

The role of socially responsible marketing in increasing the competitiveness of transnational corporations in an unstable market environment

by Tetiana Kniazieva^{*}, Lyudmila Orochovska^{**}, Oleksii Zhamoida^{***}, Anna Maryna^{****}, Oleksandr Chernyshov^{*****}

Abstract

The study analyzes the fundamentals of socially conscious marketing, which are essential to maintaining multinational companies' competitiveness. A series of recommendations for enhancing the efficacy of socially conscious marketing strategies in boosting multinational firms' competitiveness in an unpredictable market environment is the study's practical outcome. The theoretical result was the identification of the main patterns of using socially aware marketing techniques to increase the competitiveness of multinational corporations in an unpredictable market environment.

Keywords: competition; global market; transnational corporations; economic instability; sustainable development.

First submission: 07 March 2025; accepted: 30 April 2025

Introduction

A shift has occurred in the paradigm of viewing business as merely an instrument to satisfy the financial needs of its owners due to rapid and

^{*} Department of Marketing, National Aviation University, 03058, 1 Lubomyr Huzar Ave., Kyiv, Ukraine. E-mail: tetiana.kniazieva@npp.nau.edu.ua.

^{**} Department of Marketing, National Aviation University, 03058, 1 Lubomyr Huzar Ave., Kyiv, Ukraine. E-mail: lyudmila_orochovska@edu-nau.com.ua.

^{***} Department of Marketing, National Aviation University, 03058, 1 Lubomyr Huzar Ave., Kyiv, Ukraine. E-mail: oleksii_zhamoida@edu-nau.com.ua.

^{****} Department of Business Analytics and Digital Economy, National Aviation University, 03058, 1 Lubomyr Huzar Ave., Kyiv, Ukraine. E-mail: maryna.anna@npp.nau.edu.ua.

^{*****} Department of Economics and Business Technologies, National Aviation University, 03058, 1 Lubomyr Huzar Ave., Kyiv, Ukraine. E-mail: chernyshov.oleksandr@npp.nau.edu.ua.

Rivista di Studi sulla Sostenibilità - Open access (ISSNe 2239-7221), 2025, 1

Doi: 10.3280/riss2025oa19631

Copyright © FrancoAngeli

This work is released under Creative Commons Attribution - Non-Commercial – No Derivatives License. For terms and conditions of usage please see: <http://creativecommons.org>

permanent changes in the global market's condition, strategic priorities in the context of transnational corporations' competitiveness, and methods and approaches to solving socially significant tasks for society. An elevated degree of corporate accountability is one of the essential requirements for the prosperity of contemporary corporation. It supports the idea of sustainable development by laying the groundwork for long-term contact with future customers and methods of attending to their specific requirements as well as the demands of society at large.

Most academics view marketing as a tool for implementing sustainable development by addressing social issues in addition to corporate objectives (Martin & Burpee, 2022). So, modification that corporate management must realize is that their social impact is constantly increasing, so they begin to bear a completely different responsibility for their actions. In the past, transnational corporations (TNCs) could only think about making money and increasing revenues, but the increased competition between them, due to economic instability in the global market, has set new challenges for their management, including supporting the sustainable development that was adopted by The European Commission as the foundation for the growth of the EU economy and society until 2030 (European Commission, 2024).

Kohut (2024) considers the impact of TNCs on the globalization of markets in the context of increasing competitiveness and social responsibility, and calls for regulating the activities of TNCs in the direction of ensuring social justice, sustainable development and protection of human rights. Imnadze (2023) also mentions environmental and ecological protection among the important principles of TNCs' activities.

Gurman & Komarnytskyi (2020) examined the characteristics of the national component in the corporate cultures of Germany, Japan, the US, and Ukraine in their study, which made it possible to highlight social responsibility as one of the components of the corporate principles of the Volkswagen Group. Under the direction of Ivanova (2023), a large team of scientists investigated social responsibility as a critical skill for guaranteeing the sustainable growth of businesses and determined the following social responsibility levels : personal (each employee and owners of the enterprise); enterprises (all processes and employees in general); public (a society consisting of all employees and customers); state (all state bodies and officials); global (all of humanity on the entire planet).

