Humanistic Marketing

Edited by
Richard J. Varey and Michael Pirson

Humanism in Business Series

The Humanistic Management Network is an international, inter-disciplinary, and independent network that promotes the development of an economic system with respect for human dignity and well-being.

The Humanistic Management Network defends human dignity in face of its vulnerability. The dignity of the human being lies in its capacity to define autonomously the purpose of its existence. Since human autonomy realizes itself through social cooperation, economic relations and business activities can either foster or obstruct human life and well-being. Against the widespread objectification of human subjects into human resources, against the common instrumentalization of human beings into human capital and a mere means for profit, we uphold humanity as the ultimate end and principle of all economic activity.

In business as well as in society, respect for human dignity demands respect for human freedom. Collective decision-making, in corporations just as in governments, should hence be based on free and equal deliberation, participation or representation of all affected parties. Concerns of legitimacy must, in economics like in politics, precede questions of expediency.

We believe that market economies hold substantial potential for human development in general. To promote life-conducive market activities, we want to complement the quantitative metrics which hitherto define managerial and economic success with qualitative evaluation criteria that focus on the human dignity of every woman and every man.

As researchers, we work towards a humanistic paradigm for business and economics, trying to identify and facilitate corporate and governmental efforts for the common good.

As a think-tank, we set out to spread intellectual tools for culturally and ecologically sustainable business practices that have the human being as their focal point.

As teachers, we strive to educate, emancipate and enable students to contribute actively to a life-conducive economy in which human dignity is universally respected.

As practitioners, we act towards the implementation of a humanistic economy on an individual, corporate, and governmental level.

As citizens, we engage our communities in discourse about the benefits of a human-centred economy.

Titles include:

BUSINESS SCHOOLS UNDER FIRE

BANKING WITH INTEGRITY

HUMAN DEVELOPMENT IN BUSINESS

HUMANISTIC ETHICS IN THE AGE OF GLOBALITY

HUMANISTIC MANAGEMENT IN PRACTICE

HUMANISTIC MARKETING
INTEGRITY IN ORGANIZATIONS
THE CHARACTER OF THE MANAGER
WORLD HUMANISM

Humanistic Marketing

Edited by

Richard Varey
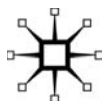*The Waikato Management School, University of Waikato, New Zealand*

and

Michael Pirson
Graduate School of Business, Fordham University, USA

Contents

Part II   Marketing as a Force for Good

List of Figures and Tables

Figures

Tables

Notes on Contributors

Thomas Boysen Anker is Lecturer/Assistant Professor of Marketing, Adam Smith Business School, University of Glasgow, UK. He is trained as a philosopher and obtained his PhD. (2010) in marketing ethics from University of Copenhagen, Denmark. His main research interests are marketing theory and marketing ethics. His contribution to humanistic marketing ties directly into his work on marketing and personal autonomy, in which he controversially makes the point that commercial marketing can reinforce important properties of consumer autonomy. He has published in such academic journals as *Journal of Business Ethics* and *Marketing Theory.*

Nils Bagelius graduated from the Royal Institute of Technology and the Stockholm School of Economics before he started a career in business. He has worked as a management consultant, CEO and CFO in service and manufacturing industries. After retirement he continued his research at Stockholm University on Swedish investment in the recently dissolved Soviet Union. The findings of his research indicated frequent instances of corruption and financial crime and hence, after his PhD, he has continued to study these topics. He currently works as an adviser to companies with international commitments.

Michael Baker is Professor Emeritus, Strathclyde Business School, and Director of Westburn Publishers. He was Founding Professor of Marketing and Head of the Department from its inception in 1971 to 1988. Michael served as Dean of the School of Business Administration in 1978–1984, as Deputy Principal in 1984, Deputy Principal (Management) in 1988, and Senior Adviser to the Principal in 1991. He is former chairman of SCOTBEC (Scottish Business Education Council), past national chairman of the Institute of Marketing, and Governor of the CAM Foundation. He was also past president of the UK Academy of Marketing, Founding Dean, Senate of the Chartered Institute of Marketing, and Trustee of the Chartered Institute of Marketing. Michael has published more than 50 books (including multiple editions) and more than 120 articles; he has supervised 53 doctoral researchers, more than half of whom have subsequently become chaired professors. He launched and is founding *Editor of Social Business*, an interdisciplinary journal.

Fabrice Desmarais is Senior Lecturer in the Department of Management Communication at the University of Waikato, New Zealand. His work is multi-methodological and interdisciplinary, connecting advertising research with other fields and issues such as sport, law, tourism, and sustainability. He is particularly interested in the topics of greenwashing and responsible communication. He has published articles in *PR Review, International Journal of Sport Communication, Australian Journal of Communication,* and *Journal of Language and Social Psychology.*

Nikhilesh Dholakia is Professor of Marketing and International Business in the College of Business Administration at the University of Rhode Island (URI) in USA. His research deals with globalization, technology, innovation, market processes, and consumer culture. He is frequently visiting faculty at institutions in Europe and India. He holds a B.Tech in Chemical Engineering from Indian Institute of Technology at Delhi (IIT-Delhi), an MBA from Indian Institute of Management at Ahmedabad (IIMA), and a PhD. in Marketing from the Kellogg School at Northwestern University.

Claus Dierksmeier is Director of the Global-Ethos Institute at the University of Tübingen, Germany. Previously, he was Distinguished Professor of Globalization Ethics and Co-Director of the Sustainable Management and Measurement Institute (SUMMIT) at Stonehill College in North-Easton (Boston), Mass., USA. His academic work (several books and numerous articles in English, German, and Spanish) is centered on political, economic, and religious philosophy with a particular focus on the theories of freedom and responsibility in the age of globality. Of particular importance is his work as an editor in the Humanism in Business Series. Claus is also working as a strategy consultant both in politics and business, e.g. for the Strategy Institute of the Boston Consulting Group. He serves on the Board of Directors of the Humanistic Management Network and is Academic Director of the Humanistic Management Center in Berlin. In both organizations he spearheads efforts towards a new paradigm of humanistic economics.

Sauveur Fernandez is French independent adviser for cleantech sustainable startups as well as industry leaders. He has 14 years of experience in eco-innovation, green marketing, sustainable communication, and organic markets and green products and has contributed to the launch of many innovative eco concepts. He is also a pioneering French theoretician of responsible communication and is the president and one of the founding members of the Responsible Communication Association and

active member of the AdWiser organization. He Founded Econovateur in 2000 and is a regular visiting professor at ISCOM (Institut Supérieur de Communication).

A. Fuat Fırat is Professor of Marketing at the University of Texas – Pan American. He completed his PhD. in Marketing at Northwestern University. His research interests cover areas such as macro consumer behaviour and macromarketing; postmodern culture; brands and branding; transmodern marketing strategies; gender and consumption; marketing and development; and interorganizational relations. His has won the *Journal of Macromarketing* Charles Slater Award for best article with co-author N. Dholakia, the *Journal of Consumer Research* best article award with co-author A. Venkatesh, and the *Corporate Communications: An International Journal* top ranked paper award with co-authors L. T. Christensen and J. Cornelissen. He has published several books, including *Consuming People: From Political Economy to Theaters of Consumption* (co-authored with N. Dholakia), and is the founding editor of *Consumption, Markets & Culture*.

Jean Marc Gancille is Director of Sustainable Development of the Evolution organization, whose activity is within the sectors of responsible communication, consumption and sustainable urbanism as well as urban cultures. As the core of his work for Evolution he ensures that the development of the organization goes through an ecologically and socially responsible transition. He is actively engaged in a number of local or national bodies and he has co-authored many works on the social role of businesses. He is co-founder of the Association for a Responsible Communication and has campaigned since 2007 for the communication sector to become more concerned about social and environmental issues.

Ahir Gopaldas is Assistant Professor of Marketing at Fordham University in New York City. His research investigates the motivations for responsible consumer behaviour and develops frameworks for sustainable business development. Using psychological and sociological theories of motivation, Ahir examines why and how consumer activists, progressive businesses, and radical consumers are gradually transforming mainstream markets. His work has been awarded a Marketing Management Association doctoral student award and an Association of Consumer Research dissertation award for public policy research.

Evert Gummesson is Emeritus Professor at Stockholm University, Sweden. His interests embrace service, relationship marketing, networks,

complexity theory, research methodology and the growing area of corruption and crime in business. He has published over 200 articles and 25 books. He is honorary doctor of the Hanken School of Economics, a fellow of the University of Tampere, Finland, the first winner of the S-D Logic Award, and the Grönroos Service Research Award. The Naples Forum on Service, Italy, has established the Evert Gummesson Outstanding Research Award to be given to scholars who have contributed with innovative and sustainable service research.

Kathy Hamilton is Senior Lecturer in Marketing at the University of Strathclyde, Glasgow. She has been working on issues relating to consumer vulnerability and poverty for the last 10 years. A key focus has been the coping strategies employed by low-income families in response to consumer culture. She is also interested in gender issues and poverty and the concept of researcher vulnerability. Her work has been published in *Sociology, Journal of Marketing Management* and *European Journal of Marketing.*

Aliakbar Jafari is Senior Lecturer in Marketing at the University of Strathclyde and a Chartered Fellow of the Chartered Institute of Marketing. He is interested in understanding how institutional forces shape market contents and structures as well as market-making practices. His work has appeared in *Consumption, Markets & Culture; Marketing Theory; Journal of Marketing Management; The Sociological Review; European Journal of Marketing; Advances in Consumer Research; Journal of Islamic Marketing;* and *International Journal of Management Concepts and Philosophy*.

Djavlonbek Kadirov is Senior Lecturer at the Eastern Institute of Technology, New Zealand. He received his PhD from the University of Waikato, New Zealand. His research interests include macromarketing issues, specifically, marketing systems, sustainable marketing, societal impact of marketing, and consumer culture. Djavlonbek thinks that for marketing to become humanistic it should serve rather than inhibit the societal goals of enhancing human well-being and development.

William E. Kilbourne is Professor of Marketing at Clemson University; his research interests are in materialism, globalization, inequality, and environmental issues in marketing. Most recently, his attention has been directed to developing, both theoretically and empirically, the role of a society's dominant social paradigm in environmentally relevant consumption behaviour and in materialistic values. The research agenda entails the cross-cultural comparison of both environmental and

materialistic values. He has published 60 articles in refereed journals and more than 100 papers in national and international conferences.

Dong-Jin Lee is Professor of Marketing at Yonsei University, Korea. His research has been published in the *Journal of Marketing, Journal of the Academy of Marketing Science, International Journal of Research in Marketing, Journal of Advertising, Journal of Business Research,* and *Journal of Business Ethics* among others. His research interests include relationship marketing, business ethics, and quality-of-life studies. He has served as the vice president for the International Society for Quality-of-Life Studies (ISQOLS) and the director of the Academy of Marketing Science.

Marius K. Luedicke is a senior lecturer at the Cass Business School, City University London, a private lecturer at the University of Innsbruck, and a brand strategist at Cass Consulting. His research focuses on moral and ecological consumption choices, consumer conflicts, brand management and cultural innovation. Marius' research has been published in leading academic journals including the *Journal of Consumer Research, Consumption Markets & Culture,* and the *Journal of Macromarketing*, and has been discussed in international media such as the *New York Times, Time Magazine, Huffington Post,* and *Wired*.

Diane M. Martin is Associate Professor of Marketing in the School of Business at Aalto University in Helsinki, Finland. She studies consumption communities, gender issues, and sustainability with respect to marketing and consumption. Her current research contexts range from electric vehicles to microbrewing to food-waste composting. Her book *Sustainable Marketing* is published by Pearson Prentice Hall.

Pierre McDonagh developed the Theory of Sustainable Communication while working at Cardiff University (1989–1995). His work helps people and organizations better understand the ecological. He argues for a positive role from marketing in bringing about Sustainable Consumption & Production and he has also written about Dark Marketing with consumer culture. He has published widely within the academy and his research interests include sustainability; sustainable communication; sustainable brands; sustainable consumption & production; transformative consumer research; consumer culture theory; co-creation & activism; dark marketing.

Michael Pirson is the Director of the Center for Humanistic Management and Assistant Professor of Global Sustainability and Social Entrepreneurship at the Fordham Schools of Business, New York. His research interests

include trust and well-being in organizational contexts, mindfulness, social entrepreneurship, sustainability, humanistic management, and the philosophy of management. Michael is also a founding partner of the Humanistic Management Network, an organization that brings together scholars, practitioners, and policymakers around the common goal of creating a 'life-conducive' economic system. In that capacity, he is the co-editor of the Humanism in Business book series, published by Palgrave Macmillan. He has published widely and is an active board member of three social enterprises. A native of Germany, Michael has worked and lived in Switzerland, France, China, Costa Rica, and the United States. Before beginning his academic career, he worked for an international consulting group for several years and then started his own private consultancy. He has worked for and with businesses, non-profits, embassies, political campaigns, and local and national governments.

Andy Prothero is Associate Dean of Academic Affairs at University College Dublin, Ireland. Prior to moving to Ireland, Andy lectured at universities in Wales and Scotland and also spent a sabbatical period at Arizona State University. Her research broadly explores the area of marketing in society. Specific research projects have focused on, for example, advertising to children, motherhood and consumption, sustainability marketing, and sustainable consumption; and she has published widely in these areas. In 2012 Andy received the UCD President's Teaching Award and is currently working on a project entitled Ethics in Business Education. Andy currently serves as Associate Editor for the *Journal of Macromarketing* and *Journal of Marketing Management.*

John W. Schouten is Professor of Marketing at Aalto University in Helsinki, Finland and at the Center for Customer Insight at University of St. Gallen in Switzerland. He studies consumer culture and communities and dabbles in literary consumer research methodologies. Recently he has focused his efforts on understanding and defining a role for marketing in a sustainable society.

Stanley J. Shapiro is a former marketing professor first at the Wharton School, then at McGill University and Simon Fraser University, and also served as Dean of Business at McGill (1973–1978) and SFU (1987–1997). He has authored sixty academic papers, edited 13 books or monographs, served on a dozen editorial review boards and, over 25 years, Canadianized nine successive editions of McCarthy & Perreault's *Basic Marketing*. A former editor of the *Journal of Macromarketing* and a Distinguished Fellow of the Academy of Marketing Science, he currently

is an Associate Editor both of the *Journal of Historical Research in Marketing* and of *Social Business: an Interdisciplinary Journal*.

Clifford J. Shultz II is Charles H. Kellstadt Professor of Marketing in the Quinlan School of Business Administration, Loyola University Chicago, and serves as International Fellow of the Harvard-Fulbright Economics Teaching Program. He received his PhD. from Columbia University and has expertise on marketing and socioeconomic development in transforming and recovering economies. Clifford served two terms as Editor for the *Journal of Macromarketing*; served as president of the International Society of Markets and Development, and currently serves on several editorial and policy boards. He has over 150 publications in various scholarly outlets and has won several awards for his research.

M. Joseph Sirgy is Professor of Marketing and Virginia Real Estate Research Fellow at Virginia Tech. He has published extensively in the area of marketing, business ethics, and quality of life (QOL). He co-founded the International Society for Quality-of-Life Studies (ISQOLS) in 1995, served as its Executive Director/Treasurer from 1995 to 2011, and as Development Director from 2011 to 2012. In 2003, ISQOLS honoured him as the Distinguished QOL Researcher. He also served as President of the Academy of Marketing Science.

Verena E. Stoeckl is a doctoral candidate of Marketing at the University of Innsbruck, School of Management. She earned a degree in International Economics and Business Studies at the University of Innsbruck, Austria, and worked in the international sports industry for five years. In her research, Verena explores the intersection of marketing, morality, and solidarity.

Mark Tadajewski is Professor of Marketing at Durham University. His research interests revolve around critical marketing studies and the history of marketing thought. Much of his recent attention has been devoted to charting the engagement of marketing scholars with critical perspectives, humanism included.

Katherine Trebeck is Policy and Advocacy Manager for Oxfam's UK Programme, focusing on inequality, a green and just economy and the experience of poverty in an unequal society. Prior to this she was Research and Policy Adviser for Oxfam Scotland. She developed Oxfam's Humankind Index, a measure of Scotland's real prosperity and managed 'Oxfam's Whose Economy?' Project, which asked why, despite decades of economic growth, Scotland's poverty has not been addressed.

Katherine has a PhD in political science from the Australian National University and is on the Scottish Council for Voluntary Organizations' Policy Committee, the Board of Energy Action Scotland and the Board of The Ethical Network.

Richard J. Varey is Professor of Marketing, The Waikato Management School, New Zealand. His scholarly project is focused on 'understanding marketing in and for sustainable prosperous society'. He is Associate Editor (Asia-Pacific) of the *Journal of Customer Behaviour*, Co-Editor (Pacific Rim) of the *Journal of Business-to-Business Marketing*, and a member of the editorial boards of *Social Business, Marketing Theory, European Journal of Marketing, Journal of Communication Management, Journal of Marketing Communications, Australasian Marketing Journal, Corporate Reputation Review, Journal of Business Ethics (sustainability panel),* and *Atlantic Journal of Communication*.

Ed Vos studies corporate finance, portfolio formation and management, small business finance, and personal finance. His research focuses on the unique financial features of small business.

Ben Wooliscroft is Senior Lecturer in the Marketing Department of the University of Otago and Secretary of the Macromarketing Society Inc. His research centers on the interactions between markets/marketing and society, with particular emphasis on sustainability, ethical consumption, quality of life and active transportation. Sustainability's three pillars – environmental, economic and societal – have not been given equal weight in research and business practice, with economic dominating the other two. The move to a humanistic focus will help to bring business into balance with the needs of wider society and the environment.

Grace B. Yu is Assistant Professor at Hannam University, Korea. Her research has been published in *Advances in Consumer Research, Journal of Business Ethics, Journal of Travel Research* and *Social Indicators Research* among others. Her research interests include consumer behaviour and quality-of-life studies. Before joining academia, she worked as an account executive at Saatchi & Saatchi.

Introduction

Michael Pirson and Richard J. Varey

Marketing practice and scholarship are facing unprecedented challenges. The unsustainability of resource use, the increasing inequity of the market, and the continuous decline in societal trust pose a threat to business and 'marketing as usual'. Capitalism is at a crossroads and scholars, practitioners and policy makers are being called to rethink their purpose and assumptions in light of major societal and environmental changes (Pirson & Lawrence, 2009). As current marketing thinking is based on the exchange paradigm it is largely informed by economics. Therefore it draws substantively from neo-classical theories of human beings. Accordingly, a human is a materialistic utility maximizer that values individual benefit over group and societal benefit. A 'homo economicus' engages with others only in a transactional manner to fulfil his or her stable and predictable interests. He/she is amoral, values short-term gratification, and often acts opportunistically to further personal gain. Business strategy and marketing organization are largely based on these limited and limiting assumptions and, in turn, are blamed for creating negative externalities. This can be seen in unhealthy consumption patterns such as smoking or overeating, or an increasingly consumerist and materialist society that cherishes the "What I have" more than the "Who I am" and "What I do", resulting in widespread instances of depression.

This book therefore is a response to the currently growing megatrend call for rethinking marketing. The point of this book is to organize current thinking around the problems of marketing theory and practice as well as some possible solutions and ways forward: both in theory and practice. As a starting point we posit that we are facing a Kuhnian paradigm crisis in business research at large and marketing research specifically. This collection of contributions was invited on the basis of a

novel, humanistic paradigm for marketing practice, research, and policy. This book was initiated by The Humanistic Management Network to contribute knowledge and understanding to the emerging humanistic business and management movement, which does not accept perpetual economic expansion as a sustainably viable means of meeting individual and collective needs in society and Nature, and instead seeks balance in the place of excess. Humanistic Marketing recognizes the harm that comes with the unfettered desire for more of more. We ask how can Marketing's principles and practice be founded on humanistic values such as altruism, empathy, respect, trustworthiness, honesty, integrity, care, compassion, service, intelligence, beauty, justice, virtue? Furthermore, how can marketing help to protect human dignity and promote sustainable human (not consumer) well-being?

In this introduction we will briefly (1) outline the major philosophical flaws of the current economistic basis of the exchange paradigm, (2) develop the pillars of an emerging humanistic paradigm which is based on the protection of human dignity and the promotion of sustained well-being, and then (3) outline the following chapters and their contributions to the discussion suggesting that marketing can be a force for good in society.

Marketing research and its crisis as normal science

Marketing research is currently mostly conducted as puzzle-solving 'normal science', in which scholars accept the exchange paradigm, and perform experiments that test and prove its efficacy in a range of situations. New explanations may extend the paradigm but do not change its fundamental nature – by pursuing a rationalist ideal, marketers limit their interventions within an objectivist, positivist ontology to matters of 'fact' and assumptions of control and manipulation. Within the classical science worldview of reductionism, atomism, quantification, determinism, and the assumption of mechanism, value is objectified, fixed, and deliverable. Within modernist thought marketing research remains embroiled in transactions within a society understood scientifically as a collection of independent self-sufficient individuals labelled in commercial marketing discourse by the narrow and partial term 'consumer'. In this way, the paradigm may grow, with many extensions to explain the various exceptional cases that are not easily covered by the original paradigm (e.g. consumer behaviour, relational commerce, gift giving, business ethics, or social marketing). In line with this perspective, marketing failures with regard to the societal crises are then explained through the

lens of the old paradigm (e.g. lack of transparency, uninformed choice and information deficit, profit-maximizing competition, and so on).

There are several major areas where the exchange paradigm is limited and limiting research progress. As an example, Nussbaum suggests that the underlying utilitarian framework, which asks people what they currently prefer and how satisfied they are (a pervasive practice in Marketing research and practice) proves inadequate to confront the most pressing issues of social justice, including gender justice or intergenerational justice. As such the underlying problem of the exchange paradigm is its inherent neglect of social, ethical and developmental aspects of human nature, evidenced by the disregard for the notion of human dignity. As noted economist Michael Jensen (2002) opined on our propensity for exchange…we all have a price: "Like it or not, individuals are willing to sacrifice a little of almost anything we care to name, even reputation or morality, for a sufficiently large quantity of other desired things; and these things do not have to be money or even material goods." Kant, however, famously noted that "everything has either a price or a dignity. Whatever has a price can be replaced by something else as its equivalent; on the other hand, whatever is above all price, and therefore admits of no equivalent, has a dignity" (Kant, 1785).

The notion of human dignity has been central to societal progress since the middle ages, in the quest for human rights, democracy and the establishment of modern governance. Deirdre McCloskey (2010) even suggests that, only because of the accordance of dignity and freedom to an expanded class of citizens did the capitalist society and its progress in wealth and well-being come about. So, a system that denies dignity – such as the marketing system, based on the exchange paradigm – reduces human beings to mere consumers, makes them commodities and stunts personal and societal development.

A humanistic paradigm in the re-making?

The question of human nature and the understanding of a shared vulnerability as well as the resulting necessity to protect human dignity are central to the humanistic quest which gave birth to economics and marketing in the first place. Despite many popular misconceptions, humanism as a philosophic tradition and utilitarian economism have very similar roots (Nida-Ruemelin, 2008). Humanistic philosophy also takes the human individual as its starting point and emphasizes the human capacity for reasoning. It is therefore equally hostile to any form of collectivism, including socialism or communism. In contrast

to economism, however, humanism assumes that human nature is not entirely a given, that it can be refined through education and learning. In addition, the ethical component remains a cornerstone in humanism in that it attributes unalienable rights to everybody, independent from ethnicity, nationality, social status or gender (Pirson and Lawrence, 2009). Humanism addresses everybody and is universal in its outreach. Humanistic business theories share the implicit endorsement of human dignity and the focus on human development (flourishing), not mere wealth or profit generation as the objective.

The protection of human dignity

Scholars of human dignity argue that there are subjective and objective dimensions of dignity: the subjective facets include self-esteem, autonomy and meaningful work, and respect; objective factors are security, just reward, equality, voice and well-being. The most developed catalogue of human dignity elements has been developed by Nussbaum (2003) and includes: (1) life, (2) bodily health, (3) bodily integrity, (4) the full engagement of senses, imagination and thought, (5) the ability to express emotions, (6) the ability to use practical reason, (7) the ability to affiliate with others, (8) being able to live with concern for and in relation to animals, plants and the world of nature, (9) the ability to engage in play, and (10) the ability to exercise control over one's environment, political and material.

Current marketing practices have been criticized because they seemingly funnel attentional resources away from developing the abovementioned capabilities. Furthermore it is convincingly argued that an exchange-based model of marketing works best when personal development remains limited or stunted. Many consumer products do not aim fundamentally at the development of capabilities as an expression of personal freedom (e.g. sugary soft drinks or potato chips) but undermine the ability to exercise control over one's life and environment (by becoming large). Manipulative shaping of social identities, for example as a consumer of Apple products, substitutes for authentic engagement of a full self. Whereas current marketing practices may intentionally or unintentionally be directed at undermining capability development, it is not unimaginable that marketing could easily serve human dignity via the development of capabilities as an expression of freedom.

Well-being as end in itself, not a mere means to performance

Another central element of the humanistic perspective embraces the improvement of the human condition as the ultimate goal of socially

organizing, including marketing. Even the early utilitarians argued that the ultimate goal of economic organizing was not material wealth generation but the promotion of happiness (utility). That central quest has been rediscovered by economists and gained significant impact in the discussions on well-being measurement at a policy level (Healy & Cote, 2001). Marketing research, however, rarely engages in the questions of improving the human condition directly, e.g. stakeholder or consumer well-being as a *dependent* variable. Well-being remains an independent variable, couched in the quest for better performance; a means not an end. Very rare are the instances in which the possibility of stakeholder well-being, as an end in itself not a means to wealth creation, is even entertained (Spreitzer et al, 2005; see Varey, 2010, 2011, 2012, 2013 for specific treatment in marketing).

While such a perspective is largely considered naïve, we wish to point out that questions of legitimacy all too often hinge on the question of whether business is increasing societal well-being. In a widely observed recent switch in perspective Porter and Kramer (2011) suggested that the old thinking (what is good for business is good for society) needs to be replaced by the perspective 'what is good for society is good for business'. The currently prevailing assumption that businesses, by sheer contribution to financial performance, also contribute to overall human flourishing is less and less tenable. Therefore the perspective of stakeholder well-being as the ultimate objective is receiving increasing support. Learning from current public policy discussions, marketing researchers could evaluate marketing benefits and costs based on dimensions of stakeholder well-being, including physical, psychological, social, financial, spiritual and environmental well-being measures.

The road less travelled – towards humanistic marketing

The marketing discipline has to be reinvented, in practice and in principle. The marketing system designed and developed to solve the 20th Century 'need for affluence in industrialized society' problem is therefore not effective at meeting the 21st Century need for 'well-being for all' within limits and within the carrying capacity of the ecosystems that support life on Earth. In its orthodox form, marketing's harm and costs are greater than generally recognized, whilst the gains all too frequently fall short of the desirable. Whilst many business and management academics are busy addressing the problem of how to incorporate sustainability in management and marketing, the other more profound problem facing the marketing discipline, and as yet the road 'less

travelled', is the integration of management and marketing (i.e. business) into the precepts of a sustainable society. Thus we need to work towards a constructive response to changing stakeholders' expectations of the role of business in society. With the various initiatives emerging around macromarketing, social marketing, sustainable marketing, positive marketing, or conscious marketing it seems as if a different consciousness is already emerging.

Guided by reason in caring about others as well as the self, such humanistic marketing is founded on a re-formed marketing concept: focus not on the short-term gratification of wants but truly on the well-being derived from the satisfaction of needs/interests; in business reward effective and efficient provisioning for healthy prosperity rather than limited and limiting competitive growth-derived profit maximizing. This requires a systemic "re-design" of prosperity – authentic, sustainable, and meaningful value creation of real worth. Authors contributing to this collection analyse the problem, propose and demonstrate alternatives, highlight the challenges, and propose ways of addressing marketing's contribution to a human-centred transformation of the socio-economic system – by protecting human dignity and promoting well-being. The challenge lies in the integration of this alternative "humanistic" form of marketing so that it becomes the path to a sustainable society. This is not a problem of integrating morality (in the form of social responsibility and sustainability) into marketing, but rather a challenge to tap into the social power of marketing to drive change for the betterment of society.

Overview of contributions

An open call for contributions and invitations to acknowledged experts resulted in 19 chapter contributions from 33 authors.

In *Part I we ask "What is wrong with Marketing in theory and in practice?"* Chapters in Part I overview the criticisms and review the ideological basis – marketing in its orthodox form is not a comfortable bedfellow of sustainable society since it generally promotes consumption and thus leads to overconsumption and promises of happiness through acquisition of material possessions that are not fulfilled. Indeed, marketing intentionally creates discontent, certain practices are unethical and motivated by greed for profit, and citizens are reduced to a competitive and isolated role – the consumer as primarily an economic resource for competing firms. The dehumanizing profit-making machine is overly materialistic, growth-driven, and inequitable (in terms of affordability,

accessibility, availability, and serviceability), and questions are raised about who it serves and how value is created and destroyed. There is an inherent egocentric emphasis on advantage, differentiation, and superiority, but what of human values such as dignity, love, joy, honour, beauty, justice?

In the first chapter, Verena Stoeckl and Marius Luedicke reflect on the ever-broadening range of "mutually beneficial exchanges" and the increasing criticisms of marketing. To illuminate "humanistic marketing" they consider where in marketing "dehumanizing" effects are produced. They indeed find dehumanizing marketing practices that cause trouble for individuals, communities, society, and human and natural resources. They also observe the enormous creative potential that marketers unleash when pursuing their ambitious goals and adjusting to changing consumer demands. For marketers shouldering the responsibility of innovative, more "human" projects, the agenda will be a challenging one. When marketers seek to address (or anticipate) the criticisms they may use their brands, skills, and networks to lever distributive (information) justice, community support, deep life satisfaction, and ecological balance at a socio-culturally legitimized price. They struggle with balancing quality and profit, truth and sales revenue, intelligence and risk, exploitation and competitive disadvantage, domination and conversation, liberty and regulation, and conditional growth.

Pierre McDonough and colleagues examine consumption with a particular value orientation commonly referred to as materialism. Materialism seems so common in American and other Western societies that it has become institutionalized and forms a new secular religion that influences behavior at many levels. In considering the effects on environmental sustainability in the context of business and marketing in the future they argue for a radical humanist approach. At present, while a radical humanist analysis of the Dominant Social Paradigm is available, the proposed solutions are not as radical. For balance in society to replace excess we need to recognize that the system is the problem. Humanistic marketing, from a sustainability perspective, thus requires a re-thinking of what marketing is, and what marketing does – and an embracing of the radical (the fundamental) in doing so.

Mark Tadajewski reviews the recently emerged Critical Marketing Studies orientation, differentiating it from mainstream macromarketing and social marketing. Critical Marketing's main goal is to reveal the flaws and limitations of mainstream marketing thinking and to arrive at a re-energized new concept of marketing in the light of contemporary wide-ranging societal changes – including consumerism, globalization,

climate change, deregulation, and so on. Schematically, macromarketing and social marketing are evangelical about the further extension of markets, marketing theories and concepts to ever wider spheres of the social world, and macromarketing is closest in orientation to Critical Marketing as it provides the discipline to evaluate marketing at the societal/cultural level. Social marketing is more questionable, and this discussion offers a cautionary evaluation of 'critical social marketing'.

Ben Wooliscroft asks why we do not use the word 'people' in our talk of marketing? He further asks why we should care about the words used in marketing and consumer behavior? In the modern discipline, surely our words and phrases accurately reflect what we study and what interests us, and our terminology doesn't blind us to important issues or upset or alienate people? Not so. People are largely absent, because they have been removed from the discussion. Wooliscroft urges us to put the people back into this most human of phenomena as the first step in reminding ourselves that we are dealing with human beings and that while the discipline is interested in consumption, consumption is not the centre of people's lives.

Claus Dierksmeier observes that the present demand for *Humanistic Marketing* – a synthesis of the previous concepts of *integrity marketing* and *sustainability marketing* – may represent the current state of management theory. Can marketing-as-usual no longer service human interests adequately? Conventional marketing clearly fulfills its instrumental function of promoting and supporting consumption, yet doubt has arisen as to its merits. As marketing-as-usual meets its professed goals, it is increasingly met with disapproval. Much of the criticism against it can be charted along the lines of the distinction between *wants* and *needs*. The criteria for evaluating economic goals rest ultimately on the indispensable foundation of human freedom, so we ought to progress into a new era of *democratic* economics, so today's research and teaching efforts should thus be directed towards finding and promoting better and more sustainable definitions of corporate and economic success. Dierksmeier offers ten focal ideas as the basis for humanistic marketing.

Kathy Hamilton and Katherine Trebeck explore how the development of consumer culture in Glasgow, Scotland, has been a central strategy in response to the identity crisis caused by de-industrialization. The city's marketing campaigns emphasize style and conspicuous consumption. Alongside these efforts, Glasgow suffers poor health and high mortality levels beyond what can be explained by socio-economic circumstances, a phenomenon known as the 'Glasgow Effect.' They discuss the extent to which the consumerist mode of economic development is both counter-

productive to the prosperity of communities and counter to what citizens really value – their dignity. They draw on Oxfam's Humankind Index for Scotland, built following consultation with Scottish people regarding what they felt they needed to live well in their communities.

Nils Bagelius and Evert Gummesson offer insights into marketing practices that clearly undermine human dignity: criminal and unethical practices in markets. Crime destructively disrupts the market and beyond, and unfairly alters distribution, value creation and destruction, valuations, trust, and efficient material use and waste handling. According to the authors, economics and business disciplines present idealized images of markets and pretend that irregular behavior does not exist or is so marginal that it can be ignored. The authors tentatively use criminal marketing as a general term for their research domain but there is considerable difficulty in finding adequate definitions that acknowledge the many varieties of criminal marketing behavior. They began studying criminal marketing in the 1990s and have learnt to be humble when confronting its complexity, ubiquity and variety. The chapter draws on numerous publications in marketing and criminology, on case studies of international business scandals, and on media reports. The sources support the conclusion that criminal marketing is widespread and growing. It should be considered in research, theory and education, and attention should be paid to mobilizing countervailing forces to curb criminal influence.

Aliakbar Jafari points out that, for more than four decades, academic debates on the morality of marketing have focused mainly on the advantages and disadvantages of marketing as an institution. His essay questions the usefulness of such debates when addressing the many challenges of life in contemporary society and argues that engagement in such discussions will only entrap us in vicious circles of argumentation. The author calls for collective social responsibility and argues that humanistic marketing can only be realized in a humanistic society.

Fuat Fırat also asks whether and how marketing can become humanistic and what the results of this transformation might be if it can occur. For the contributors of this volume, marketing as we know and practice it today has unsatisfactory characteristics and outcomes, so the author's purpose in this essay is to explore some of the reasons that underlie the unsatisfactory nature of marketing. These explorations might provide us with insights as to what may be required for a substantive transformation. For this author, it is not simply a matter of philosophy but a matter of analysis of the consequences of differential versus equal access to all knowledge for humanity's good and future that should guide our

consciousness. Differential access to knowledge distracts democracy, and a defence of differential access to knowledge must also defend why democracy may not always be a good to seek. He dares the intellectuals of our time to attempt this task.

In summary, our contributors here argue that marketing, when focusing on the creation of wants rather than meeting authentic needs, risks losing societal legitimacy. It is often judged to defy human dignity in that it does not contribute to the development of people's abilities; instead it either reduces them to the role of consumer or manipulates them directly. For marketing to become a force for good in society other authors argue we need more than a shift in practice but an overall shift in consciousness. A daunting task... ...

In *Part II, we ask what are the alternatives for Marketing as a force for good?* Authors explore a range of approaches beyond the economistic legacy model of economic production and exchange, providing discussions of state of the art thinking, with case studies and practical examples.

The opening chapter of this focus on a better marketing, from Nikhilesh Dholakia, acknowledges that under contemporary capitalism the on-going process of differentiation of multiple roles that we play in everyday life, a process with a long history (through centuries of modernity), is getting subverted – and there is the plucking out and elevation of one particular role among these. The role and notion of the "consumer" has been growing rapidly. This role is being stretched and expanded so as to subsume as many other life roles as possible. It is being constantly glorified and valorized: there are attempts to put it on the same pedestal as the historically established and hallowed role of the democratic citizen. Dholakia reflects on these processes and explores ways in which all our life roles (and not just the consumer role) can be elevated and fused back into the one notion that really defines us – as humans.

Ahir Gopaldas sets out to imagine more humanistic marketing practices within the confines of existing capitalist structures. Anthropological consumption theories are well-suited to this task because they offer a people-centric view of markets and address universal human themes, such as the search for meaning, the pursuit of pleasure, the construction of identity, and the maintenance of community. This chapter translates four theories – consumption as *meaning making*, consumption as *emotional experience*, consumption as *self-extension*, and consumption as *community participation* – into concrete managerial recommendations. Each theory illuminates a distinct pathway for empathically understanding, motivating, and satisfying consumers in economically profitable as well as humanistic ways.

Grace Yu and colleagues see *Well-being marketing* as humanistic marketing; that is, the business mechanism that provides marketing beneficence through planning, pricing, promoting, and distributing consumer goods for the purpose of enhancing customer well-being while preserving the well-being of all other stakeholders through marketing non-maleficence. *Marketing beneficence* refers to marketing decisions designed to enhance customer well-being. Conversely, *marketing non-maleficence* alludes to marketing decisions designed to preserve the well-being of employees, stockholders, distributors, suppliers, local community, and the environment. By engaging in well-being marketing, firms are likely to develop a long-term relationship with customers and benefit from company goodwill. The authors believe that well-being marketing is the next step in the evolution and progression of marketing. Well-being marketing builds on relationship marketing by highlighting business ethics in a relationship marketing context.

Cliff Shultz and Stan Shapiro review recent definitions of marketing from the American Marketing Association, and see them as useful to the practice of marketing management, with some orientation to societal issues, yet too microscopic. They do not coincide particularly well with historical interpretations of marketing, and ultimately (tragically?) limit the potential impact of marketing on the most pressing challenges that confront us. If one accepts the premise that the current definition is too microscopic, one must also conclude that it is not sufficiently macroscopic. But what exactly does it mean to orient toward (macro)-marketing? Humanistic marketing is a still emerging concept, though humanism and marketing were first linked decades ago. The term Macromarketing, by contrast, has for forty years been a recognized sub-discipline of academic marketing. Whatever macromarketing has to offer, humanistic marketing is free to borrow – or not. In this chapter we discuss both the potential usefulness of "constructive engagement" as humanistic marketing's prevailing mind-set and what else the macromarketing literature might contribute to a fully fleshed out concept of humanistic marketing.

Javlon Kadirov and Richard Varey consider the wisdom of marketing, observing that dominant marketing practices of the modern age are barely humanistic in being driven towards inciting individual egos to serve their own momentary desires while being indifferent to commonly shared and shaped domains of life and spheres of collective value creation. In this sense, marketing atomises egos and snatches them away from their embedded "nurseries". Marketing appeals to individuals to maximize their own utilities and be indifferent to shared utilities.

Considering that shared and common spheres are fundamental and vital to becoming 'real' human beings, we can in fact talk about the tragedy of the commons across the whole humanistic spectrum: natural resources, societal relationships, morality, ethics, and generational evolution. All such shared spheres need some kind of input on the part of human beings in order to be kept sound and sustainable. Orthodox mainstream marketing activities exploit these shared "treasures" but fail to replenish them. Moreover, traditional marketing, guided by neo-classical assumptions, constantly erodes these shared spheres of humanity. Misguided assumptions lead to anti-human practices: the deteriorating natural environment affects our bodies; crippled social relationships impair our spirits; our common intergenerational existence (e.g. the being) is mutated through myopic temporal decisions and reduces our survival fitness. One can argue that traditional marketing tactics are simply tools with which marketers hope to maximize personal well-being by creating satisfying exchanges. Wisdom in this case is the realization that personal well-being is profoundly related to welfare-for-all. The traditional marketing paradigm might have been an effective set of approximations that contributed to enhancing life standards in the industrial age when big fixes for social ills were in prospect. However, holding on to these approximations is not wise when a society is on the brink of transition to a new (supra-affluent within limits) epoch. Wisdom is then understood as a meta-heuristic in recognizing the existence of various paradigms and a commitment to those paradigms that leads to welfare for all.

Thomas Boysen Anker sees the world moving in opposite directions as if it was divided into parallel universes: more prosperity for some people yet even more poverty for others; the ideas of democracy were literally catching fire as he wrote during the Arab Spring, but at the same time gruesome tyrannies and radical religious groups were spreading dread and fear through terror and torture. Prominent political theorists have described each of these movements. Fukuyama's optimistic theory of the idea of democracy winning global public appeal, on the one hand; Huntington's pessimistic theory of the clash of civilizations, on the other. Against the background of these world visions, Anker asks two questions. First, is it possible for corporations to use the power of branding to promote democratic mind-sets and thus help in moving the world in the peaceful direction of Fukuyama's vision? Second, does the idea of democracy provide a desirable brand position? Anker's empirical findings and theoretical arguments support the claim that corporations can use branding as a force for good to shape democratic

mind-sets and that this endeavour offers a potentially very desirable brand position.

Fabrice Desmarias and colleagues overview the French advertising environment and the attempts of some participants to build a more sustainable and responsible industry. The authors also present an insider account of a relatively new breed of 'responsible' agencies that have placed strong sustainable development principles centrally in their mission. The chapter explores the motivations and practices of these agencies and uncovers a range of internal and external issues faced by them. Overall these agencies see their role as educating and accompanying their clients towards a better understanding of and attitude towards sustainable society issues, and also to deliver messages to consumers that are compatible with these issues.

Diane Martin and John Schouten, following their book on Sustainable Marketing, observe that in recent years the ecological and humanitarian reasons for businesses to become environmentally and socially sustainable have become clearer than ever. With less fanfare, the business rationale for sustainable practices has also begun to clarify. Many marketing companies, including some of the world's largest and most successful (e.g., Walmart, Nike and Interface Carpets), have undertaken the serious task of becoming more environmentally neutral and socially responsible. In moving to more sustainable models, these companies have not compromised their economic futures. On the contrary, they are helping to usher in a new business paradigm that will ensure their economic viability in a world of increasingly scarce natural resources and rapidly growing consumer markets. If the marketing profession in general is going to help shape a culture of sustainability (that is, a culture in which sustainability is a driving value) then once again orthodox marketing thought may need to be revised. Somewhere between the customers who are 'kings' and the 'suckers born every minute' lies another kind of customer that is willing to be a partner with marketing institutions in creating win-win-win outcomes for customers, companies and humanity. Reversing or even slowing the runaway train of unsustainable production and consumption will require the will and participation of people in every sector of life and work. The one thing people of every sector share is constant exposure to marketing, and the authors want it to be sustainable marketing.

Ed Vos and Richard Varey see that in the world of increasing electronic connectivity we are often amazed at the widespread popularity of social networks, instant email connections, and almost universal personal cell phone ownership. The ability to electronically connect to each other

has become so popular because we, as people, have a great desire to be connected to each other. In fact, the science of happiness is very clear in listing 'relationships' as the foremost determinant of happiness. So we embrace every opportunity to connect with an underlying hope of becoming happier. However, it is becoming clear that these electronic connections are not as personally fulfilling as they appear at first glance. Online 'conversations' are useful, but they do not provide the happiness we crave which comes from personal relationships. By substituting social network connections for personal connections, we are becoming lonelier, not happier. So where does this place the marketing function of a business? Are marketers reduced to being website developers and content copy-writers, or is there greater potential for their skills? This chapter suggests that the skills of marketers may become more valued should society increasingly seek happiness, and offers a conceptual framework for understanding the changing role of the marketing function in the firm. The authors suggest that marketing has the potential to add value to the firm beyond the information dissemination function, which websites can fulfil, while also enhancing individual happiness and society's drive to maximize usefulness (value). They point out the potential of marketers to spread happiness while adding value and thereby be part of a virtuous cycle for both the individual and the society at large.

Michael Baker advocates what he refers to as Social Business in the final chapter of this section, and identifies some of the distinctive features of social business, why it is important, and current thinking about its effective implementation. In so doing, he highlights social business as an orientation towards business and human well-being in the context of capitalism. Transformative marketing is necessary, and the author recommends both more research in this direction in the marketing discipline, and the recently established journal Social Business as an outlet for intellectual capital-building marketing research in and for the sustainability of society.

In summary, this set of chapters provides a diverse exploration of the position of marketing in the face of challenges for societal transformation. We want to challenge, provoke, and inspire reflection, deliberation and debate, and here acknowledge the contributions of our colleagues in this regard.

References

Jensen, M. C. (2002) Value Maximization, Stakeholder Theory and the Corporate Objective Function. *Business Ethics Quarterly*, *12*(2), 235–257.

Kant, Immanuel (1785) *Groundwork of the Metaphysics of Morals*. Riga: Johann Friedrich Hartknoch.

McCloskey, D. (2010) *Bourgeois Dignity: Why Economics Can't Explain the Modern World*. Chicago, IL.: University of Chicago Press.

Healy, T., & Cote, S. (2001) *The Well-Being of Nations: The Role of Human and Social Capital*. Organisation for Economic Co-operation and Development, Paris: OECD Publications.

Nida-Ruemelin, J. (2008) Philosophical Grounds of Humanism in Economics. In H. Spitzeck, M. A. Pirson, W. Amman, S. Khan, & E. von Kimakowitz (Eds) *Humanism in Business: Perspectives on the Development of a Responsible Business Society*. Cambridge: Cambridge University Press.

Nussbaum, M. (2003) Capabilities as Fundamental Entitlements: Sen and Social Justice. *Feminist Economics*, *9*(2–3), 33–59.

Pirson, M. A., & Lawrence, P. R. (2009) Humanism in Business – Towards a Paradigm Shift? *Journal of Business Ethics*, *93*(4), 553–565.

Porter, M. E., & Kramer, M. R. (2011) Creating Shared Value: How to Reinvent Capitalism – and Unleash a Wave of Innovation and Growth. *Harvard Business Review, 89*(1/2), 63–77.

Spreitzer, G. M., Sutcliffe, K., Dutton, J. E., Sonenshein, S., & Grant, A. M. (2005) A Socially Embedded Model of Thriving at Work. *Organization Science*, *16*(5), 537–549.

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Varey, R. J. (2011) A Sustainable Society Logic for Marketing. *Social Business, 1*(1), 69–83.

Varey, R. J. (2012) The Marketing Future beyond the Limits of Growth. *Journal of Macromarketing, 32*(4), 421–430.

Varey, R. J. (2013) Marketing in the Flourishing Society Megatrend. *Journal of Macromarketing*, forthcoming.

Part I

What's Wrong with Marketing in Theory and in Practice?

1
Where Marketing Causes Trouble

Verena E. Stoeckl and Marius K. Luedicke

Introduction

In its broadest sense, marketing is 'what people do when they want to provide something to, or get something from, someone else' (Levy, 1978, p. 14). Marketing is typically considered successful if (and only if) the parties involved consider the exchange of this 'something' of 'positive value' (Bagozzi, 1974). In pursuit of mutually beneficial exchanges, marketing no longer provides consumers only with everyday necessities and amenities – such as nutrition, shelter, sanitation, or transport – but also plays an increasing role in supporting consumers' identity construction and expression.

From these perspectives of marketing as individual effort and beneficial exchange it is difficult to imagine how marketing practice can persistently produce negative effects. However, seen from meso-communal, macro-societal, or even global ecological perspectives, it is more readily imaginable that the sum of all marketing exchanges may gradually deplete local, regional, or global resources.

Since such negative effects of marketing behaviour are often not entirely comprehensible and affect a broad range of diverging stakeholder interests, they are easily exaggerated, overly moralized, overly generalized, or even overlooked. The premise of our chapter is that the question of where marketing causes trouble is an empirical one. We thus argue that, if the goal is to develop the idea of 'humanistic marketing', a first step is to illuminate where, in its wide field of operations, marketing activity is accused of producing specific 'dehumanizing' effects.

To get an empirically based sense of where (and for whom) marketing causes trouble we conducted a meta-level review of a wide range of academic and popular texts concerned with the intersections

of marketing with consumer resistance, consumer boycott, ethics, moralism, and resource depletion. We captured 123 academic articles, 42 popular books, 12 newspaper articles, and 6 governmental publications that we analyzed with a focus on marketing practices that have repeatedly attracted criticism from consumers, public observers, or (marketing) scholars for their 'dehumanizing' implications.

The dehumanizing marketing practices that we outline next emerge from our analysis as academic/popular discourses about undesirable marketing practices, rather than as first-hand evidence of negative marketing conduct. The following summary may thus not only document actual marketing practices but also some degree of strategic myth-making. With this limitation in mind, we unfold the realms in which marketing practices are considered dehumanizing for consumers, communities, societies, and the natural environment.

Dehumanizing marketing practices

Our meta-analytical account of where marketing causes trouble reveals four different levels of socio-cultural criticism. These levels concern a range of negative marketing effects on consumers' private and psychic spaces, on community relationships, societal values, and human and natural resources. The critique that permeates our data set addresses the discipline's most despised practices, including deception, intrusion, exploitation, and hegemonic expansion.

The consumer level

The broadest range of criticism concerns the basic relationship of marketers and consumers that constitute the core of the discipline – mutually beneficial exchanges. Whereas marketers typically claim that they take all necessary steps to satisfy human needs and desires by offering products, services, and experiences that consumers actually buy, critics express their concerns about the ways in which desires are identified, manipulated, and satisfied.

To identify consumers' potential desires, marketers routinely hunt for the most extensive and accurate consumer insight using, for instance, computerized online and offline consumption data-mining tools. Analyzing data from loyalty cards, internet cookies, or clickstream monitoring, even at the individual consumer level, allows marketers and their advertising brokers to more effectively target specific customer segments or to modify their products with (mostly minor) extensions. Critics do not generally ban such practices but consider the insufficient

information provided by marketers (about their tracking, recording, and storing of consumer data) to be dehumanizing and illustrative of a new way of securing information asymmetries between marketers and consumers (Palmer, 2005).

When turning these insights into products and advertising the distinct relevance of offerings to consumers, marketers are widely accused of relying too excessively on persuasive, deceptive, and manipulative techniques. These techniques concern, for instance, marketers' exaggerating claims about their products' functional and hedonic value. Planned obsolescence – the idea (and practice) of deliberately designing products to fail too early or to quickly become unfashionable and outdated – has been particularly criticized. It includes, for instance, cases when the computer industry carefully plans new software that reduces the value of previous versions by hindering downward compatibility, or when suppliers build in inferior parts in washing machines that lead to malfunction after five years, rather than the 10–15 years proclaimed (cf., Slade, 2007). The dehumanizing effect criticized here is, again, the lack of objective information and transparency that feeds the image of marketers as untrustworthy exchange partners.

A similar kind of criticism is reflected in public discourses on marketers' intrusion of consumers' psychic space through an overabundance of commercial messages (Rumbo, 2002). Anti-advertising campaigners engage in a renewed critical discourse about invasive means that grab consumers' attention in their daily routines and private spheres, limit personal freedom and contribute to mental, physical and economic harm (Cohen et al., 2005). Whereas critics typically acknowledge the general value of advertising for consumer information, increasingly pervasive practices result in negative consumer responses to its 'intrusive, manipulative and deceptive nature' (Mehta, 2000, p. 69). Consumers feel oppressed by these practices as most individuals currently lack the legal means to defend themselves against such intrusions.

From this marketing-critical account of one-sided rather than mutually beneficial exchanges, marketers emerge as highly skilled yet repressive 'cultural engineers' (Holt, 2002, p. 71), who leave the consumer in a disadvantaged, dehumanized position. These discourses perpetuate the view that consumers are targeted not as people, but are instead treated as the passive targets of marketing campaigns (Kotler et al., 2011).

The community level

When the realm of marketing influence expanded across consumers' life spheres consumers gradually became more reflexive, ironic and aware of

the 'marketing game'. Marketers as a result lost credibility across traditional media and thus started to search for authentic, less commercially infiltrated spaces.

Consumers, for instance, (re-)engage in alternative subcultures, share their ideologies and experiences in voluntary simplified consumption communities, or chat away in special interest online forums. Marketers quickly adjust to these emancipatory and subcultural interests to position their brands as authentic members of these emerging communities. But consumers also begin to blame marketers for intruding into their communal spaces with commercial offerings, since – especially in the case of online communities – they are proclaimed by their members to be 'made for people', not for business (Fournier & Avery, 2011, p. 193). Marketers using aggressive viral campaigns or micro-targeting strategies that try to emulate online community practices are often regarded as 'uninvited crashers of the Web 2.0 party' (Fournier & Avery, 2011, p. 193). In search for market differentiation, marketers have developed another practice that is often regarded as dehumanizing because of its exploitation of the human spirit and creativity: that is, corporate co-optation. Co-optation refers to marketers searching out the creative ideas and symbolic resources that emerge within the (then) non-commercial corners of their cultures (Hebdige, 1979; Holt, 2002; Thompson & Coskuner-Balli, 2007). Critics render this corporate 'conquest of cool' (Frank, 1997) a mechanism for advancing culture commodification that gradually turns every unconventional, experimental idea and style that emerges in consumers' subcultural epicentres into superficial commercial offerings.

In summary, the marketing practices that affect consumers' place-, activity-, or theme-oriented (online) communities are considered dehumanizing because they strip consumers of their power to protect their creative and identity-marking resources against marketers that spy out and then incorporate one original cultural realm after the other into a hegemonic marketing and branding system.

The society level

The dynamics of marketing expansion, culture commodification, and demand generation contributed to a Western societal trend towards evaluating more and more aspects of human life and achievement in monetary terms (Edwards, 2000). In consequence, Western 'citizen societies' have gradually turned into 'consumer societies' (Cross, 2000), that are characterized by 'superficial' demands, 'wasteful' materialistic lifestyles, and 'over-spent' consumers (Layard, 2005; Peñaloza & Barnhart, 2011; Schor, 1998).

At this societal level, marketers are accused of popularizing unsustainable social systems that rely on the perpetual cycle of desire and instant gratification (Belk et al., 2003) by constantly promoting the contested idea that, across all income levels, more consumption leads to more happiness (Kasser, 2002; Layard, 2005). In addition, critics argue that the emergence of global retailers and mega mergers gradually forces consumers to participate in a system of homogenized meanings, structures, and tastes embedded in global brands (Klein, 1999). This criticism echoes the above community co-optation critique of commodifying original culture, but on a global scale, and driven by the global expansion of (North American) marketing ideology and practice (Ritzer, 1993).

These discourses produce an image of marketers as hegemonic advocates of commodification, exerting their homogenizing influence on the world's diverse markets, cultures and consumer tastes. This influence is considered dehumanizing because it creates and then fulfils consumer demands that, over time and in aggregation, bolster feelings of isolation, inauthenticity, and depersonalization.

The resource level

Among critical consumers, the increase in globalized, specialized, and resource-intensive modes of production posed new demands to ethical and political engagement through consumption choices and the moral accountability of marketers (Hertz, 2001).

With regards to the ethical treatment of human and ecological resources, critics charge marketers for pursuing self-interested, short-term profit maximization goals without accounting for human and ecological externalities (Varey, 2010). Even marketers of premium products are now frequently accused of carelessly depleting natural resources and exploiting cheap labour out of 'economic egoism' and at the expense of present and future generations (Desmond & Crane, 2004, p. 1228). This public and academic scepticism concerns the repercussions of aggressive and short-sighted marketing practices and the harmful side-effects of overconsumption on the preservation of environmental resources (e.g., Kotler, 2011; Peattie & Peattie, 2009; Sheth et al., 2011; Witkowski, 2005).

In this view, marketers pursue their profit maximization agenda and satisfy consumers' needs, while the anonymous society is still left with the long-term ecological costs of a mass consumption society, that

> range from rapidly depleting scarce resources, environmental degradation due to extractive and manufacturing processes, dangerous

pollutants that persist in the environment, emissions and waste due to logistics and distribution, and emissions, waste and waste products due to the consumption and post consumption processes. (Achrol & Kotler, 2011, p. 44)

Diagnosis: 'Over-marketing'

In the light of our above review of where public and scholarly observers see marketing practices causing trouble, the discipline has failed to consistently foster only mutually beneficial exchanges. Instead, critics frame marketers on the interpersonal level as mass-seducing and -deceiving consumers by abusing still prevalent information asymmetries. On the communal level, marketers are framed as 'party crashers' that invade consumer (sub-) cultures and co-opt their cultural innovations. On the societal level, marketers are held responsible for commodifying and homogenizing global cultures and bereaving consumers of more sustainable sources of happiness than consumption. And on the resource level, marketers are often considered free-riders on environmental resources and human labour that they ruthlessly exploit in search of the next big rush of profit.

Whereas most commentators generally acknowledge the socio-cultural value of conventional marketing, they categorize and reject the above practices as 'over-marketing' (Sheth et al., 2011, p. 31). Over-marketing results where marketers over-differentiate, -advertise, -sell, or -discount in order to keep up with tough competition or to drive consumption to fulfil over-ambitious growth goals. Marketers, animated by and assessed in terms of an economic egoist marketing ideology, tend to consider their business' growth as a moral contribution which creates wealth and enhances value for companies, customers, and society at large (Desmond & Crane, 2004). In this view, 'material progress, efficiency and effectiveness in satisfying needs, and the exercising of economic and political freedom' operate as a 'safety belt' for the steady reproduction and legitimization of society (Marion, 2006, p. 249). The resulting push for growth protects companies against competitive takeover, advances economies of scale, and provides an extra edge in the rampant competition for sales territories. Indeed, in economic theory, a highly competitive system promises to satisfy consumers' needs, to lead to lower prices, and to diffuse innovations and resources. Yet, in highly competitive conditions, where successful marketing concepts are almost immediately copied and profits shrunk, conventional marketers may

more readily turn into over-marketers that use aggressive and deceptive practices to prevail in their niche.

Another important premise of the marketing ideology that encourages over-marketing is the belief that consumers enter the store with their own values and convictions and only purchase products and services that they consider morally 'good'. The fact that dehumanizing marketing practices often evoke moralized discourses, consumer resistance, boycotts, complaints, and even anti-marketing campaigns, readily bolsters this belief. The digital (social) media further supports consumers in disseminating their critical views and thus provides a significant new range of opportunities for spurring market resonance and influencing marketing practices (Hollenbeck & Zinkhan, 2006). Clearly, as consumers begin to call and shop for more ethical, sustainable, and humanistic marketing practices, marketers quickly attune their operations. However, the majority of consumers in Western markets readily buy into the dominant marketer-imposed representations of lifestyles. Whereas public calls for more sustainable and responsible marketing practices typically peak right after the disclosure of a business scandal, consumers commonly de-couple (critical) expressive aspects from functional evaluations when making purchase decisions (Salzer-Mörling & Strannegård, 2007). Thompson (2004) reminds us of the complexity, uncertainty and competing views prevailing in such moralized marketing discourses, so that in fact

> few consumers are likely to vigilantly monitor the manifold practices of a corporation or industry and to wade through a sea of conflicting and spun information to judge if one brand deserves their support and then to monitor subsequent corporate behaviors once this assessment is made. (p. 174)

To summarize, dehumanizing marketing practices result most readily from marketers adjusting to highly competitive market conditions, but also from marketers pursuing an ideology that considers – with some legitimacy – a company's economic growth to be its socio-cultural contribution.

Towards humanistic marketing

Our study not only documents dehumanizing marketing practices that cause trouble for individuals, communities, society, and human

and natural resources, but, as a side-effect, also documents the enormous creative potential that marketers unleash when pursuing their ambitious goals and adjusting to changing consumer demands. When invested in over-marketing practices, as described above, this energy can produce dehumanizing effects related to different levels of influence. But, assuming that the marketing discipline will, as a community, not take over the role of moral leaders for their companies, customers, and larger communities in the near future, the question remains, how can a humanistic marketing orientation gain traction?

Even small, ethics-driven organizations face similar problems to any global corporation when trying to balance humanistic and economic goals. Luedicke and Ladstaetter (2012), for instance, demonstrate effectively that the creators of the ethically oriented community product 'Premium Cola' also struggle with successfully pursuing a humanistic agenda under conventional market conditions. Yet, the community-driven start-up bases its strategies on one fundamental advantage. That is, communities, social movements, family enterprises, and owner-managed companies are able to directly relate their human desire for superiority to long-term and partially more independent decisions. And at the same time, they are potentially less vulnerable to outside financial pressures which demand short-term profits (Williams & Aitken, 2011).

For marketers taking up the responsibility for innovative, more 'human' projects, the agenda will be a challenging one. Our analysis reveals that when marketers seek to address (or anticipate) the above criticisms they tend to use their brands, skills, and networks to lever distributive (information) justice, community support, deep life satisfaction, and ecological balance at a socio-culturally legitimized price. As they pursue their goals, these marketers will likely struggle with balancing quality vs. profit, truth vs. sales, intelligence vs. risk, exploitation vs. competitive disadvantage, domination vs. conversation, liberty vs. regulation, and unfettered growth vs. conditional growth.

How will marketers aiming at re-humanizing their practices within a potentially overpowering system of resource exploitation and allocation be able to overcome dehumanizing over-marketing? And will larger companies take up the challenge of developing a humanistic marketing code, even though their mainstream consumers may not yet be ready to reward it? Are marketers yet able to lead a humanistic development under the current conditions? We are confident that the insightful and visionary chapters in this book will outline in more detail, and from various perspectives, how humanistic marketers can intelligently retire a

marketing ideology and its related behaviours which has caused trouble in the world.

References

Achrol, R. S., & Kotler, P. (2011) Frontiers of the Marketing Paradigm in the Third Millennium. *Journal of the Academy of Marketing Science, 40*(1), 35–52.

Bagozzi, R. P. (1974) Marketing as an Organized Behavioral System of Exchange. *The Journal of Marketing, 38*(4), 77–81.

Belk, R. W., Ger, G., & Askegaard, S. (2003) The Fire of Desire: A Multisited Inquiry into Consumer Passion. *Journal of Consumer Research, 30*(3), 326–351.

Cohen, M. J., Comrov, A., & Hoffner, B. (2005) The New Politics of Consumption: Promoting Sustainability in the American Marketplace. *Sustainability: Science, Practice, & Policy, 1*(1), 58–76.

Cross, G. (2000) *An All-Consuming Century: Why Commercialism Won in Modern America*. New York, NY: Columbia University Press.

Desmond, J., & Crane, A. (2004) Morality and the Consequences of Marketing Action. *Journal of Business Research, 57*(11), 1222–1230.

Edwards, T. (2000) *Contradictions of Consumption: Concepts, Practices, and Politics in Consumer Society*. Buckingham, England: Open University Press.

Fournier, S., & Avery, J. (2011) The Uninvited Brand. *Business Horizons, 54*, 193–207.

Frank, T. (1997) *The Conquest of Cool: Business Culture, Counterculture, and the Rise of Hip Consumerism*. Chicago, IL: University of Chicago Press.

Hebdige, D. (1979) *Subculture: The Meaning of Style*. London, England: Methuen.

Hertz, N. (2001) *The Silent Takeover: Global Capitalism and the Death of Democracy*. London: William Heinemann.

Hollenbeck, C. R., & Zinkhan, G. M. (2006) Consumer Activism on the Internet: The Role of Anti-Brand Communities. *Advances in Consumer Research, 33*, 479–485.

Holt, D. B. (2002) Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding. *Journal of Consumer Research, 29*(1), 70–90.

Kasser, T. (2002) *The High Price of Materialism*. Cambridge, MA: MIT Press.

Klein, N. (1999) *No Logo: Taking Aim at the Brand Bullies*. New York, NY: Picador.

Kotler, P. (2011) Reinventing Marketing to Manage the Environmental Imperative. *Journal of Marketing, 75*(4), 132–135.

Kotler, P., Kartajaya, H., & Setiawan, I. (2011) *Marketing 3.0*. Hoboken, NJ: John Wiley & Sons.

Layard, R. (2005) *Happiness: Lessons from a New Science*. London, England: Penguin.

Levy, S. J. (1978) *Marketplace Behavior: Its Meaning for Management*. New York, NY: AMACOM.

Luedicke, M. K., & Ladstaetter, F. (2012) *Sell to Subvert: How Market-Critical Production Communities Cope with Market Success (Working Paper)*. Innsbruck, Austria: University of Innsbruck School of Mangagement.

Marion, G. (2006) Marketing Ideology and Criticism: Legitimacy and Legitimization. *Marketing Theory, 6*(2), 245–262.

Mehta, A. (2000) Advertising Attitudes and Advertising Effectiveness. *Journal of Advertising Research, 40*(3), 67–71.

Palmer, D. E. (2005) Pop-ups, Cookies, and Spam: Toward a Deeper Analysis of the Ethical Significance of Internet Marketing Practices. *Journal of Business Ethics, 58*(1/3), 271–280.

Peattie, K., & Peattie, S. (2009) Social Marketing: A Pathway to Consumption Reduction? *Journal of Business Research, 62*(2), 260–268.

Peñaloza, L., & Barnhart, M. (2011) Living U.S. Capitalism: The Normalization of Credit/Debt. *Journal of Consumer Research, 38*(4), 743–762.

Ritzer, G. (1993) *The Mcdonaldization of Society*. Newbury Park, CA: Pine Forge Press.

Rumbo, J. D. (2002) Consumer Resistance in a World of Advertising Clutter: The Case of *Adbusters*. *Psychology and Marketing, 19*(2), 127–148.

Salzer-Mörling, M., & Strannegård, L. (2007) Ain't misbehavin' – Consumption in a Moralized Brandscape. *Marketing Theory, 7*(4), 407–425.

Schor, J. B. (1998) *The Overspent American: Upscaling, Downshifting, and the New Consumer*. New York, NY: Basic Books.

Sheth, J. N., Sethia, N. K., & Srinivas, S. (2011) Mindful Consumption: A Customer-Centric Approach to Sustainability. *Journal of the Academy of Marketing Science, 39*(1), 21–39.

Slade, G. (2007) *Made to Break: Technology and Obsolescence in America*. Cambridge, MA: Harvard University Press.

Thompson, C. J. (2004) Marketplace Mythology and Discourses of Power. *Journal of Consumer Research, 31*(1), 162–180.

Thompson, C. J., & Coskuner-Balli, G. (2007) Countervailing Market Responses to Corporate Co-Optation and the Ideological Recruitment of Consumption Communities. *Journal of Consumer Research, 34*(2), 135–152.

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Williams, J., & Aitken, R. (2011) The Service-Dominant Logic of Marketing and Marketing Ethics. *Journal of Business Ethics, 102*(3), 439–454.

Witkowski, T. H. (2005) Sources of Immoderation and Proportion in Marketing Thought. *Marketing Theory, 5*(2), 221–231.

2
Re-affirming the Prevailing Order?

Pierre McDonagh, William E. Kilbourne
and Andrea Prothero

The role of consumption

Various commentaries on consumption have been around for millennia, during which time it has waxed and waned, but never disappeared. It appears in texts from ancient Athens, the Roman philosophers, the Christian church, the Romantic poets, and today from a myriad of marketing scholars (Rudmin & Kilbourne, 1996). Within this domain, the role of consumption as expressive behaviour has also been developing. Among the factors studied have been measurement (Richins, 2004), the individual consequences of consumption (Rindfleisch et al., 1997), identity formation (Holt, 1997; Micken & Roberts, 1999), environmental consequences (Kilbourne et al., 2002; Prothero et al., 2011),

and global consequences (Kilbourne, 2004). This breadth of topics suggests that the field has transcended the traditional micro-marketing approach to consumption. However, most research today still examines consumption as it is currently practiced and does not normally extend to the genesis of such practices.

This commentary examines consumption as engendered by a particular value orientation commonly referred to as materialism. Some five decades ago, Bredemeier and Toby (1960) argued that materialism is so common in American society that it has become institutionalized and forms a new secular religion that influences behaviour at many levels.

Materialism

Materialism has since been examined more closely and empirically and this has led to several different characterizations, including psychological traits (Belk, 1985), a value orientation (Richins, 2004), and a means of

29

self-identity (Micken & Roberts, 1999; Schouten & McAlexander, 1995). While all three approaches have been demonstrated to be supportable, the values orientation is adopted here. From this perspective, materialism is defined as '…a value that represents the individual's perspective regarding the role possessions should play in his/her life' (Richins & Dawson, 1992, p. 522). It should be pointed out that most of the studies examining materialism have shown it to have a negative effect on the individual, the family, society in general, and the natural environment. Despite the evidence of negative consequences, Rindfleisch and Burrows (2004) argue that, because materialism may be a necessary value for the perpetuation of capitalism, it should be integrated with more intrinsically meaningful values. It is unclear, however, how this might be done. This does suggest that a better understanding of materialism and its functions, both manifest and latent, is necessary if policy initiatives relating to materialism are to be effective. Because materialism has become institutionalized in many Western industrial societies, the traditional micro-marketing approaches to its examination are insufficient for policy considerations. Rather, an institutional approach is required that is more in the tradition of the sociology of knowledge than in marketing.

An institutional approach

Such an approach requires examining the dominant social paradigm (DSP) of a society (Cotgrove, 1982; Milbrath, 1984; Pirages & Ehrlich, 1974), and we submit that the use of the institutional theories of Berger and Luckmann (1966) and Giddens (1986) theory of structuration which is similar in approach, are essential in understanding the role of materialism in the ecological order.

   Within the marketing literature there are many references to institutions, but there are several different levels of institution that may be considered. For example, the family as an institution has been examined for its role in marketing for decades. But the family is a social organization and DiMaggio and Powell (1991) distinguish between social organizations, such as the family, and institutions. Specifically, 'organizations' refers to specific recognized groups of people while 'institutions' refers to customs, habits, beliefs, etc. that serve as guides to social behaviour. From this we can deduce three types of institutions: micro institutions, such as traffic signals and which side of the street one drives on, meso institutions like the family, congress, or universities that are social organizations, and macro institutions, which are the self-evident and

taken-for-granted rules of behaviour that everyone knows and accepts but their origins may be long forgotten. Materialistic values fall in the latter category and, while they are ubiquitous, as is characteristic of institutional rules, they should be considered neither as universals nor as unalterable, even though the members of society consider any other behaviour under the circumstance as inconceivable (Scott, 2001). Thus, we consider materialistic tendencies within society to be the product of institutionalized beliefs and routines that serve to perpetuate the status quo within society, i.e., institutions are designed to support other institutions and it is this collection of mutually interdependent institutions that constitutes the DSP of a society. Under this condition, materialistic values are engendered by and reinforce other institutions in society. They both ossify and change in a reflexive relationship between agents and structure in society (Giddens, 1986).

Re-affirmation

Since the institutions mentioned interconnect in a reflexive manner we submit that while the prevailing order has caused concerns regarding ecology, among other things, it has also recognized and reacted to these concerns in a manner which permits the prevailing order to continue and the values of materialism to continue. Some have argued that there needs to be a greening of the commodity form so that materialism can shift to a more ecologically benign existence (Prothero & Fitchett, 2000). In simple terms an intelligent system that wants to continue will subsume arguments against its existence and in some way incorporate them into what it is the system does in order to continue unabated; some refer to this as *appropriation* (see Goldman and Papson 1996). Such actions re-affirm that the system can respond to concerns over its efficacy. Kilbourne et al. (2009, p. 274) note that if policy to increase sustainability or consumer well-being is to be effective in the longer term, it should be directed not at materialism, but at the process that engenders materialism – the prevailing order (Giddens). In a study of a number of countries, Kilbourne et al. (2009) found evidence that both consumption and production policy within Western industrial societies are beginning to transform. They state 'Even in the United States, well known for its lagging sustainability initiatives, industry has begun moving sustainability initiatives higher on its agenda.' However, most changes in business practice are at a micro level rather than the macro. Although the changes proposed are modest at best they do signify incipient transformation.

