

CHAPTER 2

THE ORIGINS AND INSTITUTIONS OF MARKETING STUDIES

CHAPTER OUTLINE

Chapter 1 introduced the idea of a critical discipline of Marketing studies which takes account of, among other things, the historical and institutional forces which shape a field of knowledge. Chapter 2 explores these origins and outlines the key institutions of the discipline. In particular, it is important to trace the subject back beyond the popularization of management studies in the 1950s and 1960s to its founding academics at the turn of the century, in order to place its subsequent development in a broader context. The chapter goes on to examine the impact that key professional institutions, especially the American Marketing Academy, have had on the way in which the Marketing subject is understood. Some views on the ways in which this historical and institutional infrastructure may have influenced Marketing studies are then examined.

Introduction: Marketing's Development as a Subject of Academic Study

Marketing is a discipline with a history, scale and intellectual scope which few students have the opportunity to grasp in typical one- or two-semester courses or airport lounge 'How to do Marketing' paperbacks. In over 100 years as a subject of higher study, research and scholarship, the field has

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developed strands of thought which reach further, wider and deeper than many people might suspect. Some of these strands of thought will be opened up as the book progresses, but for now it is important to outline some of the historical work which locates the field in a context of development. Today, there is a widespread view that Marketing studies have two pre-eminent characteristics. One is a focus on managerialism, the implicit assumption that the legitimate scope of Marketing studies is delimited by the interests, values and instrumental priorities of organizational managers. The other is that the subject is typically conceived as a pseudo-scientific technical discipline which has no need of historical perspective.

The question of whether Marketing studies has lived up to the aspirations and values of early thinkers is a persistent source of debate in the Marketing literature. It has been suggested that modern Marketing has neglected the historical perspective essential to a critical understanding (Tadajewski and Brownlie, 2008b) and therefore condemned itself to endless repetitions and reassertions of previously voiced ideas (Fullerton, 1987). One way of underpinning such arguments is to study Marketing history but, while Marketing history is a contested and vibrant area of scholarship in the field, it is one which has virtually no presence in the typical curricula of mainstream Marketing management courses. Importantly, the dominant technical problem-solving arm of Marketing studies tends to be ahistorical in its approach. So, it is important to ask where Marketing studies came from in order to understand what it has become.

Marketing Studies Origins in the USA

It is usually claimed that the popular genre of normative or 'how-to-do' Marketing texts dates from the 1950s but the first college courses called 'Marketing' were recorded at the turn of the 20th century in the USA (Halbert, 1965). Marketing developed initially as a branch of applied microeconomics concerned with the distribution of goods and the buying behaviour underlying market clearing processes in conditions of surplus production (Wilkie and Moore, 2003). It grew, partially, out of a sense of the inadequacy of economics for explaining, and offering policy prescriptions for resolving, market inefficiencies.

Marketing did not become formally established as a field of written ideas until the period between 1900 and 1920, in the USA. Marketing studies has a long presence in university education in the USA and a distinguished history as a multidisciplinary tradition of thought, research and writing (Bartels, 1951). The managerial (Sheth et al., 1988) model of Marketing studies which dominates the world of management education emanates from the USA but was not taken up in the rest of the world until the 1960s and 1970s. As Witkowski (2005) notes (citing Fox et al., 2005), it is telling that the first Marketing text published in Soviet Russia in 1980 was Philip Kotler's classic *Marketing Management* (1967). This is

a measure of the way the managerial vision of Marketing as a technical discipline which transcended cultural and political barriers became widely acceptable. According to some Marketing scholars, though, the subject was not originally conceived in that way.

Jones and Monieson (1990) argue that early Marketing education was driven by the desire to place Marketing management activity on a basis of firmly secured knowledge. They suggest that early Marketing educators at the University of Wisconsin were influenced by the German Historicist School of social science and interpreted this in terms of inductive fact-gathering (about consumption and distribution patterns) supported by descriptive statistics. The aspiration of Marketing education from the beginning of the century was to create a positivistic Marketing management science which would inform the activities of Marketing 'middlemen'. This was reiterated by Paul Converse (1945) 40 years later in a well-known paper which is often taken as the starting point for Marketing science. Yet Jones and Monieson (1990) show that the managerial orientation and scientific aspirations of Marketing research and education were present from the very beginning of the discipline's history. What was evident then, which is less so today, was a concern with Marketing at a societal function (Witkowski, 2005). The overall goal of Marketing studies was to improve Marketing effectiveness in order to improve the economic welfare of all.

Marketing Management and the Harvard Case Method

While Marketing studies at Wisconsin were focused on the scholarly study of the systemic properties of markets, later at Harvard Business School, the emphasis was more closely on the normative or how-to-do Marketing aspect of the discipline. Harvard's engagement with management practice evolved into the famed Harvard Business School Case Method¹. Management education at Harvard entailed a close analysis of a real business situation, preferably through direct experience with visits to the company and discussions with company officers (Contardo and Wensley, 2004), followed by intense class debate about possible solutions. The idea was for managers to experience cases much as clinical education is based on practice case work as well as theory. Incidentally, the Harvard approach must have created a bear-pit which sharpened the rhetorical skills of the protagonists, not unlike the Oxford Union. And throughout classical education rhetoric, the art of being able to persuade others with the force of reasoned argument was considered the ultimate transferable skill.