Rybina, Letunovska, and Kuzhior (2020) discovered that, in addition to conventional analytical techniques, the application of the concept of socially responsible marketing necessitates the use of the following multivariate techniques: SPACE, PEST, eTOM, QUEST, SNW, SWOT, and KPI analyses. Adomako et al. (2023) show a strong combined effect between

corporate policy and social responsibility. This effect allows enterprises to use the complementarity of resources to overcome challenges in global markets, increasing their competitiveness.

Carrera (2022) interprets corporate social responsibility as a means of creating trust between companies and territorial communities. The study found that for better and faster implementation of corporate social responsibility, it is necessary to regulate this process by the state and society, which makes the issue of private property rights relevant. The dynamics of rivalry between TNCs and their local rivals in emerging areas were examined by Al-Kwif et al. (2020). The marketing model required for the company's operations was identified as one of the main advantages that allows it to win in the competition.

Taking into account the results obtained in the considered works of scientists, it should be noted that they need to be updated due to constant changes in economic science and the introduction of the latest marketing models at enterprises. The paper aims to examine the problem of socially conscious marketing in light of increasing the competitiveness of TNCs in an unstable market environment. The other purpose is to provide their own recommendations on the use of socially responsible marketing tools to win the competition.

Materials and Methods

Several of the following general scientific techniques were applied to the study's tasks: monitoring method – Information was gathered, organized, and analyzed using it on competition between TNCs and the global market situation; comparison method – useful for researching marketing models and comparing them; method of abstraction – employed to determine the primary concepts and categories throughout the investigation; methods of analysis and synthesis – applied to determine the most important components of the thing under study as well as its developmental stages and contributing variables; inductive method – is employed to forecast the anticipated efficacy of marketing that is socially conscious; abstract-logical and dialectical methods of scientific cognition, as well as the method of scientific abstraction – were employed in the investigation to develop theoretical generalizations, make the conceptual framework clear, and draw conclusions; the method of concretization – was employed to document the viability and efficacy of the suggested strategies for boosting the efficiency of socially conscious marketing techniques in the context of multinational firms' competitiveness in a volatile market.

The following categories of specialized techniques were applied to address specific tasks: methods of information collection; methods of information processing; methods of analytical work; method of justification. The following characteristics established the study's basic nature, as the study's findings might serve as the foundation for further basic or applied research and development; the study is thorough and has a wide theoretical foundation.

The significance of using socially conscious marketing strategies in both domestic and TNCs argues for the topic's relevance. They will work in Ukraine after the end of the war, at the stage of reconstruction, as this will allow establishing trusting and long-term relationships between local communities and the business environment. The process of examining how socially conscious marketing helps make multinational firms more competitive is the object of the chosen research. The concept of leveraging socially conscious marketing strategies to boost multinational firms' competitiveness in a volatile market is the subject.

Results

The substance of the term “socially responsible marketing” and the primary means by which TNCs employ it must be ascertained. Socially responsible marketing is the practice of drawing clients in by endorsing reputable social issues and maintaining an ethical corporate structure. Using consumer information and interests, including values, beliefs, and personality attributes, TNCs develop social responsibility campaigns.

The following are only a few of the campaigns in which the company may become involved, contingent on the target audience's priorities: to protect children's interests: this campaign includes social resources and support for kids' activities, especially those related to sports, education, and creativity; to put healthcare ideas into practice: tailor marketing campaigns with medical themes; to put into effect sustainable practices: a well-recognized strategy that include lowering carbon emissions and fostering a robust environment; in favor of LGBTQ+: this social issue should inspire community involvement and serve as an example of diversity and inclusivity for liberal markets; food support: involvement in school lunch and breakfast programs and food bank projects shows a dedication to the community and health care; to assist with home acquisition and rental: this social method include funding nonprofits and companies linked to moral community housing projects (Indeed, 2024).

