Martynenko M. V.,
Doctor of Economics, Associate Professor,
Simon Kuznets Kharkiv National University of Economics; Ukraine;
e-mail: mrmartynenko@gmail.com; ORCID ID: 0000-0002-4193-6716

Gerasimov O. K.,
Ph. D. student,
Simon Kuznets Kharkiv National University of Economics; Ukraine;
e-mail: a.k.gerasimov@gmail.com

Iastremska O. O.,
Ph. D. in Economics, Associate Professor,
Simon Kuznets Kharkiv National University of Economics; Ukraine;
e-mail: iastremska.o@gmail.com

SOCIAL AND MARKETING ASPECTS OF TRANSFORMATION PROCESSES
IN UKRAINE IN CONDITIONS OF EUROPEAN INTEGRATION

Abstract. The successful transition of transformation processes in Ukraine under the conditions of European integration is possible only with the intensification of the competitive advantages of the country, the main of which is human intellectual capital. Unfortunately, current data on migration processes show an active outflow of intellectual capital from Ukraine. In such conditions, there is a need to find additional tools for influencing migration processes to reduce the outflow of intellectual capital from Ukraine. One of such tools is social marketing. The significance of social marketing for transformational processes is determined by its focus on promoting new ideas in society, effective influence on selected target groups and changing their behavior in order to get benefits not only for individuals but also for the society, taking into account its needs in the conditions of limited resources. The purpose of the research is to substantiate the areas of improvement of the transformation processes in Ukraine in the conditions of European integration, based on the use of social marketing tools. The article analyzes the theoretical approaches to the definition of the essence of transformation, examines the position of Ukraine in world ratings, reflecting the effectiveness of the transformation processes in different countries. The approaches to the definition of the essence of social marketing and its importance for the transformational processes in society are substantiated. The possible outcomes for society as a result of changes in behavior and the choice of Ukrainian youth in favor of study and work in Ukraine instead of emigration abroad are considered. The peculiarities of the 4P model in social marketing are presented in order to preserve intellectual capital in Ukraine. The directions of application of social marketing tools for improvement of transformation processes in Ukraine in the conditions of European integration are substantiated.

Keywords: transformation processes, social marketing, intellectual capital, European integration, emigration of young people.

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Ястремська О. О.,
к. е. н., доцент,
Харківський національний економічний університет імені Семена Кузнеця, Україна;
e-mail: iastremska.o@gmail.com

СОЦІАЛЬНИ ТА МАРКЕТИНГОВІ АСПЕКТИ ТРАНСФОРМАЦІЙНИХ ПРОЦЕСІВ В УКРАЇНІ В УМОВАХ ЄВРОІНТЕГРАЦІЇ

Анотація. Успішне протікання трансформаційних процесів в Україні в умовах європейської інтеграції можливий лише за умови посилення конкурентних переваг країни, основним з яких є людський інтелектуальний капітал. На жаль, поточні дані про процеси міграції свідчать про активний відплив інтелектуального капіталу з України. У таких умовах потрібно знайти додаткові інструменти впливу на міграційні процеси для зменшення відпливу інтелектуального капіталу з України. Одним із таких інструментів є соціальний маркетинг. Значення соціального маркетингу для трансформаційних процесів визначається його спрямованістю на просування нових ідей у суспільстві, ефективним впливом на обрані цільові групи та зміну їхньої поведінки, з тим щоб отримувати вигоди не тільки для окремих людей, а й для суспільства, беручи до уваги його потреби в умовах обмежених ресурсів. Метою дослідження є обґрунтування напрямів удосконалення процесів трансформації в Україні в умовах європейської інтеграції на основі використання інструментів соціального маркетингу. Аналізуються теоретичні підходи до визначення сутності трансформації, розглядається позиція України у світових рейтингах, що відображає ефективність трансформаційних процесів у різних країнах. Обґрунтовано підходи до визначення сутності соціального маркетингу і його значення для трансформаційних процесів у суспільстві. Розглянуто можливі результати для суспільства внаслідок змін поведінки та вибору української молоді на користь навчання і роботи в Україні замість еміграції за кордон. Представлені особливості моделі 4Р у соціальному маркетингу для збереження інтелектуального капіталу в Україні. Обґрунтовано напрями застосування інструментів соціального маркетингу для поліпшення трансформаційних процесів в Україні в умовах європейської інтеграції.