Marketing studies consisted of two main aspects. One was the analysis of market trends, activities and processes. This was conceived as a social scientific exercise in the broadest sense, based on a historical case method. Descriptive statistics were used to gain insights into the structure and dynamics of particular markets, set in their cultural and

historical context. The second main aspect was managerial in the sense that this market information was designed to improve managerial decision making at the policy level.

At Harvard, the education of managers was developed by a different approach to case analysis which relied less on a market-level analysis and focused more on an organizational problem-level analysis from the managerial perspective. To put this another way, it could be seen as a shift from a more academically disinterested, social scientific and historical account of market dynamics toward a more problem-focused and vocational style of management education. Importantly, the Harvard approach was based on live case studies. Participants were encouraged to go into the companies they were discussing to understand more thoroughly the context of the problem. The term 'case' tends to be used in Marketing education today to refer to any kind of managerial problem-focused activity, most typically based on a narrative written up and published specifically for the purpose. This second-hand case material, often carefully crafted to spin a particular story, clearly lacks the experiential and ethnographic aspect of case analysis which entails a first-hand exploration of a real organization. So the idea of 'case study' most commonly understood today is quite a different thing to the traditional Harvard case idea. Case-based management education which entails first-hand research in the form of discussions with managers in the organizational context mimics ethnographic social scientific study. The use of written-up case studies for hypothetical decision analysis lacks this aspect and, if the exercise is conducted as a written one, also lacks the element of public argument and debate so important to the development of analytical and rhetorical skills. Nevertheless, the written case study has become a staple of Marketing management education and no self-respecting Marketing textbook (including this one) can afford not to have them.

The Adoption of Marketing Studies in the USA and UK

The rest of the world lagged many years behind, not in the practice of Marketing but in accepting that Marketing studies has a place in the university curriculum. In the UK, for example, Marketing was, for a long time, regarded largely as a vocational subject suitable only for sub-degree education. The first professorial university Chairs in Marketing were instituted in the UK in the early 1960s, at the universities of Strathclyde and Lancaster. Many leading UK universities have been even slower to establish business and Marketing programmes as a central part of their provision. The Said Business School at Oxford University was established in 1996 (amidst some considerable controversy and opposition). The Judge Management School at Cambridge University was established in 1995, though at both institutions, management studies was taught for some

years before. Royal Holloway, University of London established its School of Management in 1992 and its first Chair in Marketing in 2004². In contrast, the School of Business at the University of Wisconsin-Madison was established in 1900, and Harvard Business School in 1908. The collegiate School of Business at Wharton, University of Pennsylvania, was established in 1881 and was offering its first courses in product Marketing by 1904³. Wharton were relative laggards in Marketing education though, since E. D. Jones of the University of Wisconsin is credited with teaching the first university course in Marketing (Jones and Monieson, 1990, citing Bartels, 1951, and Maynard, 1941) although Jones and Monieson (1990) concede that there may have been earlier university courses in Marketing distribution in Germany.

Early Marketing thinking, then, focused mainly on issues of market clearance. There was apparent waste in distribution processes resulting from poor coordination of demand and supply. The engagement with practice was considered enabling, in contrast to traditions of academic studies in which abstraction and theorization carried greater intellectual kudos. The Harvard case method has been highly influential in promoting a practice-driven ethos of Marketing (Bartels, 1951, in Jones and Monieson, 1990), as well as inspiring the MBA educational approach. The case method of management education pioneered at Harvard largely eschewed theoretical principles in favour of an applied problem-solving approach grounded in case-based facts and, where possible, generalized rules-of-thumb (Contardo and Wensley, 2004). Marketing studies, in short, were founded in the USA with the dual aim of generating Marketing facts and discovering management principles and communicating them to practising or aspiring managers, for the general betterment of organizational effectiveness, consumer welfare and society as a whole (Wilkie and Moore, 2006).

To sum up, early theorists saw Marketing studies as central to the enterprise of management and business studies education. They brought back a view from German universities that Marketing should be understood through inductive, case-based research methods allied with descriptive statistics and oriented to the practical education of managers. Jones and Monieson (1990) suggest that Marketing's claims as a knowledge-based subject originally rested on a statistical methodological approach which was mediated by a keen sense of history and of the specific behavioural and social contexts of markets. This approach was adapted into a case-specific approach to management education, though the case study based on a purposively written text is quite a different educational experience to the live case study based on personal first-hand organizational research.

As the presence of Marketing studies became established in American universities, its infrastructure of academic and practitioner journals and societies began to grow.

Marketing Studies Institutions: Academic Journals and Professional Societies

Marketing Journals

Today, academic research in Marketing⁴ is booming on the back of robust student recruitment and a powerful infrastructure of professional and scholarly institutions such as the US American Marketing Association, the Marketing Science Institute, the Academy of Marketing Science, the British Chartered Institute of Marketing, the European Marketing Academy, the UK Academy of Marketing, not to mention the Association for Consumer Research, the American Advertising Federation, the American Academy of Advertising, the Australia and New Zealand Academy of Marketing, the UK Institute for Practitioners in Advertising and numerous others of which Marketing forms a significant sub-category. The existence of so many bodies points to the success of the field as a highly professionalized field of research and writing, as well as practice.

Something of the reach of Marketing studies can be understood from the selection of journals listed in Box 2.1 which publish scholarly articles on Marketing topics. The academic publishing of research in Marketing has become a huge business. The variety of titles hints at the way Marketing has fragmented around an increasing number of themes related to the scope, values, methods or key audiences for research in Marketing. However, the top US-based Marketing journals tend to share a managerial focus and statistical bias.