It is also necessary to determine the impact of values on the ability of TNCs to sell their products. According to a presentation titled “The Power of Value-Based Strategy,” by a research firm that advises corporate clients Forrester Research, “about 52% of U.S. consumers consider values in their purchase choices”, looking for brands that actively promote beliefs and values aligned with their own (Nail, 2017).

It is important to note that another priority in increasing the competitiveness of TNCs in conditions of economic instability is the digitalization of their services, which is already permanently taking place in the processes of interaction between Ukrainians and the authorities (Kniazieva et al., 2023). The importance that socially responsible marketing plays in business operations must be mentioned. Building solid customer relationships and ensuring sustainable business development need socially conscious marketing. It is this marketing's primary function, as Table 1 illustrates.

Table 1 – The function of socially conscious marketing in business operations

No.	Role	Role Explanation
1	Consumer Confidence Building	With increased awareness of data protection and privacy, customers are becoming more cautious about sharing personal information. Using responsible marketing practices, the company will strengthen the trust of its customers through transparency regarding data collection, use and security measures
2	Enhancing brand reputation	Applying ethical and sustainable marketing practices demonstrates to consumers and stakeholders that a brand prioritizes honesty and social responsibility. This improves the brand's reputation, makes it stand out from the competition, and attracts customers who value ethical business practices
3	Improving customer loyalty	Organizations that practice responsible marketing strive to create a more personalized and meaningful interaction with their target audience. It fosters an emotional connection with customers, stimulates brand loyalty, and encourages long-term relationships
4	Social responsibility	Businesses should consider the social impact of its products and services. This can be achieved by creating marketing campaigns that support social causes, raise awareness of important issues, or advocate for positive change
5	Supporting sustainable development	Brands may mitigate their carbon footprint and promote a more sustainable future by incorporating social and environmental factors into their marketing strategy. This not only benefits the environment, but also attracts a growing base of consumers who value sustainability

6	Long-term brand success	Building trust with consumers, strengthening brand perception, and cultivating strong customer connections are all ways that socially conscious marketing helps a business succeed over the long run. These factors ultimately lead to repeat purchases, positive information and customer recommendations, which increases revenue and ensures stable business growth
---	-------------------------	--

Source: based on (Ebisan, 2024)

Table 1 allows for the derivation of many significant findings on the function of socially conscious marketing in business operations, as utilizing the idea of socially conscious marketing yields several advantages, but requires significant time and resources, which complicates its use for small companies; the function of socially responsible marketing might vary greatly between different business domains; given that customers reflect aspects of their worldview via their personalities, some functions of socially responsible marketing may depend on such characteristics; the business must implement all of the responsibilities of socially responsible marketing to create a team and a clear plan of activities in this direction.

Since the roles of socially responsible marketing are closely related to its values in the activities of the enterprise, it is necessary to disclose them, as in Fig. 1.

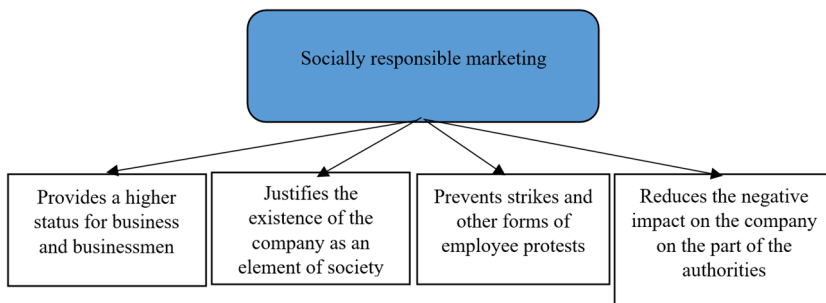


Figure 1 - The significance of socially conscious marketing in an organization's operations

Source: based on (Yevdokimova, 2019)

Analyzing the importance of ethically conscious marketing in the operations of an enterprise, it became clear that it is the high social activity of an enterprise that allows it to be protected from the actions of the authorities in developing countries. Because only public pressure forces the authorities of such countries to tolerate the work of companies in their territory. To enhance comprehension of the notion of socially conscious marketing, it is necessary to compare it with traditional (classical) marketing, as in Table 2.