Ключові слова: трансформаційні процеси, соціальний маркетинг, інтелектуальний капітал, євроінтеграція, еміграція молоді.

Формула: 0; рис.: 4; табл.: 4; бібл.: 29.

Мартыненко М. В.
д. э. н., доцент,
Харківський національний економічний університет імені Семена Кузнеця, Україна;
e-mail: mrmartynenko@gmail.com; ORCID ID: 0000-0002-4193-6716

Герасимов А. К.
аспірант,
Харківський національний економічний університет імені Семена Кузncea, Україна;
e-mail: a.k.gerasimov@gmail.com

Ястремська О. А.
к. е. н., доцент,
Харківський національний економічний університет імені Семена Кузнеця, Україна;
e-mail: iastremska.o@gmail.com

СОЦІАЛЬНЫЕ И МАРКЕТИНГОВЫЕ АСПЕКТЫ ТРАНСФОРМАЦИОННЫХ ПРОЦЕССОВ В УКРАИНЕ В УСЛОВИЯХ ЕВРОИНТЕГРАЦИИ

Аннотация. Проанализированы теоретические подходы к определению сущности трансформации, исследованы позиции Украины в мировых рейтингах, отражающих эффективность протекания трансформационных процессов в разных странах. Обосновано значение социального маркетинга для трансформационных процессов в обществе.
Приведены особенности модели 4Р в социальном маркетинге с целью сохранения интеллектуального капитала в Украине. Обоснованы направления использования инструментов социального маркетинга для усовершенствования трансформационных процессов в Украине в условиях евроинтеграции.

Ключевые слова: трансформационные процессы, социальный маркетинг, интеллектуальный капитал, евроинтеграция, эмиграция молодежи.
Формул: 0; рис.: 4; табл.: 4; библ.: 29.

**Introduction.** Ukraine's choice of the European way of development and the signing of the European Union Association Agreement updated the new tasks and directions of transformation processes for the country. Any transformation involves the simultaneous realization of economic, political, social, environmental and other types of changes in various fields of activity. In this case, it is expedient to maximize the use of those resources that provide the country with competitive advantages in the world, so that transformations are effective. The competitive advantage of Ukraine is human intellectual capital. It is in indexes of the development of education that Ukraine has good positions in world ratings. However, unfortunately, current data on migration processes show an active outflow of intellectual capital from Ukraine. This situation in the long run will make sustainable economic development impossible and complicate integration processes with more developed European countries. In such conditions, there is a need to find additional tools for influencing migration processes to reduce the outflow of intellectual capital from Ukraine. One of these tools is social marketing, which makes the chosen topic of research relevant.

**Literature review and problem statement.** The peculiarities of the transformation processes and related problems were considered in the works of such scholars as N. Hrazhev'ska, L. Cherniuk, N. Petryshyna, Z. Bzezhinsky, D. Geld, A. Pshevorsky, D. Rastou, Y. Toffler, F. Schmitter, P. Shtompka and others. In the majority of the works of the named authors, attention was paid to the study of the essence of political, economic and social transformations in general. Such scholars as S. Babenko, V. Gelman, Y. Kovtunenko, O. Kutsenko, N. Panina, V. Yadov paid special attention to the problems faced by post-totalitarian societies in the transition to a democratic system. However, there is a need for in-depth research and substantiation of promising measures to improve transformation processes, their simplification for post-Soviet countries.

The purpose of the research is to substantiate the directions of improvement of the transformation processes in Ukraine in the conditions of European integration, based on the use of social marketing tools.

**Research results.** One of the most complex and ambiguous concepts in economic theory is the notion of "transformation," which closely intertwines with the related concepts of development, change, modernization and others. Therefore, it is expedient to pay particular attention to the definition of the essence of this concept as a key to this work.

