Digital Solutions and HR Marketing Opportunities: 
The Current Level and Prospects for Increasing Efficiency
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V.A. Bondarenko¹, A.A. Voronov², P.P. Kapustin³, A.A. Maksaev⁴

Abstract:

Purpose: The article is devoted to the prospect of the HR marketing digitalization in the context of the need to increase the efficiency of the target marketing impact in the HR solutions.

Design/Methodology/Approach: The article reveals the features of the digitalization as a global trend of the corporate development, gives examples of the marketing solutions digitalization in the context of their economic efficiency, describes the possibilities of HR marketing function digitalization, and presents the results of the authors’ research on the level of the spread, efficiency and digitalization of HR marketing at the regional labour market of the Southern Federal district of the Russian Federation.

Findings: The digitalization level of the HR marketing function is a promising strategic factor that determines the efficiency of target marketing efforts and the possibility of organizing the systematic marketing interaction between corporate entities and all the target audiences at the labour market.

Practical implications: Authors suggest further directions for increasing the scale of the HR marketing function digitalization in terms of support for the recruitment, selection, profiling and employment procedures, evaluating the current productivity and potential of the employee, professional diagnosis and orientation procedures, planning the career and development, HR reserve and promotion to a higher position, material and non-material motivation, taking part in the corporate development and management, and outplacement interaction.

Originality/value: The authors’ approach can become the basis for implementing the digital marketing management platform in the largest employer organizations of the Southern Federal district and ensure the maximum use of the modern marketing approach to manage long-term and profitable interactions with staff as key internal partners of corporate entities.

Keywords: HR marketing, regional economy, Southern Federal district, digital economy, control systems digitalization.

JEL codes: M19, M30

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¹Rostov State University of Economics, Rostov-on-Don, Russia, e-mail: b14v@yandex.ru
²Russian University of Economics named after G. V. Plekhanov (Krasnodar branch), Krasnodar, Russia
³Kuban State University, Krasnodar, Russia
⁴Krasnodar Institute of Cooperation, Krasnodar, Russia
1. Introduction

The digital transformation of economic relations is one of the most well-known and widely discussed concepts today, the use of which, according to the authors’ conception, axiomatically leads to increase efficiency at all levels of socio-economic systems from households to state management structures of the economy in the regions and in the country as a whole. The experience of the digital techniques’ implementation in various types of economic activity, in obtaining public services, education and science clearly indicates the prospects of digital forms that can provide substantial cost saving in all types of resources, first of all time-based ones, in the implementation of individual iterations and socio-economic processes as a whole.

At the same time, it should be noted that the use of implementing digital capabilities as part of individual corporate management functions is currently not unambiguous, and it requires a significant focus on corporate features and opportunities for increasing the economic efficiency of enterprises and organizations aimed at the massive introduction of digital approaches and techniques (Drewniak and Posadzińska, 2020).

2. Marketing Digitalization: Solutions and Results

Modern marketing as the corporate management function is developing in two main directions today, which perfectly should be linked by the single evaluation of the target impacts economic efficiency. These are:

− the use of traditional marketing tools and inventory focused on the designation of marketing efforts as part of the economic entity’s corporate strategy;
− the use of innovative opportunities of the socio-economic and technological development at present stage aimed at the search and implementation of specific marketing potential to increase the scope and efficiency of economic entities.

It should be noted that the current level of the scientific substantiation and efficiency evaluation even of traditional marketing opportunities and impacts in the modern economy is analysed in different ways by the specialists in areas and metrics that can provide reliable marketing positioning and the development of subsequent efforts aimed at the clear and concrete result.

As an example of the applied digital techniques implementation in the basic information function of the modern trade organizations’ marketing management we can use the approach by Beklova (2019) proposing an integrated digital solution for the internal marketing information system of the modern commercial enterprise. At the same time, the author’s field study of the spread and functionality of the collecting internal marketing information systems in the modern shopping centres of Krasnodar region makes it possible to evaluate the existing digital opportunities for recording and researching customer flows as fragmentary ones, not related directly to the
marketing strategy of trade organizations and their ability to attract and retain partners and consumers.