Table 2 – The primary distinctions between conventional and ethical marketing

No.	Factor	Traditional marketing	Socially responsible marketing
1	Feedback period	Occurs slowly	Rapid response
2	Provision of information	Only the company's distributor provides information, and it is frequently faked.	Information is stored in the public domain in the form of non-financial or integrated reporting
3	Expenses	Are costly since every minute of each kind of media must be paid for (television advertising, newspapers and magazines)	Are smaller since social media marketing may use a multitude of online resources as well as diverse advertising and communication channels.
4	Competition level	It is difficult to compete with large companies	Any size business may compete with any major business for a client.
5	Ability to change	Advertising on TV and radio is not easy, and it is an expensive process	Easy and reasonably priced way to modify the message or add more details about the product

Source: based on (Gorokhova, 2021)

It should be highlighted while examining Table 2 that the use of the idea of socially responsible marketing in the operations of the enterprise allows to quickly receive information from consumers, reduce the cost of advertising and brand promotion and simplify the process of informing customers about the features of the product. All this has a positive effect on the competitiveness of an enterprise that can implement this marketing concept. In order to fully implement socially responsible marketing in the activities of TNCs in an unstable market environment, the company's management needs to know its principles, features, types, tools, main areas of implementation and consequences of implementation.

Socially responsible marketing can be described as a methodical planning and decision-making process founded on scenario analysis and goal setting, aimed at solving social problems, pertaining to the various ways that non-profit organizations from governmental, religious, and cultural contexts show themselves, and entailing the methodical creation of a marketing concept using a variety of marketing instruments (Goktas et al., 2019). It is also necessary to mention the specific principles of socially responsible marketing contained in the Table. 3.

Table 3 – Principles of socially responsible marketing

No.	Principle name	Essence
1	Responsibility to the environment	Use of environmentally friendly products and availability of environmentally friendly production
2	Social responsibility	The management of the enterprise must understand that it not only produces and sells goods, but also affects society with the help of this product
3	Responsibility for company employees	The management of the enterprise must be sure that employees perform work in accordance with their job responsibilities
4	Responsibility for the truthfulness of information	Every enterprise should understand that information is an influential factor in a person’s life, so it is needed to speak, write and report only reliable information
5	Strategic responsibility	Each enterprise should have its own socially responsible marketing strategy from the very beginning of its implementation in order to save forces, time and resources

Building an effective strategy for socially responsible marketing of TNCs requires knowledge of its main types. Environmental social responsibility: obligations of TNCs to support sustainable development and environmentally friendly activities. The social responsibility of TNCs involves conducting their business in a manner that upholds human rights standards, including equitable treatment of all stakeholders, fair trade practices, and equality. The term "philanthropic corporate responsibility" describes a company's aims and aspirations to actively better society at large. Giving money from business profits to deserving local charities is a significant component of corporate philanthropy (typically in the form of a trust or foundation). Economic corporate responsibility is the process of basing financial choices on an ethical pledge.

In order for TNCs to fully include socially responsible marketing into their operations, it is imperative that they ascertain the appropriate instruments. It was determined to depict them as shown in Figure 2.

According to Figure 2 it becomes clear that under modern market conditions, the tools of social responsibility of TNCs are becoming more creative and effective as they allow effective cooperation with the state, which leads to the implementation of unique joint projects; aid in providing support to populations’ most vulnerable parts; promote the idea of sustainable development to ease social conflicts.

Considering the goal, tenets, instruments, and forms of socially conscious marketing in TNC operations, its content consists of manufacturing products in accordance with accepted standards and quality requirements; ensuring the safety of work and labor protection of TNC personnel; compliance with

universal and national business rules; creating new skilled jobs and providing employees with social guarantees; protection of the environment and flora and fauna; assistance in preserving the historical and cultural heritage of the country; support and funding of various social programs (Manaenko & Shevchenko, 2020).

