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MARKETING IN CONDITIONS OF ECONOMIC UNCERTAINTY

Vynogradova O.V. Marketing in conditions of economic uncertainty. The article substantiates the situation of uncertainty (unpredictability, ambivalence), as characteristic of the Ukrainian economy since the beginning of the pandemic and intensified in the conditions of war. It is shown that the world economy and the economy of Ukraine, in particular, face the need to operate in conditions of uncertainty caused by COVID-19, and in 2022 - Russia's military aggression against Ukraine. The main negative consequences of the pandemic and martial law on the economy and, in particular, on the field of marketing have been determined. It has been proven that at the same time, the effect of uncertainty should not only destabilize, but also become a driving force for change. The role of the crisis as an activator of innovative shifts in marketing is substantiated, and the possibility of various types of marketing to adapt in conditions of uncertainty is investigated. The strengthening of the role of Digital - marketing for the development of the Ukrainian economy is substantiated. The existing ambivalence of the market requires increased flexibility of marketing processes. In such case, digital marketing should become a protection of interaction with customers and leaders, the basis of modern communication policy of enterprises, to actively develop and adapt to today's realities. The possibilities of marketing personnel potential in the future development of the marketing sphere are emphasized. Ukrainian marketers are able to successfully operate in domestic and international markets, are in demand in their profession during military action, and have the opportunity through special agencies to work and work in uncertainty, gain new experience, improve skills, develop marketing as an art and philosophy of modern business.

Keywords: marketing, digital - marketing, uncertainty, crisis, pandemic, war.

Виноградова О.В. Маркетинг в умовах економічної невизначеності. У статті обґрунтовано ситуацію невизначеності (непередбачуваності, амбівалентності), як характерну для української економіки з початку пандемії та посилену в умовах війни. Визначено основні негативні наслідки пандемії й воєнного стану на економіку та, зокрема на сферу маркетингу. Доведено роль кризи як активатора інноваційних зрушень у маркетингу, та досліджено можливість різних видів маркетингу до адаптації в умовах невизначеності. Обґрунтовано посилення ролі Digital – маркетингу для розвитку української економіки.

Ключові слова: маркетинг, digital – маркетинг, невизначеність, криза, пандемія, війна.

Introduction

Formulation of the problem. Studies of the business environment in Ukraine for October 2022 indicate the worsening of the problems of companies in the following sectors, which did not have time to recover from the restrictions of the COVID-19 pandemic: tourism (84%), art, sports, entertainment and recreation (60%); or experience a significant labor shortage - construction (58%), or suffered as a result of damage - real estate (58%), mechanical engineering (50%) [1]. At the same time, marketing is one of the areas of activity that strengthened its position during the pandemic and improved performance during the war. Such features of activity in complex conditions of uncertainty require additional analysis, which determines the relevance of the research topic.

Analysis of literary sources. The theoretical background and practical foundations of marketing development in modern conditions are the subject of research by many scientists, in particular, Dyugovanets O.M., Vdovichena O.G., Ilyashenko N.S., Oklander M.A., Romat E.V., Chernova I. V. and others. The issue of uncertainty as an economic category was the topic of research by scientists - M.I. Kopytko, Korchevoi, V. I., Kryuchkova N. M. and others. However, very little attention was paid to the question of the role of modern marketing tools as a means of business activation in conditions of uncertainty.

The purpose and objectives of the research. The purpose of the article is to substantiate the theoretical basis and study the practical component of marketing activity in conditions of uncertainty.

1. Justification of the theoretical basis of the situation of uncertainty in the business environment of Ukraine.

By John Keynes, uncertainty is an event that does not have a scientific basis for calculating the probability of their occurrence, but requires us to take certain actions to eliminate them [2, 3].

Therefore, uncertainty operates with such concepts as "unpredictability", "ambivalence" (ambiguity, contradiction).

Such doings did not allow us to realize our plans, limited resources and radically changed our lifestyle. In 2019, it was a terrible unknown virus COVID-19. And in 2022 - familiar, but no less scary and insidious - "russian liberator" (russian invader), brazenly came to our land - Ukraine with the desire to conquer, break, destroy our peace and tranquility.

So, Ukraine, barely recovering from one economic uncertainty, turned out to more difficult socio-economic crisis in terms of the level of testing our market system. The problem of entering a period of uncertainty is that it is the basis for comprehensive destabilization (Fig. 1).

