

РОЗДІЛ IV. Управління та адміністрування

УДК 658.8:330.34:005.96

Oleh Kuzmak,
Doctor of Economic Sciences, Professor,
Professor at the Department of Marketing,
Lutsk National Technical University,
Lutsk, Ukraine;
ORCID ID 0000-0002-1950-8416
e-mail: kuzmakoleg2312@gmail.com

<https://doi.org/10.29038/2786-4618-2025-03-140-149>

BEHAVIORAL TRAPS IN SUSTAINABLE BUSINESS MANAGEMENT: A MARKETING DIMENSION

Introduction. In the contemporary context of globalization, energy transitions, and climate challenges, business organizations face increasing pressure to translate declarative sustainable development principles into actionable corporate practices. Despite the growing adoption of international reporting standards, such as ISSB and CSRD, the effectiveness of ESG strategies is often constrained by managerial behavioral factors and cognitive biases. Understanding these behavioral barriers is critical for enhancing the efficiency of sustainability initiatives and aligning them with corporate marketing objectives.

The purpose of the article. This study aims to identify the key behavioral traps that influence the implementation of sustainable business strategies and to examine their implications within the marketing context of corporate management. The focus is on how cognitive biases and decision-making patterns hinder the adoption of ESG initiatives, affecting both organizational performance and stakeholder trust.

Methods. The research is grounded in a comprehensive review of contemporary scientific literature, international regulatory frameworks, and corporate sustainability cases. Methodologically, the study employs systematization, content analysis, comparative assessment, and structural-functional analysis. This integrated approach enables the identification of cognitive biases and managerial practices embedded in marketing communications, which serve as behavioral barriers to the effective implementation of ESG programs.

Results. The findings reveal that several behavioral traps are prevalent in corporate decision-making, including status quo bias, short-termism, the attitude-behavior gap, moral licensing, herd behavior, and ethical blindness. These traps reduce firms' readiness for innovative transformations, slow down the adoption of green technologies, and undermine stakeholders' confidence in ESG reporting. To mitigate these barriers, the study proposes a set of strategic instruments: transition roadmaps, long-term incentives for managers, transparent communication mechanisms, the cultivation of a culture of responsibility, and the application of behavioral economics principles in marketing strategies.

Conclusions. Behavioral traps constitute hidden risks to sustainable business development that cannot be fully addressed through regulatory compliance alone. Effective management requires the integration of institutional and behavioral approaches, enabling companies to enhance the performance of ESG strategies, strengthen stakeholder trust, and secure sustainable competitiveness. The study highlights the critical role of marketing-oriented behavioral interventions in overcoming psychological and organizational constraints, thus fostering more resilient and socially responsible business practices.

Key words: ESG, sustainable development, enterprise, marketing strategies, marketing communications, behavioral traps, cognitive biases, effectiveness of corporate initiatives, competitiveness.

Олег Кузьмак,
доктор економічних наук, професор,
професор кафедри маркетингу,
Луцький національний технічний університет,
Луцьк, Україна

ПОВЕДІНКОВІ ПАСТКИ В УПРАВЛІННІ СТАЛИМ РОЗВИТКОМ БІЗНЕСУ: МАРКЕТИНГОВИЙ ВИМІР

Вступ. У сучасних умовах глобалізації, енергетичних та кліматичних викликів бізнесові структури стикаються з необхідністю перетворення декларативних принципів сталого розвитку на дієві корпоративні практики. Попри поширення міжнародних стандартів звітності, зокрема ISSB та CSRD, ефективність ESG-стратегій часто обмежується впливом поведінкових чинників та когнітивних упереджень менеджерів.

Мета. Стаття має на меті виявити ключові поведінкові пастки, що впливають на реалізацію стратегій сталого розвитку бізнесу, та визначити їхній вплив у маркетинговому контексті управління.

Методи. Методологічну основу дослідження становить комплексний аналіз сучасної наукової літератури, міжнародних нормативно-правових документів та корпоративних кейсів у сфері сталого розвитку. Для досягнення поставленої мети використано методи систематизації, контент-аналізу, порівняльного та структурно-функціонального аналізу. Такий підхід дав змогу ідентифікувати когнітивні упередження та управлінські практики в маркетингових комунікаціях, що формують поведінкові бар'єри у впровадженні ESG-ініціатив.