Table 1 gives the views of various authors to define the essence of transformation.

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition of the essence of transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>N. Hrazhev'ska</td>
<td>The internal component of the process of general evolution, associated with a violation of equilibrium and graduality, uncertainty, incompleteness, developmental alternatives, the presence of special forms and specific elements of transitional structures. It was proved that the essence of the transformation of the economic system is its qualitative transformations</td>
</tr>
<tr>
<td>L. Cherniuk</td>
<td>The process of adaptation (quantitative and qualitative adjustment) of elements of economic systems at macro-, meso- and micro- levels and their interconnections in accordance with the regularities of the functioning and development of a market economy, which leads to the formation of a qualitatively new structure</td>
</tr>
<tr>
<td>A. Bhebe</td>
<td>A dramatic or extreme change in form, nature and appearance. In transformation, the character of anything grows to an improved effectiveness. Transformation is naturally</td>
</tr>
</tbody>
</table>

Table 1
Consequently, based on the above definitions, transformation implies radical qualitative and structural changes in those transforming systems. Ye. Ivchenko, noting the identity of the concepts of transformation and transformation process, at the same time, emphasizes that the transformation process, in contrast to transformation, should reflect the dynamics of the functioning and development of systems [7]. From the point of view of O. Romaniuk, under the change of political regimes, "the transformation process covers all spheres of public life" [8, p. 10]. In defining the transformation process at the microeconomic level, it is stated that it implies changes made in a business or other organization which improve the company's employee and management participation in the development of the business. A transformation process can give a failing business new life and can improve the smooth operation of any company [9].

As a result of the choice of the European integration path of development, Ukrainian society faces a number of important tasks related to the need to introduce radical changes in many sectors of the national economy. "The task of transformation at the present stage of Ukraine's development is to provide wide-ranging modernization of the economy and society, providing them with a modern European look, and finally dispossess the outdated socio-economic forms and institutions" [10, p. 247]. It is appropriate to take into account the experience and dynamics of transformation processes in other countries with transitional economic and political systems. In order to monitor the effectiveness of transformational processes in 29 countries with transition economies, independent watchdog organization Freedom House does the survey Nations in Transit, and each country is given a Democracy Score. Based on this index the countries are divided within a scale of 1 (the highest level of democratic progress) and 7 (the lowest level of democratic progress). According to the methodology used the ratings follow a quarter-point scale. Minor to moderate developments typically warrant a positive or negative change of a quarter point (0.25), while significant developments warrant a half point (0.50) [11]. Five groups of countries are isolated: Consolidated Democracy, Semi-Consolidated Democracy, Transitional Government or Hybrid Regime, Semi-Consolidated Authoritarian Regime and Consolidated Authoritarian Regime. Ukraine is recognized as the country with Transitional Government or Hybrid Regime. Consequently, the lower the value of the index, the more effectively the transformational processes are taking place in the country towards the formation of a democratic society. The detailed picture of Ukraine in the dynamics with a clear presentation of the contribution of the main components to the value of the general index of democracy is shown in Fig. 1.

Another indicator that reflects the effectiveness of transformation processes in countries with economies in transition is calculated by the Bertelsmann Foundation (Bertelsmann Stiftung). The Bertelsmann Transformation Index (BTI) reflects the level of development of democracy, market economy and the quality of public administration in 129 countries of the world. This index consists of two components, namely: the Status Index, which contains the indexes of political transformation (Democracy Status) and economic transformation (Market Economy Status); the Governance Index, which includes indexes of the management difficulties (Level of Difficulty) and status of governance, its effectiveness (Governance Performance) [12]. The dynamics of the values of these components for Ukraine is presented in Fig. 2.
Studying the essence of the transformational potential of the countries of the world, modern scholars identify the following main elements:

- the scientific or knowledge-based potential;
- the infrastructural production and technical potential;
- the intellectual, labor and workforce capacity;
- the financial potential together with the investment component;
- the information and communication potential [13, p. 1436].