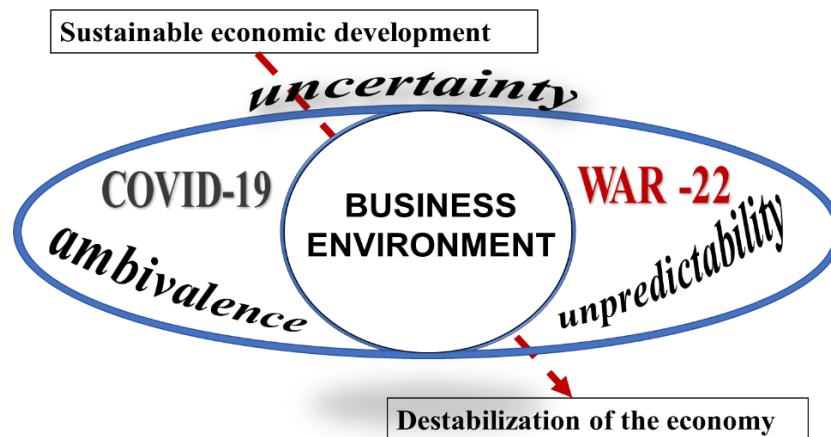


Fig.1. Uncertainty components of the business environment of Ukraine

2. Justification of the factors of the internal and external environment that influenced the situation of uncertainty in the business environment of Ukraine.

Uncertainty is characterized by external and internal factors which degree of influence or values are either partially known or not fully known. Factors of uncertainty in 2019 – 2022 are shown on the slide. Factors of business uncertainty (External environment): the COVID-19 pandemic; military action; socio-economic and political instability; the need to redistribute state budget expenditures towards the costs of militarization and tax increases; change of term or cancellation of costly projects of social sphere development; the threat of significant deterioration of the investment climate. The uncertainty of the internal environment is largely a reaction to changes: business model, terms of delivery, components, raw materials, sales markets, consumer behavior, conditions of economic security, personnel (brain drain) [2,3].

What hinders and will prevent the Ukrainian economy from actively developing in conditions of uncertainty? Covid-19 pandemic and military operations have led to such negative effects as: falling exports, reduction of GDP; deteriorating business climate; reduction of investments; depreciation of the national currency; increase in inflation; social crisis, unemployment; loss of a significant part of the working population; reduction of consumer purchasing power, etc. Thus, it is already known that Ukraine's economy will shrink by at least a fifth part this year. But this is according to the scenario that a ceasefire agreement will be reached in a few months. Currently, the war is taking place in the territories that produce 60% of Ukraine's GDP. About 30% of enterprises have already stopped production. This is stated in the "Review of the regional economy", published by the European Bank for Reconstruction and Development. The forecast is exposed to serious risks

of deterioration "in the event of an escalation of hostilities or restrictions on the export of gas or other goods from russia [4].

At the same time, economic crises have always been as an activator of innovation. Even now there are positive consequences, such as: increase foreign economic support; opening new areas for business; new online experience; development of the market of virtual assets and cryptocurrencies; diversification of business processes; diversification of sources of supply and construction of more stable and compact logistics chains; development and implementation of new technologies; initiating effective reforms by the government; transformation of social relations; development of new directions of export of Ukrainian products; expanding opportunities for integration into the world economic space; globalization of the IT sector of Ukraine; strengthening the weight of the Ukrainian diaspora abroad, etc.

3. Research practices of marketing activities in conditions of uncertainty.

Of course, marketing, like other areas of activity, in conditions of uncertainty also feels the areas of risk and opportunities for development. Influencing Negative factors (COVID-19 pandemic and WAR-22) of the marketing development in conditions of uncertainty are: Lockdowns and martial law have significantly limited the ability of buyers and the activity of advertisers; Changes at the financial level: (reduction of income of companies and citizens); Changes at the legal level: ban of offline mass events, temporary closure of some businesses; Significant increase in prices for utilities, transport, basic necessities has reduced the purchasing power of citizens; Global world inflation; Deterioration of Ukraine's foreign economic situation.

But, as the English actor Tom Hiddleston correctly noted «A person has two lives. The second begins when we understand that there is only one life». Lifting restrictions causes increased activity of citizens, thirst for a normal life, desire to diversify everyday life through pleasant shopping, entertainment, participation in events, etc. Businesses adapt to new business conditions, optimize processes, transform activities into hybrid or online forms. Decline in the impact of the pandemic and reducing the cost of counteracting the COVID-19. Strengthening the role of socially-oriented marketing (charity, social assistance, etc.).

As a result, in 2021 we have an increase in activity in the market of marketing services in all categories. According to experts, the deferred demand, which accumulated despite quarantine restrictions and lockdowns, has started to grow rapidly in 2021. Already in the summer of 2021, major event events and festivals took place, which gave a 25% increase in event marketing and sponsorship [5]. The removal of restrictions affected trading activity and the corresponding increase in other types of marketing. It is also necessary to analyze the dynamics of the market of Internet marketing services in Ukraine. It is Internet marketing in conditions of uncertainty has shown its effectiveness in the process of product promotion, impact on sales activity, profitability and overall economic efficiency of the business as an alternative way to maintain two-way communication between sellers and consumers. The reasons for these trends are: at first, global digitization and building a global digital economy (92% of users already have access to the Internet from a mobile device); secondly, the sharp transition of traditional forms of commercial activity to the online space (due to restrictions of the COVID-19 pandemic and then martial law) [6]. Experts say that the growth of digital advertising will be primarily due to video advertising and search advertising, where the main drivers of growth are global players: Google, Facebook and TikTok.