Результати. Дослідження показало, що поширеними є такі поведінкові пастки, як *status quo bias*, *short-termism*, *attitude-behavior gap*, *moral licensing*, *herd behavior* та *ethical blindness*. Вони знижують готовність компанії до інноваційних трансформацій, уповільнюють впровадження зелених технологій та підривають довіру стейкхолдерів до ESG-звітності. Для подолання цих бар'єрів запропоновано низку інструментів: *transition roadmaps*, довгострокові стимули для менеджерів, прозорі механізми комунікації, розвиток культури відповідальності та застосування поведінкової економіки у маркетингових стратегіях.

Висновки. Поведінкові пастки формують приховані ризики для сталого розвитку бізнесу, які неможливо усунути виключно регуляторними вимогами. Ефективне управління потребує інтеграції інституційних та поведінкових підходів, що дозволяє підвищити результативність ESG-стратегій, зміцнити довіру стейкхолдерів і забезпечити стійку конкурентоспроможність компанії.

Ключові слова: ESG, сталий розвиток, підприємство, маркетингові стратегії, маркетингові комунікації, поведінкові пастки, когнітивні упередження, ефективність корпоративних ініціатив, конкурентоспроможність.

JEL Classification: M31, M14, O31

Introduction. In the current context of globalization and increasing climate pressures, the issue of sustainable business development has gained strategic importance. According to the Intergovernmental Panel on Climate Change (IPCC), the lack of rapid and large-scale actions to reduce emissions significantly increases risks for both the economy and society [1]. Data presented in the Global Risks Report 2024 further confirm that climate change and biodiversity loss are among the most severe global risks for businesses [2].

At the same time, companies increasingly face behavioral and organizational “traps” that limit the effectiveness of their ESG strategies. On one hand, global sustainability reporting standards, such as ISSB S1 and S2 [3; 4] and the European CSRD Directive [5], are being implemented to enhance the transparency and comparability of corporate reporting. On the other hand, practice shows the widespread occurrence of greenwashing and greenhushing phenomena, where companies either exaggerate their performance or avoid communicating it due to reputational risk concerns [6; 7].

This gap between declared goals and actual actions-known as the attitude-behavior gap-highlights the need to study cognitive biases, organizational routines, and metrics that may transform into “traps” for businesses in the implementation of sustainability strategies.

Moreover, both scholarly and practical interest focuses on the fact that these “traps” are not limited to declarations and reporting. Managers and organizations often encounter behavioral barriers that influence their decisions to implement changes in business models, invest in long-term ESG initiatives, or effectively communicate outcomes. Such barriers include cognitive biases, the status quo effect, short-termism, moral licensing, and other psychological and organizational mechanisms. Recognizing these factors allows for the delineation of the article’s research scope and substantiates the need to analyze behavioral traps in the marketing context of sustainable business management.

Literature Review. Recent research in sustainable business increasingly emphasizes the behavioral aspects that influence the effectiveness of corporate strategies. The concept of sustainable development, initially formulated in the Brundtland Report, has evolved into a multidimensional approach encompassing environmental, social, and economic dimensions [8]. Marketing strategies now play a pivotal role in translating these principles into tangible outcomes, influencing both consumer perception and corporate reputation.

Organizational behavior and psychology studies indicate that cognitive biases, status quo effects, and excessive short-term orientation constrain managerial readiness for implementing transformative changes [9-14]. These mechanisms help explain why, even with adequate resources and regulatory pressure, companies often exhibit deviations from the rational implementation of ESG practices.

The attitude-behavior gap, the divergence between companies' declared sustainability intentions and actual practices, has been extensively analyzed in marketing and consumer research [15-17]. This gap illustrates why organizations often fail to align their communication strategies with real ESG outcomes, undermining credibility in the eyes of consumers and investors.

A growing body of literature addresses greenwashing, which undermines trust in corporate ESG strategies. According to SEC analyses, many large investment funds and corporations have systematically overstated their integration of environmental criteria into operations [6; 18; 20]. In parallel, the concept of greenhushing has emerged, describing situations in which companies deliberately under-communicate their sustainability goals and outcomes to avoid reputational or regulatory risks [7; 19; 20]. Greenhushing, for example, limits transparency about ESG initiatives to evade criticism or accusations of greenwashing [19], which slows the diffusion of best practices and reduces consumer willingness to support "green" products [20].

Other behavioral traps affecting ESG marketing include moral licensing, where prior CSR activity creates a false sense of ethical sufficiency [21; 22]; herd behavior, where companies align their marketing and investment decisions with prevailing market trends rather than sustainability imperatives [23]; and ethical blindness, which arises from entrenched organizational routines and normalization of deviance [24-26]. The presence of such phenomena may threaten the authenticity of marketing communications, distort stakeholder expectations, and limit the effectiveness of ESG strategies, leading to the formation of so-called "sustainability bubbles".

