

## THE DEVELOPMENT OF SOCIALLY RESPONSIBLE MARKETING AS A CONSEQUENT EFFECT OF THE SOCIO-ECONOMIC TRANSFORMATION IN THE SOCIETY

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**Annotation.** The process of globalization stimulated the transformation process of society's mindset and values, which also impact on socio-economic changes. The profit-oriented economy is being replaced by a solidarity economy, which needs different guidelines and coordination tools than a traditional business. The actuality of researching emphasizes by the change in the concept of marketing management, based on the idea of maximization profit due to the maximum satisfaction of needs, the concept of socially responsible marketing, which is based on empathy and meeting the needs of the target audience. The article is considered the concept of social responsibility marketing and analyses of its influence on customers' behavior. The aim of the research is to answer the question of how the effect of the implementation of the social responsibility principles in the activities of enterprises affects sustainable development and increasing the value of the brand. The research objectives: to analyze the definition of social responsibility marketing and its influence on brand forming; to develop a mechanism of marketing politics influence on society mindset; to compare traditional and responsible marketing and present its complexity. Methods, which the author used, are analyze and synthesis, cross-sectional, comparative methods, method of abstraction, induction, and deduction methods. The author considered the problems of using the concept of socially responsible marketing, the peculiarities of implementing the principles of social responsibility in the activities of companies. The author proposed a model of the impact of marketing policy on society and presented the main differences between traditional marketing and social marketing.

**Keywords:** social marketing, corporate social responsibility, solidarity economy, transformation, marketing.

**JEL index:** M14, M31, O35.

#### **INTRODUCTION**

During the process of globalization and environmental catastrophes, public pressure on companies has a greater effect than legislation and declarations. But businesses can find a strong and effective response to this pressure by linking the corporate social responsibility (CSR) strategy to their identification.

Today, businesses are forced to incorporate social activities into their marketing strategies. Enterprises are not only profit-oriented subject of economic system, but are also



considered full-fledged corporate citizens, subjects of social relations. Consumers are highly aware of social and environmental business initiatives and, as a rule, make decisions about purchasing a product or service based on the responsibility of producers. Thus, in the modern business paradigm, companies can not focus solely on monetary returns, they should also implement and adhere to social initiatives and emphasize these principles of doing business to improve the company's image through good corporate citizenship (Domegan et al, 2016; Abbas et al, 2019)

Corporate social responsibility is the activity of a company that is considered voluntary. This is reflected in the participation of business in addressing social and environmental issues in accordance with its business program. This global trend of taking into account the principles of corporate social responsibility (CSR) together with the intention to make a profit has forced companies to redesign their business structures, processes and models. However, business has realized the urgency of implementing CSR in marketing for its short-term and long-term goals (Gorokhova, 2015; Kim et al, 2019). They develop stronger marketing strategies around sustainable development tasks to increase competitiveness and maintain market positions (Domegan et al, 2016).

Today, social marketing is very common in many places, such as government agencies, private nonprofits, businesses, schools and more. However, many people do not know what social marketing is and how it differs from similar areas such as communication and behavior mobilization, confusing it with general marketing. Some advertisers remove social advertising, but think they are engaged in social marketing. Social marketing is an understanding of how to properly influence people's behavior and achieve a better standard of living, so it is necessary to do everything that reproduces marketing, and even more.

In scientific works, we can see different approaches to social marketing definitions. According Kotler and Keller (2006) defined socia marketing as: "... development, implementation and control of programs that influence the adoption of social ideas and attract considerations for product planning, pricing, communication, distribution and marketing research". The revised definition proposed by Alan R. Andreasen (2005), he offers the following definition: "Social marketing is the adaptation of commercial marketing technologies to programs aimed at influencing the voluntary behavior of the target audience to improve their personal well-being and the society in which they are". Andreasen's definition has allowed



social marketers to focus on the results they have an impact on and will be different from others, as well as to separate social marketing from those areas that are easy to refute.

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**The aim of the research** is to answer the question of how the effect of the implementation of the social responsibility principles in the activities of enterprises affects sustainable development and increasing the value of the brand.

#### The research objectives:

- To analyze the definition of social responsibility marketing and its influence on brand forming;

- To develop a mechanism of marketing politics influence on society mindset;

- To compare traditional and responsible marketing and present its complexity.