Vakhrusheva and Shalimova (2016) in their study on organizing marketing activity in catering enterprises note the need to identify and evaluate the consumer potential of customer flows in some marketing locations as the basis for the sustainable implementation of catering services related to cooking on the spot. The authors’ field study of the client flows features in the target marketing location was based on the use of analogue methods of marketing research, in particular observation, due to the lack of digital capabilities for monitoring and recording the necessary flow data (Table 1).

**Table 1. Client flows features obtained by analogue methods of the marketing research (Vakhrusheva and Shalimova, 2016)**

| The consumer flow | Time within the location | The flow size, people, per an hour | The average receipt size in the stream, RUB. | The conversion of the flow relating to catering services, % | Key problems of attracting flow participants |
|-------------------|--------------------------|-----------------------------------|--------------------------------------------|------------------------------------------------|---------------------------------------------|
| Seeing off        | 15-120 minutes           | 100-200                           | 50-100                                     | 1-5                                          | In most cases, impulse purchases based on the actual time spent in the location, the high rationality of consumer behaviour and comparison with the facilitated transit documents of catering enterprises outside the location, the consumer manoeuvre possibility (moving the customer between marketing locations) |
| Greeters          | 15-120 minutes           | 200-300                           | 50-200                                     | 1-5                                          | |
| Arriving air passengers | 15-120 minutes   | 300-500                           | 50-100                                     | 1-5                                          | |
| Service staff - partners (not regular employees of the airport and airlines) | 15 minutes - 8 hours | 50-100                            | 50-100                                     | 1-5                                          | |
| Departing air passengers | 15-120 minutes (up to 480 minutes if the schedule is disrupted) | Up to 1400                      | 300-1000                                   | 10-20                                         | Purchases of a mixed rational-impulse type related to the flight distance, number of transfers, interregional / international distance, children. There is no comparison with the facilitated transit documents of catering enterprises outside the |
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| Location                                    | Demand | Marketing | Potential | Source: Authors. |
|---------------------------------------------|--------|-----------|-----------|-----------------|
| Domestic and international airlines terminals |        |           |           |                 |
| VIP passengers                              | 15-120 min. | 1-5       | 12000 (package proposal) | Practically there is no problem of attracting customers, since the catering service is provided in the package proposal of services paid for by corporate or public entities presented by the air passenger |
| Airport and airline staff                   | 4-12 hours | 1500-2000 per day | 200-500 | The flow is clearly separated into subjects that receive the services of the airport's catering system and subjects that eat independently outside of this system |

It must be admitted that the implementation and use of the digital marketing information system in the location could facilitate continuous (but not selective one) marketing surveillance, and as a result a larger array of marketing data necessary for forecasting marketing activity to optimize the participants and the catering sector of the selected location as a whole. Moreover, the successful use of the marketing observations principle in the video surveillance system for the client flow of airports (which is confirmed, for example, by the activity of the international airport "Domodedovo") makes it possible to achieve a comprehensive operational effect from complete digital support of the passenger transport services to the identification and neutralization of criminals declared on the Federal wanted list (Golovanov, 2019).

The independent direction of investigating and implementing digital marketing opportunities is the functionality of the holistic marketing paradigm, focused on the search, establishment and monetization of long-term, stable and mutually beneficial relationships with all the subjects of corporate marketing systems. We will continue our research on HR marketing – a modern marketing and management tools – an important instrument in the formation and use of competitive advantages of corporate structures.

3. HR Marketing: Modern Approaches and Opportunities for Digitalization
The experience of recent years in the target marketing impact implementation has indicated that "the effective use of low-budget marketing innovations aimed at a qualitatively new level of the release of employees’ working capacity within the full professional life cycle makes it possible to mobilize internal reserves for the intensive increase of labour productivity, replacing the traditional full employment with a multi-format model of the competence development and partner marketing interaction" (Demyanenko, 2019).

The issue of HR marketing is connected with necessary HR training (Voronov et al., 2018; Shevchenko, 2013). In detail marketing opportunities for the HR management function implementation are investigated by Lobanova (2014) in relation to the marketing interaction subjects of a typical enterprise – employer (Table 2).