Empirical evidence indicates that adopting international standards such as ISSB and CSRD alone does not eliminate these challenges. Transparent reporting is necessary but insufficient; corporate culture, incentive mechanisms, and marketing communication strategies critically determine whether sustainability claims are perceived as credible [3-5].

Thus, the academic discourse points toward a dual approach: integrating institutional transparency frameworks with behavioral and marketing interventions to overcome behavioral traps that hinder sustainable development strategy implementation. Despite extensive research on sustainability, most studies focus on institutional, regulatory, and economic aspects, while the behavioral and marketing dimensions remain underexplored. In particular, it requires a deeper analysis of why companies and managers, even with adequate resources and regulatory pressure, often fail to align their marketing communications with authentic ESG practices.

Consequently, investigating behavioral traps that may limit the effectiveness of strategic sustainable development management, especially in managerial decision-making, risk assessment, and CSR implementation, remains a highly relevant research objective.

Purpose of the study. The article aims to identify and substantiate the role of behavioral traps in the implementation of corporate sustainable development strategies, as well as to determine their impact on the effectiveness of managerial decisions. The main objectives of the study are: to identify the key types of behavioral traps encountered by managers and organizations during the implementation of sustainable development strategies; to analyze the mechanisms through which these traps affect the performance of corporate strategies; and to summarize approaches for overcoming such traps based on best management practices and findings from interdisciplinary research.

Materials and Methods of Research. This study employs a qualitative and analytical approach to examine behavioral traps in the management of sustainable business development within a marketing context. The research combines the following methodological components:

Literature Analysis: A systematic review of peer-reviewed articles, industry reports, and regulatory documents (e.g., ISSB S1 and S2, CSRD) was conducted to identify key behavioral traps affecting ESG strategy implementation, including greenhushing, herd behavior, ethical blindness, and the attitude-behavior gap. Sources ranged from foundational works in organizational behavior and psychology to recent empirical studies in sustainable finance and corporate reporting.

Case Analysis: Selected case studies from European and global markets were analyzed to illustrate the practical manifestation of behavioral traps in real business environments. This includes the evaluation of investor herding in ESG funds, managerial adherence to the status quo, short-termism, and examples of moral licensing and greenhushing practices.

Comparative Analysis: The research compares the effectiveness of institutional frameworks (e.g., ISSB, CSRD) against organizational behavioral mechanisms to assess gaps in ESG strategy execution. The interaction between formal regulations and informal organizational practices was examined to understand how behavioral patterns influence the translation of declared sustainability goals into concrete actions.

Synthesis and Interpretation: Findings from the literature and case analyses were synthesized to identify recurring patterns and propose managerial recommendations for overcoming behavioral traps. Special attention was given to marketing and communication strategies that can mitigate the impact of cognitive biases and organizational routines on ESG performance.

The study aims to provide an interdisciplinary perspective, combining insights from marketing, behavioral economics, organizational psychology, and sustainability management, to understand and address the cognitive and behavioral barriers limiting the effectiveness of sustainable business strategies.

Presentation of the main material. Despite the growing attention to sustainable development and the proliferation of ESG standards, many companies face challenges in translating declared goals into actual actions. A key explanatory factor for this gap is the presence of behavioral traps rooted in managers' cognitive biases and organizational routines.

One of the most common behavioral traps in sustainable business management is the status quo bias, i.e., the tendency to maintain the current state of affairs even when more effective and sustainable alternatives exist. This cognitive bias generates resistance to change and often leads to the postponement or partial implementation of ESG initiatives, as business model transformation is perceived as overly risky or excessively costly.

Classical studies [11] demonstrated that individuals prefer current options even when alternatives offer higher expected benefits. Subsequent research [9] linked this phenomenon to the loss of perceived security and loss aversion, which further discourages deviation from established practices.

Contemporary empirical studies confirm that the status quo bias directly affects the pace of ecological transformations and the degree of ESG adoption. In the construction industry, for example, companies tend to delay the implementation of innovative sustainable technologies, retaining conventional approaches due to uncertainty, sunk costs, and the inertia of organizational routines [12]. As a result, even ESG initiatives justified from a long-term benefits perspective are often implemented more slowly than market needs require.