Each country must realize its own competitive advantages in the process of implementing change. Such an advantage for Ukraine was always human resources and intellectual capital, which, in turn, provided the scientific potential and knowledge potential of the country. Thus, according to World Economic Forum in the structure of Global Competitiveness Index, the most important components are health and primary education, as well as higher education and professional training (Figure 3).
Hence, the intellectual component of Ukraine’s capital, human resources are its competitive advantage in the world. European integration processes and the simplification of procedures for traveling abroad for Ukrainian citizens, on the one hand, facilitate the development of opportunities for knowledge exchange and free movement in European countries, but, on the other hand, it is accompanied by a negative tendency of the massive departure of the most active and able to work part of the population to work and study in the countries of Europe. According to Eurostat, the citizenship of a EU Member State was granted to 24,100 Ukrainians, which brought Ukraine to the seventh position in the list of main recipients of a EU Member State citizenship in 2016. In particular, Ukrainians acquired the largest number of passports in the Czech Republic, Poland, and Romania [15].

This tendency, unfortunately, will not contribute to the future accumulation of intellectual capital. A similar conclusion was made by the World Bank experts who noted that «many talented Ukrainians seek work in other countries, which, at least in the short term, leads to a loss of human capital to Ukraine (in the long run, it may lead to greater international connections and perhaps return to Ukraine in the form of knowledge and capital)» [16, p. 25].

Consequently, there is an urgent need for the introduction of democratic mechanisms of influence on the current situation. One such mechanism is social marketing. The concept of social marketing in modern developed countries has already become widely used. A thorough justification of the impact of social marketing on socio-economic transformations is presented in the work of P. Kotler, N. Roberto, N. Lee [17]. From the point of view of these authors, social marketing can be seen as an instrument for implementing planned social changes. Among the main functions of social marketing, scientists single out:

- stimulating social change with the use of persuasion methods;
- strengthening the role of the non-profit sector in solving many problems;
- promotion of market relations in various sectors of social activity, but not the use of cash means of payment, but others, for example, credit of trust, etc. [18, p. 173].

Other authors, whose views are given in Table 2, have a similar view of the role and importance of social marketing for transformational processes in society.
Table 2

Approaches to the definition of the essence of social marketing and its significance for the transformational processes in society

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition of social marketing</th>
<th>Significance of social marketing for transformational processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Andreasen</td>
<td>The adaptation of commercial marketing technologies to programs designed to influence the voluntary behavior of target audiences to improve their personal welfare and that of the society of which they are a part</td>
<td>It is the instrument of change of social behavior that determines the success of social transformations</td>
</tr>
<tr>
<td>P. Kotler, G. Zeltman</td>
<td>The design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product designing, pricing, communication, distribution and Marketing research</td>
<td>Motivates the change in behavior patterns through the proposal certain social benefits, increase of the level of trust, etc. as a reward for such a change</td>
</tr>
<tr>
<td>R. Bagozzi</td>
<td>A separate case of a more general concept of marketing associated with the emergence and flow of exchange processes in the sphere of social relations</td>
<td>Provides a comprehensive socio-economic approach to the selection of instruments for the implementation of transformations with benefits to society</td>
</tr>
<tr>
<td>International Social Marketing Association</td>
<td>Social Marketing seeks to develop and integrate marketing concepts with other approaches to influence behaviors that benefit individuals and communities for the greater social good.</td>
<td>Provides a comprehensive socio-economic approach to the selection of instruments for the implementation of transformations with benefits to society</td>
</tr>
<tr>
<td>California PTC</td>
<td>Social marketing is the use of commercial marketing principles and techniques to improve the welfare of people and the physical, social and economic environment in which they live. It is a carefully planned, long-term approach to changing human behavior</td>
<td>Directed at the long-term perspective, therefore, initiates more persistent and profound changes in society than short-term impacts</td>
</tr>
<tr>
<td>D. Akymov</td>
<td>process that uses principles and marketing technologies, while allowing to focus and provide effective assistance to certain groups of the population through the implementation of programs aimed at satisfying their needs</td>
<td>Increases the effectiveness of transformations due to point effects on specific target groups, taking into account their interests and needs</td>
</tr>
<tr>
<td>Y. Holubkov</td>
<td>a marketing, which means the development, implementation and control of social programs aimed at increasing the level of perception of certain social strata of certain social ideas, movements or practical actions</td>
<td>Provides information support for social changes and programs, which reduces resistance to changes on the part of the population</td>
</tr>
</tbody>
</table>