At the level of the firm, this exhibits what McDonagh (1998, p. 599) calls the process of sustainable communication, 'an interactive social process of unraveling and eradicating ecological alienation that may occur between an organization and its publics or stakeholders (1998, p. 599)'. In other words, to maintain legitimacy and continue to operate, firms will construct a narrative of their ecological impact and communicate this to their stakeholders for approval. A good test to see if this is occurring is to ask students studying sustainability to bring in examples to the classroom for discussion. Evidence can be examined to compare against the received wisdom of both the problems and proposed solutions. To illustrate, the authors asked a group of graduate students to search the internet and provide examples of companies they believed had values and objectives that where now being driven by the values of sustainability based on the publicly available narratives of what they do. The textbook example was Marks and Spencer's Plan A. The graduate students nominated the following illustrations of companies they believed have similar values. They are namely *Burt's Bees*, *Starbucks*, *Kraft's Kenco coffee*, *Proctor & Gamble*, *Tom's of Maine* and *Miles Sampson Architects*. These companies are submitted (Table 2.1) as everyday illustrations of the beginning of the transformation that Kilbourne et al. (2009) note above.

These examples illustrate that, even at the level of a cursory search from a graduate student, evidence can be found of firms currently engaging customers more with their ecological impact than was the case in 1987 when Gro Brundtland called for us to bring about sustainable development. This is not to say that any chosen example cannot be problematized as either genuine or greenwashing, but that is not the issue here. The overarching discourse from organizations now appears to gesture towards the ecological much more so than in the past. These examples provide a detailed green narrative for the viewers of their web pages and have embraced the complexity of sustainability. This may be due to several factors, a corporate epiphany, strong leadership from a CEO, or perhaps just as a result of the increasing exposure to the concepts of the triple bottom line. As a growing array of consultants expound the virtues of sustainable branding as a new way of doing business materialism remains, broadly speaking, unchecked, and greener values have been brought into play with a growing array of consultants who expound the virtues of 'sustainable branding' as part of people's lifestyles, and as new ways of doing business. While products are, to varying degrees, greener, the issue of materialism per se, does not get addressed. 'Buying stuff' is still the marketers mantra, only this time it is 'buying greener stuff'!

Table 2.1 Company values

Company	Values articulated	URL
Burt's Bees	Our goal is to create and educate people on truly natural products that have a positive effect on both you and the world you live in for the good of your well-being, for the good of the environment and for The Greater Good.	http://global.burtsbees.com/c/about-us/
Starbucks	We share our customers' commitment to the environment And we believe in the importance of caring for our planet working with and encouraging others to do the same. As a company that relies on an agricultural product, it makes good business sense. And as people living in the world, it is simply the right thing to do.	http://www.starbucks.com/responsibility/environment
Kenco	Passionate about Sustainability. Whatever your business, wherever your business, Kenco Professional has a range of quality hot & cold drinks and equipment solutions to suit your needs. And through our work with the Rainforest Alliance, you can make a difference with every cup of coffee, hot chocolate and tea.	http://www.kencoprofessional.co.uk/kencoprofessional/page?PagecRef=1
Proctor & Gamble	Sustainability – Changes that matter. At P&G, we focus our Sustainability efforts on improvements that matter, to make the most meaningful impact we can	http://www.pg.com/en_UK/sustainability.shtml
Toms of Maine	Goodness in Action. Putting the community and planet first. Sustainable practices are a priority in every aspect of our business	http://www.tomsofmaine.com/home
Miles Sampson	Ecological Building / Green Building / Ecological architecture. There are many many aspects to green building and the technology is evolving so fast that processes and standards always have to be updated. Ecological architecture is an exciting and stimulating development in today´s world…, but ultimately the engagement of a skilled architect / designer is necessary to make sure that the correct products are chosen to match the user needs and that all the systems are coordinated so that they do not conflict with each other.	http://www.milessampson.com/sustainability.html

Present and future

In reading the present against the past 30 years, it would seem that the prevailing order has indeed managed to appropriate the perceived need for sustainability to become part of the system as opposed to there being widespread ecological enlightenment (Beck, 1995). Sustainability has now become, it would appear, a mainstream concern. While some would say all is well because we can find celebration of sustainable brands for our students indicating the system is recalibrating and evolving. Others might maintain the prevailing order has cleverly appropriated the green/sustainability discourse to maintain the status quo and prevent more radical changes. While it is perhaps not a simple yes/no solution in terms of whether or not we agree with either viewpoint, there are some who suggest that such a debate might even, in its myopia, miss a larger point.

Therefore some words of caution are worth examining. First consider the provocative works of Slavoj Zizek. For instance in his 2011 text *Living in the End Times* he argues that it is only when things are too late that people seek real change in their lives, and he uses the analogy of coming to terms with grief or a terminal disease as his illustration. He suggests that society is going through similar stages, from ideological denial, explosions of anger and attempts at bargaining followed by depression and withdrawal. Ultimately the implication is acceptance of the end. So through this lens the action taken is perhaps a little more meaningful, but it is too late to prevent the inevitable species extinction. In this way his followers would read the prevailing order, inextricably involved in some new green materialism, as Greek tragedy. Conversely many of a more radical humanist persuasion would argue that there is always and should always be hope right up to the end; ironically this type of counter-argument is typical of the science fiction movie genre of which Zizek himself is such a big fan. In this regard one can, at one and the same time, be both optimistic for the prevailing order and pessimistic that nothing substantive seems to have altered.

Secondly, in the thoughts and words of Paul Virilio, we see an argument in his work *Open Sky* that there is a transmogrification of the type of pollution to which humanity is exposed. There has always been an implicit technological optimism in western societies (see Kilbourne et al., 1997) and the various institutions have profited from such opinion. Of late much has been noted of the transformative effect of what Castells has termed our *Network Society*. The BBC screened a four part documentary in 2009–2010 entitled *The Virtual Revolution* where key change

agents in society reflect on the transmogrifications occurring due to the net, cyber terrorism, social activism and the associative thinking that web searching gives to searchers. What is much less robustly considered (unsurprisingly) is the ecological consequences of Castells' *Network Society,* our social networks, our computer servers, the servicing of our web searches, our corporate induced virtual revolution (or as Zwick & Dholakia (2008) call it, the infotransformation of markets). It has been suggested that by making a web search one uses the equivalent in energy terms of boiling a kettle of water for a hot cup of tea. Conversely, in relation to the communicative act, digital marketing has been described and evangelized by learned colleagues as being 'free' to companies with limited budgets. It is the equivalent of 'must have' knowledge for the 21st century. This is problematic for a number of reasons, not least the *Cost of Free* which the BBC series considered, but also the associative thinking that web searching inculcates, which is important for consumer research and organizations to reflect upon. Paul Virilio is perhaps the best source to draw upon here as he has debated these consequences in his text *Open Sky*. Also, as consumer researchers we strive to consider the challenges of sustainable consumption and production, SC&P, or any form of Transformative Consumer Research, and we have a moral responsibility to check human arrogance that supposes we will always be able to sort out the messes we get ourselves into. 'One day the day will come when the day will not come' (Virilio, 1997). Virillo's work underscores first the lack of radical change and the probability that human action will not prevent catastrophic change leading to human extinction; and; secondly that new forms of pollution need to be addressed.

Consider the argument following Paul Virilio's (1997) work *Open Sky*, which asks us to reflect upon the social destruction wrought by information technology and the global media, *Dromospheric pollution* (of time and space) reduces everything to the 'now'. 'So dromospheric pollution is pollution that attacks the liveliness of *subject* and the mobility of the *object* atrophying the *journey* to the point where it becomes needless' (Virilio, 1997, pp. 33–34). So, do we now require Open Sky Marketing to counter the prevailing order?. Open Sky Marketing is a process of calibrating marketing and consumer research scholarship for the ecological systemic effects of technological change within the Network Society and the consequent development of the incorporeal self (Fırat & Vicdan, 2008). In Virilio's view, hyper-information existence – facilitated by technologies of ubiquity, virtuality, and instantaneity – is not a liberating state of affairs. Everyone having an *iPhone* is not liberating. Instead, such existence entraps people in a 'gray ecology', robbing them of colour, of

the possibility of spatial distancing, of rooted sensory perception – in short, of humanity. Now if Virilio's type of thinking is right (and the evidence either way needs to be gathered and assessed) then the task for Open Sky marketing and consumer research is to reconnect people personally and humanly. McDonagh (2010) has submitted before that to avert 'the human dinosaur effect' there is much work to be undertaken to bring about the survival of the human species, an argument which is much more engagingly communicated by Zizek (2011).

Reactions to the financial crisis provide opportunities for society to finally embrace Ulrich Beck's ecological enlightenment as a means to this end. History, however, militates against much success in this regard. The present emphasis has instead turned a focus to frugality and paying off debts to enable markets and banks to continue to function, under 'a business as normal mentality'. Opportunities to consider a radical systemic re-design of the DSP still exist. Nonetheless, work on Transformative Consumer Research and calls for Sustainable Consumption & Production amplify the ecological voice as never before within the consumer research community (McDonagh et al., 2011). Furthermore recent work by Arvidsson (2008) on the social impact of co-production is important in this regard in terms of how we discuss value. It would seem the task is to better triangulate the need across consumers, brand communities, business and financial systems to delay the demise of the human species. In this respect maybe consumer research needs to build a bridge to the corporate side for a series of emergency sidebar meetings which even involve invites to global governmental leaders. While we recognize that such events are occurring they are unfortunately still playing second fiddle to the prevailing order as the way forward. Thus the prevailing order is continuing unabated, and has seemingly appropriated the green discourse as part of the status quo.

Conclusions

If we are to consider sustainability in the context of business and marketing in the future then we argue for a radical humanist approach. At present while a radical humanist analysis of the DSP is available the proposed solutions are not as radical. If balance in society is to replace excess this will not be achieved by tweaking the system. Ultimately we must recognize that the system is the problem. Humanistic marketing, from a sustainability perspective, thus requires a re-thinking of what marketing is, and what it does; and, of course, this must be framed within a wider context of what business is and does. Many of the chapters in

this book provide examples of how humanistic marketing can improve quality of life and well-being for all. We hope that humanistic marketing embraces the radical more swiftly than its predecessors.

References

Arvidsson, A. (2008) Ethical Economy of Customer Coproduction. *Journal of Macromarketing, 28*(4), 326–338.

Beck, U. (1995) *Ecological Enlightenment: Essays on the Politics of Risk Society*. Translated by Mark A. Ritter. Atlantic Heights, NJ: Humanities Press International.

Belk, R. W. (1985) Materialism: Trait Aspects of Living in the Material World. *Journal of Consumer Research*, *12*(December), 265–280.

Berger, P. L., & Luckmann, T. (1966) *The Social Construction of Reality*. Garden City, NY: Doubleday & Company.

Bredemeier, H. C., & Toby, J. (1960) *Social Problems in America: Costs and Casualties in an Acquisitive Society*. New York, NY: Wiley.

Castells, M. Preface to the 2010 (2nd Edition) – *The Rise of the Network Society: Information Age: Economy, Society, and Culture v. 1* (Information Age Series): The Information Age: Economy, Society, and Culture, Chichester: Wiley –Blackwell.

Cotgrove, S. (1982) *Catastrophe or Cornucopia: The Environment, Politics, and the Future*. New York: Wiley.

DiMaggio, P. J., & Powell, W. W. (1991) Introduction. In W. W. Powell, & P. J. DiMaggio (Eds) *The New Institutionalism in Organizationl Analysis*, pp. 1–38. Chicago, IL: University of Chicago Press.

Fırat, A. F., & H. Vicdan (2008) A New World of Literacy, Information Technologies, and the Incorporeal Selves: Implications for Macromarketing Thought. *Journal of Macromarketing*, *28*(4), 381–396.

Giddens, A. (1986) *The Constitution of Society : Outline of the Theory of Structuration*. Berkeley, CA: University of California Press.

Holt, D. B. (1997) Poststructuralist Lifestyle Analysis: Conceptualizing the Social Patterning of Consumption in Postmodernity. *Journal of Consumer Research*, *23* (March), 326–350.

Kilbourne, W. E. (2004) Globalization and Development: An Expanded Macromarketing View. *Journal of Macromarketing*, *24*(December), 122–135.

Kilbourne, W. E., McDonagh, P., & Prothero, A. (1997) Sustainable Consumption and Quality of Life: A Macromarketing Challenge to the Dominant Social Paradigm. *Journal of Macromarketing*, *17*(1), 4–24.

Kilbourne, W. E., Beckmann, S. C., & Thelen, E. (2002) The Role of the Dominant Social Paradigm in Environmental Attitudes: A Multi-National Examination. *Journal of Business Research*, *55*(3), 193–204.

Kilbourne, W. E., Dorsch, M. J., McDonagh, P., Urien, B., Prothero, A., Grunhagen, M., Polonsky, M. J., Marshall, D. W., Foley, J., & Bradshaw, A. (2009) The Institutional Foundations of Materialism in Western Societies: A Conceptualization and Empirical Test. *Journal of Macromarketing*, *29*(3), 259–278.

McDonagh, P. (1998) Towards a Theory of Sustainable Communication in Risk Society: An Empirical Analysis Relating Issues of Sustainability to Marketing Communications. *Journal of Marketing Management*, *14*: 591–622.

McDonagh, P. (2010) Open Sky Marketing. In A. Bradshaw, C. Hackley, & P. MacLaran (Eds) *The 2010 European Conference of the Association for Consumer Research: Royal Holloway, University of London, Egham, UK.*

McDonagh, P., Dobscha, S. & Prothero, A. (2011) Sustainable Consumption and Production: Challenges for Transformative Consumer Research. In *Transformative Consumer Research for Personal And Collective Well Being: Reviews and Frontiers*, Eds by David Mick, Simone Pettigrew, Connie Pechmann, & Julie Ozanne, Chapter 13, pp. 267–281. Florida: Taylor & Francis Publishing.

Micken, K. S., & Roberts, S. D. (1999) *Desperately Seeking Certainty: Narrowing the Materialism Construct: Association for Consumer Research*, Vol. 26, Ed. by E. Arnould & L. Scott, ACR, pp. 513–518.

Milbrath, L. (1984) *Environmentalists: Vanguards for a New Society*. Albany, NY: University of New York Press.

Pirages, D. C., & Ehrlich, P. R. (1974) *Ark ii: Social Response to Environmental Imperatives*. San Francisco: Freeman.

Prothero A., Dobscha, S., Freund, J., Kilbourne, W. E., Luchs, M. G., Ozanne, L. K., & Thøgersen, J. (2011) Sustainable Consumption: Opportunities for Consumer Research and Public Policy. *Journal of Public Policy and Marketing*, *30*(1), 31–38.

Prothero, A., & Fitchett, J. (2000) Greening the Commodity Form. *Journal of Macromarketing*, *20*(1), 46–55.

Richins, M. L. (2004) The Material Values Scale: Measurement Properties and Development of a Short Form. *Journal of Consumer Research*, *31*(1), 209–219.

Richins, M. L., & Dawson, S. (1992) A Consumer Values Orientation for Materialism and Its Measurement: Scale Development and Validation. *Journal of Consumer Research*, *19*(December), 303–316.

Rindfleisch, A., & Burroughs, J. E. (2004) Terrifying Thoughts, Terrible Materialism? Contemplations on a Terror Management Account of Materialism and Consumer Behavior. *Journal of Consumer Psychology*, *14*(3), 219–224.

Rindfleisch, A., Burroughs, J. E., & Denton, F. (1997) Family Structure, Materialism, and Compulsive Consumption. *Journal of Consumer Research*, *23*(March), 312–325.

Rudmin, F. W., & Kilbourne, W. E. (1996) The Meaning and Morality of Voluntary Simplicity: History and Hypotheses on Deliberately Denied Materialism. In R. Belk, N. Dholakia, & A. Venkatesh (Eds) *Consumption & Marketing: Macro Dimensions*, pp. 166–215. Cincinnati, OH: South-Western College Publishing.

Schouten, J. W., & McAlexander, J. H. (1995) Subcultures of Consumption: An Ethnography of the New Bikers. *Journal of Consumer Research*, *22*(June), 43–61.

Scott, R. W. (2001) *Institutions and Organizations*. Thousand Oaks, CA: Sage Publications.

Virilio, P. (1997) *Open Sky*. Translated by Julie Rose, London and New York: Verso/New Left Books.

Zizek, S. (2011) *Living in the End Times*. London and New York Verso/New Left Books.

Zwick, D., & N. Dholakia (2008) Infotransformation of Markets. *Journal of Macromarketing*, *28*(4), 318–325.

3
What Is Critical Marketing Studies? Reading Macro, Social, and Critical Marketing Studies

Mark Tadajewski

Introduction

Recently, a variety of research approaches have come together under the banner of Critical Marketing Studies. The purpose of this chapter is to briefly review this orientation, differentiating it from mainstream macromarketing and social marketing. Schematically, we can say that macromarketing and social marketing are evangelical about the further extension of markets, marketing theories and concepts to ever wider spheres of the social world (Böhm & Brei, 2008; Moor, 2011). Out of the two, macromarketing is closest in orientation to Critical Marketing. Social marketing is more questionable and I offer a cautionary evaluation of 'critical social marketing'.

A potted history of critical marketing studies

Critical Marketing Studies is 'concerned with challenging marketing concepts, ideas and ways of reflection that present themselves as ideologically neutral or that otherwise have assumed a taken-for-granted status' (Tadajewski, 2011, p. 83). Under this umbrella, a number of perspectives are generally listed including Critical Theory, humanism, poststructuralism, postcolonialism and numerous others (Ellis et al., 2011; 2009; Jafari, forthcoming; Maclaran et al., 2009; Shankar, 2009; Tadajewski, 2010a, 2010b; Maclaran, 2009a, 2009b, 2009c, 2009d; Varman & Saha, 2009; Varman et al., 2011). While there has always been a macro-edge to marketing scholarship which sought to improve the distributive justice of exchanges (Jones and Monieson, 1990), the more radically oriented

critical[1] perspectives initially emerged in the 1930s, decreasing slightly during the post-World War II boom period (1950–1960), again asserting themselves in the turbulent 1960s and beyond (Tadajewski, 2010a).

The 1960 and 1970s were, in particular, a period of critical reflection (Bradshaw & Dholakia, 2012). There was discomfort that marketing activities helped support the 'military-industrial-complex' and the extension of materialistic values to ever larger numbers of people (Arnold & Fisher, 1996; Kassarjian & Goodstein, 2009). This encouraged scholars and critical observers to attempt to rethink marketing's relationship with society. For the 'apologists', marketing should continue as normal (Arnold and Fisher, 1996). It served a valuable function in terms of resource provision, improvements to Gross Domestic Product and quality-of-life. For social marketers, marketing theory and practice could be leveraged to serve non-business interests (Arnold & Fisher, 1996). Finally, the 'reconstructionists' wanted to re-orientate marketing at the philosophical level, remoulding the discipline along humanist lines by making it serve 'mankind' rather than a particular sub-set of society (Monieson, 1988; Spratlen, 1972). On this reading, the marketing system should benefit all, not just the very few (Dawson, 1980).

Humanism has inflected macromarketing (Nason & White, 1981) and Critical Marketing (Benton, 1985; Dawson, 1969; Spratlen, 1972). Its incorporation is heavily indebted to Erich Fromm, an associate of the Frankfurt School group of Critical Theorists (Fromm, 1942/2001, 1956/2002) and his work continues to inform studies that explore how marketing promotes possessive individualism over more communal, non-instrumental human relationships (Shankar & Fitchett, 2002). Lest this seem pessimistically inclined regarding the expansion of a market-logic to all aspects of social life, it should be appreciated that Fromm (1956/2002) did offer an optimistic vision of production-consumption relations that included reference to communal solidarity.

Unfortunately, a movement away from the possessive individualism associated with an 'ideology of consumption' towards less market-mediated ways of forging and sustaining social relationships has been slow to occur (Kilbourne et al., 1997; McEachern et al., 2010; Moraes et al., 2012; Varey, 2010). Similarly, the 'reconstructionist' and humanist call for axiological change has continued to be overshadowed by the managerial 'business as usual' approach still central to the discipline today (Arnold & Fisher, 1996; Söderbaum & Brown, 2010).

Put simply, then, Critical Marketing is interested in questioning Capitalist values, especially the profit-motive and individualistic conception of 'consumer' behaviour emplaced by neoclassical economics and

extended by neoliberalism. These assumptions permeate our conceptions of marketing theory and practice which have a structuring effect on corporate and individual behaviour that can downplay issues of ethics (Benton, 2011; Fromm, 1956/2002; Söderbaum & Brown, 2010). Now, more than ever, scrutiny of these values is important given their system-wide ramifications. After all, as Habermas (2009) reminds us, economic theory has infused the way prominent actors (e.g. International Monetary Fund, World Bank) view social life. For practitioners, the market, as reflected in share-price values, inflects major business decisions (e.g. Willmott, 2010).

While it is central to most business practice, the pursuit of profit can lead to very negative consequences for wider society, as the recent banking crisis attests (Ruzich & Grant, 2009). Critical Marketing is not, however, totally dismissive of the beneficial impact of marketing on society. But it prefers to ask questions about why problematic aspects have taken centre stage, while other more socially beneficial approaches and ways-of-life have been side-lined. In other words, there is an interest in asking questions about the managerialist orientation of the discipline and the limitations this imposes (Brennan et al., 2010; Brownlie, 2006). From this it is possible to mount a challenge to the status quo, so that the discipline is not a 'controlling science' (Heede, 1985), only a support to corporate actors by enabling them to more 'successfully' sell whatever product and service offerings they produce or distribute. The counter-point to this emphasis views marketing as a 'liberating science' (Heede, 1985), challenging the Capitalist system through systematic critique, highlighting where certain interests, perspectives and values are being served and others denied (Horkheimer & Adorno, 2002).

This approach led to critiques of key concepts like the marketing concept (Benton, 1987; Brownlie & Saren, 1992), consumer sovereignty (Smith, 1987) and the category of the 'consumer' (Bradshaw & Dholakia, 2012; Dobscha & Ozanne, 2008). Simplifying these debates we can say that critically minded observers argued that the marketplace was characterized by power relations. Far from producers listening and acting upon consumer requirements, producers and retailers structure the marketplace in ways that suit their interests, sometimes breaking the law in doing so (Ashton & Pressey, 2011; Dickinson, 2003; Palmer, 2001; Tadajewski, 2010c); all of which means that traditional representations of marketing theory and practice present one-dimensional accounts of consumer versus producer power (Arndt, 1985; Benton, 1987; Dickinson, 2003). These issues have been explored by scholars associated with radical perspectives in marketing (Fırat et al., 1987) and subsequently

by those aligned with 'critical macromarketing' (e.g. Kilbourne, 2004; Kilbourne et al., 1997).

The radical group emerged in the late 1970s, with scholars such as Fırat, Dholakia, Venkatesh and others illuminating how consumption patterns are shaped at the macro-level by powerful actors, important institutions, suburban living arrangements and transportation links (e.g. Atik & Fırat, forthcoming; Fırat & Dholakia, 1977, 1982). The point of these analyzes was to underscore the fact that the consumer was not as free to act as marketing theory and practice often assumed; consumption patterns were delimited and choice was constrained (see also Dröge et al., 1993). This was not a widely accepted view then or now (Bradshaw & Dholakia, 2012). Another more prominent strand of macromarketing examines the nature of marketing systems in an effort to explain and predict how these systems operate, in order to offer normative guidance to relevant stakeholders (Hunt, 1976; Layton & Grossbart, 2006). This variant of macromarketing does not share the overall axiology of Critical Marketing. The next section briefly explores this literature.

Macromarketing

Marketing scholarship has long had an interest in exploring how marketing systems influence society and how society, in turn, enables or restricts marketing activities (Shapiro, 2006). This can be traced to the early 20th century (Jones, 2012). For our purposes, Nason (2011) summarizes the values underpinning mainstream macromarketing well when he argues that it is 'a vibrant multifaceted exploration into many of the important issues facing the wellbeing of societies and the world from the *vantage point of markets and marketing*; the *widely accepted* yet imperfect and imperfectly understood organizing economic structure of society' (Nason, 2011, p. 266; emphases added). The idea that markets and marketing are the place from which we should try to understand the world is consistent with a fairly conservative interpretation of the function of markets in society, inasmuch as market-defined criteria become *prominent* arbiters of societal well-being.

A Critical approach, by contrast, does not accept the use of markets and marketing as a non-contested starting point – the filter through which we peer. This assumption is one that should be continually re-examined to determine its usefulness in the present (cf. Shapiro & Shultz, 2009). Böhm and Brei (2008), for example, take a Critical approach to contest the issue of economic 'development', in their case the way the discourse of development is mobilized by a group of actors – paper and

pulp producers most notably – who claim their industrial practices will benefit a range of stakeholders, such as farmers and people living in South America.

The search for profit by these multinational companies has led to pollution which affects the local wild-, river- and sea-life, as well as popular visitor attractions. It has wider implications in the sense that a very particular form of development is being promoted by large companies that seek to underscore the economic value of their activities, linking these rhetorically to sustainable environmental practices without signalling the actual impact they have on the natural environment and human health (i.e. the trees these companies encourage farmers to plant are very resource heavy, requiring substantial quantities of water each day. This affects the water available for other plants and animal life, effectively making the 'sustainable' development deeply destructive in the medium- to long-term if they cannot source water from elsewhere).

What Böhm and Brei's account provides is a challenge to the status quo that largely prevails in the macromarketing literature, revealing how certain concepts – 'development' – are influenced by powerful groups which affect our understanding of any given situation and consequently our ability to act (Honneth, 2000). By challenging and rethinking the concepts we mobilize, we can thereby legitimate alternative courses of action that help stimulate people to believe that social change is possible (see Agger, 1977a, 1977b; Bradshaw & Dholakia, 2012; Cameron & Gibson-Graham, 2003; Fromm, 1998; Gibson-Graham, 2003, 2008; Varey, 2010).

To be clear, then, macromarketing does deal with conflict in relation to the structuring of markets, marketing and exchange relations (e.g. Joy & Ross, 1989; Shapiro & Shultz, 2009; Shultz et al., 2005), but the preference is for non-governmental responses to problems in these arenas (Mittelstaedt et al., 2006). Critical Marketing, on the other hand, is concerned that the profit motive can lead to highly irresponsible actions that will not be corrected by the companies involved or necessarily by governmental actors in the absence of some means of public accountability.

Attention will now be turned to 'critical social marketing'.

'Critical Social Marketing'

Social marketing tries to encourage people to adopt more socially beneficial activities. It has garnered a great deal of attention, sometimes for valid reasons (Lane, 1997). Firstly, it provides a useful counterpoint to

criticisms that marketing has a negative impact on society. Secondly, it claims to critically scrutinize marketing activities, stressing its desire to inform policy-making and the legislative process (Gordon, 2011; Gordon et al., 2010). Thirdly, it has risen in popularity due to changes in social welfare provision, in which governments have incentivized private actors to perform public services (Moor, 2011). These ways of viewing governmental responsibilities have been further diffused as a result of structural adjustment programmes in 'developing' countries (Pfeiffer, 2004).

As we might expect, social marketing has not escaped criticism. Arguably it is an 'antidote' product (Rojek, 2004) or 'countermarketing' effort (Szmigin et al., 2011) to the success of 'normal' marketing activities that have encouraged people to consume products and services that can be bad for their health. Linked to this are the issues of paternalism and manipulation (Buchanan et al., 1994; Moor, 2011; Musham & Trettin, 2002; Szmigin et al., 2011). Paternalism in that social marketing aims to change the behaviour of people acting in ways deemed problematic by a variety of interest groups; but not necessarily considered as such by the people targeted for intervention themselves. This raises the spectre of manipulation, especially if the 'consumer' is someone at whom social marketing endeavours are targeted, rather than someone extensively consulted during the development of a programme. Despite the theoretical rationale for focusing on the needs of those being targeted for behavioural modification, this has been ignored during the implementation of social marketing strategies in India (Dholakia, 1984), Bangladesh (Luthra, 1991), Mozambique (Pfeiffer, 2004), and Egypt (Lane, 1997).

Ignoring the person likely to be affected by a behavioural change programme raises the question of who is actually making a decision about what behaviours to study and which to change. This speaks to Critical Marketing's focus on power relations (Luthra, 1991). This is an issue as social marketing has attracted substantial funding from major US governmental initiatives, philanthropic foundations and prominent non-governmental actors. This has had implications for the topics that are studied, the evaluation mechanisms used and the way the findings are disseminated or ignored (Murray & Ozanne, 1991; Musham & Trettin, 2002). It is likely to make such undertakings more conservative in orientation (O'Shaughnessy, 1996). As Lane reveals in her study of various social marketing campaigns in Egypt:

> The revolution in televised health education could not have been possible without massive donor aid, which Egypt has received largely

from USAID. Additional assistance has come from agencies like UNICEF, the International Development Research Centre, Canada, and the Ford Foundation. Messages produced with external support inevitably reflect the agenda of the donor agencies, perhaps sometimes more than they reflect the health concerns of average Egyptians. Egyptian government agencies must approve the content of all [television] spots aired and have the power to prevent a particular spot from being shown. Although it is hard to know how much influence donor agencies have in shaping the health messages expressed by government officials and Egyptian health professionals, it is probably significant. (Lane, 1997, pp. 167–168; see also Dholakia & Dholakia, 2001, p. 493; Luthra, 1991, pp. 162, 171, 173)

What is useful about the 'critical social marketing' literature is that it has empirically documented what many thought was happening, namely that marketers try to target young consumers with their communications irrespective of the legislative controls enacted to prevent this. What I would question though is whether the claims of 'critical social marketing' are totally consistent with their practice.

Now, social marketers are aware that Critical Marketing is a constellation of paradigms (Gordon, 2011; Gordon et al., 2010). And they *tentatively* associate their work with Critical Theory in the following way: 'Critical social marketing research could therefore be defined as *the study of the impact of commercial marketing on society using a critical theory based approach, to generate understanding, contribute to the evidence base, and to inform upstream social marketing, and policy and regulation*' (Gordon et al., 2010, p. 266; emphasis in original). Given the citation strategies involved in the 'critical social marketing' literature, the incorporation of Critical Theory would seem to be derived from Burton (2000) and Murray and Ozanne (1991). This is to be expected. These are widely cited studies. The difference between the Critical Marketing accounts above and 'critical social marketing' is that the latter only adopts an element of the research approach outlined by Burton (2000, p. 726), Murray and Ozanne (1991, pp. 136–138) or Goldberg (1995, pp. 364–366).

Critical Marketing contributions stress the need to situate the practice to be critiqued in its historical context; 'critical social marketing' is largely context-free. This is not, clearly, only an issue for social marketing, it is equally applicable to interpretive consumer research (Askegaard & Linnet, 2011). Put differently, 'critical social marketing' engages in the 'interpretive step' of critical research in that it tries to make sense of how marketers understand their role in, as a case in point, encouraging

alcohol consumption; and it explores young people's drinking habits via focus groups and interviews (e.g. Gordon, 2011; Gordon et al., 2010). But this is where such research tends to stop.

'Critical social marketing' has not – to my knowledge – attempted to historically situate the behaviours they explore; there is little attention to the structural factors that encourage people to drink more alcohol than they should to remain within healthy guidelines (cf. Goldberg, 1995) There are various class-based, work-based, gender-related factors that influence drinking that need to be registered (Griffin et al., 2009; Hackley et al., forthcoming). And while government policy might lament excess alcohol consumption, its limited response has been to engage in a strategy of 'responsibilization' (Moor, 2011; Shamir, 2008). There has been a focus on encouraging the individual to monitor their drinking behaviour whilst failing to address institutional factors that are predicated on high levels of alcohol consumption, including the financial needs of the night-time economy (Griffin et al., 2009; Szmigin et al., 2011). Neglecting these is a mistake, since it places too much emphasis on individual agency without connecting micro-level behaviour with the full range of meso- and macro-level factors that reaffirm certain practices (Cherrier & Murray, 2004; Murray & Ozanne, 1991).

The interpretive element that we see in 'critical social marketing' thus needs to be supplemented with a dialectical movement, with all relevant stakeholders made aware of the divergence between the way they conceptualize alcohol consumption patterns – their intersubjective attributions of the behaviour as individualistic (Goldberg, 1995; Moor, 2011), driven by free choice – and the 'social conditions' that curtail freedom of action and praxis (Murray & Ozanne, 1991).

Conclusion

Critical Marketing Studies encourages us to be wary of the assumptions undergirding elements of macromarketing and social marketing discourse, asking questions about whose interests are being served by marketing theory, thought, practice and education (Benton, 1987; Bradshaw & Tadajewski, 2011; Varman et al., 2011). This should not be interpreted as a call for intellectual silos or remaining within the ivory tower of the university. Nor is it a call for intellectual and practice-based consensus. Nevertheless, if scholars can put aside their egos and paradigm associations (Grass & Bourdieu, 2002; Shapiro & Shultz, 2009) and start to work across thought communities, combining these

endeavours with practitioners, public-policy makers and activist groups, they can forge solutions to the pressing problems facing the world (Shultz, 2007; Tadajewski, 2010b). Evidence suggests that a continued neoliberal expansion of markets is not necessarily the solution to our woes (Bradshaw & Dholakia, 2012; Harvey, 2007; Jafari, this volume; Kilbourne, 2004; Varman et al., forthcoming). New ways are needed, ways that do not entail the dominance of market logic over humanity and the other members of the ecosystem.

Note

1. This type of periodisation scheme is always subject to contestation and refinement. There were earlier critical figures questioning the economic and distributive system (e.g. Marx). My attention here is on periods when there was a discernible critical mass of writers all focusing on particular issues (see Tadajewski and Brownlie, 2008; Tadajewski and Maclaran, 2009d).

References

Agger, B. (1977a) 'Dialectical Sensibility I: Critical Theory and Scientism and Empiricism', *Canadian Journal of Political and Social Theory* 1(1): 1–30.

Agger, B. (1977b) 'Dialectical Sensibility II: Towards a New Intellectuality', *Canadian Journal of Political and Social Theory* 1(2): 47–57.

Arndt, J. (1985) 'On Making Marketing More Scientific: The Role of Orientations, Metaphors and Problem Solving', *Journal of Marketing* 49(3): 11–23.

Arnold, M.J. and Fisher, J.E. (1996) 'Counterculture, Criticisms and Crisis: Assessing the Effect of the Sixties on Marketing Thought', *Journal of Macromarketing* 16: 118–133.

Ashton, J.K. and Pressey, A.D. (2011) 'The Regulatory Challenge to Branding: An Interpretation of UK Competition Authority Investigations 1950–2007)', *Journal of Marketing Management* 27(9–10): 1027–1058.

Askegaard, S. and Linet, J.T. (2011) 'Towards an Epistemology of Consumer Culture Theory: Phenomenology and the Context of Context', *Marketing Theory* 11(4): 381–404.

Atik, D. and Fırat, A.F. (forthcoming) 'Fashion Creation and Diffusion: The Institution of Marketing', *Journal of Marketing Management*.

Benton, R. (1985) 'Alternative Approaches to Consumer Behavior', in N. Dholakia and J. Arndt (eds.) *Changing the Course of Marketing: Alternative Paradigms for Widening Marketing Theory*, pp. 197–218, Greenwich: JAI Press.

Benton, R. Jr. (1987) 'The Practical Domain of Marketing: The Notion of a 'Free' Enterprise Market Economy as a Guise for Institutionalized Marketing Power', *American Journal of Economics and Sociology* 46(4): 415–430.

Benton, R. Jr. (2011) 'Roundtable on Macromarketing and Politics'. Available at: http://macromarketing.org/?tag=raymond-benton-jr. Accessed 20/02/2012.

Böhm, S. and Brei, V. (2008) 'Marketing and the Hegemony of Development: Of Pulp Fictions and Green Deserts', *Marketing Theory* 8(4): 339–366.

Bradshaw, A. and Dholakia, N. (2012) 'Outsider's Insights: (Mis)Understanding A. Fuat Fırat on Consumption, Markets and Culture', *Consumption, Markets & Culture* 15(1): 117–131.

Bradshaw, A. and Tadajewski, M. (2011) 'Macromarketing Roundtable Commentary: The Export of Marketing Education', *Journal of Macromarketing* 31(3): 312–321.

Brennan, R., Eagle, L., Ellis, N., and Higgins, M. (2010) 'Of a Complex Sensitivity in Marketing Ethics Education', *Journal of Marketing Management* 26(13–14): 1165–1180.

Brownlie, D. (2006) 'Emancipation, Epiphany and Resistance: On the Underimagined and Overdetermined in Critical Marketing', *Journal of Marketing Management* 22: 505–528.

Brownlie, D. and Saren, M. (1992) 'The Four Ps of the Marketing Concept: Prescriptive, Polemical, Permanent and Problematical', *European Journal of Marketing* 26(4): 34–47.

Buchanan, D.R., Reddy, S. and Hossain, Z. (1994) 'Social Marketing: A Critical Appraisal', *Health Promotion International* 9(1): 49–57.

Burton, D. (2000) 'Critical Marketing Theory: The Blueprint', *European Journal of Marketing* 35(5/6): 722–743.

Cameron, J. and Gibson-Graham, J.K. (2003) 'Feminising the Economy: Metaphors, Strategies, Politics', *Gender, Place and Culture* 10(2): 145–157.

Cherrier, H. and Murray, J.B. (2004) 'The Sociology of Consumption: The Hidden Facet of Marketing', *Journal of Marketing Management* 20(5–6): 509–525.

Dawson, L.M. (1969) 'The Human Concept: New Philosophy for Business', *Business Horizons* 12(December): 29–38.

Dawson, L.M. (1980) 'Marketing for Human Needs in a Humane Future', *Business Horizons* 23(June): 72–82.

Dholakia, R.R. (1984) 'A Macromarketing Perspective on Social Marketing: The Case of Family Planning in India', *Journal of Macromarketing* 4(Spring): 53–61.

Dholakia, R.R. and Dholakia, N. (2001) 'Social Marketing and Development', in P.N. Bloom and G.T. Gundlach (eds.) *Handbook of Marketing and Society*, pp. 486–505. Thousand Oaks: Sage.

Dickinson, R. (2003) 'The Robinson-Patman Act: An Important Conundrum', *Journal of Macromarketing* 23(1): 31–41.

Dobscha, S. and Ozanne, J.L. (2008) 'An Ecofeminist Analysis of Environmentally Sensitive Women Using Qualitative Methodology: The Emancipatory Potential of an Ecological Life', in M. Tadajewski and D. Brownlie (eds.) *Critical Marketing: Issues in Contemporary Marketing*, pp. 271–300. Chichester: Wiley.

Dröge, C., Calantone, R., Agrawal, M., and MacKoy, R. (1993) 'The Consumption Culture and Its Critique: A Framework for Analysis', *Journal of Macromarketing* 13(Fall): 32–45.

Ellis, N., Fitchett, J., Higgins, M., Jack, G., Saren, M. and Tadajewski, M. (2011) *Marketing: A Critical Textbook*. London: Sage.

Fırat, A.F. and Dholakia, N. (1977) 'Consumption Patterns and Macromarketing: A Radical Perspective', *European Journal of Marketing* 11(4): 291–298.

Fırat, A.F. and Dholakia, N. (1982) 'Consumption Choices at the Macro Level', *Journal of Macromarketing* 2: 6–15.

Fırat, A.F., Dholakia, N., and Bagozzi, R.P. (eds.) (1987) *Philosophical and Radical Thought in Marketing*. Lexington: Lexington Books.

Fromm, E. (1942/2001) *The Fear of Freedom*. London: Routledge.

Fromm, E. (1956/2002) *The Sane Society*. London: Routledge.

Fromm, E. (1962/2006) *Beyond the Chains of Illusion: My Encounter with Marx and Freud*. London: Continuum.

Fromm, E. (1998) *On Being Human*. London: Continuum.

Gibson-Graham, J.K. (2003) 'An Ethics of the Local', *Rethinking Marxism* 15(1): 49–74.

Gibson-Graham, J.K. (2008) 'Diverse Economies: Performance Practices for 'Other Worlds', *Progress in Human Geography* 32(5): 613–632.

Goldberg, M.E. (1995) 'Social Marketing: Are We Fiddling While Rome Burns?', *Journal of Consumer Psychology* 4(4): 347–370.

Gordon, R. (2011) 'Critical Social Marketing: Definition, Application and Domain', *Journal of Social Marketing* 1(2): 82–99.

Gordon, R., Moodie, C., Eadie, D. and Hastings, G. (2010) 'Critical Social Marketing – The Impact of Alcohol Marketing on Youth Drinking: Qualitative Findings', *International Journal of Nonprofit and Voluntary Sector Marketing* 15: 265–275.

Grass, G. and Bourdieu, P. (2002) 'The 'Progressive' Restoration: A Franco-German Dialogue', *New Left Review* 14(March-April): 63–77.

Griffin, C., Bengry-Howell, A., Hackley, C., Mistral, W., and Szmigin, I. (2009) ''Every Time I Do It I Absolutely Annihilate Myself': Loss of (Self-)Consciousness and Loss of Memory in Young People's Drinking Narratives', *Sociology* 43(3): 457–476.

Habermas, J. (2009) 'Life After Bankruptcy: An Interview with Jürgen Habermas', *Constellations* 16(2): 227–234.

Hackley, C. (2009) 'Parallel Universes and Disciplinary Space: The Bifurcation of Managerialism and Social Science in Marketing Studies', *Journal of Marketing Management* 25(7–8): 643–659.

Hackley, C., Bengry-Howell, A., Griffin, C., Mistral, W., Szmigin, I. and Tiwsakul, R. (forthcoming) 'Young Adults and 'Binge' Drinking: A Bakhtinian Analysis', *Journal of Marketing Management*.

Harvey, D. (2007) 'Neoliberalism as Creative Destruction', *The Annals of the American Academy of Political and Social Science* 610: 21–44.

Heede, S. (1985) 'The Conflict between Ideology and Science', in N. Dholakia and J. Arndt (eds.) *Changing the Course of Marketing*, pp. 147–158. Greenwich, CT: JAI Press.

Honneth, A. (2000) 'The Possibility of a Disclosing Critique of Society: The *Dialectic of Enlightenment* in Light of Current Debates in Social Criticism', *Constellations* 7(1): 116–127.

Horkheimer, M. and Adorno, T. (2002) *Dialectic of Enlightenment: Philosophical Fragments*. G.S. Noerr (ed.), E. Jephcott (tr.). Stanford, CA: Stanford University Press.

Hunt, S.D. (1976) 'The Nature and Scope of Marketing', *Journal of Marketing* 40(July): 17–28.

Jafari, A. (forthcoming) 'Islamic Marketing: Insights from a Critical Perspective', *Journal of Islamic Marketing*.

Jafari, A. (this volume) 'Can Society Nurture Humanistic Marketing?'.

Jones, D.G.B. (2012) *Pioneers in Marketing: A Collection of Biographical Essays*. New York: Routledge.

Jones, D.G.B. and Monieson, D.D. (1990) 'Early Development of the Philosophy of Marketing Thought', *Journal of Marketing* 54(January): 102–13.

Joy, A. and Ross, C.A. (1989) 'Marketing and Development in Third World Countries: An Evaluation and Future Directions', *Journal of Macromarketing* 9(Fall): 17–31.

Kassarjian, H.H. and Goodstein, R.C. (2009) 'The Emergence of Consumer Research', in P. Maclaran, M. Saren, B. Stern and M. Tadajewski (eds.) *The SAGE Handbook of Marketing Theory*, pp. 59–73. London: Sage.

Kilbourne, W.E. (2004) 'Globalization and Development: An Expanded Macromarketing View', *Journal of Macromarketing* 24(2): 122–135.

Kilbourne, W.E., McDonagh, P., and Prothero, A. (1997) 'Sustainable Consumption and the Quality of Life: A Macromarketing Challenge to the Dominant Social Paradigm', *Journal of Macromarketing* 17(Spring): 4–24.

Lane, S.D. (1997) 'Television Minidramas: Social Marketing and Evaluation in Egypt', *Medical Anthropology Quarterly* 11(2): 164–182.

Layton, R.A. and Grossbart, S.A. (2006) 'Macromarketing: Past, Present, and Possible Future', *Journal of Macromarketing* 26(2): 193–213.

Luthra, R. (1991) 'Contraceptive Social Marketing in the Third World: A Case of Multiple Transfer', *International Communication Gazette* 47: 159–176.

Maclaran, P., Miller, C., Parsons, E., and Surman, E. (2009) 'Praxis or Performance: Does Critical Marketing have a Gender Blind-Spot', *Journal of Marketing Management* 25(7–8): 713–728.

McEachern, M.G., Warnaby, G., Carrigan, M. and Szmigin, I. (2010) 'Thinking Locally, Acting Locally? Conscious Consumers and Farmers Markets', *Journal of Marketing Management* 26(5–6): 395–412.

Mittelstaedt, J.D., Kilbourne, W.E. and Mittelstaedt, R.A. (2006) 'Macromarketing as Agorology: Macromarketing Theory and the Study of the Agora', *Journal of Macromarketing* 26(2): 131–142.

Monieson, D.D. (1988) 'Intellectualization in Macromarketing: A World Disenchanted?', *Journal of Macromarketing* 8(Fall): 4–10.

Moor, L. (2011) 'Neoliberal Experiments: Social Marketing and the Governance of Populations', in D. Zwick and J. Cayla (eds.) *Inside Marketing: Practices, Ideologies, Devices*, pp. 299–319. Oxford: Oxford University Press.

Moraes, C., Carrigan, M., and Szmigin, I. (2012) 'The Coherence of Inconsistencies: Attitude-Behaviour Gaps and New Consumption Communities', *Journal of Marketing Management* 28(1–2): 103–128.

Murray, J.B. and Ozanne, J.L. (1991) 'The Critical Imagination: Emancipatory Interests in Consumer Research', *Journal of Consumer Research* 18(September): 129–144.

Musham, C. and Trettin, L. (2002) 'Bringing Health Services to the Poor through Social Marketing: Ethical Issues', *Journal of Health Care for the Poor and Underserved* 13(3): 280–287.

Nason, R.W. (2011) 'Institutionalization of Macromarketing', *Journal of Historical Research in Marketing* 3(2): 261–268.

Nason, R.W. and White, P.D. (1981) 'The Visions of Charles C. Slater: Social Consequences of Marketing', Journal of Macromarketing Fall: 4–18.

O'Shaughnessy, N. (1996) 'Social Propaganda and Social Marketing: A Critical Difference?', *European Journal of Marketing* 30(10/11): 54–67.

Palmer, A. (2001) 'Co-operation and Collusion: Making the Distinction in Marketing Relationships', *Journal of Marketing Management* 17: 761–784.

Pfeiffer, J. (2004) 'Condom Social Marketing, Pentecostalism, and Structural Adjustment in Mozambique: A Clash of AIDS Prevention Messages', *Medical Anthropology Quarterly* 18(1): 77–103.

Rojek, C. (2004) 'The Consumerist Syndrome in Contemporary Society: An interview with Zygmunt Bauman', *Journal of Consumer Culture* 4(3): 291–312.

Ruzich, C.M. and Grant, A.J. (2009) 'Predatory Lending and the Devouring of the American Dream', *Journal of American Culture* 32(2): 137–145.

Shamir, R. (2008) 'The Age of Responsibilization: On Market-Embedded Morality', *Economy and Society* 37(1): 1–19.

Shankar, A. (2009) 'Reframing Critical Marketing', *Journal of Marketing Management* 25(7–8): 681–696.

Shankar, A. and Fitchett, J.A. (2002) 'Having, Being and Consumption', *Journal of Marketing Management* 18(5–6): 501–516.

Shapiro, S.J. (2006) 'Macromarketing: Origins, Development, Current Status and Possible Future Direction', *European Business Review* 18(4): 307–321.

Shapiro, S.J. and Shultz, C.J. II (2009) 'Macromarketing, Controversy and Economic Development: Just Before and Now During the Global Meltdown', *European Business Review* 21(4): 313–325.

Shultz, C.J. II (2007) 'The Unquestioned Marketing Life? Let Us Hope Not', *Journal of Macromarketing* 27(3): 224.

Shultz, C.J. II., Burkink, T.J., Grbac, B., and Renko, N. (2005) 'When Policies and Marketing Systems Explode: An Assessment of Food Marketing in the War-Ravaged Balkans and Implications for Recovery, Sustainable Peace, and Prosperity', *Journal of Public Policy & Marketing* 24(1): 24–37.

Smith, N.C. (1987) 'Consumer Boycotts and Consumer Sovereignty', *European Journal of Marketing* 21(5): 7–19.

Söderbaum, P. and Brown, J. (2010) 'Democratizing Economics: Pluralism as a Path Toward Sustainability', *Annals of the New York Academy of Sciences* 1185: 179–195.

Spratlen, T.H. (1972) 'The Challenge of a Humanistic Orientation in Marketing', in N. Kangun (ed.) *Society and Marketing: An Unconventional View*, pp. 403–413. New York: Harper and Row.

Szmigin, I., Bengry-Howell, A,. Griffin, C., Hackley, C., and Mistral, W. (2011) 'Social Marketing, Individual Responsibility and the "Culture of Intoxication"', *European Journal of Marketing* 45(5): 759–779.

Tadajewski, M. (2010a) 'Towards a History of Critical Marketing Studies', *Journal of Marketing Management* 26(9–10): 773–824.

Tadajewski, M. (2010b) 'Critical Marketing Studies: Logical Empiricism, Critical Performativity and Marketing Practice', *Marketing Theory* 10(2): 210–222.

Tadajewski, M. (2010c) 'Reading 'The Marketing Revolution' Through the Prism of the FBI', *Journal of Marketing Management* 26(1–2): 90–107.

Tadajewski, M. (2011) 'Critical Marketing Studies', in M. Tadajewski, P. Maclaran, E. Parsons and M. Parker (eds) *Key Concepts in Critical Management Studies*, pp. 83–87. London: Sage.

Tadajewski, M. and Brownlie, D. (2008) 'Critical Marketing: A Limit Attitude', in M. Tadajewski and D. Brownlie (eds.) *Critical Marketing: Issues in Contemporary Marketing*, pp. 1–29. Chichester: Wiley.

Tadajewski, M. and Maclaran, P. (eds.). (2009a) *Critical Marketing Studies*, Vol. I. London: Sage.

Tadajewski, M. and Maclaran, P. (eds.) (2009b) *Critical Marketing Studies*, Vol. II. London: Sage.

Tadajewski, M. and Maclaran, P. (eds.) (2009c) *Critical Marketing Studies*, Vol. III. London: Sage.

Tadajewski, M. and Maclaran, P. (2009d) 'Critical Marketing Studies: Introduction and Overview', in M. Tadajewski and P. Maclaran (eds.) *Critical Marketing Studies*, Vol. I, pp. xvii–xlvii. London: Sage.

Varey, R.J. (2010) 'Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change', *Journal of Macromarketing* 30(2): 112–126.

Varman, R. and Saha, B. (2009) 'Disciplining the Discipline: Understanding Postcolonial Epistemic Ideology in Marketing', *Journal of Marketing Management* 25(7–8): 811–824.

Varman, R., Saha, B. and Skalen, P. (2011) 'Market Subjectivity and Neoliberal Governmentality in Higher Education', *Journal of Marketing Management* 27(11–12): 1163–1185.

Varman, R., Skalen, P. and Belk, R. (forthcoming) 'Conflicts at the Bottom of the Pyramid: Profitability, Poverty Alleviation, and Neoliberal Governmentality', *Journal of Public Policy & Marketing*.

Willmott, H. (2010) 'Creating 'Value' Beyond the Point of Production, Branding, Financialization and Market Capitalization', *Organization* 17(5): 517–542.

4
Rehumanizing Marketing (and Consumer Behaviour)

Ben Wooliscroft

> ... let us consider the false appearances that are imposed upon us by words, which are framed and applied according to the conceit and capacities of the vulgar sort; and although we think we govern our words, and prescribe it well ... yet certain it is that words, as a Tartar's bow, do shoot back upon the understanding of the wisest, and mightily entangle and pervert the judgment.
>
> Bacon 1605, Book 2, Chapter 14, paragraph 11

Why should we care about the words used in marketing and consumer behaviour? Surely, as modern disciplines, the words and phrases accurately reflect that which we study and that interests us, and our terminology doesn't blind us to important issues or have the potential to upset or alienate people?

The Francis Bacon quotation above reminds us that we must examine the words we use or those same words will alter our understanding of the phenomena that we study, without our awareness. Marketing scholars have considered the discourse of the discipline (e.g. Elliott, 1996) though they have not embraced critical discourse analysis, which 'presupposes a study of the relations between discourse, power, dominance, social inequality and the position of the discourse analyst in such social relationships' (Van Dijk, 1993, p. 283). Discourse analysis has focused on what we say, but not the words we say it with.

As a discipline we are more often concerned with the vernacular and mass media use of the word 'Marketing', generally used, by 'uneducated' members of the population, to mean 'unethical people selling substandard goods at inflated prices' or 'misleading advertising'.

It is widely accepted that language used to describe people impacts on those people and how we treat them (Billig, 2002; Mintz, 1992). Labels

are used to denote in-group and out-group membership – us and them (Brewer; 1979; Brewer, 1999). Much research, outside of business, has considered the impact of labels on people, particularly when dealing with psychological issues (Katz et al., 2000; Everett, 1989), those with serious medical diagnoses (Hildebrand, 2005), or ethnic groups that have been badly treated (Daniels, 2005).

At one extreme of the words used to derogatively denote out-groups are a group of words so unacceptable as to be referred to by their initial, such as the 'n' word. The 'n' word appears to now be acceptable amongst rap and hip hop singers, turning it from an out-group label into an in-group identifier (Brewer, 1979). There are many other, typically slang or vernacular, words used to describe out-groups that are not welcomed, or accepted by the group being described, and that are sometimes colonized by the group being described.

There is no suggestion that the terms used in marketing are as offensive as the initialled words, but in keeping with Bacon's (1605) call above, we should regularly reflect on how the terminology we use impacts on our approach to the study of market phenomena. This chapter considers the key descriptors in marketing and consumer behaviour research and was inspired by the complete lack of 'people' in marketing and consumer textbooks, popular business press, and academic writing.

Why are there no people in marketing?

The use of dehumanizing terminology has distanced business research from people, as there are no people in a marketing textbook, merely consumers or firms. If we start by considering the American Marketing Association (AMA) definition of marketing:

> 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. (Approved October 2007)

This definition of a human phenomenon, exchange between people, has at best only implied reference to the people in it. If we translate the definition, identifying where people appear in the marketing process:

> Marketing is the activity (undertaken by people), set of institutions (made up of people), and processes (that people do) for creating (by people), communicating (through people), delivering (via people) and exchanging (between people) offerings that have value for people

who buy those offerings as end users, people who owned them before the end user, people we work with, and all people...

In repopulating the definition of marketing, marketing has become a study of people and their behaviour centred around exchange and consumption activities. The people have been put back into marketing.

It may be argued that the AMA definition implies people throughout, but a closer examination of the terms used will show that those terms, and the terms used widely in the discipline, influence our understanding of the phenomena under study and are dehumanizing. The descriptors consumer, buyer and firm will be considered in turn before the terms used to describe those researched are discussed.

Marketing's research into consumption has been concerned with first buyer behaviour, then later with consumer behaviour (Sheth et al., 1988, p. 119). Is there any problem with studying buyer or consumer behaviour? By defining our (sub-) discipline as studying buyer or consumer behaviour, we explicitly state what we are interested in, and what we are not interested in. We are interested in buyers and consumers. We are not interested in those who are not buying or consuming. We are also not interested in the experience of our buyers and consumers outside of their role as buyers and consumers – in fact we are interested in a rather narrow range of their activities as consumers and dismiss the rich variety of the human condition. This is paralleled in finance by describing people as investors rather than grandparents, parents, people who want somewhere safe to put their money for a reasonable return. There are very few people, outside of business schools, who introduce themselves as consumers or investors – these parts of our lives are generally not sufficiently important to define us. Yet, that is all that marketing and consumer researchers appear to care about when studying people.

This is amply demonstrated by Wells's (1993) analysis of the research appearing in the premier consumer research journal, the Journal of Consumer Research, which found that overwhelmingly published research concerns itself with consumers' choice between substitutable brands and those parts of the buying process leading up to purchase and post-purchase evaluation. Lawson's (2010) review of consumer research since Wells's (1993) paper finds little broadening of the published consumer research, with the focus remaining on pre-purchase and purchase phases of consumption. Lawson (2010, p. 272) states that 'Findings from experimental work, using student samples on the pre-purchase aspects of decision making dominate what we know about consumer behaviour.' We know remarkably little, and appear to care

very little, about consumption subjects that are important to people – topics such as; how do/should we decide between large expenditures from different product categories, holidays versus cars for example?; what is the impact of deciding to 'consume' a university education, one of the major 'purchases' many will make in their lives?; etc. etc.

Why should that concern us, we are after all researching consumer behaviour, not human behaviour. However, as the label 'consumer' implies, the purpose of the consumer is consumption, not quality of life, education (unless they are consumers of education, formerly known as students), social contact, or love. Or, when these things are considered it is through the framework of a market. The focus on consumers, instead of people's behaviour around consumption, is likely to lead to mistaken beliefs about the centrality of consumption in the lives of those we study.

On the other side of our discipline is firm research. But the 'firm' is a collection of people. Much writing, particularly in textbooks, suggests that firms are rational decision makers, ignoring the underlying fact that firms are made up of people – people who are as fallible as are members of any human group. The recent financial crisis and the collection of dot.com, housing, etc. busts serve as ample evidence of the fallibility of firms' decision-making. The firm is used as an anonymising noun to avoid stating which people in the firm made the decisions, or on whose authority they were made. Responsibility frequently disappears into the 'firm'.

Bakan (2005) makes a damning case against the anonymising study of firms or corporations, instead of recognizing them as collections of people. It is all too easy to consider the firm as if it were independent of the people who work for, own, and/or run the firm. The language used in the media when firms are found to be less than good citizens is reminiscent of those who claimed that they were 'only following orders'.

While people are reduced to consumers or buyers, and firms are represented as being free of people, when we undertake research it appears that every effort is made to insure that no people are involved. The people being researched are variously described as; subjects, informants, or respondents. When those same people respond to our questions we turn what they have said into data. The entire research narrative seems dominated by a de-humanizing agenda, likely driven by science envy. But, the great strength of the social sciences is that they are social, they relate to people and human behaviour. The danger of pursuing a hard science approach in the social sciences is that we end up like the dismal science (Marglin, 2008).

Putting people back into marketing and consumer behaviour

It is easy to see how the words used have delimited the areas that we have paid attention to when studying market phenomena. The same analysis can be extended to: customer relationship management, stakeholders, management and human resources. How can we as a discipline change the language to include people in this study of human behaviour? Alderson (1957) came close when he recognized that people are both producers – as members of firms, and consumers – as members of families; but it was not explicit and his unit of analysis was always larger than the individual.

It is time to start writing, and talking, about people's consumption-related behaviour and the behaviour of people who own, manage, or represent firms. We should put the people back into this most human of phenomena. It will be the first step in reminding ourselves that we are dealing with people and that while the discipline is interested in consumption, consumption assists people's quality of life, it is not the centre of people's lives.

References

Alderson, W. (1957) *Marketing Behavior and Executive Action: A Functionalist Approach to Marketing*. Richard D. Irwin Inc., Homewood, Ill.

Bacon, F. (1605) *Of the Proficience and Advancement of Learning, Divine and Human*. Oxford: Oxford University Press.

Bakan, J. (2005) *The Corporation: The Pathological Pursuit of Profit and Power*. New York: Free Press,.

Billig, M. (2002) Henri Tajfel's 'cognitive aspects of prejudice'and the Psychology of Bigotry. *British Journal of Social Psychology*, *41*(2), 171–188.

Brewer, M. B. (1979) In-group Bias in the Minimal Intergroup Situation: A Cognitive-Motivational Analysis. *Psychological Bulletin, 86*(2), 307–324.

Brewer, M. B. (1999) The Psychology of Prejudice: Ingroup Love or Outgroup Hate? *Journal of Social Issues*, *55*, 429–444.

Daniels, R. (2005) Words Do Matter: A Note on Inappropriate Terminology and the Incarceration of the Japanese Americans. In L. Fiset, & G. Nomura (Eds) *Nikkei in the Pacific Northwest: Japanese Americans and Japanese Canadians in the Twentieth Century*, pp. 183–207. Seattle, WA, USA: University of Washington Press.

Elliott, R. (1996) Discourse Analysis: Exploring Action, Function and Conflict in Social Texts. *Marketing Intelligence & Planning*, *14*(6), 65–68.

Everett, A. (1989) Labeling and Persons with Mental Illness. *Schizophrenia Bulletin*, *15*(4), 511.

Hildebrand, A. (2005) On "vegetative" Human Beings. *Ethics and Medics, 30*(1), 1.

Katz, R., Cacciapaglia, H., & Cabral, K. (2000) Labeling Bias and Attitudes Toward Behavior Modification Revisited* 1. *Journal of Behavior Therapy and Experimental Psychiatry*, *31*(1), 67–72.

Lawson, R. (2010) *Consumer Behavior*, Second edition, London: Sage Publications Ltd, chapter 12, pp. 263–280.

Marglin, S. (2008) *The Dismal Science: How Thinking Like an Economist Undermines Community*. Boston, Massachusetts: Harvard University Press.

Mintz, D. (1992) What's in a Word: The Distancing Function of Language in Medicine. *Journal of Medical Humanities*, *13*(4), 223–233.

Sheth, J. N., Gardner, D. M., & Garrett, D. E. (1988) *Marketing Theory: Evolution and Evaluation*. New York: John Wiley and Sons, Inc.

Van Dijk, T. (1993) Principles of Critical Discourse Analysis. *Discourse & Society*, *4*(2), 249–283.

Wells, W. D. (1993) Discovery-oriented Consumer Research. *Journal of Consumer Research*, *19*(4), 489–504.

5

Wants vs. Needs: On the Philosophical Bases of Humanistic Marketing

Claus Dierksmeier

Introduction

The present demand for *Humanistic Marketing*, as going beyond and synthesizing previous concepts of *integrity marketing* and *sustainability marketing*, may be representative for the current state of management theory at large. Why do scholars aim to distinguish some forms of marketing as 'humanistic' (or, by inclusion, as integrity or sustainability oriented)? Can marketing-as-usual no longer service human interests adequately? For, although conventional marketing clearly fulfils its instrumental function of nudging people toward consumption, doubt has arisen as to its merits. While business tools are ordinarily appreciated in proportion to their (increasing) functionality, marketing-as-usual, instead, appears to lose approval when meeting its professed goals.

Much of the criticism against marketing-as-usual can be charted along the lines of the distinction between *wants* and *needs*. That is to say, the critique is premised on a distinction between two types of business practices: those that cater to needs essentially pertaining to the nature of human life; as opposed to others, which have first to be created artificially, before translating into effective demand. The societal benefits of the former efforts are evident; the same cannot be said for the latter (Tsalikis & Fritzsche, 1989). Subtracting the effects of contrivance, the social utility of satisfying artificially created demands could be *nought* in principle and *negative* in practice – insofar as there are real social and environmental costs to any inauthentic or 'superfluous' production, marketing, and consumption. The question, therefore, is whether these costs are outweighed by benefits one might not miss, had not consumers

been duly conditioned to desire them beforehand. Charges brought against marketing, hence, fall back on the discrimination between natural *needs* and artificially generated *wants*. Marketing products that service real human needs are seen in a positive light; marketing that creates wants beyond this ambit meets, typically, with less approval.

In what follows, we will trace the *historical genesis* of the distinction between needs and wants in order to examine its *systematic validity*. We begin by tracing the concept from antiquity through medieval and into modern philosophy (Sections 2–6). Then, we show how, from the 1800s onward, economics rid itself of this distinction, and what costs this separation entailed (Sections 7–9). Finally, we show how a suitably differentiated understanding of the wants-needs bifurcation could still inspire management theory, in general and humanistic marketing in particular (Section 9).

Why study the history of economic ideas?

The vast majority of economic authors throughout the ages pondered economics so as to find and promote conditions favourable to social welfare, personal well-being, and moral betterment. Philosophers, theologians, and moralists competed in this task by pondering how economic goals and behaviour might best be aligned with the overall concerns of society. The history of economic thought is consequently dominated by a sequence of mutually critical normative theories about human nature and its inherent needs. Over the centuries, differing concepts of human nature developed which prompt us to ask ourselves: How, if at all, can people from different backgrounds agree on metaphysical questions that incorporate the diversity of human life everywhere and while at the same time facilitating concrete advice for policy and practice? Is there an overlapping anthropological consensus, capable of providing actionable guidance? How did it come about?

A look at the history of economic ideas may prove fruitful. Advertising, being as old as commerce itself, has inspired and provoked moralists of all ages to reflection as to its proper assessment. This saves us from the tedious labour of reinventing the very wheels that we aim to turn intellectually in our discourse on humanistic marketing.

Plato and Aristotle

Common to various metaphysical systems from both Antiquity and the Middle Ages, is the effort to identify the value intrinsic to human life

by reflecting on what makes humans special, e.g. by emphasizing how human capabilities differ from those of animals. Plato and Aristotle, for example, found the hallmark of humanity in rationality. Whereas even highly developed animals are subjected to their instincts, the human being alone is able to transcend desires and inclinations through decisions based upon reasoning. This ability even allows humans to suppress their basic drive for survival, defending rationally construed conceptions of the good life, if need be, by martyrdom or suicide. In the power to think and act contrarily to both internal and external stimuli, Plato and Aristotle identified therefore the source for the specific difference of human needs from those of other mammals.

While it makes good sense to them to acknowledge as basic human needs the usual desires for food and drink, shelter and protection, procreation and preservation, people appear to have further needs that are unique and germane to the human form alone. Our needs extend beyond animalistic desires and satisfactions in that we (can) subordinate all of these to self-chosen aims; aims, that is, which we have formed and formulated with the help of symbolic systems that are inaccessible, as far as we know, to any other life form on this planet. To us humans, symbols (representations of cognitive, aesthetic, spiritual realities of an often counterfactual nature) can matter so dearly that we may choose to live (and die) for them. This ancient insight, by the way, throws an interesting light on Maslow's 'pyramid of needs' (Maslow, 1954). According to the still prevalent understanding, said pyramid would require human beings to move from needs of a more basic and material order (such as food) first, through needs of a more social and complex nature (such as acceptance), up to the higher echelons of spiritual needs (such as moral self-actualization). This neat order is not always kept. Martyrs and people who commit conscience-driven suicide prove in the extreme what in more moderate and mundane forms is known to each and every one of us, i.e. that we do not always prioritize food and security before morals. This, agreeably, Maslow eventually realized himself, and he clarified his former position accordingly (Maslow, 1968). In his later writings he adopted a position very much like the one that we find already in 400 BCE in Greek philosophy.

The desire to establish a relative independence from outward influences (*autarchia*) and to live in accord with one's inward orientation sets the human being distinctly apart from the animal kingdom. The foremost human need is thus, in the eyes of many ancient philosophers, to live in accordance with reason. The moral goal of life then becomes to conform one's (perceived) wants to one's (rational) needs. For Plato,

just as well as for Aristotle, leading a life guided by reason meant an existence in pursuit of excellence in aesthetic, theoretical (contemplative), moral, social, and political endeavours. Outwardly and in regard to its material comforts, this entailed a temperate and moderate existence. *Pleonexia* – the quest for (having) ever more, was castigated as a sickness of the mind. An ideal of sound measure, satiable desires, and self-sufficiency ruled their theories, finding the true riches of human life to lie not without but within the human being itself. Although the differences between Plato's intellectualistic theory and Aristotle's predilection for practical wisdom make for overall diverging economic ethics, both thinkers concur that one ought to curtail one's appetites, forgo instant gratification or spontaneous indulgences, and practice a rather frugal life-style, aimed at the pursuit of wisdom and knowledge. Hence the production of wants that may distract humans from the pursuit of their true needs meets with Plato's and Aristotle's stern disapproval (Dierksmeier & Pirson, 2009).

The Stoa

Rational self-mastery, however, was an option only for few individuals; most people, especially the 'barbarians' outside Greek culture, needed outwardly enforced discipline in order to lead a dignified life. This decidedly anti-universal version of self-mastery changed markedly with the Roman promulgators of stoicism. Stoic philosophers promoted a theory of *natural law* that addressed itself to each and every human being. According to the Stoa, universal laws that pre-structure everything in the universe permeate the world. Just as physical occurrences in the outer world are dependent on natural laws, so too are the inner worlds of animals and human beings determined by the laws of their respective natures. To the Stoics, consequently, a life worth living unfolds in harmony with cosmic laws that reflect the laws of nature and (a well-ordered) society.

Reason serves humanity as the ultimate guide in pursuit of said harmony; and the requisite triumph of provident reason over imprudent passions is held out as possible for anyone, man or woman, Roman or foreigner. Therein lies the important *universalism* of Stoic philosophy; it advocates a cosmopolitan humanism, open, at least theoretically, to everyone (Forschner, 1981). A life based upon reasonable insight into natural law is tantamount to a life of proportion and sound measure. It encourages neither excess nor unlimited wants. Just like Plato and Aristotle, the Stoics advocated that our wants be wholly subservient to

our true (rationally conceived) needs. Material indulgences – i.e. any satisfaction of subjective wants in disharmony with the objective needs of human life – were but a thing of the masses. They could and would not reach the higher echelons of human existence, and simply followed their unenlightened wants: a deplorable yet unalterable state of affairs; certainly nothing that the economic ethics of the times would not have endorsed, let alone promoted.

Commerce was valued for its allocative function and the increases in productivity that were made possible thereby. However, inasmuch as tradesmen induced people to deviate from catering to their true needs in order to satiate wants contrived by way of salesmanship, their efforts met with the harsh disapprobation of ancient moral philosophy. Yet to what effect was this rebuke? In order to free one's mind from untoward wants to the extent necessary for rational self-governance, the individual has to overcome the biases and passions of one's surroundings. This requires a thoroughly autonomous process of character-forming based on arduous education. In other words, the cultural preconditions necessary in order to lead a truly Stoic existence are quite demanding. The right life, while principally available to all, is in reality attainable only for those who have access to a formidable schooling and adequate cultural resources (Holloway, 2008).

Herein we grasp a common thread in the Greek and Roman theories: their *conditional* nature. While the Stoics broadened the scope of their theories of rationality to include *principally* everyone, they agreed with Plato and Aristotle in the narrow *factual* application that philosophical reason found in real life. Whereas the right kind of existence was considered as a resident potential within the nature of the human being as such, its actualization was seen as conditioned by contingent circumstances and subjective achievements. This changed with the onset of Christian philosophy that embraced an *unconditional* conception of human nature and its intrinsic dignity.

Medieval conceptions

According to biblical revelation (e.g., Gen 1, 26), every human being is created in the image of God (*imago dei*), and *unconditionally* approved by the creator. Amended by the Church fathers and canonized in the works of Thomas Aquinas, this conception became the bedrock for a conception of human dignity that encompassed every person, regardless of worldly achievements. Human rationality, irrespective of its actual use (other than in the teachings of the Stoa), thus clearly differentiates

humans from animals: humanity assumes an elevated status in the order of creation, on account of shared commonalities with God (Duffy & Gambatese, 1999). While scholastic authors affirmed Greek and Roman conceptions of human rationality and its capacity to help individuals lead a life beyond reproach, they differed from their predecessors in that this capacity was now expressly bestowed upon *all* human beings.

As a consequence, medieval philosophers developed the view that those who lacked proper rational guidance were bereft of dignity but, on the contrary, that they must be given adequate assistance in order to attain a life worthy of their nature. A life of temperance and moderation was consequently no longer the privilege of the well-educated few, but became the normative ideal for all. Even and especially the masses were to be led to the abnegation of unworthy desires so that they could better direct their existence towards spiritual goals. Likewise, all mundane goods and concerns, e.g. all commercial pursuits, were to service this spiritually-oriented conception of human nature. As before, human wants were made subservient to human needs, albeit that now these needs also comprised a quest for spiritual salvation. Insofar as trade helped people pursue a life directed towards spiritual fulfilment, it was commended; turning peoples' hearts away from spiritual to rather material goals, however, was condemned. Salesmanship in service to the satiation of given human needs met with approval, whereas endeavours in the creation of additional wants, was marked as sinful.