According to the KPMG ESG Assurance Maturity Index 2023, only ~25% of companies felt they had the systems and competencies required for independent ESG data assurance, with this figure rising to ~29% in 2024 [13]. Ukrainian data reveal a similar gap: a Green Transition Office study showed that over 77% of companies reported lacking tools to implement ESG standards; while 87% supported the ESG concept, only 7-9% felt well-acquainted with international standards [14].

These findings indicate that the status quo bias not only slows the adoption of sustainable business practices but also creates a gap between declared and actual sustainability. In the marketing context, this cognitive trap manifests as reluctance to revise positioning strategies, communication practices, and approaches to promoting sustainable products. Consequently, even in the presence of market demand and regulatory pressure, businesses often resort to symbolic actions rather than systemic changes.

Addressing this challenge requires the deployment of targeted tools to overcome the behavioral trap. Local solutions include the implementation of transition roadmaps with clear timeframes and KPIs to break complex transformations into achievable stages, as well as scenario planning to visualize long-term benefits from sustainable investments. Additionally, the use of nudge instruments, internal "green budgets", and

manager bonuses tied to ESG project implementation has proven effective in fostering a corporate culture of change and promoting tolerance for risk and uncertainty.

A key behavioral trap in sustainable development is short-termism, i.e., an excessive focus on short-term financial results at the expense of long-term ESG objectives. Managers often make decisions aimed at ensuring immediate profitability or maintaining market positions, while overlooking the strategic environmental and social consequences. As noted by the authors [15], investors increasingly demand transparent sustainable growth strategies from companies; however, managers frequently underestimate these signals.

Empirical studies confirm the negative impact of short-termism on ESG performance. For example, among Chinese companies, an excessive focus on short-term results reduces R&D investments, limits the implementation of internal ESG initiatives, worsens investor relations, and complicates access to financing [16].

These trends are also observed at the level of financial markets. According to the European Securities and Markets Authority report [17], investors' short-term orientation is a significant barrier to sustainable investments. Over 51% of respondents indicate an investment horizon of less than one year, reflecting the dominance of short-term strategies among market participants, which can constrain long-term investments in sustainability. The misalignment between financial market investment horizons and executive compensation, which incentivizes short-term profitability, exacerbates the short-termism phenomenon. In this context, improving the transparency and quality of ESG disclosures may facilitate longer-term investment decisions and reduce short-term pressure.

Similarly, Ukrainian data confirm the presence of this issue. The study "ESG in Ukraine: Is everyone faking it?" [18] reports that despite formal commitments to international standards, the implementation of ESG practices remains limited due to procedural, epistemic, and regulatory gaps. This indicates the existence of short-termism, where companies focus on immediate benefits while neglecting the long-term advantages of sustainable development.

Local measures to address this trap include revising executive compensation systems, implementing long-term incentives linked to ESG performance, enhancing ESG disclosure to ensure transparency and accessibility for investors and stakeholders, providing managerial training through workshops and seminars, and actively collaborating with stakeholders to develop a shared understanding of sustainable development priorities.

An important behavioral trap is the attitude-behavior gap, i.e., the discrepancy between declared values and actual behavior. Both consumers and companies often express commitment to sustainability, yet their actions do not always align with stated intentions. For instance, although the majority of consumers claim readiness to support environmentally responsible products, in practice, only a small fraction regularly makes such purchases. According to studies [19; 20], only about 20-30% of consumers consistently choose "green" products, even in the presence of corresponding economic incentives and growing demand for sustainable goods.

In the business context, this gap manifests as the prioritization of short-term financial gains over long-term sustainable investments. Research indicates that even systematic reporting initiatives do not always bridge the attitude-behavior gap, as behavioral and cognitive barriers remain active [21]. For example, companies may formally adopt ESG standards and report on them while simultaneously avoiding structural changes in production processes or supply chains.

Moreover, the existence of this gap creates conditions for the emergence of greenwashing and greenhushing, which undermine trust in sustainable strategies [22-24]. Greenhushing, i.e., the deliberate limitation or concealment of information about ESG initiatives by organizations due to fear of criticism or accusations of greenwashing, is particularly prevalent among small enterprises. A study of small tourism businesses revealed that they communicate only about 30% of their actual sustainability practices, using silence as a strategy to minimize reputational risks [23]. Such practices reduce consumer trust in corporate strategies and hinder the dissemination of best practices within the sector, which in turn diminishes consumers' willingness to make "green" purchases, even when they profess commitment to sustainability [24].

Local measures to address this trap include enhancing transparency and communication of ESG initiatives through interactive platforms, regular reporting, and certification marks; fostering a corporate culture of sustainability via training and internal campaigns; implementing incentive mechanisms for

managers and teams responsible for ESG projects; and actively engaging with consumers and stakeholders to build shared understanding and support for sustainable development goals.

