

# Marketing Sustainability of Enterprise Business Projects as a Factor Supporting Regional Economic Stability

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**Keywords:** Sustainable Development Marketing, Marketing Management, Project Marketing.

**Abstract:** The paper presents the development of the concept of sustainable marketing in the planning and implementation of business projects of enterprises. Marketing sustainability of business projects is considered an independent subsystem of project activities management, which responds to market risks of the project by marketing techniques and methods, and ensures the implementation of the values of sustainable development. Above all, these are the values of ecology and social justice. Developing marketing sustainability systems is a complex task that can be difficult for traditional project management modes. Therefore, there is a need to expand business advisory services. This challenge can be addressed at the regional level. Thus, at the level of regional governance, the sustainable development of the territory's enterprises will be promoted, which will cause a reverse effect on increasing the sustainability of economic processes in the region.


## 1 INTRODUCTION

Efficient and sustainable functioning of the regional economic system is the basis for stable growth of the country's economy and a condition for successful business in the region. Regional authorities have various tools to influence the socio-economic processes of the territory, but not many of them can affect the sustainability of economic growth. Russian scientists make attempts to develop such tools (with the allocation of sustainability types (Perfilov, 2012)), including the involvement of marketing (as part of the formation of the regional development strategy (Baranova, I.V. and Baranova, G.N., 2016)). In general, the theme of sustainability of regional development is present in Russian scientific thought. Still, it is more focused on solving crisis processes and developing mechanisms to maintain the social sphere. In foreign scientific thought, the sustainability of regional development is considered in a broader sense as a qualitative characteristic of economic growth to achieve a new quality of the socio-economic system. This approach allows us to consider such complex processes as forming global integration unions that contribute to the convergence

of economic development levels of entire countries (Nowotny et al., 2013).

It is important to emphasize that the modern understanding of sustainability is focused not so much on maintaining the positive dynamics of economic performance but rather on achieving growth through the quality of sources of socio-economic development. In terms of the concept of sustainable economic growth, which began to be actively developed since the second half of the 1990s (Sheth and Parvatiyar, 1995), such significant qualitative aspects of economic growth are its social and environmental outcomes. As early as 1991, the United Nations proclaimed the goal of minimizing environmental damage from economic activities. The priority of achieving this goal has steadily increased in the hierarchy of economic management goals (Fuller, 1999).

Within the framework of marketing the goal of environmental conservation is most fully embodied in the concept of "sustainable marketing", which is considered by foreign scientists as the development of marketing methods on the basis of environmental results. This approach is more comprehensive compared to environmental or "green" marketing (Belz, and Peattie, 2009), which already had some history of development when the concept of

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"sustainable growth" was formed. The difference between the concept of sustainable marketing and previously developed environmental marketing components is that the environmental component of sustainable development is considered along with the social component, which is understood as the availability of basic goods and services for all categories of the population, the constant improvement of the quality of life (Halina, 2016).

In addition to the new goals of marketing activities within the framework of sustainable marketing, one can highlight such new phenomenon as individualization of value demand - customization of product offer under the demands of an individual consumer. Still, the demands are rational, formed in developing environmental awareness and socially responsible behavior (Halina, 2016). Practical implementation of this concept is rather multidimensional - it is organic consumer products, eco-tourism, the choice of environmentally friendly packaging, the rejection of excessive consumption, and other measures of rational choice of goods and services, taking into account the impact of their production and disposal conditions on the environment. That is, the practical embodiment of the concept of sustainable marketing in consumer behavior represents all those actions that embody environmentally responsible purchasing decisions (Soloveva et al., 2017): avoiding excesses, using innovative goods and services that consider the environmental consequences of production and consumption, self-restraint and self-education for optimal consumption. Marketing is attuned to such consumption by becoming a concept: "which involves building and developing sustainable relationships with customers, the social environment and the environment" (Solov'eva and Halina, 2015). It is important to note that the initiative in spreading "sustainable marketing" comes both from the consumers themselves, who are conscious, and is actively supported by the state and various public organizations. At the regional level, it may also be possible to encourage support for the concept of sustainable marketing. Moreover, the essence of the concept of sustainable marketing is fully consistent with the content of management activities to ensure sustainable development of the socio-economic system of the region since the understanding of sustainable marketing is formed as a derivative of the three target components, which were not previously considered as business objectives and, therefore, as the primary marketing objectives: achieving social, environmental and ethical effects.

