

Management of the reputation of OJSC "Concern Galnaftogaz" on the market of light petroleum products in Ukraine

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Annotation. The main groups of interested parties and methods of communication with them were determined to manage the reputation of OJSC "Concern Galnaftogaz". Calculations were made to determine the level of this company's offline and online reputation compared with competitors. Four main strategies for managing the company's reputation, their advantages and disadvantages, as well as their use in the activities of OJSC "Concern Galnaftogaz" are considered. A calendar plan for reporting on the social responsibility of the company under study and a model of communication with interested parties in the socially responsible activities of OJSC "Concern Galnaftogaz" to improve its reputation has been developed.

Keywords: company reputation management, socially responsible brand, reputation management strategy, enterprise reputation management on the Internet.

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Управління репутацією АТ "Концерн Галнафтогаз" на ринку світлич нафтопродуктів України

Анотація. Управління репутацією компанії є основоположним фактором формування її іміджу в очах споживачів. Зокрема, важливо керувати репутацією в Інтернеті, оскільки цифровізація суспільства вимагає від організацій виходу в соціальні мережі, спілкування з користувачами на веб-сайтах тощо. Останнім часом актуальним завданням управління репутацією є розвиток соціально відповідального бренду, оскільки споживачі стурбовані важливими соціальними проблемами і хочуть співпрацювати з компаніями, які відповідають їх принципам і позитивно впливають на життя суспільства в цілому.

Проаналізовано позицію АТ "Концерн Галнафтогаз" на ринку, зокрема досліджено динаміку основних фінансових показників. Визначено основні групи стейкхолдерів та способи комунікації з ними. Проведено розрахунки для визначення рівня офлайн та інтернет-репутації АТ "Концерн Галнафтогаз" у порівнянні з конкурентами. Розглянуто чотири основні стратегії управління репутацією, їх переваги та недоліки, а також їх застосування в АТ "Концерн Галнафтогаз". Розроблено календарний план звітності про соціальну відповідальність АТ "Концерн Галнафтогаз" та модель комунікації з стейкхолдерами щодо соціально відповідальної діяльності АТ "Концерн Галнафтогаз".

У результаті аналізу було визначено, що для покращення своєї репутації АТ "Концерн Галнафтогаз" має покращити свої цифрові комунікації, а також якість пропонованих продуктів та послуг, щоб вони задовольняли споживачів, а отже, сприяли формуванню хороших відгуків в соціальних мережах та контактних колах. Також рекомендовано зосередити увагу на покращенні ділової репутації персоналу, наприклад, провести тренінгові комунікаційні схеми та покращити ділову репутацію керівника компанії. Враховуючи, що фінансове становище компанії може погіршився внаслідок війни, рекомендовано розглянути доцільність оптимізації витрат.

Ключові слова: управління репутацією компанії, соціально відповідальний бренд, стратегія управління репутацією, управління репутацією підприємства в Інтернеті.

Introduction

Management of the company's reputation is an important factor in improving its competitive position in the market and forming a brand. Today, the management of the company's reputation on the Internet is also relevant, since the digitalization of society requires organizations to switch to social networks, communicate with users on their website and review sites, etc. Recently, the development of a socially responsible brand in the formation of its reputation is relevant, since consumers are concerned about important social problems and want to cooperate with companies that meet their principles and positively affect the life of society in general.

This article is focused on methods of managing the company's reputation, including on the Internet and its formation of a socially responsible brand, which requires not only an analysis of the company's position on the market and a comparison of its positions with competitors but also an analysis of existing reputation strategies.

Reputational management was in the field of research of several Ukrainian and foreign scientists, in particular, O.A. Burbely, D.V. Solokha, A.M. Zinchenko, who investigated the management and protection of companies' reputation [2], O. Derevyanko. G. [3], Dubrov O. S. [4], Krasnoshapki V. V., Bohdan S. S., who analyzed the business reputation of enterprises from the practical point of view of its management [9], Karogo O.I. and Hlynskyi N.Yu., who studied territorial branding and reputation management [7], Konoplinoi O.O., Mizik Yu.I., who studied reputation management strategies [8] and others.