An important behavioral trap is moral licensing, where companies, having undertaken one “green” or socially responsible action, feel justified in limiting or foregoing further steps. This creates an illusion of sufficiency and reduces motivation for systemic transformations. Research indicates that prior CSR activity can serve as a moral “credit,” allowing managers to justify gradual reductions in effort or deviations from environmental innovations [25; 26]. This moral licensing effect manifests both in internal corporate decisions and in consumer perception. For example, organizations that actively communicate a single sustainability initiative often postpone or reduce investment in subsequent ESG projects, perceiving earlier actions as adequate. This increases the risk of greenwashing and diminishes trust in corporate sustainability strategies. Local measures to address this trap include integrating ESG metrics into strategic KPIs, adopting a systemic approach to ESG projects through transition roadmaps with phased tasks and clear KPIs, transparent communication of results at each stage, and internal incentives for managers that reward systemic and long-term effectiveness.

Local measures to address this trap include integrating ESG indicators into strategic KPIs, adopting a systematic approach to ESG projects through the development of transition roadmaps with phased tasks and clear KPIs, transparent communication of results at each stage of ESG initiatives, and internal incentives for managers that reward project systemicity and long-term effectiveness.

A distinct behavioral trap is herd behavior, in which investors and companies often mimic the actions of others regarding ESG strategies, following prevailing trends and marketing signals rather than objectively assessing economic feasibility or effectiveness. Studies show that capital inflows into ESG funds are frequently driven by hype or communication pressure rather than fundamental analysis. Empirical analysis of European markets revealed herd behavior in investments in companies with high ESG ratings even without sufficient fundamental justification for growth [27]. These tendencies increase the risk of excessive volatility and may distort the actual effectiveness of ESG initiatives. Consequently, so-called “sustainability bubbles” can form, where financial resources flow into practices that appear attractive from a communication standpoint but do not necessarily generate long-term economic or social value. Local solutions include implementing procedures for objective evaluation and regular auditing of ESG initiatives, fostering a culture of transparency and ethics, reporting actual ESG progress, and creating managerial incentives that account for long-term results and quality of project implementation.

Local strategies to mitigate this trap include implementing procedures for objective assessment of ESG initiatives and regular auditing of decisions, fostering a culture of transparency and ethics, providing transparent communication and reporting on the actual progress of ESG initiatives, and establishing incentive mechanisms for managers that consider long-term results and the quality of project implementation.

Equally significant is ethical blindness, which arises from organizational routines and established procedures. Managers may formally comply with internal rules and KPIs while ignoring ethical and sustainability aspects of operations. This phenomenon is explained by the mechanism of normalization of deviance, where deviations from declared values gradually become “routine practice” within an organization [28].

As a result, companies risk formally declaring sustainability while in practice making compromises that undermine stakeholder trust. Research indicates that ethical blindness at the executive level develops through a combination of instrumental focus on success, routine, and cognitive rationalization [29; 30].

Ethical blindness becomes systemic when deviations from declared values are gradually normalized within internal company routines. Practical examples include situations where reporting departments formally comply with data collection requirements, yet managerial decisions overlook environmental or social impacts because evaluation criteria are narrowed to financial KPIs, or procurement procedures continue to support suppliers with questionable environmental practices due to habitual workflows. Such mechanisms increase the risk of systemic disregard for ethical aspects and contribute to the formation of “sustainability bubbles”, where resources flow into practices that appear attractive from a communication perspective but do not necessarily generate long-term value. The consequences include not only loss of trust but also increased regulatory risk and diminished long-term competitiveness.

Addressing this trap requires raising managerial awareness through training, workshops, and case analyses, conducting regular audits of corporate decisions, and involving external ESG experts for objective assessment of initiatives.

All the local measures described above provide concrete steps to mitigate the impact of behavioral traps in corporate sustainability management. At the same time, effectively addressing systemic risks requires a comprehensive approach that combines behavioral economics tools, managerial practices, and the development of a corporate culture of responsibility.

Systemic instruments for overcoming behavioral traps include integrating ESG indicators into the company’s strategic KPIs, implementing transition roadmaps with clearly defined stages and KPIs, enhancing ESG disclosure transparency, fostering a corporate culture of accountability, establishing incentive mechanisms for managers, conducting regular audits of managerial decisions, and involving external experts. This approach helps minimize risks associated with status quo bias, which manifests as resistance to change and organizational inertia; short-termism, characterized by excessive focus on short-term results; the attitude-behavior gap, when there is a divergence between declared values and actual behavior; moral licensing, which creates the illusion of “sufficiency” of one-off ESG actions; as well as herd behavior and ethical blindness, which appear through trend-following and neglect of ethical considerations.