BOX 2.1

SELECTED ACADEMIC JOURNALS PUBLISHING RESEARCH IN MARKETING AND THEIR ORIENTATION⁵

Marketing as a superordinate management function:

Journal of Marketing, Journal of Marketing Management, Journal of Strategic Marketing, European Journal of Marketing, Marketing Management Journal

Marketing as a statistical or social science:

Marketing Science: International Journal of Research in Marketing, Psychology and Marketing, Journal of the Academy of Marketing Science, Academy of Marketing Science Review, Journal of Consumer Psychology, Journal of Empirical Generalizations in Marketing Science

Marketing as human and cultural studies:

Journal of Historical Research in Marketing, Consumption, Markets and Culture, Journal of Material Culture

Marketing as an interdisciplinary theoretical subject:

Journal of Consumer Research, Marketing Theory, Journal of Marketing Theory and Practice

Marketing as a generic set of management tools for application in any field:

Journal of Non-Profit and Voluntary Sector Marketing, Journal of Travel and Tourism Marketing, Journal of Financial Services Marketing, International Journal of Bank Marketing, Journal of Political Marketing, Journal of Marketing for Higher Education, Journal of Business and Industrial Marketing, Journal of Fashion Marketing and Management, Journal of Services Marketing, Journal of Retailing, Journal of Business-to-Business Marketing, International Journal of Sports Marketing and Sponsorship, Journal of Research in Marketing and Entrepreneurship, International Journal of Medical Marketing, International Journal of Mobile Marketing, Journal of Direct Marketing, Journal of Health Care Marketing

Marketing as an intelligence-based management function:

Journal of Marketing Research, Journal of Database Marketing and Customer Strategy Management, Marketing Intelligence and Planning, Journal of Advertising Research, Qualitative Market Research – An International Journal, International Journal of Market Research

Marketing as scholarship and pedagogy:

Journal of Marketing Education, Marketing Education Review, Management Learning

Marketing as an area of social concern:

Journal of Public Policy and Marketing, Social Marketing Quarterly, Journal of Business Ethics, Business Ethics – A European Review, Journal of Consumer Affairs, Journal of Consumer Policy, Journal of Macromarketing

Marketing as a management function with specialized sub-functions:

Journal of Targeting, Measurement and Analysis for Marketing, Journal of Interactive Marketing, Journal of Relationship Marketing, Journal of Consumer Marketing, Journal of Brand Management, Journal of Customer Behaviour, Journal of Product and Brand Management, Journal of Personal Selling and Sales Management, Journal of Marketing Communication, International Marketing Review, Journal of Advertising, International Journal of Advertising, Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behaviour, Corporate Communication.

The journals widely regarded as the top eight in rank – the *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Consumer Research*, *Journal of Retailing*, *Journal of Advertising*, *Journal of Advertising Research*, *Industrial Marketing Management* – and *Marketing Science* are each over 30 years old and are all US-based (Sividas and

Johnson, 2005). Many of the journals in Box 2.1 are less, some are barely ten years old⁶, reflecting the rapid rise in recent decades of the number of research academics working in the Marketing teaching departments of university business and management schools. Many of the journals could have been placed in more than one of these fairly arbitrary categories – the *Journal of Macromarketing*, for example, could have been in three as it deals with theoretical as well as social concerns and carries social scientific articles as well as historical essays and anthropological analyses. The *European Journal of Marketing*, similarly, carries non-mainstream research as well as the more conventional managerial problem-solving research. But, necessary overlaps and oversimplifications aside, the list suggests that the field does have a certain vitality, provided you know where to look.

Many Marketing journals are sponsored by professional bodies. The top-ranked journal and one of the most cited social science journals in the world (Lusch, 1999), the *Journal of Marketing (JM)*, is produced through the most prominent professional association, the American Marketing Association (AMA), which in turn sponsors a series of major academic and practitioner conferences. The AMA enjoys a powerfully influential position with a ‘relative hegemony’ over US Marketing journals (Wensley, 1998, p. 80). The *Journal of Marketing* reports a circulation of over 10,000 per issue (Stewart, 1999). Other examples include the *International Journal of Research in Marketing* which is published by the European Academy of Marketing (EMAC), the *Journal of Consumer Research* by the Association for Consumer Research (ACR), and the *Journal of Marketing Management* by the UK Academy of Marketing.

As Brown (1995) has pointed out, the written style of research papers in the top Marketing journals has changed markedly over the last 50 years. In the 1950s and 1960s, the key management journals, *Harvard Business Review* and the *Journal of Marketing*, had a far more practitioner-oriented readership. Articles now regarded as classic expositions of marketing theory such as those by Levitt (1960) and Kotler (1972) featured some relatively anecdotal analysis followed by decisive recommendations for management, supported by a few citations to other work. Nowadays, most articles published in these journals are profoundly technical with scores of citations and, often, detailed statistical calculations. A few journals carry critical, qualitative and conceptual papers, but generally speaking, the pre-eminent mode of paper published in the top ten Marketing journals is in the managerial problem-solving vein with arguments supported by statistical evidence.

