

**KAPITEL 4 / CHAPTER 4<sup>4</sup>****IMPLEMENTING MARKETING INNOVATIONS IN COMMUNICATION MIX AND PRODUCT PROMOTION AS A COMPETITIVE ADVANTAGE OF EU ENTERPRISES****DOI: 10.30890/2709-2313.2024-33-00-004****Introduction**

Given the modern conditions related to dynamic changes in the extremely unstable business environment, as well as the increased role of non-price competition and the rapid development of information technologies, marketing communications are of strategic importance for the success of an enterprise in the global markets. Strong competition forces companies to focus efforts not only on creating new products and services, but also on the developing integrated marketing communication mix on an innovative basis, by using digital, mobile, and Internet technologies and thus enhance competitive advantage.

The study's general goal is to identify strategic directions of transformation the marketing communication mix based on the introduction of innovative digital tools and solutions to create and enhance competitive advantage of EU enterprises.

**4.1. Studying the introduction of marketing innovations at EU countries enterprises and the importance of new methods of promotion**

It should be noted that the interpretation of marketing innovation is periodically reviewed by the international expert community, in accordance with changes in the business environment under modern conditions. The third edition of the Oslo Manual (2005) defines four types of innovations: product innovations, process innovations, organizational innovations, and marketing innovations [1, p.16–17]. Marketing innovations involve the implementation of new marketing methods and changes in product design and packaging, in product promotion and placement, and in methods

---

<sup>4</sup>*Authors: Taranenko Iryna Vsevolodivna, Mishustina Tetyana Serhiivna, Yaremenko Svitlana Stepanivna*



for pricing goods and services [1, p. 17].

We have investigated the implementation of marketing innovations at enterprises of the EU countries based on data from the Community Innovation Survey (CIS) given by Eurostat [2]. Data from CIS 2008 – CIS 2016 were used. The use of data from the latest CIS 2018, CIS 2020 and CIS 2022 was deemed inappropriate by us due to the change in survey methodology and poor correlation with the data of previous surveys. Data on the innovative enterprises, including organizational innovative enterprises and marketing innovative enterprises, are given in Table 1.

**Table 1 - Innovative enterprises in EU\* (innovative enterprises, % in the total number of enterprises)**

Year	Innovative enterprises	Product and/or process and organization and/or marketing innovative enterprises	Organization and/or marketing innovative enterprises, regardless of product or process innovation	Marketing innovative enterprises only
2016	50,6	25,5	36,6	22,9
2014	49,1	23,6	35,9	22,8
2012	48,9	24,3	37,1	24,3
2010	52,9	26,8	40,8	26,8
2008	51,6	26,6	40,1	26,6

\*EU-27.

Source: [2].

The share of innovative enterprises, as well as the share of product and/or process and organization and/or marketing of innovative enterprises during the study period, was approximately at the same level, while the share of organization and/or marketing innovative enterprises, regardless of the product or process innovation, decreased from 40.1 % in 2008 to 36.6 % in 2016. There was also a reduction in the share of marketing innovative enterprises, from 26.6 % in 2008 to 22.9 % in 2016. This trend confirms the assumption that marketing innovations are more actively used in times of economic instability [3, p. 54], particularly in the times of global economic crisis 2007–2009. And as the economy stabilizes, the share of product or process innovations increases.



We investigated the share of innovative enterprises, as well as organization and/or marketing innovative enterprises, in EU countries in 2010 and 2016.

