

Geopolitical Risk and Global Marketing Adaptation: Strategic Responses to the Strait of Hormuz Disruption

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Abstract

The increasing frequency of geopolitical tensions has created significant challenges for multinational corporations operating in global markets. One of the most critical geopolitical concerns is the potential disruption of the Strait of Hormuz, a strategic maritime route that plays a vital role in international trade and energy transportation. This study examines the impact of Strait of Hormuz disruptions on global supply chains and marketing strategies, with a particular focus on the adaptation mechanisms adopted by multinational corporations. Using a qualitative approach based on literature review and case study analysis, the study synthesizes recent findings from academic publications and international reports related to geopolitical risk, supply chain resilience, and global marketing adaptation. The findings indicate that disruptions in the Strait of Hormuz can increase transportation costs, create supply uncertainty, and generate logistics challenges that affect business operations and market performance. These disruptions also influence marketing activities, particularly in pricing, product management, distribution, and customer communication. In response, multinational corporations increasingly implement resilience-oriented strategies, including supplier diversification, regional sourcing, alternative logistics networks, and digital supply chain management. The study further highlights the importance of integrating supply chain resilience and marketing adaptation to maintain competitiveness in uncertain business environments. The proposed framework suggests that effective adaptation strategies enable firms to mitigate geopolitical risks, strengthen business resilience, and sustain long-term competitive advantage. This study contributes to the literature on international business and global marketing by providing an integrated perspective on the relationship between geopolitical risk and organizational adaptation.

Keywords: Geopolitical Risk, Strait Of Hormuz, Global Marketing Adaptation, Supply Chain Resilience, Multinational Corporations.

Introduction

The business environment has become increasingly complex due to the growing influence of geopolitical tensions, trade disputes, economic sanctions, and regional conflicts. These developments have affected international trade, investment flows, and business operations across various industries. In recent years, geopolitical issues have become an important concern for multinational corporations because political instability in one region can quickly affect markets and supply chains worldwide (Bozonelos & Tsagdis, 2023; Patricia et al., 2025). As global markets become more interconnected, companies are required to develop strategies that enable them to respond effectively to geopolitical uncertainty while maintaining their competitiveness.

Geopolitical risk refers to the possibility that political conflicts, military tensions, terrorism, and diplomatic disputes may create adverse economic consequences for firms and markets (Caldara & Iacoviello, 2022). Previous studies have shown that geopolitical risk can influence international trade activities, increase operational costs, disrupt investment decisions, and reduce business confidence (Patricia et al., 2025). Furthermore, the increasing fragmentation of the global economy has encouraged firms to reconsider their international strategies and strengthen their organizational resilience in response to external shocks (Bozonelos & Tsagdis, 2023; Estrin & Hancké, 2026).

One of the areas most vulnerable to geopolitical disruptions is the global supply chain. Modern supply chains depend heavily on efficient transportation networks and uninterrupted international trade flows. Any disruption occurring in a strategic transportation corridor can create ripple effects throughout global production and distribution systems. Recent global events, including the COVID-19 pandemic, the Russia-Ukraine conflict, and tensions in the Middle East, have demonstrated the vulnerability of highly interconnected supply chains and highlighted the importance of resilience and adaptability in international business operations (Estrin & Hancké, 2026; Celestin & Sujatha, 2024).

Among the world's most critical maritime routes, the Strait of Hormuz plays a particularly strategic role in facilitating global trade. Located between the Persian Gulf and the Gulf of Oman, the Strait serves as one of the most important shipping corridors for energy commodities and international commerce. According to recent reports, approximately one-quarter of global seaborne oil trade passes through the Strait of Hormuz, in addition to substantial volumes of liquefied natural gas and fertilizers (UNCTAD, 2026). Because of its strategic position, disruptions in this maritime route can have significant consequences for global supply chains, transportation systems, and economic stability.

Recent geopolitical tensions in the Middle East have increased concerns regarding the security and continuity of shipping activities through the Strait of Hormuz. International organizations have reported that disruptions in this route have led to rising transportation costs, higher insurance premiums, shipment delays, and increasing uncertainty in global markets. These disruptions have also affected energy prices and contributed to inflationary pressures in many countries, demonstrating how localized geopolitical events can generate global economic consequences.