**Table 2. Opportunities for the HR marketing function implementing in the modern enterprise activity (Lobanova, 2014)**

| The marketing impact subject | The marketing impact direction                                                                 | Marketing impact tools                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| HR of the enterprises – competitors | The competition and poaching of the best employees                                             | The employer's brand. The direct recruitment. Competitive forms and the employment terms. |
| Job seekers (persons with the ability to work) | Creating the job offer attractiveness by a certain employer. Economically substantiated reducing the applicants’ candidate expectations in wages and working conditions (both during the trial period and during the main work) | The use of competitive forms of the selection and recruitment of the best candidates from the candidates at the labour market |
| Current employees of the company – young specialists | Professional orientation within the adaptation to new work, additional professional training, reaching the average level of labour productivity, career planning | The employer's brand, working conditions, the company's HR marketing research, professional orientation, engagement and loyalty programs, outplacement, optimization of employment forms, choice of the form of participation in the enterprise management |
| - specialists with experience | Marketing programs of engagement and loyalty, the career plan implementation                     |                                                                                         |
| - specialists - "veterans" | Marketing programs of the engagement and loyalty, implementation of a career plan, the optimization of labour activity and forms of employment, outplacement events |                                                                                         |
| - specialists - "human capital" | Marketing programs of the engagement and loyalty, the career plan implementation, optimization of labour activity and forms of employment, outplacement events, choice of the participation form in the enterprise management |                                                                                         |
| Trade unions and employers’ associations | Cooperation in the development and implementation of HR marketing standards. Target employment programs | Marketing research, standards of HR marketing activity engineering, communication activity within the HR marketing |
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| The labour market infrastructure | Cooperation in the marketing research at the different labour market, its segmentation, the evaluation of functioning and competition | Marketing research of the labour market, its capacity structure, dynamics, factors, trends, mechanisms (including competition) |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Educational institutions: secondary vocational educational and high educational establishments | Correction of educational programs aimed at creating the competitive professional competence of young specialists. Optimization of the content and structure of educational services and products. Interaction with employers and job seekers on continuing professional education. Selecting the best students (future job seekers at the labour market during the training stage and forming marketing relationships) | Marketing research of the labour market. Engineering of educational services and products under the programs of secondary vocational education, higher education and postgraduate professional education. Marketing support of prospective students for the period of graduating from the educational establishments. |
| The state and its representative structures | Providing marketing information about labour market activity. Target employment programs for certain categories of the population. Compliance with standards and rules of social and labour relations and prevention of their manipulation. | Marketing research on the labour market. Communication activity within HR marketing. |

**Source:** Authors.

At the same time, according to research results on the spread and efficiency of the HR marketing use, presented by Demyanchenko (2019) on the material of the 50 largest Russian employers in 2018, only 22% of respondents noted the declaration of HR marketing functions in the HR policy of the enterprise. Only 4% of respondents noted the long-term HR marketing plan, and 10% of respondents noted the short-term plan. Only 4% of respondents noted the time-based structure of HR marketing, although the permanent structure of HR marketing (in the form of at least a corporate training structure) was available in 44% of organizations under consideration. In 68% of organizations, the fact of evaluating the HR marketing function implementation was just announced, but not evaluated. Only 8% of respondents noted that specialized quantitative indicators were used in their organisations (24% of responses were qualitative/expert ones). As the main indicators used for the efficiency of the HR marketing function implementation in the organization, indicators of labour productivity in general in the short term was identified by 28% of respondents the staff turnover during the short period was identified by 28% of respondents, the socio-economic climate of the staff was identified by 32% of respondents, and other marketing effects were considered and used to a much lesser extent.

These conclusions are not opposite to the conclusions presented in other studies (Vanyan and Demyanenko, 2016; Mitrofanova et al., 2017; Vladyka et al., 2016; Yeremeyev and Kublin, 2011).
4. The Field Research: The Level of Spread, Efficiency and Digitalization of HR Marketing at the Regional Labour Market

In order to evaluate the current level of the HR management function digitalization and its marketing tools, we made the express research on the material of the 250 largest employers-organizations of the Southern Federal district. This express research was presented in the rating of the Research Agency "Expert-South" (Expert, 2019). The research plan and methodology are presented in Table 3.