In the author's opinion, sustainable marketing can be considered an important tool for managing the region's sustainability. However, the methodological aspects of this direction of marketing are very poorly developed. It is practically not represented in the Russian scientific literature - most of the works of Russian scientists on sustainable marketing are devoted to the marketing activity of the firm. It can be assumed that for the implementation of sustainable marketing as a tool of regional sustainability management, it is necessary to accumulate a sufficient "critical mass" of research in this area of marketing and disseminate the concept of "sustainable growth" in practical economic management.

However, the evolutionary accumulation of the "critical mass" of sustainability marketing research can become a very long-term process, so it is necessary to stimulate the dissemination and application of this concept, to improve its methodological support, to increase the availability of scientific developments for practice managers.

It is essential to accelerate the spread of the concept of sustainable development for agrarian regions, whose economic activities are related to problems of land fertility preservation and protection of natural factors of agricultural production itself from over-intensive consumption. Planning of economic activity in agrarian regions must be extremely sensitive to environmental and social consequences of economic activity; therefore, in the author's opinion, every business project in the agrarian sphere must necessarily take these consequences into account. Formal accounting for environmental and social risks of business projects is not enough - special project management in market conditions must maintain the established sustainable development goals when the commercial business environment changes.

Such special management is business project sustainability marketing, the development of which the author's research is devoted to.

## 2 RESEARCH METHODOLOGY

The methodological basis of business project sustainability marketing is the conceptual approaches of the concept of sustainable growth and modern transformations of marketing theory. The use of sustainable marketing in Russian practice requires clarification of the categorical apparatus.

The correct use of the term "sustainability marketing" is extremely important for the Russian

scientific thought. As accurately pointed out by G. L. Bagiev and a group of researchers in several publications (Bagiev and Cherenkov, 2018; Bagiev et al., 2018), the straightforward translation of this term generates a distorted semantic construct whose content should denote marketing sustainability itself. This aspect of sustainability is important for management - marketing activities must be carried out stably in the face of any changes in the external environment. But the content of the term, borrowed from foreign academic literature, is the use of marketing for economic sustainability. This very definition of "marketing for sustainable development" is fixed by G. L. Bagiev in the title of the article and is disclosed in its content (Bagiev and Cherenkov, 2018).

From the position of this methodological approach, the possibilities of marketing for business project sustainability are explored. Moreover, the focus is on agrarian business projects, which, as mentioned above, are particularly sensitive to the environmental and social impacts of implementation.

The main methodological approaches to ensuring the economic sustainability of enterprises have already been developed in economic theory. In practice, it is mainly analyzed from the perspective of the study of financial performance indicators - assessment of the adequacy of assets and reserves. Stability is also comprehensively assessed using the techniques and methods of risk management (Kachalov, 2002) to identify risks and hazards of economic activity and the development of measures to counter them. An independent methodological area of economic sustainability analysis is the theory of enterprise reliability, in the framework of which the main attention of researchers is focused on the study of the ability of an enterprise to function under peak loads and resource constraints (Kabanov, 2008)

Within the marketing framework, sustainability issues are most fully developed from the position of analysis of the anti-crisis function of marketing (Fed'ko et al., 2013).

In general, the existing theoretical and methodological components of economic sustainability form the scientific basis for developing the marketing sustainability system of the business projects, which is considered an addition to the existing approaches.

The statistical data (Rossijskij statisticheskij ezhegodnik, 2019), the analysis of which allowed us to form an assessment of the scale of project activities, formed the information basis of the study. Based on the indicators of technical re-equipment and the level of mastering of innovative technologies, it

was concluded that there is a high need to improve the quality of project activities, which is what the study of marketing sustainability of business projects is aimed at.

### 3 RESEARCH RESULTS

The marketing sustainability of a business project is considered from two perspectives. The first position is a characteristic of the extent to which the planned implementation of a business project is protected from the negative effects of market forces. The second position is the ability of the project management system to adapt to the changed market conditions. Thus, marketing sustainability is seen as both:

- assessment of the degree of feasibility and characterization of the business project implementation process;
- direction of management activity, an independent subsystem of business project management.

The subject of marketing sustainability management of the business project is the preservation of the planned market share for the entire period of the business project, ensuring its effectiveness; reproduction of relations with suppliers and customers, interaction with the public and market regulators, and other significant aspects of the business project. The main objects of influence within the framework of ensuring the marketing sustainability of the business project are changes in the market conditions for the implementation of project activities.