The consequences of Strait of Hormuz disruptions extend beyond logistics and transportation activities. Multinational corporations that rely on global sourcing and international distribution networks may face challenges in maintaining product availability, controlling operational costs, and meeting customer expectations. Such conditions can directly influence firms' marketing strategies because disruptions in supply chains often affect pricing decisions, distribution systems, inventory management, and customer relationships. Therefore, geopolitical disruptions should not only be viewed as operational risks but also as strategic marketing challenges that require managerial attention.

In the field of global marketing, adaptation has become an essential capability for firms operating in uncertain environments. Marketing adaptation refers to a company's ability to adjust its marketing strategies in response to changes in market conditions and external environments. Previous studies have emphasized that adaptation enables firms to respond effectively to differences in consumer preferences, cultural characteristics, and regulatory environments across international markets. However, geopolitical disruptions create additional challenges because they simultaneously affect both market demand and supply-side operations. Consequently, companies must adopt more flexible and responsive marketing approaches to maintain business performance under uncertain conditions.

Recent literature has also highlighted the growing importance of supply chain resilience as a strategic capability. Supply chain resilience refers to a firm's ability to anticipate, respond to, and recover from disruptions while maintaining operational continuity. To strengthen resilience, many multinational corporations have implemented strategies such as supplier diversification, regional sourcing, inventory buffering, and digital supply chain monitoring systems (Dau et al., 2023; Celestin & Sujatha, 2024). These strategies help firms reduce dependency on specific regions and improve their ability to adapt to geopolitical disruptions.

The relationship between supply chain resilience and marketing adaptation is particularly important in the context of the Strait of Hormuz. Disruptions in this critical maritime corridor can influence transportation costs, product availability, and market accessibility, all of which directly affect marketing performance. Companies that are able to adapt their pricing, distribution, product, and communication strategies are more likely to maintain customer satisfaction and competitive advantage during periods of uncertainty. In contrast, firms that fail to respond effectively may experience declining sales performance and weakened market positions.

Although geopolitical risk has received considerable attention in recent years, existing studies have primarily focused on its implications for energy security, international trade, logistics, and macroeconomic performance. Research examining the relationship between geopolitical disruptions and global marketing adaptation remains relatively limited. In particular, there is insufficient understanding of how multinational corporations adjust their marketing strategies in response to disruptions occurring in strategic trade corridors such as the Strait of Hormuz. This gap indicates the need for further research that integrates perspectives from geopolitical risk, supply chain resilience, and global marketing.

Therefore, this study aims to examine the impact of Strait of Hormuz disruptions on global supply chains and global marketing strategies. Using a qualitative approach based on literature review and case study analysis, this study investigates how multinational corporations adapt their marketing activities in response to geopolitical uncertainty. Specifically, the study focuses on strategic responses related to pricing, distribution, product management, and customer engagement. By providing a comprehensive analysis of these issues, the study seeks

to contribute to the literature on global marketing and international business while offering practical insights for managers facing increasing geopolitical challenges.

Methodology

This study employs a qualitative research approach using a literature review and case study design. Qualitative research is appropriate for exploring complex phenomena and developing a deeper understanding of social and organizational issues within their real-world context (Creswell & Creswell, 2017). The study aims to examine how geopolitical disruptions in the Strait of Hormuz influence global marketing strategies and international business operations. A literature review was used to identify and synthesize existing knowledge related to geopolitical risk, supply chain resilience, and global marketing adaptation. According to Snyder (2019), literature reviews provide a systematic way to evaluate and integrate findings from previous studies to generate new insights and identify research gaps. In addition, a case study approach was adopted to provide a contextual understanding of the strategic implications of disruptions in the Strait of Hormuz. Case studies are useful for investigating contemporary phenomena within real-life settings, particularly when the boundaries between the phenomenon and context are not clearly evident (Yin, 2018).

The study relies on secondary data collected from academic and institutional sources. Data were obtained from peer-reviewed journal articles, books, industry reports, and publications from international organizations. The literature search focused primarily on publications published between 2021 and 2026 to ensure the use of current and relevant evidence. However, several foundational studies were also included because of their important contribution to the theoretical development of geopolitical risk, supply chain resilience, and marketing adaptation. Additional data were gathered from reports published by international organizations such as UNCTAD, the World Bank, and the International Monetary Fund. These sources provide updated information regarding global trade developments, supply chain disruptions, and geopolitical conditions that are relevant to the research topic.