## THE FORMATION OF SOCIALLY RESPONSIBLE MARKETING CONCEPT

The idea of social marketing is to apply the same marketing principles to the ideas of promotion, attitude, and behavior that are used to sell goods to consumers. There is confusion as to whether social marketing is limited to community and nonprofit marketers. In fact, they are not necessarily representatives of social marketing; it can be very important for public sector bodies to improve the promotion of their respective services and organizational goals using standard marketing approaches, this affects social behavior, not the benefit of the social marketer, but the benefit either individuals or society as a whole in the long run. There is also some private sector where many activities are aimed at changing beliefs, attitudes, and values, but the only reason they do so is to increase sales by preventing change, such as customers switching to another brand.

Social marketing can improve the behavior and lifestyle of the community to achieve social well-being, but there are some difficulties in doing so, the problem is not the lack of information people receive, but the confusion with too different information from different sources that are inconsistent or uncoordinated. For some small firms, their managers believe that they are also part of social marketers, then it will be difficult for them to keep an eye on the lowest place - to change behavior, and some firms will get into trouble because they see the actions of social marketing instead of planning. Marketing can be limited if a marketer misuses this concept and people can blame social marketing for failures.



For applying the concept of social marketing, social marketers must also know the basic characteristics and "4P" (product, price, place and promotion) to help them achieve their goals in social marketing. Socially responsible marketing is practiced by companies that implement the principles of corporate social responsibility as a way to clearly demonstrate their positive social and environmental behavior for ethical consumers.

Socially responsible marketing (SRM), sometimes ethical corporate marketing or green marketing, is a practice that companies use to recognize the greater social and environmental impact of their products and services on stakeholders. That is, SRM shows consumers that the company takes responsibility for its actions and aims to reduce the negative consequences of its activities.

These practices fall into a larger category of corporate social responsibility (CSR), but easily coincide with the opposite practices: socially irresponsible marketing (SIM), more commonly called greewashing, corporate practice of masking weak social / environmental records with deceptive advertising campaigns that can boast of their socially and environmentally responsible behavior / obligations.

Early calls for SRM included restrictions on marketing aimed at children, especially products such as tobacco, alcohol and gambling. Restrictions on "junk food" have recently been added to this list of foods, in part due to the increase in childhood obesity.

More recently, some consumers have identified SRM as a practice that conveys specific, transparent, accurate, and easy-to-understand information about corporate responsibility for the social and environmental situation.

It should be noted that companies such as Nike, Gap and Hewlett-Packard have gone the way of making information about their activities open on the Internet. Openness creates trust and confidence, turns into profit, says Granqvist (2012). That's why, many corporations see as the Achilles heel can be turned into their greatest strength. Granqvist emphasizes that it is not about perfection, but about openness.

Transparency and openness in the context of the organization can be defined as a set of all central, unique, consistent and responsible characteristics that define the organization. This is the essence, the identity of the organization, or, in other words, its DNA.

Corporate social responsibility based on the company's identity is the basis for identifying its marketing strategy (Gorokhova, 2016).



Social marketing is more complex than general marketing because it involves changing unsolvable behavioral elements. For further analysis, it is necessary to distinguish the differences between social marketing and social marketing and socially responsible marketing.

Social marketing is an approach that the company presides over during social responsibility, the company makes positive marketing decisions, taking into account, firstly, the desires or needs of potential customers, secondly, the philosophy of its company, and thirdly - when approaching product launch or services in the market, to be socially responsible in the field of marketing (Diehl et al, 2016). This is closely linked to the principles of corporate social responsibility and sustainable development

The concept of social marketing was a pioneer in the use of commercial marketing strategies in the integration of social responsibility. On the other hand, social marketing uses commercial marketing theories, tools and methods to solve social problems.

Social marketing actually includes the concept of sustainable development and corporate social responsibility, so companies go beyond just delivering their products and services for the benefit of consumers and society, and this is more than just communicating with customers.

Socially responsible marketing is a marketing philosophy, i.e. the company should take into account what meets the best interests of society in the modern and long term. Socially responsible companies must responsibly produce the desired products. This type of product can provide immediate consumer satisfaction, and this type of product can also help consumers and society in the long run.

There are some features that distinguish social marketing:

- Systematic application of marketing together with other concepts and methods to achieve specific behavioral goals for social well-being;

- Excessive simplification, although it is sometimes seen only to achieve non-profit goals through standard commercial marketing practices.

It should be noted that social welfare is the main goal of social marketing, and this is its first result, while financial is the main goal of commercial marketing. But the public good can still contribute to the achievement of commercial marketers.

Kotler and Keller (2006), define social marketing as marketing that "differs from other areas of marketing only in terms of the goals of the marketer and his organization".