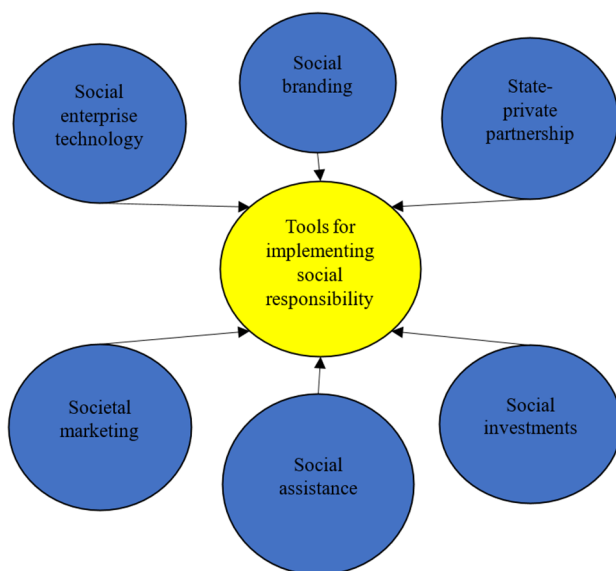


Figure 2 - Tools for realizing the social responsibility of TNCs

TNCs use a variety of approaches to form and develop the concept of socially responsible marketing in their operations. These approaches include training top managers in economic-focused educational institutions, attending specialized courses and trainings on pertinent subjects, conducting in-depth research using written and visual materials, and combining multiple approaches.

Discussion

While researchers both domestically and in Ukraine are increasingly interested in the topic of applying socially responsible marketing techniques to boost TNCs' competitiveness in an unstable market environment, none of the sources taken into consideration have been made available in such a comprehensive and volumetric manner. Additionally, there are no suggestions for improving the competitiveness of TNCs in an unstable

market by the application of socially responsible marketing techniques, which local businesses may employ in their international operations. It was proposed to conduct a content analysis. A component composition (words or phrases) was created, which is given in Table 4.

Table 4 – The elements that make up the notion of “socially responsible marketing”

No.	Component	Links to creators
1	Corporate marketing (K1)	(Ahluwalia, 2022; Gurman & Komarnytskyi, 2020; Belkin, 2022)
2	Sustainability (K2)	(Imnadze, 2023; Ivanova et al., 2023; Yevdokimova et al., 2019)
3	Social assistance (K3)	(Martin & Burpee, 2022; Manaenko & Shevchenko, 2020)
4	Environment (K4)	(Nitsenko, 2020; Reis & Molento, 2020)

Table 4 illustrates how the internal substance of the idea of “socially responsible marketing” varies greatly in terms of its component foundation. As a result, there isn't a single scientific method for distilling the core of the idea under investigation. The elements of the notion of “socially responsible marketing” that are frequently present in the writings of foreign and Ukrainian scientists were emphasized by the author. The next steps in the content analysis process are to count the mentions for each component and determine how many there are overall. Tables 5, 6, 7, and 8 display the respective ranks for the previously selected components based on how many times they were mentioned in the examined sample.

Table 5 – The ratio of the number of mentions and the rank of the components of the concept of “corporate marketing”

No.	Component rank	Number of mentions
1	(K1)	5
2	(K2)	3
3	(K3)	4
4	(K4)	2
Total number of mentions: 14		

Table 6 – The proportion of mentions to the order of the elements that make up the idea of “sustainable development”

No.	Component rank	Number of mentions
1	(K1)	2
2	(K2)	4
3	(K3)	2
4	(K4)	2
Total number of mentions: 10		

Table 7 – The proportion of references to component rankings for the idea of “social assistance”

No.	Component rank	Number of mentions
1	(K1)	1
2	(K2)	1
3	(K3)	3
4	(K4)	2
Total number of mentions: 7		

Table 8 – The relationship between the quantity and order of the elements that make up the idea of “environment”

No.	Component rank	Number of mentions
1	(K1)	2
2	(K2)	1
3	(K3)	2
4	(K4)	1
Total number of mentions: 6		

The final step of content analysis is interpretation of the findings with reference to the primary objective (definition of the concept), and this was accomplished by taking into consideration the data in Tables 4, 5, 6, and 7. The major components were chosen (based on frequency of mention) and the component composition of the concept under study was established (Fig. 3).