Source: compiled by the authors on the basis of [19-25]

Thus, the significance of social marketing for transformational processes is, above all, its focus on promoting new ideas in society, effective influence on selected target groups and changing their behavior in order to get benefits not only for individuals but also for the society as a whole, taking into account its needs, even in the conditions of limited material resources. From the point of view of P. Kotler, N. R. Lee, “social marketers are selling behaviors”, these authors underline, that as a result in changing behavior of target market could be: accepting a new behavior, rejecting a potential new behavior, modifying a current behavior, abandoning an old behavior [26, p. 9]. Table 3 demonstrates the example of using mentioned approach for young intellectual people, who are going to leave Ukraine with learning or working goals as a target group. In this case, the goal of implementing social marketing as an instrument of transformation process could be stimulating the
carriers of intellectual capital to study and work in Ukraine to support and develop democratic foundations in society.

<table>
<thead>
<tr>
<th>Potential behavior to promote</th>
<th>Examples for a selected target audience (young people planning to emigrate from Ukraine)</th>
<th>Possible outcomes for transformational processes in Ukraine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accepting a new behavior</td>
<td>Formation of a new attitude towards his/her own role in the construction of state policy, active use of existing ways of influencing the events taking place in Ukraine</td>
<td>Formation of a civil democratic society with an active social position of its members, especially the intellectual elite</td>
</tr>
<tr>
<td>Rejecting a potential new behavior</td>
<td>Denial of possible future decisions about going to a permanent place of residence or work in other countries</td>
<td>Realization of possibilities of using professional competences in the labor market of Ukraine</td>
</tr>
<tr>
<td>Modifying a current behavior</td>
<td>Changing the attitude towards the degree of one’s own responsibility for those socio-economic transformations that take place in Ukraine, from low or absent to high level</td>
<td>Increasing the level of self-identification of Ukrainian citizens.</td>
</tr>
<tr>
<td>Abandoning an old behavior</td>
<td>Rejection of the habitual and accepted by many people model of behavior with orientation to obtaining instant and only personal benefits from the investment of intellectual capital</td>
<td>Formation in society of understanding of the positive role of the overall contribution to the creation of social benefits</td>
</tr>
</tbody>
</table>

Source: improved by the authors on the basis [26]

Most of the authors who studied the essence of social marketing (their points of view are given in Table 1), agreed on the fact that social marketing uses commercial marketing technologies. Consequently, the 4P model is also one of the key ones in planning social marketing activities. Let's consider theoretically the peculiarities of the components of this model, aimed at improving the transformational processes in Ukraine by retention and increasing the intellectual capital (Fig. 4).

**Product**
- The idea that it is better to live and work in Ukraine rather than emigrate

**Price**
- It is individual in each case and depends on the combination of losses and benefits associated with the refusal to go abroad, taking into account the probability of their occurrence

**Promotion**
- Social advertising, direct marketing, other forms of marketing communications, the most effective channels for which are the Internet, social networks, youth TV and radio channels, etc.

**Place**
- The places of interaction with the selected target group are increasingly moving into the virtual space, that is, the Internet. However, effective points of access may include schools, youth playgrounds, youth sports clubs, various youth organizations

Fig. 4. The peculiarities of the 4P model of social marketing aimed at retention and increasing the intellectual capital in Ukraine