**Table 2 - Innovative enterprises in EU\* countries**

Country	Innovative enterprises (% in the total number of enterprises)							
	Innovative enterprises		Product and/or process and organization and/or marketing innovative enterprises		Organization and/or marketing innovative enterprises, regardless of product or process innovation		Marketing innovative enterprises only	
	2010	2016	2010	2016	2010	2016	2010	2016
European Union	52,9	49,5	26,8	25,4	40,8	36,0	26,8	24,0
Belgium	60,8	68,1	33,7	40,0	43,0	46,0	29,1	27,8
Bulgaria	27,1	27,2	8,0	10,0	17,4	17,3	12,3	12,0
Czechia	51,7	46,3	25,5	23,6	42,4	32,7	29,6	26,3
Denmark	54,7	51,5	32,2	28,1	44,0	40,1	28,2	29,7
Germany	79,3	63,7	46,55	33,3	61,6	46,9	45,7	31,7
Estonia	56,8	47,7	26,63	18,1	36,8	21,5	25,5	13,7
Ireland	59,5	57,3	33,59	35,1	46,4	49,5	30,4	34,7
Spain	41,4	36,9	16,3	13,8	28,5	28,0	15,1	15,6
France	53,5	57,7	24,85	31,9	44,0	46,4	26,0	28,5
Croatia	42,4	48,0	22,52	24,3	33,1	38,7	24,2	28,4
Italy	56,3	53,8	27,76	29,9	43,6	39,5	28,0	25,9
Cyprus	46,2	36,5	27,9	21,0	38,0	28,2	28,3	19,8
Latvia	29,9	30,3	10,29	13,5	23,4	22,4	14,1	13,8
Lithuania	34,5	50,5	15,87	24,9	27,7	34,6	20,7	25,7
Luxembourg	68,1	63,8	41,88	33,5	60,0	52,8	39,0	30,8
Hungary	31,1	29,0	10,92	11,7	23,6	19,6	17,5	12,9
Malta	41,5	33,9	21,6	19,8	32,6	26,8	20,6	17,7
Netherlands	56,7	59,7	28,45	24,9	38,1	32,4	23,1	19,3
Austria	56,5	62,0	31,3	37,6	43,9	51,8	27,9	35,1
Poland	28,1	22,0	9,4	8,0	21,3	12,3	14,3	8,3
Portugal	60,3	66,9	34,01	39,5	48,0	47,8	34,2	37,3
Romania	30,8	10,2	9,97	2,9	26,5	7,7	19,2	5,1
Slovenia	49,4	39,8	24,48	19,9	39,2	28,5	28,4	21,2
Slovakia	35,6	30,7	21,65	13,8	29,1	21,2	19,5	15,0
Finland	56,2	64,8	30,58	39,3	40,4	45,9	27,5	32,1
Sweden	59,6	54,2	32,03	25,5	43,1	37,1	31,9	29,2
UK	44,3	58,7	23,91	26,3	35,6	40,5	18,3	14,9

\*EU-27.

Source: [2]



Compared to 2010, in 2016 the share of marketing innovative enterprises only decreased in the EU in general from 26.8 to 24%. Only nine countries such as Denmark, Ireland, Spain, France, Croatia, Lithuania, Austria, Portugal and Finland showed an increase in the share of marketing innovative enterprises. A similar pattern was also observed for the organization and/or marketing of innovative enterprises, regardless of product or process innovation while the share of product and/or process and organization and/or marketing innovative enterprises increased during the study period in 13 countries.

The results of the analysis of the ratio of different types of marketing innovation for EU enterprises, which showed the undeniable advantage of new promotion technologies (Table 3), were interesting.

The study showed that in 2012, only seven EU countries were dominated by marketing innovations other than new media or techniques for product promotion. Thus, for the enterprises of Portugal and Romania the priorities were significant changes to the aesthetic design or packaging, for Germany, Estonia, and Cyprus – new methods for product placement, and for Lithuania and Hungary – new methods of pricing goods or services. Eurostat also places Croatia, which joined the EU in 2013, within this group. In turn, in 2016 the share of enterprises that have introduced new media or techniques for product promotion increased compared to 2012 in 11 EU countries. Thus, marketing innovations related to communications and promotion, as of 2016, prevailed in most EU countries, except Lithuania, Germany, and Slovakia. This long-term trend indicates the strategic role of integrated marketing communications in the innovative activities of enterprises.

The most significant reason for the introduction of marketing innovations at enterprises during the CIS 10 survey was the desire to increase or retain market share. This goal is pursued by 50 to 95 % of the enterprises of almost all EU countries studied, except for the Czech Republic (44.1 %). Coverage of new consumer groups is a priority motive for the introduction of marketing innovations for 30–80 % of enterprises. Access to new geographical markets through new marketing solutions and tools is the goal of 11–45 % of enterprises [2].



