode)
51.             traceback.print_exc()
52.             sleeptime=random.randint(20,30)
53.             time.sleep(sleeptime)
54.
55. usersfile=open($ACCOUNT_LIST_PATH$, "r")
56. userlist=usersfile.readlines()
57. for username in userlist:
58.     username=username.strip()
59.     print("*****STARTING "+username+"*****")
60.     new_lines=get_post_images(username)
61.     print("*****RETRIEVING "+username+" ACCOUNT DONE*****")
```

General Conclusion

This dissertation aimed to investigate SE's legitimacy building and consumer's legitimacy judgment with theory-driven (Essay 2) and data-driven approaches (Essay 1 and 3). In the three essays, I examined SE's legitimacy building by focusing on both the cognitive and emotional underpinnings of legitimacy and interrogated SE's legitimacy building strategies from rhetorical to visual aspects. In the first essay, I explored the determinants of SEs' legitimacy in the eyes of consumers. In the second essay, I proposed an integrative model of SE's legitimation process from SE's rhetorical legitimation strategies, consumer's legitimacy judgment to consumer responses based on the theory of cultural entrepreneurship. The third essay moved from SE's rhetorical strategies to visual strategies and investigated how SEs used visuals to establish legitimacy.

The first essay is entitled "The Determinants of Social Enterprises' Legitimacy: Insights from Online consumer Reviews". Prior SE literature has prevalently focused on powerful and resource-rich actors in shaping SE's legitimacy, while overlooked the role of consumers in SE's legitimacy building. To address the "legitimacy-consumer" gap in SE research, I draw on the literature of legitimacy-as-perception and see consumers as active evaluators of SE's legitimacy. I adopted an exploratory quantitative method and used a novel dataset – online consumer reviews of SE restaurants – and an unsupervised topic modeling approach to investigate *what drives SE's legitimacy evaluated by consumers*.

The result highlighted that consumers' legitimacy judgment consisted of instrumental, moral and relational evaluation as well as emotional reaction. Based on the result of topic modeling, I further investigated how consumer's evaluation of SE's hybridity – instrumental evaluation and moral evaluation – influenced SE's legitimacy. The result showed that the weights of instrumental evaluation and moral evaluation were positively related to SE's legitimacy. This study contributes to SE and organization studies by highlighting the emotional

affective foundation of consumer's legitimacy judgment, quantifying the relationship between consumer's evaluation on SE's hybridity and SE's legitimacy, advancing the methodology of SE studies with novel dataset and analytical tool.

The second essay is entitled "The Power of Rhetoric: An Integrative Model of Legitimacy Building, Legitimacy Judgment and Consumer Responses in Social Enterprises". In organization studies, rhetoric has become a key cultural tool to build organizational identity, construct organization legitimacy and communicate with various stakeholders. However, extant studies on how organizations use rhetoric for legitimacy building lack the awareness of "legitimate for whom", especially consumers as the audience and evaluator of organizational legitimacy. Establishing on the theory of cultural entrepreneurship, I proposed an integrative model of SE's legitimation processing including SE's rhetorical legitimation strategies, consumer's legitimacy judgment and consumer responses.

To examine the model, I conducted two scenario-based experiments. The result shows that social discourse, commercial discourse, distinctiveness and certification are effective for SEs to gain legitimacy evaluated by consumers. The legitimacy in turn is translated into favorable consumer responses and consumer's social awareness enhancement. The level of consumer's prior knowledge of SE also positively predicts SE's legitimacy. Additionally, the result reveals that the occurrence of social discourse and commercial discourse will not pose a threat to SE's legitimacy, instead, commercial discourse is another significant driver for SE's legitimacy.

The third essay is entitled "How Social Enterprises Gain Legitimacy Using Visuals: Insights from Social Enterprises' Instagram Images". Prior literature on organizational strategies for legitimacy building has extensively emphasized the cognitive foundation of legitimacy while paid little attention to the emotional affective foundation. Empirical studies on cultural entrepreneurship predominantly examined the role of linguistic tools for legitimacy

building and overlooked how other types of cultural tools such as visuals help organization establish legitimacy. To address the visual-emotional gap in organization and SE literature, I used an exploratory quantitative method and investigated *How do social enterprises use visuals for legitimacy building?*

I employed a novel dataset – SEs’ Instagram images – and a deep learning-based image clustering approach to identify the visual themes among SEs’ Instagram images. The result highlights four major visual themes – togetherness, commercial framing, ecological framing and textual/illustrative information, from which I theorize four pathways of visual-enabled legitimacy building – enacting emotional mobilization, enhancing cognitive visibility, increasing emotional resonance and cognitive resonance. For SEs to legitimize hybrid logics using visuals, SEs attach the emotional power of visuals to social logic and assign cognitive power of visuals to commercial logic. The result of the following multilevel negative binomial regression suggests that emotion-based visual strategies are more related to SE’s legitimacy indicated by the number of likes than cognition-based visual strategies.

Overall, this dissertation makes important contributions to organization and SE studies in several ways. First, it brings consumers into the front and center of SE studies. By seeing consumers as active evaluators of SE’s legitimacy and examining how consumers perceive the hybridity of SE, this dissertation provides nuanced insights to the literature on SE’s legitimacy building. Second, this dissertation offers the first model centering on SE’s legitimation process from SE’s legitimation strategies, consumer’s legitimacy judgment to the subsequent consumer responses. Third, this dissertation contributes to cultural entrepreneurship by expanding it to the realm of social entrepreneurship, unveiling the emotional pathway of legitimacy building and highlighting visual tool as another important cultural device for constructing legitimacy. Last, this dissertation offers novel methodological contributions by bringing topic modeling, experimental design and automated image analysis into the toolkits of organization and SE

scholars and triangulating textual data, visual data and experimental data to diversify the available data sources for scholarly inquiries of organizational and SE phenomenon.