The significant gain of the Christian position in terms of universality was a consequence of its theological premises. Whereas preceding positions derived their notions about the uniqueness of human nature from comparison with the (observable) features of animals, the Christian conception is based upon a comparison of man with the (invisible) Creator. The Christian approach describes human nature and its needs as derivative of God's nature, and thus, as dependent on premises that one may or may not share. This, however, was soon seen as problematic by modern philosophers.

Modern positions

An attempt to arrive at a more self-standing theory of human nature was advanced by the Renaissance thinker Giovanni Pico della Mirandola. In his famous *Oratio de hominis dignitate* he defended the dignity of the human being neither through comparison with animal life, nor with God. Instead he looked to attributes germane to human life itself (Trinkaus, 1999). For Pico, the very feature that defined the nature of

mankind lies in the fundamental self-definition of every human existence. Each human being is, willingly or not, its own former and maker (*plastes et fictor*). Human beings must define individually who they aim to be.

Yet, if such radical freedom defines the *conditio humana*, what does that imply for the distinction between wants and needs? Can our free choice perhaps elevate subjective wants to an axiological status hitherto reserved for objective needs alone? Can we simply pick and choose what human needs are on a case-by-case basis? Are then marketers, by creating new wants, in truth benefactors of human diversity, enhancing the realm of choice, multiplying options, and thus fostering freedom? This, we shall see later when considering postmodern authors, might indeed be a possible interpretation of the premise of radical freedom. Then again, when all human beings are endowed with dignity based upon freedom, without regard for its use for better or worse, does that not unduly restrict our intuitive judgment on persons of higher and lesser moral standing respectively? Does an endorsement of freedom as the root of human nature commit us really to value all individuals and any of their pursuits alike? Can the mere fact, for instance, that we chose to buy something bestow on the purchased object a quality that, retroactively, justifies its anterior marketing? Do purchases adequately reveal the free will of persons so as to override all concerns about, for example, wasteful consumption?

The works of Immanuel Kant help us address such problems by discerning between the *relative* value of given individuals according to their moral worthiness and the *absolute* dignity of the human person as such. Kant started by rejecting the common notion that the human being is free first – and then, later, submits (or not) to moral laws. He explains human freedom itself from the ability to realize moral commands, not *vice versa*. The crucial point of this argumentation is this: If the human being were only (negatively) *free from* natural impulses but not also (positively) *free to* realize a higher objective, i.e. the moral law, then human freedom would appear merely as an erratic deviation from an otherwise regular (i.e. naturally determined) behaviour (Timmermann, 2005). Free actions would therefore be wholly unpredictable and we could not impute them in any meaningful way to their actors, nor assign moral responsibility.

Human freedom, however, is not a chaotic deviation from natural causes. Rather, freedom realizes itself quite orderly, holds Kant, through an alignment of natural causes according to supervening (moral) concepts, i.e. the concepts of practical reason. It is, in fact, the call of the

moral law (*Sittengesetz*), which liberates us from natural inclination by making us free to steer a course towards alternative, i.e. moral, ends. At the same time, the moral law holds us accountable, if we decide otherwise and allow factors of an immoral sort to determine our behaviour. In short, through our ability to be moral we gain freedom – both to be moral, and also, derivatively, to be immoral (Dierksmeier, 1998). Hence, not arbitrary freedom of choice but our capacity for moral freedom must be seen as the true source of the unique status of the human being and its respective dignity. Likewise, for Kant, human nature is nothing set (descriptively) but something set up (prescriptively) for us: it is given to us not as an item but as a task; it has to be appropriated with effort; we have to become (actually) what we are (potentially) in order to realize ourselves truly. There is hence but one essential human need: the need for autonomy, i.e. for reasonable self-legislation.

Still, it is not factual moral obedience to the moral command that (conditionally) accounts for our dignity but rather the (unconditional) ability to said obedience, even when it does not materialize in moral actions. For Kant, every human being has dignity (*Würde*) – and also the ability to be moral – but only those who do, in fact, lead moral lives also deserve the praise of personal ethical value (*Wert*). Consequently, we can and should distinguish between human beings who make an appropriate (or inappropriate) use of their faculties, resulting in a more (or less) praiseworthy character. This twofold distinction enables us to reconcile the otherwise conflicting intuitions that while we must respect the dignity of each, we should reserve qualified praise for those who lead lives without reproach.

Once this crucial distinction is made, we can proclaim that everyone should always be treated with dignity, while some may, in addition, deserve heightened esteem for particular moral worthiness. While to pay homage to the latter remains a duty of individual morality, general respect for human dignity must be organized in egalitarian forms and assured by legally sanctioned norms. We need to respect and protect the dignity of human life even of those who, in our eyes, constantly make poor choices. Consequently, the respect for dignity means to protect the capacity of the human being to define its own ends in the pursuit of a moral life. Applying this notion to marketing suggests that forms of advertising that do not serve specific moral purposes are acceptable, as long as they do not undermine the general conditions for such morally autonomous judgment and decision-making.

Kant demands: 'So act as to treat humanity, whether in thine own person or in that of any other, in every case as an end withal, never as

means only' (AA IV, 429). That means, we can treat others as means to our ends and serve them as means to theirs, provided that in each of these relations all are regarded and respected as subjects of self-defined purposes; as 'ends-in-themselves', as Kant puts it. We must never objectify persons because:

> that which constitutes the condition under which alone anything can be an end in itself, this has not merely a relative worth, i.e., value, but an intrinsic worth, that is, dignity. Now morality is the condition under which alone a rational being can be an end-in-himself, since by this alone is it possible that he should be a legislating member in the kingdom of ends. Thus morality, and humanity as capable of it, is that which alone has dignity. [...]. (AA, IV, 433)

This pledge to respect human dignity remains the bedrock for the modern architecture of interpersonal relations. According to Kant, every social activity, including business, must meet the moral demands this postulate entails (Dierksmeier et al., 2011). For the distinction between subjective wants and objective needs this entails that freedom-in-dignity now becomes the yardstick. Following Kant, human needs ought to be recast as the requisite conditions for moral autonomy within one's respective society. Human wants could then be defined as all desires reaching over and beyond those requirements for moral self-determination.

In terms of legal philosophy, people are free to pursue their respective wants as long as they do not thus inhibit the conditions that enable others to cater to their needs. A free society will thus favour, as a default position, individual choice as to which wants to pursue. This presumption in favour of free choice, however, is a procedural and conditional, not a substantial and unconditional, norm. It does not commit us to view simply any choice as legitimate, but rather asks us to assume such legitimacy as the default position. The burden of proof lies then on the one who wishes to limit individual options on behalf of the protection of human dignity and rational autonomy.

In terms of moral philosophy, each person is meant to monitor himself or herself so that the pursuit of wants does not distract from the fulfilment of needs. So, the divided assessment of marketing returns in a different form. Needs-oriented marketing is both legally and morally permissible. Wants-creating salesmanship, however, is morally discouraged, although legally it may be allowed – yet not without qualification. As the realization of most wants is mediated by societal institutions and cultural achievements (such as the market, the law, etc.), society can and

will prioritize the realization of certain wants over others, conferring a status of collectively agreed-upon wants to only some of them (Kacen & Lee, 2002).

While wants deemed detrimental to the common good may be discouraged (prohibited, taxed, etc.), wants recognized as universal needs may be encouraged (incentivized, subsidized, etc.). Furthermore, there may be wants whose pursuit neither subtracts nor adds to our efforts of enabling each human to live with dignity. A freedom-based society as envisioned by Kant would thus not demand that all citizens pursue only reasonable wants. Yet it would probably police the marketing of wants according to the objective of enabling and fostering moral autonomy among its citizens (Raz, 1986). Marketing that corrodes the capabilities requisite for independent and reasoned judgment would thus come under scrutiny even when the products so advertised were of a harmless nature. Deceptiveness and downright manipulation in advertising, for instance, could be rejected as undermining communicative trust (Friestad & Wright, 1994). Again, while a free society neither coaxes nor coerces anyone into a virtuous life, it does commit itself to enabling a morally autonomous existence to each and every of its citizens. Hence individual capacities for communicative action and critical judgment on the part of the citizens are not to be regarded as merely private properties; they are also part and parcel of the political infrastructure; they are the foundations of the *res publica* and must be protected as such against all undue commercial influence.

Much of the modern criticism of marketing can be understood in light of this theoretical backdrop. The emphasis on the importance of moral and political autonomy, of critical thinking and independent judgment, of rational self-enlightenment and responsible freedom, has led many to oppose manipulative and overly suggestive forms of commercial communication (Baumeister et al., 2008).

Contemporary criticisms

Marketing has long since come up against harsh criticism (McGarry, 1958; Farmer, 1967). Many scholars have reproved the *direct* and *intended* impacts of marketing as well as its *indirect* and *unintended* repercussions. For a comprehensive assessment, all of these types of consequences must be considered, supplemented by a non-consequentialist analysis of the intrinsic merits and demerits of advertising activities. The academic literature on the subject provides all three dimensions (intrinsic, directly and indirectly consequential) of the requisite assessments, and

proffers – with some rare exceptions of marketing apologists and eulogists (such as Kirkpatrick, 1986) – roughly the following portrait:

> Marketing, intrinsically a deplorable exercise of human faculties which were designed for nobler purposes, is an activity with an unseemly direct impact on individuals (such as enhancing their impulsive, irrational behaviours) and even more troublesome indirect outcomes on the (social, cultural, spiritual) welfare of society (Shelby & Chonko, 1984, Puri, 1996). The scholarly consensus about the regrettable effect of marketing on almost everything scholars hold dear (i.e. cultural achievements, moral values, political structures, social habits, religious sensitivities, and so on) is solid and pervasive. Nothing seems to be left unsaid in excoriation of the advertisers and marketers of our age. (For a particularly ambitious collection of deleterious indirect aspects of marketing see Pollay, 1986). In fact, so ample are the descriptions, so pervasive is the opprobrium of each and every aspect of the business of marketing that the converse approach suggests itself: What, if any, are its *positive* outcomes (Laczniak, 1993)?

Though uncouth, the remark cannot be quite avoided that the standard textbook answers to this question are a trifle unsatisfactory. The defence of marketing on grounds of enhancing social utility by providing consumers with valuable information for making more informed choices (Chu et al., 1995), is probably straining the credulity of the public. Likewise, the suggestion that marketing actually does *not* induce people to make purchases – for example because people's resilience to undue persuasion grows in proportion with the increase in advertising (Tormala & Petty, 2004) – appears more convenient than convincing. 'Marketing wouldn't exist, if it didn't work, duh!' With such or similar statements even otherwise obtuse undergraduate students are able to grasp and express an insight, the broad intelligibility of which is agreeably proportional to its impact. For, in the eyes of their financiers at least, marketing must have significant effects on sales. Otherwise all advertising efforts would long since have been dumped into the dustbin of economic errors – as excessively 'fanciful forms of corporate profligacy' (Galbraith, 1973).

Another staple of economic apologetics, i.e. the claim that marketing enhances economic efficiency, does not fare any better. The underlying notion of a world economy prospering in direct measure with every raise in world consumption (Wilkie & Moore, 1999), however, needs only to be stated explicitly in order to reveal its implicit flaws. Ever since

the initial report of the Club of Rome in 1972, justificatory recourses to unlimited growth in a world of limited resources are taken less and less seriously, even by the so-inclined. The last decades have amassed evidence that pursuing our (in no small part artificially created) wants without limits does undercut our (and our planet's) ability to provide for human needs (Boulding, 1987), thus corrobarating Gandhi's adage that the world has enough for everyone's need but not for everyone's greed (Gandhi & Deshpande, 1999). Nor can we adduce that marketing is a *conditio sine qua non* for the fulfilment of natural needs. After all, few are willing to claim that only through 5th Avenue do we find out that thirst can be stilled with water (Sirgy et al., 1982).

Economic apologists

Recently, however, several defences were mounted against the aforementioned criticisms. In contradiction to what they deemed an unwarranted moral intrusion and ethical elitism on the part of their critics, proponents of conventional business and marketing took aim at the basis of all such critique, the wants/needs distinction itself. Their counter-offensive availed itself of recent developments in economics (towards positivism) and philosophy (towards postmodernism) that we shall now reconstruct.

In the early 19th century, the moral tone in economics waned. Economists began to sever their discipline from its foundations in philosophy and theology. Trying to become just as 'scientific' as their colleagues in the natural sciences, they allied themselves rather with the methodological apparatus of physics and mathematics (Wieser, 1884). Essaying to analyse economic problems 'purely', i.e. without resorting to values or extrinsic metaphysical doctrines, economists looked increasingly to the mathematical models of mechanics in search of a new paradigm (Walras, 1909).

While analytical mechanics gave the new economic paradigm its formal aspect, utilitarianism contributed the material side, with the effect that the entire discipline of economics was recast as a 'mechanics of utility and self-interest' (Jevons, 1871, p. 90). Fitting utility theory for mathematical treatment, William Stanley Jevons changed Jeremy Bentham's definition of utility i.e. a function of an (immaterial) increase in personal happiness, to denoting 'the abstract quality whereby an object serves our purpose, and becomes entitled to rank as a commodity' (Jevons, 1871, pp. 44–45). This materialistic twist allowed him and subsequent economists to 'treat the Economy as a Calculus of Pleasure and Pain' (ibid., VII).

Freed from the intricacies of normative and qualitative evaluations (about the true needs of human nature, for instance), the problem of qualitative utility *optimization* was translated into one of quantitative *maximization* (in terms of the factual wants people had). Later changes in the utility concept, such as Alfred Marshall's move away from direct commodity consumption towards the indirect willingness to pay for goods (Marshall, 1890), did not change much in terms of the outcome: Economics had turned (moral) concerns of 'better' versus 'worse' ends into a (technical) calculus of 'more' over 'less' means.

The non-empirical dimension of values thus being ostracized, economists directed their attention to determining the most intelligent use of scarce resources. This is the intended import of Lionel Robbins' canonical formulation: 'Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses' (Robbins, 1932: 16). Economics had, in short, become a value-free, *positivistic* science, the policy advice of which rested in *hypothetical* imperatives alone: *If* a community wanted certain goods, *then* economists were to examine how to achieve those in the most cost-effective way (Friedman, 1953). Today, a *categorical* discussion of the *moral* appropriateness of economic objectives is being staunchly rejected by some economists (e.g. Stigler & Becker, 1977).

This positivist stance admirably serves the purpose (intended or not) of justifying the current system. 'The capitalistic social order', noted Ludwig von Mises, 'is an economic democracy in the strictest sense of the word. In the last analysis, all decisions are dependent on the will of the people as consumers'. (Mises, 1931, p. 157) Based on individual perceptions of utility, consumers always buy what they want or need most and thereby inform the market what to produce. Corporations are then virtually forced by competition to fulfil the orders that society gives them through prices. In that sense, capitalism appears to be but a realm of pure economic freedom: humans communicate their preferences amongst one another and enter into voluntary exchange contracts. These must, by definition, enhance the utility of all contractors, or else they would not curtail their extant freedom of choice (Boddewyn, 1961). No longer is there a need for the discernment of certain preferences (as needs) from others (as wants) as deserving less attention and fewer public resources. Through this lens, such distinctions appear rather as paternalistic discriminations against the freedom of individual consumers to pursue their own happiness. Discriminating between the true needs and false wants this perspective suggests invites the public to encroach upon the private. Our very liberty might be endangered by the parlance of human needs.

It is not easy to square with reality the assumption that corporations obediently give consumers solely what they want. The neoclassical lore about the forever-servicing role of business is challenged a tad by the numerous negative externalities that business produces, and, to boot, by a host of goods and services of highly dubitable necessity; hence advertisements to stimulate demand artificially where natural interest lacks. To reconcile this unsightly state of affairs with the glossy axioms of conventional economics, one must argue that people preferred the planned obsolescence of consumer products and, besides, that they had no compunctions against the pollution incurred by their production processes. Few are willing to promulgate these views openly.

What people do say overtly, however, is the following: Should we not, in the name of science, confine ourselves to the empirically observable? to the manifold articulations of human desires, expressed through purchasing behaviour? Since the internal sources of our preferences (be they wants or needs) cannot be observed empirically, why not rescind the distinction between (false) wants and (true) needs altogether, and focus solely on their external manifestations? Why not, that is, operate solely with a value-neutral, comprehensive, and simple notion of preferences?

Here enters the theory of 'revealed preferences' (Samuelson, 1938), stating that based on the rationality axioms of the *homo economicus* model, people simply had to want what they ended up choosing. Whenever purchases are made, it can be argued that the purveyor must have 'wanted' (to some extent) the bought product (Robinson, 1962). Hence, with needs as an ostracized category, the case is closed in favour of the very freedom that expressed itself in the voluntary purchase. Curtailed as this choice may have been by the extant options, it was never denied altogether. In consequence, one can assert: Had the consumer truly wanted an alternative set of options, he or she would certainly have selected it.

If people, for example, say that they want more public and less private means of transportation but end up buying a car (for, say, 20,000 USD) instead of acquiring a railroad in order to get to work (for, say, 200,000,000 USD) then, according to the *revealed preference theory*, they are just not willing to sacrifice enough for the latter option. Their true preference, all things considered, is the car; *quod erat demonstrandum*. Their freedom is forever preserved by the market. The fact that their desire for the passenger car might have been contrived, or, more importantly surely, that there are only very few persons whose budget restraints do not preclude the purchase of entire train systems, only irritates insufficiently principled thinkers with undue pragmatist tendencies.

Postmodern allies

When the anti-commercial notes of Critical Theory reached a particularly high pitch in the 1960s and 1970s, the neoclassical defenders of the *status quo* received unanticipated assistance. Postmodern thinkers rallied to the rescue. Their treatises proffered arguments that, with some statistical embellishments, helped obfuscate again, what the likes of Herbert Marcuse (Marcuse, 1964) and Erich Fromm (Fromm, 1960) had unveiled as the Medusa head of consumerist alienation. The gist of these works was that marketing, maybe, was only odious to some, not to others; that marketers were morally more or less on par with and representative of the society they lived in (Fraedrich et al., 1989), and that behind its general critique lurked perhaps merely the particular moral or aesthetic prejudices of their elitist critics (Treise & Weigold, 1994).

For example, when John Kenneth Galbraith attacked the conventional economic wisdom by pointing out that in lieu of catering to the needs of consumers (the 'accepted sequence' of events) firms were increasingly shaping the minds of their customers so as (in a 'revised sequence') to serve the wants of corporations (Galbraith, 1986), postmodern thinkers challenged his position in turn as uncritical – or rather as insufficiently self-critical. Jean Baudrillard, for one, took Galbraith to task, suggesting that his position rested on naïve naturalism (Baudrillard, 1970). The wants/needs bifurcation, Baudrillard held, was a false dichotomy as the distinction between natural needs and artificially created wants can only be made in light of an already accepted theory of human nature. Yet, in today's post-metaphysical age, certainly, one must abstain from all speculations on the essence of the human being and let subjects everywhere define the truth of their existence themselves, in and through their choices. This, Baudrillard felt, people were ever so happy to do in and through, among other symbolic acts, their purchasing decisions. These then will differ according to context (Thompson, 1995), pointing to different conceptions of what it means to be human. So, if one does not want to be accused of holding fast to bygone metaphysics and its 'grand narratives', one must refrain from criticizing certain wants as false or superfluous from a position of presumed knowledge about 'the' true and essential needs of humanity. Instead we ought to observe the manifold narratives that people here and there are telling through the various symbolic acts they entertain in their commercial self-communication: Voilà – the *revealed preference theory* with a postmodern twist (Holbrook, 1987).

Is there anything to such counter-criticisms? Through highly unusual adoptions of exoteric ideas into the otherwise committedly esoteric halls

of 'scientific' economics, perhaps those postmodern chips may sweeten the dough of modern economic theory so that it meets our current taste for unlimited freedom. Could the postmodern elevation of the *signifier* (here: the symbolic status of purchased items) over the *signified* (here: the evasive objective correlate of such subjective acts) thus give marketing and commerce a new justification – a justification no longer clad in the garb of economic efficiency, but adorned with the robes of liberty?

We find the philosophical antecedents to such musing with existentialist philosophers such as Jean-Paul Sartre. Sartre expressed a somewhat similar viewpoint with the catchy formula that *existence precedes essence* (Sartre, 1973), meaning that nothing but the actuality of human existence is able to define the nature of human life (McBride, 1997). The human being cannot live without a (normative) self-image; it constantly re-creates itself according to its own ideals. This inverts the antique-medieval sequence from *essence* to *existence*; and it has *prima facie* plausibility. No matter the use that people make of their faculty to redesign themselves, the sheer fact that their very lives are the (at least partial) realization of such designs does indeed seem to suggest that, through the choices we make (in our *existence*) we remake humanity (in its *essence*). So, indeed, any conception of human nature that bypasses this self-reflective and self-transformational dimension of human nature must be rejected as falling back behind the insights of modern philosophy.

Do these arguments therefore invalidate the anti-marketing criticisms of Critical Theory as insufficiently self-critical? Is, for instance, Galbraith's critique of the artificial creation of wants for the purpose of promoting business a mere misunderstanding of the proper role and ambit of the very freedom and autonomy he aims at reconquering? Certainly not. The way that Galbraith worded his critique was premised on the democratic plateau of public philosophizing in the tradition of John Dewey's pragmatism (Galbraith, 1996). Galbraith did not simply suppose his own conception of human nature as the one and only critical yardstick for his critique of contemporary commercialism. Where neoclassical economics clouded its hidden normative assumptions behind a haze of technocratic axioms and definitions, he wanted to lay open to democratic investigation the very premises that economic reasoning rested upon in order to facilitate public discussion and critique. Modern economics was to explicate its implicit value judgments so that every person's anthropological and ontological views could influence the political assessment of (1) the goals of the economy, and subsequently (2) the aims of the metrics of economics.

Galbraith neither championed his own anthropology as normative nor took for granted the ontological axioms of neoclassical economics about the nature of human beings (as reflected in the *homo oeconomicus* theorem). The nature of human life and its needs was not meant to be defined by any one single person or theory. Instead, the prioritization of human needs was to emerge from and constantly be reworked through public reasoning and deliberation. The conception of human nature – more precisely, its normative content and use for the defense or critique of the established order – belongs to no one in particular, but to society in general. Galbraith thus wanted to return the anthropological discourse about needs versus wants to society. He positioned the healthy naturalism of deliberative democracy against the unsound fictions of economic technocracy.

Yet there was another counter-attack, launched with weapons from the arsenal of an unlikely ally. Since the 1980s, Pierre Bordieu had worked out his sociology of taste (Bourdieu, 2005), wherein he maintained that purchasing choices were devices for the self-realization of modern subjects, not so much in a practical sense (in regard of the objective usability of the product) as in a symbolic form (in terms of its subjective and semiotic functionality). What had been excoriated before by the likes of Thorstein Veblen as ostentatious consumption (Veblen, 1924) appeared now in a different light: as a cultural construction of meaning and a sense of self (McCracken, 1986). Pierre Bordieu showed that consumption fulfils social signalling functions, such as the reproduction of class (Holt, 1998). Commercial objects support communicative intentions of self-distinction or association with specific social strata. Thus they came to be regarded as expressions of human freedom and its symbolic self-complementation, i.e. as part and parcel of human nature (Kleine et al., 1993).

For these musings, too, there were some serious philosophical foundations. It evidently is part of human nature to live within and through symbolic forms (Cassirer, 1990). Philosophical anthropologists are rarely in accord when it comes to the view that human existence forever reaches out to alterity, relating to and communicating with its socio-biological environs. Therein, in its 'ex-centric positionality' (Plessner, 1983), human life is clearly less instinctually bound as that of other mammals. Humans, not animals, have to cope with freedom and the countless options and decisions associated therewith. From this burden of liberty – i.e. the need for decision-making and related ambiguities as well as responsibilities – results a constant need to stabilize human life through conscious reflection and social institutions. One has to frame

and guide the customary procedures of daily pursuits and communal life so as not to be crushed by one's freedom (Gehlen, 1952). In short, the human being is naturally social, naturally political, and thus naturally artificial. The 'artificial' creation of a sense of self and of community through symbolic self-complementation is, indeed, essential for what it means to be human. Must the rejection of the artificial creation of wants be rebutted as going against a decisive form of social interaction and thus against an essential dimension of human freedom?

Yet, if such gestures in the direction of the freedom-fostering features of advertising appear a trifle contrived, it is perhaps, because they are. *Needs* advertise themselves (hunger does not need a TV in order to be felt), and consequently justificatory grounds for commercial marketing and advertising must claim that the satisfaction of manufactured wants is similarly essential to the symbolic self-realization of humanity as the satiation of needs. For the critical evaluation of the validity of this proclaimed justification, reason cannot take recourse to anything but itself. In lieu of the ontologies of ancient metaphysics and medieval theology, the modern mind has to turn to its own faculties when it comes to what (not) to accept as a constitutive feature of human life. So, eventually, we need to ask ourselves – individually and collectively – what we wish to uphold as adequate:

> Are the symbolic needs of humanity best met by enlisting our spiritual and sexual desires for, say, the promotion of cosmetics? Do we endorse the product-mediated, self-complementation marketing offers, or do we find the pictures that advertising conjures up of our world as being a tad untruthful (Lantos, 1987)? Is the boisterous oratory of marketing the honourable homiletics of a secularized religion of semiotic self-assertion and symbolic self-realization, or simply a sales scam? Does marketing necessarily have to support nefarious goals or can it also be employed for progressive causes (Kozinets and Handelman, 2004)?

These questions neither have, nor require, peremptory answers; they demand, rather, that we answer them provisionally, time and again – personally as well as democratically. The question at hand is less: Who has the right answer? But rather: Who has the right to answer? And to this we must reply: We, the people. If we convince ourselves that the distinction of wants versus needs is meaningless, and if we feel comfortable with marketing-as-usual simply where it does not violate the law and serves the interests of its patrons (Kirkpatrick, 1986), of course, we

have a right to do so. We can then embrace the conclusions of neoclassical economics and revealed preference theory, which contend that everything is as it should be simply because people buy what they buy, i.e. that they react positively to the marketing stimuli administered to them. Then again, we might reason with John Kenneth Galbraith that such thinking is analogous to assuming that a man struck by a sledgehammer apparently desired to be hit over the head, based on the fact that he reacted markedly upon the impact by falling to the ground (Galbraith, 1986). The choice is ours.

Yet if we do feel that much of the current marketing activities are not always conducive to consumer autonomy, then we are wholly entitled to draw the requisite consequences. While it might be both cumbersome and inappropriate to assess the merits of each marketed product in terms of human needs, case-by-case, we may well look for a more general and structural solution. Given that needs typically announce themselves, we might simply want to enhance the transaction costs of all advertising. By taxing the use of the media marketers' use, we can create a functional equivalent to the Tobin tax on financial speculation. The less urgently people feel the need for a certain product, the more advertising has to celebrate its virtues. Hence the amount of marketing required in order to induce purchases, as a rule, is inversely proportionate to its social utility. In consequence, such a tax on advertising would create financial friction in neat proportion to how superfluous the celebrated fabricates are.

Conclusions

So, where lies the golden mean between all these contradictory options? Between, that is, a wholesale endorsement of business and marketing as a benign service to individual freedom on the one hand, and a similarly absolute refusal to admit any and all forms of artificial want-creation (which, if consistent, would also have to deprecate the creation of aesthetic and spiritual desires as unduly artificial acts) on the other? Is there a third way, i.e. a path toward humanistic marketing, understood as one that fosters, not weakens, the human pursuit of an autonomous and dignified existence?

We have seen how at first ancient philosophers established their ideas on human nature on a *metaphysical* basis (Sections 3 and 4). Then we showed how medieval thinkers transformed these theories based on *theological* perspectives (Section 5). In a next step, we observed how modern philosophers tried to rid themselves of both the metaphysical and theological premises of the wants/need dichotomy (Section 6) and

criticized marketing oriented in the name of freedom, dignity, and autonomy (Section 7). Each of these steps was necessary to reach the contemporary level of argumentation. For the counter-criticism on the part of neoclassical authors along the lines of the *revealed preference theory* (Section 8) and certain postmodern theorems (Section 9), it could not be addressed adequately without these preparations, i.e. without a well-founded distinction between the *substantial* metaphysics of pre-modern ages and *procedural* approaches to anthropological orientation based on freedom.

As a result, we can now (Section 10) argue in favour of a human-istic *convergence* in the *procedural* aspects of a humanistic ethics, while fully allowing for cultural *divergence* in its *substantial* articulation within specific contexts. Humanistic marketing means that the constitutive criteria for what are (not) acceptable goals, dimensions, forms, and results of marketing are constantly being formulated and reformulated by ourselves. For that reason, we are well advised to uphold a distinction between wants and needs in order to discern various forms of marketing accordingly. Thus we are consciously leaving the neoclassical road of 'value-free'-economics (Walsh, 2007). Instead we have to make explicit the implicit normativity of our economic theories so as allow their crit-ical assessment by the public.

On this discursive path, philosophy may provide valuable orienta-tion (Robin & Reidenbach, 1993). Making accessible to us the wisdom of the ages, philosophy can prevent us of from reinventing the wheel by showing how past generations have dealt with the tricky issue of demar-cating what is and what is not a suitable influence of commercial logic in our personal and political lives. The answers of bygone eras to these issues, of course, do not constrain our present choices, but rather clarify our options, giving them clearer contours by highlighting their possible (i.e. previously realized) consequences. The answers of deceased philoso-phers to questions about the nature and meaning of human freedom, responsibility, and dignity are not to be uncritically worshipped as ulti-mate capstones of human wisdom. Yet they should be seen as important stepping-stones for a global debate about the true values of human life for all world citizens.

By pointing us to the humanistic consensus of the ages, philosophy presents us with a cautionary tale. As we saw, from the Greeks through to the Enlightenment, individual wants were evaluated against norma-tive standards gleaned from certain conceptions of human needs. Few philosophers went so far as to demand that our subjective wants reflect nothing but our objective needs; yet even fewer thinkers dissociated

them from one another. Typically, needs were seen as naturally limited and easily satiable, whereas wants could develop a taste for the infinite. Hence it was deemed necessary to ensure that wants did not overshoot needs too much. The overall societal harmony was to be preserved, i.e. the pursuit of happiness on the part of some should not be allowed to foil similar endeavours on the part of others; the resource use of all was to be kept relative to the overall assets of society. In sum, the morals of the citizenry in general defined the acceptable goals and modes of all individual quests for satisfaction. The economic pursuits of each were balanced against the goals of all.

In real-life settings, needs matter, as they mark out non-substitutable goods that humans will pursue regardless of their budget constraints. Understanding the idea of natural needs adds thus to the perspicacity of economic analysis. Likewise, understanding ethical *prescriptions* is inevitable for the correct *description* of economic agency, as it indicates the kinds of goods for which people are willing to pay premium prices. Recent advances in behavioural economics, empirical game theory, and neuro-economics, as well as in various fields of psychological and socio-logical research on economic agency show as much. In other words, bereft of the notions of human needs and dissociated from morals, economic theory is as incorrect as it is incomplete.

Realism and relevance go hand in hand. By replacing the reductionist model of the fictional *homo economicus* with theorems based on the real *conditio humana,* economics can become both more realistic and more relevant. From their theoretical as well as practical role as passive objects, humans need to be reinstated in the system of economic interactions as its active subjects. By incorporating considerations of human nature, economics can avail itself of a long-standing history of economic philos-ophy – from Plato to Adam Smith – that did just that (Dierksmeier, 2011). Paramount to all such endeavours, however, is that no *singular* norma-tive approach is being touted as the one and only dimension valid for each and every concern. The bottom line for all economic practice and theory is, and must remain, free human choice of the respective values (Dierksmeier, 2003).

The *procedural* character of this qualified endorsement of past philos-ophies is all-important; it demands that everyone participate and that everyone be integrated in the making of the very anthropology that is to guide our theories and practices. Such general participation serves not only as a normative touchstone, but also as a pragmatic yardstick for contem-porary decision-making in business and society. Since the criteria whereby we evaluate our economic goals rest ultimately on the indispensable

foundation of human freedom, we must stay clear of a *technocratic* understanding of economics that clouds the choices implicit in economic reality. Instead, we ought to progress into a new era of *democratic* economics, where economic freedom is made aware of itself and begins to make a self-reflective use of its capacity to suggest alternatives to both the factual as well as the epistemic *status quo* (Sen, 1998). Today's research and teaching efforts should thus be directed towards finding and promoting better and more sustainable definitions of corporate and economic success. This chapter wishes to make a contribution to that endeavour.

In sum, Humanistic Marketing should be oriented towards the following points:

1) The wants/needs distinction is indispensable for critical thinking and normative orientation in management theory in general and marketing in particular.
2) A humanistic theory of marketing will not rest on any particular theory about human nature and its needs, but rather aims for a broad consensus on that issue.
3) This consensus has to emerge from procedural criteria rather than substantial axioms; its basis is human freedom and autonomy.
4) Humanistic marketing will therefore rely methodologically on the liberty of each and the freedom of all, i.e. it proceeds through dialogue and deliberation rather than through decree and deduction.
5) Human needs are not external fixtures, but rather the often-changing conditions necessary for autonomous decision-making. Human wants may be curtailed on behalf of the realization of said needs; and the demarcation between either ought to be a matter for public debate.
6) Economics must not abstain from this debate with references to positivistic or relativistic attitudes towards values. Both perspectives misinterpret the contribution of economic theory to the very practices it aims to describe.
7) In very few cases, this debate will lead us to prescribe certain direct forms of marketing (as noxious to the culture of deliberative democracy in general). As a rule, however, humanistic marketing will turn to more indirect measures.
8) While abstaining from legislating which products may (not) be marketed in which particular manner, the public can impose costs on the access to communication media in order to reduce frivolous marketing, or reserve access to certain media and public forums for such forms of marketing only that meet general approval.

9) Humanistic Marketing, therefore, does not comprise a certain set of propositions, but rather points to procedures for their democratic generation; it is premised on an ongoing public dialogue which generates preliminary results that are forever subject to further revision by future deliberation.

10) Philosophical reflections on the nature of human wants and needs can and should continue to contribute to this debate.

Note

References

Baudrillard, J. (1970) *La société de consommation : ses mythes, ses structures.* Paris: Denoël.

Baumeister, R. F., Sparks, E. A., et al. (2008) Free Will in Consumer Behavior: Self-Control, Ego Depletion, and Choice. *Journal of Consumer Psychology, 18*(1), 4–13.

Boddewyn, J. (1961) Galbraith's Wicked Wants. *The Journal of Marketing, 25*(6), 14–18.

Boulding, K. E. (1987) The Economics of Pride and Shame. *Atlantic Economic Journal, 15*, 10–11.

Bourdieu, P.(2005) *The Social Structures of the Economy.* Cambridge, UK/Malden, MA: Polity.

Cassirer, E. (1990) *Versuch über den Menschen : Einführung in eine Philosophie der Kultur.* Frankfurt am Main: S. Fischer.

Chu, W., E. Gerstner, et al. (1995) Costs and Benefits of Hard-Sell. *Journal of Marketing Research, 32*(1), 97–102.

Dierksmeier, C. (2003) *Über den gegenwärtigen Stand der Wirtschaftsphilosophie*, in: Archiv für Rechts-und Sozialphilosophie, 3, 551–561.

Dierksmeier, C. (2011) The Freedom–Responsibility Nexus in Management Philosophy and Business Ethics. *Journal of Business Ethics, 101*(2), 263–283.

Dierksmeier, C., & M. Pirson (2009) 'Oikonomia' versus 'Chrematistike': Learning from Aristotle about the Future Orientation of Business Management. *Journal of Business Ethics, 88*(3), 417–430.

Dierksmeier, C. et al. (2011) *Humanistic Ethics in the Age of Globality.* London/New York: Palgrave/Macmillan.

Dierksmeier, C. (1998) *Das Noumenon Religion : eine Untersuchung zur Stellung der Religion im System der praktischen Philosophie Kants.* Kantstudien. Ergänzungshefte 133(viii); Berlin/New York: W. de Gruyter, pp. 238.

Farmer, R. N. (1967) Would You Want Your Daughter to Marry a Marketing Man? *The Journal of Marketing. 31*(1), 1–3.

Forschner, M. (1981) *Die stoische Ethik : über den Zusammenhang von Natur-, Sprach- und Moralphilosophie im altstoischen System.* Stuttgart: Klett-Cotta, p. 244.

Fraedrich, J., O. C. Ferrell, et al. (1989) An Empirical Examination of Three Machiavellian Concepts: Advertisers vs. the General Public. *Journal of Business Ethics, 8*(9), 687–694.

Friedman, M. (1953) *Essays in Positive Economics*. Chicago, Ill.: University of Chicago Press, 1953) v 328.

Fromm, E. (1960) *The Fear of Freedom*. London,: K. Paul, Trench, Trubner & co.

Galbraith, J. K. (1996) *The Good Society : The Humane Agenda*. Boston: Houghton Mifflin Co.

Galbraith, J. K. (1973) *Economics and the Public Purpose*. Boston: Houghton Mifflin.

Galbraith, J. K. (1986) *The New Industrial State*. New York: New American Library.

Gandhi, M., & Deshpande, M. S. (1999) *The Way to God*. Berkeley, Calif.: Berkeley Hills Books: Distributed by Publishers Group West.

Gehlen, A. (1952) *Uber die Geburt der Freiheit aus der Entfremdung*. Bern/München: Franke.

Holbrook, M. B. (1987) Mirror, Mirror, on the Wall, What's Unfair in the Reflections on Advertising? *The Journal of Marketing, 51*(3), 95–103.

Holloway, C. (2008) *Magnanimity and Statesmanship*. Lanham, MD: Lexington Books, ix, 229.

Holt, D. B. (1998) Does Cultural Capital Structure American Consumption? *Journal of Consumer Research, 25*(1), 1–25.

Jevons, W. S. (1970) *The Theory of Political Economy (1871)*. Harmondsworth: Marmondsworth.

Kacen, J. J. & J. A. Lee (2002) The Influence of Culture on Consumer Impulsive Buying Behavior. *Journal of Consumer Psychology, 12*(2), 163–176.

Kirkpatrick, J. (1986) A Philosophic Defense of Advertising. *Journal of Advertising, 15*(2), 42–64.

Kleine, R. E. III, S. S. Kleine, et al. (1993) Mundane Consumption and the Self: A Social-Identity Perspective. *Journal of Consumer Psychology, 2*(3), 209–235.

Kozinets, R. V. & Handelman, J. M. (2004) Adversaries of Consumption: Consumer Movements, Activism, and Ideology. *Journal of Consumer Research, 31*(3), 691–704.

Laczniak, G. R. (1993) Marketing Ethics: Onward toward Greater Expectations. *Journal of Public Policy & Marketing, 12*(1), 91–96.

Lantos, G. P. (1987) Advertising: Looking Glass or Molder of the Masses? *Journal of Public Policy & Marketing, 6*, 104–128.

Marcuse, H. F. (1964) *One-Dimensional Man Studies in the Ideology of Advanced Industrial Society*. The Beacon Press, Boston: MA

Marshall, Alfred (1920) *Principles of Economics*. London: Macmillan and Co., 1890 (quotations follow the 8th edition from 1920).

Maslow, A. H. (1968) *Toward a Psychology of Being*. Princeton, N.J.: Van Nostrand.

Maslow, A. H. (1954) *Motivation and Personality*. New York: Harper.

McBride, W. L. (1997) *Existentialist Ethics*. Sartre and existentialism 5; New York: Garland, 1997, xviii, 382.

McCracken, G. (1986) Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *Journal of Consumer Research, 13*(1), 71–84.

McGarry, E. D. (1958) The Propaganda Function in Marketing. *The Journal of Marketing, 23*(2), 131–139.

Mises, Ludwig von (1931) *The Economic Causes of the Crisis*, reprinted Auburn 2006.

Plessner, H. (1983) *Conditio Humana.* Frankfurt am Main: Suhrkamp.

Pollay, R. W. (1986) The Distorted Mirror: Reflections on the Unintended Consequences of Advertising. *The Journal of Marketing, 50*(2), 18–36.

Puri, R. (1996) Measuring and Modifying Consumer Impulsiveness: A Cost-Benefit Accessibility Framework. *Journal of Consumer Psychology, 5*(2), 87–113.

Robbins, Lionell (1932) *An Essay on the Nature and Significance of Economic Science.* New York: Macmillan.

Robin, D. P., & R. E. Reidenbach (1993) Searching for a Place to Stand: Toward a Workable Ethical Philosophy for Marketing. *Journal of Public Policy & Marketing, 12*(1), 97–105.

Robinson, J. (1962) *Economic Philosophy.* Middlesex, UK: Harmondsworth.

Samuelson, Paul (1938) A Note on the Pure Theory of Consumers' Behaviour. *Economica,* 5, 61–71.

Sen, A. (1998) *Development as Freedom.* Oxford: Oxford University Press.

Shelby, D. H., & L. B. Chonko (1984) Marketing and Machiavellianism. *The Journal of Marketing* 48(3), 30–42. Doi: 10.2307/1251327.

Sirgy, M. J., Samli, A. C., et al. (1982) The Interface between Quality of Life and Marketing: A Theoretical Framework. *Journal of Marketing & Public Policy, 1*, 69–84.

Stigler, George, & Becker, Gary (1977) De Gustibus Non Est Disputandum. *American Economic Review*, *67*(2), 76–90.

Tormala, Z. L., & R. E. Petty (2004) Source Credibility and Attitude Certainty: A Metacognitive Analysis of Resistance to Persuasion. *Journal of Consumer Psychology, 14*(4), 427–442.

Treise, D., Weigold, M. F., et al. (1994) Ethics in Advertising: Ideological Correlates of Consumer Perceptions. *Journal of Advertising, 23*(3), 59–69.

Trinkaus, C. E. (1999) *Renaissance Transformations of Late Medieval Thought.* Variorum collected studies series, 1 v. (various pagings); Aldershot, Hampshire/ Brookfield, Vt.: Ashgate.

Tsalikis, J., & Fritzsche, D. J. (1989) Business Ethics: A Literature Review with a Focus on Marketing Ethics. *Journal of Business Ethics, 8*(9), 695–743.

Veblen, T. (1924) *The Theory of the Leisure Class; An Economic Study of Institutions.* New York: B. W. Huebsch.

Walras, L. (1909) Économique et méchanique. *Bulletin de la Societe Vaudoise de Sciences Naturelles*, *45*, 313–324.

Walsh, V. (2007) Amartya Sen on Rationality and Freedom. *Science and Society, 71*(1), 59–83.

Wieser, F. v. (1884) *Über den Ursprung und die Hauptgesetze des wirthschaftlichen Werthes.* Wien: A. Hölder.

Wilkie, W. L., & E. S. Moore (1999) Marketing's Contributions to Society. *The Journal of Marketing, 63*, 198–218.

6
Marketing for Mortality? The Scottish Case and the Humankind Index

Kathy Hamilton and Katherine Trebeck

Introduction

Place marketing strategies are becoming increasingly sophisticated with city branding in particular developing as an important subfield within this literature (Kotler et al., 2002). City branding campaigns often highlight consumption opportunities which may be seen as a means of promoting recovering from the identity crisis caused by de-industrialization. Indeed, Miles (2010) suggests that the consuming city has become central to urban life to the extent that policy-makers and urban planners focus on consumption at the expense of anything else.

This chapter explores how such branding strategies may be both counter-productive to the prosperity of communities and counter to what citizens really value. To do so, the case of Scotland and particularly the city of Glasgow is examined. Similar to other consumer cultures, Scotland has been constructing itself as a society where esteem and self-worth are derived from acquisition, material consumption, and perceived status, rather than from relationships, mutuality or the pursuit of equality. As Hamilton (2004) observes, participation in consumerism is promoted as a replacement community and a way of achieving inclusion in mainstream society. For example, Glasgow City Council (2010) proclaims Glasgow to be the 'City of Retail and Shopping' and the city's marketing campaigns emphasize style and conspicuous consumption. Despite – or, as argued here, because of – these efforts, Scotland, and the West Central region especially, suffers poor health and high mortality levels beyond what can be explained by socio-economic circumstances – a phenomenon known as the 'Glasgow

Effect'. Compared to other post-industrial regions in Europe, mortality rates in West Central Scotland are not only higher, but also improving at a slower rate (Walsh et al., 2009).

Discussion explores the extent to which the consumerist mode of economic development is proving itself counter-productive and instead harming the social assets and health of citizens already vulnerable due to decades of deindustrialization.

Further, the divergence between these financialized, materialistic goals and the priorities of Scottish people is considered, using Oxfam's Humankind Index for Scotland, built following consultation with Scottish people regarding what they felt they needed to live well in their communities. Findings point to health, security, time with friends and family, access to green spaces and satisfaction in work as priorities. These are unlikely to be outcomes flowing from the current mode of economic development being pursued in Glasgow.

The chapter begins by setting out Glasgow's mode of economic development and the Glasgow effect. It then discusses whether there is a link between the two. It then outlines the methods and results of the Humankind Index, and concludes that what is being pursued in Scotland has deleterious implications for our relationships, life chances, mental and physical health and is strongly counter to the expressed wishes of the people of Scotland. Some implications are suggested.

The branding of Glasgow and the injuries incurred

Glasgow's economic development and marketing strategy

Whereas deindustrialization has been managed and mitigated in other industrial areas (Collins & McCartney, 2011), Glasgow has lost the greatest number of jobs as a proportion of total employment.[1] While regeneration models in comparable UK cities such as Liverpool and Manchester similarly incorporated 'lifestyle' and consumption into their regeneration strategies, arguably Glasgow's economic development policy makers consciously adopted a financialized, service-based and consumerist model to a greater extent than other old industrial areas. Glasgow is the largest city in a country in which almost 10 per cent of enterprises are retailers (compared to the average in the UK of 9 per cent); where retail is the largest private sector employer; and large retailers account for three-quarters of all retail spending (Scottish Retail Consortium, 2012). This section explains how, once the second city of the British Empire (Glasgow City Council, 2008), Glasgow is now the UK's second largest shopping destination (Glasgow City Council, 2010).

As traditional industries declined, the number of (relatively) stable and well-paid work opportunities fell (Crisp et al., 2009) – a decline not offset by growth of employment in services (retailing, catering and, increasingly, call centres). Many new jobs do not represent 'quality work' as, in comparison to manufacturing, the new economy sectors constitute an 'insecure working environment characterized by casualization, low pay and deskilled work...with high levels of turnover' (Helms & Cumbers, 2005, p. 1). For many, workplace relationships have become increasingly superficial as loyalty is devalued and human connections reduced to one-sided market transactions. Vulnerability is accentuated by demands implicit in economic and welfare policies that individuals become hyper-flexible, hyper-mobile, atomized employees – ostensibly over and above the importance of their role as family members, community participants or loyal members of a locality, a collective or a society.

Alongside this shift in the economic base have been waves of regeneration policies, purporting to address growing inequalities and largely centred on physical improvements. Regeneration has been associated with construction of luxury housing, shops, and privatized spaces (Paton, forthcoming). The assumption is that economic growth (delivered through physical regeneration) creates employment through a process of 'trickle-down', which in turn will address social disadvantage (see for discussion Crawford et al., 2007). Yet, despite decades of such investment, poverty persists and inequalities have widened. Recent statistics indicated that the percentage of Scots living in relative poverty[2] is 17 per cent, while income inequality has increased since 2004/2005 (Scottish Government, 2011).

In many of Glasgow's planning policies social goals (such as community cohesion, strong relationships between people, a sense of empowerment, and sustainability) are notable by their absence. Strong communities seem valued because they mean the economy can 'exploit the widest range of talent across the population', and good health is 'a way of improving the performance of the Scottish workforce, while ill health would impose significant costs' (Crawford et al., 2007, p. 89). The hierarchy of respective goals is clear: strong communities and healthy citizens are ingredients of a growing economy – poignantly, not the other way around.

In this mode of economic development there is little space for the fuller, more substantive value of advancing relationships, well-being and fulfilment. Instead the development of consumer attractions has become a prominent strategy in urban regeneration with emphasis on

upgrading, styling and entertaining (Harvey, 1989). Campbell (2004) argues that not only do we live in a consumer society, but rather, a consumer civilization. In this context, citizens are increasingly compelled to engage as consumers and as customers, rather than as community members. For example, the *Glasgow: Scotland with Style* marketing slogan sought to emphasize Glasgow's reputation as 'the most fashion conscious city in Scotland, where young Glaswegians are happy to spend their hard-earned cash on the latest designer clothes and accessories' (Watson, 2004, p. 249). Proclaimed as the Style Mile, Glasgow's city centre is presented as a destination filled with 'cathedrals of consumption' (Ritzer, 2010):

> Everyone knows that Glaswegians live, breathe, eat and sleep style. Little wonder that, in the very heart of the marvellous city they call home, one square mile houses the most extraordinary concentration of inspirational shopping, atmospheric cafés, fine restaurants, and decadent late night haunts.[3]

The language used to describe Glasgow's consumption venues suggests 'increasingly magical, fantastic, and enchanted settings in which to consume' (Ritzer, 2010, p. 7). It could be suggested that Glasgow has become a 'landscape of consumption' with various consumption outlets that collectively 'allow, encourage and even compel people to consume' (Ritzer, 2010, p. 154).

The development of place identity is not only about the promotion of certain images about a location, but also achievement of other desirable outcomes, such as attracting financial investment (Kavaratzis, 2004). The Leader of Glasgow City Council recently declared that Glasgow's position at the top of UK retail rankings 'demonstrates that our invest-ment in the city centre and our efforts to improve the shopping expe-rience for both residents and visitors…is beginning to pay dividends' (Glasgow City Council, 2010, p. 253).

The 'Glasgow effect'

One might ask, given the growing inequalities evident in Glasgow and Scotland (where gaps in life expectancy between the richest and the poorest are comparable to the 'staggering differences between quality of life in the UK and third world' (Morris, 2010)) dividends for whom? Of course social gradients in health are not unique to Scotland, nor to Glasgow, and up until 1981 the gradient of poor health in Glasgow mirrored that of similar UK and European regions. However, since

then, health inequalities have got worse because of an additional factor, beyond material deprivation (Walsh, 2011). Even in poorer areas of England, characterized by more poverty and lower incomes, there is better health than in Glasgow (Walsh, 2011). For example, Glasgow's level and variation of income deprivation is the same as in Liverpool and in Manchester. Yet Glasgow's poor health is manifest in premature male mortality 30 per cent higher than in the comparable cities, suicide 50 per cent higher (Scottish Public Health Observatory, 2011), 50 per cent more violent deaths, and 225 per cent more alcohol-related deaths (Walsh, 2011; Collins, 2011). These excesses emerged *only* in the last three decades: a time when the Scottish economy grew by almost 2 per cent each year (Scottish Government, 2009) and when spending on social problems and social welfare doubled (Barnardo's Scotland cited in Scottish Parliament Finance Committee, 2011).

This 'Glasgow effect' represents the dark side of Scotland's recent economic development. Poverty in Scotland is brutal, encompassing exclusion, lack of control, stigmatization, powerlessness, lack of voice, poorer services and lower educational attainment. Experiencing poverty in a rich and unequal society means involuntary marginalization from the dominant mode and pace of economic development. Thus, as Edwards (2000, p. 124) suggests, for impoverished consumers, 'shopping is experienced as a window through which they are invited to look and a door through which they cannot enter'. Poverty is thus both tangible material deprivation and an awareness of exclusion and missing out. As a result, poverty can become a social and psychological condition as the poor are labelled as 'inadequate', 'unwanted', 'abnormal', 'blemished, defective, faulty and deficient', 'flawed consumers' and 'non-consumers' (Bauman, 2005, pp. 38, 112–113).

It is unsurprising that low-income families often experience mental ill-health, particularly depression (which undermines earning capacity and other social assets) (Orr et al., 2006).[4] First admissions to psychiatric hospitals for people living in deprived areas are three times the rate for those from affluent areas (Crawford et al., 2007) and half of those claiming Incapacity Benefit[5] claim on the basis of poor mental health (Crawford et al., 2007). Whereas rates of suicide have fallen in England and Wales in recent decades, in Scotland they have increased, with evidence linking socio-economic deprivation to higher rates of suicide (Disanto, 2007). There has been a rise in the number of deaths amongst young males in Scotland because of suicide, alcohol, drugs and violence – a rise not seen in similar post-industrial regions in Europe (Walsh et al., 2009).

Is creation of 'Scotland with Style' contributing to premature mortality?

Local and national socio-economic contexts shape people's sense of security and determine the extent of poverty and inequality. The inevitable gaps between current attainment and unsatisfied materialistic goals undermine self-esteem and encroach on well-being (Kasser, 2002). This is particularly acute in a consumerist society, where materialism is ostensibly logical for social reasons – enabling participation in social roles and signalling status, identity and affiliation (Jackson, 2009). Materialistic status anxiety also stems from inequalities (Wilkinson & Pickett, 2009): *relative* income, possessions and status matter and propel individuals concerned with their perceived lack of status into attempts to demonstrate it outwardly through material possessions (arguably a fact exploited by retailers themselves who, in the UK, spend £2 billion on advertising each year (Scottish Retail Consortium, 2012)).

It seems probable that the brutal experience of deindustrialization, especially the growing inequalities and insecurity associated with precarious work patterns, unemployment and, arguably, the loss of collective support in declining church attendance and falling trade union membership, made Glaswegians more susceptible to the negative effects of materialism. As Kasser (2002) has found around the world, when local socio-economic conditions do not impart feelings of security, people often compensate by pursuing materialistic goals: materialistic values are 'both a symptom of an underlying insecurity and a coping strategy taken on in an attempt to alleviate problems and satisfy needs' (p. 42).

Materialistic values and materialistic activities are themselves harmful: evidence shows that people holding materialistic values have reduced personal well-being and poorer physical health than those whose values are founded on non-materialistic goals (Kasser, 2002). The link between the rise, dominance and almost ubiquity of materialism and health-threatening behaviours is borne out in psychological research showing that individuals focused on financial success, fame and image do not function well in school, at work or in other activities, but experience mental ill-health (depression and anxiety, personality disorders, narcissism), behaviour disorders and their symptoms, such as vandalism, truancy and carrying weapons (Kasser, 2002). An extreme manifestation is perhaps high levels of liver disease and suicide amongst young men in the West of Scotland (Walsh et al., 2009), which suggests a link between lacking a sense of hope and anxiety about one's perceived 'place' in society, resulting in despair, even violence. When individuals feel there is no place for them in the world or in their community, destructive

behaviours and expressions of existence and affiliation can seem the only way to gain identity and position – territoriality, unhealthy short-termist and mind-numbing behaviours (through drink and drugs), violence and even suicide (Carlisle & Hanlon, 2008; Wilkinson & Pickett, 2009). These behaviours reflect the extent to which a narrow type of inclusion, based around consumption, intensifies anxiety for those who cannot consume – who either fall deeper into debt in an attempt to participate[6], or find themselves marginalized and feeling inadequate, or a combination of both.

Yet Glasgow persists in constructing itself as a community where esteem and self-worth are derived from acquisition, material consumption, and perceived status, rather than from relationships, mutuality or the pursuit of equality. Growth is premised on retail and consumption, imposing a materialistic mode of socio-economic inclusion: individuals must increase their employability, be more flexible, more mobile, and participate in the consumption-based economy whole-heartedly. As Baudrillard (1998, p. 80) reminds us, a consumer society is one of 'enforced enjoyment' where the consumer has 'no right not to be happy'. Economic development based on retail consumption crowds out other values and goals, in terms of time, emotional space and also in physical terms as locations where people congregate give way to retail spaces.

> Single mothers are looked on as scroungers, and the government does not value the fact that they are doing a job of raising children. On the other hand society blames these women when their kids go over the rail even though [the mothers] are trying to earn a living and contribute to the workforce.
>
> **Anne Marie**

This leaves little room for consideration, let alone valuing, of non-economic activities and motivations (such as care for community, or lifestyles not based on consumption). People pursuing materialistic values undertake activities that 'leave themselves little opportunity to pursue goals that could fulfil their needs and improve the quality of their lives' (Kasser, 2002, pp. 47–48). In people's relationships with each other, trust, mutuality and reciprocity are undermined by hyper-consumerism, status-driven consumption, and instant gratification through individual material acquisition (Wilkinson & Pickett, 2009). Materialistic pursuits encroach on close and intimate relationships

and community involvement, leading to neglect of such relationships and undermining empathy and generosity necessary for strong social connections (Kasser, 2002). This also limits the space for collective action and community control that would have contributed to sustainable communities with strong local identities to resist materialistic messages. Moreover, the relationship between individual and the state is being transformed – those excluded from the consumerist conception of success (or even 'normal') are blamed, 'othered', ostracized through punitive conditionality placed on receipt of citizenship entitlements (see for example, Gregg, 2008), and their contribution to society questioned because it is valued in purely economic terms (Bamfield & Horton, 2009).

Is this what Scots really want? Oxfam's Humankind Index for Scotland

It seems that 'neoliberal government policies' from the 1980s onwards disproportionately affected Glasgow's population in a way that led to deleterious health behaviours (Collins and McCartney, 2011). This encompasses the mode of economic development pursued, one that seems to intensify anxiety over image and status, compelling people into materialistic pursuits that damage well-being. In response to the pursuit of policies that have not been conducive to reduction of poverty and inequality, Oxfam Scotland has sought to create a tool – the Humankind Index – for policy makers that enables them to take into account goals beyond economic growth in the most narrow sense and elevate policies which contribute to better distribution of that growth and growth of what matters to people in the first place.

The Humankind Index for Scotland is an approach to assessing Scotland's prosperity using a more holistic and representative measure of progress beyond economic growth and increased consumption. In its construction Oxfam consulted the people of Scotland about what aspects of life make a real difference to the prosperity, resilience and sustainability of their households and communities. Particular effort was made to ensure that the consultation was inclusive, especially with regard to seldom heard groups from across Scotland, using mixed methods of data collection and generation:

- Focus groups
- Community workshops
- Street stalls

- An online survey
- A representative poll carried out by YouGov

This consultation generated a comprehensive set of issues that are important to people. The results are a set of weighted priorities that describe the areas of life Scottish people identify as important to living well in their communities (Table 6.1)

To a great extent, people's responses focus on issues relatively immediate to them: those that contribute directly and immediately: safety; security of money; family and friends. These priorities are dramatically different from how Glasgow has been marketed – competitive, stylish, imaged-focused. They also run counter to the economic development being delivered in Glasgow – insecure work, community spaces giving way to space for shopping and a mode of citizenship that is premised on consumption.

In constructing the Index itself (see www.oxfam.org.uk.human-kindindex), existing data sources are used to determine to what extent the conditions needed to live well in their communities are met.

Table 6.1 Weighted priorities that describe the areas of life Scottish people identify as important to living well in their communities

Issue/factor	Weighting
Affordable/decent home/a safe and secure home to live in	11
Being physically and mentally healthy	11
Living in a neighbourhood where you can enjoy going outside + Having a clean and healthy environment	9
Having satisfying work to do (paid or unpaid)	7
Having good relationships with family and friends	7
Feeling that you and those you care about are safe	6
Access to green spaces/access to wild spaces/social/play areas	6
Work/Secure work/suitable work	6
Having enough money to pay the bills and buy what you need	6
Having a secure source of money	5
Access to arts/culture/interest/stimulation/learning/hobbies/ leisure activities	5
Having the facilities you need available locally	4
Getting enough skills and education to live a good life	4
Being part of a community	4
Having good transport to get to where you need to go	4
Being able to access high-quality services	3
Human rights/freedom from discrimination/acceptance/respect	3
Feeling good	2

Discussion

As a city and thus as individuals, Glasgow and Glaswegians are pursuing a narrow path of economic development. Through various marketing campaigns the city has been constructed and presented with an idealized image of consumer culture. Within such a context, Miles (2010: pp. 39, 43) suggests that 'the image of [economic] prosperity must win out, regardless of the less palatable truths that may lay underneath'. In this sense, 'mythical landscapes and images' are created with the central aim of building economic confidence in the city. However, this approach leads not to true prosperity, but to low life satisfaction, stress and anxiety. Szmigin (2003) notes that marketing has been criticized for being responsible for the increase in social comparison, competitive consumption and the need to keep up with the latest and the best consumer goods. Marketing activities can therefore contribute to the creation of consumer desire, leading to feelings of exclusion and shame for those consumers who cannot make these desires a reality (Bowring, 2000). Such unhealthy conditions are aggravated by growing inequalities and often manifest in poor health behaviours that further undermine Glasgow's prosperity and the life chances of its inhabitants. Moreover, the type of city being created is at odds to what people identify as important to living well in their communities.

Within a consumer culture, it may be expected that consumers are driven by extrinsic goals that depend upon favourable reactions from others as opposed to intrinsic goals which inherently provide satisfaction to the individual. Kasser and Ryan (1996) suggest that the centrality of extrinsic goals is negatively related to well-being whereas intrinsic goals are positively related to well-being. Analysis of the Humankind Index for Scotland reveals that it is intrinsic goals that dominate the priorities of Scottish people. It is often implied that within a consumer culture, community bonds disappear and individualization comes to the forefront (O'Shaugnessy & O'Shaughnessy, 2002). Additionally, in some consumer society discourse, participation in shopping is seen as a way of attaining the good life (Gabriel & Lang, 2006). However, the Humankind Index results reveal that the good life can equally be equated with non-economic intrinsic issues such as 'being physically and mentally healthy', 'being part of a community', and 'having good relationships with family and friends'. This suggests that investment in social capital may be more important to Glasgow citizens than further investment in retail.

Kavaratzis (2004) suggests that city branding has a dual purpose, firstly as the basis for pursuing economic development, and secondly to

facilitate place identification for residents of a city. While the improved economic performance of Glasgow may suggest that the first has been successful, the results of the Humankind Index suggest a conflict between the branding of Glasgow and the priorities of its citizens. The danger therefore is that the city becomes 'less a place for and of the people and more a unit for the efficient maximization of consumption' (Miles, 2010, p. 2). This raises important implications as regard city indices of progress. Economic indicators fail to provide a holistic portrayal of the well-being of the city's inhabitants. Including the voices of the citizens themselves is necessary in order to gain a more comprehensive understanding of the city's progress.

Although we have focused on Glasgow, increasingly cities across the UK and beyond are being marketed as shopping destinations (Warnaby et al., 2002). Potentially this strong focus on consumption will erode the differences between cities and detract from their uniqueness to the extent that they presented as almost indistinct from one another (Miles, 2010). This is turn acts as a threat to the competitive advantage that city branding seeks to achieve. This suggests that those involved in city marketing could benefit from adopting a more multidimensional approach in building the brand image of a city. One of the basic premises of place marketing needs to be a focus on the issues that matter to people. As such, city branding that focuses on green spaces, safe homes, arts and cultural activities, local facilities, or transport links could provide a valuable alternative. This approach may not only lead to a greater competitive advantage, but also be more in line with what citizens really value.

Conclusion

Given the trend towards more entrepreneurial governance within cities, it is unsurprising that marketing is being employed (Kavaratzis, 2004). However, it seems that an economy and society based on consumption has fostered conditions which create psychological insecurities and undermine well-being by elevating materialism. This has important implications for both city planners and city marketers and suggests there needs to be a change in both the direction of investment within cities as well as the brand images of cities which are being created and circulated. A more multidimensional focus on the planning and branding of cities would provide a better fit with the priorities of citizens and also ensure greater sustainability.

Chapter Summary

Increasingly cities across the world are being constructed as places of consumption. In this chapter we have focused on Glasgow in Scotland which has been branded as a city of style, retail and shopping. However, beneath this idealized image, the city suffers poor health and high mortality levels beyond what can be explained by socio-economic circumstances, a phenomenon known as the 'Glasgow Effect'. Using Oxfam's Humankind Index for Scotland, we have illustrated the divergence between these materialistic branding images and the priorities of Scottish people. Findings point to health, security, time with friends and family, access to green spaces and satisfaction in work as priorities. These are unlikely to be outcomes flowing from the current mode of economic development being pursued in Glasgow. As a result we suggest that such branding strategies may be both counter-productive to the prosperity of communities and counter to what citizens really value.

Notes

1. In 1931, the single most important sector for male employment in Glasgow was metal-based industries, including ship-building (Crawford et al., 2007). By 1970, industrial employment peaked across Western Europe (Walsh et al., 2009), but employment in Glasgow had been steadily declining since 1951, with manufacturing employment falling from 34 per cent of all jobs in 1971 to seven per cent in 2009 (Process plant and machine operatives figure found in NOMIS, 2010).
2. Before housing costs.
3. http://www.glasgowstylemile.com/
4. This is not to ignore the possibility that poor mental health might push people into poverty – causality operates in both directions (Orr et al., 2006)
5. This has been replaced by Employment and Support Allowance.
6. In Scotland, debt in increasing faster than in the rest of Britain. Citizens Advice Scotland dealt with a total of 143,566 new consumer debt issues in 2010/2011 (Citizens Advice Scotland, 2011).

References

Bamfield, Louise, & Tim Horton (2009) Understanding Attitudes to Tackling Economic Inequality. In Joseph Rowntree Foundation (Ed.) *Findings*. York. http://www.jrf.org.uk/publications/attitudes-economic-inequality (downloaded 20 April 2010).

Baudrillard, Jean (1998) *The Consumer Society*. London: Sage.

Bauman, Zygmunt (2005) *Work, Consumerism and the New Poor*, 2nd edition, Buckingham: Open University Press.

Bowring, Finn (2000) Social Exclusion: Limitations of the Debate. *Critical Social Policy*, *20*(3), 307–330.

Campbell, Colin (2004) I Shop Therefore I Know that I am: The Metaphysical Basis of Modern Consumerism. In Karin Ekstrom, & Helene Brembeck (Eds) *Elusive Consumption*, Oxford: Berg, pp. 27–44.

Carlisle Sandra, & Philip Hanlon (2008) Well-being as a Focus for Public Health? A Critique and Defence. *Critical Public Health, 18*, 263–270.

Citizens Advice Scotland (2011) MSPs Told: Many Scots are Still 'drowning in debt'. Available at: http://www.cas.org.uk/news/2011-news/November/MSPs+told+many+Scots+are+still+drowning+in+debt

Collins, Chik, & Gerry McCartney (2011) The Impact of Neoliberal 'Political Attack' on Health: The Case of the 'Scottish Effect'. *International Journal of Health Services, 41*(3), 501–523.

Crawford, Fiona, Shelia Beck, & Phil Hanlon (2007) *Will Glasgow Flourish? Learning from the Past, Analysing the Present and Planning for the Future*. Glasgow: Glasgow Centre for Population Health.

Crisp, Richard, Elaine Batty, Ian Cole, et al. (2009) *Work and Worklessness in Deprived Neighbourhoods: Policy Assumptions and Personal Experiences*. New York: Joseph Rowntree Foundation.

Disanto, Sara (2007) Different in Scotland? Public Attitudes to Poverty. In Poverty Alliance (Ed.) Glasgow: Poverty Alliance Briefing. www.poverty.alliance.org.uk (downloaded 9 April 2009).

Edwards, Tim (2000) *Contradictions of Consumption: Concepts, Practices and Politics in Consumer Society*. Buckingham: Open University Press.

Gabriel, Y., & T. Lang (2006) *The Unmanageable Consumer: Contemporary Consumption and its Fragmentation*, 2nd edition, London: Sage.

Glasgow City Council (2010) *About Glasgow: Tourist Attractions*. www.glasgow.gov.uk/en/AboutGlasgow...downloaded 16 May 2011.

Glasgow City Council (2008) *Glasgow Economic Review*. Glasgow: Glasgow City Council.

Gregg, Paul (2008) *Realising Potential: A Vision for Personalised Conditionality and Support*. London: Department for Work and Pensions.

Hamilton, Clive (2004) *Growth Fetish*. London: Pluto Press.

Harvey, David (1989) From Managerialism to Entrepreneurialism: The Transformation in Urban Governance in Late Capitalism. *Human Geography*, *71*(1), 3–17.

Helms, Gesa, & Andy Cumbers (2005) Regulating the New Urban Poor: Local Labour Market Control in an Old Industrial City. In *Centre for Public for Policy for Regions* (Ed.) Discussion Paper. Glasgow. www.cppr.ac.uk/centres/cppr/publications (downloaded 25 January 2010).

Jackson, Tim (2009) Prosperity Without Growth? The Transition to a Sustainable Economy. In *Commission, Sustainable Development* (Ed.) London. http://www.sd-commission.org.uk/publications.php?id=914 (downloaded 8 July 2010)

Kasser, Tim (2002) *The High Price of Materialism*. MIT Press: Cambridge, MA.

Kasser, Tim, & Ryan, Richard (1996) Further Examining the American Dream: Differential Correlates of Intrinsic and Extrinsic Goals,' *Personality and Social Psychology Bulletin*, *22*(March), 280–287.

Kavaratzis, Michalis (2004) From City Marketing to City Branding: Towards a Theoretical Framework for Developing City Brands. *Place Branding, 1*(1), 58–73.

Kotler, Philip, Donald Haider, & Irving Rein (2002) *Marketing Places*. New York: The Free Press.

Miles, Steven (2010) *Spaces for Consumption*. London: Sage.

Morris, Adam (2010) Across the Great Divide. *Edinburgh Evening News*, 25 January 2010.

NOMIS (2010) *Labour Market Profile – Glasgow City*. London: Official Labour Market Statistics. https://www.nomisweb.co.uk/reports/lmp/la/2038432136/report.aspx?pc=G12%209UY#tabempocc (downloaded 20 July 2010).

Orr, Sheena, Greg Brown, Sue Smith et al. (2006) When Ends Don't Meet: Assets, Vulnerabilities and Livelihoods – An Analysis of Householder in Thornaby-on-Tees. Manchester: Church Action on Poverty, Thrives & Oxfam.

O'Shaugnessy, John, & Nicholas Jackson O'Shaughnessy (2002) Marketing, the Consumer Society and Hedonism. *European Journal of Marketing*, *36*(5/6), 524–547.

Paton, Kirsteen (forthcoming) 'We are not removing': The everyday experiences of gentrification in Partick' produced for WestGAP (West Glasgow Against Poverty) in collaboration with WestGAP and Oxfam UK, Glasgow.

Ritzer, George (2010) *Enchanting a Disenchanted World: Continuity and Change in the Cathedrals of Consumption,* 3rd edition, London: Sage.

Scottish Government (2011) Poverty and Income Inequality in Scotland: 2009–10. A National Statistics Publication for Scotland. http://www.scotland.gov.uk/Publications/2011/05/povertystats0910

Scottish Government (2009) Fiscal Autonomy in Scotland: The case for Change and Options for Reform. *Scottish Government,* Edinburgh. http://www.scotland.gov.uk/Publications/2009/02/23092643/0 (downloaded 9 August 2011).

Scottish Parliament Finance Committee (2011) 1st Report, 2011 (Session 3) – Report on Preventative Spending. In *Scottish Parliament* (Ed.) Edinburgh. http://www.scottish.parliament.uk/s3/committees/finance/reports-11/fir11–01.htm (downloaded 5 August 2011).

Scottish Public Health Observatory (2011) *Suicide: in the UK*. Glasgow. http://www.scotpho.org.uk/home/Healthwell-beinganddisease/suicide/suicide_data/suicide_uk.asp (downloaded 11 July 2011).

Scottish Retail Consortium (2012) *Retail: Serving Scotland's Communities*, Edinburgh. Available at http://www.brc.org.uk/src_key_facts.asp

Szmigin, Isabelle (2003) *Understanding the Consumer*. London: Sage.