Results

Galnaftogaz Concern JSC owns one of the largest (both in terms of the number of gas stations and in terms of sales volume) OKKO gas station chains in Ukraine [1]. The company's revenue structure consists of retail sale sales light petroleum products, liquefied gas and electricity, and food products through Ukraine's largest network of "food establishments on the road". The company is a part of OKKO GROUR, the structure of which also includes 36 restaurants (brands owned by OKKO GROUR, A la Minute, Meiwei, Rasta Mia), the Bolla chain of dry cleaners launched in 2016 [5].

Galnaftogaz Concern JSC is engaged in the retail sale of food and consumer non-food products in gas station stores, the wholesale and retail sale of petroleum products and electricity for refueling electric vehicles to individuals and corporate customers, and conducts fuel quality examination in the network of its laboratories (16 stationary and mobile) [6]. Galnaftogaz Concern JSC also provides logistics services for fuel storage and transportation for corporate clients. The company is also a supplier of aviation fuel, mineral fertilizers, electricity for business, and natural gas, a lessor [11].

The analysis of the main indicators of the company's activity in dynamics is shown in the table. 1.

Table 1

Analysis of the company's activity indicators for 2014-2020, thousand UAH.

Indicators	2014	2015	2016	2017	2018	2019	2020
Income	1312040	5448821	4096547	4531869	2491130	3048375	1907375
Net profit	885199	77233	293157	830324	537678	982522	1519797
Profit from sale	587128	2382690	1429977	1096961	97267	1064715	1050996
The market value of the company	885260203	76295281.6	2930930113	830249619	5377602221	941176878	1519160768
Selling expenses	268238	370041	30371	27193	61079	39799	18952
EBITDA	1696736	565306	640131.88	882889	534489	1983422	2070947

Source: systematized based on [13].

The net profit of Galnaftogaz Concern JSC had an upward trend, which indicates its market stability and management efficiency, although during 2014-2016 the EBITDA indicator was negative, which was due to the loss of a significant part of consumers, bases, stocks, etc., which were located on the territory of the annexed Crimea and the occupied Donetsk and Luhansk regions. Nevertheless, in just three years, the company managed to return to stable growth.

In the market conditions of operation, the commitment of consumers in the market of light petroleum products to their sellers depends on their reputation in the market

To build its reputation, the company under investigation should actively cooperate with its contact audiences. The main groups of interested parties in the activities of JSC Concern Galnaftogaz and methods of interaction with them are presented in the table. 2.

Table 2

Main stakeholder groups and interaction with them Galnaftogaz Concern JSC

Interested parties	Interaction mechanisms	Sources of feedback
Customers	Customer Survey	Hotline, social networks
Workers	Internal personal communications, corporate portal, meetings with top management, cascading information	Trust box
Shareholders and investors	Annual meetings of shareholders, meetings with investors, participation in investment conferences	Investor Relations Department of Corporate Finance
Creditors	Periodic meetings with creditors. Annual/quarterly/ monthly reports. Requests for answers to them.	Corporate Finance Investor Relations/Treasury Division
Experts in the field	Presentations and activity reports	Company divisions according to their competences
Communities	Public discussions, public hearings	Direct communication, official letters, sponsorship, and patronage
State institutions	Public discussions, public hearings, appeals	Official letters
Media	Press events of the company, answers to media inquiries, interviews	Department of Communications

Source: based on [5]

The following criteria were chosen to determine the level of the company's online reputation:

- representation of the company in social networks - this criterion was chosen because consumers must have the opportunity to familiarize themselves with the company's activities and the latest news on a convenient platform for them, as well as ask questions or simply chat with a company representative. In addition, the user needs to be able to track the latest news and changes in the company's