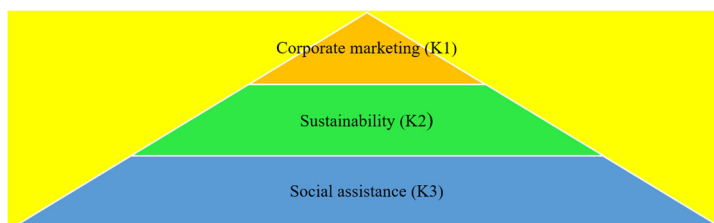


Figure 3 - Component composition of the concept of “socially responsible marketing”

The research suggests that the following actions may be taken to improve the efficacy of socially responsible marketing methods in increasing the competitiveness of TNCs in an unstable market environment: it is necessary to determine the skills of the company’s management; to research the requirements of possible clients; to perform initial estimates of the resources required to join a specific market; to study the peculiarities of the country's population: its beliefs, religion and culture; to determine the primary obstacles impeding the effective use of the socially conscious marketing idea; to attract competent specialists to teach the basics of socially conscious marketing to the company's upper management; to actively use events that

can popularize the company's activities: helping the poor, supporting vulnerable groups, and protecting the environment.

Only active practice in situations that are almost real may assist the business manager in putting the concepts of socially responsible marketing into effect. TNC owners should appoint many managers to teams with a wealth of knowledge, so that additional experts may serve as mentors and elucidate their methods to novices. In the absence of the necessary resources and time, it can be used the game format for practical training in the principles of socially responsible marketing. It will consist of the formation of groups of managers and the subsequent distribution of roles in an arbitrary manner. Next, members of different groups will choose a card with tasks and determine what problems and difficulties their implementation carries. This will allow them to identify the skills they need and situations where the use of socially responsible marketing tools is appropriate. The recommendations provided will help managers and domestic companies understand the importance of ethically conscious advertising and master its basics, which will play a positive role in competing in the global market in conditions of economic instability.

Conclusion

The research assesses the value of socially responsible marketing for TNCs' operations and examines how it may be applied to boost their competitiveness in a volatile market. The primary functions of socially conscious marketing in business operations are identified and explained, namely: strengthening consumer confidence, increasing brand reputation, increasing customer loyalty, social responsibility, supporting sustainable development, long-term brand success.

It is determined that building an effective strategy for socially responsible marketing of TNCs requires knowledge of its main types, since they are the hint for the manager in his next activities within the paradigm of sustainable development. The methods of training managers in the use of socially responsible marketing tools in an unstable market environment are also clarified. Examples of how the use of socially conscious marketing strategies by firms correlates with their performance can be included in future study on the chosen issue.

