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An Empirical Study on the Relationship between Media Enterprise Competitiveness and Social Responsibility

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Abstract. In today's society, people are increasingly demanding companies. In addition to winning profits, a successful company must be able to perform its social responsibilities well. The different social responsibility behaviors of enterprises affect their competitiveness to a certain extent. This paper chooses the media industry with large social responsibility as the research object. Based on the stakeholder theory, it establishes the media enterprise social responsibility evaluation index system, studies the relationship between media corporate social responsibility and competitiveness and guides significance for corporate social responsibility behavior, in order to help the company's healthy development.

1. Introduction

With the improvement of the economic level, emerging issues such as food hygiene and intensified enterprise competition have occurred frequently and corporate social responsibility behavior has aroused widespread concern. Among them, the media industry has been controversial because of the phenomenon of ‘unfair social responsibility’ such as poor information dissemination and lax supervision. Milton Friedman believes that the only social responsibility of the company is to increase profits [1]. Kou Xiaoxuan believes that enterprises should not only pay attention to shareholders, but also employees, governments, suppliers and other stakeholders [2]. This paper conducts an empirical study on the relationship between media corporate social responsibility and corporate competitiveness. It has reference value for the balance between the pursuit of profit and social responsibility of media companies and has positive theoretical value.

2. Research design

2.1 Research samples and data sources

This paper studies the enterprise competitiveness of China's media listed companies, selects 2014-2018 as the research time period and randomly selects 7 listed products from the three categories of the media industry: cultural media, marketing communication and internet media according to Shenwan industry classification criteria. The company eliminated the Kodak shares with more missing values and the palm-reading technology listed in 2017. The remaining 19 media companies were used as research samples and 93 valid sample observations were finally obtained.

The data required for this article is arranged and calculated from the Wind database, Juchao Information Network and Oriental Fortune. In order to better explain the dependent variable, the enterprise competitiveness is processed.

2.2 Variable selection and indicator selection

2.2.1 Selection of corporate social responsibility variables

Based on the stakeholder theory, this paper establishes the indicator system as shown in Table 1 to measure the social responsibility of media companies. Since the cultural media industry is a typical environmental protection industry, its impact on the ecological environment is small so this paper does not consider the environment as a dimension of the evaluation system.

Table 1. Social Responsibility Measurement Indicators of Media Listed Companies

Responsibility to stakeholders	Metrics
Responsibility to shareholders	Return on net assets
	Earnings per share
Responsibility to employees	Payroll payrolls as a percentage of main business income
Responsibility to consumers	Operating cost as a percentage of total profit
Responsibility to creditors	Quick ratio
	Assets and liabilities
Responsibility to the government	Government revenue contribution rate = taxable income / main business income
Responsibility to society	Government subsidy ratio = government subsidy / main business income
Responsibility to suppliers	Accounts payable turnover

2.2.2 Construction of Enterprise Competitiveness Index System

This paper quotes Jin Bei's competitiveness evaluation system [3]. And combined with the research of Li Gang [4] and others, it selects the competitiveness indicators and their calculation weights as shown in Table 2 to measure and weight the scores of enterprise competitiveness.

Table 2. Evaluation index and weight of enterprise competitiveness

Variable	Abbreviation	Indicator name	Indicator calculation	Calculation weight
Scale factor	OR	Operating revenue	Obtained in the company's annual report	0.206
	NP	Net profit	Obtained in the company's annual report	0.165
	NA	Net assets	Obtained in the company's annual report	0.115
Growth factor	OGP3Y	Operating revenue growth in past three years	(Year operating revenue / operating revenue Three years ago) 1 / 3-1	0.176
	NPG3Y	Net profit growth in nearly three years	(Year net profit / net profit three years ago) 1 / 3-1	0.146
Efficiency factor	ROE	ROE	Net profit / net assets	0.096
	ROA	ROA	Net profit / average total assets	0.096

2.2.3 Control variables

Generally speaking, due to the scale effect, enterprises with larger scales are more likely to form enterprise moats and their competitiveness is greater. Therefore, this paper takes the enterprise scale as the control variable and uses the logarithmic enterprise's final assets at the end of the period.

2.3 Research model

2.3.1 Enterprise competitiveness model

$$EC = \alpha_1 OR + \alpha_2 NP + \alpha_3 NA + \alpha_4 OGP3Y + \alpha_5 NPG3Y + \alpha_6 ROE + \alpha_7 ROA \tag{1}$$

Among them, EC is the competitiveness of the enterprise. In addition, $\alpha_1, \alpha_2, \alpha_3, \alpha_4, \alpha_5, \alpha_6$ and α_7 correspond to the weight values of OR, NP, NA, $OGAP3Y$, $NPG3Y$, ROE and ROA.