- activities. Through social networks, you can also establish close contact and get the emotional affection of the user;
- availability of a clear and convenient website - this criterion was chosen because the website is a kind of the face of the company on the network, where the information must be complete and accessible, all buttons and contact forms work properly, and there is an opportunity to receive services, etc.;
 - the presence of a formed UTP - a unique sales offer distinguishes the company from competitors and allows you to attract a specific consumer who will have a clear idea about the service or product that he will receive;
 - completeness of the information presented on the network – the user needs to have as complete information as possible about the company, in particular about the country of origin of the product, the country of registration of the brand or TM, the level of social responsibility of the company, transparency, the level of quality of goods or services, features, etc.;
 - degree of user engagement on the Internet - previously the user interacted with the company and its product or service only physically, but with the advent of the Internet, this trend has changed, so the presence of the company online and the degree of its interaction with the user are important, because the higher the degree of user engagement, the more interesting and company is important to him;
 - availability of advertising on the Internet - considering the significant level of advertising messages on all possible platforms, it is important to present the company on all of them to be sure that all potential users are familiar with the company's offer;
 - the use of other digital promotion tools, which will ensure the involvement of a larger number of users, will increase the company's level of recognition;
 - communication style – companies choose a different communication style, it is important to assess its compliance with the wishes of users and the style of the brand, as well as how much it helps to achieve the goals set by the company;
 - the presence of positive reviews in various channels - negative reviews help the company to find weak points both in the product or service and in communications, however, it is positive reviews that allow other users to learn about the company's strengths and understand whether the product is trustworthy or not.

For an objective understanding of the company's position "Concern "Galnaftogaz" in the market was also chosen for comparison with competitors of the company, which, like JSC "Concern "Galnaftogaz" (the "OKKO" network), are the main operators in the market of retail trade of light petroleum products in Ukraine [6]. These are such companies as PPG "Continuum" ("WOG" network), SE "Glusco" ("Glusco" network), PJSC "Ukranafta" ("UKRNAFTA" network), and gas station networks managed by FPG "Privat", which unites several different brands of gas stations and filling stations, such as, for example, ANP, Avias, Mavex, etc. [1, 6].

In the table, the importance of criteria, expert evaluations, and weighted evaluations for evaluating the online reputation of companies on the market of light petroleum products in Ukraine are presented.

The weighted assessment was calculated according to the formula:

$$\Pi_p = \sum_{n=1}^n K_B \times O_{\text{експ}} \quad (1)$$

Table 3

Calculations for determining the level of the online reputation of companies on the market of light petroleum products in Ukraine

Criterion	Criterion name	The importance of the criterion, %	Evaluation of competitors' criteria									
			Galnaftogaz Concern JSC		PPG "Continuum"		PJSC "Ukranafta"		FPG "Privat"		SE "Glusko"	
			Expert	Weighted	Expert	Weighted	Expert	Weighted	Expert	Weighted	Expert	Weighted
K1	Representation of the company in social networks	0.1	9	0.9	9	0.9	7	0.7	7	0.7	9	0.9
K2	Availability of a clear and convenient site	0.1	9	0.9	9	0.9	8	0.8	8	0.8	9	0.9
K3	The presence of a formed UTP	0.1	8	0.8	8	0.8	7	0.7	7	0.7	8	0.8
K4	Completeness of information presented on the network	0.1	8	0.8	8	0.8	7	0.7	7	0.7	8	0.8
K5	Availability of feedback in the network	0.05	9	0.45	9	0.45	7	0.35	7	0.35	9	0.45
K6	The degree of user engagement on the Internet	0.05	7	0.35	7	0.35	5	0.25	5	0.25	7	0.35
K7	Availability of advertising on the Internet	0.1	9	0.9	9	0.9	5	0.5	5	0.5	8	0.8
K8	Use of other digital promotion tools	0.15	8	1,2	8	1,2	5	0.75	5	0.75	8	1,2
K9	Communication style	0.15	9	1.35	9	1.35	6	0.9	6	0.9	8	1,2
K10	The presence of positive reviews on various channels	0.1	7	0.7	8	0.8	6	0.6	6	0.6	8	0.8
Sum		1	83.5	8.35	84.5	8.45	62.5	6.25	62.5	6.25	82	8.2

Source: authors' development

PPG "Continuum" company took first place by reputation with a weighted score of 8.45 (84.5 points out of 100), and JSC Concern "Galnaftogaz" took second place with a weighted score of 8.35 (83.5 points out of 100 maximum possible). The third place was taken by the company SE "Glusko" with a weighted score of 8.2 (82 points out of a possible 100). The fourth place was shared between PJSC "Ukrnafta" and the company FPG "Privat" with a weighted score of 6.25 points (62.5 points out of a possible 100).