References

- Adomako S., Abdelgawad S. G., Ahsan M., Amankwah-Amoah J. & Liedong T. A. (2023). Nonmarket strategy in emerging markets: The link between SMEs' corporate political activity, corporate social responsibility, and firm competitiveness. *Journal of Business Research*, (160): 1-15. DOI: .1016/j.jbusres.2023.113767.
- Ahluwalia S. (2022). A critique of corporate social responsibility in the light of classical economics. *AMS Review*, 12(1): 25-29.
- Al-Kwifi O. S., Farha A. K. A. & Zaraket W. S. (2020). Competitive dynamics between multinational companies and local rivals in emerging markets. *FIIB Business Review*, 9(3): 189-204.
- Belkin I. (2022). Features of viral marketing, benchmarking and socially responsible marketing as promising areas in the market. *Economy and Society*, (37): 1-8. DOI: 10.32782/2524-0072/2022-37-39.
- Carrera L. (2022). Corporate social responsibility. A strategy for social and territorial sustainability. *International Journal of Corporate Social Responsibility*, 7(1): 1-11.
- Ebisan T. (2024). *What is responsible marketing?* -- Retrieved from <https://dotdigital.com/blog/what-is-responsible-marketing/>.
- European Commission (2024). *CSR policies and initiatives*. -- Retrieved from https://commission.europa.eu/business-economy-euro/doing-business-eu/sustainability-due-diligence-responsible-business/corporate-social-responsibility-csr_en.
- Goktas V., Erol E., Altunisik R. & Ardic K. (2019). Social marketing in charitable giving intentions: A serial mediation model. *Marketing and Management of Innovations*, (2): 21-32. DOI: 10.21272/mmi.2019.2-02.
- Gorokhova T. (2021). *Development of socially responsible marketing. Why companies should promote themselves "responsibly"*. -- Retrieved from <https://iqholding.com.ua/articles/rozvitok-sotsialno-vidpovidalnogo-marketingu-chomu-kompaniyam-slid-prosuвати-sebe-«vidpov-0>.
- Gurman O. M. & Komarnytskyi I. M. (2020). Corporate cultures of transnational corporations and mental dominants of Ukrainian employees: structural and value analysis. *Bulletin of LUTE. Economics*, (59): 105-115. DOI: 10.36477/2522-1205-2020-59-14.
- Imnadze I. N. (2023). Ensuring the sustainable development of transnational corporations. *Journal of Strategic Economic Research*, 3(14): 38-45.
- Indeed (2024). *What Is Marketing Social Responsibility? (And Its Value)*. -- Retrieved from <https://ca.indeed.com/career-advice/career-development/marketing-social-responsibility>.
- Ivanova M. I., Shvets V. Ya., Sannikova S. F., Varyanychenko O. V. & Bardas A. V. (2023). Social responsibility as a key competence for ensuring sustainable development of enterprises. *Business Inform*, (3): 176-186. DOI: 10.32983/2222-4459-2023-3-176-186.

- Kniazieva T. V., Kazanska O. O., Orochovska L. A., Tsymbalenko Y. Y. & Dergach A. V. (2023). Analysis of the impact of digitalization on the quality and availability of public services in Ukraine - a comparative approach with insights from Estonia. *Statistics, Politics and Policy*, 14(3): 375-398.
- Kohut M. V. (2024). The impact of transnational corporations on the globalization of markets: opportunities and challenges for local development. *Ukrainian Economic Journal*, 4: 20-24. DOI: 10.32782/2786-8273/2024-4-4.
- Manaenko I. M. & Shevchenko D. S. (2020). Conceptual principles of socially responsible marketing at enterprises with import activities. *Efficient Economy*, 11: 1-8. DOI: 10.32702/2307-2105-2020.11.63.
- Martin K. D. & Burpee S. (2022). Marketing as a problem solver: in defense of social responsibility. *AMS Review*, 12(1): 44-51.
- Nail J. (2017). *The Power of a Values-Based Strategy*. -- Retrieved from <https://www.forrester.com/what-it-means/ep15-values-based-strategy/>.
- Nitsenko V. (2020). Mismanagement in Ukraine. *Problems of Management in the 21st Century*, 15(1): 4-8.
- Reis G. G. & Molento C. F. M. (2020). Emerging market multinationals and international corporate social responsibility standards: bringing animals to the fore. *Journal of Business Ethics*, 166(2): 351-368.
- Rybina O., Letunovska N. & Kuzhior A. (2020). Socially responsible marketing as a way to increase the competitiveness of business entities. *Mechanism of an Economic Regulation*, 1(87): 86-96.
- Yevdokimova M., Zamlynskyi V., Minakova S., Biriuk O. & Ilina O. (2019). Evolution of Corporate Social Responsibility Applied to the Concept of Sustainable Development. *Journal of Security and Sustainability Issues*, 8(3): 473-480.