Walsh, David, Martin Taulbut, & Phil Hanlon (2009) The Aftershock of Deindustrialization – Trends in Mortality in Scotland and Other Parts of Post-industrial Europe. *European Journal of Public Health*, *20*(1), 58–63.

Walsh, David (2011) *To What Extent Does Poverty Explain Scotland's Poor Health Profile? Whose Economy Seminar Paper*. Oxford: Oxfam and UWS.

Warnaby, Gary, David Bennison, Barry J. Davies, & Howard Hughes (2002) Marketing UK Towns and Cities as Shopping Destinations. *Journal of Marketing Management*, *18*(9–10), 877–904.

Watson, Jeremy (2004) Glasgow Style's Better in Makeover. *The Scotsman*, 7 March 2004. http://www.scotsman.com/news/glasgow_style_s_better_in_makeover_1_1299858, (downloaded 16 May 2011).

Wilkinson, Richard, & Kate Pickett (2009) *The Spirit Level – Why More Equal Societies Almost Always Do Better*. London: Allen Lane.

7
Criminal Marketing: An Inhuman Side of Business

Nils Bagelius and Evert Gummesson

Introduction

As a general concept and term we use *criminal marketing* in this chapter. Its definition is incomplete and fuzzy and we see it as tentative. The reason is simple: to define crime, organized crime, corruption, violation of ethical and social standards, and so on is extremely complicated. According to the legal profession a criminal is a person who has been found guilty of a crime after trial. The criminologist's definition is wider, including cases when a person is not prosecuted and sentenced, often because of legal technicalities and ignorance of the police and courts. This means that official crime statistics are highly unreliable; the unknown – the dark figure – is considerable. Criminologists go further and include deviant and socially unacceptable conduct that can cause serious harm to society thus adding an ethical dimension. The ordinary citizen relates more readily to the criminologist definition (Walsh & Ellis, 2007; White & Habibis, 2005). Here we will focus on corruption and organized crime.

Corruption exists everywhere, not least in government sectors, and is a necessary condition for organized crime. In well developed economies corruption is often invisible to the public and to those who work in an organization simply because it is handled discreetly. It may give rise to the idea that a nation is free from corruption but this is a naive conclusion (Lindqvist, 2006). In less developed economies corruption is usually known and part and parcel of daily activities. Even if many suffer from it there is little they can do, especially if the political establishment, the police and the courts are involved in the scam.

Organized crime meets certain criteria according to American, Russian and Western European standards. The main criteria in the US

definition are: 1. illegal monopolization of markets and business deals; 2. the use of planned corruption; and 3. the use of threat, force and violence. Organized crime sees itself as a business, not as crime; it is there for monetary gain. The business makes up its own rules, laws and punishments.

In order to learn about the complexity and variety of crime we have compiled data from over 3,000 written sources and conducted numerous interviews. Our sources include studies by institutions such as the American National Fraud Survey, the World Bank and the International Monetary Fund; and by private, voluntary and non-government organizations; the major international auditing firms; academic researchers; and investigative reporters who publish in the serious business press. We are aware of the necessity to check sources for credibility, bias and possible errors in the reporting. Our research has resulted in a large number of longitudinal case studies in which we have found commonalities and differences. We have defined concepts and categories attempting to move in the direction of more general conclusions and a theory of marketing crime.

When presenting our research we have sometimes got quite harsh comments from academics that crime and corruption have nothing to do with marketing and management; it is handled by the legal profession and criminologists. We object vehemently to these reactions and interpret them as a sign of ignorance. There are numerous ways of calculating the size of criminal marketing and whichever method you use the outcome is alarming although the statistics can be questioned. It is hard to determine what to include, define adequate categories, and find reliable data. By its nature criminal marketing does not seek publicity but takes measures to cover up its activities and victims are scared of reporting the crimes. There is a 'dark number' but estimates are continuously made by the police, research institutes, and others. One of our efforts to bring together data of marketing crime lands at an estimate of US\$ 2 to 3 trillion (one trillion corresponds to 1.000.000 million) for 2012. It equals the GDP of France (US\$ 2.8 trillion) or the collected GDPs of Greece, the Netherlands, New Zealand, Spain and Switzerland. There are indications that organized crime is the fastest growing sector in the world economy but it is hidden behind many disguises. Four major changes in the market conditions are involuntarily stimulating the growth of crime: the Internet, the European Union (EU), the high-speed economy, and the global financial crisis. They offer new opportunities as regulations and institutions lag behind, not just by months but by years and decades.

Lacking satisfactory concepts and statistical data we have to use typologies and cases of wrongdoings and infer estimates from them. Here are three examples which only cover a small part of criminal marketing but give glimpses of its diversity:

1. Shop and restaurant owners in cities in the US, Italy, Hong Kong, the UK, or even in countries that are believed to be spared from such hassle, such as those in Northern Europe, have to pay a percentage of their income for 'protection' – a fake insurance – or are forced to buy smuggled and illegally branded products from organized crime. As a consequence the market and competition become dysfunctional. Those who do not comply with the criminal demands are threatened; their businesses are burnt down, and they are bodily harmed and even killed. Even if it is 'only' 1, 5, or 10 per cent of the GDP of a country it may afflict 100 per cent of the shops and restaurants in a specific town or region. Their market is not operating to the benefit of the businesses and customers, and the owners and employees and their families live under constant stress.

2. Criminal marketing is common is the building and construction industry. It operates in a huge business-to-business (B2B) market where suppliers are asked to submit tenders in competition. Tenders are surrounded by regulations to prevent those who submit from fixing the price and other conditions between themselves and deciding which supplier should get which contract, thus giving birth to illegal cartels. Bribes and kickbacks are common, which leads to corruption. If the buyer is a government organization this is particularly grave. The idea of healthy competition is destroyed, the cost is raised and quality is reduced.

3. The financial sector, even high profile banks and investment firms, use tax evasion and money laundering, frequently through tax havens which offer strict secrecy. Ordinary citizens are subjected to a hard sell of increasingly fancy – 'financial instruments' – where the bank or broker presents the fund as low risk but with the prospect of high dividends. The seller doesn't know the future of course but displays historical statistics, designed to give the most attractive impression. Many sellers earn their money on fees that are not obvious to the buyers who are ordinary citizens with little insight into finance and who act innocently on trust. Although legislators try to force sellers to inform buyers of all aspects of an investment, these laws are difficult, perhaps even impossible, to implement. Those who offer the funds are taking a negligible risk. The losses are mostly absorbed

by the customers while the major share of yields goes to the seller. Investment funds may also be pyramid games ('Ponzi schemes') where only the first in, primarily the investment firm owners, stand a chance to gain and the majority will lose as soon as the sales curve flattens or goes down. Their mission is 'rent seeking', a concept that refers to earnings on systems gaps with the purpose of making quick money without adding value. Rent seeking seems the easiest to perform in the financial sector where funds can consist of paper-for-paper exchange with nothing solid in the background. The study of corporate psychopaths has become a research domain in the US, very much triggered by the current financial crisis. It has been found that the financial sector has a high rate of psychopaths in leading positions, even that the sector uses psychological tests to recruit such people (Basham, 2011). Boddy (2011) argues that 'Psychopaths, rising to key senior positions within modern financial corporations, where they are able to influence the moral climate of the whole organization and yield considerable power, have largely caused the [banking] crisis.'

Criminal marketing in research

The 'routine activity theory' in criminology provides a model for reducing opportunities for offenders to commit crimes. It is based on the premise that there are always actors who are motivated to commit crimes and furthermore that they make rational choices when crime opportunities occur in time and space. Researchers have highlighted the theory from several perspectives (Cohen & Felson, 1979; Gould et al., 2001; Wilcox et al., 2003). According to the theory a perpetrator commits a criminal act when three conditions occur simultaneously: 1. opportunity, i.e. the presence of attractive objects and suitable victims; 2. the perpetrator's motivation to break laws and rules; and 3. weak control systems and institutions and therefore low risk. If the three conditions sufficiently overlap a criminal act is executed. As organized crime sees its activities as a business they analyse each situation and act only when conditions are favourable. The economic historian Douglass North (1993) has found that two kinds of institutions are needed to make a society sustainable and functional. With regard to crime, one is government agencies with a mission to prevent and stop crime, and the other is the institutionalized mindset of citizens as to what is right and wrong and social pressure on the offenders.

Marketing can be defined in several ways. One emphasizes the flow of money by stating that marketing is the revenue-generating activities

of a business. Marketing fulfils its task by ensuring that a company is offering to the market what customers and citizens need and are willing to pay for. Criminal marketing distorts the functionality of the process and threatens societal and democratic values and institutions. It obstructs three basic conditions of functioning markets: (1) fair and efficient competition, (2) constructive and efficient cooperation, and (3) the need to adhere to formal and informal regulations and institutions (Gummesson, 2008a).

Very little research in marketing is directed to understanding the scope and character of criminal marketing. At Stockholm University, Sweden, Gummesson (2006, 2008a) has highlighted the link between marketing, legislation, court procedures, and criminology, and especially pointed out the extensive and efficient use of personal relationships and network organizations; and Bagelius (2005, 2007) has studied criminal relationships and activities when foreign companies invested in the East after the dissolution of the Soviet Union and the command economy was replaced by a market economy. The chaos and anarchy that arose triggered the exploitation of weaknesses in legislation and its enforcement, which in turn affected foreign investment. North (1993) has pointed out that changing institutions, mindsets and behaviour from one political system to another is a lengthy process that requires generations to be effective. More than 20 years after a market economy was introduced in Russia communist officials, through their former networks, usurp both state and private property. At the time of writing (2012), the Putin-Medvedev administration is accused of doing just that.

From a large number of cases the sociologist Blumberg (1989) concludes that competition in the market economy has a built-in weakness: it forces companies to cheat to be able to survive in the market. Based on his personal experience Perkins (2004) explains how governments use 'economic hit men' to force other countries to cooperate. A 'hit man' is a killer-for-hire but the economic hit man does not use physical force. He/she offers governments seemingly favourable loans to build roads and other infrastructure which after some years are found to be debt traps.

Criminal marketing can hurt victims quickly, such as scams on the Web. Axelrod (1987) calls these one-shot games and Olson (1995) denotes them as 'roving bandits'. But criminal marketing can last a long time, as uncovered in our cases. This is what Olson calls 'stationary bandits' who take only a part, so that victims can create new resources, which they can take on subsequent visits. Cohen (1975) examines important means of protecting consumers against illegal advertising. Gardner (1975) calls for

better definitions of deceptive advertising and tools to measure the scale of the problem. Newman and Clarke (2003) show in detail the theory and practice of many types of fraud in e-commerce. Kim and Geistfeld (2006) describe fraud by postal mail and e-mails targeted at older people. The City of London Police uncovered thousands of false documents that were intended for use in a major mass marketing fraud (Ward, 2007). In Sweden 4 out of 10 smaller companies have been subject to some form of crime. The most prevalent crime is the fake invoices (Foretagarna, 2010). Ethical issues in marketing have been studied by Dunfee et al. (1999). How trust can be achieved in e-commerce is analysed by Thomas (2000) and McCrohan (2003). Van Beken et al. (2006) have studied the marketing of illegal waste disposal.

Traditional marketing theory includes seller strategies, the most famous being the 4Ps (product, price, promotion, and place), segmentation of the market, marketing planning and others. Current developments in marketing theory differ from these in several ways and can be characterized as follows:

- *Relationship marketing* with a focus on long-term business relationships and customer loyalty (Grönroos, 2007). *Many-to-many marketing* has extended the one-to-one customer–supplier relationship to complex networks and systems (Gummesson, 2006; Barile & Polese, 2010).
- A new logic of service, most elaborately laid out in *service-dominant (S-D) logic*, stresses the reconceptualization of goods/services into value propositions, service and value-in-use; and the changing roles of suppliers and customers as independent actors to co-creators of value and resource integrators with knowledge as the main resource (Vargo & Lusch, 2008; Lusch, 2010; Payne, 2010; Vargo, 2010; Gummesson et al., 2010). S-D logic has stimulated a lively debate on the content of service and marketing with both strong support and objections (Achrol & Kotler, 2006; Ballantyne & Varey, 2008; Grönroos & Ravald, 2011).
- *C2C interaction* where customers together take over activities that suppliers have controlled. Social media in particular have speeded up and broadened C2C interaction and made the consumer more powerful.
- *Service science* and the view of society as a complex network of service systems where the systems need to be made more functional and innovative (Maglio & Spohrer, 2008).
- *Balanced centricity* and a stakeholder approach rather than orientation to a single party like customer orientation or shareholder value.

Stakeholders are everybody involved in a business network and its activities and in a broad sense also citizens and society (Gummesson, 2008b).

These contributions are mutually supportive. They are all facets of an ongoing rethinking of marketing that can be condensed in the concepts of relationships, networks and interaction.

They also apply to criminal marketing. Organized crime builds to a large extent closed networks and hierarchies, often formed by families and neighbourhood gangs but also global criminal syndicates. Criminal organizations act as competitors and collaborators within market networks, trying to control network nodes, links and hubs in competition with others. Lack of transparency and control has nurtured the development of resource integrating networks (also called distributive alliances, see Bagelius, 2007) within and between organizations and professionals. The members are entirely dependent on the loyalty of each one of those involved to protect vested interests and avoid disclosure. Criminal marketing, as seen through the lenses of the new developments in marketing theory, was introduced at the *18th International Colloquium in Relationship Marketing* held at Henley Business School, UK, in September 2010 (Gummesson et al., 2010).

Corporate and occupational crime

One type of growing marketing crime is little noticed by the public and the media except when major scandals occur. It is corporate and occupational crime committed by major companies with a legal appearance. Corporate crime is committed in a company or other organization by its owners, management and others in control and meant to add benefits to their operation. Occupational crime occurs when somebody during his/her duty misuses the trust of the employer to acquire personal gains. Corporate and occupational crimes are largely hidden from the public. It is a sophisticated way of committing crime and an outlet for organized crime control without exposure. Due to the amount of money involved it is a growing threat to legitimate society, democracy and social welfare.

Recent cases of corporate and occupational crime are Elf-Aquitaine (France, oil), Enron (USA, energy), Parmalat (Italy, food), Systembolaget (Sweden, alcoholic beverages) and Yukos (Russia, oil). The cases represent different countries and different types of criminal marketing. Every case is dependent on its specific context but parts of the findings from one case are generally applicable to the next case.

All the cases became major scandals with long-drawn-out trials. They were all companies with a high profile in the eye of the public, they were respected as legitimate businesses, and were big and important in their home countries and also internationally. When their corrupt behaviour was exposed it came as a shock to the public, although many, among them both high officials, ordinary citizens, competitors and customers, suspected foul play but had no hard evidence, and if they had were reluctant to get involved.

Wrongdoings can go on for a long time without being detected. A question in a business newspaper about Enron's profitability triggered the disclosure process. Warnings had already come from business partners and a whistleblower inside Enron but these were ignored. A warning from Bank of America revealed irregularities in Parmalat. So irregular operations are disclosed in different ways, sometimes just by coincidence, sometimes by whistleblowers and, to a lesser degree it seems, by those we expect to keep track of these things: government institutions, public auditors and the media. Exposing corruption in powerful companies can be dangerous. Whistleblowers, who are often employees, will be harassed by their employers and other employees. Those who might be exposed are frightened and try to hit back to save their skin.

Ordinary people usually think of organized crime as performed by mafia organizations in fields such as drug trafficking, prostitution, illegal waste disposal and pirate brands, and associated with threats and violence. They have their image of organized crime from TV series and the movies where crime is thrilling and romanticized by actors who are celebrities. Watching them may even entice people to join organized crime. Popular examples are the Godfather and the Sopranos.

A major problem for organized crime is money laundering, turning black money white. This is usually done though complex international transactions passing through many banks and other institutions to make money difficult to trace. One outcome can be that organized crime buys stock on an exchange and becomes a major shareholder, even taking over big companies or acquiring a seat on the board. It then has a perfect front. Inside the company they may force executives and employees to unethical and illegal behaviour, either by offering them generous payment for their service or threatening them. 'I'll make you an offer you can't resist', to quote a well-known phrase.

Organized crime cannot exist without the support of people in key positions in national, regional and local governments as well as politicians and specialists such as lawyers, bankers, accountants, brokers and medical doctors. It needs loyal actors, 'friends', in the legal system of

the police and the courts. This leads to widespread but covert corruption that may be impossible to uncover and may also be dangerous to interfere with. Politicians, judges, police officers and others who are corrupt are usually remunerated generously, which guarantees their loyalty. This can be through occasional bribes or long-term commitments with a regular 'salary'.

Yukos was one of the largest companies to emerge from the privatization of Russian state assets during the 1990s. It was created and led by the entrepreneur Mikhail Khodorkovsky who had worked his way up the communist apparatus during the Soviet years. He began several businesses when in 1990 President Gorbachov's *glasnost* and *perestroika* opened up for a market economy. After the dissolution of the Soviet Union, Khodorkovsky accumulated wealth through the development of oil companies, oil trade and investment in offshore companies and in offshore as well as Russian tax havens. He is the epitome of the new Russian upper class, the oligarchs. In 2004, Khodorkovsky was the wealthiest man in Russia and one of the richest in the world.

He initially had strong relationships with other oligarchs who belonged to President Yeltsin's network that constituted the power elite in Russia. Khodorkovsky became an enemy to President Putin when he questioned Putin and tried to influence political life. He was arrested in October 2003 on charges of fraud. The Russian government froze the assets of Yukos shortly thereafter on tax charges. The state took further action against Yukos leading to a collapse of the company's share price and the evaporation of much of Khodorkovsky's wealth. In May 2005 he was found guilty and sentenced to nine years in prison. While still serving his sentence Khodorkovsky and his business partner Platon Lebedev were found guilty of embezzlement and money laundering. In December 2010 his prison sentence was extended to 2017.

Both outside and inside Russia there is ongoing criticism about the trials as politically manipulated. While Khodorkovsky unsuccessfully appealed his convictions to the European Court of Human Rights, the court acknowledged violations of his rights in the detention leading up to his trial. In 2012 the Putin–Medvedev government was accused of using their power to take over Russian property; in the Western media it was labelled as outright theft. President Putin and his closest circle control 10–15 per cent of Russia's GDP and corruption is estimated at 25 per cent of GDP. One of us interviewed a former minister of President Gorbachev's government who estimated that organized crime in Russia controlled 70 per cent of the banks. Corruption has become institutionalized in the Russian system and includes election fraud, trade with

parliament seats, the appointment of friends to key positions, pressure on judges and courts, imprisonment of competitors, and murder or imprisonment of journalists. Weak or non-existent institutions still characterize Russia and the door is open for networks of former communist party officials to support each other in robbing the state of property. Western legal standards do not apply.

Yokus is characterized by a mix-up between government and business interest in the turmoil of going from a planned command economy to a market economy. There are similarities and differences to the Enron case. Enron exploited the recently introduced deregulation of financial markets and the increased privatization. Even though the US had a long experience of free markets and built-up institutions and Russia did not, the US market turned out to be unprotected against the strategy of Enron. In the 1990s Enron became a giant in natural gas and electricity distribution and continued to grow into an international conglomerate. For many years it was lauded as the most innovative company in the US. It had a blind faith in growth, profitability and shareholder value as the single mission of a business firm. Enron made numerous hyped commitments in America and internationally in what they claimed were future markets. They expanded globally with borrowed money and venture capital.

Enron's system of accounting deliberately concealed the true financial situation; they 'cooked the books'. Not even their public auditor, one of the Big Five international auditing companies Arthur Andersen, understood it – or chose not to report it. Arthur Andersen was closed after the scandal; their brand was wrecked in a very short time. The US government had to hire a task force to understand the transactions (Barrett, 2002). Enron had supportive relationships with the Bush and Clinton administrations and its leaders cleverly exploited their employees and business partners. Because of its growth, size and exposure, Enron stood out as a dream client for an auditing firm whose income is dependent on long-term client relationships. Enron filed for bankruptcy in 2001.

Parmalat was a respected Italian food company operating in some 30 countries. The company concealed fraudulent transactions for at least ten years. Parmalat and its network of suppliers and its distribution system was rescued by Prime Minister Berlusconi´s government. Elf-Aquitaine was state-owned, a money machine and a tool in French foreign policy to secure, strengthen and develop a position on the international oil market. It was saved by political forces.

Elf, Enron, Parmalat and Yukos wanted to grow and become powerful global companies. They 'dressed the bride' to entice investors, customers,

suppliers and capital to the delight of banks and investors. There were inflated expectations in the stock market, which put pressure on the management. The new forms of finance had become an exotic nightmare, and reporting at the corporate level was so complex that it put great demands on the competence of prosecutors and courts. Furthermore, information can be distorted, transactions over foreign accounts can be concealed with the support of bank secrecy, and accounting principles can change. The stream of complicated and fancy financial instruments that followed in the wake of deregulation created a misfit between the conservatively designed legal system and regulatory institutions. This misfit, later openly revealed in the financial crisis of 2008 (Ferguson, 2010), facilitated this financial alchemy. Ordinary citizens lost money, jobs, pensions and other investments. Alliance partners, customers, suppliers, subcontractors and society incurred damage and unnecessary extra costs.

Corporate crime can slip into occupational crime in which those in leadership positions shift the blame to others lower down in the hierarchy claiming that the management was ignorant. Such was the case in Enron and Parmalat but the question remains open if it was also the case at Systembolaget. Several former board and top management members of Systembolaget must have known but had not found it necessary to interfere. It is hard to draw the line between purchasing staff accepting wine or a free trip to a vineyard and the necessity for purchasers to taste the wine and get familiar with its production in order to assess its quality. It is also an industry where personal and sustaining relationships can be important for future business. When the scandal became public and was made a police case the CEO was new to the company. She was also the Prime Minister's wife and consequently had a powerful supportive network to call upon. The accused at Systembolaget did not have the same power to defend themselves. The case was processed through the courts and officially with strict adherence to law. It is of course impossible to know if pressure was exerted on the judges and prosecutors as it concerned a state-owned and politically controlled company. The disciplines of criminology and marketing may have approached the case differently.

It is often not possible to convict for corruption, financial crime or money laundering since these phenomena may lack definitions in national laws and the courts lack the resources to investigate the often very complicated transactions. The perpetrators are therefore often prosecuted for other than their core crimes, such as fraud, tax evasion and false accounting. The investigations and court hearings become big, long drawn out and extremely costly.

When the frauds were disclosed authorities mobilized countervailing forces. A few top executives were sentenced to jail and a number of middle managers and other employees were fined or fired. Beside measures from the legal system, public auditors admitted their negligence and made compensations. The world's leading investment banks – Citigroup, Deutsche Bank, Bank of America, Merrill Lynch, Morgan Stanley, Barclays, Case Manhattan, and others – were drawn into litigation. The reputations of participating auditors and investment banks were harmed.

The public has responded strongly to the irregularities by which the companies challenged the informal rules, values, traditions, taboos, ethics and morality. Journalists claim that the elite design their own value system in conflict with the rest of society. This 'crony capitalism' – appointing friends to positions whether they are suitable or not for the job – is spreading and genuine responsibility has become a scarce commodity. The strong public reaction is intriguing since citizens by tradition consider burglary, violent crime, and other crimes where there are individual victims involved, as more serious than crimes against the general public (Magnusson & Sigbladh, 2001).

Summary and conclusions

The lead theme of this chapter is criminal marketing, with examples from organized crime, corruption, corporate crime and occupational crime. The market is increasingly exposed to criminal action, which impairs sound competition. Criminal marketing directed against one actor creates ripples in the network to which s/he belongs. It harms citizens, customers, suppliers and their staff as well governments and honest investors.

Criminal marketing is almost absent in marketing theory, classrooms and textbooks. Corruption, threats to business, extortion, violence, illegal monopolization and so on is not found in marketing textbooks. Unfortunately, mainstream social science methodology is not fit to handle complexity. It is dominated by methods that can only handle a few variables and favour quantitative and unidirectional cause and effect studies (Gummesson, 2012).

The international financial meltdown that started in 2008 has pointed to the urgency of curbing and preventing continued criminal marketing as well the need for theoretical understanding and modelling of the actual functioning of financial markets. Criminal marketing cannot continue to be disregarded in theories about markets and marketing

and must become an area for research if we are to improve economic, social and environmental functionality and stability. The omnipresence of criminal marketing is shown by the fact that both the business press and general media daily report on the topic. One can ask why this is hardly noted by economists and business academics. Keeping marketing crime down should be a priority for governments, citizens, research and education; it is a necessity for creating a better and more humane society. Unfortunately, the law is full of gaps and in times of major changes the gaps grow in number. The law profession is conservative and even lethargic whereas crime is quick to exploit new opportunities. Organized crime sees itself as a business which has set its own rules in conflict with official law and the citizen's perception of crime and just behaviour.

References

Achrol, Ravi S., & Philip Kotler (2006) The Service-Dominant Logic for Marketing: A Critique. In *Toward a Service-Dominant Logic of Marketing: Dialog, Debate, and Directions*, Robert F. Lusch, & Stephen L. Vargo (Eds), New York: M. E. Sharpe.

Axelrod, Robert (1987) *Från konflikt till samverkan, Varför egoister samarbetar*. Stockholm: SNS Förlag.

Bagelius, Nils (2005) The Crusaders. In *Organized Crime Economy, Managing Crime Markets in Europe*, Petrus C., van Duyne, Klaus von Lampe, Marten van Dijck, & L. James Newell (Eds) Nijmegen, The Netherlands: Wolf Legal Publishers.

Bagelius, Nils (2007) The Crusaders. In *Skatteundandragande, Penningtvätt och Organiserad brottslighet*, Dan Magnusson, & Hans, Sjögren (Eds) Stockholm, Sweden: Stockholm School of Economics.

Ballantyne, David, & Richard J. Varey (2008) The Service-dominant Logic and the Future of Marketing. *Journal of the Academy of Marketing Science*, *36*(1), 11–14.

Barile, Sergio, & Francesco Polese (2010) Linking the Viable System and Many-to-Many Network Approaches to Service-Dominant Logic and Service Science. *International Journal of Quality and Service Sciences*, *2*(1), 23–42.

Barrett, Jennifer (2002) Less Words, More Action. *Newsweek*, 9 July.

Basham, Brian (2011) Beware corporate psychopaths – they are still occupying positions of power. *The Independent*, 29 December.

Blumberg, Paul (1989) *The Predatory Society: Deception in the American Marketplace*. Oxford: Oxford University Press.

Boddy, Clive R. (2011) The Corporate Psychopaths Theory of the Global Financial Crisis. *Journal of Business Ethics*, *102*, 255–259.

Cohen, Dorothy (1975) Remedies for Consumer Protection: Prevention, Restitution or Punishment. *Journal of Marketing*, *39*(4) (October), 24–31.

Cohen, L., & M. Felson (1979) Social Change and Crime Rate Trends: A Routine Activities Approach. *American Sociological Review*, *44*, 588–608.

Dunfee, Thomas W., N. Craig Smith, & T. William Ross (1999) Social Contracts and Marketing Ethics. *Journal of Marketing*, *63*(3) (July), 14–32.

Ferguson, Charles H. (2010) *Inside Job*. New York: Sony Classic Pictures.

Foretagarna (2010) *Fyra av tio foretag utsatta för brott*. Stockholm: Foretagarna.

Gardner, David M. (1975) Deception in Advertising: A Conceptual Approach. *Journal of Marketing*, *39* (January), 40–46.

Gould, Leroy C., Gary Kleck, & Marc Gertz (2001) Crime as Social Interaction. In *What is Crime, Controversies over the Nature of Crime and What to Do about It*, Henry, Stuart and Marc M. Lanier (Eds) New York: Rowman & Littlefield.

Grönroos, Christian (2007) *Service Management and Marketing*. Chichester, UK: Wiley.

Grönroos, C., & A. Ravald (2011) Service as Business Logic: Implications for Value Creation and Marketing. *Journal of Service Management*, *22*(2), 5–22.

Gummesson, Evert (2006) Many-to-Many Marketing as Grand Theory: A Nordic School Contribution. In *Toward a Service-Dominant Logic of Marketing: Dialog, Debate, and Directions*, Robert F. Lusch and Stephen L. Vargo (Eds) New York: M. E. Sharpe.

Gummesson, Evert (2008a) Extending the Service-dominant Logic: From Customer Centricity to Balanced Centricity. *Journal of the Academy of Marketing Science*, *36*(1), 15–17.

Gummesson, Evert (2008b) *Total Relationship Marketing*. Oxford, England: Butterworth-Heinemann.

Gummesson, Evert (2012) *Case Study Research in Business and Management*. London: SAGE.

Gummesson, Evert, Nils Bagelius, & Lars Vigerland (2010) A Dark Side of Relationship Marketing: Criminal and Covert Networks. 18th International Colloquium in Relationship Marketing, Henley Business School, University of Reading, Henley, England (27–29 September).

Gummesson, Evert, Robert F. Lusch, & Stephen L. Vargo (2010) Transitioning from service management to service-dominant logic, Observations and recommendations. *International Journal of Quality and Service Sciences*, *2*(1), 8–22.

Kim, Eun-Jin, & Loren, Geistfeld (2006) Elder Fraud: An American-Korean Comparison. *Consumer Interests Annual*, *52*.

Lindqvist, J. (2006) *Outlaw Marketing: En brutal oddységenom den österbottnigska slätten*. Vasa, Finland: Hanken School of Economics.

Lusch, Bob (2010) *Transcending Marketing With Service-Dominant Logic*. The 5th Henley Conference on Customer Management, Maximising Value through Relationships, Henley Business School, University of Reading, Henley, UK (30 September).

Maglio, P. P., & J. Spohrer (2008) Fundamentals of Service Science. *Journal of the Academy of Marketing Science*, *36*(1), 8–20.

Magnusson, Dan, & Roland Sigbladh (2001) *Ekonomisk brottslighet, så skyddar du din verksamhet. Stockholm*. Sweden: Björn Lundén Information AB.

McCrohan, Kevin F. (2003) Facing the Threats to Electronic Commerce. *The Journal of Business & Industrial Marketing*, *18*(2/3), 133–143.

Newman, Graeme R., & Ronald V. Clarke (2003) *Superhighway Robber: Preventing E-commerce Crime*. Portland, OR: Willan Publishing.

North, Douglass C. (1993) *Economic Performance through Time*, Official Prize Lecture in Economic Science in Memory of Alfred Nobel, Stockholm: The Nobel Foundation [available at www.nobelprize.org].

Olson, Mancur (1995) Why the Transition from Communism is So Difficult. *Eastern Economic Journal*, *21*(4) (Fall), 437–461.

Payne, Adrian (2010) *Strategies for Value Creation and Co-Creation*. The 5th Henley Conference on Customer Management, Maximising Value through Relationships, Henley Business School, University of Reading, Henley, UK (30 September).

Perkins, John (2004) *Confessions of an Economic Hit Man*. San Francisco, CA: Berrett-Koehler Publishers.

Thomas, Rodney (2000) How to Create Trust in the Net. *Marketing*, *2* (March), 35.

Vander Beken, Tom, Nicholas Dorn, & Stijn Van Daele (2006) *Project Mavus 2, The European Waste Disposal Sector, Methods for and Assessment of Vulnerability of Sectors*. Institute for International Research on Criminal Policy research report, Ghent, Belgium: Ghent University (10 July).

Vargo, Stephen L., & Robert F. Lusch (2008) Service-Dominant Logic: Continuing the Evolution. *Journal of the Academy of Marketing Science*, *36*(1), 1–10.

Vargo, Stephen L. (2010) *Service Dominant Logic*. 18th International Colloquium in Relationship Marketing, Henley Business School, University of Reading, Henley, UK (27–29 September).

Walsh, Anthony, & Lee Ellis (2007) *Criminology: An Interdisciplinary Approach*. London: Sage.

Ward, Tony (2007) *International Crackdown on Mass Marketing Fraud*. London: City of London Police.

White, Rob, & Daphne, Habibis (2005) *Crime and Society*. Oxford: Oxford University Press.

Wilcox, Pamela, Kenneth C. Land, & Scott A. Hunt (2003) *Criminal Circumstance: A Dynamic Multicontextual Criminal Opportunity Theory*. Edison NJ: Transaction Publishers.

8
Can Society Nurture Humanistic Marketing?

Aliakbar Jafari

We are *all* guilty. For unethical business practices, increasing environmental crises, overconsumption, market misbehaviours, social injustice, falling rate of satisfaction with life, institutionalization of fraud, declining morality in society, and many other imperfections, we are *all* guilty. We are guilty because we have developed too much hope and faith in markets – 'the idols of our own creation' (Wallis, 2010) – and market rules. Markets, which once upon a time cultivated the seeds of hope, prosperity, happiness, peace, and harmony in human society, have now become the breeding grounds for despair, difficulties, agonies, anxieties, and conflicts. Markets, which used to bring people together in society, have now become battlefields where people stand in opposition and anxiously blame one another for the imperfections of their habitat, 'the market'. In this battleground, angry voices are heard from all corners. Everybody in the field is simultaneously a plaintiff, a defendant, and a judge.

In the battlefield of the market, we are all anxious. As consumers, we are becoming increasingly sceptical of suppliers' true value propositions (Tan, 2002). We are suspicious of their honesty. We are fed up with the copious volume of unsolicited advertisements targeting us in different forms (e.g., TV ads, electronic mail, text messages, telephone calls, direct mail and flyers) (Shankar & Malthouse, 2007). We are agitated by the way governments measure their overall performance based on the depth of our pockets and not the width of our smiles. Particularly in the West, not a single day goes by without governments and corporations measuring their economic performance based on consumer expenditure. As consumers, we are also annoyed by one another, our neighbours. We are tired of keeping up with the Joneses. We are fed up with one another's misbehaviour (e.g., bad consumption of things and consumption of

bad things) in the market. We are tired of one another's increasingly calculating behaviour. Especially at a time of economic downturn, the shrinking of our pockets is making us more calculating and less generous to others. We need a break from the market.

Businesses are in no better condition. Most businesses are becoming disappointed at their customers' disloyalty. Return on investment is a major concern which haunts their day to day activities from dawn till dusk (Oliver, 1999). Nowadays, relationship marketing schemes are often run based not on the traditional concepts of voluntary support, trust and commitment, but on coercive financial motivations. Most businesses do not voluntarily take the initiative to enhance the value and quality of their offerings; they often do so because they are forced to, by fierce competition, rising consumer complaints, or compulsory regulations (Morgan & Hunt, 1994). Businesses also live with the fear of being sued by their customers, business partners or employees for the slightest harm they may cause to them. They also suffer from the misbehaviour of consumers (Bitner et al., 1994; Harris & Dumas, 2009). Some consumers justify their theft (in any form and quantity) in the name of poetic justice. Others willingly abuse the good will (and sensible business strategy) that underpins refund policies and – at the most extreme – sometimes consumer antipathy towards corporations results in abusive language and aggressive physical behaviour towards employees (see Daunt & Harris, 2011). In this battlefield, businesses do not get a break either.

This chapter is a flag of truce. It is a call for a ceasefire in this battlefield. This chapter invites all the plaintiffs, defendants, and judges to drop their angry voices, take a deep breath, and sit down for a chat around the table, but not on the battlefield. The battlefield is not the right place for negotiation. It stimulates antagonism. The battlefield brings the temptation of achieving one's own mission and defeating opponents. Negotiation needs serenity. This chapter invites all the militants to leave the battlefield of the market and establish a dialogue around the table of conscience somewhere else, in the heart of society. In society *civilians* live, *not* militants. Civilians are *citizens*, *not* opponents. Citizens live together. Citizens are neighbours, friends, relatives, and next of kin. In society, 'human beings are members of a whole, in creation of one essence and soul. If one member is afflicted with pain, other members uneasy will remain'.[1]

This chapter is a call for Collective Social Responsibility (CSR). The core of my argument is that humanistic marketing can only be realized in a humanistic society. For the purpose of this discussion, I use

the term 'humanistic' precisely to denote the belief in the welfare of society at large based on self-examination, conscience, honesty, respect, passion, ethics, responsibility and action. As I have just said, and I repeat myself, humanistic marketing can only flourish in a humanistic society. Therefore, before embarking on a humanistic charter for marketing, we need to meticulously and conscientiously examine whether or not our society provides the breeding grounds for the 'revival'[2] of such a humanistic enterprise.

Allow me to continue this dialogue with a generally agreed thesis that marketing, as an institution, does not operate in a vacuum (Peñaloza & Venkatesh, 2006; Tadajewski, 2010). There are many institutions that influence the nature, performance, and direction of marketing. Marketing executives within organisations, for example, often work towards serving their businesses' overall economic objectives (Friedman, 1970). Hence, the philosophy of marketing (which ideally should offer value for society at large[3]) is likely to be overshadowed by the sole philosophy of making profit (Bell and Emory, 1971). Similarly, highly institutionalized marketing academics and educators barely transgress the boundaries of their market-centred logosphere[4]. Typically, instead of studying marketing in society, they analyse society within the limited boundaries of the market logic (Venkatesh et al., 2006). As a result, marketing remains largely at a 'micro level' (Fırat & Dholakia, 1997; Varey, 2010). As active agents, customers and consumers are also capable of influencing organisations' marketing practices and business patterns (Wright et al., 2006) through, for instance, spreading positive or negative word of mouth, feeding and pursuing their complaints, and increasing or decreasing their level of financial transaction with organizations. Through policy change and enforcing regulations, governments also influence the content as well as structure of markets and marketing practices (Menon & Menon, 1997; Jafari & Goulding, 2012). Therefore, marketing is *not*, and *should* not be viewed as an independent omnipotent entity. Marketing, as an institution and social construction, is the common product of complex and multiple interactions amongst a large number of other institutions. Therefore, too much reliance on marketing is a grave mistake. Marketing alone has neither the power nor the means to affect society.

Let us be clear about the key message of this book, part of which is the present chapter. Calling for humanistic marketing has one alarming implication: the way we collectively (as marketing practitioners, academics, consumers, and other stakeholders) have been theorizing, practicing, and interacting with markets and marketing so far has not

worked for the common good. If it had, we would not now be witnessing a growth in cynicism and scepticism towards the effectiveness of markets (Wallis, 2010) and marketing (Chylinski & Chu, 2010). In fact, in many ways, we have failed to make effective use of markets and marketing for the betterment of human life in general. And for this failure we are *all* guilty.

In the remainder of this chapter, I will discuss why we are guilty. In order to develop this discussion, I proceed with an overview of contemporary debates on the morality of marketing with specific reference to consumption. I will particularly argue how some of the key concepts in this stream of debate are flawed. My conclusion is that establishing humanistic marketing necessitates collective social responsibility in all areas of social life, including our varying interactions with both markets and marketing.

The morality of marketing

At least for the past four decades, we have witnessed a plethora of contested debates about the morality of marketing. On the one hand, marketing has been blamed for using manipulative promotional techniques, exploiting societies' multiple resources (e.g., economic, social, cultural), accelerating consumerism, cultivating artificial values, and so forth; and on the other hand, it has been praised for serving society in different ways such as enhancing quality of life, serving consumers' varying needs, democratization of society, educating people, driving innovation, circulating capital and the like. These perspectives deserve to be separately analysed in further depth; yet, given the space constraints of this account, in the following lines, I will stick only to a brief review of the topic (morality of marketing) and its relation to consumption.

Perspective 1: marketing blamed

From this perspective, marketing is seen as a tool that profit-seeking organizations use to accelerate consumption in society. Critics (e.g., Packard, 1957; Day & Aaker, 1997; Lambin, 1997) often refer to consumerism and blame marketing for employing manipulative techniques (e.g., advertising) and practices (e.g., promotions and discounts) that tempt consumers to buy and consume more. For instance, Day and Aaker (1997, p. 44) echo Packard's (1957) criticism of marketing 'strategies for persuading customers to quickly expand their needs and wants'. Similarly, Lambin (1997) uses the term 'wild marketing' to denote the type of marketing which is 'characterised by an emphasis on selling

at the expense of meeting consumers' needs and expectations' (Yani-de-Soriano & Slater, 2009, p. 454). According to Lambin, this type of marketing exploits people's anxieties, insecurities, and sufferings, driving them towards overconsumption through impulsive and compulsive behaviours. Such conceptions of marketing argue that 'consumerism not only does not promote consumer well-being, but has damaging consequences for consumers and society' (Yani-de-Soriano & Slater, 2009, p. 454). Such consequences are as diverse as indulgence in false values and identities (Bauman, 2000), status competition (Schor, 1999), financial debt (Setterfield, 2005; Charpe et al., 2009), illness (Faber et al., 1995; Szmigin et al., 2011), and anxiety (Bauman, 2000). Individual consequences aside, consumerism also threatens the collective and long-term survival of human beings by using natural resources faster than they can be renewed or replaced (Brown & Cameron, 2000). For instance, through shortening product lifecycle and cultivating fads in fast moving consumer goods, products are not fully used by consumers. There is inherent waste. Even the most sophisticated advancements of recycling or remanufacturing cannot catch up with the rapid expansion of environmental destruction. Based on such premises, and from a societal perspective (Kotler, 1972; Takas, 1974; Abratt & Sacks, 1988; Prothero, 1990), marketing is deemed to be responsible before society. This perspective rejects Friedman's (1970) thesis of 'business for business' sake' and considers businesses as social enterprises which should be committed to the long-term benefits of society.

Perspective 2: marketing defended

In this second perspective, it is believed that marketing serves human society by providing individuals with the necessary means of organizing their lives. Voices in this stream are diverse as they come from different theoretical camps. From a moral and political perspective, Gaski (1985) and Crane and Desmond (2002) question the foundations of societal marketing and argue that the concept of social responsibility creates many complications. In their view, it would be morally and politically dangerous to put marketing managers in charge of safeguarding society's well-being: societal marketing 'constructs a role of the marketing manager to decide on and act in defence of the public interest, despite neither being elected to do so, nor necessarily having any expertise in doing so' (Crane & Desmond, 2002, p. 558). The authors suggest that only governments should be responsible for making decisions on people's well-being because marketing managers cannot decide what is good for society. The rationale is that in a democratic context, marketing

managers should fulfil their task by supplying society with a diversity of products and services, and consumers themselves are capable of deciding what is good for them.

From a social values perspective, O'Shaughnessy and O'Shaughnessy (2002) also argue that those who blame marketing for accelerating consumerism (e.g., hedonistic behaviours and overconsumption) and changing society's values fail to understand that human society has always been dynamic and people's values have always changed throughout history. In this regard, marketing only changes people's perspectives towards what is of value: 'marketing seldom tries to change values altogether, though it may seek to change value judgements through changing perspectives as to what is in line with values' (O'Shaughnessy & O'Shaughnessy, 2003, p. 545). These authors further argue that through marketing-generated consumption culture, consumers get to practice their free will and enjoy what makes them who they want to be. Also, from an international perspective, Czinkota and Ronkainen (2003, p. 14) argue that marketing immensely benefits consumers in all parts of the world: 'consumers are the greatest beneficiaries of all. They are offered an unprecedented degree of product availability and choice….the prices of these products are usually low and offer a better quality and quantity of life to a broad spectrum of individuals'.

Catch-22

Despite their potential in generating debate in public domains (e.g., media and public policy), educational environments, business forums, and academic outlets (e.g., conferences and journal publications), the above discussions are no longer truly progressive. Engagement in such discussions will only entrap us in vicious circles of argumentation. Given the depth and breadth, and also the urgency, of dealing with the problems (mentioned in the opening paragraph) which we face in contemporary society, these discussions are less likely to help us arrive at a consensus about what the key cause of these problems is. These discussions are more divisive than unifying.

The dilemma embedded in the above discussions about the advantages and disadvantages of marketing is the result of asking the wrong questions: 'is marketing good or bad?' and if bad, 'who is guilty?' I have already answered the second question at the beginning of this chapter and will return to it again in the upcoming paragraphs. Regarding the first question, it is misleading. This question distracts us from diagnosing the problem and will only engage us in sophistry and in endless discussions on who has caused the problem. Therefore, what I propose

here is that we need to raise the right question: 'why have we ended up in where we are?' Some may still ask: 'but where are we?' Those who are not fully aware of 'where we are' need to seriously and conscientiously contemplate our everyday life conditions in the battlefield I elaborated at the beginning of this chapter.

As I have discussed so far, the fundamental question of 'why have we ended in where we are?' has been overlooked. This is the crucial question we need to ask ourselves. In the battlefield of the market, marketing is only one of many other institutions that shape our everyday life conditions. Marketing has not come from Mars. Every tree is known by its fruit; and marketing is the very fruit of our own society. Whether virtuous or vile, marketing only mirrors our own image. Marketing is the legitimate child of our own aspirations, ideas, ideals, and actions. As long as we measure our standards of living, quality of life, happiness, and well-being based on our material possessions and market resources, marketing shall continue to be a fundamental source of facilitating such utopian aspirations. The root cause of our imperfections definitely lies somewhere else.

Now, let us go back to my initial discussion on the topic of morality. Allow me to present my critique of the debate on the morality of marketing with the help of an example. Amongst many possible examples, I deliberately use the case of smoking, an addictive behaviour, because it best uncovers some of the most fundamental contradictions in discussions on morality.

'Smoking Kills'

Smoking is a dangerous form of consumption which has many negative consequences; simply said, it threatens your well-being (at least physiologically and financially). In line with the above arguments, first let us set the scenario and then, in the light of the two perspectives, discuss who is responsible for the negative consequences of smoking. As Palazzo and Richter (2005) and Schwartz and Carroll (2003) elaborate, there is an inherent contradiction in the corporate social responsibility of tobacco companies. These companies produce and market dangerous products. At the same time, they claim that by warning consumers of the risks of smoking they accomplish their responsibility by telling smokers that 'smoking kills'. In this situation, where dangerous products are produced, one key question arises: can we speak of ethical business in the case of tobacco companies? The existence of the tobacco business harms health. In this case, who is guilty for the negative consequences of the dangerous product: Tobacco companies for making such products

available? Consumers for consuming these products? Or governments for allowing these companies to operate?

Based on the first perspective, marketing could be blameworthy simply because 'smoking kills' and tobacco companies knowingly continue to produce and market their products. Based on the second perspective, however, there are many reasons for exempting marketing from guilt: firstly, governments set (at least in most developed countries) a series of regulations that restrict the production (quality control), marketing (advertising and distribution), and consumption (minimum age criterion and bans on smoking in public places) of tobacco products. And marketing, in its turn, abides by such regulations. For instance, tobacco companies warn consumers of the dangers of smoking. Secondly, marketing can be used in counteraction (social marketing and demarketing) by NGOs and public health organizations to de-market smoking. Thirdly, according to the democratic law of the free market, a large number of smokers should have the right to access the product they want. Fourthly, smokers are aware of the fact that 'smoking kills'; therefore, they do not need guardians to tell them what is good or bad for them.

There are a series of problems here. Based on the logic of perspective 1, consumers are not held responsible for the harm they cause to themselves and others. In a one-way tradition, perspective 1's logic ignores the agency of consumers and their participation in the process of self-destruction and wasting communal resources such as public health services and funds that can be used for promoting positive behaviours (e.g., sport) rather than preventing negative behaviours (e.g., smoking). This perspective essentially views marketing as the key cause of creating desires in consumers and does not acknowledge the fact that marketing may simply respond to the untameable 'fire of desire' (Belk et al., 2003) inherently nested in consumers' nature. People may adopt smoking not as a result of being exposed to the classic persuasive Marlboro Man advertisement; they simply may start because they are born into families where parents smoke.

On the other hand, perspective 2 oversimplifies the scenario. For instance, if we apply O'Shaughnessy and O'Shaughnessy's (2003) thesis of 'practising one's free will through consumption' to this context, smokers chose to smoke because that makes them who they want to be. But the problem exactly is the way of being who we want to be. If our being who we want to be does not impose any harm on others, I do not see any reason why one should be deprived of achieving that mode of being. But in the case of smoking, smokers achieve their sense of being

at the expense of others. For instance, they expose others to passive smoking. They spend the money they should spend on the welfare of their family (or themselves) on smoking. As a result of developing health problems (because of smoking), they are more likely to utilize the communal national health services that are sponsored by all taxpayers.

Crane and Desmond's (2002) overreliance on democratic states (as the guardians of citizens) is also problematic. Firstly, these authors oversimplify democracy. In a democratic society, states are in charge of setting regulations and law and not moral codes for citizens. Regulations and moral obligations are two different things. For instance, simply because one is entitled to use free national health services does not justify the fact that one *should* use this resource. Nothing is illegal here but something is definitely immoral. Secondly, the authors' solution is narrowed down to democratic societies. What about those societies which do not have democracies and sophisticated regulatory systems? Who should be responsible for outlining *their* morality? The democracies that they do not have? Can it then be concluded that because they do not have democracies, they have no or little morality in society? Czinkota and Ronkainen's (2003) thesis is also not able to answer these questions. Many developing countries do not yet have sophisticated institutions (e.g., NGOs and legislations) to counteract the negative consequences of consumption.

These questions are difficult, if not impossible, to answer. If we extend this debate to other consumption situations in the everyday reality of our lives (e.g., overconsumption, consumption of alcohol, gambling, computer games, using 4X4 vehicles, impulsive and compulsive consumption, unhealthy dietary habits) we will encounter even more frustrating questions, ambiguities, and contradictions. Involvement in these questions will only make us raise our voice and blame one another for all the problems we face. That is why I called for a collective departure from the market in order to resolve our conflicts.

Departure

In this chapter I have endeavoured to invite all members of society to think about our own actions. Our problems are abundant; so are the causes of these problems. And to resolve these problems, we all have a role to play. In Aristotle's words, 'one swallow does not make a spring'. We need to collectively take responsibility for the betterment of life on earth. So far, we have done different things and achieved one thing in common: we are facing more and more problems. Now, it is time we all

did one thing in common to achieve different things (happiness, health, peace, harmony, etc.). That one same thing we should all do is to let our instinctive human conscience determine our thoughts, words, and deeds. We need to think in and for society.

As an aside, I do not mean total abandonment of the market; the market is part of our lives. What I suggest is that we need to remember that the market should serve us not rule us. Extending ourselves through consumption and material possessions (Belk, 1988) has only multiplied our problems. It is time we seriously considered contracting ourselves so that we can see the impact of our multiple interactions with markets in our everyday life situations in society.

The problems I listed in the opening paragraph of this chapter are certainly more tangible in economically developed (Western) contexts. That is why, to date, many debates on the morality of marketing have focused on such societies. But these problems are also becoming serious challenges for people in developing countries. Discussions of morality in developed countries often reach a dead-end because the ideology of democracy acts as a double-edged sword. Democracy creates a *carte blanche* where everybody can claim to be entitled to do whatever they want. Decisions on morality are therefore left to the discretion of governments, and all members of society become conditioned to live according to the rules set by their guardians. In other words, in the long term, morality is replaced by rules. Rules should accompany and be founded on, not replace, morality. Rules can always be counteracted by other rules. But conscience-driven morality is enduring. Human societies all around the world, therefore, need to refer to their own conscience and take responsibility and action for the betterment of their lives. Too much hope in markets, market rules, and marketing will only create disillusion. Humanistic marketing can only come to existence and fructify in a society that craves for such a social enterprise.

Notes

1. Quotation from Sa'di, the Iranian poet (1185–1283/1291)
2. I use the term 'revival' deliberately because contemporary humanistic discussions (including, for example, the broad arena of Modern Humanism) are historically rooted in mankind's yearning for morality, ethics, justice, and collective welfare in society. In the general context of business and management studies, the history of ethics and morality dates back to antiquity (both ancient and late).
3. This is in the core of American Marketing Association's 2007 definition of marketing which is widely accepted by proponents of societal marketing. This

is a controversial definition as some (e.g., advocates of 'business for business sake') may not agree with it. Here I am not, by any means, rejecting the idea of making profit; on the contrary, I am suggesting that making profit should not happen at the expense of societal values, in which case businesses are doomed to face the consequences of their opportunistic and unethical activities.
4. By 'logosphere' I mean the linguistic realm (e.g.,terminology, definitions, meanings, and interpretations) which reflects the underlying values and ideology of business schools and schools of management.

References

Abratt, R. and Sacks, D. (1988) The Marketing Challenge: Towards Being Profitable and Socially Responsible. *Journal of Business Ethics*, *7*(7), 497–507.

Bauman, Z. (2000) *Liquid Modernity*. Cambridge: Polity.

Belk, R. W. (1988) Possessions and the Extended Self. *Journal of Consumer Research*, *15*(2), 139–168.

Belk, R. W., Ger, G., & Askegaard, S. (2003) The Fire of Desire: A Multi-Site Inquiry into Consumer Passion. *Journal of Consumer Research*, *30*(3), 326–352.

Bell, M. L. and Emory, C. W. (1971) The Faltering Marketing Concept. *Journal of Marketing*, *35*(4), 37–42.

Bitner, M. J., Booms, B. H., & Mohr, L. A. (1994) Critical Service Encounters: The Employee's Viewpoint. *Journal of Marketing*, *58*(4), 95–106.

Brown, P. M., & Cameron, L. D. (2000) What Can be Done to Reduce Overconsumption? *Ecological Economics*, *32*(1), 27–41.

Charpe, M., Flaschel, P., Proano, C., & Semmler, W. (2009) Overconsumption, Credit Rationing and Bailout Monetary Policy: A Minskyan Perspective. *Intervention: European Journal of Economics and Economic Policies*, *6*(2), 247–270.

Chylinski, M., & Chu, A. (2010) Consumer Cynicism: Antecedents and Consequences. *European Journal of Marketing*, *44*(6), 796–837.

Crane, Andrew, and John Desmond (2002) Societal Marketing and Morality. *European Journal of Marketing*, 36(5/6), 548–569.

Czinkota, M. R. and Ronkainen, I. A. (2003) An international marketing manifesto. *Journal of International Marketing*, 11(1), 13–27.

Daunt, K., & Harris, L. (2011) Exploring the Forms of Dysfunctional Customer Behaviour: A Study of Differences in Servicescape and Customer Disaffection with Service. *Journal of Marketing Management*, *28*(1&2), 129–153.

Day, G. S., & Aaker, D. A. (1997) A Guide to Consumerism: What Is It, Where Did it Come From, and Where Is It Going? *Marketing Management*, *6*(1), 44–48.

Faber, R. J., Christenson, G. A., Zwaan, M. D., & Mitchell, J. (1995) Two Forms of Compulsive Consumption: Comorbidity of Compulsive Buying and Binge Eating. *Journal of Consumer Research*, *22*, 296–304.

Fırat, A. F., & Dholakia, N. (1997) Consumption Patterns and Macromarketing: A Radical Perspective. *European Journal of Marketing*, *11*(4), 291–298.

Friedman, Milton (1970) The Social Responsibility of Business Is to Increase Its Profits. *New York Times Magazine*.

Gaski, J. F. (1985) Dangerous Territory: The Societal Marketing Concept Revisited. *Business Horizons*, *28*(4), 42–47.

Harris, L. C., & Dumas, A. (2009) Online Consumer Misbehaviour: An Application of Neutralization Theory. *Marketing Theory*, *9*(4), 379–402.

Jafari, A., & Goulding, C. (2012) Globalization, Reflexivity and the Project of the Self: A Virtual Intercultural Learning Process. *Consumption, Markets & Culture*. iFirst.

Kotler, P. (1972) What Consumerism Means for Marketers. *Harvard Business Review*, *3*, 48–57.

Lambin, J. J. (1997) *Strategic Marketing Management*. Maidenhead: McGraw-Hill.

Menon, A., & Menon, A. (1997) Enviropreneurial Marketing Strategy: The Emergence of Corporate Environmentalism as Market Strategy. *Journal of Marketing*, *61*(1), 51–67.

Morgan, R. M., & Hunt, S. D. (1994) The Commitment-Trust Theory of Relationship Marketing. *Journal of Marketing*, *58*(3), 20–38.

O'Shaughnessy, J., & O'Shaughnessy, N. J. (2002) Marketing, the Consumer Society and Hedonism. *European Journal of Marketing*, *36*(5/6), 524–547.

O'Shaughnessy, John, and Nicholas Jackson O'Shaughnessy (2003) *Persuasion in Advertising*. London: Routledge.

Packard, V. (1957) *The Hidden Persuaders*. London: Longman.

Peñaloza, L., & Venkatesh, A. (2006) Further Evolving the New Dominant Logic of Marketing: From Services to the Social Construction of Market. *Marketing Theory*, *6*(3), 299–316.

Palazzo, G., & Richter, U. (2005) CSR Business as Usual? The Case of the Tobacco Industry. *Journal of Business Ethics*, *61*(4), 387–401.

Prothero, A. (1990) Green Consumerism and the Societal Marketing Concept – Marketing Strategies for the 1990s. *Journal of Marketing Management*, *6*(2), 87–103.

Oliver, R. L. (1999) Whence Consumer Loyalty? *Journal of Marketing*, *63*(special issue), 33–44.

Schor, J. B. (1999) The New Politics of Consumption. *Boston Review*, *24*(3/4), 1–8.

Schwartz, M. S., & Carroll, A. B. (2003) Corporate Social Responsibility: A Three-Domain Approach. *Business Ethics Quarterly*, *13*(4), 503–530.

Setterfield, M. (2005) *Interactions in Analytical Political Economy: Theory, Policy, and Applications*. New York: E.M. Sharpe Inc.

Shankar, V., & Malthouse, E. C. (2007) The Growth of Interactions and Dialogs in Interactive Marketing. *Journal of Interactive Marketing*, *21*(2), 2–4.

Szmigin, I., Bengry-Howell, A., Griffin, C., Hackley, C., & Mistral, W. (2011) Social Marketing, Individual Responsibility and the 'Culture of Intoxication'. *European Journal of Marketing*, *45*(5), 759–779.

Tadajewski, M. (2010) Towards a History of Critical Marketing Studies. *Journal of Marketing Management*, *26*(9/10), 773–824.

Takas, A. (1974) Societal Marketing: A Businessman's Perspective. *Journal of Marketing*, *38*(4), 2–7.

Tan, S. J. (2002) Can Consumers' Scepticism be Mitigated by Claim Objectivity and Claim Extremity? *Journal of Marketing Communications*, *8*(1), 45–64.

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing*, *30*(2), 112–126.

Venkatesh, A., Peñaloza, L., & Fırat, A. F. (2006) The Market as a Sign System and the Logic of the Market. In R. F. Lusch, & S. L. Vargo (Eds) *The Service Dominant*

Logic of Marketing: Dialog, Debate and Direction, pp. 251–265. New York: M.E. Sharpe.

Wallis, J. (2010) *Rediscovering Values: On Wall Street, Main Street, and Your Street: A Moral Compass for the New Economy*. New York: Howard Books.

Wright, L.T., Newman, A., & Dennis, C. (2006) Enhancing Consumer Empowerment. *European Journal of Marketing*, *40*(9/10), 925–935.

Yani-De-Soriano, M., & Slater, S. (2009) Revisiting Drucker's Theory: Has Consumerism Led to the Overuse of Marketing? *Journal of Management History*, *15*(4), 452–466.

9
How Is Humanistic Marketing Possible?

A. Fuat Fırat

For me, the question in this volume on 'Humanistic Marketing' is whether and how marketing can become humanistic and what the results of this transformation might be if it can occur. Clearly, in the minds of the contributors of this volume, marketing as we know and practice it today has unsatisfactory characteristics and outcomes, and I should begin by saying that I agree with this point of view. My purpose in this chapter will be to explore some of the reasons that underlie the unsatisfactory nature of marketing. Hopefully, these explorations will provide us with insights as to what may be required for a substantive transformation.

I begin with the assertion that marketing is the institutionalized practices of the modern institution we know as 'the market' (Fırat & Dholakia, 2006). As such, it has several dimensions. For the purposes of this chapter, I shall focus on one of these dimensions: Persuasive communication. The use of the qualifier 'persuasive' may even be unnecessary considering there is an element of persuasion in all communication. Is there any attempt at communication without the intent to persuade? It can be argued that the answer to this question is 'No!' Who would attempt to communicate if no attention is to be received? The least degree of persuasion intended in any communication is that someone pay attention or at least be exposed to it. That is, at least the communicator wants to persuade someone to give the communication a chance to be heard. With this caveat, I shall continue to use the terminology 'persuasive communication' to indicate specific, cognizant effort at persuading others when one communicates – specifically, of course, I am talking of marketing in modernity.

When we are warning each other of impending danger, we want to be persuasive so that the warning is heeded. When a parent wants

to make sure a child behaves so that no harm comes to her/him, s/he needs to be persuasive. When a teacher informs her/his students of an algebraic formula, s/he needs to be persuasive to make them learn. When someone wants to take a friend out to the movies, s/he has to be persuasive to make the friend want to go along. As it is so ingrained in all human communication, there is nothing inherently wrong with persuasion, nor is there a way to avoid it. Why is it, then, that marketing communication is found to be often objectionable and discomforting because it wants to be persuasive? How and when may such discomfort cease – is humanistic marketing the answer?

There is a key difference between persuasive communication and marketing. This is a historical distinction. Marketing communication has a particular purpose that is not shared by all persuasive communication: To persuade parties to engage in exchanges which have the ultimate goal of expanding the market, or at the very least the market ideology. Although the 'broadening concept' (Kotler & Levy, 1969) made us recognize that the marketing sensibility could be utilized for promoting non-market exchanges, the idea that, for example, an audience of marketing practices would be considered a 'market' was not left behind. Consider that, as a result, today students at a university are often seen as 'consumers', members of the market. Their rights are treated as consumer rights rather than 'citizen' rights. This is but one example of the diffusion of market ideology to, what used to be, non-market relations. This diffusion infuses certain expectations into all relationships, specifically, for example, expectation that the relationship is an exchange that requires equal values to be transacted. Furthermore, the value exchanged is judged in terms of a market value; in education, for example, the value of education is now a matter of the income that this education will bring to the one being educated. 'Values' not connected to market valuations, for example the value of becoming a learned person as a result of having had an education, are becoming increasingly insignificant.

It seems that separating 'market'ing from its historical baggage of connections to the market (the institution in and for which practices called 'marketing' were developed) is difficult if not impossible. Consequently, some scholars have tried to communicate the possibility of distinguishing certain aspects of marketing from its historical roots by proposing other concepts, such as societing (Cova, 1999). The question is, however, whether such efforts can be successful as long as the market is central to human lives? We can consider this possibility on two levels, given the above discussed distinction between marketing and persuasive communication in general.

Issues with marketing

First, why do people in general tend to have an issue with the marketization of relations and the dependency on the market that has grown with modernity? Classical modern economists clearly considered the market to be a positive influence in human lives: a saviour for people who had to endure the traditional dependencies. These dependencies arise from kinship and other binding obligations forged by tribal, community, ethnic, religious or political relationships. The modern project was partially, but arguably most importantly, to free the human individual from all such dependencies. Modern institutions (such as democracy) would facilitate this independence and restore the human individual's dignity and ability to act solely on the basis of her/his free will. Modern thinkers considered that obligations piled on the human being from all of the above-mentioned dependencies stifled her/his ability to realize her/his full potential, thus limiting the achievement of humanity's full potential as well.

In modern economists' estimation, the market was a step better than all other modern institutions: it was not even an institution but a 'mechanism', an 'invisible hand', and thus without any reproduced, recurring, sustained principles or values. All (and any) values or principles and preferences were permissible and acceptable in a market; all were equal as long as they found a demand. Also, according to modern economists, demand was solely due to the free will that individuals entered the market with; thus, any demand was equally valid and precious. The market simply acted as a mechanism that enabled those with a desire to purchase to find each other and exchange.

We now know this not to be the case. The market is an institution of modern culture with its particular norms, principles, practices that have to be sustained and reproduced, repeatedly continued. Its most central principle is that the values exchanged must be equivalent to ensure the optimization of the allocation of material resources, making this allocation most efficient and thereby maximizing productivity in economic terms. The institutionalized practices of the market, which in modern business parlance have come to be called marketing, are organized to expand the market in order for this economic maximization and growth to be realized. The distribution of the products of this maximized economic production, then, has to follow the principles that foster this economic growth. These principles, therefore, must not be contaminated by other concerns, such as equality, because if so contaminated the workings of market expansion would be thwarted. The concern is

simply economic commercial growth and vitality, the idea being that such growth will create humanity's grand future.

The fact that this economic concern overpowers all other concerns that humanity may have (the equal distribution of wealth for social and political peace, even access to things deemed necessities, such as food, shelter and health care – and more recently in human history, ecological health) has been the central focus of complaints against the market-centeredness of marketing communications. The key concern is that dimensions of human existence other than the economic one are being stultified in favour of economic growth and that marketing practices are amplifying this condition.

When ordinary persuasive communication becomes marketing communication, differences appear other than the purpose of communication along different dimensions. Some of these distinctions between marketing communication and persuasive communication in general are indicated in Table 9.1.

Since, as explained, the origins of marketing are in the institutionalization of the market, the role it plays ought not to be surprising; it is inscribed in the history of marketing's constitution and shouldn't be expected to operate otherwise. A different order of principles constituted into different institution(s) must be expected or sought if an outcome

Table 9.1   Distinctions of marketing communication and persuasive communication

Dimensions of Distinction	Marketing Communication	Ordinary Persuasive Communication
Typical Source(s) of Knowledge	Market research sponsored by marketing organization Academic research	Personal experience General education
Means of Communication	(Mainstream) Media Promotional channels Publicity Public relations Lobbying	Conversation between/ among two or more parties
Sought Outcome	Engagement in market exchanges	Engagement in conversation(s) with potential changes of mind or behaviour(s)
Criteria of Success	Occurrence of market exchange(s) Expansion of the market	Agreement Persuasion

other than maximizing market expansion and economic growth is desired. An institution constituted to realize a particular outcome cannot be expected to deliver otherwise.

Issues with persuasive communication

The underlying causes of the complaints against persuasive communication in general are related to the above but qualitatively different. There should be no reason to blame persuasive communication per se given that, as earlier mentioned, (1) all communication has a degree of persuasiveness, and (2) there is nothing wrong with persuasion per se since it is used as often to inform others (to their perceived benefit) as it is to control the behaviour of others to the benefit of the communicator. Often, the intention to persuade is faulted because persuasive communication changes a state that would have remained if such a communication had not occurred. Left to their own devices, the recipients of persuasive communication would have thought or behaved differently. Yet, uncommunicative states are not always preferable. If that were the case, humans might not have developed communication. So, complaining that (persuasive) communication persuades people to think or behave differently seems to be historically incongruous: it is in the nature of human communication. Consequently, while many grievances with persuasive communication tend to emphasize the persuasion aspect, more careful consideration recognizes its inevitability.

The major issue with persuasive communication originating from organizations, specifically marketing organizations, is essentially related to the access to resources that improve the effectiveness of persuasion. At the same time that, with high modernity, marketing, specifically advertising, discourse has become the only mode of discourse to be heard (Miller, 1988), the access to resources that makes this participation possible is increasingly becoming disparate.

Two resources intensify this disparity especially: (1) research – access to information regarding what makes communication persuasive and (2) mainstream media – access to the ability to make voices heard. When these disparities make it impossible to enter the public conversation, using persuasive communication, on an equal footing for all concerned, it can be argued that it also becomes impossible to humanize marketing.

Indeed, very large corporations with immense financial resources find insights into the contemporary human psyche that human beings who are the subject of research cannot decipher (Dretzin et al., 2003).

This research gives those who gain such insight enormous power to pull strings that motivate people to behave and think, and even feel, in ways that benefit a particular interest: the interest of market exchange growth and the expansion of markets. Even more importantly, those who have such power largely determine our view of what it is to be human, successful, happy, and what makes life meaningful. It is not simply the persuasive power of communication that is at issue, but that any particular interest can be so disproportionately powerful to define such meanings so central to humanity. Is it possible to ever change the course of marketing and, indeed, humanity when such power disparities exist?

The only realistic answer to the question is 'No', unless and until one of two things occur: (1) there is/are some catastrophic event(s) that shake(s) the foundations of the way we live, or (2) there is a momentous shift in consciousness globally, which, then leads to a reorganization of life. Unfortunately, the probability of the latter is rather small. Whatever happens, the advent of modernity, its key institution the market, and the institutionalized modern practices we know as marketing have taught us something: Human communication is central to human behaviour in that it determines largely what humans think and do; and it is persuasive by nature. Consequently, unless access to sources of persuasion is evenly distributed, the power to determine how humans think and what they do will be fraught with disparities and some will always have the advantage of guiding others' minds and actions.

Organizations and individuals

The emergence of organizations in modern society – and specifically their legitimation as entities with the rights and obligations of individuals in society – has further complicated the distribution of agency in the modern organization of life. Understandably – and especially with the development of corporations that have grown in size and have unprecedented financial assets – large inequalities have evolved between the organizational 'individuals' and actual individuals in terms of agency. Corporate power exhibits itself through many ways. In the USA, for example, corporate influence – exercised by lobbying, financial endowments to members of all branches of the state, and by control of information through research grants and membership in all government agencies – has been so effective in the interpretation of the Constitution and laws that corporations can now even act as individuals in voicing their political preferences. Although they cannot vote as individual

citizens in elections, they have been given free rein to contribute to campaigns of political parties and politicians, thus gaining inordinate influence over the fates of politicians and other state officials and further power over decisions made at all levels of the state. There is no argument that corporations possess and control economic resources well beyond any individual's means. With the fact that mainstream media are also corporate entities, there is no doubt that they control much, if not all, knowledge in the contemporary world.

Given this inordinate access to sources of persuasion by particular entities, and that access to knowledge in contemporary society is greatly skewed, it is unlikely that marketing can evolve into a humanistic institution. First, a substantive, radical transformation needs to occur in the structure of human communication. As long as disparities in access to knowledge that enables persuasion remain, there is no hope that all interests can be equally communicated and the interest that has constructed modern marketing – that is, the interest of expanding markets – will continue to reign.

Theoretically, there seems to be only one way to overcome this predicament: All knowledge must be equally accessible to everyone. Knowledge must not be owned or controlled by any one entity such that others do not have access to it. This includes all knowledge, including knowledge of knowledge – that is, knowledge of how available knowledge can be used and for what ends – which must be accessible to everyone. This would constitute a world where any advantage an entity had would be due to how one makes use of knowledge, not due to privileged access to knowledge.

When knowledge is inequitably distributed communication is bound to be one-directional and persuasive capabilities will be lopsided. Given that communication is central to what humans do and and how they think, a culture of democracy, so revered in modern thought, remains only an ideal. So does the possibility of humanistic marketing, which in my mind is based on human beings being able to communicate their different points of view equally persuasively, their preferences for the organization of life, and as an extension, their desires as to what products they consume.

Conclusion

Disparate access to sources of persuasion, specifically knowledge, and the ability to persuade is exacerbated by the differential access ordinary individuals – as opposed to organizational 'individuals' – have to means

of disseminating persuasive communication. While corporations have inordinate access to communicate through mainstream media with very large audiences, ordinary citizens cannot generally get access to such channels, due to costs but also due to the system of relations that develop among organizational entities – media organizations themselves included. Open lines of communication among the departments and agencies of these organizations are closed to ordinary individuals at times even when individuals have the resources, in sporadic cases. Yet, still the most inhibiting factor is that ordinary communicators do not know what might be the most persuasive means given that they are denied access to research sponsored by corporations. In a market system, it has become accepted that whoever pays for knowledge owns that knowledge and has the sole right to decide whether it will be shared or not. As such, knowledge provides a strong edge in being able to affect and persuade market members. Corporations which sponsor major market research generally keep such knowledge private, putting others who do not have this knowledge at a disadvantage.

Our consciousness should be guided, not simply by philosophy but by the consequences of differential versus equal access to all knowledge for humanity's good. Given that differential access to knowledge detracts from democracy, a defence of differential access to knowledge must also state why democracy may not always be worth seeking. I would like to dare the intellectuals of our time to attempt this task!

References

Cova, Bernard (1999) From Marketing to Societing: When the Link is More Important Than the Thing. In *Rethinking Marketing*, D. Brownlie, M. Saren, R. Wensley, and R. Whittington (Eds) London: Sage, pp. 64–83.