**Table 3 - Marketing innovation by type of innovation introduced by enterprises in EU\* countries**

Country	Product and/or process innovative enterprises that have introduced marketing innovation by type of innovation (% in the total number of enterprises)							
	Significant changes to the aesthetic design or packaging		New methods for product placement		New media or techniques for product promotion		New methods of pricing goods or services	
	2012	2016	2012	2016	2012	2016	2012	2016
Austria	30,3	30,7	26,2	26,9	33,3	37,0	17,2	16,3
Belgium	16,4	17,7	14,2	8,3	27,1	26,3	11,0	12,8
Bulgaria	18,1	21,7	15,9	18,5	23,2	25,5	22,6	21,4
Croatia	31,6	27,3	26,8	23,8	31,0	30,7	32,9	25,2
Cyprus	34,9	29,9	58,5	30,8	54,0	36,3	29,2	22,6
Czechia	24,6	27,0	20,8	15,2	34,0	34,4	10,5	23,1
Estonia	20,5	11,8	22,1	11,9	19,2	15,5	18,3	10,2
Finland	21,2	17,6	19,3	16,6	33,3	35,3	23,9	24,4
France	24,3	26,3	14,5	18,2	27,2	33,2	20,8	22,7
Germany	22,0	21,6	29,1	26,0	25,8	23,2	16,3	16,6
Greece	39,3	43,0	22,9	19,2	42,5	43,9	27,0	27,7
Hungary	20,6	19,1	19,9	15,2	23,8	21,0	23,9	18,0
Italy	27,7	25,7	16,1	15,0	29,2	25,9	25,6	17,0
Latvia	N/A	23,5	N/A	18,4	N/A	29,4	N/A	21,6
Lithuania	23,5	23,8	21,7	18,6	23,5	26,4	28,0	27,2
Luxembourg	21,8	21,8	20,2	19,9	28,2	29,8	23,0	26,6
Malta	33,6	25,8	36,8	23,0	49,3	36,9	36,1	25,0
Netherlands	15,1	10,0	21,0	15,7	27,8	21,4	14,6	8,6
Poland	18,3	16,6	16,0	14,6	21,9	19,5	18,8	14,7
Portugal	34,8	31,9	21,7	19,0	34,1	35,9	31,0	22,7
Romania	32,2	20,5	31,3	14,8	26,4	21,7	29,8	18,1
Slovakia	28,6	25,9	19,8	15,4	30,1	25,0	21,4	13,1
Slovenia	33,9	27,1	29,1	23,8	34,3	32,3	31,2	24,7
Spain	19,1	21,4	17,3	20,5	20,8	23,5	12,8	14,6
Sweden	25,8	25,2	24,8	25,8	32,0	34,4	22,4	21,6

\*No data for the UK and Ireland.

Source: [2]

The generalization of the study results showed that most EU enterprises prefer new methods of promotion. At the same time, the reduction in the share of enterprises that implement marketing innovations indicates the need to transform marketing communications based on the use of state-of-the-art technologies.



## **4.2. Innovative digital methods in marketing communications by EU enterprises**

In recent years, EU enterprises have increasingly adopted innovative digital methods in their marketing communication strategies. These methods are reshaping how businesses connect with their audiences, enhancing engagement, and ensuring a competitive edge in the marketplace. Digital transformation has enabled companies across the EU to move beyond traditional media channels and adopt digital-first strategies, including social media marketing, content marketing, influencer collaborations, artificial intelligence (AI), and personalized advertising.

A major trend in the digital marketing landscape within the EU is the shift towards social media as a core communication tool. According to the European Digital Economy and Society Index (DESI) [4], as of 2023, over 80% of EU enterprises use social media platforms to engage with customers and build brand awareness. Platforms like Instagram, TikTok, and LinkedIn have become pivotal in targeting specific demographics, offering businesses the ability to create highly targeted ad campaigns and engage directly with consumers through interactive content such as stories, reels, and live sessions. This shift reflects a broader consumer preference for digital channels, with 59% of EU citizens using social media regularly, according to Eurostat data [10].

Furthermore, EU companies have integrated content marketing as a key element of their communication strategies. Content marketing, which includes blogs, videos, podcasts, and newsletters, allows businesses to establish thought leadership and provide value to their audiences. A report from the Content Marketing Institute [5] indicates that 65% of marketers in the EU increased their investment in content marketing in 2023, with a particular focus on video content. The popularity of short-form videos, in particular, has seen substantial growth. Platforms such as YouTube, TikTok, and Instagram Reels have enabled brands to convey their messages in creative and engaging ways. As video consumption continues to rise, brands are adapting their strategies to deliver visually appealing and concise content that aligns with the preferences of modern consumers.