Wensley (1988) suggested that the UK has a less well-defined academic and professional institutionalization than the USA, although it does have a pre-eminent association, the UK Academy of Marketing (formerly Marketing Education Group) which sponsors a major conference and a range of journals, the highest ranking being the *Journal of Marketing*

Management. The European Marketing Academy (EMAC), itself sponsored by the European Institute for Advanced Studies in Management (EIASM)⁷, is a major European academic Marketing society with around 1000 members which (as noted above) published a highly rated journal and organizes major academic conferences around Europe. In the UK, there is a major trade association for professional Marketing practice which runs its own set of qualifications. The Chartered Institute of Marketing (CIM)⁸ is a self-contained institution entirely separate from the Academy of Marketing. In the USA, the AMA acts as the principal association for both Marketing practitioners and academics.

The domination of the USA in business education is also reflected in the relative prestige and influence of USA-based Marketing academic journals. With no less than 136 academic Marketing research journals listed by the American Marketing Association and by the British organization the Association of Business Schools⁹, at the time of writing, the field is varied and comprehensive but also fragmented and divided. Many of the journals carry tacit preferences for particular topics or methods. For example, the EMAC-sponsored *International Journal of Research in Marketing* ranks highly and is modelled on the US journal style with a preference for statistical argument and a managerial problem-solving orientation. However, in a study of its own 1000-strong membership, EMAC found that while the journal was regarded as high quality, there was a perception that, because of its preference for econometric modelling, it was not relevant to managers, did not offer insights into Marketing practice and did not reflect the diversity of academic European Marketing research¹⁰.

The field-leading *Journal of Marketing (JM)* lays itself open to similar criticisms. Its website¹¹ states that its remit is to 'demonstrate new techniques for solutions to marketing problems and review those trends and developments by reporting research'. However, it also seeks to 'contribute generalizable, validated findings'. In-keeping with the Ford and Carnegie reports into business education (Kniffin, 1966), this means that it is a very particular research approach based on a model of natural science which is heavily positivistic and statistical. Consequently, many of the research studies which appear in *JM* are highly technical validations of parts of larger models, accessible only to those with profound technical and statistical knowledge.

The evidence that top journals in Marketing are the central source of knowledge which then disseminates to the lower ranked journals is confused (Wilkie and Moore, 2003). Academics can build careers focusing on just a few journals, depending on the rank of their university, their subspecialism, and the country they work in. The top ten journals represent a nexus of influence, judging by evidence of cross-citation (Sividas and Johnson, 2005) but these are a small number of the total. Marketing is a North American product¹² and the top ranking journals are dominated by US researchers, yet there are also distinctive European Marketing

research agendas and a growing Asian influence. In short, many other academic disciplines can look to their top ten journals for a widely agreed global research agenda. In Marketing, the top ten journals are immensely influential but, given the scope of the field illustrated by the range of specialist journals, it is hard to say that they truly reflect a global consensus on research priorities or theoretical approaches.

Wilkie and Moore's (2003) suggestion that the structure of influence emanating from Marketing journals is uneven and fragmented is disputed by other researchers (Sividas and Johnson, 2005). But analyses of influence depend on presuppositions about how influence can be gauged. A cursory perusal of articles across a range of Marketing journals suggests that there are constant challenges to the theoretical and empirical values of the leading journals. If academics want tenure in leading US (and many Asian) universities, they have to publish in the top eight ranked journals. They seek to do this by operating in the networks of the leading conferences which sponsor the journals. However, academics in many European and lesser-ranked US universities do not face such prescribed publishing criteria for tenure or promotion. They can publish in journals falling outside the ranking lists and the papers are judged on their own merits rather than measured against pre-set journal ranking criteria. The differing professional structures for academic Marketing outside the leading US universities is one of the factors which give Marketing its fragmented character as a knowledge developing, building and disseminating exercise. Nevertheless, it is a paradox of Marketing studies that it is at once fragmented and pluralist, and narrow and prescribed. The top university business schools and top academic journals operate in the same, hermetically sealed, area with the same deep assumptions about the most appropriate scope and methods of the discipline. True, some academics in the top schools build careers researching beyond these confines, publishing research in psychology and sociology journals as well as Marketing ones. But the influence of the top schools and journals is palpable. One area in which this influence is manifest is in the curious preoccupation with defining Marketing studies.

Marketing Definitions

The American Marketing Association (AMA) is a key component of the institutional infrastructure for Marketing studies. The AMA is probably the most high-profile academic and trade association for the discipline, and is highly influential in setting the tone for Marketing studies with its periodically updated definition. It is a reasonable place to start asking the question: of what does modern Marketing consist? The 2008 definition is as follows:

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large. (AMA, 2008)

The AMA definitions (see Box 2.2 below) locate Marketing firmly as a managerial activity, rather than as a social or statistical science or field of scholarship. The AMA is not only a society for academics in Marketing but also for professionals so it is, perhaps, no surprise that the managerial imperative is central to its definition. The American Marketing Association, then, represents the periodization of Marketing thought through its changing definitions of Marketing over 80 years. The AMA's periodic review of its definition reflects a desire to accommodate criticisms of prevailing strains of thought in Marketing, though the definitions keep the managerial emphasis¹³. Box 2.2 indicates the core managerial emphasis of AMA definitions, even if there are changes of nuance to accommodate new trends. Importantly, the AMA definitions reiterate the narrow managerialist idea of Marketing to the exclusion of social issues. Tadajewski and Brownlie (2008a, p. 4) argue that Wilkie and Moore's (2006) study of AMA Marketing definitions over the years highlighted a tendency for these to progressively 'eliminate marketing and society related issues from the definition of Marketing'. The wider social concerns of early Marketing theorists, then, have been relatively neglected under the managerial pressure for Marketing academics to create evermore effective targeting, segmenting, positioning, selling and profit-making techniques. The AMA definition, then, is a key element in the reduction of Marketing studies to an uncritical applied technique stripped of human and intellectual values.