Dretzin, Rachel, Barak Goodman, & Muriel Soenens, producers (2003) The Persuaders. Frontline program aired on *Public Broadcasting Service* (airdate: 9 November).

Fırat, A. Fuat, & Nikhilesh Dholakia (2006) Theoretical and Philosophical Implications of Postmodern Debates: Some Challenges to Modern Marketing. *Marketing Theory*, 6(2), 123–162.

Kotler, Philip, & Sidney J. Levy (1969) Broadening the Concept of Marketing. *Journal of Marketing*, 33(1), 10–15.

Miller, Mark Crispin (1988) *Boxed In: The Culture of TV*. Evanston, IL: Northwestern University Press.

Part II

Marketing as a Force for Good

10
Fusing Back the Human, Radically

Nikhilesh Dholakia

Introduction

For nearly three centuries of the industrial, modern, scientific era, our lives and existence – our lifeworlds – to use the term from European philosophical tradition (Husserl, 1913; Merleau-Ponty, 1962) – have been split sharply into roles: consumer, worker, saver, investor, voter, resident, spouse, parent, child, sibling, partner, neighbour, 'friend' (including the new use of this term for cyber-connections), etc. Some of these roles have been receiving boosted valourization in the era of advanced capitalism, especially those of 'consumer' and 'investor'. Let me illustrate this increasingly high valourization of the *consumer role* via some contemporary examples:

- Australia's wineries have made significant inroads into global markets by quashing the connoisseur and expert roles associated with fine wines, and focusing instead on straightforward consumer preferences and tastes. The 'Wine Australia' website states: 'The 'consumer first' approach of Australian producers has demystified the guarded, insular and traditionally cloistered world of wine, focusing instead on producing accessible wine that is enjoyable at face value. This has placed wine on a similar level of accessibility to that of other alcoholic beverage types, removing the burden of experience and welcoming new drinkers into the fold.' Stripping the layers of refinement in terms of understanding of grape varieties and knowledge regarding the inevitable terrain and climatic variations, Australia has commodified wine for the mass market – by valourizing the consumer's role over that of the critic and the connoisseur.

- In the United States, pressures for the consumerization of healthcare have been building up on both ends of the political spectrum. Some medical specialties have introduced consumer-generated grading of health services providers (Pickert, 2010). The Republican Right, of course, wants wanton privatization and commercialization of everything – hospitals and clinics, insurance, medical practices, and more. Even the Democratic Left, fighting for the very survival of the 2010 Affordable Care Act championed by President Barack Obama, introduced consumer-style rating of health insurance plans (Pickert, 2010). The old ideas of relationships between caring, expert doctors and trusting patients have dissipated (Krugman, 2011).
- Perhaps the most insidious incursion of the consumerist role, and the attendant rise of intensive promotional marketing practices, has been in the sphere of citizenship and public life. Over three centuries of democratic practices and traditions are being washed over by tidal waves of savvy political marketing, turning the responsible citizen-voter into the hot-button voter-consumer (McGinniss, 1988). Pridmore and Zwick (2011) write: 'Today, consumption is about more than buying stuff, perhaps about even more than an expression of lifestyles, worldviews and identities. Consumption has become a proxy for proper citizenship, access to desirable socialites, and the possibility of connectedness to modern life and of cosmopolitanism…' (p. 270).

Nothing is sacred – exempt from the profane ambit of consumerization, marketization, and commercialization. Even intimacy, caring, and parenting are subject to the intense pressures from the mono-focused ascendance and valourization of the consumer role. Allison Pugh (2009) writes: 'Childhoods have become ever more commercialized, with hundreds of billions of dollars being spent on or by children in the United States alone…the expanding children's market brings with it…a spiritual calamity for affluent families and a financial one for families of lesser means' (pp. ix–x).

Practitioners and theorists in marketing have been fully complicit in this process, not only playing along but also contributing to the play by super-valourizing and stretching the consumer role. And, of course, why not? The more the consumer role gains ascendancy, the greater the need for the expertise of marketing practitioners and the greater the legitimacy of the ideas and concepts proposed by marketing theorists.

The process of moving the consumer to the centre of existence, however, has a dark side. There is of course the demeaning and

de-valourizing of all other important, interesting, vital, and fulfilling life roles. Furthermore, our existence – our lifeworld – begins to acquire a commercial lopsidedness. The richness of the human condition begins to seep out from the consciousness of our existence (Marcuse, 1964), and a somewhat dehumanized 'transactional self' comes to the fore. Let me again illustrate this with a few examples:

- Personal branding has become a shrill, mega-million dollar industry (Hoffman and Casnocha, 2012; Vaynerchuk, 2009). People, especially younger ones at the threshold of their work lives, are being exhorted to brand themselves as well, or else suffer the consequences. One blogger writes: 'Branding yourself keeps you current in your chosen field, opens doors for you, and creates a lasting impression…By developing your own brand, you'll have control over people's initial perception. If you don't brand yourself, someone else will, and the outcome might not be in your favor' (Reyes, 2010). The writer is not a huckster, but a serious web developer who is advising his peers – his advice merely reflects the increasingly transactional, commodified nature of our existence.
- Transactional sops are being offered to assuage the guilt of those who are environmentally and socially conscious and responsible. Examples include carbon offsets for individuals, such as when buying an airline ticket. While a few good folks on the planet assuage their guilt by paying to offset their unavoidable carbon use, the consumer role is being hyped and celebrated relentlessly to ensnare millions, even billions, in the developing world – which adds more carbon emissions. A schizoid world is being created – the weak, noble, conscious, responsible self is being squeezed into a corner by the monstrous, ascendant, expanding, consuming self. The 'caring self' is being enticed, or even forced, into transactional consumerist molds.
- Turning to children again, certain consumption items – video game consoles, toys, athletic shoes, fashion accessories, snacks, drinks, etc. – become valourized to the extreme as must-have objects of dignity (Pugh, 2009). Not having such items could lead to extreme frustration, stealing, bullying, incessant pestering, and even violence. Children as well as parents suffer. Quoting Pugh (2009) again: '…the commodification of childhood turns the child into a pipeline of commercial culture, the cause of the ratcheting up of standards, the target of cultural animosity about the rising costs of inequality even as he or she [the child] is the primary victim' (p. 26).

In what follows, I trace briefly the history of this change and search for some solutions to the problems identified. The central questions are: (a) How and why did the roles become so differentiated in modernity? (b) How and why did the consumer role become so dominant and central? (c) What prospects and methods are available to re-fuse the splintered roles, and to replace the current model of the consumer-centric existence (with satellite positions for all other roles) with an integrative and balanced humanistic lifeworld?; and (d) Does technology help or hinder (and in what ways) the quest for holism?

A brief historical-philosophical excursus

From philosophical and historical angles, A. Fuat Fırat has explored the rise of marketing and the ascendance of the consumer role more incisively than most. Reviewing developments since the late industrial revolution, Fırat (2013) writes:

> With 'the economic' taking centre stage, the market eventually became the hegemonic institution in modern life. Increasingly, all political and social discourse in modern society also adopted the vernacular of the market, that is 'marketing-speak'! The vocabulary of the 'free market' has replaced the language of democracy as the means by which the modern project of freeing the human individual from oppression of all sorts is to be accomplished. What many have termed neo-liberalism – the idea that freeing the market to operate according to its own laws will be the insurance for humanity's liberation from all oppression (and obligation) – has replaced liberalism – the idea that democracy, as the political principle, and other modern principles will altogether assure human rights and liberties to accomplish the modern project.

In Fırat's view, the ascendance of marketing-speak and the hegemonic reach of the consumer role has gone farther than most people are willing to acknowledge: the language of the market is not just vying for a co-equal place on the high pedestal that the language of democracy has historically occupied; indeed, the language of marketing is in the process of knocking off its high pedestal that of democracy.

Roles and differentiation

Over three to four centuries of modernity, there has been a steady differentiation in the lives and roles of people – especially the urbanites whose

lives have become fast-paced and complex. The 24-hour day requires a constant gear-shifting of roles or, to use another analogy, the donning of different hats. The ever-changing life moments – over the course of the day, through the week, and throughout the year – require us to invoke distinct codes. As Lee (2002) states (p. 115):

> The functionally specific societal systems that comprise contemporary society do not operate according to a common code or normative consensus … There is no way to take part in society as a 'whole' person. One participates in modern society moment by moment, bit by bit, using the codes of each system one at a time.

While this state of affairs – very much a part of modern life for several decades – represents complexity, and even a frenetic state, it is not an overwhelming or hegemonic state. There are onerous demands on us – as we play our life roles of consumers, workers, savers, investors, voters, residents, spouses, parents, children, siblings, partners, neighbours, and friends – to learn the codes of behaviour for each role and setting. While such demands create great business opportunities for those who sell books and videos when advising us on ways of conducting our lives (e.g., Covey 1989), they do not – at least not until the latter parts of the 20th century – turn our lives into a business. The political, social and cultural changes during 1960–1980, however, began to change things. The complexities of life remain, but the suggested and preferred solutions began to funnel into consumerist-marketized molds. The differentiated and complex codes of modernity began to morph and blend – looking increasingly like a monotonic universal commercial code of life.

The ever-centralizing consumer

Attempts to broaden the concept and tools of marketing to spheres far beyond commercial ones (Kotler & Levy, 1969; Kotler & Zaltman, 1971) were intended to bring the benefits of rational planning and responsive, caring service to the non-commercial fields, fields that had just started to view their customers in consumerist terms. In practice, as well as theory, such moves succeeded far beyond the expectations of the scholars who initiated them (Fox & Kotler, 1980).

What these pioneering scholars probably did not foresee is the tsunami of neoliberal ideology that was to follow. Marketization and consumerization are no longer just 'nice, rational, alternative' ways to add some humane elements to the stifling bureaucracy of many organizations.

They have become imperatives of the ascendant neoliberalism, with punitive consequences inflicted on those who refuse to fall in line. Conway and Heynen (2006) are trenchant in their critique:

> … as our latest economic doctrine, 'neoliberalism' has grown to become an unchallenged ideology; nothing short of an overwhelming, mind-controlling ethic … The consummate power of market exchange, privatization and capital accumulation as *the* defining features of human action and activity has been raised to unprecedented levels, so that neoliberalism disciplines, destroys, dehumanizes and destabilizes, while such outcomes are rationalized as social inevitabilities …. (p. 17, emphasis original)

Levidow (2002) opens his critique of the neoliberal marketization of higher education by quoting UNESCO official Moyoto Kamyia: 'Along with healthcare, education is one of the last fortresses to be stormed. A broad market-oriented reform of the public service of education is underway' (p. 1). The metaphor is vivid and clear: the juggernaut of neoliberal reform will not brook any resistance; any fortress that is harbouring resisters will be stormed and destroyed. It is also clear that older and (rounded) nobler notions, such as 'public service', are losing ground to hard-edged concepts such as standardization, measurability, accountability, controllability and manageability. Vocations that used to be deemed noble 'callings' – teaching, healing, counselling – are being converted into specialized and compartmentalized 'professional services' that are metricized, marketed and managed. Levidow (2002) notes that the …

> … neoliberal project undoes past collective gains, privatizes public goods, uses state expenditure to subsidize profits, weakens national regulations, removes trade barriers, and so intensifies global market competition. By fragmenting people into individual vendors and purchasers, neoliberalism imposes greater exploitation upon human and natural resources. (p. 2)

Industries – such as advertising and market research – that are affiliated with the marketing profession have, of course, employed a convenient legitimizing logic that increases the centrality of the consumer. Such industries realized by the mid-20th century that the democratic citizenship role – with a history going back to the enlightenment – had an atavistic, unshakeable, built-in legitimacy. These industries worked

assiduously to build an equivalence between the consumer role and the citizen-voter roles. Schwarzkopf (2011) writes:

> Advertising agencies in particular were at the forefront of attempts to revive and popularize the concept of the consumer as sovereign voter in a market structure that resembled the political process. These attempts to culturally and socially legitimize advertising communication received political-philosophical credibility from a new generation of economists spearheaded by the Hayek-pupil William Harold Hutt. Both advertising and market research practitioners and academics for different reasons reinforced the myth that capitalism and 'free markets' were merely the economic equivalent of democracies. (p. 15)

Of course, such practices and philosophies aim at a 'false fusing' – in reality, a deliberate confounding – of the equivocal 'consumer' role and the well-established, rooted, legitimate citizen-voter role to create the mythical 'consumer-citizen' ('the consumers vote with their feet and their wallets'), a role that is more likeable (or at least more acceptable) than the crassly transactional consumer role. Indeed, the legitimizing qualities of deeply appealing and enobling public notions of 'democracy' and 'citizenship' are being constantly foisted upon the transactional, usually private, and highly instrumental activities of the marketplace (Jubas, 2007).

There is little that the consumer – as an individual or as a member of the household – can do to counter the intense demands of the ascendant consumer culture. As sociologist Pugh (2009), immediately after her characterization of the contemporary American child as a 'pipeline of commercial culture', noted: 'Calling children the conduit of commercial culture is a bit like faulting fish for the water in which they swim' (p. 26). We swim in the sea of commercial culture – and although the range of available anti-consumption, resistive strategies is growing (e.g., Cherrier, 2009; Izberk-Bilgin, 2010; Kozinets et al., 2010; Mikkonen et al., 2011, Peñaloza & Price, 1993; Portwood-Stacer, 2012) the root causes and solutions for the phenomena discussed here must be sought at systemic, macro levels (Varey, 2010).

The Quest for Holism

When the mega forces of an ideology (viz., neoliberalism and its allied notions) – an ideology that is increasingly unquestioned and global

(Conway & Heynen, 2006) – are pushing up the consumer role and status to ever higher plateaus, it is not easy to come up with counter-moves and alternatives. As the proverbial dystopic sci-fi movie utterance of the (seemingly omnipotent) invading race goes: 'Resistance is futile'. But, again taking our cue from sci-fi movies, the resistance that is labelled futile is the direct resistance of the massive advancing juggernaut of neoliberalism. In the typical sci-fi movie, solutions to the overwhelmingly hopeless situation emerge from the margins – the maverick rebel, the guerilla strategist, the paradigm shifter, the Achilles-heel detector, and the jester-warrior. Pushing the consumer role back into its place – making it *a* role, not *the* role – may appear like putting the Genie back in the bottle, but it becomes possible as soon as we remove our ideological blinkers and begin to see ourselves as full human beings – not as buyers, acquirers, and delusional 'sovereign' actors in marketplaces.

Jubas (2007) points out that while there is an increasing number of options available to make consumption practices 'fair' and 'responsible' (e.g., fair trade and/or eco-labelling of products, see Prothero et al., 2011), the role of politically conscious consumer behaviour in bringing about fundamental change is really quite limited. She concludes (p. 251):

> Citizenship remains more than consumption and, as [Vandana] Shiva…argues, democratization involves a radical change in capitalist and other exclusionary structures rather than a new, politically charged consumerism…the ideology of consumerism functions to conflate the concepts of consumption and citizenship and capitalism and democracy, as if consumption offered a resolution to social and political struggles.

This means the social and political imperative – for those who are serious about arresting and reversing the steep rise of consumerization-marketization – is to break the iron cage of the 'consumer' role and to engage with the rounded and grounded 'citizen' role, freed from the deceptive conflations of 'consumption = citizenship' and 'capitalism = democracy'. Indeed, I would argue that – while vastly superior to the transactional consumer role – even the citizen role is limiting in that it addresses and operates mainly in the political sphere. We also operate in spheres other than political, and thus the radical imperative is to rekindle the flame of humanism. This requires some de-valourizing of the consumer role and considerable re-valourizing of all other life roles so that we can begin to achieve some balance and move towards the fullness of being a human, and not just a consumer.

Technology and the Quest for Holism

Technologies are increasing in power at a pace that is much faster than the typical pace of economic, political, and social change. Contemporary handheld devices are more powerful than the room-sized mainframe computers of the 1970s.

For the most part, the fruits of the rise of technology are harvested by business entities such as savvy marketers. Based on a study of the loyalty card at the retail giant Tesco, Beckett (2012) concludes (p. 16):

> …consumers are in no sense equal partners with producers. Yes, they might 'co-create' value through their participation in the productive process, but that contribution is 'captured' by producers and becomes the basis on which other similar consumers are subjectivised. In this context, commercial success is premised on the possibility of constructing and extending consumer agency. For consumer agency, rather than liberating the individual from power relations, is used to tie the identities and aspirations of consumers to the strategic imperatives of producers. Ultimately then, what is revealed is a central paradox of the contemporary cultural economy; the exercise of sovereignty can lead, not to more freedom, but to yet more subtle forms of governance.

Information and communication technologies, then, seem to be arrayed against people. But this is so only when the 'consumer' role is viewed – even with the realization that it is an ideological construct – as sovereign. When we begin to view technologies in holistic ways – as aids to life rather than as aids to transactional acts of buying – then the ability of corporate entities to pigeonhole us as consuming beings, with discernible data profiles (Zwick & Denegri-Knott, 2009; Zwick & Dholakia, 2012), becomes severely hampered.

Levidow's excursus into the marketization of higher education once again provides an insight into the role that technology can play in perverting or preserving the human:

> Electronic media have a double-edged potential. They can broaden access to quality material and social networks which enhance critical citizenship, but only if the design emphasizes resources for creative student-teacher and student-student interaction…The effect on education depends on the social design of electronic media and the social forces which shape them. (Levidow, 2002, p. 15)

Paraphrasing the above: the effects of technologies on life depend on their social design and the social forces which shape the ways we use them. Examples of ways in which people use information technologies and electronic media in ways other than those circumscribed by corporate parameters are beginning to multiply. Even in a study done during the early development stages of social media, Harrison and Barthel (2009) found that...

> Individuals 'speak' in their own [virtual] spaces, yet are the audience for the works of others and the collective exhibition. Designers become transformed by their actions; meanwhile, people who visit exhibits as 'audience' often participate as designers by creating their own works. The rhetoric of both creation and audience consumption, then, is one oriented to decentralized cooperative efforts rather than a centralized single vision. (p. 171)

Other media researchers have extended such themes and found that traditional direct and 2-step communication models – a staple of marketing communications before the dawn of new media – have to be altered drastically to accommodate the emergent invitational-collaborative nature of communications (Gulbrandsen and Just 2011). With technological change, there are, then, openings for people to escape from the confines of being 'receiving consumers' (even as they are led to believe that they are 'sovereign') and to assume fuller, multidimensional life roles – in other words, the possibility of real independence rather than the ideological falsehood of 'sovereignty'.

The trajectory of technological development, even from a neoliberal capitalist measure, seems to favour to some extent the masses of people over the corporate giants. In 2012 Apple, the company that primarily makes (albeit high-end) technologies for individuals, became the most valuable company in the world, surpassing companies such as IBM and Oracle that mainly make mega-technologies for corporations. While the mega-machines of corporations will always remain very powerful compared to the micro-machines of individuals, in functional-task terms, the micro-technologies are able to do almost all productive and communicative tasks that individuals were shut out from during the high age of industrialism. In other words, the technology-aided ability to re-fuse the human (and to put the consumer role in its proper non-dominant place) are already here, and improving constantly.

Concluding observations

Is the quest for new forms of human holism – an attempt at re-fusing the highly differentiated self and its multifarious roles, including the hegemonically expanding consumer role, into a complete human – a fool's errand? Some social philosophers, especially those committed to Weberian notions of a differentiated (and, by implication, progressive) modern social world, may find such a quest upsetting or futile (Luhmann, 1995; Rasch, 2000).

Differentiation and nuanced, rationally split forms of existence are not a problem per se. The problem, as we have seen in this chapter, lies in the continuous expansion of the consumer role and the devaluation, even annihilation, of all other roles – and the dangerous acceleration of this trend when forces of neoliberalism take hold of societies, economies and polities. In effect, there is an unsettling process of de-differentiation under way in recent decades. Indeed, when neoliberalism is on the rise, there is a perversion of the complex, decentered, differentiated world – and a reversion (in a throwback to medieval times) to a new blind faith in the new (non-sectarian) god of the 'Market Mechanism'. The consumers are declared (cynically, in my view – and see also Beckett, 2012) 'sovereign', the earthly sons and daughters of the invisible, ethereal, omnipotent Market-God. Under the neoliberal theology, all other life roles must pay obeisance to, be subsumed by, or else simply be quashed by – the consumer role.

The quest for radical fusing back, for re-creating the holistic human, is thus a fight against the rising ideology-theology (masquerading cleverly as the 'new rationality') of the omnipotent-omnipresent consumer-market hegemon. Once again, I have nothing against consumers – I am a prolific consumer – or against markets designed to provision our needs (Fisk 1981). The struggle that has to gain momentum is against the (seemingly inexorable) tendency of consumer-market concepts to envelop (or else quash) everything else. Fortunately, technologies to aid such struggle are proliferating and becoming widely accessible, and the social experiments to wrest back humanity from consumer-ity are beginning to happen. The role for conscious researchers and teachers who favour such 'wresting back' is to document, improve, and expand on such experimentation.

References

Beckett, Antony (2012) Governing the Consumer: Technologies of Consumption. *Consumption Markets & Culture*, *15*(1), 1–18.

Cherrier, Héléne (2009) Anti-consumption Discourses and Consumer-resistant Identities. *Journal of Business Research*, *62*(2), 181–190.

Conway, Dennis, & Nik Heynen (2006) The Ascendancy of Neoliberalism and Emergence of Contemporary Globalization. In Dennis Conway, & Nik Heynen (Eds) *Globalization's Contradictions: Geographies of Discipline, Destruction and Transformation*, New York: Routledge, pp. 17–33.

Covey, Stephen R. (1989) *The Seven Habits of Highly Effective People*. New York: Simon & Schuster.

Fisk, George (1981) An Invitation to Participate in Affairs of the Journal of Macromarketing. *Journal of Macromarketing*, *1*(1), 3–6.

Fox, Karen F. A., & Philip Kotler (1980) The Marketing of Social Causes: The First 10 Years. *Journal of Marketing*, *44*(Fall), 24–33.

Gulbrandsen, Ib T., & Sine N. Just (2011) The Collaborative Paradigm: Towards an Invitational and Participatory Concept of Online Communication. *Media, Culture & Society*, *33*(7), 1095–1108.

Harrison, Teresa M., & Brea Barthel (2009) Wielding New Media in Web 2.0: Exploring the History of Engagement with the Collaborative Construction of Media Products. *New Media & Society, 11*(1–2), 155–178.

Hoffman, Reid, & Ben Casnocha (2012) *The Start-up of You: Adapt to the Future, Invest in Yourself, and Transform Your Career*. New York: Crown Business.

Husserl, Edmund (1913) *Ideas: General Introduction to Pure Phenomenology*. New York: Macmillan.

Izberk-Bilgin, Elif (2010) An Interdisciplinary Review of Resistance to Consumption, Some Marketing Interpretations, and Future Research Suggestions. *Consumption Markets & Culture, 13*(3), 299–323.

Jubas, Kaela (2007) Conceptual Con/fusion in Democratic Societies: Understandings and Limitations of Consumer-citizenship. *Journal of Consumer Culture*, *7*(1), 231–254.

Kotler, Philip, & Gerald Zaltman (1971) Social Marketing: An Approach to Planned Social Change. *Journal of Marketing*, *35*(July), 3–12.

Kotler, Philip, & Sidney J. Levy (1969) Broadening the Concept of Marketing. *Journal of Marketing*, *33* (January), 10–15.

Kozinets, Robert V., Jay M. Handelman, & Michael S. W. Lee (2010) Don't Read This; or, Who Cares What the Hell Anti-consumption is, Anyways? *Consumption, Markets & Culture, 13*(3), 225–233.

Krugman, Paul (2011) Patients are Not Consumers. *New York Times*, 21 April. Available at: http://goo.gl/Qe61b, Accessed on 14 August 2012.

Lee, Daniel B. (2002) Review of 'Niklas Luhmann's Modernity: The Paradoxes of Differentiation' by William Rasch. *International Review of Modern Sociology*, *30*(1), 114–120.

Levidow, Les (2002) Marketizing Higher Education: Neoliberal Strategies and Counter-Strategies. *The Commoner*, January (N.3). Available at: http://goo.gl/ VPGPP. Accessed on 8 September 2012.

Luhmann, Niklas (1995) *Social Systems*. Palo Alto CA: Stanford University Press.

Marcuse, Herbert (1964) *One Dimensional Man: Studies in the Ideology of Advanced Industrial Society*. Boston: Beacon Press.

McGinniss, Joe (1988) *The Selling of the President*. Penguin Paperback Edition, New York: Penguin Books.

Merleau-Ponty, Maurice (1962) *Phenomenology of Perception*. Translated by Colin Smith. New York: Humanities Press.

Mikkonen, Ilona, Johanna Moisander, & Fuat Fırat (2011) Cynical Identity Project as Consumer Resistance: The Scrooge as a Social Critic. *Consumption Markets and Culture*, *14*(1), 99–116.

Peñaloza, Lisa, & Linda Price (1993) Consumer Resistance: A Conceptual Overview. *Advances in Consumer Research*, *20*(1), 123–128.

Pickert, Kate (2010) Empowering the Patient as Consumer: Health Care Gets Grades. *Time*, Healthland Blog, 8 September, Available at: http://goo.gl/Hcntx. Accessed on 14 August 2012.

Portwood-Stacer, Laura (2012) Anti-consumption as Tactical Resistance: Anarchist, Subculture, and Activist Strategy. *Journal of Consumer Culture*, *12*(March), 87–105.

Pridmore, Jason, & Detlev Zwick (2011) Editorial: Marketing and the Rise of Commercial Consumer Surveillance. *Surveillance & Society*, *8*(3): 269–277.

Prothero, Andrea, Susan Dobscha, Jim Freund, William E. Kilbourne, Michael G. Luchs, Lucie K. Ozanne, & John Thøgersen (2011) Sustainable Consumption: Opportunities for Consumer Research and Public Policy. *Journal of Public Policy & Marketing, 30*(1), 31–38.

Pugh, Allison J. (2009) *Longing and Belonging: Parents, Children, and Consumer Culture*. Berkeley CA: University of California Press.

Rasch, William (2000) *Niklas Luhmann's Modernity: The Paradoxes of Differentiation*. Palo Alto CA: Stanford University Press.

Reyes, Joel (2010) Why Branding Yourself is Important. 28 April, Available at: http://goo.gl/IRJDp. Accessed on 14 August 2012.

Schwarzkopf, Stefan (2011) The Consumer as 'Voter',' 'Judge',' and 'Jury': Historical Origins and Political Consequences of a Marketing Myth. *Journal of Macromarketing, 31*(1), 8–18.

Varey, Richard J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Vaynerchuk, Gary (2009) *Crush It!: Why NOW Is the Time to Cash In on Your Passion*. New York: Harper Studio.

Zwick, Detlev, & Janice Denegri-Knott (2009) Manufacturing Customers: The Database as New Means of Production. *Journal of Consumer Culture, 9*(2), 221–247.

Zwick, Detlev, & Nikhilesh Dholakia (2012) Strategic Database Marketing: Customer Profiling as New Product Development. In Lisa Peñaloza, Nil Toulouse, & Luca M. Visconti (Eds) *Marketing Management: A Cultural Perspective*. London: Routledge, pp. 443–458.

11
Translating Anthropological Consumption Theories into Humanistic Marketing Practices

Ahir Gopaldas

Introduction

Marketing has many uses. In the business-to-business sector, firms use marketing to attract other firms as clients. In the government sector, agencies use marketing to serve marginalized stakeholders. In the non-profit sector, advocates use marketing to promote social causes. However, the most ardent, creative, and visible users of marketing are for-profit corporations in the business-to-consumer sector (e.g., Nestle, PepsiCo, P&G, Unilever, and Walmart). The extensive use of marketing in this sector to generate quick profits, without concern for long-term consumer welfare, has sullied the profession's reputation.

Although the foundational purpose of marketing was to create value for people, the public increasingly views marketing as an especially sinister form of mass manipulation. That said, the objective of this chapter is not to belabour critiques of the marketing profession or the profit motive of corporations. These critiques are indeed important, but they are well documented by other chapters in this volume. Rather, the objective of this chapter is to imagine more humanistic futures of marketing in which corporations can simultaneously pursue profits and humanistic goals. Society may derive greater benefits from new thinking on the structure of corporations or capitalism, but such thinking is beyond the scope of this book and the talents of this author. Accordingly, this chapter focuses on the more modest objective of infusing consumer marketing with humanism within the confines of existing corporate and capitalist structures.

To imagine humanistic marketing futures, this chapter draws on anthropological consumption theories for inspiration. Anthropological consumption theories are especially well-suited for the goals of humanistic

marketing because they present a people-centric view of markets and marketing (Hudson & Ozanne, 1988; Sherry, 1990; Thompson et al., 1989). Moreover, these theories address universal human themes, such as the search for meaning, the pursuit of pleasure, the construction of identity, and the maintenance of community (Arnould & Thompson, 2005). This chapter focuses on translating these theories into practice, to ensure that the humanistic marketing agenda is not stymied by a lack of substantive guidance. Marketing researchers and practitioners need actionable insights if they are to promote the ideals of humanism in the profession of marketing.

Consumer anthropologists have variously conceptualized consumption as meaning making (e.g., Levy, 1959), emotional experience (e.g., Holbrook & Hirschman, 1982), self-extension (e.g., Belk, 1988), dramatic performance (e.g., Deighton, 1992), metaphorical engagement (e.g., Zaltman & Coulter, 1995), habituated practice (e.g., Holt, 1998), relational dynamics (e.g., Fournier, 1998), community participation (e.g., Muniz and O'Guinn, 2001), stigma management (e.g., Kates, 2002), social structuration (e.g., Crockett & Wallendorf, 2004), multiphrenic dialogics (e.g., Bahl & Milne, 2010), and network interactions (e.g., Epp, 2010). Four theories of consumption are selected for the purposes of this article – consumption as *meaning making*, consumption as *emotional experience*, consumption as *self-extension*, and consumption as *community participation*. These four theories are firmly established in marketing scholarship and each offers unique implications for humanistic marketing.

Each of the following four sections of this chapter focuses on a different theory. Each section has three components: (1) What are the key premises of the theory? Each theory proffers a unique ontology of consumers and consumption; (2) What does the theory reveal about why people consume? Each theory offers a unique explanation of consumer motivations; (3) Finally, what are the implications of the theory for humanistic marketing practice? Each theory tacitly focuses practitioners on serving a subset of human needs and indicates how such service may be accomplished. This discussion of human needs draws on Marshall Rosenberg's (2003) non-hierarchical list of human needs but Abraham Maslow's (1943) hierarchical categories of needs are also noted because they are more familiar to most readers. To illustrate the distinctive insights of each theory, a single example is extended throughout the chapter. Each section offers practical recommendations for 'Progressive Realty', a fictitious real-estate company that is attracted to the tenets of humanistic marketing but is unclear what to do in practice. (For a summary of the answers to these questions, see Table 11.1.)

Consumption as meaning making

Key premises. In the conceptualization of consumption as meaning making, consumers are symbolic animals capable of animating the material world with intricate and spiritual meanings (Belk et al., 1989; Csikszentmihalyi & Rochberg-Halton, 1981; Levy, 1959). There are many frameworks for the study of meaning (for a review, see Mick, 1986), but most concur that at least two conceptual elements are necessary – signifiers and signifieds. A signifier is generally a physical form such as an image, logo, or product, while a signified is its purpose, significance, or valued quality. Meaning is usually curated and transmitted in normative and narrative clusters such as ideologies and myths. Newer conceptualizations of consumption as ideological enactment (Crockett & Wallendorf, 2004; Kozinets, 2008; Varman & Belk, 2009) and myth interpretation (Thompson, 2004; Belk & Costa, 1998; Ustuner & Holt, 2007) can both be grouped under the broader umbrella of consumption as meaning making or signification. Signification is the process of linking signifiers and signifieds in ever-evolving chains or networks of meaning (Zhao & Belk, 2008). In a consumerist society, any element or property of a consumption encounter (e.g., brand, service duration, or price) is fair game for signification (McCracken, 1986).

Consumer motivations. Numerous anthropologists, philosophers, psychologists, and theologians have argued that meaning making is a fundamental human endeavour – if not evolutionary, then at least cross-cultural and trans-historical (Baumeister, 1991; Ford, 2007; Eagleton, 2007). People are motivated to make meaning across domains of life (e.g., friends, health, and work) because their lives are 'meaning-less' or insignificant without it and insignificance is existentially unbearable (Becker, 1973). Even more relevant than why people search for meaning in general is why people search for meaning in market-mediated activities (e.g., watching television programs). A primary reason is that culture itself is increasingly mediated by commercial institutions, at least in mature capitalist societies. Even resistant consumer movements (e.g., community-supported agriculture) are swiftly co-opted into larger commercial systems, leaving citizens with virtually no escape from market logics (Kozinets, 2002; Schor, 1998).

Implications for humanistic marketing. The meaning making perspective on consumption calls on managers to satisfy consumers' self-actualization needs for awareness, comprehension, dreams, growth, purpose, and shared understandings. In its conventional form, the perspective encourages marketers to endow services with meanings relevant to consumers,

whether those services are authentic sources of meaning or not. This requires that marketers actively monitor (a) the changing meanings of a product category and (b) the meanings most relevant to their consumers. Marketers must then decipher which constellation of meanings they should attribute to their specific brand in marketing communications. Humanistic marketers ought to delink cherished signifieds from services that do not serve consumers in the long run and link them with more fulfiling services instead. For example, in the United States, the notion of 'the American Dream' is tightly coupled with material possessions – especially large suburban homes with multi-car garages that are nicknamed McMansions. To offer a more responsible and satisfying alternative, Progressive Realty could focus its business development on multi-unit green architecture near public transportation. Consumers could be educated on the double dividend – environmental and financial – of energy-efficient windows, local raw materials, and solar-panel energy production. In essence, Progressive Realty could give consumers a new kind of home to aspire to – a home with a social purpose. Instead of merely fulfilling consumer expectations and perpetuating unsustainable development, this humanistic marketing practice involves interrogating the underlying meanings of real estate and reconfiguring 'the American dream.'

Consumption as emotional experience

Key premises. In the classic triad of 'thought, feeling, and action' (a.k.a., 'cognition, affect, and behavior'), feeling has historically been the most neglected domain in social science because it has been misunderstood as the enemy of reason. Only in recent decades have social sciences begun to realize that feelings are indispensible mechanisms, which are germane to healthy thought and action (Damasio, 1994). In the conceptualization of consumption as emotional experience, the consumer is an organism, the product is a stimulus, and consumption entails an affective response (Holbrook & Hirschman, 1982). Several taxonomies of affect or emotion have been proposed in psychology (e.g., Plutchik, 1980; Russell, 1980) and consumer research (e.g., Richins, 1997; Laros, 2005) but there is no definitive taxonomy for a number of reasons. Emotions vary across a number of dimensions, such as their duration, intensity, and the nature of their embodiment. Concepts such as affect, emotion, feeling, mood, and temperament are not synonymous but distinctions among them are contested and evolving. These ongoing concerns aside, there is a growing consensus that emotions are evolutionary mechanisms that

have specific functions or action tendencies (Frijda, 1986). Emotions can rapidly orient people to events in their environments by coordinating cardiovascular, facial, muscular, respiratory, and other bodily responses (Keltner, 1999). For example, fear activates the well-known freeze-or-fight-or-flee response (De Becker, 1997).

Consumer Motivations. In the experiential view, people are motivated to consume in order to regulate their own emotions and the emotions of others. In the marketplace, people generally want to amplify the experience of positive emotions and diminish the experience of negative emotions. For example, while shopping for weekly provisions, a tired mother may consider purchasing designer shoes to add excitement to her wardrobe (and her mood) and buy an ice-cream to pacify her irritable child. Positive and negative affect tend to work differently. Negative emotions tend to focus one's behaviour on immediate survival, while positive emotions tend to broaden one's exploration of possible behaviours (Fredrickson, 2001). What distinguishes anthropological theories of emotion from psychological theories of emotion is that anthropological theories focus less on biological mechanisms of emotions and more on cultural patterns and social functions of emotions. In other words, no brand pleases or pains consumers by nature. Rather, pleasure and pain in response to brands is socially constructed, learned, and disseminated.

Implications for humanistic marketing. The emotional experience perspective calls on managers to satisfy consumers' biosocial needs for celebration, grieving, pleasure, relief, and stimulation. Conventional marketing efforts stimulate positive emotions and reduce negative emotions in the short run with little regard to consumer health in the long run. Humanistic marketers ought to research, identify, and amplify the emotional drivers of behaviours that promote long-term consumer well-being. For example, to nudge consumers toward greener living arrangements, Progressive Realty could research the emotional drivers of green choices in big-ticket product categories and extend their implications to fostering consumer commitments to sustainable architecture. Environmental conservation research suggests that green behaviour is motivated by not only 'emotional affinity for nature', but also negative affect such as 'emotional indignation about insufficient nature protection' (Kals et al., 1999). If these findings extend to real estate, Progressive Realty could structure persuasion appeals on not only positive emotions, such as joy and pride toward green housing, but also on negative emotions such as anger and frustration at less sustainable alternatives. This bi-directional strategy of cultivating positive and negative

emotions to stimulate approach and avoidance behaviours is more likely to result in a cultural shift.

Consumption as self-extension

Key premises. In the conceptualization of consumption as self-extension or identity management, people experience their possessions and consumption activities as extensions of their self-concepts or identities (Belk, 1988; James, 1890; Sartre, 1943). For example, most consumers experience their clothes, homes, and pastimes as resources for their identity projects. This aspect of consumption can be invisible under normal circumstances but becomes especially salient in negation events. For example, when possessions such as cars or jewellry are damaged or stolen, people often feel they have been personally violated (Belk, 1988). After consumers have integrated products into their self-concept, these products are no longer commodities but valued pieces of oneself. If possessions are contaminated, lost, or ridiculed, consumers can feel that they themselves have been contaminated, lost, or ridiculed.

Consumer motivations. In the self-extension view, people are motivated to consume to distinguish their identities from others, to retain a sense of their past, to maintain coherent identities, to explore aspirational identities, and to signal their identities to themselves and to others (Belk, 1988; Belk, 1992; Mehta & Belk, 1991; Schau & Gilly, 2003; Schouten, 1991; Tian & Belk, 2005). The self-extension lens reveals a fundamental decision heuristic at any stage of the consumption life-cycle: 'Is this product *me* or *not me*?' Like decision heuristics in behavioural economics (e.g., the availability, duration, and representativeness heuristics), the *me*-ness or self-signifying heuristic also yields a systematic decision bias. People are willing to pay more for brands that reflect their current or desired identities than brands with less identity value or brands with undesirable identity implications.

Implications for humanistic marketing. The self-extension perspective calls on managers to satisfy consumers' esteem needs for confidence, respect, achievement, uniqueness, and self-worth. The perspective directs marketers to highlight aspects of products that are relevant to identity construction, even in product categories that have historically seemed utilitarian, such as medicine and technology. Marketers are advised to allow consumers sufficient customization options such that products become inseparable from one's unique self-definition. Sustainability advocates could even teach consumers how to build identities with more free and public goods. For example, one's social

identity may be derived from vacationing in regional parks rather than flying abroad, or composting household waste rather than maintaining a lush grass lawn. Humanistic marketers could also create new positive consumer archetypes. For example, Progressive Realty could challenge aspirational family identities intertwined with luxurious homes, which abound in lifestyle programming, by sponsoring attractive archetypes of pro-social homeowners. So far, American popular culture has been virtually devoid of positive consumer archetypes. In an exploratory survey in 2010, I asked 50 North American graduate marketing students to name at least five famous figures (athletes, entertainers, politicians, etc.) who they thought represented 'good' and 'bad' consumers. For 'bad' consumers, participants frequently cited celebrities such as Paris Hilton and Donald Trump and fictional characters such as *Carrie Bradshaw* (from the TV series *Sex and the City*) and *Gordon Gekko* (from the movie *Wall Street*). By contrast, the research produced a considerably shorter list of positive consumer archetypes and not a single name recurred in the data. What this survey suggests is that negative consumer archetypes are culturally shared and highly visible in American popular culture, while positive consumer archetypes are relatively idiosyncratic and invisible.

Consumption as community participation

Key premises. In the conceptualization of consumption as community participation, consumers are primarily conceptualized in the aggregate as communities, though researchers may examine individual consumers as community members as well (Schouten, 1995; Kates, 2004; Kozinets, 2001). The traditional definition of a community used to be a group of people who live in close proximity and interact regularly. However, there are several once provocative but now accepted understandings of community that do not fit this traditional definition: national community (Anderson, 1983), online community (Mathwick, Wiertz & Ruyter 2008), and brand community (Muniz & O'Guinn, 2001). Etymological dictionaries indicate that the term community derives from the Latin term *communitas*, which literally translated is 'the gift of togetherness'. In a similar vein, social theories of community seem to converge on a sense of fellowship as the only requisite element of the community concept; other attributes seem to be particular to specific types of community. If community can be defined as any collective of persons that shares a sense of togetherness, a consumption community is a collective of persons whose sense of togetherness is fostered by a shared consumption

activity. A recent meta-analysis of consumption community practices (Schau et al., 2009) reveals twelve common practices organized into four categories. 'Social networking' practices include welcoming, empathizing, and governing. 'Brand use' practices include grooming and customizing. 'Community engagement' practices include staking, milestoning, and badging. 'Impression management' practices include evangelizing and justifying. (For definitions and examples, see Schau et al., 2009, 43–49.)

Consumer Motivations. From a social and historical perspective, people are motivated to participate in consumption communities because traditional forms of kin, race, and religion-based community do not serve individualistic, cosmopolitan, and secular citizens as well as do consumption communities, which can entail less commitment, easier access, and a cheerier ideology (Cayla & Eckhardt, 2008; Muniz & O'Guinn, 2001; Muniz & Schau, 2005). From an individual's perspective, there are several possible motives for communing with other consumers: discovering best practices, learning solutions to common mistakes, finding compatible others, and having exciting group experiences.

Implications for Humanistic Marketing. The community participation perspective calls on managers to satisfy consumers' belonging needs for acceptance, cooperation, empathy, friendship, love, and shared rituals. The perspective highlights the importance of facilitating connections among consumers via in-person events or on-line forums. Humanistic marketers ought to develop communities around responsible and transformative practices to offer individuals alternative social venues beyond conventional brand communities. Humanistic consumption communities could be anchored by more responsible production and consumption activities such as eco-fashion, fair-trade causes, organic farming, or secondary markets that extend the life-spans of goods (e.g., FreeCycle). These communities could also be constructed in a quite traditional way, by situating like-minded people within physical proximity of each other. For example, Progressive Realty could build apartment buildings with meeting rooms and rooftop gardens to enable community-building efforts among its green-leaning tenants. Progressive Realty could also construct mixed-use buildings (e.g., uniting senior-citizen housing with day-care and kindergartens) to enable mutually beneficial interactions among various segments of the population that are often alienated from one another. In these examples, Progressive Realty would be making the collaborative benefits of multi-unit and mixed-use living arrangements more feasible than does conventional urban architecture.

Table 11.1 Translating anthropological consumption theories into humanistic marketing practices

Anthropological consumption theory	Key premises	Consumer motivations	Humanistic marketing practices	Example
Consumption as meaning making	Consumers are symbolic animals; products are vessels of meaning; consumption is meaning making with marketplace resources; consumption is often interpreted as the enactment of ideologies and myths	To make sense of the world, reduce existential uncertainty, and make work, play, and life in general as meaningful as possible	Develop services to satisfy consumers' self-actualization needs for awareness, comprehension, dreams, growth, purpose, and shared understanding; delink cherished signifieds from harmful services and link them with humanistic services instead	Progressive Realty delinks 'the American Dream' from suburban McMansions with multi-car garages and links it to communal urban living, sustainable green architecture, and public transit use
Consumption as emotional experience	Consumers are affective organisms; products are rich stimuli; interactions with marketplace offerings are laden with feelings of pride, shame, joy, sadness, trust, disgust, fear, anger, etc.	To pursue and amplify pleasurable positive feelings and avoid and diminish painful negative feelings	Develop services to satisfy consumers' biosocial needs for celebration, grieving, pleasure, relief, and stimulation; research, identify, and amplify (diminish) emotional drivers of helpful (harmful) consumption	Progressive Realty delivers and emphasizes the joy and pride that can be achieved by living in greener and healthier spaces and cultivates anger and disgust at costly, energy-inefficient, and toxic facilities

Consumption as self-extension	Consumers are managers of their identities who intuitively segregate products into those that are *me* versus *not me*; consumption transforms mere commodities into valuable extensions of one's self concept	To distinguish, maintain, renew, and signal one's numerous identities or overall sense of self	Develop services to satisfy consumers' esteem needs for achievement, confidence, respect, self-worth, and uniqueness; promote humanistic services in identity-based constellations or cultivate a positive consumer archetype	Progressive Realty creates an appealing archetype of a pro-social homeowner to compete with icons of materialism and privilege featured in competitors' advertisements of condominiums
Consumption as community participation	Consumers are social creatures that crave a sense of togetherness; consumer communities perform a range of practices from welcoming to evangelizing, each of which plays a distinct function in community maintenance	To find kinship beyond traditional social boundaries such as race and family and to access the benefits of consumer collaboration	Develop services to satisfy consumers' belonging needs for acceptance, cooperation, empathy, friendship, love, and shared rituals; develop communities around humanistic services to offer individuals alternative social venues	Progressive Realty builds residential properties mixing kindergartens, nursing homes, rooftop gardens, and meeting rooms with tele-commuting technologies to enable the communal benefits of environmental and social architecture

Conclusion

The primary goal of this chapter has been to help imagine the future of humanistic marketing. Accordingly, it translated four anthropological theories of consumption into concrete and actionable recommendations. Each theory illuminates a distinct pathway for empathically understanding, motivating, and satisfying consumers in profitable yet humanistic ways. (For a summary of the chapter, see table 11.1.)

One avenue for future research is continuing the translation process of the four theories. (1) Viewing consumption as meaning making, what are the ideologies and myths that most contribute to materialism and overconsumption and how can those ideologies and myths be reconstructed to valourize more responsible and satisfying behaviours instead? (2) Viewing consumption as emotional experience, what are the emotional drivers of helpful versus harmful consumer behaviours and how can humanistic marketing managers harness those drivers toward cultivating societal benefits? (3) Viewing consumption as self-extension, what are the possible characteristics of positive consumer archetypes and which characteristics are most likely to resonate with individual consumers and cultivate social movements? (4) Viewing consumption as community participation, in what ways are consumers dissatisfied by conventional brand communities and in what ways can more humanistic consumption communities fulfill those market opportunities?

Another avenue for future research is to extend the translation process begun in this article to other theoretical perspectives. Conceptualizations of consumption as *habituated practice*, *multiphrenic dialogics*, *social structuration*, and *stigma management* are less well-known by marketing researchers and practitioners beyond the domain of consumer anthropology. Nonetheless, these conceptualizations may also have unique insights for developing the field of humanistic marketing. Insights from all quarters of marketing scholarship will be valuable to meet the challenges ahead.

References

Anderson, Benedict (1983) *Imagined Communities: Reflections on the Origin and Spread of Nationalism*. New York: Verso.

Arnould, Eric J., & Thompson, Craig J. (2005) Consumer Culture Theory (CCT): Twenty Years of Research. *Journal of Consumer Research*, *31*(4), 868–882.

Bahl, Shalini, & Milne, George R. (2010) Talking to Ourselves: A Dialogical Exploration of Consumption Experiences. *Journal of Consumer Research, 37*(1), 176–195.

Baumeister, Roy F. (1991) *Meanings of Life*. New York, NY: Guilford Press.

Becker, Ernest. (1973) *The Denial of Death*. New York: Free Press.

Belk, Russell W. (1988) Possessions and the Extended Self. *Journal of Consumer Research*, *15*(2), 139.

Belk, Russell W. (1992) Moving Possessions: An Analysis Based on Personal Documents from the 1847–1869 Mormon Migration. *Journal of Consumer Research 19*(3), 339.

Belk, Russell W., & Costa, Janeen Arnold (1998) The Mountain Man Myth: A Contemporary Consuming Fantasy. *Journal of Consumer Research*, *25*(3): 218–240.

Belk, Russell W., Sherry Jr. John F., & Wallendorf, Melanie (1989) The Sacred and the Profane in Consumer Behavior: Theodicy on the Odyssey. *Journal of Consumer Research, 16*(1), 1.

Cayla, Julien, & Eckhardt, Giana M. (2008) Asian Brands and the Shaping of a Transnational Imagined Community. *Journal of Consumer Research*, *35*(2), 216–230.

Crockett, David, & Wallendorf, Melanie (2004) The Role of Normative Political Ideology in Consumer Behavior. *Journal of Consumer Research*, *31*(3), 511–528.

Csikszentmihalyi, Mihaly, & Rochberg-Halton, Eugene (1981) *The Meaning of Things: Domestic Symbols and the Self*. New York: Cambridge University Press.

Damasio, Antonio R. (1994) *Descartes' Error: Emotion, Reason, and the Human Brain*. New York: G.P. Putnam.

De Becker, Gavin (1997) *The Gift of Fear: Survival Signals that Protect Us from Violence*. New York: Dell Publishing Co.

Deighton, John (1992) The Consumption of Performance. *Journal of Consumer Research*, *19*(3), 362.

Duncan, Seth, & Barrett, Lisa Feldman (2007) Affect is a Form of Cognition: A Neurobiological Analysis. Cognition and Emotion, *21*(6), 1184–1211.

Eagleton Terry (2007) *The Meaning of Life: A Very Short Introduction*. Oxford, UK: Oxford University Press.

Epp Amber M., & Price Linda L. (2010) The Storied Life of Singularized Objects: Forces of Agency and Network Transformation. *Journal of Consumer Research*, *36*(5), 820–837.

Ford, Dennis (2007) *The Search for Meaning: A Short History*. Berkeley, CA: University of California Press, 2007.

Fournier, Susan (1998) Consumers and Their Brands: Developing Relationship Theory in Consumer Research. *Journal of Consumer Research*, *24*(4), 343–353.

Fredrickson, Barbara L. (2001) The Role of Positive Emotions in Positive Psychology: The Broaden-and-Build Theory of Positive Emotions. *American Psychologist*, *56*(3), 218–226.

Frijda, Nico H. (1986) *The Emotions*. New York: Cambridge University Press.

Holbrook, Morris B., & Hirschman, Elizabeth C. (1982) The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun. *Journal of Consumer Research*, *9*(2), 132.

Holt, Douglas B. (1998) Does Cultural Capital Structure American Consumption? *Journal of Consumer Research*, *25*(1), 1–25.

Hudson, Laurel Anderson, & Ozanne, Julie L. (1988) Alternative Ways of Seeking Knowledge in Consumer Research. *Journal of Consumer Research*, *14*(4), 508.

James, William (1890) *The Principles of Psychology*. New York: Henry Holt & Co.

Kals, Elisabeth, Schumacher, Daniel, & Montada, Leo (1999) Emotional Affinity toward Nature as a Motivational Basis to Protect Nature. *Environment and Behavior*, *31*(2), 178–202.

Kates, Steven M. (2002) The Protean Quality of Subcultural Consumption: An Ethnographic Account of Gay Consumers. *Journal of Consumer Research*, *29*(3), 383–399.

Kates, Steven M. (2004) The Dynamics of Brand Legitimacy: An Interpretive Study in the Gay Men's Community. *Journal of Consumer Research*, *31*(2), 455–464.

Keltner, Dacher, & Gross James J. (1999) Functional Accounts of Emotions. *Cognition and Emotion*, *13*(5), 467–480.

Kozinets, Robert V. (2001) Utopian Enterprise: Articulating the Meanings of Star Trek's Culture of Consumption. *Journal of Consumer Research*, *28*(1), 67–88.

Kozinets, Robert V. (2002) Can Consumers Escape the Market? Emancipatory Illuminations from Burning Man. *Journal of Consumer Research*, *29*(1), 20–38.

Kozinets, Robert V. (2008) Technology/Ideology: How Ideological Fields Influence Consumers' Technology Narratives. *Journal of Consumer Research*, *34*(6), 865–881.

Laros, Fleur J. M., & Steenkamp, Jan-Benedict E. M. (2005) Emotions in Consumer Behavior: A Hierarchical Approach. *Journal of Business Research*, *58*(10), 1437–1445.

Levy, Sidney J. (1959) Symbols for Sale. *Harvard Business Review*, *37*(4), 117–124.

Maslow, Abraham H. (1943) A Theory of Human Motivation. *Psychological Review*, *50*(4), 370–396.

Mathwick, Charla, Wiertz, Caroline, & de Ruyter, Ko (2008) Social Capital Production in a Virtual P3 Community. *Journal of Consumer Research*, *34*(6), 832–849.

McCracken, Grant (1986) Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *Journal of Consumer Research, 13*(1): 71.

Mehta, Raj, & Belk, Russell W. (1991) Artifacts, Identity, and Transition: Favorite Possessions of Indians and Indian Immigrants to the United States. *Journal of Consumer Research*, *17*(4), 398.

Mick, David Glen (1986) Consumer Research and Semiotics: Exploring the Morphology of Signs, Symbols, and Significance. *Journal of Consumer Research*, *13*(2), 196.

Muniz, Jr. Albert M., & O'Guinn, Thomas C. (2001) Brand Community. *Journal of Consumer Research, 27*(4), 412–432.

Muniz, Jr., Albert M., & Schau, Hope Jensen (2005) Religiosity in the Abandoned Apple Newton Brand Community. *Journal of Consumer Research*, *31*(4), 737–747.

Plutchik, Robert (1980) *Emotion: A Psychoevolutionary Synthesis*. New York: Harper & Row.

Richins, Marsha L. (1997) Measuring Emotions in the Consumption Experience. *Journal of Consumer Research*, *24*(2), 127–146.

Rosenberg, Marshall B. (2003) *Nonviolent Communication: A Language of Life*. PuddleDancer Press.

Russell, James A. (1980) A Circumplex Model of Affect. *Journal of Personality and Social Psychology, 39*(6), 1161–1178.

Sartre, Jean-Paul (1943) *Being and Nothingness: A Phenomenological Essay on Ontology*. New York: Philosophical Library.

Schau, Hope Jensen, Muniz, Albert M., & Arnould, Eric J. (2009) How Brand Community Practices Create Value. *Journal of Marketing*, *73*(5), 30–51.

Schau, Hope J., & Gilly Mary C. (2003) We Are What We Post? Self-Presentation in Personal Web Space. *Journal of Consumer Research*, *30*(3), 385–404.

Schor, Juliet. (1998) *The Overspent American: Why We Want What We Don't Need*. New York: Basic Books.

Schouten, John W. (1991) Selves in Transition: Symbolic Consumption in Personal Rites of Passage and Identity Reconstruction. *Journal of Consumer Research*, *17*(4), 412.

Schouten, John W., and McAlexander, James H. (1995) Subcultures of Consumption: An Ethnography of the New Bikers. *Journal of Consumer Research*, *22*(1), 43.

Sherry Jr. John F. (1990) A Sociocultural Analysis of a Midwestern American Flea Market. *Journal of Consumer Research*, *17*(1), 13–30.

Spiggle, Susan. (1994) Analysis and Interpretation of Qualitative Data in Consumer Research. *Journal of Consumer Research*, *21*(3), 491.

Thompson, Craig J. (2004) Marketplace Mythology and Discourses of Power. *Journal of Consumer Research*, *31*(1), 162–180.

Thompson, Craig J., Locander William B., & Pollio, Howard R. (1989) Putting Consumer Experience Back into Consumer Research: The Philosophy and Method of Existential-Phenomenology. *Journal of Consumer Research*, *16*(2), 133.

Tian, Kelly and Belk, Russell W. (2005) Extended Self and Possessions in the Workplace. *Journal of Consumer Research*, *32*(2), 297–310.

Ustuner, Tuba, & Holt, Douglas B. (2007) Dominated Consumer Acculturation: The Social Construction of Poor Migrant Women's Consumer Identity Projects in a Turkish Squatter. *Journal of Consumer Research*, *34*(1), 41–56.

Varman, Rohit, & Belk, Russell W. (2009) Nationalism and Ideology in an Anticonsumption Movement. *Journal of Consumer Research*, *36*(4), 686–700.

Zaltman, Gerald, & Coulter, Robin H. (1995) Seeing the Voice of the Customer: Metaphor-based Advertising Research. *Journal of Advertising Research*, *35*(4), 35–51.

Zhao, Xin, & Belk, Russell W. (2008) Politicizing Consumer Culture: Advertising's Appropriation of Political Ideology in China's Social Transition. *Journal of Consumer Research*, *35*(2), 231–244.

12
Well-being Marketing as Humanistic Marketing

Grace B. Yu, Dong-Jin Lee and M. Joseph Sirgy

Definition

Well-being marketing refers to the business mechanism that plans, prices, promotes, and distributes consumer goods for the purpose of enhancing customer well-being (i.e., marketing beneficence) while preserving the well-being of all other stakeholders (i.e., marketing non-maleficence). As such, well-being marketing has two dimensions: marketing beneficence and marketing non-maleficence. *Marketing beneficence* refers to marketing decisions (e.g. market selection, product strategy, price strategy, distribution strategy, and promotion strategy) designed to enhance customer well-being. Conversely, *marketing non-maleficence* alludes to marketing decisions designed to preserve the well-being of other stakeholders – other than customers (e.g., employees, stockholders, distributors, suppliers, local community, and the environment).

Well-being marketing is based on duty ethics, specifically the duty of beneficence and non-maleficence. The principle of *beneficence* refers to a general group of duties that include a positive injunction to assist customers. It judges the ethical nature of an action based on the criteria needed to promote the good (Frankenna, 1973). Well-being marketing is the duty to improve the well-being of consumers by meeting their needs fully over the entire span of the consumer/product life cycle. The principle of *non-maleficence* refers to an injunction not to inflict harm on others (Fisher, 2001). Besides not inflicting harm, one ought to prevent or remove harm. Thus, well-being marketing is grounded in the ethical concepts of a duty of beneficence and nonmaleficence: the focus is not only on serving consumers safely in a manner that contributes to their quality of life, but also the preservation of the well-being of the firm's other stakeholders.

Conceptual foundations of well-being marketing

Well-being marketing is a concept that originated from the philosophic foundation of the marketing concept. This foundation comprises societal marketing (e.g., Kotler, 1986), relationship marketing (e.g., Macneil, 1980; Dwyer et al., 1987; Parvatiyar & Sheth 1994; Morgan & Hunt, 1994), and stakeholder theory (e.g., Carroll, 1989; Evan & Freeman, 1988; Freeman, 1984).

First, well-being marketing is an extension of societal marketing orientation. This posits that marketing success is likely to be mostly based on serving the many stakeholders of the firm and balancing their demands. It calls upon marketers to consider the ethical ramifications of their marketing decisions. Today's consumers increasingly look for signs of corporate citizenship and expect that business firms conduct themselves ethically and responsibly in order to preserve or enhance the consumer's and society's well-being (Kotler, 2003). Well-being marketers attempt to maximize the welfare of their customers without adversely affecting the well-being of the stockholders, distributors, suppliers, employees, and the local community in significant ways (Sirgy & Lee, 1995, 1996). Well-being marketing is therefore a marketing strategy founded on the concept of societal marketing.

Second, well-being marketing is an ethical extension of relationship marketing. *Relationship marketing* is a paradigm in marketing thought that focuses on the development and maintenance of a quality relationship between exchange partners for mutual benefits. Relationship marketing refers to all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges (Morgan & Hunt, 1994). Well-being marketing also focuses on establishing and reinforcing long-term relationships with various stakeholders by integrating ethical and socially responsible concerns into marketing programs (Sirgy & Lee, 1994, 1996; Sirgy et al., 1982). It should be noted that relationship marketing is largely an economic concept, whereas well-being marketing is a moral concept that incorporates the economic dimension of relationship marketing. In other words, relationship marketing argues that customer satisfaction, trust, and commitment are essential to profitability (e.g., Collins, 1993; Kalwani & Narayandas, 1995; Jap, 1999; Naidu et al., 1999). By contrast, well-being marketing argues that its goal is not focused exclusively on the firm's financial performance but also on the societal effects resulting from such practice. Therefore, well-being marketing is a moral concept that integrates the economic concerns of the firm with society's broader

concerns. It does this by combining elements of societal and relationship marketing.

Third, well-being marketing is grounded in stakeholder theory. According to the *stakeholder view* of the firm (Freeman, 1984), a firm operates in a network of relationships. That is, it engages in various exchange relationships with many exchange partners, including suppliers, customers, competitors, other functional departments within the organization, and various stakeholders in the society (e.g., Carroll, 1989; Evan & Freeman, 1988; Goodpaster, 1991; Morgan & Hunt, 1994; Robin & Reidenbach, 1987; Wheeler & Sillanpaa, 1997). Stakeholder theory is grounded in the literature of business ethics and corporate social responsibility (Carroll, 1989; Frederick et al., 1988). Well-being marketing focuses on the enhancement of customer well-being. This is the essence of the beneficence component of well-being marketing. Well-being marketing also focuses on preserving the well-being of other stakeholders. This is the essence of the non-maleficience component of well-being marketing. Thus, well-being marketing borrows from stakeholder theory in that the focus is not only on serving customers to generate customer satisfaction and well-being but also the well-being of the firm's other stakeholders.

Antecedents of well-being marketing

Well-being marketing is influenced by a set of environmental factors (social consciousness and industry ethical climate), organizational factors (organizational ethics and company's long term orientation) and individual factors (autotelic personality, moral idealism, cognitive moral development, and caring attitude) (Sirgy & Lee, 2008).

Social Consciousness Related to Consumer Well-being: this refers to the degree of a society's sensitivity to the well-being of consumers (cf. Schlegelmilch & Robertson, 1995; Lee et al., 1998). A society characterized as high on social consciousness is one that has strong norms regarding how business should be conducted. An example is for-profit firms do not have an inalienable right to make money at the expense of society at large (Donaldson, 1989). In contrast, societies with a low degree of social consciousness are guided by an ultra-conservative philosophy of capitalism that encourages the practice of business, *period* – irrespective of whether the business is good or bad. Firms in a society with high social consciousness are likely to closely examine the impact of their specific marketing practices on their customers and make a conscientious effort to enhance their well-being.

Industry's Ethical Climate: In many cases, marketing decisions are influenced by the *industry's ethical climate*. This refers to the degree to which ethical norms are shared and reinforced by the various firms in the industry (e.g., Hunt & Vitell, 1993; Vitell et al., 1993). The ethical climate of an industry may sensitize firms to better understand the importance of the firm's many stakeholders, not just stockholders. In addition, firms in an industry with an ethical climate tend to have a code of ethics and a judicial system that actively discourages ethical violations (e.g., Ferrell et al., 1989; Ferrell & Grasham, 1985; Singhapakdi et al., 1995). By contrast, firms in industries without an ethical climate are likely to focus on only meeting the minimum legal requirements (cf. Kohlberg, 1973). Thus, the ethical climate of an industry facilitates a firm's beneficence and non-maleficent marketing practices.

Degree of Organizational Ethics: This refers to the degree to which a firm makes a proactive effort to achieve ethical and social objectives (Reidenbach & Robin, 1991; Week & Nantel, 1992). Firms with a *low* degree of organizational ethics are mainly driven by short-term profitability and are less responsive to the well-being of customers and other stakeholders (Reidenbach & Robin, 1991; Lee et al., 1998). Such firms are likely to be neither beneficent nor non-maleficent. Firms with a *high* level of organizational ethics are likely to make a proactive effort to achieve the firm's social and ethical objectives. They may be highly proactive. They may provide personalized attention to their customers while making a conscientious effort to reduce any social costs arising from their marketing efforts. These firms are likely to be both beneficent and non-maleficent.

Long-term Orientation: This is the degree to which the firm believes that maintaining a long-term relationship with the firm's various stakeholders is more important than short-term gain or a loss arising from a single transaction (Ganesan, 1994). Firms with a long-term orientation are motivated to preserve the relationships with their customers and other key stakeholders over the long run (Macneil, 1980). We believe that this type of firm is likely to adopt a Well-being marketing orientation. Such firms are likely to make every effort to develop lasting relationships with their customers by providing products with significant benefits. This is an expression of *beneficence* (cf. Macneil, 1980; Sirgy & Lee, 1996). Moreover, firms with a long-term orientation are not likely to engage in marketing practices that may have a negative impact on the well-being of other stakeholders. This is an expression of marketing *non-maleficence*.

The Autotelic Personality: Csikszentmihalyi (1997) recently introduced the concept of the *autotelic* personality. People with autotelic personality confront life with enthusiasm and involvement. They engage in certain activities not because of their extrinsic benefits but because of their intrinsic values. For example, marketers with autotelic personality get excited by showing prospective buyers how the product can enhance the quality of their lives. Autotelic marketers are likely to be develop and market a product, not necessarily because of profit, but because of the feedback they receive from the customers about how the product made a difference in their lives.

Moral Idealism: In making ethical marketing decisions, moral idealists are driven by idealistic principles not practical ones (e.g., Forsyth, 1980, 1992; Tretise et al., 1994; Rogers et al., 1995). Moral idealists are likely to assume that any marketing action likely to have a negative consequence on the public should be avoided, even though the action may have positive consequences in relation to the majority of the firm's stakeholders. They are likely to place high priority on enhancing customer well-being and preserving the well-being of other stakeholder groups likely to be affected by their decisions (Lee & Sirgy, 1998; Lee et al., 1998).

Cognitive Moral Development: The theory of cognitive moral development (Kohlberg, 1976) is widely used to assess the quality of ethical reasoning. The theory posits that moral development is a progression of cognitive construction of concepts of right or wrong. Managers characterized as low in cognitive moral development are motivated by self-interest (e.g., avoid punishments, and comply with regulations) to enhance promotion opportunities. They may behave unethically 'if they can get away with it'. They often engage in behaviours to maximize their self-interest at the expense of others. In contrast, managers characterized as high in cognitive moral development tend to make moral judgments based on 'universal principles of justice' (Kohlberg, 1976, p. 35). They are likely to be proactive and engage in efforts to enhance customers' well-being. They do so by making marketing decisions to maximize customer benefits and reduce customer costs (Lee et al., 1998; Sirgy, 1996; Sirgy & Lee, 1994, 1996). This is an expression of *beneficence* of well-being marketing. Furthermore, they are likely to be sensitive to the needs of other stakeholders. They take account of other stakeholders' well-being in their decision-making, and plan socially responsible marketing programs (Hunt & Chonko, 1984; Kotler, 1986). This is a characteristic of marketing *non-maleficence*.

Caring Attitude for the Well-being of Customers: Traditional marketers are usually motivated by economic goals such as short-term

sales and profit. Marketers with a caring attitude for their customers are likely to be motivated and willing to help beyond the call of duty. They care, not because caring is likely to enhance the bottom line but because they think it is the right thing to do. Their caring attitude is an expression of an affective commitment and a passion to do right for their customers (cf. Gilligan, 1982; Prilleltensky, 1997). This caring attitude translates into marketing *beneficence*.

Consequences of well-being marketing

Well-being marketing is likely to generate customer trust and commitment, and enhance company goodwill and consumer well-being (Lee & Sirgy, 2004; Sirgy & Lee, 2008).

Consumer Well-being: Marketing beneficence involves marketing efforts that lead to maximizing customers' benefits across the consumption life cycle – product acquisition, preparation, consumption, possession, maintenance, and disposal (cf. Lee & Sirgy, 1995; Lee et al., 2002; Wilkie & Moore, 1999). Conversely, marketing non-maleficence is likely to lead to the minimization of customers' costs across the consumption life cycle. Therefore, well-being marketing is likely to have a positive influence on customer well-being.

Consumer well-being – satisfaction in the consumer life domain – is likely to enhance life satisfaction. The theoretical assumption is that consumers experience satisfaction and dissatisfaction in relation to acquisition, possession, consumption, maintenance, and disposal of consumer goods or services, and that overall satisfaction with these marketplace experiences influences overall life satisfaction. The bottom-up spillover model posits that consumer well-being does play an important role in overall life satisfaction, because satisfaction with particular marketplace experiences spill over to other life domains and to overall life. For example, Lee et al. (2002) conceptualized consumer well-being in terms of consumer satisfaction with varied marketplace experiences. These experiences involve acquisition (or shopping for goods and services in the local area), possession (product ownership), consumption (use of goods and services), maintenance (repair and servicing of consumer durables), and disposal (selling, trading-in, or junking of consumer durables).

Customer Trust and Commitment: Well-being marketing is likely to lead to customer satisfaction in the process of acquiring the firm's products. In addition, well-being marketing is likely to contribute to customer satisfaction in the process of possession, consumption,

maintenance, and disposal of the firm's products (Lee & Sirgy, 1995; Lee et al., 2002). Enhancing satisfaction with all aspects of the consumer cycle should lead to increased customers' trust in the firm and its products, which in turn should lead to repeat purchasing and commitment to the firm (e.g., De George, 1993; Oliver, 1997; Szymanski & Henard, 2001). In addition, well-being marketers are likely to help preserve the well-being of other stakeholders. Examples may include efforts to enhance organizational commitment by employees, distributors, and suppliers. These efforts are likely to increase customers' trust and satisfaction with the firm's products. Customers' perceptions of these efforts should contribute positively to their trust and commitment to the firm (e.g., Freeman, 1984; Morgan & Hunt, 1994; Victor & Cullen, 1987). Thus, well-being marketing is likely to have a positive influence on customer trust and commitment.

Company Goodwill: Well-being marketing efforts which produce increased customer well-being are likely to result in positive corporate image and company goodwill (e.g., Folkes, 1984; Szymanski & Henard, 2001). In addition, well-being marketing efforts to preserve the well-being of other stakeholders are likely to further enhance corporate image (cf. Sirgy & Lee, 1996; Lee et al., 1998). A positive corporate image is a key to company goodwill. Perceptions of socially responsible marketing practices normally result in positive corporate image (e.g., Collins, 1993).

Measurement of well-being marketing

Well-being marketing has two key dimensions: marketing beneficence and marketing non-maleficence. Items measuring marketing beneficence include firms which decide to target the consumers that can benefit the most from the product by: (1) developing products that can enhance consumer well-being (easy packaging, easy ordering, easy assembly, product safety, disposable packaging), (2) pricing affordably (affordable price, payment equity, no-hidden cost, long-term value, no captive pricing or unethical pricing practices), (3) distributing products to the target consumers (maximum accessibility, convenient and easy access to product and services), and (4) promoting the product with full information (full disclosure) (see examples of measurement items in Lee et al., 1998).

Items measuring marketing non-maleficence include firms making decisions to avoid targeting consumers who are not likely to benefit from the product by: (1) avoiding product risk and excessive packaging, (2)

avoiding ethical pricing such as predatory pricing and captive pricing, (3) reducing safety related risks, and (4) reducing undesirable side effects to the community (see Lee et al., 1998 for examples of specific measurement items).

Policy implications

Well-being marketing focuses on establishing and reinforcing long-term relationships with consumers and various stakeholders by integrating ethical and socially responsible concerns into marketing programs. Thus, performance of well-being marketing is judged a set of financial and societal indicators including sales, profit, customer-life satisfaction, customer safety, employee safety, and safety to the environment.

We strongly believe that firms engaging in well-being marketing are likely to prosper in the long run more so than firms practicing traditional marketing. Well-being marketing serves to help establish long-term stakeholder relationships and develop company goodwill (cf. Collins, 1993). Studies have identified that long-term relationships and a positive company image help business firms achieve higher financial performance (e.g. Collins, 1993; Kalwani & Narayandas, 1995; Jap, 1999; Naidu et al., 1999). If so, the question becomes, how can a firm facilitate the adoption and successful implementation of well-being marketing? We have argued in this chapter that well-being marketing is influenced by a set of environmental, organizational, and individual factors. Understanding these factors should provide guidelines on how to facilitate the adoption and successful implementation of well-being marketing.