The table below provides a consolidated matrix illustrating the key mechanisms of behavioral traps and the corresponding local solutions for their mitigation (Table 1).

The integration of these local and systemic measures forms the foundation for sustainable business transformation, ensuring the long-term effectiveness of ESG strategies, increasing stakeholder trust, and fostering a corporate culture capable of effectively countering behavioral traps in marketing management.

Discussion. The identified behavioral traps in corporate sustainable development governance confirm that traditional approaches to ESG strategies often underestimate the role of psychological and behavioral mechanisms in the decision-making process.

Table 1

Behavioral Traps in ESG Management and Marketing Mechanisms for Their Mitigation*

Trap	Mechanism	Local Solutions
Status quo bias	Resistance to change, inertia	Transition roadmap, scenario planning, nudge tools
Short-termism	Short-term orientation	Long-term incentives, ESG disclosure, management training, stakeholder collaboration
Attitude-behavior gap	The gap between stated values and actions	Transparency, corporate culture, manager motivation, and consumer engagement
Moral licensing	Illusion of “sufficiency” of one-time actions	ESG KPIs, transition roadmap, transparent communication, internal incentives
Herd behavior / Ethical blindness	Trend-following, ignoring ethics	Systematic decision analysis, corporate culture, transparent communication, manager motivation, and external audit

*Source: based on the author’s research findings

Status quo bias, short-termism, the attitude-behavior gap, moral licensing, herd behavior, and ethical blindness are not isolated phenomena; they form an integrated system of risks that reduces the effectiveness of ESG initiatives and undermines the trust of investors, consumers, and regulators. In this context, the need is confirmed not only for local interventions targeting specific cognitive biases but also for integrated management tools. Such tools include incorporating ESG metrics into strategic KPIs, developing transition roadmaps, expanding transparent reporting practices, and fostering a corporate culture of responsibility.

The marketing aspect of this process becomes crucial. Transparent and consistent communication, the use of digital platforms for stakeholder engagement, and the design of motivational programs for employees and consumers serve as effective mechanisms to mitigate the impact of behavioral biases. Thus, marketing extends beyond a reputational tool and becomes a key element of behavioral correction, supporting the development of sustainable consumption and interaction patterns.

The obtained results align with international research; however, it should be noted that the degree of manifestation of specific traps may vary depending on cultural contexts and the level of regulatory pressure.

For example, in countries with high institutional trust, transparency, and ESG reporting are more effective, whereas in countries with low trust, external audits and independent oversight play a key role.

The limitations of this study relate to its qualitative nature: the analysis is based on a synthesis of literature and cases, which does not allow for a quantitative assessment of the strength of the relationships between behavioral traps and ESG strategy effectiveness. Further empirical research using surveys, experiments, and quantitative models will enable testing the proposed hypotheses and increase the validity of the results.

Thus, the synthesis of identified behavioral traps and tools for their mitigation allows for the proposal of an integrated model: the “ESG Management Marketing Compass” (Figure 1). It reflects the main cognitive traps that may hinder the implementation of ESG strategies and the corresponding managerial and communication mechanisms to overcome them. The model encompasses the identification of phenomena such as status quo bias, short-termism, the attitude-behavior gap, moral licensing, herd behavior, and ethical blindness, and demonstrates their impact on strategic marketing decisions, including positioning, pricing, communication, and demand stimulation.

The set of corrective measures combines local interventions, such as nudge approaches, transition roadmaps, and green budgets, with systemic management tools, including ESG KPIs in compensation, transparent disclosure, and external audits. Monitoring and feedback mechanisms, KPIs, assurance, and stakeholder engagement ensure the evaluation and improvement of ESG initiatives.

This visual tool not only systematizes the obtained results but also serves as an operational guide for managers and marketers, enabling them not only to diagnose existing behavioral barriers but also to coordinate actions, from operational nudge solutions to strategic changes in incentive systems. The tools should be adapted to industry conditions and company size: for SMEs, simple and clear tools for transparent communication and knowledge support are prioritized; for large corporations, the integration of ESG into the reward system, independent data verification, and long-term transformation budgeting are essential.



