

**СЕКЦІЯ 2. СТРАТЕГІЇ БІЗНЕСУ В СЕРЕДОВИЩІ VUCA: РОЗРОБКА ТА
РЕАЛІЗАЦІЯ/ SECTION 2. BUSINESS STRATEGIES IN VUCA ENVIRONMENT:
DEVELOPMENT AND IMPLEMENTATION**

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**CORPORATE SOCIAL RESPONSIBILITY AS A DEFENSIVE TOOL IN VUCA WORLD:
VIEW FROM THE MARKETING PERSPECTIVE**

Keywords: corporate social responsibility, sustainable development, marketing concept

Abstract: In the context of VUCA conditions, the paper offers a contribution to the sustainability of innovative business development. By focusing on changing consumer needs, taking into account stakeholder interests, and ensuring an efficient and effective supply chain of products and services, marketing and innovation can be integrated. The integration of such strategies builds trust with consumers and stakeholders, and contributes to socially responsible business practices. The paper presents characteristics of VUGA environment, followed by suggestion merging socially responsible strategies with the modern marketing concepts to address VUGA challenges and improve satisfaction of consumers and variant stakeholders in a sustainable manner.

Introduction. In our modern world, where technological and marketing progress is explosive, and where public health, massive population and environmental catastrophes have increased, it has become difficult to predict the barriers and challenges that the future will present. Businesses are now required to break away from traditional patterns of performance and find new strategies that reflect real time challenges. These collective challenges, with their dynamic nature and frequent changes, are usually represented by the ‘VUCA’ acronym which was first used by the 'US Army War College' in 1998 (Whiteman, 1998). VUCA stands for business environment “Volatility”, “Uncertainty”, “Complexity” and “Ambiguity”. Supported by the Sustainable Development Goals (SDG), Corporate Social Responsibility (CSR) strategies have immense potential to address current and future challenges. This is especially true in today's era of hyper-transparency, characterized by social

networks, increased public awareness, and regulatory pressure around issues such as climate change (de la Figuera, 2019). In these papers, a systematic literature review was conducted covering three knowledge areas, namely: VUCA, marketing perspectives and management integration for maintaining sustainability. Bill George, a senior professor in Harvard Business School, stated that traditional management methods seem no longer sufficient to address the volume of change we are seeing. He labeled this situation as VUCA 2.0. and suggested that leaders must deal with growing uncertainty, complexity, and ambiguity in their decision-making environments (George, 2017).

Characteristic of VUCA environment. In a VUCA world, core activities are essential to drive organizational performance like strategic planning and marketing (Bennetta & Lemoine, 2014; Brin et al., 2020). Volatility refers to all the unexpected problems and events that occur and are difficult to quantify and solve. The employees of an organization face various new situations every day, and in order to solve them they act more instinctively, based on past experience (Koudstaal, Sloof, & Praag, 2019). An uncertainty is a feeling of not knowing what is coming next, not knowing how something is going to turn out, and not being able to predict how things will turn out. Complexity identifies all the connections and interactions that occur within the company's systems "human resources, organizational, information, methodological". An organization's increasing ambiguity refers to all unlinked and understandable information that does not have clear linking and cannot be understood at all hierarchical levels. A decision made in one department can affect another or the entire organization (Miniciu, Berar, & Dobera, 2020).

Addressing VUCA challenges via corporate marketing perspectives. The combination of social marketing and CSR can protect the company from a hostile environment since where all stakeholders have common interests. Therefore, the concept of social marketing combined with CSR helps mitigate VUCA environments by creating an environment that nobody wishes to leave, and everyone wants to keep. In a volatile environment, the innovative development of business organizations contributes greatly to their sustainability through rapid adaptations to the needs of consumers, flexible business processes, and considering the interests of stakeholders. The integration of marketing and innovation into business organizations provides such opportunities since marketing is focused on consumers' needs and has a significant influence on their behavior towards innovation. In its application, the consumer's needs in innovative products and services can be identified, a culture of innovation can be developed, a marketing strategy can be developed for implementation and promotion of the innovation, and the interests of business organizations and stakeholders can be interconnected. The VUCA world and digital society call for identifying the key areas of marketing

and innovation integration (Popova et al., 2020).