Well-being marketing is facilitated by further developing and enforcing the profession's code of ethics and making every effort to elevate the level of organizational ethics. These efforts may include providing training programs in relation to ethical values, emphasizing ethical codes, and making decisions guided by social and ethical objectives (e.g., Goodpaster, 1991; Week & Nantel, 1992; Zey-Ferrell et al., 1979).

Well-being marketing is facilitated when firms are likely to adopt a long-term orientation. Instead of seeking short-term gain, firms should have a long-term focus on their relationships with the firm's stakeholders, especially their customers. To attain this goal, firms are advised to incorporate quality-of-life (QoL) indicators in their performance evaluation of marketing activities.

Well-being marketing is influenced by individual factors, such as the marketer's autotelic personality, moral idealism, cognitive moral

development, and caring attitude. These individual difference factors are likely to affect the adoption of well-being marketing as an overall marketing strategy. If so, firms are advised to develop recruiting programs to select managers with a moral orientation and values consistent with the spirit of well-being marketing. Also, they should develop training programs to enhance sensitivity to ethical issues (Robertson & Schlegelmilch, 1993). Inculcation of social responsibility through training and communication of long-term goals of the firm should facilitate the adoption of a well-being marketing orientation (cf. Shultz & Holbrook, 1999).

Well-being marketing firms are advised to develop a set of marketing mix strategies that reflect the spirit of well-being marketing. Well-being marketing can be effectively implemented when the concepts are concretely specified in terms of actionable marketing mix strategies. The goals of those strategies are guided by the extent to which their outcomes impact customer well-being and society at large. In addition, marketers are advised to conduct a well-being marketing audit based on those actionable marketing mix strategies.

Furthermore, firms implementing well-being marketing are advised to adopt a customer well-being metric as their performance standard. In order to maximize the quality-of-life impact of marketing practice in society, it is imperative for the firm to measure their target customers' level of well-being and the extent to which the firm's marketing efforts have changed customer well-being in a positive way. At the macro level, quality of life in society is enhanced if and when firms collectively adopt well-being marketing and implement its principles.

By engaging in well-being marketing, firms are likely to develop a long-term relationship with its customers and benefit from company goodwill. We believe that well-being marketing is the next paradigm in the evolution and progression of marketing paradigms. Well-being marketing builds on relationship marketing by highlighting business ethics in a relationship marketing context.

References

Carroll, Archie B. (1989) *Business and Society: Ethics and Stakeholder Management.* Cincinnati, Ohio: South Western Publishing.

Collins, Marylyn (1993) Global Corporate Philanthropy-Marketing Beyond the Call of Duty? *European Journal of Marketing*, *27*(2), 46–58.

Csikszentmihalyi, Mihaly (1997) *Finding Flow: The Psychology of Engagement with Everyday Life*. New York: Basic Books.

De George, Robert T. (1993) *Competing with Integrity in International Business*. Oxford: Oxford University Press.

Donaldson, John (1989) *Key Issues in Business Ethics.* London: Academic Press.

Dwyer, F. Robert, Paul H. Schurr, & Sejo Oh (1987) Developing Buyer-Seller Relationship. *Journal of Marketing*, *51*(2), 11–27.

Evan, William M., & R. Edward Freeman (1988) A Stakeholder Theory of the Modern Corporation: Kantian Capitalism. In *Ethical Theory and Business,* Thomas L. Beauchamp and Norman E. Bowie (Eds) Englewood Cliffs, NJ: Prentice-Hall, pp. 97–106.

Ferrell, O. C., & Larry G. Grasham (1985) A Contingency Framework for Understanding Ethical Decision Making in Marketing. *Journal of Marketing*, *49*(Summer), 87–96.

Ferrell, O. C., Larry G. Grasham, & John Fraedrich (1989) A Contingency Framework for Understanding Ethical Decision Models for Marketing. *Journal of Macromarketing*, *11*(Fall), 55–64.

Fisher, J. (2001) Lessons for Business Ethics from Bioethics. *Journal of Business Ethics, 34*, 15–24.

Folkes, Valerie S. (1984) Consumer Reactions to Product Failure: An Attribution Approach. *Journal of Consumer Research*, *14*(March), 398–409.

Forsyth, Donelson R. (1980) A Taxanomy of Ethical Ideologies. *Journal of Personality and Social Psychology*, *39*(1), 175–184.

Forsyth, Donelson R. (1992) Judging the Morality of Business Practices: The Influences of Personal Moral Philosophies. *Journal of Business Ethics*, *11* (May), 461–470.

Frankenna, W. (1973) *Ethics*. 2nd ed. Prentice-Hall, Engelwood Cliffs, NJ.

Frederick, W. C., K. Davis, & J. E. Post (1988) *Business and Society: Corporate Strategy, Public Policy, and Ethics*, 6th edition, Mc-Graw Hill: New York.

Freeman, R. Edward (1984) The Politics of Stakeholder Theory: Some Future Directions. *Business Ethics Quarterly*, *4*(4), 409–421.

Ganesan, Shankar (1994) Determinants of Long-term Orientation in Buyer-Seller Relationships. *Journal of Marketing*, *58* (April), 1–19.

Gilligan, Carol (1982) *In a Different Voice: Psychological Theory and Women's Development*. Cambridge, MA: Harvard University Press.

Goodpaster, Kenneth E. (1991) Business Ethics and Stakeholder Analysis. *Business Ethics Quarterly*, *1*(1), 53–73.

Hunt, Shelby, & Lawrence B. Chonko (1984) Marketing and Machiavellianism. *Journal of Marketing, 48*(Summer), 30–42.

Hunt, Shelby and Scott Vitell (1993) The General Theory of Marketing Ethics. *Journal of Macromarketing*, *8*(Spring), 5–16.

Jap, Sandy D. (1999) Pie-Expansion Efforts: Collaboration Processes in Buyer-Supplier Relationships. *Journal of Marketing Research*, *36*(November), 461–475.

Kalwani, Manohar U., & Narakesari Narayandas (1995) Long-Term Manufacturer-Supplier Relationships: Do They Pay Off for Supplier Firms? *Journal of Marketing*, *59* (January), 1–16.

Kohlberg, Lawrence (1973) The Claim to Moral Adequacy of Highest Stage of Moral Judgement. *Journal of Philosophy*, *LXX*, 630–646.

Kohlberg, Lawrence (1976) Moral State and Moralization: The Cognitive-Developmental Approach to Socialization. In D. A. Goslin (Ed.) *Handbook of Socialization Theory and Research.* Chicago: Rand McNally & Company.

Kotler, Philip (1986) *Principles of Marketing,* 3rd edn, Engelwood Cliffs, NJ: Prentice-Hall.

Kotler, Philip (2003) *Marketing Management*, 11th edn, Upper Saddle River, NJ: Prentice Hall

Lee, Dong-Jin, & M. Joseph Sirgy (1995) Determinants of Involvement in the Consumer/Marketing Life Domain in Relation to Quality of Life: A Theoretical Model and Research Agenda. In *Developments in Quality of Life Studies in Marketing*, H. Lee Meadow, M. Joseph Sirgy, & Don Rahtz (Eds) Blacksburg, Virginia: Academy of Marketing Science, pp. 13–18.

Lee, Dong-Jin, & M. Joseph Sirgy (1998) The Effect of Moral Philosophy and Ethnocentrism on Quality-of-Life Orientation in International Marketing: A Cross-Cultural Comparison. *Journal of Business Ethics*, *18*(1), 73–89.

Lee, Dong-Jin, & M. Joseph Sirgy (2004) Quality of Life (QOL) Marketing: Proposed Antecedents and Consequences. *Journal of Macromarketing*, *24*(1), 44–58.

Lee, Dong-Jin, M. Joseph Sirgy, Val Larsen, & Newell D. Wright (2002) Developing a Subjective Measure of Consumer Well-Being. *Journal of Macromarketing*, *22*(2), 158–169.

Lee, Dong-Jin, M. Joseph Sirgy, & Chenting Su (1998) International Quality-of-Life (IQOL) Orientation: The Construct and Possible Predictors. *Research in Marketing*, *14*, 151–184.

Macneil, Ian R. (1980) *The New Social Contract*. New Haven, CT: Yale University Press.

Morgan, Robert M. & Shelby D. Hunt (1994) The Commitment-Trust Theory of Relationship Marketing. *Journal of Marketing*, *58* (July), 20–38.

Naidu, G. M., Atul Parvatiyar, Jagdish N. Sheth, & Lori Westgate (1999) Does Relationship Marketing Pay? An Empirical Investigation of Relationship Marketing Practices in Hospitals. *Journal of Business Research*, *46*(3), 207–219.

Oliver, Richard L. (1997) *Satisfaction: A Behavioral Perspective on the Consumer*. New York: McGraw-Hill.

Parvatiyar, Atul, & Jagdish N. Sheth (1994) Paradigm Shift in Marketing Theory and Approach: The Emergence of Relationship Marketing. In Jag Sheth, & Atul Parvatiyar (Eds) *Relationship Marketing: Theory, Methods, and Applications*. Center for Relationship Marketing: Emory University.

Prilleltensky, I. (1997) Values, Assumptions, and Practices: Assessing the Moral Implications of Psychological Discourse and Action. *American Psychologist*, *52*, 517–535.

Reidenbach, R. Eric, & Donald P. Robin (1991) A Conceptual Model of Corporate Moral Development. *Journal of Business Ethics*, *10*(4), 273–284.

Robertson, D., & B. B. Schlegelmilch (1993) Corporate Institutionalization of Ethics in the United States and Great Britain. *Journal of Business Ethics*, *12*(4), 301–312.

Robin, Donald P., & R. Eric Reidenbach (1987) Social Responsibility, Ethics, and Marketing Strategy: Closing the Gap Between Concept and Application. *Journal of Marketing*, & (January), 44–58.

Rogers, Hudson P., Alphonso O. Ogbuehi, & C. M. Kochunny (1995) Ethics and Transnational Corporations in Developing Countries: A Social Contract Perspective. *Journal of Euro-marketing, 4*(2), 11–38.

Schlegelmilch, B. B., & D. C. Robertson (1995) The Influence of Country and Industry on Ethical Perceptions of Senior Executives in the US and Europe. *Journal of International Business Studies*, *26*(4), 852–881.

Shultz, C., & M. B. Holbrook (1999) Marketing and the Tragedy of the Commons: A Synthesis, Commentary, and Analysis. *Journal of Public Policy and Marketing*, *18*(Fall), 218–229.

Singhapakdi, A., K. L. Kraft, S. J. Vitell, & K. C. Rallapalli (1995) The Perceived Importance of Ethics and Social Responsibility on Organizational Effectiveness: A Survey of Marketers. *Journal of the Academy of Marketing Science*, *23*, 49–56.

Sirgy, M. Joseph (1996) Strategic Marketing Planning Guided by the Quality-of-Life (QOL) Concept. *Journal of Business Ethics*, *15* (March), 241–259.

Sirgy, M. Joseph, & Dong-Jin Lee (1994) Relationship Marketing and Beyond: A Quality-of-Life Approach. In *The Second Annual Relationship Marketing Conference*, Jagdish Sheth (Eds) Atlanta, GA: Emory University.

Sirgy, M. Joseph, & Dong-Jin Lee (1995) The Evolution of the Quality-of-Life Concept in Marketing Thought. In *Developments in Quality-of-Life Studies in Marketing*, Vol. 5, H. Lee Meadow, M. Joseph Sirgy, & Don R. Rahtz (Eds) DeKalb, IL: Academy of Marketing Science, pp. 19–24.

Sirgy, M. Joseph, & Dong-Jin Lee (1996) Setting Socially Responsible Marketing Objectives: A Quality-of-Life Approach. *European Journal of Marketing*, *30*(5), 20–34.

Sirgy, M. Joseph, & Dong-Jin Lee (2008) Well-being Marketing: An Ethical Business Philosophy for Consumer Goods Firms. *Journal of Business Ethics*, *77*, 377–403.

Sirgy, M. Joseph, Dong-Jin Lee, A. Coskun Samli, & H. Lee Meadow (1982) The Interface Between Quality of Life and Marketing: A Theoretical Framework. *Journal of Public Policy & Marketing*, *1*, 69–84.

Szymanski, David M., & David H. Henard (2001) Customer Satisfaction: A Meta Analysis of the Empirical Evidence. *Journal of the Academy of Marketing Science*, *29*(1), 16–35.

Tretise, Debbie, Michael F. Weigold, Jenneane Conna, & Heather Garrison (1994) Ethics in Advertising: Ideological Correlates of Consumer Perceptions. *Journal of Advertising*, *23*(3), 59–69.

Victor, Bart, & John B. Cullen (1987) A Theory and Measure of Ethical Climate in Organizations in Research. In *Corporate Social Performance and Policy,* William C. Frederick, & Lee E. Preston (Eds) Greenwich, CT: JAI Press, pp. 51–77.

Vitell, Scott J., Kumar C. Rallapalli, & Anusorn Singhapakdi (1993) Marketing Norms: The Influence of Personal Moral Philosophies and Organizational Ethical Culture. *Journal of the Academy of Marketing Science*, *21*(Fall), 331–337.

Weeks, William A., & Jacques Nantel (1992) Corporate Code of Ethics and Sales Force Behavior: A Case Study. *Journal of Business Ethics, 11*(10), 753–760.

Wheeler, David, & Maria Sillanpaa (1997) *The Stakeholder Corporation: A Blue Print for Maximizing Stakeholder Value.* London: Pitman Publishing.

Wilkie, William L., & Elizabeth S. Moore (1999) Marketing's Contributions to Society. *Journal of Marketing*, *63*(Special issue), 198–218.

Zey-Ferrell, M. K., M. Weaver, & O. C. Ferrell (1979) Predicting Unethical Behavior Among Marketing Practitioners. *Human Relations*, *32*(7), 587–604.

13
Constructive Engagement, Macromarketing, and Humanistic Marketing

Clifford J. Shultz, II and Stanley J. Shapiro

Marketing as constructive engagement[1]

The two most recent definitions of marketing, as posited by thoughtful members of the AMA in 2004 and 2007, have generated considerable discussion about the nature, scope and foci of marketing. The 2004 definition was not fully embraced by the AMA membership, nor has it been uniformly adopted by other marketing organizations and associations around the world, where some of the most compelling marketing activity now unfolds; hence the 2007 revised definition.

For anyone who missed them: 'Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders (2004)'; 'Marketing is the activity, conducted by organizations and individuals, that operates through a set of institutions and processes for creating, communicating, delivering, and exchanging market offerings that have value for customers, clients, marketers, and society at large (2007).'

My own take on both definitions – while believing they are useful to the practice of marketing management, with some orientation to societal issues – is that they are too microscopic, do not coincide particularly well with historical interpretations of marketing, and ultimately (tragically?) limit the potential impact of marketing on the most pressing challenges that confront us. If one accepts the premise that the current definition is too microscopic, one must also conclude that it is not sufficiently macroscopic. But what exactly does it mean to orient toward (macro)marketing?

The long history of markets and marketing has been a largely macro-marketing narrative. Only recently has marketing become more micro and perhaps even atomistic (see also, for example, Wilkie & Moore, 1999, 2003, 2006). This observation begs other questions. For example, why does (macro)marketing include the prefix 'macro'? Why does the current defini-tion shared by the AMA not include 'micro'? Given marketing's roots and its long history, shouldn't macromarketing be viewed simply as marketing; at the very least, shouldn't any definition of marketing more clearly deline-ate a macro agenda? In light of possible answers to those questions, and with consideration for the systemically complex and global challenges before us, one plausible and useful definition of marketing might read:

> Marketing is a form of constructive engagement; a societal function and a systemic set of processes for creating, communicating, and delivering value to customers and for managing customer and soci-etal relationships in ways that benefit local and global stakeholders of these processes.

My rationale for this alternative definition, or some similarly expansive definition, follows.

(Macro)marketing

As suggested above, the ideas of the (macro)marketing discipline, if not necessarily the name, have existed for millennia. Indeed, *marketing* essentially seemed to be what many scholars would now largely view as *macromarketing*. So, while 'macromarketing' is a relatively recent academic discipline and remains a somewhat nebulous construct, the essence of markets and marketing, and their impact on societal welfare, are as old as humanity. Indeed, our species perhaps should be described as *Homo Marketus* (Shultz, 2005).

We *are* the marketing animal. From the moment our ancestors crawled from the primal ooze and learned that cooperation and divi-sion-of-labour would abet survival, markets and marketing soon there-after must have been integral to the process of societal development. Entire societies and civilizations were organized accordingly. From the Fertile Crescent to Madison Avenue we have been marketing, for better or worse, ever since. This long history is not adequately represented in the current definition – suggesting that the current AMA definition may remain too focused on 'micromarketing', despite the inclusion of 'and society at large' at its end.

(Macro)marketing in a world of dilemmas

Readers will recall that (macro)marketing fundamentally is concerned with the context of market(ing) problems and with solutions vis-à-vis the welfare of the stakeholders of a marketing *system* or *systems* over time; the system in which marketers function moreover is increasingly global, thus rendering everyone a stakeholder. The suggestion of a temporal dimension of this articulation draws attention to social traps: we know that marketers and consumers often engage in selfish activities that provide short-term benefits, sometimes with long-term harmful consequences to others and, tragically, even to themselves (e.g., Fisk, 1981; Hardin, 1968; Nason, 2006; Shultz & Holbrook, 1999). Thus, at least two (macro)marketing objectives are (1) to examine tradeoffs required to overcome the sirens' song of immediate gratification; (2) to optimize outcomes for the largest number of stakeholders in a marketing system – not only now, but also for future generations.

Distillation of the broad and varied literature reveals (macro)marketing as an amalgam of markets, marketing practices, and marketing systems; aggregations in the forms of units, consumers, firms, governments or other organizations, societies, regions, countries, and global alliances; social traps and commons dilemmas; and, now, sub-specializations that address competition and markets, development, ethics or distributive justice, global policy, the environment, history, quality of life, *and* relevant ideas from myriad other disciplines. Upon reflection, 'macro' may *understate* the orientation; perhaps *Übermarketing* is more fitting. Nevertheless, comprehensive, eclectic, and inclusive conceptualizations, methods, practices, and definitions are useful in the complex world of dilemmas which *Homo Marketus* now dominates.

Consider a brief list of public policy topics relevant to marketing: globalization; environmentalism; energy; trafficking of weapons, people, drugs, and nuclear materials; cartels and malevolent alliances; religious and cultural intolerance; intellectual property rights; economic transition and/or development; public health crises (e.g., poverty, malnutrition, contaminated water, homelessness, malaria, and pandemics such as HIV/AIDS, avian flu, cholera, and ebola); genetic engineering; societal angst and anomie; historical lessons (both learned and not learned); poor/despotic governance; and war. These topics are replete with dilemmas. Macromarketers understand that many of these topics interact with other forces; they are part of broader systems and systemic failures. They require difficult choices. One choice is a decision to engage them – and

factors that predict them – in our scholarship and practice, with all the richness that is (macro)marketing.

In a finite global biosphere shaped by political and economic interests, all of us are affected by one or more of the aforementioned problems. Governments, managers, and citizen consumers, wittingly or unwittingly, face dilemmas and regularly make choices that compound or help to ameliorate them (see also Hunt & Vitell, 2006). The current definition of marketing does not readily draw our attention to them; yet, ironically, failure to engage them without the eclectic toolkit of (macro)marketing may lead to disastrous results for *Homo Marketus*. The following text offers a macromarketing synthesis as one possible framework to re-orient marketing activities toward broader societal outcomes, to the benefit of multiple global stakeholders of markets, marketing, and policies that affect and are affected by them.

A macromarketing synthesis

The synthesis shared here requires us to envision marketing beyond the current definition; that is, to construe marketing as a constructive engagement. Here, I borrow from the literature in law and diplomacy (e.g., Forcese, 2002) and social psychology (e.g., International Center for Cooperation and Conflict Resolution, 2006). The theory and subsequent policy of constructive engagement argue for pro-social interactions between individuals, groups, firms, communities, and/or nations that are enmeshed in polarized and frequently intractable or destructive conflicts. Parties to the conflict can clash over any number of issues, though I submit that conflicts typically arise over resources and their management – who controls them, how and where they are marketed and consumed, and the extent to which some super-ordinate authority justifies the chosen methods for marketing, consumption, and control.

Constructive engagement, by definition, rules out ostracism and destructive engagement. Conversely, negotiation, cooperation, and exchange are important components of the process. Forcese (p. 3) suggests that policy decisions and marketing activities must be 'responsible' if they are to be truly constructive; that there are costs attached to parties who violate the generally agreed-upon tenets intended to make engagement constructive. The quest for responsibility can be viewed as an effort to meld material interest and moral principle, with the broader objective of abetting the largest number of stakeholders in the process of engagement. Constructive engagement furthermore is a step toward

eliminating, or at least reducing, the allocation of mind-numbingly large sums of money for war expenditure and the concomitant opportunity costs of pro-social endeavours (e.g., Bilmes & Stiglitz, 2006; Documents Center, 2006).

Interestingly, constructive engagement parallels sentiments espoused by macromarketers. For example, Alderson (1957), Layton and Grossbart (2006), and Shultz et al. (2005) contend that trade, commerce, and mutual prosperity facilitate peace and broader societal welfare. Arndt (1981) offers a political economy framework for examining marketing systems; a concentration on societal institutions and the balancing of politics, hierarchies and markets, and their stakeholders. Taylor and Omura (1994), building on Arndt's (1981) work, suggest that the efficacy of engagement should be assessed using several criteria, including behavioural interdiction, historical perspectives, apoliticalness, non-universality, and internal and external forces.

The preceding body of work from several disciplines provides an impetus for a possible synthesis of ideas and practices. Figure 13.1 illustrates a plausible Macromarketing Synthesis for Constructive Engagement in a Global Marketing System. It certainly is not intended to be exhaustive, given the extraordinary complexity of history, culture, politics, people, and the innumerable filters through which we view them. Nor is it intended to serve as a linear protocol for decision-making. Rather, it is presented here simply to demonstrate the relevance of macromarketing and its academic sub-specializations to seemingly intractable dilemmas relevant to the survival, or possible demise, of *Homo Marketus*.

I use the dilemma of war vs. constructive engagement to illustrate one possible application of a Macromarketing Synthesis. War is of course an extreme example, inherently destructive, with global high-stakes repercussions for marketers and citizen-consumers. Note too that many other societal problems listed above degrade humanity and exacerbate tensions and thus foment hostilities that can spiral into war, causing still more destruction and suffering.

Readers will see that Vietnam–US relations illuminate issues and relationships in Figure 13.1; a detailed rationale for this focus is articulated in Shultz (2007), but essentially US–Vietnam relations elicit rich discussion and examples over an extended period, which reveal ignorance, hubris, miscalculation, cynicism, corruption, duplicity, mendacity, missed opportunity – and ultimately tragedy. More constructive engagement embodying a macromarketing approach could have averted the devastation of the Vietnam War (or American War, from the Vietnamese
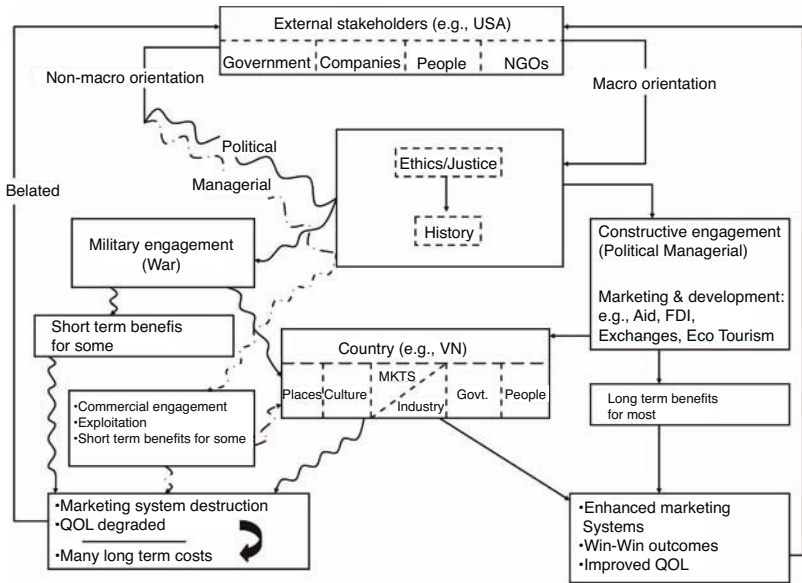
Figure 13.1   Macromarketing synthesis for constructive engagement in a global marketing system

perspective) and could have obviated millions of deaths and improved outcomes for countless stakeholders.

We emphasize that any number of countries or groups could supplant 'External Stakeholders' and/or 'Country'. The world clearly does not lack opportunities for constructive engagement with, say, Myanmar (Burma), Iran, North Korea, Cuba and so forth. Corporations, in addition to governments, also have opportunities – and responsibilities – to constructively engage countries/regions/markets in ways that can reduce hostilities and to enhance consumer and system outcomes.

The artefacts of *Homo Marketus*, his marketing firms (oil companies and consumer-goods companies, as just two examples), moreover arguably have the greatest impact on the global eco-system in which we all have a stake. Whether this reality is good can be debated, but to ignore it is to eliminate an important and possibly fruitful conduit for meaningful research that can improve marketing systems and ultimately enhance quality of life. Moreover, including micro or managerial orientations creates the opportunity to persuade managers to see their vested interest in desirable macro outcomes. Such inclusion positions the marketing firm as a potential vanguard of constructive engagement.

Indeed, the growing marketing and business paradigm sweeping the globe would seem to demand the inclusion of marketers and managers into the macromarketing discourse. In other words, managerial perspectives must be addressed if engagement is to be constructive. All stakeholders must have a greater appreciation for the amalgamation of consumer interests, government interests, corporate profit motives, and global concerns about sustainability. Conflicting stakeholder interests should be factored into negotiated agreements, otherwise more powerful stakeholders (typically, micromarketers) will have little incentive to engage constructively, reducing the probability for win-win outcomes for the largest number of stakeholders engaged (see also Nill & Shultz, 1997).

Firms with this tack in developing/transitioning/recovering markets incidentally are more likely to have sustainable commercial success. A clear understanding and respect for the broad marketing system – its history and cultural ubiquities, regulatory environment, administrative practices, ethical decision-making, and tangible concern for the welfare of the people in that system – often are predictors of financial success.

Meaningful marketing in the future

As the discussion about the definition – the essence – of marketing continues, we must recognize that the world is confronted with dilemmas of supreme relevance to marketers and their stakeholders. The process necessitates greater understanding of historical and cultural forces, coupled with far-reaching systemic analysis. Solutions ultimately require a willingness to invoke polices and practices that will result in some short-term costs, but also better long-term benefits for stakeholders in a particular marketing system/society, as well as the larger global community.

Scholars outside marketing increasingly embrace this perspective (e.g., Sen, 2006; cf. Newman et al., 2006; see also Holbrook, 2003 for one marketer's perspective on complexity). Equally important, corporate leaders, politicians, and pundits embrace it, too. Friedman (2005a, b, c, 2006), for example, now extols 'The Geo-Green Alternative', positing that our most intractable challenges – the Middle East saga, war, global warming, the rise of China, energy shortages and alternative sources, environmentally friendly technology and product development, job creation, terrorism, political repression, religious intolerance, human rights, failed states, rogue states, nuclear proliferation, fuel prices, and taxes – all are interconnected. These are tangible foci for meaningful

marketing research and practice, perhaps most efficaciously examined via a New Synthesis. They necessitate a sound integrative policy implemented as constructive engagement, to ensure the best long-term well-being for countries, societies, markets and individual consumers. They demand, in a word, macromarketing.

The markets of the ancient world, for example the Athenian agora, were largely intended to be a benevolent place, integral to society well beyond exchange, buyer-seller relationships, or organizational outcomes (Camp, 1986, 2006; see also Mittelstaedt et al., 2006). Given that the *world* now is the agora, it is incumbent upon marketers and policy-makers to drive constructive engagement with a new marketing synthesis and to make the global agora/market a benevolent place.

Other contributions to the further development of humanistic marketing

The preceding discussion was prepared at the request of the editors of this volume. They obviously felt constructive engagement might have some role to play in fleshing out the concept of humanistic marketing. We have concluded that that very definitely is the case. Constructive engagement should serve as humanistic marketing's preferred mode of social interaction. Though one might propose alternate 'Golden Rule' guiding principles, the preceding paragraphs have shown constructive engagement to be a far more operationally developed concept.

But does macromarketing have anything else to offer humanistic marketing other than constructive engagement as a governing mindset? We would argue that it very definitely does. Macromarketing's key areas of interest are the performance of markets and marketing systems; the related concepts of marketing ethics, distributive justice, consumer well-being and Quality-of-Life; marketing and economic development; and, finally, marketing and the environment. On some of these topics – marketing systems, marketing and the Q-of-L, and marketing and development – macromarketing is the sub-discipline of academic marketing that has made the most significant contribution to the intellectual exploration of these areas. In others, such as marketing ethics, distributive justice and environmental sustainability, macromarketing is but one of many intellectual silos containing research of value to those developing the concept of humanistic marketing.

But how are the additional linkages between macromarketing and the emerging concept of humanistic marketing to be explored? A number of different approaches might have been taken but we felt it best to

emphasize what the literature of macromarketing can contribute to humanistic marketing's exploration of the ten important issues and concerns with which we believe its advocates must deal. This literature review, however, is a very selective one. A far more complete treatment of the macromarketing literature on each of the topics on which we believe humanistic marketing must take a position is to be found in Shapiro, Tadajewski and Shultz (2009).

1. **There will be, presumably, a humanistic marketing view of how well markets can, do, and should perform**. Phrased another way, the issue becomes to what extent should markets be left 'free' and to what extent should they be regulated. Interestingly enough, there is no single macromarketing position on this issue but the implicit preference seems to be for free markets regulated to the extent necessary, but only to the extent necessary, to guarantee they operate honestly and fairly. Of course, very different positions on markets and their regulation have been taken, both by marketing scholars and by those from other disciplines. For an introduction to the full range of views on markets and their performance from a sociologist's perspective, we strongly recommend Fourcade and Healy (2007). By contrast, the very important paper by Mittelstaedt, Kilbourne and Mittelstaedt (2006) defines macromarketing as the study of the marketplace (hence agorology), and compares the macromarketing perspective with the way that both micromarketing and microeconomics view markets.

2. **Marketing systems, a key pillar of macromarketing thought, could also be a focus of humanistic marketing.** Both how (in what ways) and how well (how efficiently and how effectively) marketing systems perform could be explored. That marketing can fruitfully be viewed as society's provisioning technology has long been a macromarketing article of faith (Fisk, 1981). Much more recently, beginning in 2006, Roger Layton has authored a series of articles exploring important aspects and characteristics of marketing systems. Though all these articles are well worth reading, students of humanistic marketing will find Layton's (2009) discussion of the relationship between economic growth, marketing systems, and quality of life especially relevant. The detailed Shultz, et al. (2005) discussion of how the food marketing system in the former Yugoslavia was first impacted by civil war and ethnic strife, and how that system then responded, should also prove of interest.

3. **The 'third party' externalities associated with markets and marketplace transactions are as much a concern of humanistic**

marketing as they are of macromarketing. How could such a topic not be of concern to humanists? As a starting point for those interested in exploring externalities, both positive and negative, from a macromarketing perspective, we recommend both Cadeaux (2000) and Polonsky et al. (2003). Writing some years later, Mundt and Houston (2010), both pioneers in the examination of externalities, explore an ecologically shaped issue – the environmental impact of post-acquisition externalities. Externalities, of course, are a topic far more frequently discussed by economists than by students of marketing. That literature also would have to be explored by those attempting to fashion a humanistic marketing position on externalities.

4. **Ethical Behaviour would seem to be at the core of Humanistic Marketing, but guidelines for what actually would be humanistically ethical marketing behaviour must be spelled out.** The macromarketing contribution to the extensive literature on marketing ethics has been of very high quality. Laczniak and Murphy (2006) propose a set of guidelines that collectively provide a framework for *normative* (what ought to be) ethical individual and corporate marketing behaviour. Hunt and Vitell (2006) is the latest in a series of articles further developing a *positive* (or actual) general theory of marketing ethics first proposed by the same authors twenty years earlier (Hunt & Vitell, 1986). That original seminal piece is still the most frequently cited of all the articles ever published in the *Journal of Macromarketing*. Both of these recommended articles, despite their apparent micro focus, also qualify as macro material. Looked at in the aggregate, individual ethical (or unethical) actions can have a major social impact.

5. **Humanistic marketing must also concern itself, at both the national and the global level, with all the marketing dimensions of distributive justice.** In so doing, the macromarketing literature will be a fruitful source, but only one of many such sources, to be drawn upon in formulating the humanistic marketing position on this topic. The most immediately relevant macromarketing literature has been authored by Laczniak and Murphy (2008) and by Ferrell and Ferrell (2008). An interesting clash of views from another discipline, distributive justice, is to be found in the exchange between Pogge (2005) and Risse (2005) as to whether the developed world owes the global poor assistance or rectification.

6. **Both Quality-of-Life and its most immediate marketing dimension, consumer well-being, are also important dimensions of humanistic marketing.** That conclusion is obviously the reason why the editor of this collection invited Joe Sirgy, the intellectually

dominant marketing scholar in this area for over 25 years, to submit a contribution for inclusion. That chapter obviously will be a key source document. In addition to that chapter, and work previously authored by Sirgy, the most relevant literature in this area to be found in the *Journal of Macromarketing* includes Baker, Gentry and Rittenberg (2005) on consumer vulnerability, Peterson (2006) on identifying Q-of-L priorities for societal development and, on international human rights and consumer quality of life, Hill, Felice and Anscough (2007).

7. **Humanistic marketing also will have to formulate a position on such interrelated issues as the pluses and minuses of globalization, the benefits of freer trade between nations and the effectiveness of international development assistance.** These issues are exceedingly complex, with marked differences of opinion existing as to the preferable course of action in any number of areas. The student of humanistic marketing will find very little in the macromarketing literature that deals directly with these broader developmental concerns. This being the case, some 20 articles from other disciplines, reflecting the various schools of thought regarding economic development were included in a previously cited collection of macromarketing readings designed to provide a global focus on marketing systems, societal development, equity and poverty. Again, a complete list of these articles and the controversial issues they explore can be found in Shapiro et al. (2009).

8. **A targeted humanistic marketing focus on marketing's possible contribution to societal development also seems essential.** The literature that might prove helpful in that regard includes the Klein and Nason (2001) detailed overview of relevant macromarketing articles on development up to the date of publication and Kilbourne's (2004) article on globalization and development. Those looking for a relevant research agenda in this and related areas will find Cornwell and Drennan (2004) indispensible. More focused studies include the Viswanathan et al. (2009) examination of business practices, good and bad, in subsistence marketplaces, and Bonsu and Polsa's (2011) critical perspective on Base-of-the Pyramid marketing. Geiger-Oneto and Arnould (2011) also have reported on a very careful examination of the extent to which a 'Fair Trade' initiative actually benefitted Latin American coffee producers.

9. **Humanistic marketing has already demonstrated its recognition of the importance of both sustainable marketing and sustainable consumption.** Indeed, the lead editor of this volume recently

authored a *Journal of Macromarketing* piece exploring marketing, sustainability and transformative change (Varey, 2010). Also, the editors have requested that Kilbourne et al. (1997) update their seminal discussion of macromarketing and the Dominant Social Paradigm for this volume. Of course, macromarketing has contributed but a very small proportion of the still burgeoning literature on marketing and sustainability (Chabowski et al., 2011; Leonidou & Leonidou, 2011) That said, students of Humanistic Marketing should find both the original DSP article (Kilbourne et al., 1997) and the Shultz and Holbrook (1999) piece on marketing and the Tragedy of the Commons well worth reading. Mitchell et al. (2010), fairly recently published but already academically very well received, delivers exactly what its title promises, a sustainable market approach to managing marketing strategy. Three other *Journal of Macromarketing* articles (Dolan, 2002; Schaefer & Crane, 2005; Prothero et al., 2010), all building one way or another on the original DSP discussion, go on to explore other important dimensions of sustainability and consumption.

10. **Finally, global warming is another issue on which humanistic marketing must take a position, both as regards the seriousness of the problem and what should be done about it.** This is an area in which macromarketing is yet to make an original contribution. For that matter, global warming has received far less attention than has sustainability from just about every branch or sub-discipline of academic marketing. Consequently, three marketing-related articles from other sources – a Pew Center publication (n.d) on the international action global warming requires; Ashton and Wong (2003) on what would be the most globally equitable way of dealing with the problem, and Goodwin's (2008) working paper on how our way of life will be affected – were included in the aforementioned editorial effort by Shapiro, Tadajewski and Shultz (2009). These articles provide a starting point, but obviously only one of many, for marketing academics motivated to do more work in this important area.

In Closing

Humanistic marketing is a still emerging concept though humanism and marketing were first linked decades ago (Dawson, 1969; Spratlen, 1972; Dawson, 1980) and Kotler (1987) made specific reference to the term macromarketing, which, in contrast, has been for 40 years a recognized

sub-discipline of academic marketing. Whatever macromarketing has to offer, humanistic marketing is free to borrow – or not. Both the potential usefulness of 'constructive engagement' as humanistic marketing's prevailing mindset and what else the macromarketing literature might contribute to a fully fleshed-out concept of humanistic marketing have now been discussed. We eagerly await, with considerable intellectual interest, the results of the editors' efforts to draw upon both our contribution and many others in this volume to fashion their current vision of humanistic marketing.

Notes

Clifford J. Shultz, II, is professor and Charles H. Kellstadt Chair of Marketing at the Loyola University Chicago, School of Business Administration. Stanley J. Shapiro is professor emeritus and former dean at the Simon Fraser University, Beedie School of Business. This co-authored chapter builds upon and expands the single-authored article, 'Marketing as Constructive Engagement' (Shultz, 2007), hence the inclusion of both 'I' and 'we' in the body of the text. The authors thank Richard Varey for inviting them to contribute to this tome on humanistic marketing and the American Marketing Association for permission to reprint portions of 'Marketing as Constructive Engagement', originally published in the *Journal of Public Policy & Marketing*. Please direct correspondence to either author.

1. The material in this section is a substantially abridged but otherwise unchanged version of Shultz, C.J. II (2007) Marketing as Constructive Engagement. *Journal of Public Policy & Marketing, 26*(2), 293–301. Used with explicit permission of the American Marketing Association.

References

Alderson, W. (1957) *Marketing Behavior and Executive Action*, Homewood, IL: Irwin.

Arndt, J. (1981) The Political Economy of Marketing Systems: Reviving the Institutional Approach. *Journal of Macromarketing, 1*(2), 36–47.

Ashton, J., & Xueman Wang, X. (2003) Equity and Climate: In Principle and Practice. In *Beyond Kyoto: Advancing the International Effort Against Climate* Change (Pew Center on Global Climate Change) 24 pages (Downloadable at www.pewclimate.org/global-warming-in-depth/allreports/beyondkyoto)

Baker, S. M., Gentry, J. W., & Rittenburg, T. L. (2005) Building Understanding of the Domain of Consumer Vulnerability. *Journal of Macromarketing, 25*(2), 1–12.

Bilmes, L., & Stiglitz, J. (2006) *The Economic Costs of the Iraq War: An Appraisal three Years after the beginning of the Conflict.* NBER Working Paper 12054, Cambridge, MA: National Bureau of Economic Research.

Bonsu, S. R., & Polsa, P. (2011) Governmentality at the Base-of-the Pyramid. *Journal of Macromarketing, 31*(3), 236–244.

Camp, J. (1986) *Athenian Agora: Excavations in the Heart of Classical Athens*. New York: Thames and Hudson.

Camp, J. (2006) Personal interview with author, Athenian Agora, 18 July.

Cadeaux, J. (2000) Market Mechanisms and the External Benefits of Consumption. *Journal of Macromarketing, 20*(June), 11–22.

Chabowski, B. R., Mena, J. A., & Gonzalez-Padron, T. L. (2011) The Structure of Sustainability Research in Marketing, 2958–2008: A Basis for Future Research Opportunities. *Journal of the Academy of Marketing Science, 39*(1), 55–70.

Cornwell, T. B. and Drennan, J. (2004) Cross-Cultural Consumer/Consumption Research: Dealing with Issues Emerging from Globalization and Fragmentation. *Journal of Macromarketing, 24* (2), 108–121.

Dawson, L. (1969) The Human Concept: New Philosophy for Business. *Business Horizons*, *12* (December), 29–38.

Dawson, L. (1980) Marketing for Human Needs in a Humane Future. *Business Horizons*, *23* (June), 72–82.

Documents Center (2006) Statistical Summary America's Major Wars. Data to 13 June 2001, provided by University of Michigan Library.

Dolan, P. (2002) The Sustainability of 'Sustainable Consumption'. *Journal of Macromarketing, 22*(2), 170–181.

Ferrell, O. C., & Ferrell, L. (2008) A Macromarketing Ethics Framework: Stakeholder Orientation and Distributive Justice. *Journal of Macromarketing, 28*(2), 24–32.

Fisk, G. (1981) An Invitation to Participate in Affairs of the Journal of Macromarketing. *Journal of Macromarketing*, *1*(1), 3.

Forcese, C. (2002) Globalizing Decency: Responsible Engagement in an Era of Economic Decency. *Yale Human Rights Law Journal*, *5*, 1–55.

Fourcade, M., & Healy, K. (2007) Moral Views of Market Society. *Annual Review of Sociology, 33*, 285–311.

Friedman, T. (2005a) The Geo-Green Alternative. *The New York Times*, 30 January, Section 4, 17.

Friedman, T. (2005b) No Mullah Left Behind. *The New York Times*, 13 February, Section 4, 15.

Friedman, T. (2005c) Geo-Greening by Example. *The New York Times*, 27 March, Section 4, 11.

Friedman, T. (2006) The Green Leap Forward. *The New York Times*, 17 November, Section A, 31.

Geiger-Oneto, S., & Arnould, E.J. (2011) Alternative Trade Organization and Subjective Quality of Life: The Case of Latin American Coffee Producers. *Journal of Macromarketing, 31*(3), 276–290.

Goodwin, N. (2008) An Overview of Climate Change: What Does it Mean for Our Way of Life? What is the Best Future We Can Hope For? Working Paper 08–01, Global Development and Environment Institute at Tufts University, Medford, Mass. 32p.

Hardin, G. (1968) The Tragedy of the Commons. *Science*, *162*, 1243–1248.

Hill, R. P., Felice, W. F., & Ainscough, T. (2007) International Human Rights and Consumer Quality of Life: An Ethical Perspective. *Journal of Macromarketing, 27*(December), 370–379.

Holbrook, M. (2003) Adventures in Complexity: An Essay on Dynamic Open Complex Adaptive Systems, Butterfly Effects, Self-Organizing Order, Coevolution, the Ecological Perspective, Fitness Landscapes, Market Spaces,

Emergent Beauty at the Edge of Chaos, and All That Jazz. *Academy of Marketing Science Review*, *6*.

Hunt, S. D., & Vitell, S. (1986) A General Theory of Marketing Ethics. *Journal of Macromarketing, 6*(1), pp. 5–16.

Hunt, S. D., & Vitell, S. (2006) The General Theory of Marketing Ethics: A Revision and Three Questions. *Journal of Macromarketing*, *26*(2), 143–153.

International Center for Cooperation and Conflict Resolution (2006) Columbia University, http://www.tc.columbia.edu/icccr/researchCurrent3.html. Accessed 31 May 2006.

Kilbourne, W. E. (2004) Globalization and Development: An Expanded Macromarketing View. *Journal of Macromarketing, 24* (December), 122–135.

Kilbourne, W. E., McDonagh, P., & Prothero, A. (1997). Sustainable Consumption and the Quality of Life: A Macromarketing Challenge to the Dominant Social Paradigm. *Journal of Macromarketing, 17*(1), 4–24.

Klein, Thomas, & Robert Nason (2001) Marketing and Development: Macromarketing Perspectives. In P. Bloom, & G. Gundlach (Eds) *Handbook of Marketing and Society*, Thousand Oaks Ca., Sage Publications, pp. 263–297.

Kotler, P. (1987) Humanistic Marketing: Beyond the Marketing Concept. In A. F. Firat, N. Dholakia, & R. Bagozzi (Eds) *Philosophical and Radical Thought in Marketing*. Lexington, MA: Lexington Books, pp. 271–288.

Laczniak, G., & Murphy, P. E. (2006) Normative Perspectives for Ethically and Socially Responsible Marketing. *Journal of Macromarketing, 26*(2), 154–177.

Laczniak, G. R., & Murphy, P. E. (2008) Distributive Justice: Pressing Questions, Emerging Directions and the Promise of Rawlsian Analysis. *Journal of Macromarketing, 28*(2), 5–11.

Layton, R. A., & Grossbart, S. (2006) Macromarketing: Past, Present, and Possible Future. *Journal of Macromarketing*, *26*(2), 193–213.

Layton, R. A. (2009) On Economic Growth, Marketing Systems and the Quality of Life. *Journal of Macromarketing*, *29*(4), 349–362.

Leonidou, C. N., & Leonidou, L. C. (2011) Research into Environmental Marketing/ Management: A Bibliographic Analysis. *European Journal of Marketing, 45*(1/2), 68–103.

Mitchell, R. W., Wooliscroft, B., & Higham, J. (2010) Sustainable Market Orientation: A New Approach to Managing Marketing Strategy. *Journal of Macromarketing*, *30*(2), 160–170.

Mittelstaedt, J., Kilbourne, W. E. & Mittelstaedt, R. (2006) Macromarketing as Agorology: Macromarketing Theory and the Study of the Agora. *Journal of Macromarketing*, *26*(2), 131–142.

Mundt, J., & Houston, F. S. (2010) Ubiquitous Externalities: Characteristics, Climate and Implications for Post-acquisition Behaviors. *Journal of Macromarketing*, *30*(3), 254–267.

Nason, R. (2006) The Macromarketing Mosaic. *Journal of Macromarketing*, *26*(2), 219–223.

Newman, M., Barabasi, A-L., & Watts, D. (2006) *The Structure and Dynamics of Networks*. Princeton, NJ: Princeton University Press.

Nill, A., & Shultz, C. J. (1997) Cross Cultural Marketing Ethics and the Emergence of Dialogic Idealism as a Decision Making Model. *Journal of Macromarketing*, *17*(2), 4–19.

Peterson, M. (2006) Identifying Quality of Life Priorities for Societal Development: Using a Marketing Orientation. *Journal of Macromarketing, 26*(1), 45–58.

Pew Center on Global Climate Change, n.d. Climate Change 101 International Action 1–8 x 1.5 (Downloadable at www.pewclimate.org/globalwarming-basics/climate_change_101).

Pogge, T. (2005) World Poverty and Human Rights. *Ethics & International Affairs, 19*(1), 1–7.

Polonsky, M. J., Carlson, L., & Fry, M-L. (2003) The Harm Chain: A Public Policy Development and Stakeholder Perspective. *Marketing Theory, 3*(3), 345–364.

Prothero, A., McDonagh, P., & Dobscha, S. (2010) Is Green the New Black? Reflections on a Green Commodity Discourse. *Journal of Macromarketing*, *30*(2), 147–158.

Risse, Mathias (2005) Do We Owe the Global Poor Assistance or Rectification? *Ethics & International Affairs, 19*(1), 9–18.

Schaefer, A., & Crane, A. (2005) Addressing Sustainability and Consumption. *Journal of Macromarketing, 25*(1), 76–92.

Sen, A. (2006) *Identity and Violence: The Illusion of Destiny*. New York: W.W. Norton.

Shapiro, S. J., Tadajewski, M., & Shultz, C. J. II (2009) Interpreting Macromarketing: The Construction of a Major Macromarketing Research Collection. *Journal of Macromarketing*, *29*(3), 325–334.

Shultz, C. J., II (2007) Marketing as Constructive Engagement. *Journal of Public Policy & Marketing*, *26*(2), 293–301.

Shultz, C. J., II, Burkink, T. J., Grbac, B., & Renko, R. (2005) When Policies and Marketing Systems Explode: An Assessment of Food Marketing in the War-Ravaged Balkans and Implications for Recovery, Sustainable Peace and Prosperity. *Journal of Public Policy & Marketing*, *24*(1), 24–37.

Shultz, C. J., II, & Holbrook, M. (1999) Marketing and the Tragedy of the Commons: A Synthesis, Commentary, and Analysis for Action. *Journal of Public Policy & Marketing*, *18*(2), 218–229.

Spratlen, T. (1972) The Challenge of a Humanistic Value Orientation in Marketing. In N. Kangun (Ed.) *Society and Marketing*. New York: Harper and Row, pp. 403–413.

Taylor, C. R., & Omura, G. S. (1994) A Comparison of Alternative Paradigms for Describing Economic Development. *Journal of Macromarketing*, *12*(2), 6–20.

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Viswanathan, M., Seth, A., Gau, R., & Chaturvedi, A. (2009) Ingraining Product-Relevant Social Good into Business Processes in Subsistence Marketplaces: The Sustainable Market Orientation *Journal of Macromarketing*, *29*(4), 392–405.

Wilkie, W. L., & Moore, E. (1999) Marketing's Contributions to Society. *Journal of Marketing*, *63*(Special Issue), 198–218.

Wilkie, W. L., & Moore, E. (2003) Scholarly Research in Marketing: Exploring the '4 Eras' of Thought Development. *Journal of Public Policy and Marketing*, *22*(2), 116–146.

Wilkie, W. L., & Moore, E. (2006) Macromarketing as a Pillar of Marketing Thought. *Journal of Macromarketing*, *26*(2), 224–232.

14
Wisdom as Excellence in Commitment to the Humanistic Marketing Practice Paradigm

Djavlonbek Kadirov and Richard J. Varey

The dominant marketing practices of the modern age are barely humanistic (Sheth & Sisodia, 2006; Varey, 2010a). It appears that marketing practices are driven towards inciting individual egos to serve their own transient desires while being indifferent to commonly shared and shaped scapes (i.e. domains of life, spheres of collective value creation). In this sense, marketing atomizes egos and snatches them away from their embedded "nurseries" (Daly et al., 1994). Marketing appeals to individuals to maximize their own utilities and maintain indifference to shared utilities. Considering that shared and common spheres are fundamental to our becoming actualized human beings, we can in fact talk about the tragedy of commons across the whole humanistic spectrum: natural resources, societal relationships, morality, ethics, and generational evolution. All such shared spheres need some kind of input on the part of human beings in order to be kept sound and sustainable. Orthodox mainstream marketing activities exploit these shared "treasures" but fail to replenish them. Moreover, traditional marketing, guided by neo-classical assumptions, constantly erodes these shared spheres of humanity. Misguided assumptions lead to anti-human practices: the deteriorating natural environment affects our bodies; crippled social relationships impair our spirits; whereas our common intergenerational existence (our being), mutated through myopic temporal decisions, has reduced our ability to survive.

How do we make marketing humanistic? What is needed is wise marketing that recognizes and develops shared utilities (Kadirov & Varey, 2010). Wisdom is defined as commonly accumulated expertise to deal with pragmatics of life (i.e. how to live a good life) (Ardelt, 2004b).

Wisdom in marketing is to realize that traditional assumptions about markets and marketing practice cannot any longer serve as principles of attaining a good life and better societal welfare.

Drawing on the latest psychological research on wisdom and sketching parallels to Salk's (1973) theory of wisdom in biological systems, in this chapter we argue that:

- Wisdom refers to meta-knowledge (i.e. expertise that guides the choice of relevant practice paradigms);
- Wisdom can be incorporated into day-to-day marketing decisions by recognizing the impact of marketing practices on the spacial, spiritual, and temporal shared scapes (we call them "nurseries");
- Wisdom is actualized when marketing practitioners and intellectuals who study marketing are flexible in switching from one set of assumptions to another while maintaining their utmost acuity to detect major epochal changes and irrelevance of held abstractions.

What is wisdom?

A common saying goes 'knowledge is knowing the tomato is a fruit, wisdom is not putting it in a fruit salad'. This saying, in an elegant manner, indicates a difference, albeit subtle, between knowledge and wisdom. Knowledge, in most cases, can be relatively mechanistic and rigid, while wisdom is related to meta-knowledge; that is, the ability to recognize the limits and boundaries of factual, procedural, and categorical knowledge. Scholars, from ancient Greek philosophers to modern thinkers, know that wisdom is exhibited when one, in the process of solving the profound problems of life, goes beyond factual knowledge (Baltes & Staudinger, 2000; Mick et al., 2009; Sternberg & Jordan, 2005). However, wise action may not always be popular. A wise person, through actions that defy entrenched (categorical or procedural) knowledge, can be seen as "insane" from the perspective of conformist society, in which individuals follow common sense in a quite robotic manner. One should question whether society itself is "insane" in defying true human nature (Fromm, 1955).

There are different approaches to studying the concept of wisdom. In psychology, two key perspectives are distinguished: wisdom defined as an individual characteristic and wisdom as meta-knowledge. The former perspective attributes wisdom to specific individuals and assumes that wisdom is a personality characteristic or a combination of personality qualities (Ardelt, 2004b; Sternberg, 2004). The *wisdom as an individual characteristic* perspective is based on the assumption that wisdom cannot

exist independently of individuals (Ardelt, 2004b; Ardelt, 2004a). Hence, to study and understand wisdom one needs to focus on the conduct and behaviour of people who are considered to be highly wise. By contrast, the *wisdom as meta-knowledge* perspective considers wisdom as an expert knowledge system that is independent of its carriers, i.e. human beings. In particular, the proponents of the Berlin Wisdom Paradigm define wisdom as accumulated expertise in the fundamental pragmatics of life (Baltes & Staudinger, 2000). Within this paradigm, the fundamental pragmatics of life represents means and ways of understanding, of living a *good* life. The good life refers to the ideals of human development and excellence which promote well-being for everyone, including oneself. The *wisdom as meta-knowledge* perspective is particularly powerful in terms of its relevance to marketing practice. It does not confine wisdom to a handful of historical figures; rather it argues that wisdom is an expertise in living a good life that is accessible to anyone (i.e. within the reach of everyone).

Nurseries

We use the term "nurseries" to denote the sources of human formation and evolution. We note that there are three types of nursery which make up the underlying fabric of a human being:

- the spacial nursery (i.e. the natural environment);
- the spiritual nursery (i.e. social relationships);
- and the temporal nursery (i.e. the Being).

The spacial nursery is the natural environment; people are so integrated and embedded in Nature that general societal happiness cannot be attained in isolation from it (Kadirov, 2011). The spiritual nursery is the social domain of relationships whereby a human being is constituted by social relationships (Daly et al., 1994). The temporal nursery is the common "being" (i.e. sustained existence) of all (Salk, 1973). The "being" is a programmatic message, a kind of repository of potentialities, a valuable and at the same time unobservable metabiological space – which is shared, developed, and transferred from one generation to another – that inspires humanity to approach the fundamental problems of life in creative ways.

   The first two nurseries and their relevance for marketing have been discussed at length in the literature. However, there seems to be almost no systematic discussion of the Being in either mainstream marketing literature or its sustainable (transformational) marketing sub-branch

(Shankar & Fitchett, 2002; Woodall, 2012 are exceptional). The following section discusses the notion of the Being.

The being as expertise in survival

Survival requires wisdom rather than fitness, argued Salk in his book *The Survival of the Wisest* (1973). To explain the phenomenon of wisdom in Nature, Salk introduced two meta-biological notions: the *Being* and the *Ego*. He argues that these two concepts are analogous to genetic and somatic systems which represent indispensable elements in a species' evolution. The genetic system contains a species "code", a message, that is actualized (i.e. takes an observable shape) via the somatic system. The somatic system is the physical and biological form of individuals in a species. At the meta-biological level, the *Being* equals the genetic system and represents the sustained absolute existence of humanity, whereas the *Ego* is similar to the somatic system in its impersonified expression of the *Being* that is actualized in individuals. Although unobservable, the *Being* is revealed in the workings of Ego:

> …its existence is evident only through the effects it produces…The BEING cannot easily be circumscribed, yet objective evidence of its existence is manifest in the behavior and works of Man as well as in Man's thoughts and feelings. The BEING acts according to the laws of Nature and, existing by virtue of these laws, takes on a reality that is not easily dismissed even though its precise structure and chemistry cannot be defined. (Salk, 1973, p. 32)

Salk defines the Being as an abstract phenomenon that pertains to human nature. It is something which is governed by laws imposed by Nature. It has its own evolutionary programme that includes human potentialities for adapting to new conditions. The Ego, being representative of individual desires and learned attitudes, in turn, can take different routes depending on environmental changes. The Ego is individual-specific, while the Being is species-specific, and it is the Being that is shared among past and future generations. The act of wisdom would be to not let either of them dominate so that balance is achieved. Salk (1973) argues that the Ego mediates between the Being and the environment in such a way that the Ego becomes the Being's tool of communication with reality. The Ego depends on the Being and vice versa. The point that Salk stresses is that the Ego should always act in harmony with and serve its own Being, as the somatic system serves

the genetic system. The somatic system affected by a virus starts serving the other "code" and this has potentially fatal consequences for both genetic and somatic systems. Analogously, the Ego that comes under the influence of other Egos and deviates from a Being-enhancing course of behaviour is potentially disastrous for itself and others.

Taking the example of species development within a limited environment (e.g. bacteria in a Petri dish), Salk discusses the ways the wisdom of Nature is observed. It is represented in the very flexible behaviour of biological systems in adapting to changing conditions. It appears that there is an intelligent (wise) programming of the system's reaction to the issue of *scale* (the life-support capacity of the medium). As the species continues to grow within the environment with finite resources, it adapts to the environmental changes that are in part generated by its own behaviour. In the initial stages of development (Salk calls this period Epoch A), the finitude of resources is not pressing, while the species' growth accelerates progressively. However, as the environment becomes saturated the growth progressively decelerates. The radical change in the behaviour of the species indicates that there is an overwhelming awareness of scale. This period is called Epoch B. Salk notes that wisdom is exhibited when bio-organisms progressively move from one type of behaviour (with accompanying values, principles, and tendencies) to another, depending on the severity of the scale constraints (Figure 14.1).

Wisdom at its "purest natural form" is observed when the non-intelligent somatic system portrays collective expertise in survival. To sustain

EPOCH A	EPOCH B
Growth	Harmony
Anti-Death	Pro-Life
Anti-Disease	Pro-Health
Death Control	Birth Control
Self-Repression	Self-Expression
External Restraint	Self-Restraint

Figure 14.1   Tendencies that would prevail in different epochs
Source: Adapted from Salk (1973).

the genetic system, the somatic system switches from one behavioural tendency to another. For instance, in Epoch A the Anti-Death and Anti-Disease tendencies mean that death and disease are dealt with only if these problems significantly interfere with the goal of growth. In Epoch B the tendencies Pro-Life and Pro-Health mean that the system switches into a mode of improving the life and health of existing organisms instead of continuing to grow.

In relation to the above discussed notions, Salk (1973) argued that humanity is already at the brink of Epoch B and that fundamental changes were needed in the ways of constructing individual and social life that can pass the test of Nature. In doing this, human beings need to learn how to reconcile their Being- and Ego-parts. Salk shows that wisdom is reflected in "the existence of alternative pathways and of more than one option" in Nature (p. 70). Moreover, for him human wisdom is "the art of disciplined use of imagination in respect to alternatives, exercised at the right time and in the right measure" (p. 72). The Being is the source of such wisdom, including imagination and intellect. What is required is not only knowledge of the environment but also knowledge of the inner self. When it comes to specific choices, the Ego should be guided via the signals of happiness and fulfillment when following the pro-evolution, Being-enhancing path. Feelings of stress and anxiety are associated with anti-evolutionary choices. Drawing an analogy to the immune system, Salk argued that actions by the Ego can be either destructive or constructive. A destructive action is on values such as self-interest, fierce competition for resources, a win-lose attitude, and the struggle for domination and power. The constructive approach is underlined by common good sensitivity, cooperation and interactivity, focus on dialogue and understanding, and self-transcendence.

Paradigms of marketing practice

Current marketing practice appears to be at the verge of epochal change (Sheth & Sisodia, 2006; Varey, 2010b, 2011, 2012). The equivalent of Salk's Epoch A is possibly the industrial era in which marketing has taken its neo-classical flavour (Varey, 2010b; Kilbourne et al., 1997). Several assumptions underlie neo-classical economics:

- pursuit of self-interest by individuals ensures welfare for all;
- public welfare can in general be equated to economic welfare;
- continuing growth is needed to increase welfare;

- environmental and societal problems are a necessary sacrifice (evil) in the pursuit of welfare growth (Kadirov, 2011; Varey, 2010b).

As industrial production growth feeds on consumption growth, marketing has become narrowly defined as the practice that both identifies latent needs/wants and creates demand to support such growth (Kilbourne et al., 2009; Crane & Desmond, 2002). Under the influence of neo-classical thought, marketing practitioners have grown to assume that the creation of excess material wealth means an increase in the well-being of society (Varey, 2010b; Kadirov, 2011). Moreover, it is assumed that more consumption is the only way to attain happiness (Kilbourne et al., 1997). Hence, traditional marketing's ends and means have taken the following form:

- the ends: to maintain a continuing state of mind in individuals such that their momentary desires can be fulfilled by existing market offerings and this is the only path to happiness;
- the means: techniques that create momentary feelings of dissatisfaction with the current state of affairs;
- the micro-marketing rationale: (traditional) marketing is simply a professional practice of translating needs and wants into marketing offerings. In other words, marketing is not to be blamed for individuals' destructive and unhealthy choices – but does profit from such behaviour;
- the macro-marketing rationale: (traditional) marketing is noble in its practice of contributing to well-being. Recognizing that human well-being is the ultimate goal, externalities, if any (including problems such as environmental and social degradation), are secondary and can be considered as a worthy sacrifice in reaching the ultimate goal.

The traditional marketing paradigm has worked so long as analysts maintained the fallacy of misplaced concreteness on the scale of human economy in relation to the Earth's potential to support it (Daly et al., 1994). At the beginning of the 20th century (i.e. in the advanced industrial era), in the light of the economy being miniscule compared to the abundance of the available resources, the key abstraction was that resources will be accessible infinitely (via resource development and replacement, efficiency increases, and resource renewal). Boulding (1966) argues that a metaphor of "cowboy economy" better explains the mainstream view. The cowboy economy is the system where human activities are assumed

to be negligible in relation to the vastness of nature and the unlimited natural resources. At the beginning of the industrial era, such an abstraction was, to a large extent, inconsequential while a discrepancy between the abstraction and reality was addressed through the concept of 'externality' (Daly et al., 1994). However, in the 21st century continuing to hold onto such an abstraction is a damaging aberration. The human economy has taken on a large scale and the issue of Earth's capacity to support life has become vital. Like a species saturating its environment in a Petri dish, the human economy is constantly growing in scale in relation to Earth's capacity to maintain eco-balance. We appear to be approaching Epoch B in Salk's terms that would require fundamental changes in marketing values. Not only are the neo-classical assumptions gradually losing their relevance, but also persisting with the old values seems to be a certain path to self-destruction (Varey, 2010b).

If there exists an utmost urgency about changing old paradigmatic assumptions about marketing, the question to ask would be what is required from marketing managers at the institutional and personal levels? The answer to this question might not be straightforward. However, the fact that managers are able to step back and heed the Being's signals that come from within might be the way to go. For example, Daly et al. (1994) allude to such a feeling:

> But at *a deep level of our being* we find it hard to suppress the cry of anguish, the scream of horror, the wild words required to express wild realities. We human beings are being led to a dead end all too literally. We are living by an ideology of death and accordingly we are destroying our own humanity and killing the planet. Even the one great success of the program that has governed us, the attainment of material affluence, is now giving way to poverty...If we continue on our present paths, future generations, if there are to be any, are condemned to misery. (p. 21)

The current marketing ideology is clearly anti-Being as it tends to erode its own foundations (Daly et al., 1994). Daly et al. (1994) note three immediate and two fundamental problems with free market ideology. The three immediate problems are competition erosion, moral capital erosion, and environmental externalities (Daly et al., 1994). As part of a bigger Ego-serving Being-defeating scheme, marketers act to do away with competition, parasitically drain sources of moral capital, and work to create an illusion that negative spill-overs (e.g. pollution, resource depletion) are a worthy sacrifice at the altar of desire. Daly

et al. (1994) note that "economics based on Homo economicus as self-interested individual commends policies that inevitably disrupt existing social relationships" (p. 164). Social relationships constitute an individual, while social disruption is captured by neither economic nor marketing theories. In other words, Homo Economicus is the Ego that serves its own ego, which is in Salk's terms identical to an organism afflicted by a virus. Short-term fixes, such as green marketing and societal marketing, simply represent evidence that practitioners and scholars recognize how anti-human marketing practices have become. Notwithstanding short-term fixes to mend dominant market systems, the two fundamental problems still remain: distributive justice and the scale of the economy (Daly et al., 1994; Laczniak & Murphy, 2008; Laczniak and Santos, 2011). Policies and practices in the market system that is based on the assumption of self-interest can only widen the income gap and push the economy to grow out of sustainable scale (Daly et al., 1994).

We propose the notion of *communitarian marketing*. Communitarian Marketing takes the view of individuals who care for the wider community and shared utilities. Homo Communitus is an individual who recognizes that his/her humanness is constituted by relationships to others (the spiritual nursery), to the natural environment (the special nursery), and to humanity's sustained existence (the temporal nursery). This means that communitarian individuals' well-being is profoundly related to the welfare of all. The following are the initial assumptions about Communitarian Marketing:

- the ends: to enable and empower consumers to continuously improve social relationships, Nature, and the common human code; and thus promote the long-term welfare of communities;
- the means: a marketing approach that is authentically aimed at creating satisfying natural, communal, and intergenerational relationships;
- the micro-marketing rationale: authentic communitarian marketing is the direct way to happiness in contrast to hoarding money and other material possessions (i.e. claims for future services) that may or may not lead to happiness;
- the macro-marketing justification: healthy environment, society, and generational development are at the heart of human well-being; hence, by agreeing to sacrifice these essential foundations, consumers are being compelled to voluntarily forfeit their common source of happiness.

A gradual shift towards communitarian marketing principles is needed if we are to function in and beyond Epoch B. Such a shift is required not only at a managerial level but also at the institutional, societal, educational, and social levels.

Wisdom: meta-heuristic of choice

One can argue that traditional marketing tactics are simply tools through which marketers hope to maximize their own personal well-being by creating satisfying exchanges. Wisdom in this case is the realization that personal well-being is profoundly related to welfare-for-all. The traditional marketing paradigm might have been an effective set of approximations that contributed to enhancing life standards in the industrial age when big fixes were in prospect (Epoch A). However, holding on to these approximations is not wise when a society is on the brink of transition to a new (supra-affluent) epoch. Wisdom is then understood as a meta-heuristic in recognizing the existence of various paradigms and commitment to the paradigm that leads to welfare for all (Figure 14.2).

Being wise does not mean throwing one of the paradigms into the dustbin of history and continuing with a new one. Wisdom is the realization that more than one alternative exists in terms of construing individual lives. Different paradigms, or elements of them, should be combined in a balanced way, especially when developing relevant marketing programmes. Wisdom is more about the knowledge of conditions that frame the relevance of one or the other paradigm. It is quite possible that a new source of energy will be discovered in the future and the notion of a "cowboy economy" will become relevant for a while to boost the utilization of such a resource. However, this abstraction should be recognized as an abstraction and not the reality, although it

Wisdom
Uncertainties and paradoxes that signal the (ir)relevance of the paradigm

Traditional marketing	Communitarian marketing
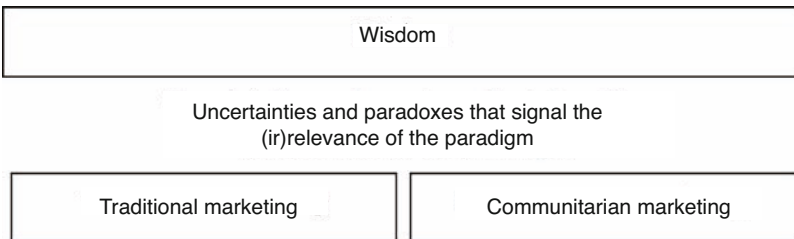
Figure 14.2 Wisdom as excellence in committing to relevant marketing paradigm

is useful for a short time. Such simplifications can be applied cautiously as long as they do not negatively impact societal welfare, the natural environment, and the Being.

References

Ardelt, M. (2004a) Where Can Wisdom Be Found? *Human Development, 47*, 304–307.

Ardelt, M. (2004b) Wisdom as Expert Knowledge System: A Critical Review of a Contemporary Operationalization of an Ancient Concept. *Human Development, 47*, 257–285.

Baltes, P. B., & Staudinger, U. M. (2000) Wisdom: A Metaheuristic (Pragmatic) to Orchestrate Mind and Virtue toward Excellence. *American Psychologist, 55*, 122–136.

Boulding, K. E. (1966) The Economics of the Coming Spaceship Earth. *Sixth Resources for the Future Forum on Environmental Quality in a Growing Economy.* Washington D.C.

Crane, A., & Desmond, J. (2002) Societal Marketing and Morality. *European Journal of Marketing, 36*, 548–569.

Daly, H. E., Cobb, J. B., & Cobb, C. (1994) *For the Common Good : Redirecting the Economy Toward Community, the Environment, and a Sustainable Future.* Boston, Beacon Press.

Fromm, E. (1955) *The Sane Society.* New York,, Rinehart.

Kadirov, D. (2011) Macro-Systems Role of Marketing: Do We Trade Environment for Welfare? *Journal of Macromarketing, 31*, 359–375.

Kadirov, D., & Varey, R. J. (2010) Towards Post-Industrial Marketing: Marketplace Wisdom. *Journal of Customer Behaviour, 9*, 379–398.

Kilbourne, W. E., Dorsch, M. J., Mcdonagh, P., Urien, B., Prothero, A., Grä¼Nhagen, M., Jay Polonsky, M., Marshall, D., Foley, J., & Bradshaw, A. (2009) The Institutional Foundations of Materialism in Western Societies. *Journal of Macromarketing, 29*, 259–278.

Kilbourne, W. E., Mcdonagh, P., & Prothero, A. (1997). Sustainable Consumption and the Quality of Life: A Macromarketing Challenge to the Dominant Social Paradigm. *Journal of Macromarketing, 17*, 4–21.

Laczniak, G. R., & Murphy, P. E. (2008) Distributive Justice: Pressing Questions, Emerging Directions, and the Promise of Rawlsian Analysis. *Journal of Macromarketing, 28*, 5–11.

Laczniak, G. R., & Santos, N. J. C. (2011) The Integrative Justice Model for Marketing to the Poor: An Extension of S-D Logic to Distributive Justice and Macromarketing. *Journal of Macromarketing, 31*, 135–147.

Mick, D. G., Bateman, T. S., & Lutz, R. J. (2009) Wisdom: Exploring the Pinnacle of Human Virtues as a Central Link from Micromarketing to Macromarketing. *Journal of Macromarketing, 29*, 98–118.

Salk, J. 1973. *The Survival of the Wisest.* New York,, Harper & Row.

Shankar, A., & Fitchett, J. (2002). Having, Being and Consumption. *Journal of Marketing Management, 18*(5/6), 501–516.

Sheth, J. N., & Sisodia, R. S. (2006) *Does Marketing Need Reform?: Fresh Perspectives on the Future.* Armonk, N.Y., M.E. Sharpe.

Sternberg, R. J. (2004) Words to the Wise about Wisdom? *Human Development, 47*, 286–289.

Sternberg, R. J., & Jordan, J. (Eds) (2005) *A Handbook of Wisdom: Psychological Perspectives,* Cambridge, UK; New York: Press Syndicate of the University of Cambridge.

Varey, R. J. (2010a) Editorial: The Post-industrial/Post-capitalist Citizen and Marketing. *Journal of Customer Behaviour, 9*, 317–319.