*Improved by the authors*

The product in social marketing is ideas, beliefs, values, guides, attitudes of people and social groups to certain events. P. Kotler notes that the task of social marketers is “package” the social idea in a manner which their target audiences find desirable and are willing to purchase” [20, p. 7]. The paper makes an accent on such a target audience as the youth who are planning to
emigrate from Ukraine. It is suggested to choose the retention of intellectual capital in Ukraine in conditions of European integration as the purpose of social marketing to improve transformational processes. Thus, the idea that it is better to stay and work in Ukraine than to emigrate abroad is the product. The next element of marketing mix is the price. The price paid by the target audience for perceiving the given idea and changing the behavior in each individual case is very different. The differences are due to the ratio of benefits, which those who plan to go abroad refuse from, and possible losses. So, the benefits may be getting a higher level of wages, better living conditions, access to more services, etc. At that, the severance of existing social ties, the need to perform a job with a lower level of qualification than the education received, the lack of permanent housing, etc., can be considered as a loss. It should take into account the probability with which the named events may take place. Promotion of the product by means of social marketing involves the use of known in traditional marketing forms of marketing communications. At the same time for youth the most priority communication channels are the Internet and social networks. Thus, according to Google’s survey, 96% of young people in the age group of 16-24 years old are active permanent Internet users [27]. The most popular means of accessing the Internet are smartphones [28]. Therefore, the place of interaction with the target audience is also increasingly moving into the virtual space. Although traditionally the most effective access to youth can be achieved at educational institutions, at sports grounds, youth clubs, etc.

The key difference of the concept of social marketing is that it involves the integration and coordination of the interests of consumers, organizations and society as a whole. The experts of the World Economic Forum determine which advantages are provided to business by implemented at enterprises social (including social-marketing) innovations:

- restoration of trust in business;
- adaptation to resource scarcity and environmental concerns;
- attracting and retaining talent;
- changing performance metrics;
- the possibility of the invention of ways of growth and inclusion in the processes of its measurement (Search for growth and inclusion at scale) [29].

At the same time investment of enterprises in talent (investing in talents) is considered to be one of the effective directions of realization of social innovations, including social marketing. This necessitates the designation of directions of application of social marketing tools at the macro, meso- and microeconomic levels, aimed at increasing the intellectual capital in Ukraine (Table 4)

<table>
<thead>
<tr>
<th>Level</th>
<th>Directions of application of social marketing tools for the retention of intellectual capital</th>
<th>The results of the implementation of these tools for improving the transformation processes in Ukraine in terms of European integration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macroeconomic</td>
<td>Broad informing of citizens about their rights and the mechanism of influence on transformational processes in Ukraine. Formation and development of the brand of the state, its positive perception by its own citizens. Formation of the idea of national unity and self-identification as part of Ukrainian society in the minds of citizens.</td>
<td>The orientation of the socio-political trajectory in the direction of democratization of society by changing the system of values and influence on such social institutions: education - reorientation of educational programs taking into account the requirements of the labor market and active interaction of educational institutions with business</td>
</tr>
<tr>
<td>Meso-economic</td>
<td>Conduct in the regions of information campaigns on the needs of the regional labor market needs in specialists. Active involvement of young people in regional</td>
<td></td>
</tr>
</tbody>
</table>
development programs with the provision of realistic instruments of influence Social partnership of local authorities with youth organizations, employers, trade unions, other stakeholders in the field of education and employment of young people

<table>
<thead>
<tr>
<th>Microeconomic</th>
<th>Provision of workers with decent working conditions. Training, retraining and professional development of workers for their development and demand in the Ukrainian labor market Participation in a social partnership with educational institutions, local authorities and other stakeholders in the field of training and employment of young people Information of schoolchildren and students about the benefits of employment at domestic enterprises</th>
</tr>
</thead>
</table>

Conclusions. The use of social marketing tools, aimed at retaining young qualified personnel in the country, will help to optimize transformation processes by improving the functions of social institutions, namely:

- **education** - the transmission and spreading of national values, the idea of national unity and self-identification as part of the Ukrainian society;
- **family** - improvement of educational function, communication between family members, socialization of children at the expense of communication with parents and the presence of moral support on their part;
- **labor market** - a review of the principles of youth employment and its adaptation to professional activity, integration into activities, which are important for the country to achieve the development of innovations and increase of their competitiveness.

Thus, social marketing can be used to preserve and attract intellectual capital to Ukraine, as well as to accelerate the transformation processes in the direction of developing a democratic society, increase the competitiveness of Ukraine in the conditions of European integration.

Література


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