In 1935, Marketing was defined in terms of a one-way flow from businesses to consumers. By 1985, the emphasis had change slightly to reflect a two-way exchange process, encompassing intangibles such as ideas as well as tangible products and not confined to business but to any kind of organization. In 2004, the notion of value was introduced and the emphasis on transactions changed to relationships. Marketing's role in creating value for society as well as for individuals and organizations featured in the 2007 definition. The assumption that Marketing is a discipline driven by, and grounded in, the priorities, values and interests of organizational managers remains, though, in all its definitions and also in the choice of article topics in the key AMA journal, the *Journal of Marketing* (Day and Montgomery, 1999; see Stewart, 1999).

BOX 2.2

AMERICAN MARKETING ASSOCIATION DEFINITIONS

*As adopted by the National Association
of Marketing Teachers, an American
Marketing Association predecessor*

*Marketing is an organizational
function and a set of processes for
creating, communicating, and*

(Continued)

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<i>(Continued)</i>	
<i>organization: [Marketing is] the performance of business activities that direct the flow of goods and services from producers to consumers</i>	<i>delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders</i>
1935	2004
1985	2007
<i>[Marketing is] the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.</i>	<i>Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.</i>

Definitions are a staple part of Marketing management texts and courses, yet other social science and humanities subjects tend to regard them with greater circumspection. The very act of defining is a disciplining process (Heilbrunn, 1996) which leaves open many unspoken alternatives (Derrida, 1979). Marketing's concern with definitions might be dismissed as insecurity about the legitimacy of the subject as a university discipline, but the preoccupation with definitions has persisted over the course of some 80 years. The cyclical re-evaluation of Marketing definitions (Baker, 2000a, p. 18; Gronroos, 2006) and scope (Day and Montgomery, 1999) is a distinctive and unusual feature of Marketing studies, reflecting perhaps the perpetual tension within the managerial Marketing project. Definitions secure the discipline within a delimited scope and reflect the interests and views of influential Marketing institutions. The AMA definition is but one – most trade and professional bodies have their own which tend to differ superficially but preserve the central managerial emphasis.

Historical Influence and the Development of Ideas in Marketing Studies

Many Marketing textbooks assert that 'the marketing concept is a business philosophy that arose to challenge the previous concept. Although it has a long history, its central tenets did not fully crystallize until the mid-1950s' (Kotler, 1967, p. 17). Claims about the development of Marketing thought are, though, much disputed. In-keeping with its 100-year presence as a university subject, Marketing studies has been characterized by many diverse styles and approaches. Important landmarks in popular Marketing thinking

included the establishment of categories of Marketing activity, the 'functions' or elements of the discipline (Converse, 1930; Fullbrook, 1940); the alignment of Marketing with the growth in interest in management studies (Drucker, 1954); the popularization of the Marketing Mix as a shorthand for the demand management activities of Marketing managers (Bordern, 1964); and the competing paradigms of rational versus symbolic consumer motivations (Gardner and Levy, 1955), to name a mere few. That Marketing studies constitutes a substantial and diversified body of scholarship can hardly be disputed. Placing such developments into a historical context, however, has proved much more controversial. Explaining why some ideas have become more popular and widely accepted than others is equally problematic.

Claims of periodization in Marketing thought, such as Kotler's (1967) above, should be viewed with caution. For example, the often-repeated three eras schema (Keith, 1960) holds that organizational Marketing practice went through three evolutionary stages: production and then sales orientation before alighting in the era of Marketing orientation. This is not supported by a historical analysis of practice (Fullerton, 1988; Baker, 1976). The 'three eras' schema, repeated as fact in most popular Marketing management textbooks, has the rhetorical effect of producing the discipline as something progressive and unified, and tied to the neo-liberal order in the way that it matches perfectly the self-interest of organizations with the self-interest of citizens. The three eras myth might have been peddled as part of a personal agenda (Marion, 1993) but has become repeated so often as fact, perhaps because it reasserts the legitimacy of the Marketing concept. Consumer orientation is produced as the end point of a process, and signals the responsiveness of the Marketing discipline to consumer needs.

Wroe Alderson and the origins of Marketing

Some noted individuals have exercised considerable influence on the ways in which Marketing studies has been understood, but serious treatment of the work of these individuals has faded entirely from the pre-packaged Marketing studies which is presented in popular managerial textbooks and courses. Wroe Alderson was an early theorist in the development of the subject from microeconomics to the managerial discipline which it became in the 1950s. Alderson (1957, 1965), who published many of his ideas in a regular newsletter to business clients, felt that classical economics did not explain the ways in which markets 'cleared'. He looked at Marketing as an economic system driven by heterogeneous, and not homogeneous, consumers. Consumers had individual drives and needs and could not be expected to be satisfied with the same kinds of product and service as everyone else. Not only were all consumers not the same, according to Alderson, but their buying decisions were not motivated only by price or practical considerations. Economists assumed that markets 'cleared' with

all goods sold, provided price was low enough and practical utility high enough. Alderson saw that fashions, trends and personal preferences, informed by individual difference and varying cultural background, all had a role in determining the demand for particular products and services.