Table 3. The plan and methods for the express research on the HR management function digitalization level and its marketing tools in the largest corporate entities of the Southern Federal district (the author’s research)

| Stage | Contents |
|-------|----------|
| 1.    | 1. The research conception development |
|       | 2. The HR marketing function implementation efficiency level and its digital tools significantly constrains the growth of the strategic function of HR management in the Russian enterprises at present and requires the activation of search and rationalization efforts to apply digital marketing capabilities in the key problems such as the formation, use and development of HR in the largest corporate entities of the Southern Federal district. |
| 1.1.  | Identifying the problem |
|       | The HR marketing function spread in HR management is the research object. |
|       | 2. The evaluation of the management marketing function digitalization level and promising directions for its improvement in the context of increasing the efficiency and competitiveness of corporate structures. |
| 1.2.  | Setting goals |
|       | The HR marketing function digitalization level is the factor that determines the efficiency of target marketing efforts and possibility to organise the systematic marketing interaction between corporate entities and all the target audiences at the labour market. |
| 1.3.  | Formulating the working hypothesis of the study |
|       | Data from the Expert South News Agency on the largest corporate entities in the Southern Federal district in 2018-2019. |
|       | Data from the Express survey of representatives of HR departments of the largest economic enterprises in the Southern Federal district of the Russian Federation. |
| 2.    | The selection of information sources |
| 2.1.  | Secondary information |
|       | Data is collected in accordance with the research goals. Secondary information is obtained from the ranking data of the research agency "Expert South". |
|       | Empirical data is obtained from the survey of HR representatives in the 250 largest corporate structures of the Southern Russia’s economy |
| 2.2.  | Primary information |
|       | The field stage period of the study is September-October of 2019 |
| 3.    | Data collecting |
|       | The research results are intended to characterize the current level of using approaches and techniques of HR marketing in the activity of the largest companies - employers, to evaluate the marketing sub-function digitalization level and the prospects for increasing its spread and efficiency. |

Source: Authors.

The key results obtained during the study are presented in Table 4.
Table 4. Key results of the express study of the HR management function digitalization level and its marketing tools in the largest corporate entities of the Southern Federal district (author’s study)

| Question/ responses options                                                                 | Number of responses | Response rate |
|--------------------------------------------------------------------------------------------|---------------------|---------------|
| 1. The availability of the HR marketing function in the HR management system at the enterprise |                     |               |
| available in full format                                                                     | 24                  | 9.6           |
| available in the form of fragmented efforts                                                   | 114                 | 45.6          |
| not available                                                                                | 112                 | 44.8          |
| 2. The quantitative evaluation of the HR marketing function based on the results of the reporting period |                     |               |
| evaluated                                                                                    | 24                  | 9.6           |
| evaluated: positive dynamics                                                                  | 16                  | 66.67         |
| evaluated: neutral dynamics                                                                   | 6                   | 25.00         |
| evaluated: decreasing dynamics                                                                | 2                   | 8.33          |
| not evaluated                                                                                 | 226                 | 90.4          |
| 3. The expert evaluation of the HR marketing function implementation in the enterprise         |                     |               |
| It contributes to the growth of operating performance indicators                               | 87                  | 34.8          |
| It promotes the labour productivity growth                                                    | 92                  | 36.8          |
| It helps reduce HR management costs                                                           | 85                  | 34            |
| 4. The HR marketing function digitalization level in the enterprise as a whole                  |                     |               |
| the HR marketing function is fully digitalized                                               | 14                  | 10.1          |
| the HR marketing function is partially digitized                                             | 98                  | 71.0          |
| the HR marketing function is not digitalized                                                  | 26                  | 18.8          |
| 5. The main directions of HR marketing functions implemented in the corporate HR model         |                     |               |
| support for the recruitment, selection, profiling and employment procedures                   | 94                  | 68.1          |
| support for procedures of evaluating the current employee’s efficiency and potential           | 23                  | 16.7          |
| support for the professional diagnostics and orientation, career planning and development      | 19                  | 13.8          |
| support for HR reserve and promotion procedures                                               | 87                  | 63.0          |
| support for material and non-material motivation procedures                                   | 111                 | 80.4          |
| support for participation in the corporate development and management                         | 15                  | 10.9          |
| support for the outplacement interaction procedures                                           | 3                   | 2.2           |
| others                                                                                       | 101                 | 73.2          |
| 6. The digitalization level of the main directions of the HR marketing function implemented in the corporate HR model |                     |               |
| support for the recruitment, selection, profiling and employment procedures                   | 94                  | 68.1          |
| sufficient                                                                                    | 28                  | 29.79         |
| insufficient                                                                                  | 66                  | 70.21         |
| support for procedures to evaluate the current employee’s efficiency and potential            | 23                  | 16.7          |
| sufficient                                                                                    | 4                   | 17.39         |
| insufficient                                                                                  | 19                  | 82.61         |
support for the professional diagnostics and orientation, career planning and development & 19 & 13.8  
sufficient & 2 & 10.53  
insufficient & 17 & 89.47  
support for the personnel reserve and promotion procedures & 87 & 63.0  
sufficient & 17 & 19.54  
insufficient & 70 & 80.46  
support for the material and non-material motivation procedures & 111 & 80.4  
sufficient & 34 & 30.63  
insufficient & 77 & 69.37  
support for participation in the corporate development and management & 15 & 10.9  
sufficient & 2 & 13.33  
insufficient & 13 & 86.67  
support for the outplacement interaction procedures & 3 & 2.2  
sufficient & 0 & 0.00  
insufficient & 3 & 100.00  