The Strait of Hormuz was selected as the primary case because of its strategic role in global trade and energy transportation. As one of the world's most important maritime chokepoints, disruptions in this route have significant implications for international supply chains and business operations. Examining this case provides valuable insights into how multinational corporations respond to geopolitical uncertainty and adapt their marketing strategies in a changing business environment. The collected data were analyzed using thematic analysis. Braun & Clarke (2022) describe thematic analysis as a method for identifying, organizing, and interpreting patterns within qualitative data. This approach was considered appropriate because it allows the researcher to examine recurring themes across various studies and reports. The analysis was conducted in four stages. First, relevant literature and reports were reviewed and organized according to the research objectives. Second, key concepts and findings were coded and categorized into major themes. Third, relationships among themes were examined to identify

the connections between geopolitical risk, supply chain resilience, and global marketing adaptation. Finally, the findings were synthesized to develop a comprehensive understanding of strategic responses adopted by multinational corporations.

The analysis focused on three main themes: (1) the impact of Strait of Hormuz disruptions on global supply chains, (2) the effects of these disruptions on global marketing strategies, and (3) adaptation strategies implemented by multinational corporations. To improve the credibility of the findings, data triangulation was employed by comparing information obtained from multiple academic and institutional sources. Triangulation is widely recognized as an effective strategy for enhancing the trustworthiness of qualitative research findings (Patton, 2015). The use of different sources helped ensure consistency and reduce potential bias in the interpretation of data. Through the integration of literature review and case study analysis, this study provides a comprehensive understanding of how geopolitical disruptions affect global marketing and international business while identifying strategic adaptation mechanisms that support organizational resilience.

Results and Discussion

A. Impact of Strait of Hormuz Disruption on Global Supply Chains

The findings indicate that disruptions in the Strait of Hormuz have significant implications for global supply chain performance. As one of the world's most strategic maritime chokepoints, the Strait serves as a critical route for the transportation of oil, liquefied natural gas, and various commodities that support international production and trade activities (UNCTAD, 2026a). Consequently, disruptions in this area create uncertainty that extends beyond the Middle East and affects global business operations. One of the most immediate consequences is the increase in transportation and logistics costs. Shipping companies are often required to adjust routes, pay higher insurance premiums, and allocate additional resources to mitigate security risks. These conditions increase operational expenses and reduce supply chain efficiency. This finding is consistent with Bozonelos & Tzagdis (2023) and Belhadi et al. (2024), who argue that geopolitical uncertainty increases operational complexity and creates additional costs throughout global supply networks. For multinational corporations, higher logistics costs not only affect profitability but also influence sourcing, distribution, and inventory management decisions.

The disruption also generates supply uncertainty. Delays in transportation can interrupt the flow of raw materials and finished products, leading to inventory shortages and production disruptions. This issue is particularly critical for firms that rely on just-in-time production systems because such systems require stable and predictable supply flows. Dau et al. (2023) emphasize that supply disruptions often create cascading effects throughout interconnected production networks, making recovery more difficult and costly. Therefore, the impact of Strait of Hormuz disruptions should be viewed not merely as a transportation problem but as a broader challenge to supply chain continuity.

Another important finding is the growing shift from efficiency-oriented supply chains toward resilience-oriented supply chains. For many years, firms focused on cost efficiency by concentrating suppliers and production activities in selected locations. However, recent geopolitical disruptions have exposed the limitations of this strategy. As a result, many companies have diversified suppliers, expanded regional sourcing networks, and developed alternative logistics routes to reduce dependency on specific regions (Celestin & Sujatha, 2024). This trend suggests that resilience is becoming as important as efficiency in contemporary supply chain management. These findings support the broader argument that geopolitical risk has become a major source of supply chain vulnerability in the global economy. As firms become increasingly dependent on international production and distribution networks, their ability to anticipate and respond to disruptions becomes a critical determinant of long-term competitiveness (Patricia et al., 2025). In this context, resilience should not be viewed solely as an operational capability but as a strategic asset that enables firms to sustain performance under uncertain conditions.