The rise of influencer marketing is another notable trend in the EU's digital



marketing landscape. EU enterprises, especially in sectors such as fashion, beauty, and technology, have partnered with influencers to reach niche markets and enhance brand credibility. According to a survey by the Influencer Marketing Hub [6], spending on influencer marketing in the EU reached an estimated €2 billion in 2023, reflecting a 20% year-on-year growth. Influencer partnerships enable brands to leverage the trust and connection that influencers have with their followers, resulting in higher engagement rates compared to traditional advertisements. By collaborating with influencers on platforms like Instagram and TikTok, businesses can access audiences that are more difficult to reach through conventional channels.

Artificial Intelligence (AI) has also become a significant driver of innovation in marketing communications. EU enterprises are utilizing AI to enhance personalization, automate customer interactions, and optimize advertising efforts. AI-powered chatbots, for example, have been widely adopted to provide real-time customer support on websites and social media platforms.

According to Eurostat, in 2023, 8% of enterprises in the EU with 10 or more employees used AI technologies to conduct their business. The highest shares of enterprises with 10 or more employees using AI technologies were in Denmark (15.2%), Finland (15.1%) and Luxembourg (14.4%). Meanwhile, the lowest shares were recorded in Romania (1.5%), Bulgaria (3.6%) and Poland (3.7%) and Hungary (3.7%) [7].

These chatbots improve customer satisfaction by providing instant responses and handling routine inquiries, freeing up human agents for more complex tasks. Additionally, AI-driven analytics tools allow companies to segment their audiences more precisely, enabling personalized marketing campaigns that cater to individual preferences and behaviors.

The use of data analytics and programmatic advertising has further empowered EU enterprises to target their advertising more effectively. According to the Interactive Advertising Bureau (IAB) [8], programmatic advertising accounted for 75% of digital display ad spend in the EU in 2023, highlighting its importance in the advertising strategies of European businesses. This method not only increases the efficiency of



advertising budgets but also provides detailed insights into campaign performance, enabling continuous optimization.

Moreover, the integration of immersive technologies such as augmented reality (AR) and virtual reality (VR) is becoming more prevalent in the marketing efforts of EU enterprises. These technologies are particularly popular in the retail and automotive industries, where they are used to create virtual try-ons, product demonstrations, and interactive experiences. The adoption of AR and VR technologies provides a unique way for brands to engage with consumers, offering experiences that are memorable and immersive. According to a survey by Statista, the use of AR in marketing is expected to grow by 30% annually in the EU, driven by the increasing capabilities of smartphone technology and consumer demand for interactive experiences.

Digital innovations have also supported EU enterprises in aligning with broader sustainability goals. As consumers become more eco-conscious, businesses are leveraging digital channels to communicate their sustainability efforts and practices transparently. A study by McKinsey & Company found that 64% of consumers in the EU consider a brand's sustainability record before making a purchase, underscoring the importance of transparent communication in building brand loyalty. Digital storytelling around sustainability not only enhances brand image but also appeals to the growing segment of environmentally conscious consumers.

The adoption of innovative digital methods in marketing communications by EU enterprises is reshaping the business landscape, allowing companies to engage more effectively with their target audiences. The use of social media, content marketing, influencer collaborations, AI, programmatic advertising, and immersive technologies has enabled businesses to deliver personalized and engaging experiences to consumers. As digital transformation continues to accelerate, EU companies are well-positioned to leverage these tools to drive growth, adapt to changing consumer behaviors, and achieve a competitive advantage in an increasingly digitalized market.

To ensure a strong position in the global market in modern conditions related to unstable business environment and strong competition, the EU enterprises must demonstrate full use of various digital marketing opportunities. Thus, it is necessary to



recognize that having an effective strategy is a key factor in ensuring competitiveness. The strategic role of integrated marketing communications requires the use of the most modern digital marketing technologies and tools. In the order to boost the competitive advantage, the urgent task of EU enterprises should be the development and implementation of an effective digital marketing strategy.

### **Summary and conclusions.**

1. According to the results of our study, the leading role of marketing innovations in the EU countries related to new methods and technologies of promotion has been identified. This allows us to assume the strategic role of integrated marketing communications based on innovative methods and promotion tools, in particular related to modern digital technologies.

2. It was found that in recent years the EU enterprises have increasingly adopted digital methods in their marketing communication mix. These methods are reshaping business-audience connections, enhancing engagement, and ensuring a competitive edge.

3. It has been proven that in the order to boost the competitive advantage, the urgent task of EU enterprises should be the development and implementation of an effective digital marketing strategy.