Fig. 1. The “Marketing Compass” for Overcoming Behavioral Traps in ESG Management*

*Source: The figure was developed based on the author's research results and generated using ChatGPT

Conclusions and Prospects for Further Research. Behavioral traps have emerged as a critical barrier to the effective implementation of ESG strategies and the development of sustainable marketing communications. The present study demonstrates that overcoming these traps requires a multi-level approach, combining targeted local interventions aimed at correcting specific cognitive mechanisms, systemic instruments embedded within management practices and corporate culture, and marketing strategies that promote transparency, consistency, and stakeholder trust.

From a practical standpoint, the findings underscore the necessity of establishing an integrated ESG management framework. Such a framework should incorporate sustainability metrics into key performance indicators (KPIs), develop transition roadmaps, foster a culture of accountability, and leverage marketing tools as instruments for behavioral correction. This approach not only enhances the trust of investors, regulators, and consumers but also transforms ESG-related challenges into opportunities for innovation and long-term competitiveness.

Future research should explore several promising avenues. These include a more granular analysis of how financial, social, and non-financial instruments influence the behavior of managers, investors, and consumers in the ESG domain; the development of integrated marketing models that account for cognitive limitations and psychological factors in decision-making; the assessment of the effectiveness of online platforms, interactive applications, and gamification in bridging the attitude-behavior gap and mitigating moral licensing; and the investigation of sector-specific manifestations of herd behavior and ethical blindness, which could inform the adaptation of management strategies to industry-specific contexts.

The results highlight that behavioral-traps, ranging from managerial short-termism to cognitive biases and symbolic ESG practices, are not merely theoretical constructs. They exert a direct impact on financial sustainability, investor trust, reputational capital, and long-term corporate competitiveness. Failure to address these traps increases exposure to regulatory pressure and reduces organizational adaptability to global challenges.

Addressing these challenges necessitates an interdisciplinary approach that integrates behavioral economics, management science, organizational psychology, and contemporary sustainable development practices. In this context, marketing assumes a dual role: not only as a communication mechanism but also as a strategic instrument for the identification and mitigation of cognitive distortions. Ultimately, the capacity of firms to detect latent risks, transform them into innovation opportunities, and engage stakeholders through transparent communication will determine their long-term resilience and contribution to sustainable societal development.

References

1. IPCC. (2023). *AR6 Synthesis Report: Summary for Policymakers*. Intergovernmental Panel on Climate Change. <https://www.ipcc.ch/report/ar6/syr/>
2. World Economic Forum. (2024). *Global Risks Report 2024*. WEF. <https://www.weforum.org/reports/global-risks-report-2024>
3. IFRS Foundation. (2023). *IFRS® S1: General requirements for disclosure of sustainability-related financial information*. <https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s1-general-requirements-for-disclosure-of-sustainability-related-financial-information.pdf>
4. IFRS Foundation. (2023). *IFRS S2: Climate-related disclosures* [Webpage]. <https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s2-climate-related-disclosures/>
5. European Commission. (2022). *Corporate Sustainability Reporting Directive (CSRD)*. Official EU Document. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2464>
6. U.S. SEC. (2022). *SEC enforcement actions against BNY Mellon and Goldman Sachs for misleading ESG statements* [Press release]. <https://www.sec.gov/newsroom/press-releases/2022-86>
7. Washington Post. (2022). Greenhushing: Why some companies quietly hide their climate pledges. *The Washington Post*. <https://www.washingtonpost.com/climate-environment/2023/07/13/greenhushing-climate-trend-corporations/>
8. WCED. (1987). *Report of the World Commission on Environment and Development. Our common future*. <https://ambiente.files.wordpress.com/2011/03/brundtland-report-our-common-future.pdf>
9. Kahneman, D. (2011). *Thinking, fast and slow*. Farrar, Straus and Giroux. https://books.google.com/books/about/Thinking_Fast_and_Slow.html?id=ZuKTvERuPG8C