Varey, R. J. (2010b) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*, 112–126.

Varey, R. J. (2011) A Sustainable Society Logic for Marketing. *Social Business, 1*(1), 69–83.

Varey, R. J. (2012) The Marketing Future beyond the Limits of Growth. *Journal of Macromarketing, 32*(4), 421–430.

Woodall, T. (2012) Driven to Excess? Linking Calling, Character and the (Mis) Behaviour of Marketers. *Marketing Theory, 12*(2), 173–191.

15
Power to the People: An Essay on Branding and Global Democracy

Thomas Boysen Anker

The world is moving in two opposite and mutually incompatible directions at one and the same time as if it was divided into two parallel universes: more prosperity for more people and yet even more poverty for even more people; the ideas of democracy literally catching fire as I write during the Arab Spring but also gruesome tyrannies and radical religious groups spreading dread and fear through terror and torture. Prominent political theorists have described each of these movements.

Francis Fukuyama (Fukuyama, 1989, 1992) described, for the first time, his grand vision of the world in the seminal paper, The End of History, which appeared in the journal *The National Interest*, in 1989. He developed and explained the core insights from this paper in the book, The End of History and the Last Man, published in 1992. Fukuyama's hypothesis is that liberal democracy – after having overcome the struggle with absolutism, bolshevism, fascism and Marxism – is now finally emerging as the only real political option. Not just for a number of countries, not just for the Western hemisphere, but globally. Fukuyama famously said:

> The triumph of the West, of the Western idea, is evident first of all in the total exhaustion of viable systematic alternatives to Western liberalism…What we may be witnessing is not just the end of the Cold War, or the passing of a particular period of post-war history, but the end of history as such: that is, the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government…the victory of liberalism has occurred primarily in the realm of ideas or consciousness and is as yet incomplete in the real or material world (Fukuyama, 1989).

In sharp contrast to the idea of liberal freedom and democracy globally winning the hearts and minds of mankind, Samuel P. Huntington takes a rather more gloomy view of the world. Based on the assumption that a worldwide end to conflict is nowhere to be seen, he argues that the nature of conflict is changing (Huntington, 1993, 1996). During the Cold War, the main fuel for global conflict was a clash of incompatible ideologies: Communism vs. Western Liberalism. However, where Fukuyama perceives the end of the Cold War as a step towards the global victory of liberalism, Huntington simply observes an evolutionary change in the nature of conflict. The power balance of the world is no longer revolving around ideas of what a good society is: at the heart of contemporary power struggles lies a clash of cultural identities. To put it differently, the world is no longer fighting over different ways in which to structure societies and nations. Today, we are fighting over power to define who we are. In the influential paper, The Clash of Civilizations, which first appeared in the journal *Foreign Affairs* in 1993 and was followed up by the book of nearly the same name, The Clash of Civilizations and the Remaking of World Order in 1996, Huntington says (1993):

> It is my hypothesis that the fundamental source of conflict in this new world will not be primarily ideological or economic. The great divisions among humankind and the dominating source of conflict will be cultural...The clash of civilizations will dominate global politics. (p. 22)

As hinted in the opening sentence, this chapter does not buy into any of these hypotheses, because the historical evidence underdetermines which, if any, of these visions will materialize. The 11 September terror attacks on New York and Washington D.C. provided strong evidence for the clash of civilizations and, for a long time, rendered the idea of the global victory of the idea of democracy a big delusion. However, the recent civil uprising and demand for democracy in the Middle East and North Africa, the Arab Spring, provides fresh evidence that the idea of democracy indeed does have a deep-rooted global appeal. As it stands, the historical evolution can go either way.

What is of interest to me in this chapter is the fact that corporations can use marketing as a force not just to persuade consumers to buy products and services, but also to promote political ideas and humanistic values (Lilleker & Lees-Marshment, 2005; O'Shaugnessy & Henneberg, 2002). Based on this observation, I make the assumption that corporations can – and indeed should – use the persuasive power of commercial

marketing to influence the world to go in the peaceful direction of global democracy envisioned by Fukuyama. What is of particular interest in this chapter is how this can be done and whether it will be commercially desirable to do so. Thus, this chapter asks two overall questions. First, what core brand value, brand mantra word and brand narrative are semantically correlated with consumers' perception of democracy? Second, does the idea of democracy provide a desirable brand position by tying into crucial human needs? I will provide a suggestive, empirically based answer to the first question, whereas the answer to the second one draws on the German philosopher Axel Honneth's recent theory of social recognition. Finally, I will test the main ideas developed throughout this chapter against two challenges.

Shaping democratic mindsets

The exploration of the first question progresses through three stages. First, I identify a number of societal values that are fundamental to developing a democratic mindset. Next, I define what is meant by the chosen brand building blocks (i.e., brand value, brand mantra, brand narrative). Based on the answers to these two questions, I then present the findings of a rudimentary pilot study designed to test which, if any, of these brand building blocks marketers can use to promote the idea of democracy.

Democracy and societal values

Democracy depends on a number of individual rights (e.g., right to life, liberty and privacy), freedoms (e.g., freedom of expression, religion and assembly), responsibilities (e.g., respect for differences, participation in political processes) and beliefs (e.g., dissenting minorities must be respected, the state should be neutral) all of which tie into a set of overarching societal values (Kymlicka, 2002). According to research on the correlation between education, citizenship and democracy, it is crucial to actively promote these values as they are key in order for young persons to develop a democratic mindset. But what are these democracy-conducive values that obviously must lie at the heart of any attempt to promote democracy through marketing methods?

Anderson (1991) demonstrates that, in order for persons in a globalized world to develop a democratic worldview, it is paramount to be socialized into communities with multiple and changing cultural identities. Part of this multicultural socialization should include pedagogical exposition to values of diversity and inclusion. Osler

and Starkey, (2003) as well as Osler and Vincent (2002), agree with Anderson but also demonstrate the importance of recognizing and feeling a civic commitment and having a basic understanding of the cultural grounding and relativity of one's personal worldview. The UN declaration on education for peace, human rights and democracy (UNESCO, 1995) is in line with the research findings mentioned above, but further emphasizes the importance of understanding and respecting individual human rights.[1]

Across these studies, the overarching claim seems to be that social inclusion is the value most fundamental to developing a democratic mindset. However, most research on democracy and education does not explicitly state if the core value of social inclusion has been explored as a normative or descriptive value. The studies underdetermine whether these values reflect what people *actually believe* democracy to be or whether they are the ones that policymakers *should* adopt in order to develop democratic mindsets. I adopt a descriptive approach and test the potential for aligning a brand with values that consumers think of as fundamental to democracy.

Brand building

For the purpose of this study, I define a brand as the set of associations – coherent with the marketing narrative – which consumers tend to correlate with the branded entity due to being the subject of a stream of strategic marketing by that entity. I focus on three main brand building blocks: brand values, brand mantra and brand narrative.

In the attempt to create brands that produce favourable brand associations in the customer's mind – brand positioning – marketers attach to brands specific brand values (Keller, 2008). In the case of cars, for instance, consumers often associate Volvo with safety and BMW with raw performance. If this is a function of marketing development and execution, then these associations are indeed brand values. Consumer associations play such a predominant role because brands are mental entities, i.e., intangible phenomena that exist in the mind of consumers. Effective brand values resonate with core consumer values and needs, such as needs for social recognition, safety, sex and self-belief.

A brand mantra is a short, sentential proposition – a brand tagline – that crystallizes everything the brand stands for. It defines the place the brand ideally should occupy in the customer mindset (Keller, 2008). The brand mantra plays two roles. Internally, it should help communicating to employees the most fundamental value the brand should deliver to customers. Externally, it communicates to consumers the functional

or symbolic brand promise that using or engaging with the brand will deliver (Keller, 2008). To mention just one example, think of one of Nike's brand mantras 'Just do it', which in just three words conveys everything the brand stands for.

The concept of brand narrative has two dimensions. On the one hand, consumers use brands as narrative material to build and express self-identity and demarcate group belonging (Arnould & Thompson, 2005; Fournier, 1998; Schembri et al., 2010). On the other, brands position themselves in the customer's mindset through storytelling (Fog et al., 2010). Here, it is this latter notion of brand narrative that is of interest. To be precise, it is the concept of narrative locus – i.e., in which overall context the brand story takes place – that is of interest.

Pilot study

I developed a simple questionnaire that asked participants to identify words, concepts and lifestyle situations that *ex hypothesi* are associated with democracy. First, to test the potential for building a brand mantra, I asked participants to identify which of the following words they most associate with democracy: AND, OR, WITH, TO. Second, to arrive at potential brand values, I asked participants to identify which of the following words best describe democracy: BELONG, LOVE, EXPRESS, SING. Third, to get an understanding of the type of narrative context a democracy-conducive brand should be placed in, I asked participants two things: (a) To indicate which of three different pictures they most associated with democracy – a picture of a family playing on a pitch, business people at work, a young man and woman in an urban multicultural setting wearing casual clothes; (b) To indicate which of the following concepts they most associate with democracy: NATION, CULTURE, GLOBALIZATION, STATE. I had 81 respondents, all of which were first year management students.

Table 15.1 presents an overview of the findings.

In relation to the brand mantra words, the significant majority of participants associated democracy with the sentential proposition WITH. The distribution of answers in the category of brand values fell into two significant groups. The largest of these associated democracy with EXPRESS, whereas the smaller one associated democracy with BELONG. As to the brand narrative or storytelling constructs related to the picture exercise, participants fell into two significant groups. The largest of these significant groups associated democracy with being young and living in a multicultural city, whereas the minor group associated democracy with being part of a family. As to the second brand narrative constructs, the

Table 15.1   Findings from pilot study

Mantra word	AND	OR	WITH	TO
	11	11	53	6
Brand value	EXPRESS	LOVE	BELONG	SING
	52	4	22	3
Brand narrative 1	YOUNG PEOPLE	BUSINESS PEOPLE	FAMILY	
	43	8	26	
Brand narrative 2	NATION	CULTURE	GLOBALIZATION	STATE
	30	22	17	11

three concepts of NATION, CULTURE, and GLOBALIZATION all seemed significant associations.

As this is a very rudimentary pilot study, I have not done any formal statistical analysis. However, one interesting correlation between two of the findings is apparent. The group who associated democracy with the picture of the two young people in an urban, multi-cultural setting also predominantly associated democracy with the verb EXPRESS. By contrast, the group who associated democracy with being part of a family was significantly more likely to associate democracy with the verb BELONG. This is likely to be a preliminary indication of two different segments.

Overall, the findings suggest two routes to building a brand that promotes a democratic attitude. One is to build up a brand based on the value tentatively expressed through the verb EXPRESS and adopt an urban, multi-cultural brand universe in which the brand narrative is to unfold. The other route is to build up a brand based on the value tentatively expressed through the verb BELONG and create a family brand universe in which the brand narrative is to unfold. As mentioned, research on education and democracy highlights the importance of social inclusion to developing democratic mindsets in young people. Given the intuitive semantic link between the word WITH and social inclusion, the findings suggest that brand mantras can easily resonate core democratic values and trigger associations to democracy. Moreover, as there was strong consensus among participants that WITH is the brand mantra word most closely associated with democracy, the findings suggest that – regardless of which of the routes was chosen – brand mantras should use concepts that are semantically related to the meaning of WITH.

In the next section, I will discuss the extent to which following the first route provides an appealing brand position for corporations operating in international markets, having as my main focus the democracy-conducive concept of self-expression.

Democracy, self-expression, and social recognition

The pilot study underdetermines the meaning of the verb EXPRESS. In what follows, I assume that EXPRESS is closely associated with the core democratic right of freedom of expression. When the participants associate democracy with the verb EXPRESS this, by assumptive inference, also indicates that they associate democracy with the individual right to express freely one's views, beliefs and values through lifestyle choices, such as what brands to wear and use, as well as political choices such as voicing one's political, moral or religious beliefs. Seen through the lens of the contemporary German philosopher, Axel Honneth, I will argue that the universal human need for individual recognition materializes through forms of self-expression (Fraser & Honneth, 2003; Honneth, 1995).

In his main work, The Struggle for Recognition, Honneth (1995) distinguishes between three spheres of recognition. The first sphere occurs in relation to the emergence of modern family structures where each member of a family receives recognition from other members in terms of intimate relationships marked by mutual respect, affect and love. The second sphere of recognition, the legal system, assigns to each citizen a set of individual rights that are, in principle, universally binding in all legal contexts within the democratic nation state. In the third and final sphere of recognition, the achievement principle dominates. This means that social networks (e.g., colleagues, friendships, team mates) assign individual recognition based on the achievements that result from the successful development of his or her personal abilities.

In the simplest sense, recognition for individual achievement relates to the outcome of the individual's actions. If a given agent, A, successfully develops his or her abilities and, as a result, achieves great results as, say, a director, footballer, musician, artist, parent or friend, then A's social network will assign recognition for individual achievement. In this sense of recognition, one could argue, there is no direct link between recognition and self-expression because the causal explanation of the assignment of recognition comes from the outcome of the individual's actions. Social networks assign recognition based on a normative description and appreciation of the world that surrounds the agent

and not so much based on a normative description and appreciation of the individual's personal qualities.

However, the ultimate individual achievement is not necessarily to do great things and have a tangible impact, but to develop – and express – a desirable self-identity. A soldier who dies the first day on the battlefield will receive recognition for individual achievement. A person who tries – in vain – to save a drowning child will receive recognition for individual achievement. In general, any person who makes an outstanding effort to obtain a result deemed desirable in a given social context is worthy of recognition in that social context regardless of the actual outcome of his or her actions. To explain this general structure of recognition, I need to establish a causal correlation between recognition for individual achievement and self-expression.

When social networks assign to an individual recognition for individual achievement in contexts where the result of his or her actions is fruitless, then one cannot locate the causal explanation in a normative description and appreciation of the context of agency. Rather, one has to acknowledge that the assignment of recognition is causally correlated with a normative description and appreciation of the individual's successful development of his or her character, personality, or…self. The highest forms of individual recognition – such as being honoured – are not based on the positive outcome of an individual's actions, but on the extent to which the actions reflect and express the successful development of his or her self. The highest form of recognition for individual achievement is that of being honoured for successful self-expression of one's character.

Let us reconnect to the overall question, which this section aims at answering: is there any consumer appeal in promoting the idea of democracy? Based on the discussion above, I hold the following inference to be reasonable: initial consumer research indicates that democracy is intimately correlated with the concept of self-expression. Self-expression, in turn, lies at the heart of fundamental human needs insofar as the highest forms of social recognition are correlated with successful development and expression of a person's self. Against this background, I hold that the democracy-conducive concept of self-expression is indeed a potentially very viable brand position, as it is a precondition for obtaining basic human needs.

Two challenges

Having established the idea of democracy, conveyed through the concept of self-expression, as being both a potentially operational and desirable brand position, I will now test the idea against two challenges.

Some might reasonably object that, even if corporations successfully use the idea of democracy as a brand position the ideas put forward in this chapter will have very little practical impact. The reason being, the argument goes, that the idea of democracy will only appeal to consumers in markets situated in democratic nations, states or regions. Thus, the corporate promotion of democracy-conducive values will only be commercially successful in markets where there is no real political victory to be won. This objection, however, is not convincing. The bursts of democratization in Eastern European countries after the fall of the Berlin Wall in 1989, as well as the current democratic uprising in the Arab Spring, demonstrate that Fukuyama's core claim (democracy has won deep-rooted global appeal) is still very pertinent today. The fact that masses of people from various radically different cultures demand democracy provides direct evidence of the potential commercial viability of a brand positioning platform which uses democracy-conducive values such as self-expression.

The global appeal of democracy-conducive brand values granted, yet another serious challenge appears. I assume the idea of democracy to be a globally appealing brand value, which marketers can operationalize through the more specific and directly appealing concept of self-expression. The trouble is that, although self-expression is a democracy-conducive concept, the very idea of self-expression does indeed lend itself to non-democratic activities as well. One could argue that aggressive forms of self-expression are an integral part of violent sub-cultures such as neo-Nazism. Indeed, studies of right-wing extremism support this claim (e.g., Rieker et al., 2006). Thus, one could seriously doubt if it is at all possible for marketers to ensure that brand-based promotion of self-expression will encourage the development of democratic mindsets rather than anti-democratic ones. While I perfectly agree that the concept of self-expression is integral to many social and political movements, some of which are radically anti-democratic, I nonetheless claim that brands certainly can use the concept of self-expression to distinctively promote the idea of democracy. This claim enjoys empirical support from the findings of our pilot study: a significant majority of responses did converge in the categories of brand values, brand mantra words as well as brand narratives. This indicates that marketing campaigns can employ concepts such as self-expression, which appear as core concepts in both democratic and anti-democratic movements, in specific democracy-conducive ways by tapping into additional brand values, brand mantra words and brand narratives that consumers associate with the overall concept of democracy. In our case, the pilot study

suggests that a brand can employ the concept of self-expression in democracy-conducive ways, primarily by tying into the secondary brand value BELONG, while using the brand mantra concept-word WITH, both of which semantically reflect the core democratic value of social inclusion. Also, the findings from the pilot study suggest that placing a brand narrative in a multicultural, casual urban setting can further reinforce the democratic orientation of the concept of self-expression.

Conclusion

This chapter opened with an exposition of two conflicting visions of the world: Fukuyama's optimistic theory of the idea of democracy winning global public appeal, on the one hand; Huntington's pessimistic theory of the clash of civilizations, on the other. Against the background of these world visions, I asked two questions. First, if it were possible for corporations to use the power of branding to promote democratic mindsets and thus help move the world in the peaceful direction of Fukuyama's vision. Second, if the idea of democracy provides a desirable brand position. I answered the first question empirically through a pilot study. The findings showed significant consumer convergence on the categories of brand values, brand mantra words and brand narratives. This indicates that brands can adopt a brand identity centred on the values of democracy, with the most important brand value being that of self-expression. Then, drawing on recent developments in political philosophy, I argued that self-expression is a potentially very viable commercial brand position as it is intimately correlated with the human needs for social recognition. The last part of the chapter discussed two challenges. First, I argued that the idea of democracy offers a desirable brand position even in international markets not situated in democratic nations or regions, because demands for democracy materialize in public uprisings around the globe, emanating from radically different cultures. Second, I argued that brands could employ the concept of self-expression – although this is also a predominant value in radical, non-democratic movements – in distinctive, democracy-conducive ways, by applying brand elements which consumers associate with democracy and at the same time reflect the core democratic value of social inclusion. In conclusion, the empirical findings and theoretical arguments support the claims that corporations can use branding as a force for good to shape democratic mindsets and that this endeavour offers a potentially very desirable brand position.

Note

1. Interestingly, the UN declaration underscores the decisive role that non-educational institutions and organizations can, and often do, play in the shaping of young people's character and worldview (UNESCO, 1995). Paragraph 37 in the declaration stresses the importance of corporate involvement in global democracy: "The promotion of peace and democracy will require regional co-operation, international solidarity and the strengthening of co-operation between international and governmental bodies, non-governmental organizations, the scientific community, business circles, industry and the media."

References

Anderson, B. (1991) *Imagined Communities*. London: Verso.

Arnould, E. J., & Thompson, C. J. (2005) Consumer Culture Theory (CCT): Twenty Years of Research. *Journal of Consumer Research*, *31*, 868–882.

Fog, K., Budtz, C., Munch, P., & Blanchette, S. (2010) *Storytelling – Branding in Practice*. Berlin: Springer.

Fournier, S. (1998) Consumers and Their Brands: Developing Relationship Theory in Consumer Research. *Journal of Consumer Research*, *24*, 343–373.

Fraser, N., & Honneth, A. (2003) *Redistribution or Recognition? – A Political-Philosophical Change*. London: Verso.

Fukuyama, F. (1989) The End of History? The National Interest Summer.

Fukuyama, F. (1992) *The End of History and the Last Man Hamish*. London: Hamilton.

Honneth, A. (1995) *The Struggle for Recognition: The Moral Grammer of Social Conflicts*. Cambridge: Polity Press.

Huntington, S. P. (1993) The Clash of Civilizations? *Foreign Affairs*, 72, 22–49.

Huntington, S. P. (1996) *The Clash of Civilizations and the Remaking of World Order*. London: Simon & Schuster.

Keller, K. L. (2008) *Strategic Brand Management Pearson Education*. New Jersey: Upper Saddle River.

Kymlicka, W. (2002) *Contemporary Political Philosophy*. Oxford: Oxford University Press.

Lilleker, D. G., & Lees-Marshment, J. (2005) Political Marketing: A Comparative Perspective. Manchester: Manchester University Press.

O'Shaugnessy, N. J., & Henneberg, S. C. M. (2002) (Ed.) *The Idea of Political Marketing*. London: Praeger.

Osler, A., & Vincent, K. (2002) *Citizenship and the Challenge of Global Education*. Stoke: Trentham.

Osler A., & Starkey H. (2003) Learning for Cosmopolitan Citizenship: Theoretical Debates and Young People's Experiences. *Educational Review*, *55*, 243–254. DOI: 10.1080/0013191032000118901.

Rieker, P., Glaser, M., & Schuster, S. (2006) *Prevention of Right-Wing Extremism, Xenophobia and Racism in European Perspective*. Halle: German Youth Institute.

Schembri, S., Merrilees, B., & Kristiansen, S. (2010) Brand Consumption and Narrative of the Self. *Psychology and Marketing*, *27*, 623–637. DOI: 10.1002/mar.20348.

UNESCO (1995) *Declaration and Integrated Framework of Action on Education for Peace, Human Rights and Democracy*. United Nations' Educational, Scientific and Cultural Organization.

16

Responsible Advertising for Sustainable Development: The Case of French Responsible Agencies

Fabrice Desmarais, Sauveur Fernandez, and Jean-Marc Gancille

The values and principles of advertising and those of sustainable development are in many respects contradictory to each other. Indeed, the advertising industry, and in particular commercial advertising, was created as the major tool of the capitalist system in the late 19th and early part of the 20th century in order to boost consumption and growth. This process – which is problematic with the currently fast developing notion of sustainable consumption – is a subset of sustainable development that has been discussed by a number of authors in the macro marketing literature (Dolan, 2002; Kilbourne et al., 1997; Kilbourne, 2004; Kilbourne, 1995; Schaefer & Crane, 2005; Heiskanen & Pantzar, 1997; Peattie & Crane, 2005; Varey, 2010; Varey, 2011). For a few decades now a large body of literature has critically assessed one of the main ideological functions of advertising: the creation of meaning for commodities in a capitalist economy (Baudrillard, 1968, 1970; Cathelat & Cadet, 1976; Featherstone, 2007; Lash & Urry, 1994; Leiss et al., 2005; McCracken, 1986; Sherry, 1987; Shudson, 1993; Wernick, 1991; Williamson, 1978). These studies note that advertising, as a tool of the ideology of consumption, transforms the purely material function of commodities into a symbolic world of ideological and cultural meanings, which are attached to these commodities. In supporting consumption, commercial advertising has been accused of putting forward superfluous values, based on the present and on self-interest, that engender wastage and show little regard for basic sustainable development notions (such as caring for the future, looking after collective interests, re-using and recycling) and that valourize 'having' rather than 'being'.

The last ten years have seen sustainable development become a central societal debate, especially in Europe, and the advertising industry there is slowly re-thinking its position, role, and responsibility. Some of the large advertising groups have incorporated sustainable development issues as part of their annual reports. Waller & Lanis (2009) for instance reported that in 2009 only European and Japanese advertising groups (WPP, Dentsu, Havas and Publicis) had a corporate responsibility report while the American groups (Omnicom and Interpublic) only disclosed financial information (Waller & Lanis, 2009). Waller & Lanis (2009, p. 117) suggest that the 'sociopolitical context of the advertising holding companies impacts on the level of CSR disclosure' and that European groups' developed CSR reporting is a way to seek legitimization, trying to engage with and satisfy greater society's concern for sustainability. This greater concern for sustainability issues in European groups is also reflected in some advertising agencies' creation of the position of director of sustainable development (Havas, Euro RSCG…), although these appointments are seen by some critics as not reflecting a wish to make a real difference but more a way of seeking legitimization given the limited influence of the people in these positions in the large advertising groups.

In France, a few advertising agencies have started to explore ways of incorporating the sustainable development challenge as part of their way of working, by for example reducing their ecological footprint and encouraging sustainable life and consumption practices through their clients' messages. In fact, this trend is not new as the first agency of this kind, L'agence verte (The Green Agency), has been operating since 1992 and L'éconovateur, another pioneer and first in France to use the term 'responsible communication'[1], since 2000. In the last decade however, a number of French 'responsible' agencies have followed that path and placed sustainable development as central to their mission, further developing theoretically and practically this pioneering work. They have grouped into a 'collective' made up of six agencies – *Agence Limite, Eco and Co, Icom, Inoxia*, L'éconovateur, Rendez-vous RP – and named themselves *Publicitaires Eco-Socio-Innovants*. This chapter explores the motivations for their positioning and the practices they put in place to become more 'responsible'.

The French context

Contextual pressures

Responsible agencies are an important feature of the French advertising landscape for a number of reasons. In France several actors have exerted

strong pressure on the advertising industry to become more engaged with the sustainability imperative. Civil society has been prominent in exerting this pressure, with consumers' associations such as *UFC que choisir* or *60 millions de consommateurs*, and anti advertising associations *(Casseurs de pubs*[2]*, R.A.P.*[3]*, La meute*[4]*)* integrating sustainable development issues to their criticism of advertising.[5] Environmental associations (WWF France's *Alliance pour la Planète, Greenpeace, Les amis de la Terre, Fondation Nicolas Hulot, Paysages de France*[6]) have been especially active in asking for a reinforcement of legislation, especially in terms of how ecological and sustainable development arguments can be used in advertising. These various associations have used the media, and in some cases lawsuits, to draw attention to advertising campaigns that do not respect the principles of sustainable development. In 2007, led by WWF France, they announced their project of setting up an independent 'advertising observatory' (*Observatoire indépendant de la publicité (OIP)*[7]*)*, made up of ecological associations and personalities renowned in the environmental field. In parallel to these actions all these actors pushed the principle of co-regulation of advertising – raised by the 2003 European 'Traité inter-institutionnel, *Mieux légiférer'* – at the occasion of an important national debate, organized by the government, called *Grenelle de l'environment*, in which the government invited several actors of society (such as industry representatives and non-governmental organizations) to debate on how to move forward on a sustainable development agenda for the country.

A proactive advertising industry and a world first in self regulation

In parallel, and under pressure from these movements, part of the advertising industry mobilized itself with a view to promoting professional behaviours that are compatible with sustainable development. They created organizations such as *Adwiser*[8] or *Publicitaires Eco-Socio-Innovants*[9] at a national level, or APACOM[10] and Club de la Comm at the regional level. These organizations have had some support from ADEME[11] (a public institution under the supervision of various ministries, including those for ecology and sustainable development), whose role is to encourage, supervise, coordinate and facilitate protection of the environment and management of energy. The partnership with ADEME led, for instance, in 2006 to the creation of an eco-communication guide designed to heighten agencies' awareness of sustainable practices, such as eco conception and the social and environmental impacts of messages. In addition, it has to be noted that since 2001 the advertisers'

union (UDA)[12] has been actively engaged in making advertisers sensitive to sustainable development issues, an effort that culminated in the drafting of a charter promoting responsible communication in October 2009.

Additionally, in terms of official advertising self regulation, 2003 saw the launch of a world first, the sustainable development code, by the BVP (French advertising standards authority, now called ARPP). The code was designed to send a strong message to the industry: be cautious when communicating on sustainable development themes. It also aimed to prevent advertising representations that go against the principles of sustainable development: this means that advertising should avoid representing behaviours such as being wasteful, polluting, over-consuming, and also should not understate the damaging effects of certain products. As with any advertising code, advertising messages should follow principles of truthfulness (for example, ecological and social arguments must be clearly justified and based on fact; for example, they should not use symbols that resemble official labels), objectivity (ecological arguments should not be blown out of proportion; for example, 'our cars save the planet'), and loyalty (advertisers should not attribute exclusivity to themselves if an action is similar to that of another advertiser; for example, 'our cars are saving the planet because they emit 100g of Co_2' when all cars emit the same). Overall, the code rules that if advertisers want to communicate on the general theme of sustainable development, claims should be verifiable. All these changes have made the French ARPP and its code on sustainable development the most ambitious regulatory body in the world on this matter. In fact, the French self regulatory body was seven years ahead of the recently developed ICC framework for responsible marketing communications, published in 2010. The latest development in the French context is the recent drafting of an evaluation tool and guide by AFNOR (French standardization agency) for advertising communication, based on the ISO26000 norm, SD21000, GRI and Global Compact, which assesses the degree of integration of sustainable development principles within the work of communication organizations such as advertising agencies. This guide (also a first in the world) was to be finalized and printed mid 2012 and identifies three types of impact of their work that communication professionals should try to minimize.

1. *Impact of messages* which by far generates the most social and environmental effects: influencing people's perceptions and behaviours

as well as worsening and triggering societal problems such as pollution, wastage, incivilities, obesity, or addiction.

2. ***Impact of diffusion*** which can be intrusive in cities or in everyday life, and can in certain cases lead to ethically questionable practices such as the harvesting of personal and private data.

3. ***Impact of production*** of campaigns which often generates wastage and pollution despite the principles of eco conception of campaigns which are well established (recommendations of ARPP, AACC[13], UDA, OIP) but rarely mastered and applied.

The group of advertising professionals who took leadership on this project was mostly composed of members of a group of professionals called *Publicitaires Eco-Socio-Innovants*.

The publicitaires eco-socio-innovants

Who are they?

The *Publicitaires Eco-Socio-Innovants* (now also known as *Association pour une communication plus responsable*[14]) is a group of professionals who all share a strong concern about the issue of sustainable development and are all very critical about the advertising industry's extremely slow engagement with it. They are particularly concerned about issues such as the energy crisis, global warming and social cohesion and are convinced that finding an equilibrium between economic efficiency, social responsibility and respect of the environment will actually increase respect for the communication industry as well as its competitivity and sustainability. Unlike most players in the industry they firmly believe that the current advertising model is outdated, that communication can and should promote responsible consumption and lifestyles and therefore that transition to a new model of commercial communication is necessary. Ideally, this transition to a new model would help bring about a world in which more intelligent sustainable consumption would prevail, instead of consumption for consumption's sake.

This group of professionals is convinced that impetus for change needs to come in large part from industry players and that, in their role of professional communicators, they should lead the way if they want to contribute to change their industry's practices and make mentalities evolve. They are particularly concerned that self regulation does not work well enough to contain phenomena such as green washing, in part because, in their view, large agencies tend to ignore professional codes of ethics and tolerate the breaches of their peers but also because the

complaint system is not well publicized and only works after the fact, when the damage is already done. They therefore advocate not only reinforcing control mechanisms within ARPP – to avoid self regulation 'between friends', but also for more upstream responsibility from agencies, before the damage is done. One of the basic tenets of responsible agencies is therefore that they should be engaged in constant learning and in a constant challenge of the advertising status quo. They should go beyond their usual habits in order to 'make creativity and responsibility rhyme' (personal communication, Inoxia). Overall they see their role as restoring faith in the advertising and communication industry and increasing its credibility by providing an innovative response to the industry's bad practices (such as false or exaggerated claims, greenwashing, social washing, creating fears and so on) which not only increase the potential of reputational damage to brands but also makes the public suspicious of the advertising profession.

While these professionals acknowledge that they are involved in trying to reconcile opposites (the traditional mercantile values and principles of commercial advertising and the values of moderation and sharing of sustainable development) they nevertheless see this contradiction, not as an impossible task but as an inspiring challenge. The many challenges they see as central to their mission are: favouring information over 'seduction' of consumers, supporting needs rather than desires, encouraging recycling over wastage, enhancing the value of usefulness over 'superfluousness, and enhancing the value of 'being' rather than 'having'. These 'guiding challenges' are clearly against mainstream thinking in the traditional advertising agencies which they see as 'still dealing in the ephemeral, are blinded by things flashy…"tinsel agencies"' (personal communication, Inoxia).

Another of these professionals' important beliefs is that advertising agencies must take a central and responsible role in helping clients and consumers' attitudes change towards an authentic understanding and practice of sustainable development issues. Agencies should not simply manipulate sustainable development concepts as marketing tools (i.e. greenwashing). Therefore it is not enough to try and influence other advertising industry players by showing that another approach to advertising is possible. An important part of their work also includes helping change clients' and consumers' practices and beliefs. One of their most important tasks is to accompany their clients on a journey towards more sustainable thinking and practices. This implies that, as agencies, they will maintain their independence and not be subjected to any lobbying.

Publicitaires Eco-Socio-Innovants are therefore a group of professionals who want to revolutionize and avoid any further discredit of the advertising industry. Via critical and constructive proposals they actively participate in the renewal of professional practices in order to integrate the sustainable development challenges within the communication and advertising profession. This commitment is reflected in their constant challenges and proposals to the profession, in their social and environmental internal practices, and in the way they work with clients: offering them the most complete communication service, from responsible copy strategy, to the eco-socio conception of campaigns and the measurement of these campaigns' environmental impact. The following section explores these various dimensions in more depth.

Charity begins at home: internal company practices

Responsible agencies know that in order to be credible they have to lead by example via their internal practices. Therefore they seriously consider the social, environmental and economic facets of their business and aim to develop a faultless CSR policy within their own organizations.

All these agencies closely monitor their *environmental practices* with regular measurements of their carbon footprint and compensating CO_2 emissions in various ways. This involves reducing the amount of travel, encouraging and privileging public transport, or eco-friendly transport (bikes, electric scooters, hybrid cars) or car pooling, and using eco friendly buildings. In terms of buying efforts, these agencies privilege local suppliers or fair trade consumer goods, and argue that recycling materials within their offices (from furniture to office supplies) is absolutely central to their environmental efforts.

The monitoring of their *social practices* is also one of their central concerns. Responsible agencies highly value principles of diversity and equality in terms of recruitment (in relation to gender, age, handicap, type of work contract). Issues about security, formation, management of career goals, and work conditions, such as comfort at workstations or hours of work, are closely monitored, all for the well-being of the workforce. A big effort is made in these agencies to initiate and foster social dialogue between all levels of employees within the company; for example, blogs, but also social networks such as Twitter and Facebook, are used as a way of having conversations around common causes amongst all levels of the company; charters are drawn, circulated and shared in order to make every single employee feel included in the vision and mission of the agency. Additionally, working in close partnership with subcontractors (from freelance writers to cleaning companies)

whose practices and beliefs are aligned with the agency is considered to be crucial. Responsible agencies were also pioneers in implementing the 35-hour week and a reduced salary scale (1–7, where the highest salary is no more than seven times that of the lowest) in order to foster social well-being and equity.

External practices (1): Pedagogical role with clients, certification, and transparency issues

In addition to the above internal practices, responsible agencies have different external practices to traditional agencies. This is exemplified, as noted above, in their relationships with clients. Responsible agencies all note that they have a pedagogical role: making clients and consumers' practices and mentalities evolve positively towards more respect of sustainable development issues. In particular, the role of a responsible agency is to accompany clients towards a better understanding and respect of sustainable development issues in relation to their business practices and their advertising communication. This involves working at creating genuine partnerships with clients, based on shared knowledge, transparency and trust. For example, if a client wanted to put forward potentially unjustified or misleading ecological or social arguments, the role of a responsible agency would be to advise, warn, and convince the client to change strategy and not to run a potentially misleading campaign.

Indeed responsible agencies do not compromise on notions of truthfulness, objectivity and loyalty. Because they genuinely work according to these principles, and build their image and reputation on these notions, they simply cannot mislead the public about the reality of the actions of a client, nor about the properties of its products or services. Responsible agencies therefore see their communication work as involving their own reputation and their clients'. When they generate communication both reputations are on the line. They do not see themselves as simple 'cultural intermediaries' (Curtin & Gaither, 2005, p. 107), isolated at the articulation of production and consumption, but rather as deeply involved at all levels. Unlike traditional agencies, which only take responsibility from the client brief to the delivered advertising message, responsible agencies take on the extra responsibility of verifying their clients' claims and claim accountability for the impact of the communications they craft. Because responsible agencies' aim is to generate a true advertising promise, they analyze the social and environmental risks and opportunities that their message might generate, consult parties that are potentially affected, and verify the truthfulness of the clients' claims. As a

result, unlike other traditional agencies, they have to learn how to turn down potential clients. In other words, one of the main differences with traditional agencies is that responsible agencies feel they have a social responsibility to consider whether they should communicate for a client or not.

One of the main obstacles to thorough work by responsible agencies is obviously their ability to authenticate clients' claims. While this work is relatively easy to carry out with small and medium-sized enterprises, large multinational companies pose the most problems to responsible agencies because of the depth of the supply chain (sometimes leading to overseas unverifiable 'black holes'). Although these large companies may have a sustainable development department helping to generate information, and triple bottom line reports which record all the elements needed to 'prove' their environmental and social claims, responsible agencies claim that some of these reports can sometimes still be selective in the information they include.

That is why responsible agencies see independent certification and measurement to be crucial in enabling them to work as responsible communicators. Communication for companies (especially large ones) can be grounded in truth only if clients' claims can be accurately measured and certified by independent third parties, such as corporate social responsibility audit agencies (which base their research on the literature of the company, on poll results, on meetings and checks). Whilst large companies pose their own challenge, medium-sized companies are also problematic. Indeed, some medium-sized businesses cannot afford the cost of certification and do not have a triple bottom line report. Because of their size, they tend to have a 'friendly' relationship with their agency. Therefore, when dealing with this type of client normal advertising agencies are usually in danger of letting their guard down and simply work on a potentially dangerous trust-based relationship with their client.

External practices (2): eco-socio conception and environmental impact measurements

As part of their task of guiding clients towards more sustainable practices, and because they feel that, as communicators, they share the responsibility of any claims their clients may make, responsible agencies systematically suggest that their clients reduce the impact of their campaigns via an approach they call eco-socio conception[15]. The eco-socio conception approach proposed by responsible agencies systematically encourages their clients to strive to offer goods and services

which satisfy the needs of people and contribute to quality of life while progressively reducing environmental nuisance and negative social impacts during the life cycle of the product. Before engaging in any communication work for their clients, responsible agencies therefore first encourage their clients to explore their own business practices and sometimes rethink them (from conception, to development, extracting raw material, fabrication, production and sub-contracting, distribution, consumption, end of life, recycling). They see this task as essential in order to accompany clients towards more sustainable practices and efficient and truthful communication.

As far as their campaign work is concerned, responsible agencies also strive to produce the 'cleanest' possible work. They systematically evaluate the ecological impact of a medium, adapting their choice of media to the life cycle of a campaign in order to have the least impact on the environment. This includes building strong partnerships with sub-contractors which provide them with the most environmentally and socially conscious materials possible, such as certified recycled paper and natural inks. Therefore, extreme care is taken in the social and environmental evaluation of the major impacts of a communication medium.

As part of the eco-socio conception approach, each step has to be authenticated by a third party. For instance, in the case of a print campaign careful attention would be paid to the amount of waste and greenhouse gas emissions linked to the extraction of raw materials and modes of production of the campaign (the way paper pulp is produced, the type of inks used (mineral or vegetal), the printing and cleaning processes used, the modes of transport and amount of distance travelled and so on). All the qualitative and quantitative claims made by sub contractors need to be certified by third parties according to recognized national or ISO standards and regularly updated. At the end of this selection process, clients are then presented with a precise eco-conception quote evaluating the impact of their campaign in terms of greenhouse gas emissions. In the case of a print campaign the document would for instance clearly show the client how much CO_2 has been saved by optimizing various elements of the campaign. In addition, whenever possible, responsible agencies also propose to their clients various systems to compensate for the greenhouse emissions of their campaigns (especially if transport, for instance, has a significant and unavoidable role in the environmental impact of a campaign).

While the eco-socio conception focuses largely on environmental challenges, social and ethical issues are taken into consideration equally

seriously when designing a campaign. When choosing subcontractors, responsible agencies take into account their business partners' social initiatives as much as their environmental practices. They also avoid ethically ambiguous communication techniques or channels; for instance, they stay clear of techniques such as advertorials, viral marketing, spam, or selling or buying 'phished' addresses. Overall, responsible agencies believe that responsible communication involves systematically questioning the social and environmental consequences of their choices and prefer using processes which are respectful of the environment and individual liberties.

Responsible copy strategy

Publicitaires Eco-Socio-Innovants take great care in developing arguments that are measured, especially when it comes to selling the ecological or social qualities of a product or a service. As part of their effort to renew professional practices and to integrate the sustainable development challenges within the communication and advertising profession, they have developed an essential tool for responsible communication called responsible copy strategy. Copy strategy is the basic communication tool used to develop campaigns and can therefore influence the substance and form of what will be communicated to the public. That is why, in addition to recommendations and rules of good practice developed by professional organizations such as ARPP, responsible agencies believe that responsible copy strategy is the most efficient structuring tool able to modify the usual logic of campaigns and combat unethical advertising practices.

Responsible copy strategy aims to reconcile the interest of the clients and their environment (in the wider sense). It rests on three essential pillars:

1. **L'imaginaire vrai** (creativity inspired by truth): Communication must rely on **real** specificities of the client's product or service; on real truths about the company ('tell a story, not tall stories').
2. **L'empreinte immaterielle positive** (influencing opinions positively): Here responsible agencies' task is to encourage the brand/client to propose in their advertising messages, ideas and values that make mentalities and practices evolve positively (in relation to the environment, diversity, health, human rights, animal rights…) with a view to creating advertising representations that include and treat these 'themes' positively[16]. The client is therefore encouraged to take a pedagogical role in relation to these issues.

3. **L'homme multidimensionnel** (the multidimensional person): Responsible advertising aims to address people in all their dimensions, as 'consum'actors' (consom'acteurs – a term coined by the *Publicitaires Eco-Socio-Innovants*). Whereas traditional marketing and advertising agencies typically reduce people to 'consumers', responsible communicators advocate a more holistic approach to communicating which aims to acknowledge all the various dimensions of an individual and therefore addresses humans (social individuals) in all their dimensions simultaneously. This means crafting communication that is respectful of people's multiple identities: as citizens or foreigners, employees or investors, as members of minorities and so on. It is about having a less narrow view of 'targets' and reducing the potential number of collateral victims of communication (for example, stigmatized minorities). One way responsible agencies widen their vision of 'targets' is by initiating dialogues with NGOs and implicating them in the campaign work.

These three notions central to responsible copy strategy are complemented by three principles:

1. **Coherence:** Between the campaign message and the product on the one hand, and the social and environmental practices of the client and the agency on the other.
2. **Conscience**: The responsible agency is the director of consciousness ('directeur de conscience') of the brand. Its duty is to question the brand when there are doubts about the truthfulness of the imaginary the client is seeking to portray. It is co-responsible of the potential consequences that may result from the inaccuracy of the information given by the brand. The client gives the agency the right to question it. Within the agency, any member of staff, regardless of his or her rank, has the right to interrogate the strategy.
3. **Common sense**: Faced with the importance of what is at stake and the complexity of making good practice work, it is important to stay pragmatic and realistic. Responsible communicators must be able to navigate and find a way between ethical-green advertising, maturity of the client or the market, and seeking impact and creativity.

Obviously, the framework proposed by responsible agencies does not suit every client. Whereas most prospective clients know what kind of agency rules they will be dealing with when they enter a partnership with a responsible agency and see the value of the work they do, some

businesses are still not willing to work with agencies whose practices they find a bit too radical and invasive. Indeed, despite constant growth in market share between 2007 and 2010, responsible agencies now face a tougher situation due to the current political unwillingness to seriously support sustainable development, as well as the economic and financial crisis. This shift in the political and economic environment tends to lead clients to look for simplicity and thus work with agencies which will not challenge their unsustainable practices. It must, nevertheless, be noted that many businesses of all types and sizes still see the value of the work they do.

This chapter has provided a brief incursion into French responsible advertising agencies. These agencies show how it is possible to become environmentally responsible, but also socially responsible, in advertising by making sure communication is based on true substance. If advertisers want to learn how to be less based on rhetoric and more on substance they can look at what these agencies are doing. This involves advertising industry players making an effort to be less disconnected from the articulation of production and consumption and making an effort to act as an ethical link between the two. This involves integrating the supply and value chain better (check backward linkages for environmental and social truthfulness of claims) before communicating for clients, educating and accompanying these clients towards a better understanding of sustainable issues, and sending messages to consumers that are compatible with sustainable development issues. It is only in addressing these issues that advertising will become more engaged with the sustainability imperative.

Notes

1. http://www.econovateur.com/rubriques/prestations/aboutcom.shtml)/ – http://www.econovateur.com/rubriques/anticiper/imag160102.shtml).
2. http://www.casseursdepub.org/
3. Résistance à l'Agression Publicitaire. http://antipub.org/
4. http://www.lameute.fr/index/
5. Some of the anti advertising activist organizations such as "Les Déboulonneurs" or "Le Clan du Néon" have led more radical actions such as painting over outdoor billboards or turning their lights off, publicizing their cause in a "commando" but light hearted way which amused the public.
6. Paysages de France has been leading legal actions against illegal billboards and billsticking, which is estimated to amount to about 40 per cent in public spaces.
7. http://observatoiredelapublicite.fr/
8. http://www.blog-adwiser.com/

9. http://publicitairesvsecoblanchiment.ning.com/
10. http://www.apacom-aquitaine.com/pageseditos,39,left_D2119FC2,Com,Avenir,2e,rencontre,responsables,bordeaux,2007.html
11. Agence de l'environnement et de la maîtrise de l'énergie. http://www2.ademe.fr/servlet/getDoc?id=11433&m=3&cid=96
12. http://www.uda.fr/communication-responsable/
13. Association des agences conseil en communication
14. http://collectifcomresponsable.fr/
15. Eco-conception (different from eco-socio conception) is defined by ADEME as a method which aims to integrate the environment during the conception phase of products, whether they are goods, services, or processes. This integration relies on a multicriteria and global approach of the environment and takes into account all the various steps in the life cycle of products.
16. The aim is to avoid phenomena such as 'chic porn' themes that permeated advertising in the early 2000s or the disposable culture of the 1980s.

References

Baudrillard, J. (1968) *Le système des objets*. Paris: Gallimard.

Baudrillard, J. (1970) *La société de consommation*. Paris: Gallimard.

Cathelat, B., & Cadet, A. (1976) *La publicité: De l'instrument économique à l'institution sociale*. Paris: Payot.

Curtin, P. A., & Gaither, T. K. (2005) Privileging Identity, Difference and Power: The Circuit of Culture as a Basis for Public Relations Theory. *Public Relations Review*, *17*(2), 91–115.

Dolan, P. (2002) The Sustainability of 'Sustainable Consumption'. *Journal of Macromarketing*, 22, 170–181.

Featherstone, M. (2007) *Postmodernism and Consumer Culture*. London: Sage Publications.

Heiskanen, E., & Pantzar, M. (1997) Toward Sustainable Consumption: Two New Perspectives. *Journal of Consumer Policy*, *20*, 409–442.

Kilbourne, W. E. (1995) Green Advertising: Salvation or Oxymoron. *Journal of Advertising*, *24*(2), 7–19.

Kilbourne, W. E. (2004) Sustainable Communication and the Dominant Social Paradigm: Can They be Integrated? *Marketing Theory*, *4*(3), 187–208.

Kilbourne, W. E., McDonagh, P., & Prothero, A. (1997) Sustainable Consumption and the Quality of Life: A Macromarketing Challenge to the Dominant Social Paradigm. *Journal of Macromarketing*, (Spring), 4–24.

Lash, S., & Urry, J. (1994) *Economies of Signs and Space*. London: Sage.

Leiss, W., Kline, S., Jhally, S., & Botteril, J. (2005) *Social Communication in Advertising: Consumption in the Mediated Marketplace*. New York: Routledge.

Peattie, K., & Crane, A. (2005) Green Marketing: Legend, Myth, Farce or Prophesy? *Qualitative Market Research, 8*(4), 357–370.

McCracken, G. (1986) Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *Journal of Consumer Research*, *13*(1), 71–84.

Sherry, J. F. (1987) *Advertising as a Cultural System*. Berlin: Mouton de Gruyter.

Shudson, M. (1993) *Advertising, the Uneasy Persuasion: Its Dubious Impact on American Society.* London: Routledge.

Schaefer, A., & Crane, A. (2005) Addressing Sustainability and Consumption. *Journal of Macromarketing*, *25*(1), 76–92.

Varey, R. J. (2010). Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Varey, R. J. (2011). A Sustainable Society Logic for Marketing. *Social Business, 1*(1), 69–83.

Waller, D. S., & Lanis, R. 2009. Corporate Social Responsibility (CSR) Disclosure of Advertising Agencies. *Journal of Advertising*, *38*(1), 109–121.

Wernick, A. (1991) *Promotional Culture: Advertising, Ideology and Symbolic Expression.* London: Sage Publications.

Williamson, J. (1978) *Decoding Advertisements: Ideology and Meaning in Advertising.* London: Marion Boyars.

17
Sustainable Marketing through the Natural Step

Diane M. Martin and John W. Schouten

In recent years the ecological and humanitarian reasons for businesses to become environmentally and socially sustainable have become clearer than ever. With less fanfare, the business rationale for sustainable practices has also begun to clarify. Many marketing companies, including some of the world's largest and most successful (e.g., Walmart, Nike, and Interface Carpets), have undertaken the serious task of becoming more environmentally neutral and more socially responsible. In moving to more sustainable models, these companies have not compromised their economic futures. On the contrary, they are helping to usher in a new business paradigm that will ensure their economic viability in a world of increasingly scarce natural resources and rapidly growing consumer markets.

The laudable progress of some firms aside, given how long thought leaders have been calling for more sustainable approaches to business and development, the progress toward broad-based and effective change has been surprisingly arduous (e.g., Varey, 2010; Werbach, 2009; Wilmont, 2010). We argue that a primary reason for the sluggishness is the general absence from business leaders' toolkits of a robust and comprehensive strategic framework for achieving sustainable and profitable solutions. In this chapter, we outline a framework that can guide individual decision-makers and organizations of any kind and size to attain long-term sustainability goals while simultaneously improving their ability to succeed financially.

Popular approaches to sustainability and their limitations

The 1983 United Nations Commission on Sustainable Development defined sustainable development as 'development that meets the needs

of the present without compromising the ability of future genera-tions to meet their own needs' (UN Documents, 1987), giving a name, sustainability, to a broad movement aimed at preserving, replenishing and building the natural and human resources necessary for ongoing improvement of the human condition. The sustainability of an organi-zation often gets parsed into three aspects: social, environmental and economic. Social sustainability refers to people's ability to live fulfilling and productive lives (Martin & Schouten, 2012). Environmental sustainability is 'the ongoing preservation of essential ecosystems and their function' (Hawken, 2007, p. 13). Economic sustainability often gets boiled down to the long-term financial survival of a firm or other organization.

In the language of business, these three aspects of sustainability contribute to an organization's Triple Bottom Line (TBL), i.e., its net economic, environmental, and social impacts (Elkington, 1994; Savitz & Weber, 2006). While a useful tool for measuring pro-sustainability value in ongoing concerns, TBL has been critiqued as insufficient and may even be a smokescreen for businesses to hide behind (Norman & McDonald, 2004). One of its key shortcomings is the failure to account for a whole system perspective. Measurable gains in one area may hide or even come at the cost of undesirable consequences in another. TBL also lacks a mechanism for optimizing the economic, environmental and social outcomes of any particular decision. The TBL perspective also fails to account for what some argue is a fourth pillar of sustainability: local culture (Werbach, 2009). Like TBL, the principle of corporate social responsibility (CSR) also acknowledges organizational contributions to people and the natural environment. However, also like TBL, CSR programs fail to take a whole-system perspective, choosing often to focus on pet concerns, without adequate consideration for the organization's full range of impacts. Under the aegis of CSR or TBL a firm can easily cherry-pick initiatives based on their potential value to public relations and risk reduction.

Natural Capitalism, as a business philosophy and a set of general prin-ciples, emphasizes the need for businesses to conserve or build natural and human capital. Natural Capitalism stresses interlinked principles: radical resource productivity (i.e., making the most of limited and irre-placeable resources leading to slower depletion of natural resources), the reduction of pollution, increased worldwide employment, biomimicry (i.e., the redesign of industrial processes according to biological models), service economies, and reinvestment (i.e., the use of dividends, interest, or profits from an investment to buy additional productive capital)

(Hawken et al., 1999). Businesses electing to follow these principles are moving in the general direction of sustainability. However, the specificity of some principles, such as increased worldwide employment, may not be easy for some organizations, such as small firms or municipalities, to incorporate into sustainability strategies. Natural Capitalism also fails to provide a strategic framework for optimizing the economic, ecological and human gains from any given business decision.

The business case for sustainability

The ultimate goal of any marketing strategy is to give a business an edge in a competitive market (Porter, 1985). Too often managers are taught to consider only economic outcomes – such as sales revenues, market share, profits and stock prices – as indicators or metrics of success. But short-term economic success is only one goal of business. Along with economic goals, human and environmental concerns also affect long-term competitive advantage. Taken together, they make the business case for sustainability.

Strategic efforts to become more sustainable can provide a business with 'competitive advantage through anticipating regulatory changes, reducing costs, stabilizing supplies of limited resources, driving product and process innovation, attracting and retaining talented workers, and establishing a strong and authentic market position' (Martin & Schouten, 2012, p. 16). Environmental regulations have long been the perceived bane of business groups. Managers argue that the cost of compliance can undermine economic success. Even considering the expense, environmental regulations and standards can trigger innovation that results in competitive advantage (Porter & van der Linde, 1995). Innovation in the areas of new products, services and processes can also keep a business ahead of its competitors. Continuous innovation is the foundation of competitive advantage (Lengnick-Hall, 1992), and innovation flourishes where firms are forced to find creative solutions to constraining problems (Mayer, 2006). In any case, innovating ahead of environmental regulations is cheaper than paying fines, playing catch-up and fending off lawsuits.

A company that strives for sustainability can also gain competitive advantage by attracting and retaining talented workers. In one poll, '75% of graduating MBA students said that a company should consider its impact on society in such areas as the environment, equal opportunity, family relationships, and community involvement. A full 50% said that they would take a cut in salary to work for a socially responsible company' (Dorsey, 2007).

Sustainability efforts can result in cost containment that also provides for a competitive advantage. Reducing the consumption of increasingly expensive finite resources such as oil can create long-term advantages, as can lessening dependence on resources found primarily in politically volatile nations. Energy savings top the list for making sustainability pay in the short-term. Likewise, converting waste into revenue streams can turn costs into earnings. 'When Wal-Mart changed from wooden shipping pallets to cardboard ones they saved money on the disposal of wooden pallets and made money by recycling the cardboard. They also saved money through reduced worker injuries (wood pallets are heavier and harder to move), and reduced building maintenance (nails in wood pallets are damaging to floors)' (Martin & Schouten, 2012, p. 16).

Efforts to create a strong market position, based on meaningful differentiation, are also a source of competitive advantage. A successful market position is becoming increasingly difficult to maintain in the absence of a convincing stance on sustainability (Brady, 2005). Benefits such as customer loyalty tend to reward businesses that develop consistent reputations for quality and for good citizenship with respect to people and the environment. An authentic market position that includes a serious push toward sustainability can also help open new customer segments (Willard, 2002, 2007).

Sustainable marketing: driving a culture of sustainability

Sustainable marketing is a relatively new concept, but an essential one to the development of sustainability in business and consumption. Expanding on the American Marketing Association definition of marketing we've defined sustainable marketing as 'the process of creating, communicating, and delivering value to customers in such a way that both natural and human capital are preserved or enhanced throughout' (Martin & Schouten, 2012, p. 10). Not unlike traditional marketing strategies, sustainable marketing must still deliver competitive advantage to an organization through superior performance in meeting the needs of target customers. What differs is the recognition of a much broader set of customer needs, not all of which are equally recognized or acknowledged by customers.

Sustainable marketing satisfies two imperatives, which we can think of as marketing sustainably and marketing sustainability. Marketing sustainably means that all marketing processes are accomplished in a way that preserves or enhances both natural and human capital. Marketing sustainability means using marketing's role as a major

influencer of consumer culture to help create a culture of sustainability, both within the marketing organization and among the organization's external stakeholders.

To say that marketing needs to be sustainable is one thing. Understanding how to make that happen is quite another. Until recently there has been no strategic framework for sustainable marketing, nor even a good working definition of sustainability from which to operate. Drawing from a larger work (Martin & Schouten, 2012), this chapter presents a strategic framework to guide marketing theory, strategy and practice and offers some examples of how it works in a number of marketing organizations and for various marketing functions.

The Natural Step Framework

The Natural Step Framework (TNSF), a set of accessible and practical guidelines for becoming sustainable and enhancing long-term competitive advantage, was founded on a set of guiding principles for sustainability based on the fundamental laws of physics and biology (Holmberg & Robèrt, 2000; Robèrt, 2002). TNSF is characterized by the following: First, it takes a whole-system perspective, recognizing that the Earth's natural systems are the primary foundation upon which all other systems depend. Second, it specifies the nature of success in a system in terms of four essential conditions for sustainability, ultimately providing a working definition of a sustainable system. Third, it outlines a step-by-step strategic process, called backcasting, for achieving sustainability in a system. Fourth, it provides a process by which decisions can be optimized with respect to ecological, social and financial gains. Finally, it does this in complete harmony with a host of sustainability tools, such as life-cycle assessments (Holmberg & Robèrt, 2000; Robèrt, 2002).

Sustainability: the scientific principles. Building on the laws of thermodynamics (e.g., conservation of mass and energy) and an understanding of basic biological processes (e.g., photosynthesis, respiration and decomposition) and geological processes (e.g., volcanic activity, erosion and sedimentation) TNSF has identified four conditions of a sustainable system or society. Any violation of these conditions makes the system unsustainable. A sustainable system is one that:

1. Causes no systematic increases in environmental concentrations of substances from the Earth's crust; this includes hydrocarbons such as petroleum and coal and toxic metals such as mercury and cadmium.

2. Causes no systematic increases in environmental concentrations of synthetic substances; this includes plastics, synthetic flame-retardants, pesticides and thousands of other man-made materials that the Earth cannot easily convert back to their benign origins.
3. Causes no systematic increases in degradation of ecosystems and the services they provide; this includes ecosystems such as fisheries, forests and watersheds with their respective biodiversity.

These first three system conditions relate directly to ecological sustainability. The fourth condition relates directly to social justice and human well-being, and indirectly to people's use of natural resources and systems. It states that, in a sustainable society:

4. Resources are used fairly and efficiently in order to meet basic human needs worldwide; these include a variety of non-substitutable needs such as subsistence, freedom, and opportunities for learning and creative expression (Max-Neef, 1993).

Commonly referred to as the four system conditions, these scientifically derived principles constitute a working definition of sustainability and a target for change or performance that doesn't rely on specific contexts.

Backcasting: the strategy for success. In a game of chess the goal (checkmate) never changes but the different sequences of moves for reaching it are practically infinite. In the high-stakes game of sustainability the goal also remains constant (no violations of the four system conditions), but the specific path to that goal in any given organization is as variable as the moves from one game of chess to the next. Backcasting is a strategic process for determining which sequence of moves, such as marketing actions, will best lead the organization toward sustainability while retaining or increasing its competitive position.

Backcasting involves four steps. The first is to create a common base of awareness and understanding of sustainability principles, and a common language for discussing them within the organization and among key stakeholders. The second step is to establish a baseline measure or understanding of the organization's performance with respect to the four system conditions. It entails creating exhaustive lists of system condition violations throughout the organization and, due to the complexity of most organizations, it requires the cooperation of cross-functional teams. The third step is for the cross-functional teams, which may include people from outside as well as across the organization,

to brainstorm as many actions as they can think of for addressing the system violations. The fourth step is to prioritize actions based on their relative contributions, not only to increasing sustainability but also to the organization's immediate and long-term financial objectives.

TNS in marketing strategy and practice

The Natural Step provides a science-based framework for firms working toward sustainability. While few organizations have fully embraced TNS (for exceptions see Scandic Hotels, Nike, Interface Carpets, and the City of Whistler), some have developed, wittingly or otherwise, marketing strategies and practice in line with the four system conditions.

As a part of an upper division course in sustainable marketing, student groups were asked to determine the extent to which an organization of their choosing complied with the four system conditions. Student groups investigated Burgerville, a fast food restaurant; Clif Bar, a snack bar manufacturer; New Seasons Market, a grocery store; TriMet, the Portland, Oregon-based public transportation system; Widmer Brothers' Brewery; Nike, a global sportswear company, Hopworks, a brewpub; and Hanna Andersson, maker of women's and children's clothing. Using observations, archival resources, and interviews students identified examples of adherence to the TNSF in a variety of marketing actions and functions, including retail management, products, packaging, services, metrics and measurement, segmentation and positioning, purchasing and supply chains, production and distribution, pricing and marketing communication. Student groups analysed how well each organization adhered to the four system conditions (SC1, SC2, SC3, & SC4). Drawing from student papers, here is some of what they found:

Retail management. New Seasons treats their employees well with a fair minimum wage of $10 per hour; health benefits for the employees, their domestic partners and dependents; and a 20 per cent discount off anything in the store (SC4). Burgerville supports an employee-led recycling program to recover substantial amounts of paper (SC3) and plastics (SC1).

New Seasons Market customers can compost all food waste plus brown paper to-go boxes and paper soup bowls, keeping out of landfills (SC3) where it would convert to methane gas. This matter instead goes to composting facilities in the Portland metro area where it is prepared, tested, bagged, and sold back to customers. This completes the circle by giving the original food waste a path to get back into the natural environment in a healthy, useful way.

With New Seasons Market's Cans for Kids program, customers can bring in their empty beverage cans and bottles to get their deposits refunded, or they can drop them off at the stores to be donated. All of the proceeds go to the Portland Schools Foundation, Beaverton Education Foundation, Hillsboro Schools Foundation, or the Evergreen School District Foundation, depending on the location of the store (SC4). New Seasons Market also offers recycling for items that customers cannot put in their curb-side pickup bins, such as, plastic lids and clamshells, plastic bags, all types of plastic containers, Styrofoam peanuts, and foam (SC1&2). They also recycle their cooking oil and convert it to biodiesel fuel, which powers their delivery vans (SC1). Finally, New Seasons Market also recycled literally a ton of corks last year through their partnership with Cork ReHarvest (SC3).

Products. One third of products offered by New Seasons Market come from the regional food shed. Selling local food reduces the CO_2 emissions from transportation (SC1) and provides customers with fresher options (SC4). New Seasons also offers organic products that have been certified organic by Oregon Tilth and the USDA Organic which helps reduce the use of toxic chemicals and fertilizers (SC2). They also give priority to local ranchers and farmers, which allows these small business owners to prosper (SC4).

Burgerville balances the conflicting interests of its stakeholders by offering healthy, local, and sustainable fast food. Burgerville uses only vegetarian-fed, antibiotic-free beef, making sure there are no synthetic substances in their burgers (SC2).

Packaging. New Seasons Market participates in the reusable plastic cartons (RPC) program with some of their vendors. The RPC program helps them prevent more trees from being cut down (SC3), reduces the amount of additional plastic produced (SC2), and decreases the amount of packaging that ends up in landfills (SC3). Suppliers package their produce in RPCs and send them to New Seasons Markets where it is stocked. But, instead of throwing the packaging away, New Seasons returns the containers to the vendor, where they are cleaned, sanitized, and reused.

Vegetable and soy-based inks are used for all CLIF Bar's printing. These inks are naturally low in volatile organic compounds (VOCs), which are chemical compounds that evaporate and react to sunlight, causing synthetic released substances (SC2). Alcohol-free printing offers better quality work at lower costs, a safer atmosphere for handlers (SC4), and better colour replicas.

Services. Tri-Met's light rail system, MAX, carries the equivalent of 2.4 extra lanes of traffic on the busiest local highway. Twenty-six per

cent of evening rush hour commuters ride the MAX, taking cars off the road and providing people with savings and stress relief from rush-hour traffic (SC1&4). Through their 'Total Transit System', TriMet is trying to create a system that involves less road projects, therefore taking fewer resources from the earth (SC1&3). Embracing the idea of linking land use and transportation to help manage growth and maintain livability, TriMet is helping to preserve the environment.

Metrics and Measurement. Nike created the Considered Design Index for manufacturing teams to track and reduce waste (SC1, 2&3) throughout the design and development process. Designers are encouraged to specify environmentally preferred materials and processes for eliminating toxics (SC2). In 2011 all Nike footwear will meet or exceed the Considered Design baseline standards. By 2020 Nike expects all socks, bags, inflatable balls and gloves coming from their headquarters in the US to meet or exceed the Considered Design baseline standards. Nike is developing new metrics such as the Footwear Design Tool, Material Assessment Tool, and Water Assessment Tool.

Segmentation and Positioning. Hanna Andersson underscores their brand image of quality and durability through their Hanna-me-downs promotion. Customers get 20 per cent off new clothes when they bring back their old Hanna Andersson products for redistribution. These clothes are donated to various causes, such as the Stand for Children Leadership Center (SC4).

Purchasing and Supply Chain. Burgerville practices transparency by providing comprehensive information about their products and practices. For example, part of their website is dedicated to their suppliers: the business name, what products they provide, where they are located (so you know they are local), and even how to get in touch with them.

Clif Bar is personally involved with farmers and their farms and foster farm-to-food connections and traceable supply chains. From the farmer who cultivates the seeds for CLIF Bar's ingredients, to the person who ships the products, CLIF's programs and business models ensure that all people involved in the process of making and selling CLIF Bars, are treated equally, paid fairly, and given proper/safe work conditions (SC4).

Production and Distribution. Hopworks uses vegetable and cooking oils from their pub kitchen to make fuel for their biodiesel-powered brewing machinery and delivery vehicles. This avoids unnecessary extraction of fossil fuels (SC1) and reduces emissions. Hopworks also takes part in water preservation practices (SC3), and the reduction of carbon emissions (SC1) and volatile organic compounds (SC2&4). Innovative beer

brewing practices preserve and recirculate hot water for subsequent brewing and in doing so Hopworks does their part to alleviate the global water crisis.

Widmer Brother Brewery has pledged to make its Drifter Pale Ale water-neutral. Water neutrality includes measurement and reporting of one's 'water footprint'. It also includes taking action that is 'reasonably possible' to reduce the existing footprint and finally recycling this excess water by executing a 'reasonable investment' in supporting or encouraging projects that relate to the sustainability of water (SC3).

Pricing. Hanna Andersson takes into account all aspects of costs along the value chain and sustainability. They produce high quality goods at premium prices that take into account costs for a more sustainable business and add value for the customer. Hanna Andersson does not deal with companies that exploit labour and have in recent years increased the wages of their workers in China and Peru (SC4).

Marketing Communication. CLIF Bar does not use extensive media forms of advertisements through televised commercials. They also do not use billboard advertisements as part of their marketing channels. Instead, CLIF Bar has relied on word of mouth, product packaging, newsletters, annual reports, their website, social media, and a very few print ads to do the job (SC2&3).

Hanna Andersson advertises on radio, which is something they have done since the beginning and still do, and they use social media such as Facebook and YouTube. They also use catalogues that they keep in-store and also send out to preferred customers in the mail (SC3, room to improve). They also advertise their organic cotton in-store at various sections and explain how the organic cotton is derived and how it pertains to the Oeko-Tex Standard 100.

Implications and reflections

As the above examples illustrate, The Natural Step Framework with its four system conditions has broad applications across a variety of marketing functions and activities. We don't claim that the marketing organizations studied here are using TNSF fully or strategically, but they could. We should also point out that the actions described above do not in any way indicate that the companies behind them are sustainable. They have succeeded in making small steps in the right direction. They are, at the very least, making sustainability gains and, at the same time, defending competitive market positions. What The Natural Step Framework provides is a systematic way to optimize what these

businesses have been doing already with varying degrees of strategic intent.

In their dealings with employees, customers and suppliers these marketing firms are also effecting cultural change, both inside and outside their organizations. Traditional marketing thought treats culture as a given, an aspect of the business environment that marketing strategies must anticipate, accommodate or mine for opportunities. There's no lack of research into the effects of culture on marketing. Far less scholarship examines the obverse, that is, the effects of marketing on culture. Yet marketing is at the heart of culture. Marketing organizations design, reproduce and promote the material manifestations of culture and endeavour increasingly to influence the beliefs and attitudes, if not the values, of their intended customers. Between material and non-material culture, meaning moves back and forth constantly (McCracken, 1986), and marketers have many opportunities to inflect those meanings and their movement. To the extent that Western culture is inherently consumerist, marketing has helped make it so (Fullerton, 1988; Fullerton & Punj, 1998; McCracken, 1988). Marketing has been a major contributor to the problem of unsustainable business and consumption practices. It can and must be a major part of the solution. The Natural Step Framework is a valuable strategic asset for helping marketing firms function more sustainably and competitively.

If the marketing profession is going to help shape a culture of sustainability (that is, a culture in which sustainability is a driving value) then once again traditional marketing thought may need to be revised. Somewhere between the customers who are kings, so crowned regardless of their relative levels of enlightenment, and the suckers born, according to P.T Barnum, at regular sixty-second intervals, lies another kind of customer that is willing to be a partner with marketing institutions in creating win-win-win outcomes for customers, companies and humanity. Reversing, or just slowing, the runaway train of unsustainable production and consumption will require the will and participation of people in every sector of life and work. One thing people of every sector share is constant exposure to marketing. Let it be sustainable marketing.

References

Brady, Arlo (2005) *The Sustainability Effect: Rethinking Corporate Reputation in the 21st Century*. London: Palgrave/Macmillan.

Dorsey, David (2007) The New Spirit of Work, Fast Company, 18 December, http://www.fastcompany.com/magazine/16/barrett.html?page=0%2C0, accessed May 18, 2009.

Elkington, John (1994) Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development. *California Management Review*, *36*, 90–100.

Fullerton, Ronald A. (1988) Modern Western Marketing as a Historical Phenomenon: Theory and Illustration. In Terence R. Nevett, & Ronald A. Fullerton (Eds) *Historical Perspectives in Marketing*. Lexington: Lexington Press, pp. 71–90.

Fullerton, Ronald A., & Girish Punj (1998) The Unintended Consequences of the Culture of Consumption: An Historical-Theoretical Analysis of Consumer Behavior. *Consumption, Markets and Culture*, *1*(4), 393–423.

Hawken, Paul (2007) *Blessed Unrest*. New York: Penguin Group, p. 13.

Hawken, Paul, Amory Lovins, & L. Hunter Lovins (1999) *Natural Capitalism: Creating the Next Industrial Revolution*. Boston, MA: Little Brown.

Holmberg, John, & Karl-Henrik Robèrt (2000) Backcasting from Non-Overlapping Sustainability Principles – a Framework for Strategic Planning. *International Journal of Sustainable Development and World Ecology*, *7*, 291–308.

Lengnick-Hall, Cynthia A. (1992) Innovation and Competitive Advantage: What We Know and What We Need to Learn. *Journal of Management*, *18*(2), 399–429.

Martin, Diane M., & John W. Schouten (2012) *Sustainable Marketing*. Upper Saddle River, NJ: Pearson Prentice Hall.

Max-Neef, Manfred (1993) *Human Scale Development: Conception, Application, and Further Reflections*. London: Apex Press.

Mayer, Marissa Ann (2006) Creativity Loves Constraints, *Business Week,* 13 February, http://www.businessweek.com/magazine/content/06_07/b3971144.htm, accessed 10 May 2009.

McCracken, Grant (1986) Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *Journal of Consumer Research*, *13* (June), 71–84.

McCracken, Grant (1988) *Culture and Consumption*. Bloomington: Indiana University Press.

Norman, Wayne, & Chris MacDonald (2004) Getting to the Bottom of the Triple Bottom Line. *Business Ethics Quarterly*, April, 243–262.

Porter, Michael, E. (1985) *Competitive Advantage: Creating And Sustaining Superior Performance*. New York: The Free Press.