Analysis of the table. 3 shows that Galnaftogaz Concern JSC should improve its communications on the Internet, increasing, in particular, the involvement of consumers, for example, through loyal posts or Call to Action; to improve the quality of the offered services and products to increase the level of consumer satisfaction, and therefore their good reviews in social networks; to work out your UTP more thoroughly and make it more clear and clear; use more other digital promotion tools to attract more potential users and therefore increase sales and profits.

Completeness of the information presented Galnaftogaz Concern JSC in the network for consumers is insufficient and somewhat unstructured, so the company should improve its presentation on its website and reference sites.

It is expedient for Galnaftogaz Concern JSC to use benchmarking by the actions of PPG Continuum on the Internet to obtain better results in the direction of building its brand.

To define the level of offline reputation of companies selling fuel on the Ukrainian market, the following criteria were determined:

- business reputation of the company manager – this criterion was chosen because the manager often represents the entire company and his problematic reputation can negatively affect the company's reputation;
- financial position of the company - the financial position of the company is an important criterion that reflects the company's opportunities for growth and development, its stability, business success, etc.;
- business reputation of the staff - the reputation of the company's staff significantly affects its reputation, since even a good product with terrible service will not be in demand;
- speed of order fulfillment - the modern world is becoming more and more dynamic, so faster order fulfillment increases the company's chances of success because customers will be more satisfied and there will be an opportunity to fulfill a larger number of orders;
- management quality – quality management guarantees the quality of the product, service, financial stability, and success of the company in other areas;
- the ability to attract and retain qualified personnel - qualified employees can bring the company's product or service to a higher level, they act as guarantors of quality;
- social responsibility of the company - consumers are attracted to companies that are concerned not only about their profit, but also about their responsibility to society, the state, customers, employees, the environment, etc.;
- the number of awards - the number of awards is a direct reflection of the company's success in one or another field, and therefore its reliability and the quality of the product or service;
- availability of creative employees - at the current stage of market development, only a creative approach to solving a client, product, or company problem guarantees success, not only a creative advertising solution is important, but also a non-standard approach to solving a non-trivial consumer problem;
- the presence of positive reviews through "word of mouth" - positive reviews help a potential client to evaluate the strengths of the company, and to be sure of its reliability.

For an objective understanding of the company's position JSC "Concern "Galnaftogaz" on the market, the same competitors of the company as in the table were also selected for comparison. 3 and made calculations using a similar method. Table 4 presents the importance

of criteria, expert evaluations, and weighted evaluations for evaluating the offline reputation of companies on the market of light petroleum products in Ukraine.

Table 4

Calculations for determining the level of offline reputation of companies on the market of light petroleum products in Ukraine

Criterion	Criterion name	The importance of the criterion, %	Evaluation of competitors' criteria									
			Galnaftogaz Concern JSC		PPG "Continuum"		PJSC "Ukranafta"		FPG "Privat"		SE "Glusko"	
			Expert	Weighted	Expert	Weighted	Expert	Weighted	Expert	Weighted	Expert	Weighted
K1	The business reputation of the manager	0.05	7	0.35	8	0.4	6	0.3	5	0.25	9	0.45
K2	The financial situation of the company	0.2	8	1.6	7	1.4	8	1.6	8	1.6	8	1.6
K3	The business reputation of the staff	0.1	8	0.8	8	0.8	7	0.7	7	0.7	8	0.8
K4	Order fulfillment speed	0.1	8	0.8	8	0.8	7	0.7	7	0.7	8	0.8
K5	Quality of management	0.1	9	0.9	9	0.9	6	0.6	8	0.8	9	0.9
K6	Ability to attract and retain qualified personnel	0.125	9	1.125	9	1.125	7	0.875	7	0.875	8	1
K7	Social responsibility	0.05	9	0.45	9	0.45	7	0.35	6	0.3	8	0.4
K8	Number of awards	0.05	8	0.4	8	0.4	7	0.35	7	0.35	7	0.35
K9	Availability of creative workers	0.125	9	1.125	9	1.125	6	0.75	6	0.75	8	1
K10	Availability of positive reviews	0.1	7	0.7	8	0.8	6	0.6	6	0.6	8	0.8
Sum		1	82.5	8.25	82	8.2	68.25	6.825	69.25	6.925	81	8.1