10. Bazerman, M. H., & Tenbrunsel, A. E. (2011). *Blind spots: Why we fail to do what's right and what to do about it*. Princeton University Press. https://books.google.com/books/about/Blind_Spots.html?id=A-crywke5jEC
11. Samuelson, W., & Zeckhauser, R. (1988). Status quo bias in decision making. *Journal of Risk and Uncertainty*, 1, 7-59. <https://doi.org/10.1007/BF00055564>
12. Hofman, B., de Vries, G., & van de Kaa, G. (2022). Keeping things as they are: How status quo biases and traditions along with a lack of information transparency in the building industry slow down the adoption of innovative sustainable technologies. *Sustainability*, 14(13), 8188. <https://doi.org/10.3390/su14138188>
13. KPMG Cyprus. (2024, June 20). 29% of companies feel ready to have ESG data assured despite looming regulatory deadlines. KPMG. <https://kpmg.com/cy/en/home/media/press-releases/2024/06/29-percent-of-companies-feel-ready-to-have-esg-data.html>
14. DiXi Group. (2025, March 27). 77% of Ukrainian companies need tools to implement ESG standards: Results of the Green Transition Office study. <https://dixigroup.org/en/77-of-ukrainian-companies-need-tools-to-implement-esg-standards-results-of-the-green-transition-office-study/>
15. Eccles, R. G., & Klimenko, S. (2019). The investor revolution: Shareholders lead on sustainability. *Harvard Business Review*. <https://hbr.org/2019/05/the-investor-revolution>
16. Deng, G., Liu, H., Yan, J., & Ma, S. (2024). Managing for the future: Managerial short-termism impact on corporate ESG performance in China. *The European Journal of Finance*, 31(2), 147-173. <https://doi.org/10.1080/1351847X.2024.2387622>
17. ESMA. (2020). *Short-termism pressures from financial markets. ESMA Report on Trends, Risks and Vulnerabilities No. 1, 2020*. https://www.esma.europa.eu/sites/default/files/trv_2020_1-short_termism_pressures_from_financial_markets.pdf
18. Melnyk, A., & Bazir, A. (2025). *ESG in Ukraine: Is everyone faking it? How can real change happen?* Kyiv School of Economics. https://kse.ua/wp-content/uploads/2025/07/Melnyk-Bazir-BE25_ESG-IN-UKRAINE-IS-EVERYONE-FAKING-IT_HOW-CAN-REAL-CHANGE-HAPPEN.pdf
19. Carrington, M. J., Neville, B. A., & Whitwell, G. J. (2014). Lost in translation: Exploring the ethical consumer intention-behavior gap. *Journal of Business Research*, 67(1), 2759-2767. <https://doi.org/10.1016/j.jbusres.2012.09.022>
20. Harvard Business Review. (2019, July). The elusive green consumer. *Harvard Business Review*. <https://hbr.org/2019/07/the-elusive-green-consumer>
21. Wekhof, T. (2025, January 20). Explaining the attitude-behavior gap for sustainable investors: Open vs. closed-ended questions. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4838449>
22. Lublóy, Á., Keresztúri, J. L., & Berlinger, E. (2024). Quantifying firm-level greenwashing: A systematic literature review. *Journal of Environmental Management*, 373, 123399. <https://doi.org/10.1016/j.jenvman.2024.123399>
23. Font, X., Elgammal, I., & Lamond, I. (2017). Greenhushing: The deliberate under-communicating of sustainability practices by tourism businesses. *Journal of Sustainable Tourism*, 25(7), 1007-1023. <https://doi.org/10.1080/09669582.2016.1158829>
24. Sun, Y., & Shi, B. (2022). Impact of greenwashing perception on consumers' green purchasing intentions: A moderated mediation model. *Sustainability*, 14(19), 12119. <https://doi.org/10.3390/su141912119>
25. Bouzzine, Y. D., & Lueg, R. (2023). CSR, moral licensing and organizational misconduct: A conceptual review. *Organization Management Journal*, 20(2), 63-74. <https://doi.org/10.1108/OMJ-09-2021-1355>
26. Zhang, H., & Gong, B. (2024). Can green needs always promote green innovation? Moral licensing in corporate environmental responsibility. *Journal of Business Ethics*. <https://doi.org/10.1007/s10551-024-05885-8>
27. Gavrilakis, N., & Floros, C. (2023). ESG performance, herding behavior and stock market returns: Evidence from Europe. *Operational Research*. <https://doi.org/10.1007/s12351-023-00745-1>
28. Entwistle, T., & Doering, H. (2024). Amoral management and the normalization of deviance: The case of Stafford Hospital. *Journal of Business Ethics*. <https://doi.org/10.1007/s10551-023-05445-6>
29. Imam, S., & Kim, S. (2023). Ethical blindness in the C-Suite: A multilevel theoretical model. *Journal of Business Ethics*. <https://doi.org/10.5281/zenodo.16219381>
30. Aleksić, D., & Palazzo, G. (2023). Development and validation of Ethical Blindness Scale. *Economic and Business Review*, 25(4), 233-243. <https://doi.org/10.15458/2335-4216.1329>

Одержано статтю: 11.09.2025
Прийнято до друку: 21.09.2025