The main subject of ensuring marketing sustainability of a business project is a specialized project management team. Regardless of the scale or the way the project is organized, the marketing functions must be embodied in the project management process. Since marketing and project implementation competencies require high professionalism, it is necessary to provide an opportunity to engage specialists and consultants with sufficient knowledge and experience to solve complex tasks of business project implementation.

The work directed at ensuring the marketing stability of the business project aims to counter the risks of a market nature and can be influenced by marketing means. Moreover, we can rightfully assert that a certain group of risks - price, sales, customer, image, communication - cannot be responded to without marketing.

A distinctive feature of the application of marketing within the concept of sustainable growth is the development of management decisions considering environmental and social constraints. Thus, countering the above risks should be implemented based on values and a responsible approach to business.

It is important to note that the implementation of business project sustainability marketing changes the marketing role, moving it to the highest level of the management hierarchy. Thus, the composition of the response to changing market conditions of the project may require adjustments not only commercial but also production, financial, human, information, and other parameters of the project, which are not within the competence of marketing. Consequently, effective interaction of the marketing service (or project marketing team) with other divisions of the enterprise and the formation of mechanisms for joint decision-making is necessary. When developing joint management decisions, marketing simultaneously plays the role of the initiator of changes. It implements the functions of an independent system for managing the sustainability of a business project.

The basic algorithm of actions to ensure marketing sustainability is implemented in the following composition:

- a) formation of a market situation forecast for the period of the business project implementation;
- (b) developing a business change model to adapt to possible market changes;
- (c) organization of a management structure capable of implementing marketing responses to possible changes;
- (d) reserving resources to respond to changes in the external environment;
- (e) monitoring the market environment and responding to emerging threats to the sustainability of the business project;
- f) initiating a response to the identified threats to the business project - both in the form of individual marketing activities and by changing the production and commercial activities of the entire enterprise.

The implementation of this algorithm is possible if there is sufficient information and effective communication. Therefore, it is necessary to form specialized information resources that provide marketing sustainability management. Such resources should be formed as a part of the marketing information system of the enterprise.

The notion of a marketing information system is quite broad and includes the whole spectrum of marketing information resources used for different aspects of enterprise activity management in market

conditions (Vanifatova, 2002). Conceptually and functionally, the analytical component designed to ensure marketing sustainability is already embedded within traditional marketing information systems. Therefore, there is no need to create a special marketing information system to ensure the sustainability of the business project - it is enough to modernize existing systems to solve this problem. The essence of modernization is to supplement the existing marketing information systems with techniques and data to assess the marketing sustainability of the business project.

The main purpose of this improvement of marketing information system operation is to expand analytical support of sustainable development of market subjects, formation of sufficient evaluation base for project activities, coordination of interests of all its subjects: producers, consumers, resource suppliers, scientific organizations, regulatory bodies, etc. However, it isn't easy to independently form such an information system for analytical support of own business projects at the enterprise level. Therefore, it is necessary to create an advisory center at the regional level, which will support business projects of enterprises with necessary information resources and methodological assistance. The main task of such a center is to concentrate marketing competencies in business sustainability, of which there may be several, even within a single firm.

It is important to note that the organizational structures for providing such assistance already exist - it is necessary to expand their work with modern techniques and methods. The concept of marketing sustainability is a source of new techniques and methods of economic management, and its further development and implementation will improve the validity of economic decisions.

## 4 RESULT DISCUSSION

Developments in sustainable marketing are related to changes in attitudes towards marketing itself and are sparking discussions about the role of environmental awareness and culture in promoting this type of marketing. For the sustainability marketing of a business project, these aspects are fundamental. When implementing a project in practice, there may be situations when it is commercially beneficial to abandon the project's environmental or social constraints to maintain its financial attractiveness. To overcome this contradiction, sustainability marketing should allow for the formation of an estimate of the damage to the firm's image and reputation resulting



from the implementation of such failures. Such damages may exceed the financial achievements of the project, which should be an incentive to preserve the environmental and social parameters of the project.