2.3.2 Model of the relationship between social responsibility and corporate competitiveness of media listed companies

$$\begin{aligned} EC_{it} &= \beta_0 + \beta_1 ROE_{it} + \beta_2 EPS_{it} + \beta_3 EL_{it} + \beta_4 OCTP_{it} + \beta_5 QR_{it} + \beta_6 DAR_{it} + \beta_7 GRC_{it} + \beta_8 GSR_{it} + \beta_9 AT_{it} \\ &+ \beta_{10} Size_{it} + \varepsilon \end{aligned} \tag{2}$$

Among them, EC is the competitiveness of enterprises, β_0 is the intercepted items, $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7, \beta_8, \beta_9, \beta_{10}$ are the return on net assets, earnings per share, payroll as a percentage of main business income, total profit from operating costs, quick ratio, asset-liability ratio, government revenue contribution rate, the regression coefficient of contribution rate, government subsidy ratio, accounts payable turnover rate and asset size. Besides, ε is the residual item.

3. Empirical analysis

3.1 Correlation analysis

According to the correlation analysis of SPSS 22.0, the competitiveness of media listed companies is significantly positively correlated with ROE and EPS; corporate competitiveness is positively correlated with $OCTP$ and negatively correlated with GRC and AT. However, it was not significant; EC is negatively correlated with QR at a 5% significance level; EC and DAR were significantly positively correlated at 10%; EC and GSR were significantly negatively correlated at 5%. About the control variables, the correlation coefficient between EC and $Size$ is 0.885 and the competitiveness of media companies is significantly positively correlated with assets.

3.2 Regression analysis

The correlation between media listed companies and corporate social responsibility indicators indicates that EC is significantly correlated with ROE, EPS, QR, DAR, GSR, and $Size$, then perform the further regression analysis. Table 4, Table 5 and Table 6 shows the regression results as follows.

Table3. Goodness of fit test

R^2	0.935	Adjust R^2	0.866

Table4. Significance test of multiple regression equation

F	100.140	Sig. F	0.000b

Table5. Explanatory variable regression coefficient table

variable	Non-standardized coefficient	T value	Significant
ROE	0.001	4.198	0.134
EPS	0.047	0.440	0.000
QR	-0.001	0.011	0.661
DAR	0.014	4.310	0.000
GSR	-0.097	-3.995	0.000
$Size$	0.955	18.514	0.000

It can be seen from Table 4 that the coefficient of determination of multiple linear regression is adjusted by R^2=0.866, indicating that the linear model can explain the variation of the independent variable of 86.6% and the fitting effect is good; the significance value of the F test is Sig.=0.000b, indicating that the regression model is significant and the linear relationship between EC and ROE, EPS, QR, DAR, GSR and $Size$ is significant. The T value of ROE, DAR and $Size$ is significantly checked, while the T values of EPS, QR and GSR are not significant enough.

Media companies have a positive correlation between social responsibility of shareholders and corporate competitiveness:

From the regression results in Table 6, it can be seen that the regression coefficients of ROE and EPS are 0.001 and 0.047. The significance levels of them are 0.134 and 0.000 respectively. There is a positive correlation between corporate social responsibility and corporate competitiveness, among which EPS has a greater impact on the competitiveness of enterprises.

The relationship between media companies' social responsibility of creditors and corporate competitiveness is uncertain:

The coefficients of QR and DAR are -0.001 and 0.014. And their significance levels are 0.661 and 0.000. However, the significance level of QR is low and the reliability is small. The influence of DAR on the competitiveness of enterprises is greater. This situation occurs because the excessive performance of the company's responsibility to the creditor may result in less liquid assets and lower capital utilization. However, on the other hand, if the company's performance of the creditor's responsibility is good, it will easily obtain more loans and profits.

Media companies have a negative correlation between social responsibility in social dimensions and corporate competitiveness:

The regression coefficient of GSR is -0.097 and the significance level is 0.000. The result is significant. This may be due to the fact that enterprises bear too much social responsibility to increase costs and reduce current performance in the short term.

4. Research conclusions

For media companies, the social responsibility of consumers is positively related to corporate competitiveness, and the social responsibility of government and suppliers is negatively correlated with corporate competitiveness. However, their correlations are not significant. The social responsibility of media companies to shareholders and creditors has a positive impact to enterprises competitiveness. Media companies have a negative correlation between social responsibility in social dimensions and corporate competitiveness. Media companies should pay more attention to the social responsibility behaviors of shareholders and creditors, help establish the image of enterprises and strive for more resources to promote the development of enterprises. Based on the sample research in the past five years, media companies have a negative impact on the competitiveness of enterprises, suppliers and society, indicating that enterprises should pay attention to the impact of the cost of these three aspects of social responsibility on short-term performance. In addition, enterprises should actively fulfill their social responsibilities to consumers, such as improving product quality and setting a price reasonably.

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