Source: authors' development

First place according to the results of the evaluation presented in the table. 4, JSC "Concern "Galnaftogaz" took the place, receiving a weighted rating of 8.25 (82 points out of a possible 100). PPG "Continuum" is in second place with a weighted rating of 8.2 (82 points out of 100). The third place was taken by the company SE "Glusko", which received a weighted score of 8.1 (81 points out of the maximum possible 100), in the fourth place FPG "Privat" - a weighted score of 6.925 (69.25 points out of 100), in the fifth - PJSC "Ukrnafta" - a weighted rating of 6.825 (68.25 points out of 100).

The obtained results indicate that JSC "Concern "Galnaftogaz" should work on improving the business reputation of the company's manager. Because the majority of Ukrainian citizens perceive very rich people as oligarchs, it is worth presenting his biography, publishing several interviews, etc. This company should identify its strengths and weaknesses, as well as products and services, to increase the number of satisfied customers, and therefore positive feedback about its activities.

Galnaftogaz Concern JSC needs to consider possible ways to speed up the fulfillment of customer orders, perhaps hiring more staff or installing more cash registers, or equipping self-service cash registers.

The financial situation of Galnaftogaz Concern JSC worsened as a result of the war, so the company should probably consider ways to optimize costs.

In the direction of forming the reputation of a socially responsible brand, Galnaftogaz Concern JSC should also work on improving the business reputation of the staff, for example, conduct educational training, change communication schemes, and participate in a greater number of different contests and awards.

At the moment, JSC "Concern "Galnaftogaz" uses several types of strategies, depending on whom the communication is aimed at. For example, the strategy "Team is our pride" is used for communication with personnel, "Products are our pride" for communication with consumers, "Finances is our pride" and "Achievement is our pride" for communication with investors [4]. It is worth considering each of these strategies in more detail (Table 5).

Table 5

Reputational strategies of JSC "Concern "Galnaftogaz"

Strategy	Essence	Benefits	Disadvantages	Use in the company
The team is our pride	A strategy focused on the positive perception of the company's team	1. It is effective for diversified production and a wide range of products (services). 2. Provides for the distribution of the balance of trust and communication between several people (managers), which reduces the risk of losing all contacts during the dismissal of individuals	1. Uneven distribution of attention between public figures of the enterprise. 2. The possibility of delays in decision-making, which can negatively affect relations with target groups	The company publishes on social networks, telling the stories of gas station workers on the frontline and temporarily occupied territories
Products are our pride	A strategy focused on product quality	1. The quality of the products is easily checked and in the future, there is more trust even in the new product of the company. 2. The possibility of using the opinions of experts and consumers for the benefit of the company's reputation	The product is an "inanimate" object of communications	The company "revitalizes" its products by creating a hero who personifies the fuel OKKO "Okopelka", which conveys a good mood
Finance is our pride	A strategy focused on high financial stability	Financial stability reflects successful activity and enables comparison with other enterprises	1. The possibility of use mostly by financial institutions (banks). 2. In its pure form, it is not viable, because to build trust, financial indicators are not uniform, it is necessary to use a set of indicators	Since this strategy is not sustainable by itself, the company uses it in combination with indicators of social responsibility and the strategy "Achievement is our pride"
Achievements are our pride	A strategy focused on the achievement of the enterprise	Implementation of technological solutions is one of the most important parameters of a business reputation	1. It is used mainly as an additional strategy in combination with others. 2. The achievements of the	The company receives high places in various ratings, both for product quality and reputation, social responsibility, etc.

		for certain groups of enterprises	enterprise are its past and are quickly forgotten. 3. Achievement is an "inanimate" object	In addition, the company publishes a report on its achievements, for example, the opening of new gas stations or the highest fuel quality indicator in Ukraine.
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Source: based on [2, 3, 9]

To improve its reputation, JSC "Concern "Galnaftogaz" should develop a calendar plan for reporting on social responsibility as a topical topic for use in communication with consumers (Table 5).