Hence, Alderson saw that Marketing was needed as a new social science to understand the ways in which demand played out in different markets, and to help discover ways in which this heterogeneous demand could be managed. Alderson positioned his own theories on Marketing within the 'structuralist–functionalist' approach or 'paradigm'. His work, communicated in a famously inaccessible writing style (Brown, 2002; Wooliscroft, 2003; Wooliscroft et al., 2005), was superseded in popularity in the late 1950s by the much more direct and concrete managerialist approach of Kotler, Peter Drucker and others. Though Alderson's work is seldom cited in popular textbooks today, many academics still regard his ideas as relevant to the contemporary Marketing scene (Hulthén and Gadde, 2007).

Marketing emerged as a discipline, then, out of a sense of dissatisfaction with the conceptual frameworks provided by economics. The conflictual character of Marketing studies has been remarked on by Levy (2003) who understood it as an intrinsically contested field, given its status as an ideological and cultural phenomenon (Heath, 2007). Marketing is an area which realizes aspirations and influences the distribution of wealth and goods. It makes some people rich and content, but not others. An effective Marketing system delivers jobs, income and lifestyles. Little wonder, then, that the way markets and Marketing are thought of, talked about and enacted is a fiercely contested area subject to political sensitivity and impassioned argument.

'Layers' of Marketing Thought

Marketing practice itself, if not quite the oldest profession, must have a strong claim to be the next oldest. Barter, selling and persuasion were of course practised in ancient civilizations, and writing itself was possibly invented by Marketers (Brown and Jensen-Schau, 2008), while the invention of print and then broadcast media in the modern era provided new canvases of persuasion on which the Marketing folk could practise their arts. Marion (2006) argues that there are three layers to the discipline:

1. Marketing as practice.
2. Marketing as a branch of knowledge.
3. Marketing as an ideology.

Layer one pre-dates the others. Layer two consists of the codified 'principles and tools' used by Marketers. For Marion (2006), these principles and tools are 'performative' in that they simultaneously describe and produce

Marketing. This performative character places Marketing halfway between science and practice, 'conceptualizing and enacting market economy' (p. 247). Marketers in practice draw on the discipline's conceptual vocabulary (its 'tools and principles') not only to *do* Marketing but to enact it, and by so doing, to legitimize both the practice and the practitioner of Marketing (Svensson, 2003; 2007). Layer three is Marketing's attempt to have its vocabulary and values shared by many, acting in a self-reinforcing way to affirm the ideology.

Arguably, there is a disconnection between layers two and three and layer one. Practice cannot be entirely controlled by the Marketing knowledge-producers, the academics, consultants and writers. While there is a well-developed professional infrastructure in Marketing, the professional bodies do not control entry to the profession to the degree which obtains in medicine, engineering or other technical and scientific disciplines. In any case, Marketing practice is generally too quick, too quirky, too rapid and too innovative to fall easily into the categorizations of Marketing professors. Marketing experts, after all, have no need of Marketing textbooks. Marion (2006) notes the example of Eastman Kodak who created the cultural idea of amateur photography by making the technology available (citing Latour, 1987). This was cited as an example of Marketing defining and producing a cultural norm, not following self-declared consumer needs. As noted in the previous chapter, Holt (2004) technology, entrepreneurial vision and market resources enabled home photography to become a common practice. So layers two and three of Marion's (2006) scheme have a mutually reinforcing relationship which requires only a superficial engagement with layer one. One aspect of critical studies in Marketing history, then, is an attempt to pick apart the nature of the true relationship between these three layers and to answer the question: 'what do we think of this thing in this particular way?' Marketing history, then, is a key element of critique in Marketing studies. But periodization of Marketing history can be a powerful way of inscribing particular Marketing ideas with legitimacy.

Wilkie and Moore (2003), acknowledging their debt to Bartels (1988), suggest that, since the early formalization of the subject as a subject of thought and scholarship, Marketing has evolved through four eras. They put the time before 1900 as an era of 'pre-Marketing' thought during which Marketing issues were intellectually embedded within economics. Of course, that does not imply that pre-1900 was, in a practical sense, a pre-Marketing era. Like other commercial topics, Marketing, and commerce in general, were often felt to be unworthy of intellectualization until the modern era, although the assumption that there has always been prejudice against Marketing practice and practitioners expressed in literature is wrong (see Stiener, 1976, in Tadjewski and Brownlie, 2008a). Writing was invented by Marketers (Brown and Jensen-Schau, 2008) and the need for products and services is universal. Commerce itself is not generally

decried, expect that in some cultures, the commercial class was considered to be lower in status to the intelligentsia and aristocracy.

Wilkie and Moore (2003) go on to argue that Marketing practice, research and education began to acquire its professional infrastructure of journals, trade associations and research bodies between 1920 and 1950. The period of 1950–1980 was the time when Marketing developed within the management science movement. Popular texts generally date the applied Marketing management approach from the 1950s (Kotler, 1967), although the ideas which informed it were much older (Baker, 1999). The fourth phase Wilkie and Moore (2003) see as a phase of fragmentation, with specialized research and practice sub-fields splitting off from, and forming a challenge to, the managerial/scientific mainstream. As we have seen, though, the managerial mainstream retains control of the major university business school Marketing departments, journals and professional societies and the evidence of a pluralist, reflexive and critical Marketing studies can generally only be found in a relatively small number of Marketing journals and academic departments which fall outside the mainstream.