7. The HR marketing function impact on the main efficiency indicators of the enterprise

| The labour productivity | 67 | 48.55  
| positive | 54 | 39.13  
| neutral | 17 | 12.32  
| decreasing | |  
| The unproductive staff turnover | 56 | 40.58  
| positive | 76 | 55.07  
| neutral | 6 | 4.35  
| decreasing | |  
| reducing the cost of HR management implementation | 44 | 31.88  
| positive | 79 | 57.25  
| neutral | 15 | 10.87  
| decreasing | |  
| etc. | 89 | 64.49  
| positive | 43 | 31.16  
| neutral | 6 | 4.35  
| reducing | |  

8. The availability of the independent budget of HR marketing functions in the enterprise

| available | 34 | 13.6  
| not available | 216 | 86.4  

9. The size of the independent budget of HR marketing functions in the enterprise

| up to 1 million rub. per a year | 22 | 91.67  
| 1-10 million rub. per a year | 2 | 8.33  
| more than 10 million rub. per a year | 0 | 0.00  

10. Prospects for increasing the HR marketing budget at the enterprise

| planned | 2 | 8.33  
| unplanned | 22 | 91.67  

Source: Authors.
9.6% of respondents noted the availability of the full-format HR marketing function in their enterprises. 45.6% of respondents note fragmentary attempts to use marketing methods and tools in the corporate HR management system. Only 9.6% of respondents carried out the quantitative evaluation of the HR marketing function implementation efficiency, while 66.67% of them considered it successful. In general, respondents assumed the positive impact of HR marketing tools on operating results, labour productivity, and reducing costs for HR management, although the corresponding reports were not made at the enterprises they represented.

Only 10.1% of respondents stated that the personnel marketing function was fully digitalized, 71% of responses noted partial attempts to use digital tools and software, and 18.8% of respondents noted the analogue format of the HR marketing function. 13.6% of respondents stated about the independent budget for HR marketing but in 91.67% of cases it did not exceed 1 million rub. per year and the prospects for its increase were evaluated negatively.

5. Conclusion on the Prospects and Forecasts of Increasing the Efficiency of HR-Digital Solutions

The research indicated the initial level of the HR marketing function implementation and its digitalization in the largest corporate entities of the economy in the Southern Federal district. Status quo is due to the lack of the economic efficiency substantiation of HR marketing decisions, significant and not obvious in terms of payback for its digitalization, and some scepticism of managers who in unstable economic situations prefer to save on investment in the future corporate development. At the same time, a lot of enterprises are interested in HR marketing and increasing its application, and its specific approaches, models and tools require the further development and testing in the HR management systems of modern Russian enterprises.

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