Table 5

The recommended calendar plan for social responsibility reporting of Galnaftogaz Concern JSC

	Monthly	Quarterly	Every six months	Annually	At the beginning and the end of the project
Social audit		+			
Non-financial report				+	
Fish's projects	+				+
Charity projects of the company	+	+			+
The company's projects in the field of CSR			+		+
Joint projects with other companies				+	+

Source: authors' development.

Galnaftogaz Concern JSC should also consider the communication model (Fig. 1), according to which the company will communicate with stakeholders, in particular, regarding the social responsibility of Galnaftogaz Concern JSC.

Conclusions

Galnaftogaz Concern JSC is the owner of the OKKO gas station network, which has the second largest market share of light petroleum products and the number of gas stations. The company's activities are diversified and include not only the trade in petroleum products and food products but also the sale of aviation fuel, the leasing of real estate and land plots, the provision of expert fuel quality inspection services, the sale of material and technical means necessary for the agricultural industry, the sale of natural gas and electricity for the needs of the population and industry.

The company's financial condition is stable and indicates readiness for further development. The company adheres to the policy of high product quality and uses the strategy of premium fuel prices. To manage its reputation, according to the target audience, the company uses different strategies. Among them: "the team is our pride" - for staff, "finances are our pride" and "achievement - our pride" - for investors, "the product is our pride" - for consumers.

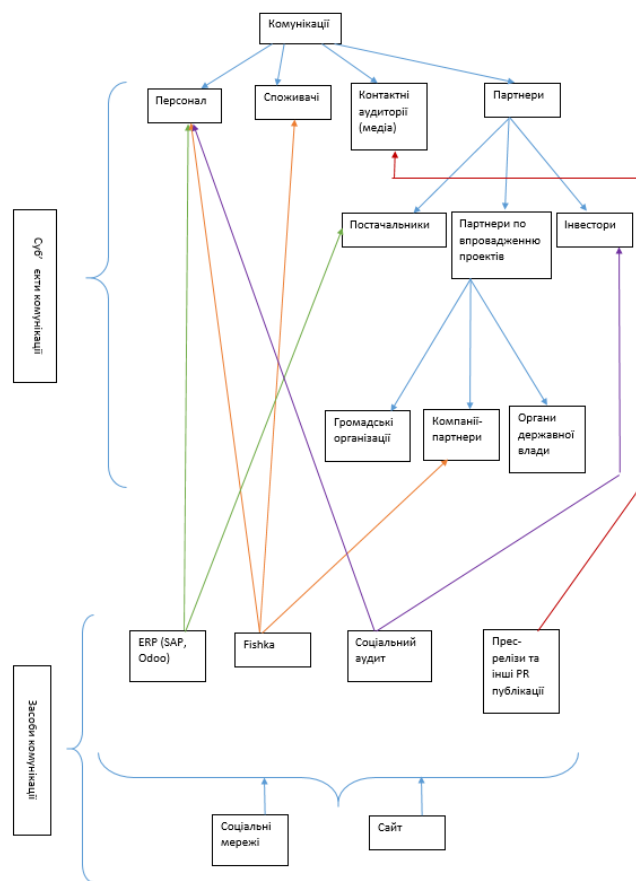


Fig. 1. Recommended model of communication with interested audiences in the socially responsible activities of JSC "Concern "Galnaftogaz"

Source: authors' development.

As a result of the analysis, it was determined that to improve its reputation, Galnaftogaz Concern JSC should improve its digital communications, increase the quality of the offered products and services to guarantee consumer satisfaction, and therefore their good feedback in social networks and contact circles. work out your UTP and make it more clear and clear, focus on improving the business reputation of the staff, for example, conduct educational training, change communication schemes, and improve the business reputation of the company manager. Taking into account the fact that the financial situation of the company worsened as a result of the war, it is worth considering the feasibility of cost optimization.

Galnaftogaz Concern JSC should actively continue communication with users on the Internet, which means both publishing posts and responding to comments on social networks and reviews on search networks and review sites. In particular, you should prepare several templates for answering monotonous questions, rather than one, as this can annoy users. It is also worth continuing publications that develop the brand and talk about the company's social responsibility.

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