Skålen et al. (2006) draw on Hollander et al. (2005) to offer a slightly different periodization of (American) Marketing thought to that of Wilkie and Moore (2003), from early Marketing thought (1900–1960) to Marketing management (1950–1985) followed by service management (1975 to present). These scholars feel that the historical evidence shows that managerial influence in Marketing was not a feature which appeared in the 1950s but, as this chapter indicates, was present from the very beginning of the discipline, even if it was conceived somewhat differently back then. But as Skålen et al. (2006) concede, periodizations are invariably arbitrary. In Marketing, they are sometimes used to promote particular, competing points of view.

Nothing New in Marketing Studies

The ways in which the development and evolution of Marketing ideas are represented in the academic journals have been viewed with no little scepticism by scholars who see Marketing studies as a field which is open to the practice of recycling old theories as new. For example, papers re-asserting a new era of Marketing responsiveness to customers regularly features in the top Marketing journals. Marion (2006) offers several examples, suggesting that ‘Marketing orientation and “demand management” (p. 61) are denounced in favour of “customer centric” Marketing’ (p. 56) in Sheth et al., 2000 (Marion, 2006, p. 256). The notion of ‘customercentricity’ was also posited in Deshpande (1999) as a renewal and re-invigoration of Marketing’s commitment to, and sympathy with, customers. Marketing studies, like

Marketing practice, is about selling ideas, and Marketing academics have proved as adept at re-packaging old ones with a 'new improved' label as their practitioner colleagues.

Marketing ideas such as branding, targeting, positioning and segmentation are often assumed to be inventions of managerial Marketing but in fact were being practised long before Marketing was established as a field of thought and writing. As Baker (1976) pointed out, reinvention of the old is a time-worn technique of Marketing studies (Hollander, 1986) and also Marketing practice (Brown, 2001b). Marketing institutions, research styles and technology have evolved, but many Marketing practices claimed as new are far from new. Baker (2000a, p. 9) quotes Fullerton (1988) on the use of Marketing techniques by Georgian British pottery entrepreneurs Matthew Boulton and Josiah Wedgwood. They used market segmentation, product differentiation, prestige pricing, planned obsolescence, direct mail advertising and even product placement (in royal portraits), among other ways of creating interest in their innovative ware. Quickenden and Kover (2007), in a detailed historical study, show that Boulton, in particular, was very conscious of his market and, at the turn of the 1800s, was trying to use pricing differentiation to re-position his goods (silver plate and luxury ware) and expand his market to include middle-class as well as upper-class consumers.

In Hackley (2005a), the Marketing activities of Victorian entrepreneur Thomas Holloway, founding patron of the building now used by Royal Holloway, a college of the University of London, included branding, product placement (in stage plays and novels) and international advertising¹⁴. Not only were segmentation, targeting, positioning and product placement actively pursued by Marketing practitioners several centuries ago, but advertising promotion with persuasive rhetoric and visual imagery, often assumed to be a Western invention of the 1960s, was evident over 200 years before (McFall, 2004).

So, the periodization of Marketing studies into neat 'eras' of development, often glibly reasserted in popular textbooks, is hugely problematic. Historical examination of the topic serves to illustrate the de-coupling between Marion's (2006) layer one (Marketing practice) and layer two (Marketing principles) and the function of layer three (Marketing ideology and the assertion of periodization) to repair that de-coupling with a mythical representation of Marketing history. A factor in this de-coupling is the separation of Marketing practice from academic Marketing. Historical consideration of the development of Marketing thought through academic research and courses may be essential to a critical approach to the topic (Tadajewski, 2006b), but the institutional dynamics behind the success of certain ideas in Marketing and the failure of others are difficult to establish (see Peter and Olsen, 1983, for a discussion). The development of ideas, then, needs to be considered alongside the institutional and political forces surrounding the subject.

CHAPTER SUMMARY

Chapter 2 has reviewed some of the historical research into Marketing's origins as a discipline of research, education and training. The subject was introduced to universities some 100 years ago in the USA but with rather a different character to that it is known for today. The managerial style of Marketing studies with its emphasis on normative managerial prescriptions has evolved and become popularized under many influences but does not necessarily reflect the diversity of opinion in the field. The chapter explored the influence of some of academic Marketing's key institutions, its journals and its professional societies. Chapter 3 will go on to explore some of the critical implications of the rise of managerialism in Marketing studies.

CHAPTER REVIEW QUESTIONS



1. Discuss how the evolution of Marketing studies as an academic discipline may have influenced the popular conception of what Marketing is.
 2. Early Marketing theorists considered Marketing from a societal point of view as something essential to the general welfare of populations. But is it relevant to critique Marketing practice on the grounds of its sometimes negative social influence? Or is poverty the greatest evil?
 3. Does intellectual critique of Marketing studies simply miss Marketing's practical point?
 4. Should Marketing managers be concerned with the way Marketing knowledge disseminates from and through universities and academic journals?
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CHAPTER CASE

The internet reverses business strategy priorities: building a customer base before you sell anything

The new media and communications technology presents a challenge to the ways in which Marketing activities and processes can be conceived and poses a question about the continued relevance of classic Marketing concepts.