B. Impact on Global Marketing Strategies

The findings further indicate that disruptions in the Strait of Hormuz affect not only supply chain operations but also global marketing activities. Marketing performance is closely linked to product availability, pricing stability, distribution effectiveness, and customer satisfaction. Therefore, when geopolitical disruptions affect logistics and production systems, companies are often required to adjust their marketing strategies accordingly. One of the most significant impacts can be observed in pricing decisions. Rising transportation and operational costs force firms to reassess their pricing structures in order to maintain profitability. However, increasing prices is not always a viable solution because customers may respond negatively to higher costs, particularly during periods of economic uncertainty. This situation requires firms to balance financial objectives with customer expectations. Estrin & Hancké (2026) argue that pricing flexibility has become an increasingly important capability for firms operating in volatile international markets. The findings suggest that successful firms are those that can adapt pricing strategies while maintaining customer value perceptions.

Product strategy is also affected by geopolitical uncertainty. The literature indicates that firms often prioritize products with stable demand and higher profitability during periods of disruption. In some cases, companies simplify product portfolios and postpone product launches to reduce operational complexity. Such actions allow firms to allocate resources more efficiently and focus on maintaining core business activities. This finding highlights the importance of strategic prioritization when firms face resource constraints and uncertain market conditions.

Distribution strategies represent another area requiring adaptation. To reduce dependence on vulnerable trade routes, many multinational corporations have expanded regional distribution networks and explored alternative transportation channels. This approach improves product availability and reduces the risk of market disruptions. Furthermore, the increasing adoption of digital technologies

has enhanced supply chain visibility and strengthened coordination between logistics and marketing functions (Belhadi et al., 2024) These developments demonstrate that distribution flexibility has become a critical component of marketing effectiveness in uncertain environments. The findings also reveal the growing importance of communication strategies during geopolitical disruptions. Customers tend to become more sensitive to issues related to product availability, delivery reliability, and pricing stability. Consequently, firms increasingly emphasize transparency, reliability, and trust in their marketing communications. Effective communication helps reduce uncertainty and strengthens customer confidence, which is essential for maintaining long-term customer relationships during periods of disruption.

Overall, the findings suggest that marketing adaptation plays a crucial role in mitigating the effects of geopolitical uncertainty. Firms that can quickly adjust their pricing, product, distribution, and communication strategies are generally better positioned to maintain customer satisfaction and competitive advantage. Therefore, marketing adaptation should be viewed as a strategic component of organizational resilience rather than merely a short-term response to operational challenges.

C. Strategic Responses of Multinational Corporations

The findings show that multinational corporations increasingly view geopolitical risk as a strategic challenge that requires proactive responses. Rather than treating geopolitical disruptions as temporary events, firms have begun integrating risk management and resilience considerations into their long-term business strategies. This shift reflects the growing recognition that geopolitical uncertainty is likely to remain a persistent feature of the global business environment. Supplier diversification emerges as one of the most widely adopted strategies. Traditionally, firms concentrated procurement activities among a limited number of suppliers to maximize efficiency and reduce costs. However, recent disruptions have revealed the vulnerability associated with excessive dependence on specific suppliers or regions. In response, many firms have implemented multi-sourcing strategies and expanded supplier networks across different countries. According to Belhadi et al. (2024), supplier diversification enhances flexibility and reduces the risk of operational disruptions when geopolitical events affect a particular location.

Regionalization is another important strategic response identified in the literature. Instead of relying heavily on globalized production networks, firms increasingly establish regional manufacturing and distribution hubs. This approach improves responsiveness to local market conditions while reducing exposure to disruptions in international transportation routes (Bozonelos & Tsagdis, 2023). The growing adoption of regionalization suggests that firms are seeking a balance between globalization and resilience. Digital transformation also contributes significantly to organizational adaptation. Technologies such as predictive analytics, artificial intelligence, and real-time monitoring systems enable firms to improve supply chain visibility and identify potential risks at an earlier stage. Enhanced access to information supports faster decision-making and allows companies to

respond more effectively to emerging disruptions (Celestin & Sujatha, 2024). Consequently, digital capabilities have become an important source of competitive advantage in uncertain business environments.

The experiences of several multinational corporations further illustrate these strategic responses. Companies such as Unilever and Nestlé have strengthened regional sourcing and local production capabilities to reduce dependence on global supply networks. Similarly, Toyota has adopted supplier diversification and risk assessment mechanisms to improve supply chain resilience. Apple has also expanded manufacturing activities in alternative locations as part of its broader effort to reduce production concentration. Although these firms operate in different industries, they share a common objective: increasing flexibility and reducing vulnerability to geopolitical disruptions.