This marketing role is quite new as marketing has always been focused only on achieving profits from the transactions made. The concept of sustainable marketing is based on ethical principles - both in its focus on environmental and social justice goals and its rejection of consumer manipulation. These ethical foundations of sustainable marketing have been actively debated in the academic literature from the perspective of criticizing the use of marketing to impose unnecessary and redundant products on consumers (Skorobogatyh et al., 2013; Stoeckl and Luedicke, 2015).

In general, the concept of sustainable marketing can be seen as a response to marketing criticism, which is quite extensive. The main criticism relates to the moral aspects of marketing activities - this is shown in a comprehensive study of criticism of marketing practices (Stoeckl and Luedicke, 2015). It can be argued that the concept of sustainable marketing is opposed to such practices. The concept of sustainable marketing attempts to reconcile the interests of business and society, which can be realized through business following the best social practices.

The opportunities for sustainable marketing development are largely determined by the promotion of environmental awareness and culture, which are beginning to change the market and social environment of market actors (Skorobogatyh et al., 2013):

- consumers increase demand for environmentally friendly products and services and those produced in an environmentally responsible manner;
- manufacturers, intermediaries, investors expand the use of environmentally friendly technologies, production of environmentally friendly goods and services;
- public, educational, scientific and other organizations that influence consumers, promote the environmental agenda, actualize environmental protection issues.

As a result of the influence of ecological culture on the consciousness of market participants, a new paradigm of sustainable marketing is emerging, which is also seen as a development of the concept of macromarketing (Cherenkov et al., 2020) and has considerable research potential.

The noted oppositions between financial benefits and the need to follow self-restrictions to achieve

environmental and social goals will inevitably manifest themselves in the development and implementation of management decisions, particularly in building a system to counteract the risks of business projects.

At present, that project risk counteraction is embodied in a system of project financial management measures. However, the main focus of the project's financial management is on the emergence of arrears, the formation of financial reserves, possible work on the restructuring of debts, etc. The majority of the project management literature focuses specifically on the financial aspects of management.

Marketing management of project sustainability and risk management is more comprehensive than its financial management and can be viewed as a key management activity of project activities. Therefore, it is natural that more and more researchers consider marketing as a leading component of integrated project management. This approach reveals new marketing opportunities and provides a conceptual basis for the implementation of the marketing sustainability methodology: "Marketing project management is an art, science, and methodology of planning, leadership, and coordination of labor, financial and material and technical resources throughout the project cycle, aimed at effectively achieving goals projects related to attracting, preserving and developing consumers through the creation, provision, and promotion of values that are significant to them, following the requirements and opportunities of the market, within the limits of the scope and scope of work, cost, time and quality existing in the project" ( Vozmilov and Kapustina, 2010).

We should agree that marketing management is an art, but this aspect makes its formalization much more difficult. Therefore, it is necessary to constantly expand the scientific approaches to building management activities on the basis of marketing, which will allow creating sufficient analytical tools for the effective implementation of creative marketing developments in economic practice.

It can be assumed that in today's fiercely competitive market, it is impossible to succeed without creative implementation of marketing in the management system. Marketing management of the project is conceptually aimed at the embodiment of the creative component of the project activities, and ensuring the marketing sustainability of the project will ensure the stability and reliability of the project activities, which will allow making and implementing creative decisions.

## 5 CONCLUSION

The concept of sustainable growth is an important area of economic thought and is reflected in various marketing developments. Sustainable marketing not only formulates modern goals and objectives of marketing work, but also imposes new value requirements for marketing itself. Sustainable marketing goals for environmental protection and social justice are consistent with regional management goals. At the microeconomic level, sustainable marketing is embodied in the environmental culture and social responsibility of the entrepreneur. Particularly full disclosure of the value aspects of marketing in the development of a business project.

The research considers marketing as a tool for project sustainability. The marketing sustainability of the project is aimed at both preserving its financial and commercial parameters and embodying the value aspects of the entrepreneur's activity - consideration of environmental and social outcomes.

The research proposes forming an independent management system of marketing sustainability of the business projects, which should be integrated with other subsystems of project management and with the functions of enterprise management.

Building marketing sustainability systems for projects requires skilled effort and complex work. To support it, it is recommended to create a marketing information system that can be implemented at the regional level and provide the necessary analytical support for business projects. Thus, the region contributes to the development of marketing sustainability systems in the territory's enterprises. This enhances the sustainability of regional development.

The proposed approaches are rather new for marketing, but their development is significant for improving economic management for ensuring stable and sustainable growth of regional economies.

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