Dynamics of marketing services, which characterizes the possibility of different types of marketing to adapt to uncertainty is more clearly visible in the presented graphs (Fig. 2).

As we saw in the graph, in conditions of uncertainty, despite all the difficulties, the digital advertising market in Ukraine has a positive trend.

An important advantage of online advertising for business today is the ability to optimize costs and rational redistribution of financial resources through: no rent for the use of stationary or temporary structures for advertising; reduction of staff costs, as most marketing activities can be performed by a limited number of specialists; no rent for the use of additional premises needed for the work of marketers, etc.

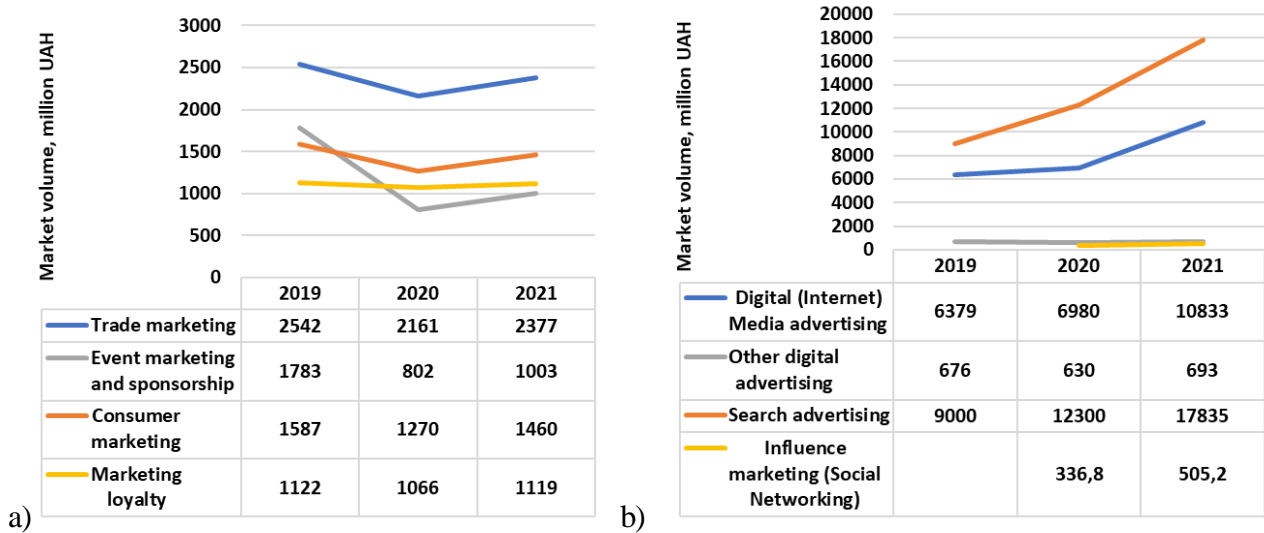


Fig. 2. Dynamics of market volume of marketing services in Ukraine in 2019-2021 (compiled by the author by [7-12]): a) classic marketing; b) Internet-marketing

Also an important factor in favor of digital marketing should be noted the personal qualities of professionals who are adapted to the conditions of uncertainty, because they have to always lived in a world where consumer preferences are constantly changing, to which they are forced to adapt; and be real sharks of the Internet space. This is a significant point, given by the State Labor, during the war, about 53% of Ukrainians lost their jobs, and a large number of businesses across Ukraine reduced or completely ceased their activities [13]. Marketing agencies and specialists in the creative sphere are no exception, who were forced to lose their jobs due to reduced demand for their services. More or less stable were those companies which operated or had customers in foreign markets.

Conclusions

The situation of uncertainty (unpredictability, ambivalence), as characteristic of the Ukrainian economy since the beginning of the pandemic and intensified in the conditions of war was substantiated.

It is shown that the world economy and the economy of Ukraine, in particular, face the need to operate in conditions of uncertainty caused by COVID-19, and in 2022 - russia's military aggression against Ukraine.

The main negative consequences of the pandemic and martial law on the economy and, in particular, on the field of marketing have been determined.

It has been proven that the At the same time, the effect of uncertainty should not only destabilize, but also become a driving force for change.

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agencies to work and work in uncertainty, gain new experience, improve skills, develop marketing as an art and philosophy of modern business.

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