For example, 'viral' marketing has been widely regarded as the quintessential internet strategy since MSN Hotmail was initially popularized through emails. While email (including spamming) is still an important marketing communication tool, the internet has had even more radical effect on business strategy to the point where it has reversed conventional practice. Where once a business had to market its goods well to build up a customer base, now it can build up a customer base before it sells anything. YouTube is a good example – it is a free access website which allows anyone to upload their own clip of video for viewing by anyone else. It was launched in February 2005 by Chad Hurley and was backed by the same venture capital company that backed Google, Sequoia Capital. It has become enormously popular with thousands of people per day choosing to watch videos of, for example, a cat flushing a toilet or a girl speaking about her problems with her strict parents. YouTube claims that it shows 100 million videos per day¹⁵. Having achieved such a large client base, using it for fun, it is in a position to generate substantial revenue streams for advertising, sponsored links or 'branded' channels running off the same site. For new businesses or new products, the hard part is normally to get public attention so that enough people seek out the business and trail it. The internet is a flexible PR vehicle with huge potential volumes – anyone with an idea can cheaply create a site and wait for net surfers to discover it. If it becomes popular, it is immediately a commercial proposition because the volume of traffic means that clients will pay for their brand to appear on the site. Of course, internet strategies are essentially communications-driven so any synergy that can be generated through press or TV stories is very valuable for leveraging interest in the site.

The economics of generating revenue through websites is simple. Every time we use a search engine, sponsored links and banner ads appear. If we click on them, the host site gets a fee. Not only search engines but any site can feature sponsored links with a fee structure generating revenue for every click. UK advertisers are expected to spend more on online advertising than on display advertising in newspapers in 2007¹⁶. Most of the £2 billion spend will be on search-engine advertising, and much of that on sponsored links. Google is the most popular search engine, but Microsoft's MSN and Windows Live Search engines are also used extensively. Microsoft has launched AdCenter¹⁷ to manage all its online advertising. Hotmail and MSN users number some 10 million and Microsoft will use the data it has on these people to help advertisers target ads.

Internet advertising has become more popular as many young consumers no longer buy a newspaper or watch much TV but spend many hours online surfing websites or using email and messaging services. Every internet user leaves footprints that can assist profilers to target ads. Each website visited, for how long, and how each was navigated can all be logged and the information sold to advertisers wishing to target, say, music buyers, car enthusiasts

or book collectors. The dynamics of the internet are changing and the sheer volume of traffic means that new business models are becoming viable. Many new web-based businesses crashed in the dot.com boom and bust of the 1990s because they failed to realize that they needed conventional advertising to build the brand before people would seek out their website. Today, such large numbers of consumers use the web to search for suppliers that search engine advertising can yield large numbers of inquiries without any prior brand-building activities.

Case questions

1. To what extent is the internet changing segmentation priorities for Marketing strategy?
2. Do classic Marketing principles account for new business models created by the internet?
3. Do the strategic Marketing planning models which feature in the typical MBA syllabus have any relevance for internet-driven business strategies?
4. The internet is a powerful example of the way in which new communication technology is changing the marketing landscape. Can you describe others?

Notes

- 1 See www.hbs.edu/case/
- 2 Modesty forbids me from naming the incumbent.
- 3 See www.wharton.upenn.edu/huntsmanhall/timeline/1881.html;
www.hbs.edu/about/history.html;
www.bus.wisc.edu/students/why.asp;
www.bs.cam.ac.uk/aboutus/ourhistory.html; and
www.sbs.ox.ac.uk/MBA/School/ (all accessed 3 June 2008).
- 4 There are over 130 specialist marketing journals publishing refereed research papers, and more than that number of general management research journals that will publish papers about marketing. In addition, there are countless trade publications in marketing and related fields such as market and consumer research, advertising, and strategic marketing. See oase.uci.kun.nl/~driessen/journals.html for a list of academic research journals in marketing.
- 5 Marketing's leading academic journals are inclusive of all sub-specialisms, though the top-tier journals tend in practice toward exclusivity because of their role as ideologists of the marketing mainstream. The sub-specialist journals thrive because certain ideas are marginalized in the top journals. Top-tier journals, according to Sividas and Johnson (2005), include *Journal of Marketing*, *Journal of Marketing Research*, *Journal of Consumer Research*,

Marketing Science, Journal of Advertising, Journal of Advertising Research, Journal of Retailing, and Industrial Marketing Management.

- 6 For example, Witkowski (2005) points out that the *Journal of Macromarketing*, concerned with the effects of Marketing on society, was founded in 1981: the journal *Public Policy and Marketing* was launched in 1982 (p. 225). The *Journal of Marketing*, in contrast, was established in 1936 (See www.marketingjournals.org/jm/).
- 7 See www.eiasm.org/index1.html
- 8 See www.cim.co.uk/home.aspx
- 9 With thanks to Pierre Mazzacano D'Amato MSc, PhD student of Royal Holloway, University of London who sources this information from the Association of Business Schools (ABS) UK-based source: www.the-abs.org.uk/ and the American Marketing Association (AMA) US-base source: www.marketingpower.com/
- 10 See *The EMAC Chronicle*, No. 3, May 2008, 'Marketing Landscape: A Pause for Thought', p. 5, www.emac-online.org
- 11 See www.marketingjournals.org/jm/
- 12 Though see Jones and Monieson's (1990) suggestion that early Marketing thought was influenced, and pre-dated, by German thinking of the historicist school.
- 13 Source: www.marketingpower.com/content2653039.php (accessed 11 April 2008).
- 14 Royal Holloway, University of London: www.rhul.ac.uk
- 15 A statistic reported in a story in *The Times* by Rhys Blakely: 'YouTube offers "branded channels" alongside the home-made videos', 23 August 2006, p. 49.
- 16 'You are the target', by Richard Fletcher and Mark Kleinmann, *The Sunday Times*, 13 August 2006, section 3, p. 5.
- 17 'Microsoft unveils new ads weapon', *The Times*, 14 August 2006, p. 33.