#### THE IMPACT OF MARKETING POLICY ON SOCIETY

Social marketing takes a customer-centered approach, it can be applied to promotion, encouraging society to buy products that deserve attention and prevent the use of shortcomings, as well as tell society that they want the well-being of society as a whole, for example, ask people not to smoke in public places, to reduce cigarette smoking, to ask people to use seat belts, to encourage them to adhere to speed limits, to encourage the use of contraceptive methods, etc.

Social marketing knows that commerce brings many benefits, but it can harm the individual and society. Tobacco is an extraordinary example of this, it destroys half of its long-term users, as Wiebe kindly claimed, "you can sell fraternity like soap". Thus, "social marketing" can do the opposite, just as a tobacco company uses marketing to encourage people to smoke.

Health-related social marketing is widely used in this marketing concept, it is a systematic, behavioral goal - to improve health and reduce health inequalities. The Social Marketing and Association team was created to support the integration of social marketing into the main workflows. For example, health coaches, medical literacy, health professionals, healthy schools and children and youth health, and so on.

Today, organizations such as MacDonald's, Unilever and Procter & Gamble adhere to the concept of social marketing, they can send a positive message to the government, the public, partners, stakeholders and their customers that they work not only for profit but also for well-being society.

For example, McDonald's has stopped producing its disposable innovative styrofoam packaging and replaced it with more environmentally friendly paper packaging and proved that they know about the environment by using different forms of packaging to remind us that they do not end up in the trash and become environmentally friendly.

Body Shop is a cosmetic company. Vegetable materials are used for the production of all their products. They also oppose animal experiments, the company supports the development of the region of presence, protects human rights and the environment. This is a company that is completely guided by the social concept of marketing.

Social marketing is becoming an increasingly important and profitable marketing strategy for companies. It often focuses on environmental issues, but it can also focus on promoting healthy behavior while preventing unhealthy ones (Figure 1).



An example of socially responsible marketing is that a company uses recycled paper to create its catalogs, then this can be shown in the catalog, and this can help convince customers that the company is environmentally conscious. Thus, the company can gain market share by differentiating itself from its competitors.



Figure 1. The impact of marketing policy on society (developed by the author)

# ANALYSIS OF THE DIFFERENCE BETWEEN TRADITIONAL AND SOCIAL MARKETING

Social marketing is very different from traditional marketing, it depends on the type of target audience that social marketers would like to convey their message.

In the future it is necessary to consider the main differences between traditional marketing and social marketing (Table 1).

The formation and implementation of the concept of socially responsible marketing is based on the principles of social responsibility. The introduction of socially responsible marketing in the activities of enterprises contributes to the formation of a positive image and increases brand loyalty, achieving strategic and tactical goals of the enterprise and provide competitive advantages.

Socially responsible marketing can be considered as a carrier of corporate social responsibility. Through socially responsible marketing, society perceives the company and



forms an attitude towards it. Thus, socially responsible marketing is a very innovative and effective concept for promoting any responsible idea, so in our opinion, the government and health care organizations should use it more often, but the government should also focus on setting rules and regulations. established definitions of the use of socially responsible marketing, as some companies use socially responsible marketing to increase their sales, encouraging customers to buy imperfect products, apryklad make people think they are buying healthy foods.

Factor	Traditional marketing	Social marketing
Time of feedback	Slow	Fast response (use of feedback, answering machines)
Providing information	The information is provided only by the company's distributor and may be fabricated	The information is stored in the public domain in the form of non- financial or integrated reporting
Costs	Expensive, because you have to pay for every minute of each type of media, such as television advertising, newspapers and magazines, etc.	Cheaper, because social marketing can use countless resources from the Internet and different ways of advertising and communicating with people
Level of competition	The difficulty of competing with large companies	Any company of any size can compete for a customer with any large company
The ability to changing	Advertising for television and radio programs is not easy to chande and has expensive process.	Ease and relative cheapness of changing the message or providing additional product information

Table 1. The main differences between traditional and social marketing (developed by the	;
author)	

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#### CONCLUSIONS

The modern concept of socially responsibile marketing is a currently new, creative approach to regulating social change and social processes in a democratic society.

For companies that profess the concept of social marketing - is to create a positive image, improve the quality of business management (increase staff productivity, reduce operating costs, increase sales and increase customer loyalty), grown investment attractiveness and as a result - strengthening competitiveness in national and international markets, and for society - an effective tool for solving social problems. However, it should be noted that such an approach should be systematic. Businesses, which have decided to implement the principles of social responsibility in their activities should not be limited to periodic donations for socially useful purposes. Leading international organizations define corporate social responsibility as a general strategic approach to business.

To ensure the favorable development of social marketing in Ukraine, it is advisable to more widely promote successful business experience based on the concept of social marketing in the media, to form a complete information database on social projects and business participation.

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