Table 1. Strategic Responses of Multinational Corporations to Geopolitical Disruptions

Company	Main Challenge	Strategic Response	Expected Outcome
Unilever	Supply uncertainty	Regional sourcing and local production	Improved supply continuity
Nestlé	Distribution disruption	Local procurement and inventory management	Greater flexibility
Toyota	Supplier dependency	Multi-sourcing strategy	Reduced operational risk
Apple	Production concentration	Manufacturing diversification	Enhanced resilience

The evidence presented in Table 1 demonstrates that multinational corporations increasingly prioritize resilience, flexibility, and adaptability in response to geopolitical uncertainty. Although specific strategies differ across industries, the overall pattern indicates a shift away from purely efficiency-driven business models toward resilience-oriented approaches. This transformation reflects the growing importance of integrating supply chain resilience and marketing adaptation as complementary capabilities that support long-term competitiveness in an increasingly uncertain global environment.

D. Integrated Framework: From Geopolitical Risk to Global Marketing Adaptation

The findings of this study suggest that the relationship between geopolitical risk and business performance operates through a sequential and interconnected process. Disruptions in the Strait of Hormuz represent a form of geopolitical risk that directly affects global transportation networks, energy markets, and international trade flows. These disruptions subsequently create operational

challenges for multinational corporations, particularly in supply chain management and marketing activities.

Based on the literature review and case analysis, this study proposes an integrated framework that explains how firms respond to geopolitical disruptions through the development of supply chain resilience and marketing adaptation capabilities. The framework highlights that geopolitical risk acts as the initial trigger that generates uncertainty within global business environments. This uncertainty manifests through transportation delays, rising logistics costs, supply shortages, and market volatility. As these operational disruptions intensify, firms experience pressure on key marketing functions, including pricing, product management, distribution, and customer communication. Increased transportation costs often require pricing adjustments, while supply shortages may affect product availability and distribution efficiency. At the same time, firms must maintain customer trust and market competitiveness despite operating under uncertain conditions.

To address these challenges, multinational corporations implement resilience-oriented strategies such as supplier diversification, regional sourcing, digital supply chain management, and risk monitoring systems. These strategies strengthen operational flexibility and reduce dependence on vulnerable trade routes or geographic regions. However, operational resilience alone is insufficient to ensure business continuity. Companies must also adapt their marketing strategies to respond to changing market conditions and customer expectations. Marketing adaptation plays a crucial role in translating operational resilience into market performance. Firms that successfully adjust pricing structures, prioritize key products, develop alternative distribution channels, and maintain transparent communication are more likely to preserve customer satisfaction and brand loyalty during periods of disruption. Consequently, the integration of supply chain resilience and marketing adaptation enables organizations to maintain competitiveness despite geopolitical uncertainty.

The framework further suggests that business resilience is not achieved through a single organizational function. Instead, it emerges from the alignment of operational capabilities and market-oriented strategies. Firms that effectively coordinate these capabilities are better positioned to withstand disruptions, recover more quickly from crises, and sustain long-term competitive advantage. Therefore, geopolitical risk management should be viewed as a strategic responsibility shared across supply chain, operations, and marketing functions.



Figure 1. Integrated Framework of Geopolitical Risk and Global Marketing Adaptation

The proposed framework contributes to the international business and global marketing literature by integrating geopolitical risk, supply chain resilience, and marketing adaptation into a single analytical model. While previous studies have frequently examined these concepts separately, the findings of this study demonstrate that they are closely interconnected in practice. In the context of Strait of Hormuz disruptions, firms that combine resilience-oriented supply chain strategies with adaptive marketing capabilities are more likely to sustain performance and achieve long-term business success.

Conclusion

This study examined the impact of Strait of Hormuz disruptions on global supply chains and marketing strategies. The findings show that disruptions in this strategic maritime route increase transportation costs, create supply uncertainty, and affect business operations across international markets. These challenges influence not only supply chain performance but also marketing activities, particularly pricing, product availability, distribution, and customer communication. The study also found that multinational corporations increasingly adopt resilience-oriented strategies, including supplier diversification, regionalization, alternative logistics networks, and digital supply chain management. At the same time, firms must adapt their marketing strategies to maintain customer trust and market competitiveness under uncertain conditions. Overall, the study highlights that supply chain resilience and marketing adaptation are complementary capabilities that help firms respond to geopolitical uncertainty. By integrating these capabilities into strategic decision-making, multinational corporations can strengthen business resilience and sustain long-term competitiveness in the global market.

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