A sustainable innovation marketing development in business organizations is characterized by the following: effective use of digital communication; integrity in the application of digital communication; focus on establishing trust between a business organization, consumers and other stakeholders; and Corporate Social Responsibility. The ethical-philanthropic responsibilities seem to lead to a competitive advantage which is based on a desired customer response and reward (Brin & Nehme, 2019). This is in line with the main focus of corporate marketing, which is the meeting of stakeholder and societal needs (Podnar & Golob, 2007). The importance of ethical values creates an opportunity for an enterprise to gain the trust of the community and government, thereby boosting its reputation and increasing its competitiveness. Politics reform is an essential component of enhancing fairness in the marketplace. The practice of ecological stewardship contributes to international norms and allows enterprises to compete in global markets. The satisfaction of the external community sustains loyalty for an enterprise, while the satisfaction of the internal community stimulates credibility and innovation (Brin & Nehme, 2021). The concept of CSR should be incorporated into the social marketing concept, as the marketing concepts evolve to meet sustainable criteria.

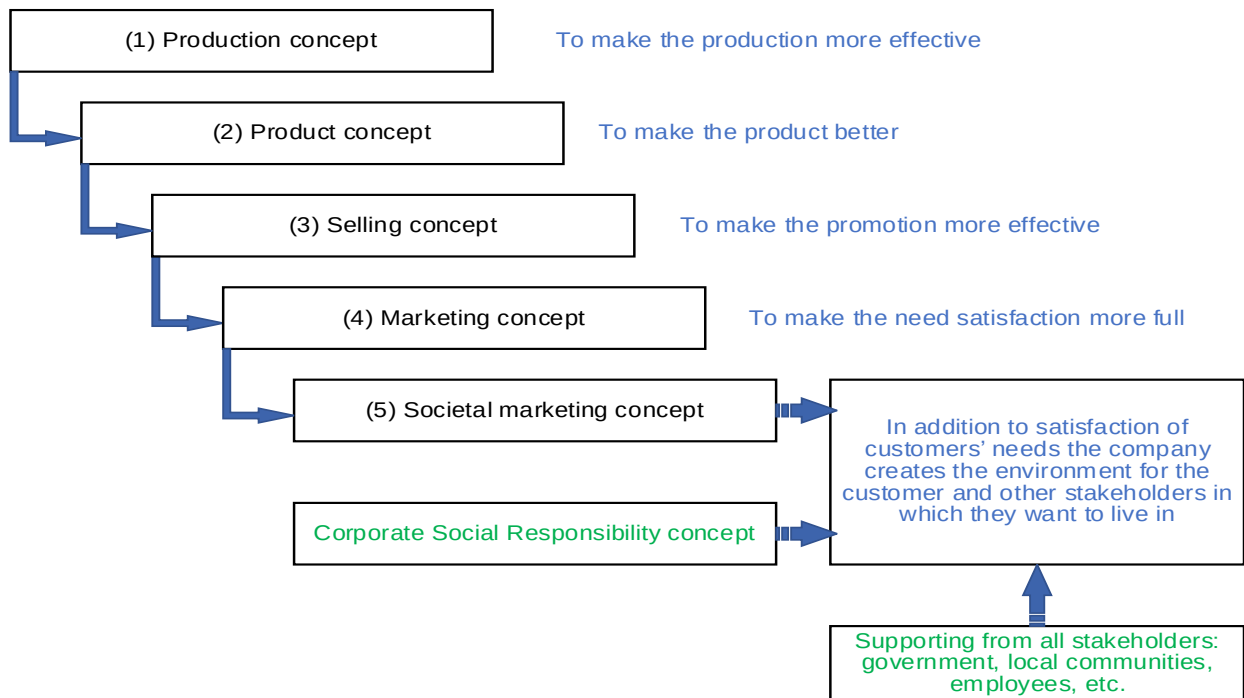


Figure 1. Evolution of the marketing concepts through adding the CSR concept in response to VUCA challenges.

Conclusion. Based on the integration of marketing and innovation in a VUCA world and a digital society, the conceptual issues of innovative business development have been developed. Marketing strategies should take into account ethical, ecological, and social needs of customers. By focusing on the social responsibility of businesses, and by adopting a modern marketing concept, we can curb the current challenges faced in the VUCA world, and predict the future with greater accuracy. Integrating marketing and innovation begins with customer satisfaction. Creating a sustainable marketing strategy in the VUCA world requires managers to take the right decisions to shape the culture of innovation within an organization, align innovations to consumers' rapidly changing needs, and consider the interests of stakeholders in the process of innovation, which enables socially responsible business to flourish.

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