Porter, Michael E., & Claas van der Linde (1995) Green and Competitive: Ending the Stalemate. *Harvard Business Review,* Sep/Oct, 120–134.

Robèrt, Karl-Henrik (2002) *The Natural Step Story: Seeding a Quiet Revolution*. Gabriola Island, BC: New Society Publishers.

Savitz, Andrew W., & Karl Weber (2006) *The Triple Bottom Line: How Today's Best-Run Companies Are Achieving Economic, Social and Environmental Success – And How You Can Too*. New York: John Wiley (xiii).

UN Documents (1987) *Our Common Future, From One Earth to One World*. http://www.un-documents.net/ocf-ov.htm#1.2, accessed December 30, 2009.

Varey, Richard J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing*, *30*(2): 112–126.

Werbach, Adam (2009) *Strategy for Sustainability: A Business Manifesto*. Boston, MA: Harvard Business Press, p. 10.

Willard, Bob (2002) *The Sustainability Advantage*. British Columbia, Canada: New Society Publishers.

Willard, Bob, (2007) Presentation at the 10th Anniversary of The Natural Step, Nike World Headquarters, 10 October, in Portland, OR.

Wilmont, William (2010) Facing the Challenge of Sustainability in a Changing World: An Introduction to the Special Issue. *Journal of Macromarketing*, *30*(2): 109–111.

Thank you to the students of BUS376, Sustainable Marketing.

18
Social Networks and Marketing Happiness? The Potential Role of Marketing in an Electronic World

Ed Vos and Richard J. Varey

Introduction

In this world of increasing electronic connectivity we are often amazed at the widespread popularity of social networks, instant email connections, and almost universal personal cell phone ownership. Today it seems that if you don't have a social media presence there is something wrong with you! The 'selling' side of business demands an Internet presence. Retail businesses face unheard-of competition from on-line sellers, such as Amazon, resulting in an ever decreasing number of 'bricks 'n' mortar' retail shops. The ability to electronically connect to each other has become so popular because we, as people, have a great desire to be connected to each other. In fact, the science of happiness is very clear in listing 'relationships' as the foremost determinate of happiness. So we embrace every opportunity to connect with an underlying hope of becoming happier.

However, it is beginning to become clear that these electronic connections are not as personally fulfiling as they appear at first glance. While the Internet does indeed provide useful information for shoppers, and thus saves customers both time and money, there seems to be an increasing awareness that this constant connectivity comes at personal costs and can, for many, decrease their resulting happiness. For example, Katherine Losse, the 51st employee of Facebook and long-time personal ghostwriter for Mark Zuckerberg, has now rejected the ability of social networks to provide personal satisfaction. She has withdrawn from the electronic world and written 'The Boy Kings: A Journey Into the Heart of the Social Network' (Losse, 2012), in which she questions the kind of

world Facebook is creating for us – a world with little privacy and less than meaningful connections to other people.

Losse's concerns are shared by MIT professor of technology and society Sherry Turkle who wrote 'Alone Together: Why We Expect More From Technology and Less From Each Other.' She claims that users do not understand the consequences of living their lives on social media. She even believes that living in an e-connected world makes us more alone (Turkle, 2011). Yes we have 'conversations' but they are not the same as personal connections. Yes, e-connections are useful, but they do not provide the happiness we crave which comes from personal relationships. By substituting social network connections for personal connections, she claims we are becoming lonelier, not happier. Since we are hard-wired to seek happiness, it is not clear that the electronic world can fulfil this need. So where does this place the marketing function of a business? Are marketers reduced to being web-site developers and content copy-writers, or is there greater potential for their skills? This chapter suggests that the skills of marketers may become more valued should society increasingly seek happiness (Frank, 2000; Frey & Stutzer, 2001; Lane, 2000a, b; Layard, 2005; McMahon, 2005; Schumaker, 2006; Seligman, 2002; Wight, 2001). We offer a conceptual framework for understanding the changing role of the marketing function in the firm. We suggest that marketing has the potential to add value to the firm beyond the information dissemination function, which websites can fulfil, while also enhancing individual happiness and society's drive to maximize utility (usefulness or value).

We begin by observing that the marketing function of the firm adds and realizes value. It does this within a predominant 'modern' economic model which – in the extreme case of a publicly listed firm – places the wealth maximization of the shareholder at the top of the priority list. However, small and medium-sized enterprises (SMEs), which are the majority in most societies, never place money first in what makes them satisfied (Kuratko et al., 1997). These business types focus on the *prime* way to maximize utility for shareholders, themselves, and society at large. In this way they differ from publicly listed firms (with absentee owners) which are only interested in private wealth maximization, while SMEs value connections and networks. We later discuss how these two types of business enable us to demonstrate how business strategy, marketing and happiness can all be in harmony.

First, we briefly discuss the way marketing is generally understood and practiced now. Then, using memetic (idea transmission) logic, we model people as hosts to ideas (memes) which marketers propagate.

Within this framework we next analyse the changing role of marketing within the firm – with the 'value added' logic that SMEs adopt as our motivation. We note that the ability to transmit ideas among people, or, rather, 'to connect', is a core marketing skill. Finally, we discuss the potential of marketers to spread happiness while adding value and thereby being part of a virtuous cycle for both the individual and the society at large.

Marketing or propagation?

Marketing is the guided launching and promotion of objects to be valued for exchange. We don't, of course, create value: we bring things into our reality by valuing them. Valuation is a judgement (Vickers, 1965, 1968). Through active, strategic selling, the producer attempts to control the exchange environment comprising the objects and the judgments, decisions, and behaviour of exchangers far beyond the physical point of exchange. This action is to create a meaningful context for the consumption of particular goods (material value) and services (activity value) by defining the needs to be met and proposing the best means for their satisfaction. We might describe this as infecting consumers with instrumental memes (or 'ideas'), noticing that 'viral marketing' is now a popular proposal. Thus, marketing is an attempt to create economic exchanges by altering the content of a person's finite 'mind space' (Blackmore (1999) refers to 'brain space'). Marketing has been, in part, responsible for the materialization of needs and wants, having at its heart a scientific behavioural theory of material utility maximization. Maslow's hierarchy of needs has been a central behavioural theory for marketing practice, as a scientific basis for a theory of consumer needs and wants and the means to success, self-definition, and happiness (Applbaum, 2004). Yet, more 'stuff' does not provide more happiness (beyond a threshold point of affluence) (Diener & Seligman, 2004; Layard, 2005; Schwartz, 2005).

We therefore conceptualize marketing as the planned and co-ordinated actions necessary for the satisfaction of consumer needs at a profit through understanding and orchestrating consumer intentions. Thus, marketing has been developed to solve the problem of satisfying expansive human appetites by aligning demand with supply (see Smart (2010) on the 'social logic of consumerism'). Yet, the current 'value creation' debate highlights a view that people do not buy things per se but need and want fulfilment through value-in-use (Lusch & Vargo, 2006). And, we ask, what about happiness?

At the core of marketing lies the ability to propagate ideas (or 'memes', see Wu and Ardley (2007)). These ideas may be driven by the profit motive, combined with – to a greater or lesser extent – the relationship (network connection) motive.

The science of idea propagation[1] and 'Value'

Sometimes called 'units of culture', memes (Blackmore, 1999; Brodie, 1996; Dawkins, 1976; Wilson, 1998) have been conceptualized as ideas which propagate from host to host (from the mind of one person to the mind of another person) through copying. The Internet surely provides a medium to 'hold' these ideas, but they need hosts who act with them in mind. As memes are re-created or re-produced (imitated, copied), the host-parasite analogy is useful in understanding that memes compete to use the human mind for their propagation. Thus, memes are seen as 'cultural agents' (Williams, 2000; Jong, 1999). Meme successfulness is measured similarly to that of a (biological) gene, but in the world of ideas and beliefs, not in the physical world. Both seek simply to replicate. They are 'selfish' in the sense that they do not, on their own, carry with them connotations of 'good or bad', 'right or wrong', 'better or worse', they simply reproduce if and as they can. Those that are successful have developed survival and defence strategies, often with other memes (ideas), in memeplexes. A behaviour or idea distinguishes itself as a meme when the likelihood of adoption is influenced by some property of itself. Sometimes termed 'mind viruses', some ideas have been enormously influential through large-scale and ongoing replication. William S Burroughs is famously attributed with the pronouncement that language is obviously a virus since it depends on replication (although we have not been able to locate the original source in which this speech was first reproduced). In fact, our act of copying this dictum is in itself evidence of viral replication – a key idea in memetics.

These ideas have 'lives' of their own, quite independent from their hosts. To a greater or lesser extent, ideas get transmitted from one host to the next, by way of YouTube videos for example. 'Viral' marketing is a current acknowledgement that the evolutionary analogy with the physical world works well in the world of idea propagation (see, for example, Rushkoff, 1996; Godin & Gladwell, 2001; Goldsmith, 2002; Meerman Scott, 2011).

It seems, therefore, both logical and interesting to conceptualize marketing through an understanding of the study of memetic (idea)

propagation. Both marketing and memetics deal with the idea transmission process (Wu & Ardley, 2007). The purpose behind a particular marketing effort may vary as the culture changes, and thus some purposes (e.g. smoking in public) become less acceptable to society while other purposes (e.g. the practice of Corporate Social Responsibility (CSR)) may well become more acceptable – society conditions and empowers marketing. Here we are examining the role of marketing should the memeplex of 'connected values' gain in influence, or rather 'mind space' occupancy, in the society.

That the (now discredited) efficient market hypothesis (EMH) suggests that, on balance, information is embedded in the price (or value) enforces the view that beliefs in people's minds (meme hosts) drive valuation. But this theory does not tell us what generates these beliefs or how to alter these beliefs. Memes (ideas) propagate from host to host, and the marketing function is to ensure that this transmission adds value to the firm. Put another way, ideas constantly propagate between people. Marketing is the practice of connecting people, and the transmission of ideas – with a purpose in mind. And this purpose is persuasion.

SME values and marketing

But the purpose of the firm, and thus of marketing, is not the same for all firms. The priorities of the publicly listed firm and the SME, for example, are very different. In the extreme, shareholders of the publicly listed firm pool their funds to provide managers with assets for the sole purpose of wealth maximization since each individual shareholder holds a different (i.e. separate from each other) utility function. In this form of business, it is logical that the core purpose of the firm is to increase shareholder wealth so that the heterogeneous shareholders can each separately use their increased wealth to enhance their utility (or 'find happiness'). SMEs value connections as being higher in priority than wealth. If shareholder wealth maximization is the only legitimate goal of the firm (for a publicly listed firm) then the purpose is to sell more goods and services with wealth maximization foremost in mind. SMEs, on the other hand, value satisfaction as well as money (Vos et al., 2007). Most often this is expressed in terms of their social connections. Networks, interactions, relationships, friendships, families, high quality of product or service, value enhancement, community involvements and serving others: these are founded on 'connected' values such as trust, empathy, commitment, and loyalty (Lane, 2000a, b; Layard, 2005; Schwartz, 2005; Holmes, 2005; Peters, 1999; Smith, 2004; Vargo

& Lusch, 2004; Varey, 2002; Baron et al., 2010). The relative differences in the purposes of the businesses can simplistically be illustrated as in Figure 18.1 below. While no firm lives at either end of this conceptual framework, many lean in one direction or the other to a greater or lesser extent – for rational reasons.

We suggest that the underlying purpose of marketing (exchange-directed action) defines the form that the 'value added' to the firm takes. If establishing and maintaining networks and relationships, as with SMEs, is important, then the persuasion is at least more, shall we say, 'tempered' by a will to remain connected. Those who understand themselves as separate, and therefore by definition more anonymous or, rather, 'less connected', experience this to a lesser extent. In the former case, an infinite game perpetuates, whereas in the latter case, winning is the primary outcome goal (Collins & Murphy, 2010). This is to be seen in the collaborative aspirations of Relationship Marketing (Varey, 2002; Baron et al., 2010).

The two extreme cases offer the chance to describe differences from the 'traditional' view of how marketing adds value in commerce. Traditional in the sense that it is embedded in the notion that members of the society are separate individual utility maximizers whose only common purpose in pooling funds for the creation of a business is to increase their wealth so that they, in turn, can use that wealth to increase their personal utility. To the extent that we as a society continue to accept that more goods and services create more wealth and that through wealth accumulation individual utility is maximized, then marketers will remain stuck as they currently are. They will continue to 'infect' (or 'spread memes' to) people with the 'belief' in the value of their goods and services. The value added in this type of environment comes from the ability to ensure that the difference between revenue and costs is maximized (i.e. it is extractive and transactional). The connecting skills of the marketers are, in a sense, only a means to an end. They spread the memes of their product. which lead to profits for the firm. They are not an end in themselves.

Large businessess Maximized shareholder wealth Separated		Small businesses Satisfaction Connected
	⟷	

Figure 18.1   Business scale

Source: Modified from Vos and Barker (2007).

Yet consider a world where Corporate Social Responsibility and Small & Medium-sized Enterprise values (small-scale, closeness, connection) are spreading. Consider the science of happiness which shows that enhanced levels of satisfaction, or happiness, are not related (beyond a point) to increasing levels of wealth (and purchasing power and consumption) (Durning, 1992; Lane, 2000a; Wachtel, 1989; Jackson, 2009). Happiness, according to the sociobiological (evolutionary psychology) understanding, is a state of joy that celebrates fitness enhancement, the success in projecting memes into future generations (Barash, 1981). Happiness is an expression of the 'true' essence of the individual. In a world where the quality and depth of our relationships with each other gains in relative importance, how would the marketing function add value through online connections? Of course, the status quo value-added justifications (set out earlier) will continue as long as the shareholder-wealth-driven motivations exist from the firm's perspective. But should consumers' memeplexes ('current mental understanding' of reality) evolve to increasingly place happiness – which is a by-product of acting as if we are all connected – higher on their list of satisfaction providers than money, an additional marketing purpose emerges.

With this trend we observe increased market fragmentation to be 'local' and (has already become!) a 'valued added' marketing motivation. This is just another example of a 'connected value' (or, a generic type of meme). If we can successfully identify the path toward happiness (which is itself a meme) – and the emerging science of happiness already has much to say on this subject, while it now seems that e-social networking is unfulfiling – then it seems logical that consumers will, for their part, seek to 'value' authentic connections, since honouring and working on connected relationships is now accepted as a common denominator amongst those who are happy (Diener & Seligman, 2004, Layard, 2005; Schumaker, 2006). The 'science of idea propagation' would increasingly use skills to 'sell' (that is to say, enhance the value of) ideas which, shall we say, have been 'scientifically tested' to matter to us as human beings. Recall, then, that the current 'tribe' of connected values experts are the marketers. They are skilled at persuading people to be 'infected' by memes. Their core skill is 'connecting'. And if 'connecting' brings happiness, and if consumers want more happiness, then providing 'connections' is a value-creating activity of the firm. As already discussed, this growing demand is currently manifest in the rapidly developing interest in social media for sharing and participation.

The societal issue is not to celebrate freedom from social constraints, but to re-establish communal embeddness (Cova & Cova, 2002):

'community serves a metaphor for those bonds among individuals that the market is eroding' (Bounds, 1997, p. 2). Thus, a different purpose for marketing is the re-socialization of individuals, enabled and supported by interaction technologies. Marketing supports/serves a community as part of the firm's extended self – part of it: 'the company is not only a simple economic actor adapting to the market, but a social actor relating to the societal context' (Badot et al., 1993, p. 51). The societal sphere and market sphere are not separate – the market (obviously) operates within society, so is not solely economic but also inherently social.

If one were now to model the 'sustainably happy human being' as the ultimate desirable outcome, the question becomes is this a business model that works? In other words: can placing the 'sustainable happy human beings' purpose ahead of the 'shareholder wealth maximisation' purpose be itself a sustainable business model? We would like to argue that this is possible. If humans desire 'happiness', but are only offered 'stuff' (goods and services) or information (websites), then their mind space is full of options which are limited to choosing among 'stuff'. But if one were to tap into underlying human desires for connectedness and, dare we say, love then it becomes possible to appeal to a mind space of human-driven demand for service and goods rather than market-driven supply.

Marketing as connecting, then, becomes a key to our future sustainability. If marketing is about understanding the evolution of our mind space, it is a useful tool. If this tool is only used to sell war, peace, travel, movies, cars, lifestyles, and so on, then it will surely take people in those directions. If, too, marketers first understand what could ensure sustainable happiness and then go about transforming mind spaces in that direction, the lifeworld becomes a more sustainable habitat of well-being. Marketing is then a form of memetic management useful to value co-creating actors in persuading others to act in one's interest by acting in their own interest.

A virtuous cycle?

With increasing 'value' placed on connected ('we together') values, much can be said about the implications for the marketing function, and this discussion is not intended to be exhaustive. Some observations are very interesting, however. There is potential for a virtuous cycle to emerge. Given increasing consumer-led demand for connectivity (or connection?), firms – even shareholder wealth-driven firms – will better succeed (or find a market niche) when they provide, shall we say,

'honest connectivity' (i.e., scientifically tested, and ethically motivated), as opposed to 'promises, but no relationships' or goods and services stripped of connected values, as are found on the Internet. Relationship Marketing, now prominent in the field and premised on values of trust, empathy, and commitment for the purpose of value creation transcending a narrow focus on value exchange episodes, is characterized by connection and bilateral meme transmission in the form of committed memeplex manipulation.

The science of idea propagation (i.e. immaterial cultural and social resources applied in the marketing function) should observe that marketers' memetic transmission skills are not only the core of their professional skill base, but are also the skills, when adapted to understandings from the science of happiness, which people seek and place increasing value in. For example, the ability to propagate memes in the minds of people for the purpose of selling products is already well studied. It is but a small step to actually 'market' (sell, attach to existing products, ...) the skill base itself since consumers will treasure becoming more highly skilled at connecting.

Marketing has evolved and holds the core skill set which people value – the ability to 'connect', to socially integrate (Holmes, 2005; Kirby & Marsden, 2005; Mulgan, 1997; Jenkins, 2006). Thus the ability to both manufacture and promote (market) a 'value added' component of the firm rests in the marketers. Surely they would see an opportunity to contribute and grow given that it holds both the raw materials and the distribution abilities. This appears to have the potential of a virtuous cycle of growth for marketers as they work to spread happiness by facilitating social ways to integrate and reunify individuals. The rise of the so-called 'experience economy' is testament to this (Pine & Gilmore, 1999; Schmitt, 2003). The 'support economy' has been proposed to explain an emerging alternative enterprise logic that is not extractive and adversarial, and based on advocacy and the realization of relationship value (Zuboff & Maxmin, 2002).

Memeplexes containing higher levels of connectivity content enhance our utility functions and, therefore, make us happier. Marketing, when seen as 'connecting', goes directly to the ultimate (but not only) source of happiness, since connecting itself (the ability to spread memes) is the core function of marketing. Sustainability is a by-product of the spread of happiness since 'serving and thinking about others' not 'serving ones-self' is required (Vos and Barker, 2007). Marketing, therefore, can play a crucial large-scale role in reversing the loss of interdependence and social capital that undermines contentment, and thus quality of

life experience (Jacobs, 2004; Putnam, 2001; Putnam, 2004; Hamilton, 2008).

Put simply, by spreading happiness or love, sustainability emerges. Yes, it could well be true that 'all you need is love' is the basic principle after all. As he observed the emergence of the commercial society in the 18th Century, moral philosopher Adam Smith saw the inevitability of connection in his sympathy and interdependent relationships. He saw happiness realized through benevolence and generosity. We have come full circle, passing through the individualization and materialization of the industrial revolution and the consequent goods-dominant marketing management fundamentalism, returning to the sense of togetherness, sharing, and service in the pursuit of sustainable happiness. The consumption myth of the 'social logic of consumerism' (Smart, 2010) rationally binds happiness to ownership and control of material resources, including money. Money-making marketing is a form of profiteering, whereas the serving form of marketing profits both demander and supplier by enhancing value. Happiness comes from living a valued life by helping others (not *just* people), and connecting closely with others. For the past century, the 'be happy' meme has been stronger than the 'make others happy' meme. John Lennon is quoted as saying: 'When I was 5 years old, my mother always told me that happiness was the key to life. When I went to school, they asked me what I wanted to be when I grew up. I wrote down "happy". They told me I didn't understand the assignment, and I told them that they didn't understand life'. The Internet and social networks do a wonderful job of spreading information, but it increasingly seems that they do not enhance happiness. On the pathway to a sustainable society, connecting is the primary concept (SANZ, 2009), and service/ support is the primary logic when marketing is connecting. Marketing as connecting is an essential aspect of the emerging trend towards social business (Varey, 2010, 2011) that fulfils human needs and makes the world better to live in.

Notes

This discussion is a revision of an article originally published in Social Business (Voss, E., & Varey, R. J. (2013) Marketing as Connecting: The Ultimate Source of Happiness and Sustainable Well-Being. *Social Business, 2*(4), 363–372) with kind permission of Westburn Publishers Limited, Helensburgh, Scotland.

1. We choose the term "propagate" in recognition of the origins of professional marketing practices in missionary-style propaganda (Applbaum, Kalman

(2004), The Marketing Era: From Professional Practice to Global Provisioning. London: Routledge.), and for its evocative ecology analogy, suggesting nourishment, nurture, system, growth, etc. The overly popular monological use of the terms "transmit" and "transfer" miss the point that memes are reproduced through imitation, there is no relocation of any thing, and that the acceptance of propaganda is in the control of the individual apprehender. We imply copying and replication in our use of 'transmission', consistent with memetics.

References

Applbaum, Kalman (2004) *The Marketing Era: From Professional Practice to Global Provisioning*. London: Routledge.

Barash, David (1981) *Sociobiology: The Whisperings Within*. London: Fontana/Collins.

Badot, Olivier, Ampelio Bucci, & Bernard Cova (1993) Societing: Managerial Responses to European Aestheticization. *European Management Journal* (Special Issue EAP 20th Anniversary), 48–56.

Baron, S., Conway, T., & Warnaby, G. (2010) *Relationship Marketing: A Consumer Experience Approach*. London: Sage Publications.

Blackmore, Susan (1999) *The Meme Machine*. Oxford: Oxford University Press.

Bounds, E. M. (1997) *Coming Together – Coming Apart: Religion, Community and Modernity*. New York: Routledge.

Brodie, Richard (1996) *Virus of the Mind: The New Science of the Meme*. Seattle, WA.: Integral.

Collins, N., & Murphy, J. (2010) Playing the Infinite Game: Marketing in the Post-Industrial Economy. *Journal of Customer Behaviour*, *9*(4), 345–355.

Cova, B., & Cova, V. (2002) Tribal Marketing: The Tribalisation of Society and Its Impact on the Conduct of Marketing. *European Journal of Marketing, 36*(5/6), 595–620.

Dawkins, Richard (1976) *The Selfish Gene*. Oxford: Oxford University Press.

Diener, E. & Seligman, M. E. P. (2004) Beyond Money: Toward an Economy of Well-being. *Psychological Science in the Public Interest*, *5*(1), 1–31.

Durning, Alan Thein (1992) *How Much is Enough? The Consumer Society and the Future of the Earth*. New York: W W Norton/WorldWatch Institute.

Frank, Robert H. (2000) *Luxury Fever: Money and Happiness in an Era of Excess*. Princeton, NJ.: Princeton University Press.

Frey, Bruno S., & Alois Stutzer (2001) *Happiness and Economics: How the Economy and Institutions Affect Human Well-Being.* Princeton, NJ.: Princeton University Press.

Godin, S., & Gladwell, M. (2001) *Unleashing the Ideavirus*. New York: Hyperion.

Goldsmith, R. (2002) *Viral Marketing: Get Your Audience to Do Your Marketing for You*. London: FT Books.

Hamilton, C. (2008) *Freedom Paradox: Towards a Post-secular Ethics*. Crows Nest NSW: Allen & Unwin.

Holmes, David (2005) *Communication Theory: Media, Technology and Society*. London: Sage Publications.

Jackson, Tim (2009) *Prosperity Without Growth? The Transition to a Sustainable Economy*. London: Sustainable Development Commission.

Jacobs, Jane (2004) *Dark Age Ahead*. New York: Random House.

Jenkins, H. (2006) *Convergence Culture: Where Old and New Media Collide*. New York: New York University Press.

Jong, D. (1999) Survival of the institutionally fittest concepts. *Journal of Memetics – Evolutionary Models of Information Transmission, 3*(1), 5–25.

Kirby, Justin, & Paul Marsden (Eds) (2005) *Connected Marketing: The Viral, Buzz and Word of Mouth Revolution*. Oxford: Butterworth-Heinnemann.

Kuratko, D. F., Hornsby, J. S., & Naffziger, D. W. (1997) An Examination of Owner's Goals in Sustaining Entrepreneurship. *Journal of Small Business Management, 35*(1), 24–32.

Lane, Robert E. (2000a) *The Loss of Happiness in Market Democracies*. New Haven, CT.: Yale University Press.

Lane, Robert E. (2000b) Pain and Loneliness in a Consumers' Paradise. In *The Loss of Happiness in Market Democracies*. New Haven, CT.: Yale University Press.

Layard, Richard (2005) *Happiness: Lessons from a New Science*. London: Penguin Press.

Losse, K. (2012). *The Boy Kings: A Journey into the Heart of the Social Network*. New York: The Free Press.

Lusch, Robert F., & Stephen L. Vargo (Eds) (2006) *The Service-Dominant Logic of Marketing: Dialog, Debate, and Directions*. Armonk, NY.: M E Sharpe.

McMahon, Darrin M. (2005) *The Pursuit of Happiness: A History from the Greeks to the Present*. London: Penguin/Allen Lane.

Meerman Scott, D. (2011) *The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly,* 3rd edn. New York: Wiley.

Mulgan, G. (1997) *Connexity: How to Live in a Connected World*. London: Chatto & Windus.

Peters, J. D. (1999) *Speaking into the Air: A History of the Idea of Communication*. Chicago, IL.: University of Chicago Press.

Pine, B. J., & Gilmore, J. H. (1999) *The Experience Economy: Work is Theatre & Every Business a Stage*. Boston, MA.: Harvard Business School Press.

Putnam, Robert D .(2001) *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon & Schuster.

Putnam, Robert D. (Ed.) (2004) *Democracies in Flux: The Evolution of Social Capital in Contemporary Society.* New York: Oxford University Press.

Rushkoff, D. (1996) *Media Virus!: Hidden Agendas in Popular Culture*. New York: Ballantine.

SANZ (2009) *Strong Sustainability for New Zealand: Principles and Scenarios*. Auckland: Sustainable Aotearoa New Zealand.

Schmitt, Bernd H. (2003) *Customer Experience Management: A Revolutionary Approach to Connecting with Your Customers*. New York: John Wiley & Sons.

Schumaker, John F. (2006) *In Search of Happiness: Understanding an Endangered State of Mind*. Auckland: Penguin NZ.

Schwartz, Barry (2005) *The Paradox of Choice: Why More Is Less*. New York: Harper Perennial.

Seligman, Martin E. P. (2002) *Authentic Happiness: Using the New Positive Psychology to Realize Your Potential for Lasting Fulfillment*. New York: The Free Press.

Smart, B. (2010) *Consumer Society: Critical Issues and Environmental Consequences*. London: Sage Publications.

Smith, Douglas K. (2004) *On Value and Values: Managing Ourselves in a Fragmented World – Thinking Differently About We in the Age of Me*. Upper Saddle River, NJ.: FT Prentice Hall.

Turkle, S. (2011) *Alone Together: Why We Expect More From Technology and Less from Each Other*. New York: Basic Books.

Varey, R. J. (2002) *Relationship Marketing: Dialogue and Networks in the E-Commerce Era*. Chichester: John Wiley & Sons.

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing, 30*(2), 112–126.

Varey, R. J. (2011) A Sustainable Society Logic for Marketing. *Social Business*, *1*(1), 1–15

Vargo, Stephen L., & Robert F. Lusch (2004) Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, *68*, 1–17.

Vickers, Geoffrey (1965) *The Art of Judgment: A Study of Policy Making*. London: Chapman & Hall.

Vickers, Geoffrey (1968) *Value Systems and Social Process*. London: Tavistock Publications.

Vos, Ed, Andy Yeh, Sara Carter, & Stephen Tagg (2007). The Happy Story of Small Business Financing. *Journal of Banking and Finance, 31*(9), 2648–2672.

Vos, Ed, & James Barker (2007) Wealth Maximization, Self-realization, and the Spiritually Sustainable Enterprise. *Journal of Management, Spirituality and Religion*, *4*(3), 355–383.

Wachtel, Paul L. (1989) *The Poverty of Affluence: A Psychological Portrait of the American Way of Life*. Philadelphia, PA.: New Society Publishers.

Wight, Jonathan B. (2001) *Saving Adam Smith: A Tale of Wealth, Transformation, and Virtue*. London: FT Prentice Hall.

Williams, R. (2000) The Business of Memes: Memetic Possibilities for Marketing and Management. *Management Decision, 38*(4), 272–279.

Wilson, Edward Osborne (1998) *Consilience: The Unity of Knowledge*. New York: Abacus Books/Alfred Knopf.

Wu, Yufan, & Barry Ardley (2007) Brand Strategy and Evolution: Welcome to the World of the Meme. *The Marketing Review*, *7*(3), 301–310

Zuboff, S., & Maxmin, J. (2002) *The Support Economy: Why Corporations are Failing Individuals and the Next Episode of Capitalism*. New York: Viking Books/Penguin Books.

19
Social Business – Everybody's Business

Michael J. Baker

An invitation to contribute a chapter to an edited collection is always welcome as an opportunity to promote one's own perspective and interests. However, in doing so, it is important that one does not stray too far from the Editors' intention and the theme that they wish to address and illuminate. In common with many other ideas that enjoy widespread currency, 'humanism' is a complex concept covered by a wide variety of definitions and explanations, from which it follows that one would be well advised to ask the Editor which is their preferred approach when preparing one's own offering. As editor, Richard Varey indicated that, ultimately, any perspective and point of view would emerge from a synthesis of the materials submitted. However, for the purposes of my own contribution he suggested that 'my "Well-being Marketing" operates on humanistic principles, primarily dignity and human flourishing. Business is the careful use of resources to accomplish a better quality of life for all – by fulfilling basic needs – that is rewarded with profit for effective and efficient provisioning within limits'. In advocating what I refer to as Social Business I will attempt to follow these guidelines and in this chapter seek to identify some of the distinctive features of social business, why it is important, and current thinking about its effective implementation.

Business and human welfare

Few, if any, would argue with the proposition that the evolution of civilization as we know it today is inextricably linked to the development and growth of commerce and trade – 'business'. While some might advocate the attractions of self-sufficiency, it is evident that task specialization and exchange are a major factor in increasing productivity, well-being, and the quality of life. Such an exchange is the essence of 'business'.

Prima facie then 'business' is a force for good. But, like most things, this is not the same as saying that all business is good. It is clear that, while it may yield enormous benefits, business may also have negative effects and it is this potential that has led to the current interest in social business. In itself, this is not new – indeed it is a recurring theme in history and the teachings of all the world's great religions. However, as the pendulum swings, recognition of the need to achieve a sustainable and equitable equilibrium has become particularly strong and it may be that we have reached a 'tipping point' when decisive action needs to be taken to achieve this.

In the opinion of many commentators what is required is 'social business' with an emphasis on improving the well-being of society in general that goes beyond the narrow interests of transactional exchanges that are the primary focus of marketing and commercial exchange. In other words, a kind of business that meets the criteria of Varey's 'well-being marketing' (Varey, 2010, 2011, 2012, 2013). But, as we shall see, there are significant differences of opinion between advocates of social business as to its features and distinguishing characteristics.

Social business

Current interest in social business was prompted by Nobel Laureate Mohammed Yunus who defined it as follows:

> The social business is a business whose purpose is to address and solve social problems, not to make money for its investors. It is a non-loss non-dividend company. The investor can recoup his investment capital, but beyond that no profit is to be taken out as dividends by the investors. These profits remain with the company and are used to expand its outreach, to improve the quality of the product or service it provides, and to design methods to bring down the cost of the product or service. If the efficiency, the competitiveness, and the dynamism of the business world can be harnessed to deal with specific social problems, the world will be a much better place. ('Social business for a new global economic architecture', Adam Smith lecture delivered at Glasgow University 1 December 2008 by Muhammed Yunus of the Grameen Bank).

In his recent book, *Building Social Business* (2010), Yunus' vision for a new dimension for capitalism is seen as an approach for 'harnessing the energy of profit-making to the objective of fulfilling human needs', and

creating 'self-supporting, viable commercial enterprises that generate economic growth even as they produce goods and services that make the world a better place. It works because social business targets business opportunities neglected by traditional profit-maximizing companies and invests any profits not in rewarding shareholders but in extending the ambition of the business. It is, in this way, not-for-shareholder capitalism. I.e. your investment is returned and does not confer continuing "property" rights'.

In my view the weakness of this noble and altruistic aspiration is that it is unlikely to address, let alone solve, the problem. Philanthropy and charitable giving by individuals, and by the governments of affluent economies on behalf of their citizens – in the form of aid, are significant but have failed to make a major impact. In this case repayment of the donation or 'capital' is not looked for but it is reasonable to assume that, as a basic minimum, the owners of any other capital available for investment will require that it maintain its purchasing power. Under the Yunus model, this needs to be built into the notion of recouping one's investment capital, i.e. profit needs to be earned and set aside for this purpose. While a guarantee of such repayment would be attractive to many small savers (and much better than the return that most of them are receiving in 2013!), given the risks involved in the provision of microfinance other investments such as government bonds would be likely to be more attractive. Understandably, if the saver/investor is to risk a loss of value then it is likely that they would seek not only capital growth, to keep pace with inflation, but a higher return in the form of such growth and/or the payment of dividends. Directly or indirectly this potential is offered by commercial organizations that offer such returns.

Realistically, therefore, the way ahead must lie in channelling savings and capital through commercial organizations dedicated to earning returns in excess of their outlays in highly competitive markets. This view is reinforced by a comment made by Jonathan Foreman in the Sunday Times (3/3/2013) to the effect that, while microfinance was seen as a panacea with universal application that would make good the shortfall in investment in underdeveloped economies, it has proven to be a methodology that works only in certain cultures. This observation was contained in an article drawing attention to the fact that charitable giving and foreign aid were not being applied to the objectives for which it was provided. In turn this failing was largely due to an absence of control, accountability and governance. All of these feature strongly in business models, as survival alone depends on

earning surpluses on the capital employed, which lends weight to the argument that profitable commercial businesses offer the best solution to meeting the unsatisfied needs of disadvantaged people living at or below the poverty line.

It seems clear to me that if progress is to be made it requires the active involvement of major organizations and especially those involved with what is seen as 'big business'. As Matthew Bishop and Michael Green made clear in an Opinion piece in *The Times* (14/02/11) the UK Prime Minister's flagship policy for a Big Society will founder if it doesn't get capitalist talent on board. As they observed 'Rather than bashing business (or exhorting executives to volunteer to fish shopping trolleys out of canals), the Big Society should be an opportunity to harness capitalism to make Britain a better place.'

This point of view is strongly reinforced in a statement made by Roger Carr who is President of the British CBI (Confederation of British Industry) and chair of Centrica which is the largest energy company operating in the UK. In his statement Sir Roger said: 'In energy, we are committed – legally and philosophically – to carbon reduction, both in the way we generate power and the way we encourage efficient consumption.

Sustainability, through carbon reduction, is an important objective for humanity, but not without cost. On the one hand nuclear, wind and biofuels are a solution to one set of problems. But they bring with them the challenges of affordability and, to some, desirability.

All industries are wrestling with similar challenges as we seek to balance the pursuit of prosperity in our economic world with desire for a healthy and long lasting planet. The challenges for business are not simply environmental, but also about the need for an overriding commitment to responsible capitalism. It is clear that, unless we sustain business as a force for good in society, we will lose the glue that binds people with the wealth-creating bedrock on which society depends.

All businesses are increasingly judged not just on how much money they make, but how they make money; business behaviours and business performance are increasingly inseparable. In the last 12 months, malpractice in the media and the disreputable activities of the banks has continued to poison the general public's view of business – and particularly big business. We have seen how quickly reputations can be lost. Bad behaviour must be stamped out by self-discipline in our boardrooms, not only to avoid the onerous burden of further red tape and damaging taxation through government intervention, but also so that we can attract diverse, talented people into our organizations.

Sustainability, transparency and accountability are increasingly issues on which we will all be judged, especially by younger people. If business is not viewed as a desirable destination for the talented and ambitious we will see our youth drift elsewhere and our competitive edge eroded beyond repair.

In business strong governance and great performance must go hand in hand if we are to prosper as a society and be valued in our communities. And business leaders must determine and implement the standards that are right for their businesses and appropriate to the times in which they live. They must visibly earn rewards through exceptional achievement, not simply by daily attendance. High standards must also be maintained in private so that there is no embarrassment in public.

Above all, the cultures created, the behaviours displayed, and the standards adopted, must demonstrate – every day – that doing the right thing is the right thing to do in business.'

Capitalism and social business

No doubt critics of big business will comment 'Well, he would say that wouldn't he?' To do so would be to miss the point that the governance and direction of major commercial organizations is the responsibility of its chief executive acting on the advice of a board of non-executive and executive directors. It is this group of persons that set the organizational culture and exercise leadership in determining how the institution implements that culture through its operations. It is for this reason that most members of the general public in the USA and Europe, and certainly those who are shareholders, are so unforgiving in their opinion of many business leaders in the financial services sector. Not only are these people modelled on Gordon Gecko and motivated by extreme greed, they seem to be singularly unaware of their possible responsibility to anyone other than themselves. But, not all CEOs are cast in this mould as is clearly evident in the Breakthrough Capitalism report published by Volans.

The *Breakthrough* report summarizes the findings from interviews with 120 thought leaders on what business can and must do to help fix the systems upon which society depends. Based on these interviews three scenarios are identified. The first, Breakdown, paints a bleak scenario where a lack of understanding and resistance to change frustrate efforts to address the challenges of climate change, resource crunches and population growth. The second, Change as Usual, consists of earnest efforts to patch up the existing, dysfunctional system, while the third, Breakthrough, envisages a scenario where 'innovators, entrepreneurs,

intrapreneurs, investors and policymakers dare to create ventures with ambitious targets and then, over time, drive them to change the market and political systems within which they operate'.

The report distinguishes four criteria required of initiatives to achieve Breakthrough outcomes, namely: they should be *Future-ready, Ambitious, Fair*, and *Disruptive*. Acknowledging that a number of iconic CEOs and other business leaders have already committed themselves to social business, the question remains as to how one engages the Global C-suite members of the thousand or so companies that control half of the world market capitalization?

In an article entitled 'Top 1000 Companies Wield Power Reserved for Nations' (*Bloomberg,* September 11, 2012) it was stated that: 'Globalisation has concentrated economic power within a group of large companies who are now able to change the world at a scale historically reserved for nations. Just 1000 businesses are responsible for half of the total market value of the world's more than 60,000 publicly traded companies. They virtually control the global economy. This vast concentration of influence should be the starting point for any strategy of institutional change toward a sustainable society.'

In 1980 the world's largest 1000 companies earned the equivalent of $6.99 trillion. By 2010 this had risen to $32 trillion, accounted for 49 per cent of the total world market and responsible for the employment of 67 million people directly. The authors, Robert Eccles and George Serafeim of the Harvard Business School, continue:

> 'These companies and their supply chains have enormous impact for both good and ill on society. They create goods and services for customers, wealth for their shareholders, and jobs for millions of people. They also consume vast amounts of natural resources, pollute the local and global environments at little or no cost, and in some cases limit employee's well-being if wages and working conditions are inadequate. These latter, undesirable practices make our business-as-usual society unsustainable.' It is concluded that: 'Ultimately, creating a sustainable society – one that meets the needs of the present generation without sacrificing those of future generations – requires responsible behaviour by every individual. And it's easier for every individual to change if the institutions that structure our lives and society pave the way'.

As noted earlier many major corporations and their CEOs are already committed to policies based upon corporate social responsibility. Paul Polman, CEO of Unilever, which stopped reporting quarterly profits in 2009, has stated:

…business will have to change. It will have to get off the treadmill of quarterly reporting and operate for the long term. It will have to see itself as part of society, not separate from it. And it will have to recognize that the needs of citizens and communities carry the same weight as the demands of shareholders. We believe that in [the] future this will become the only acceptable model of business. If people feel that the system is unjust and does not work for them, they will rebel against it. And if we continue to consume key inputs like water, food, land and energy without thought as to their long-term sustainability, then none of us will prosper. (Unilever website)

Of course, Unilever is not alone among the world's great business corporations in recognizing its social responsibility, but the important question is how successful have these businesses been in delivering on their expressed commitment to the welfare of all of their stakeholders? An answer is to be found in the latest 'scorecard' published by Oxfam. This assesses publicly available information, scores and ranks the 'Big 10' food companies on their policies and commitments in sourcing agricultural commodities from developing countries. Nestlé ranks first, with a score

BEHIND THE BRANDS: FOOD COMPANIES SCORECARD

● 8 - 10 Good ● 6 - 7 Fair ● 4 - 5 Some progress ● 2 - 3 Poor ● 0 - 1 Very poor

Rank	Company	Score	Land	Women	Farmers	Workers	Climate	Transparency	Water	Total
1	Nestlé	54%	3	4	5	6	6	7	7	38/70
2	Unilever	49%	3	2	7	6	5	5	6	34/70
3	Coca-Cola	41%	1	5	3	6	5	5	4	29/70
4	PEPSICO	31%	2	2	3	3	3	4	5	22/70
5	MARS	30%	1	1	5	4	3	5	2	21/70
=6	Danone	29%	1	1	1	3	3	6	5	20/70
=6	Mondelez	29%	1	2	4	4	3	4	2	20/70
=8	General Mills	23%	1	2	1	3	2	2	5	16/70
=8	Kellogg's	23%	1	2	1	2	2	4	4	16/70
10	Associated British Foods plc	19%	1	1	2	3	1	3	2	13/70

Figure 19.1 Oxfam website

Source: http://oxfam.org/en/grow/campaigns/behind-brands.

of 54 per cent against seven criteria, whilst Associated British Foods plc is tenth, with just 19 per cent.

Clearly there is a long way to go, but given the scale of the challenge harnessing the power of capitalism would seem to offer an earlier solution than initiatives such as microfinance and social enterprise, important as they may be.

Why capitalism?

In essence, capitalism would seem to be a mechanism for utilizing the potential of stored value (wealth) to create greater wealth by combining it with land (physical resources) and labour, especially when the productivity of labour can be enhanced by task specialization and 'division' (job simplification). And, as Reisman (1990) has claimed, it is the division of labour that frees the individual to sell their work in return for wages which they can then use to satisfy their consumption needs – a market economy, 'free' in the sense that it is the individual who can decide what combination of goods and services will offer the greatest satisfaction to them in return for their disposable income. It follows that if 'maximising satisfaction through the utilization of scarce resources' is the overall objective of economic activity, then this will be achieved by aggregating the sum of every individual's expenditure as this reflects their free choice of what gives them satisfaction.

Originally, Adam Smith's 18th Century conceptualization of free markets and the invisible hand was founded on the prevailing conditions of monopolistic competition: many small firms compete with one another in selling similar but not identical products. By offering differentiated product/service alternatives, suppliers create choice so that buyers may select the alternative that best satisfies their needs. This confers a limited monopoly for the seller in respect of those buyers who prefer their offering and are loyal to it, but does not allow the seller to exercise control over demand for the product category as a whole.

As a consequence of scale and experience effects some organizations will reduce their costs and can use their enhanced profitability to offer lower prices and/or increase the value of their product offering. This leads to industrial concentration and the accumulation of market power in the hands of one or a small number of suppliers, who may then use this to the disadvantage of their customers. It is this development of 'managed capitalism' that induces the state to introduce regulations, thereby restoring the balance of power between suppliers and their customers.

Achieving equilibrium is a notoriously difficult task and frequently leads to an over-correction. In terms of capitalism this resulted in the

re-marketization policies favoured by President Regan in the USA and Prime Minister Thatcher in the UK. These, together with the removal of regulations that were seen to be stifling innovation, productivity and economic growth, were intended to stimulate a stagnant economy. Ultimately, it was this relaxation that permitted the greed of the financial institutions to exploit both the greed and gullibility of the public and gave rise to the present recession.

It would seem, therefore, that the real issue is not about the principle of using capital to fund increased wealth creation, it is about the distribution and uses to which this increased wealth is put. In a powerful, albeit polemical, critique of the ways in which the American financial sector distorted the classical economist's vision of a 'free market', Michael Hudson argues forcefully for a return to this original idealistic conceptualization, that was clearly aligned to the current vision of social business.

In the 'Language of Looting' (2009) Hudson asserts that the original concept of a 'free market,' envisaged by classical political economists such as Adam Smith, John Stuart Mill, and Karl Marx, 'has been turned into the language of deception to help the financial sector mobilize government power to support its own special privileges'. He continues:

> Today's clash of civilization is not really with the Orient; it is with our own past, with the Enlightenment itself and its evolution into classical political economy and Progressive Era social reforms aimed at freeing society from the surviving trammels of European feudalism. What we are seeing is propaganda designed to deceive, to distract attention from economic reality so as to promote the property and financial interests from whose predatory grasp classical economists set out to free the world. What is being attempted is nothing less than an attempt to destroy the intellectual and moral edifice of what took Western civilization eight centuries to develop, from the 12th century Schoolmen discussing Just Price through 19th and 20th century classical economic value theory.

In other words, the modern neo-liberal's concept of 'free markets' is the antithesis of that originally intended. This conceptualization, explains Hudson:

> recognized that free markets required government oversight to prevent monopoly pricing and other charges levied by special privilege. By contrast, today's neoliberal ideologues are public relations advocates for vested interests to depict a 'free market' as one free of

> government regulation, 'free' of anti-trust protection, and even of protection against fraud, as evidenced by the SEC's refusal to move against Madoff, Enron, Citibank *et al*.

So, instead of creating a truly free market by reducing regulation, the government has created conditions under which 'the predatory property and financial systems inherited from feudalism' have been able to return.

Whether governments have done enough to redress the imbalance remains a contentious issue, but there is compelling evidence that boardroom attitudes have undergone a significant re-appraisal. Writing in the *Harvard Business Review* (2011), Dominic Barton, Global Managing Director of consultants McKinsey and Co., reports on his findings from interviews with over 400 international business leaders and policy-makers.

Based on his interviews, Barton believes that, despite criticisms of capitalism it remains the 'greatest engine of prosperity ever devised'. But, there needs to be radical change if the 'social contract between the capitalist system and the citizenry' is to survive. For this to occur there has to be a shift away from the tyranny of the quarterly report – what he calls 'quarterly capitalism' – to 'long-term capitalism', with a time horizon between five and seven years. To achieve this there will need to be more than just a next-generation view; it will require a fundamental change in the ways in which 'we govern, manage, and lead corporations,' accompanied by a change in the way in which the value of business is assessed, together with its role in society. To do so will involve three essential changes:

> First, business and finance must jettison their short-term orientation and revamp incentives and structures in order to focus their organizations on the long-term. Second, executives must infuse their organizations with the perspective that serving the interests of all major stakeholders – employees, suppliers, customers, creditors, communities, the environment – is not at odds with the goal of maximizing corporate value; on the contrary, it's essential to achieving that goal. Third, public companies must cure the ills stemming from dispersed and disengaged ownership by bolstering boards' ability to govern like owners.

Like Hudson, Barton affirms strongly that Adam Smith's interpretation of capitalism has been seriously distorted from its original

conceptualization, especially in recent decades following the re-marketization of capitalism in the late 1970s and early 1980s.

Barton cites Smith's *Theory of Moral Sentiments* (1759) to affirm that, although Smith recognized self-interest as a primary motivation he also believed that this would be subordinated to the greater good of the greater number – what I have termed 'enlightened self-interest':

> All the members of human society stand in need of each other's assistance, and are likewise exposed to mutual injuries… …. The wise and virtuous man, is at all times willing that his own private interest should be sacrificed to the public interest should circumstances so demand. In other words, all those involved in creating wealth deserve to share the benefits that accrue from their collaboration.

In Barton's view, while the 'Great Recession' of 2008–2009 precipitated recognition of the need for urgent reform, this need had been growing for some considerable time as 'trust in business hit historically low levels more than a decade ago'. He continues 'much of what went awry before and after the crisis stemmed from failures of governance, decision making, and leadership within companies'. And these failings originated with the emphasis on short-term financial returns to the neglect of a consideration of the potential longer-term consequences of such an orientation. This is summarized explicitly in the notion of the 'triple bottom line', which calls for equal attention to be given to social and environmental concerns in parallel with the purely economic measures deriving from business behaviour.

The preoccupation with short-term solutions is not a new one (*Marketing Myopia,* by Ted Levitt, first appeared in 1960 and remains one of the most widely cited analyses of short-termism as the basic cause of corporate failure). However, Barton is of the opinion that possibly the most striking difference between East and West is that business and political leaders adopt a quite different timeframe when making major decisions. Asians typically think of 10 to 15 years ahead, while in the West the stock market's emphasis upon short-term returns has resulted in an undesirable focus upon immediacy, to the neglect of long-term value creation.

Of course, not all Western corporations are guilty of myopia and Barton cites a number of examples (including Intel, Apple, Unilever, Coca-Cola, Ford, Google and IBM) which all have a long-term perspective and, despite fluctuations in their short-term results from time to time, are manifestly successful. Because of this they are less vulnerable

to the fluctuations in share prices occasioned by money managers on short-term contracts whose compensation is directly 'linked to the amount of assets they manage, which typically rises when short-term performance is strong. Not surprisingly, then, money managers focus on such performance – and pass this emphasis along to the companies in which they invest'. To overcome this, the pension, mutual and sovereign wealth funds (together with the insurance companies, which account for roughly 35 per cent of the world's financial assets) must advocate optimizing long-term returns and, probably, should work more closely with the organizations in which they invest on behalf of their own customers.

In developing a long-term strategy Barton argues that, 'The second imperative for renewing capitalism is disseminating the idea that serving stakeholders is essential to maximizing corporate value'. But this is not an argument for serving stakeholders at the expense of shareholders; it is recognition of the fact that mutual or enlightened self-interest is to the benefit of all parties. However, the boards of many public companies are seen as being too fragmented, with the result that insufficient attention is given to long-term value creation and responsible corporate governance of the kind that is more evident in successful family-owned companies, where continuity and succession are given greater importance.

Barton concludes:

> While I remain convinced that capitalism is the economic system best suited to advancing the human condition, I am equally persuaded that it must be renewed, both to deal with the stresses and volatility ahead and to restore business's standing as a force for good, worthy of the public's trust. The deficiencies of the quarterly capitalism of the past few decades were not deficiencies in capitalism itself – just in that particular variant. By rebuilding capitalism for the long term, we can make it stronger, more resilient, more equitable, and better able to deliver sustainable growth the world needs.

Transformational marketing – the way ahead?

Since the articulation of the modern marketing concept around 1950 we have experienced a period of rapid and accelerating change – technological, social, and economic – that has had a major impact on the competitive environment. Simplistically, we may identify these decades as:

1950s Post-war reconstruction
1960s Materialism/consumerism
1970s Newly industrializing countries
1980s Globalization
1990s Emerging economies and sustainability
2000s The Internet and social media.

In response to these changes we have seen a considerable growth of interest in the importance of interaction and networks, giving rise to an emphasis on Relationship Marketing. In turn, this has highlighted the importance of Corporate Social Responsibility and the view that marketing is 'everybody's business', with a consequential focus on internal marketing, while the impact of Communications and Information Technology (ICT), and particularly the Internet, has promoted the view that we are seeing the emergence of a 'New Economy'. Associated with these changes has been a search for a new 'business model' with an accent on value and its creation through the exchange process: in other words, 'social business'.

In parallel with these developments there is a growing recognition that, while marketing has been blamed as a practice that promotes materialism and excessive consumption, potentially it is a discipline that offers the best prospects for encouraging conservation and sustainability. After all, if marketing tools and techniques have the ability to shape attitudes and modify behaviour there is no reason why they cannot be deployed for this purpose by means of what has come to be known as 'transformational marketing'. Simplistically, many see this as just adopting the tools and practices refined by practitioners belonging to the marketing management school of thought; a school which still tends to dominate the marketing curriculum and education. This is a forlorn hope. If marketing is to become 'transformational' much more radical measures are called for. It is also highly unlikely that marketing alone could have the desired effect as any new business model must involve the contributions of other business disciplines.

Different disciplines may have quite different orientations – production, sales, finance, etc. – one of which tends to dominate and drives the organizational culture: 'the way we do things around here'. Given that the implementation of a strategy requires the coordination of inputs from all the business disciplines, which are usually organized into divisions or departments with a disciplinary bias, the distinction between 'interdisciplinary' and 'multidisciplinary' is not trivial. In a multidisciplinary environment each of the different disciplines tends to interpret

the environment and the problems to be solved from the perspective of that discipline and, inevitably, tries to persuade others to 'see it my way'.

By contrast, an interdisciplinary approach seeks to combine potentially different perspectives into a single agreed and coordinated solution which combines and builds upon the contributions of all. This difference is explicit; it makes a distinction between marketing as a philosophy that starts with the customer and attempts to maximize their satisfaction, and marketing as a function that is focused on efficient and effective practice. But, the need to constantly affirm this difference suggests that a more successful approach would be to avoid incorporating 'marketing' into the name of a new business model and settle for something less controversial. As one thing that all the proponents of such a model appear to be agreed upon is that it should be focused on human welfare and well-being, then Social Business appears to strike a balance between the various alternatives and the worthy objective of transformational marketing.

While there are numerous dedicated publications that address aspects of social business, from a disciplinary perspective, in 2010 there appeared to be few if any taking a multidisciplinary approach; it was this that prompted me to launch Social Business in the spring 2011. I invited Professor Ken Peattie, Director of the ESRC Research Centre for Business Relationships, Accountability, Sustainability and Society (BRASS) at Cardiff University, to write a commentary on a paper that he had published in 2001 in *The Marketing Review*.

In his paper 'Towards sustainability: achieving marketing transformation – a retrospective comment' (2011) Peattie had the following to say about the need to rethink marketing if it was to have a transformative effect:

> The notion that our marketing thinking may also be increasingly unsustainable is an idea that has also gained currency from within the mainstream. In his book '*In Search of a New Logic of Marketing*', Christian Grönroos (2007) describes marketing as an area of business thought and practice that has failed to evolve. He feels that a marketing executive time-travelling forward from fifty years ago would fit quite comfortably into a contemporary marketing department, given a little coaching on the technology involved. To Grönroos marketing is in danger of becoming an increasingly costly function whose strategic role and credibility within business is eroding because it has become unable to break out of its existing ways of thinking: "*The productivity*

of marketing cannot be improved within the existing frameworks and struc-
tures. As long as marketing's major responsibility is customer acquisition
and promise-making, the costs of marketing will continue to grow, and its
effectiveness will continue to go down…The development of brand manage-
ment and adopting a branding terminology in marketing is only more of the
same, in some situations making conventional marketing more effective
perhaps, but offering no innovative new avenues for customer management.
Marketing as a discipline is in crisis. And marketing as a business practice
responsible for customer management is losing credibility". (p. 16)

Grönroos proposes an alternative vision of marketing that is centred
around the process of managing relationships with customers, rather
than facilitating exchanges with them. This shifts the focus away from
the marketing of products to customers, and instead emphasizes the
need to deliver value to customers. What is particularly interesting is
the extent to which Grönroos' analysis of the shortcomings of conven-
tional marketing, from a relationship management perspective, fits
with critiques of conventional marketing from a socio-environmental
perspective. This perhaps provides a clue as to how the transformation
to sustainability-based marketing might be achieved in both practice
and scholarship. In the book '*Sustainability Marketing: Meeting the Green
Challenge*' (Belz & Peattie, 2009) the authors proposed that the evolu-
tion from the managerialist '*modern marketing*' that has dominated the
mainstream for the past 50 years, can be achieved by integrating two
emerging schools of thought: firstly, transition from transactions to a
relationships perspective (Vargo & Lusch, 2004); secondly, increase the
scope of marketing from a narrow and short-term focus on the wants of
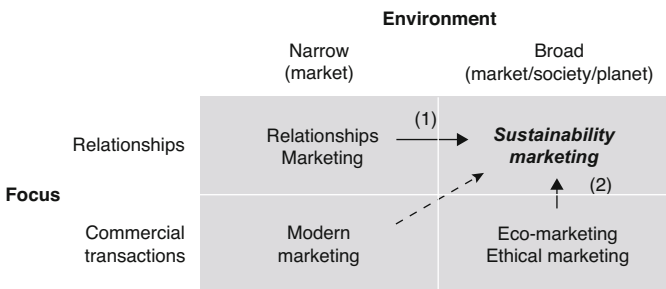
Figure 19.2   The emergence of sustainability marketing
Source: Belz and Peattie (2009, p. 18).

current consumers to a much broader consideration of stakeholders that includes non-consumers, the environment and future generations of consumers. The result would be marketing based on relationships while delivering sustainable value to consumers and society.

If that integration can be achieved, then the prospects for achieving a transformation in our marketing practices and thinking, and in the sustainability of our production and consumption systems, will be much improved. To do it, we will need more scholars working in these areas, and more channels through which their research can reach an audience and make a difference.

Final comments

In this short chapter I have attempted to spell out the ambitions and objectives of social business and the means of achieving them. This was the basis on which Westburn Publishers launched the journal *Social Business (*full details may be found at www.socialbusinessperiodical.com).

The aim and aspiration of *Social Business* is to provide a medium through which 'business' means of improving well-being and quality of life may be publicised and promoted. We are working to create an interdisciplinary journal which offers the opportunity to integrate and synthesize multiple approaches to the improvement of well-being and human welfare through initiatives and activities associated with the conduct and practice of 'social business'.

Following the Human Development Report, social business is about sustaining positive outcomes over time and combating processes that impoverish people, or underpin oppression and structural injustice. Plural principles, such as equity, sustainability and respect for human rights, are thus key. Essentially then, social business is about allocating scarce resources so as to optimize the return on them in an environmentally sustainable way, always provided that the value of the return exceeds the cost of creating it. Pragmatically, capitalism built on a concept of enlightened self-interest appears to offer the greatest opportunity for success.

Finally, the ambition of *Social Business* is to attract contributions from scholars of any discipline who perceive the opportunity to apply their work to the critical issues facing modern society.

Note

This chapter draws on editorials written for *Social Business*, a journal that publishes work that addresses critical issues facing modern society, and on

Chapter 25, Transformational Marketing. In Baker, M. J. (2013) *Marketing Strategy and Management,* Fifth Edition, Palgrave.

References

Barton, Dominic (2011) Capitalism for the Long Run. *Harvard Business Review, 89*(3) (April), pp. 84–91.

Belz, Frank-Martin, & Peattie, Ken (2009) *Sustainability Marketing: A Global Perspective*. Chichester: John Wiley & Sons.

Carr, R. (2012) A Call for Responsible Capitalism. http://www.guardian.co.uk/ sustainable-business/responsible-capitalism-businesses-reputation, accessed 13 March 2013.

Grönroos, Christian (2007) *In Search of a New Logic of Marketing*. Chichester : John Wiley & Sons.

Hudson, Michael (2009) The Language of Looting. http://www.counterpunch. org/2009/02/23/the-language-of-looting.

Levitt, T. (1960) Marketing Myopia. *Harvard Business Review*, *38*, 45–56.

Mick, David Glen (2006) *Presidential Address*. Association of Consumer Research

Peattie, Ken (2011) Towards sustainability: achieving marketing transformation – a retrospective comment. *Social Business, 2*(92), 129–146.

Reisman, George (1990) *Capitalism*. Laguna Hills, CA. : TJS Books

Smith, Adam (1759) *The Theory of Moral Sentiments*. Republished by Cambridge University Press.

Smith, A. [1776] *The Wealth of Nations,* Skinner, A. (Ed.) (1970), *The Wealth of Nations* by Adam Smith (Harmondsworth: Pelican Books).

Unilever website – CEO Review at http://www.unilever.com/sustainable-living/ ourapproach/messageceo/index.aspx

Varey, R. J. (2010) Marketing Means and Ends for a Sustainable Society: A Welfare Agenda for Transformative Change. *Journal of Macromarketing*, *30*(2) (May 24), 112–126.

Varey, Richard J. (2011) A Sustainable Society Logic for Marketing. *Social Business*, *1*(1), 69–83.

Varey, Richard J. (2012) The Marketing Future Beyond the Limits of Growth. *Journal of Macromarketing*, *32*(4), 421–430.

Varey, Richard J. (2013) Marketing in the Flourishing Society Megatrend. *Journal of Macromarketing*, forthcoming. Vargo, Stephen L., & Lusch, Robert F. (2004) Evolving to a New Dominant Logic of Marketing. *Journal of Marketing*, *68*(1), 1–17.

Volans website – http://www.breakthroughcapitalism.com/ accessed 14 March 2013

Yunus, Muhammad (2010) *Building Social Business*. New York, NY. : Public Affairs

Closing Commentary: Towards Humanistic Marketing?

Richard J. Varey and Michael Pirson

A reading of the diverse chapters of this book produces a 'stock-taking' bricolage or mosaic of thinking that challenges assumptions that have guided marketing for a hundred years. And this is certainly not a linear logical flow from the clear-cut question 'What is humanistic marketing?' to a simple singular resolution in a universal definition. Marketing as if humans matter is founded on, and operates with, civic values beyond efficiency – humane values such as: justice, fairness, dignity, well-being, freedom and equality. Taking the necessarily highly selective body of work presented here as a whole, we envision a humanistic approach that centres on preserving human dignity and moving away from the treatment of people as mere consumers and sources of revenue to recognizing and identifying with the richness of people as flourishing citizens. The core purpose of Humanistic Marketing is increasing authentic well-being (rather than materialistic partial wealth) sustainably for stakeholders, now and in future generations. Such a human-centred economy preserves dignity and increases citizen well-being well beyond the limits of consumption value.

The humanistic call is not a new idea in academic Marketing circles. Indeed, Philip Kotler proposed thinking beyond the marketing concept, and Elizabeth Hirschman promoted a humanistic philosophy, method, and criterion for 'qualitative' marketing research some 30 years ago. The 'quantitative' vs. 'qualitative' tribal warfare continues to this day. Actually, Kotler had written a working paper on a theory of humanistic marketing in 1977 (recently republished in Sage's Marketing Legends series). Despite this continuing contention and debate, however, there is little explicit discussion of humanistic values – of both the observed and the observer – in business and management schools. This 'soft science' is largely left to the humanities in other faculties. Mainstream business

and management education and research doggedly follows the holy grail of 'hard science'.

Some of those willing to understand the subjective sub-culture that is marketing (in which both seller and buyer are 'marketers') have contributed to this collection. A 'big picture' analysis, drawing from our chapter perspectives, may inspire recognition of necessary social principles and practices: business profits from less rather than more harm, and thus is fundamentally a force for good. Collectively, we have considered a plausible future for marketing in a humane society. This raises questions of conscience, future thinking, enoblement, and the role of the scholar and researcher in future-making. Rogene Buccholz (2012) has envisioned that 'extending scientific inquiry to all human affairs would allow the benefit of such inquiry to be realized by the entire society. Science would then contribute to making a better society as a whole and bring about better consequences and not be limited to certain industrial endeavors. Science would thus become humanistic, not just physical and technical, and would be used to contribute to bettering the material conditions of life rather than making a profit for private business organizations'. John Dewey saw science as a tool for creating a 'liberating spiritualization' for controlling the effects of technologies, and we include the technology that is marketing.

In this closing commentary we raise lessons from the range of considerations and discuss the form and role of marketing in servicing well-being. In taking stock here it is unrealistic to claim that a systematic and complete view of humanistic marketing is spelled out, so what we offer are some propositions for practice, policy, and a research agenda for humanistic marketing.

The differing beliefs about the nature of our reality in positivistic science and truly 'social' science provide different understandings of society as a complex of human relationships and a system of interaction. Modernist thought on 'the social' sees marketing as an industrial technology, whereas humanistic thinking recognizes a socially constructed enterprise – not an objective mechanism to be exploited efficiently as a tool for extending our reach in accumulating resources. Humanists see multiple stakeholders, long-term effects and consequences, and non-logical relational commitments which are sentimental and emotional. From the perspective of humans doing things with materials, a holistic 'consumer culture' considers the effect of expenditure (for good or ill) on our life experience. Technology has reduced our understanding to the accelerated and expanded acquisitive actions of 'consumers'.

Complexity is not well understood in the neoclassical social science with the classical science worldview of reductionism, atomism, quantification, determinism, and the assumption of mechanism, in which value is objectified, fixed, and deliverable. The 'new understanding of science', and the American classical philosophical school of thought known as Pragmatism, provide an alternative way to understand the social phenomenon of valuing, and thus value co-creating interactions. Re-thinking science as a holistic, relational philosophy treats ordinary lived experience as a form of knowledge (indeed valuing is a form of knowing), and does not reject scientific knowledge, but crucially accepts morality – value judgments – as essential in human experience. General characteristics of Pragmatism (originated by John Dewey, and others) are emergence, holism, continuity, quality, and indeterminism.

Humanistic marketing re-humanises by retiring the modern marketing ideology of domination, exploitation, unfettered growth, and raising to the fore: quality, truth, intelligence, conversation, and conditional growth. This is a radical movement from the dominant social paradigm of the domination of market-logic over humanity and understanding business as profiting from turning things into consumables. It is a basic rethink of what business is for that necessitates a move beyond knowledge silos and paradigm commitments to form the knowledge communities requisite for solving societal problems among practitioners, policy-makers, political bureaucrats, and change activists.

If we are to put attention to people back into marketing and consumer behaviour we must talk differently: about people buying, selling, profiting, creating value, cheating, robbing, and so on, and not ascribe these motives and actions to institutions, firms, products, etc. Marketers watch your language! Life involves consumption for sure, but we don't live to consume. As citizens we are not consumption fodder for money makers. What ultimately matters is what citizens value and how to obtain enrichment in and out of markets – not what market actors value.

Positive Marketing is an approach that re-emphasizes the tenets of customer orientation, rediscovering the centrality of this role in the market, just as Total Quality Management, Continuous Improvement, Business Process Re-engineering, and Customer Relationship Management and other movements have done previously. These were all developments of business efficiency in assumed abundance and semi-affluence with the goal of making money. At the time of writing this book, however, the realization of finite limits and an eco-consciousness changes the problem to that of effectiveness. Doing good business now means doing business that is good for us. This requires creative and

productive efforts and the extractive zero-sum game won't do for business that is part of society. Societal values come to the fore. The current debate on value co-creation needs to explicitly recognize the underlying values.

Economists celebrate the market as a device for regulating human interaction without acknowledging that their enthusiasm depends on a set of half-truths: that individuals are autonomous, self-interested, and rational calculators with unlimited wants. These foundational assumptions of economics justify a world in which individuals are isolated from one another and social connections are impoverished as people define themselves in terms of how much they can afford to consume (Marglin, 2008). The emerging social ecology and social economics movements would surely be humanistic.

Is marketing to be solely the handmaiden of business and in service to capitalism, or can it have societal power in a system of social enterprise among supportive social businesses? The forces of innovation, entrepreneurship, deliberative decision-making, and connection can enhance well-being, for reward rather than value extraction. Market dysfunction may not be due to inefficiencies, but rather inbuilt in the assumptions of purpose and effects. Behaviour may be intentionally or unintentionally unethical – but it is still unethical. Equally, buying and selling have positive and negative unintended consequences ('side-effects', 'externalities', collateral damage in the lingo of the battlefield). Organized criminals also manage markets, but these are not open to everyone and the corporate psychopath sees customers, employees, and investors as 'lawful prey'. At a time when more of us are asking who is in service to whom and what the market is a tool for, the relational turn seems to be a step towards engaged, committed, and collaborative effort in which there is no 'us' and 'them', and 'we' seek support for enhanced well-being. Thus, marketing can be understood as collective action within limits. It does not assume abundance and the competition of self-interest and minority ownership and the majority in service to the self-proclaimed owners.

How democratic is the market? How can marketing strengthen democracy? In a political economy equal access to resources and well-being is not determined by wealth. Why is business somehow acceptable as other than humane? How does that really make sense? In the industrial focus on making things – machines, money – people disappear in 'the market' aggregation – we attend to doing, instead of being. If marketing is to serve the societal purpose of bringing us together as individuated differentiated selves – for provisioning needs – then we need to wrestle back

humanity from 'consumer-ity' as Nikhilesh Dholakia calls the hyper-modern condition, so that consumption is emotionally the making of meaning in self-extension and community participation, and not the impoverishing busyness of making money.

Philip Kotler's vision was that 'Humanistic marketing is a management philosophy that takes as its central objective the earning of profit through the enhancement of the customer's long-run well-being. It assumes that the customer is active and intelligent; seeks satisfaction of both immediate needs and larger interests; and favors companies that develop products, services and communications that enrich the customer's life possibilities' (1987, p. 272). Good marketing enables and supports business that is good for us, and this requires both beneficence and non-maleficence.

Business is becoming more social and this places marketing as the ethical link between production and consumption and thus shaping a culture of sustainability. This is not merely a strategic business choice, since it is the very interactions in ethical relationships that conserve and co-create. Humanistic values can be seen coming to the fore in the maturing of society, and thus in the discipline of business management/marketing for a humane working and trading environment, in which emotional, experiential, and social value, as well as economic value, is created. The growing number of 'loved' firms are held up as ultimate creators of value, in all forms, that are committed to working with, partnering with, and investing in all stakeholders to the purpose of the business, and recognize that they are just part of a complex network of interests in a matrix of interdependencies.

Dissent against blatant expansive commercialism, including anti-consumption and brand boycotting, refers to a social movement against hyper-consumerism. Brand avoidance is a response to the over-consumption driven by the industrial stimulation of wants. Market exit and avoidance of the 'hyper-market', and the choice to seek fair trade in an 'associative market', is manifested in the growth in interest in Relationship Marketing (at least in part, since much Relationship Marketing is industrial, treating the relationship as a manageable mechanism, and this is not relational in the humanistic sense).

The Marketing discipline has the tools and resources for the transformatory organized processes required for the 'necessary revolution to create a sustainable world' (Senge et al., 2010). These can be used not only as a managerial tool for competitive profiting on the perpetuated assumption of growth, but as a social process for co-creating value post hyper-consumption. This presents us with prospects for a much more

positively constructive overall effect of marketing: innovative drive, equitable provisioning, efficient resource use, capital enhancement in its various forms, and so on. What we need now for the new context is holistic transformative design and application of a form of marketing that can be integrated into the making and support of a sustainable society. This may be forthcoming in the humanistic business movement.

So, for us the challenge isn't merely to adopt qualitative research philosophy, methods and criteria to increase the efficacy of a marketing technology, it is more profoundly to contribute to enhancing human provisioning within limits through the study of human culture to understand the self and society. The higher purpose of marketing scholarship and professional practice can be a more cultivated, more civilized realization of well-being for all. Then, marketing can be the noble practice of the humanist. Following sociologist Peter Berger (1966), the challenge both academically and professionally is to exercise intellectual liberation from scientism.

References

Berger, P. L. (1966) *Invitation to Sociology: A Humanistic Perspective*. London: Pelican Books.

Buchholz, R. A. (2012) *Reforming Capitalism: The Scientific Worldview and Business*. London: Routledge.

Kotler, P. (1987) Humanistic Marketing: Beyond the Marketing Concept. In A. F. Fırat, N. Dholakia, & R. Bagozzi (Eds) *Philosophical and Radical Thought in Marketing,* pp. 269–283. New York: Lexington Books.

Marglin, S. A. (2008) *The Dismal Science: How Thinking Like an Economist Undermines Community*. Boston, MA.: Harvard University Press.

Senge, P. M., Smith, B., Kruschwitz, N., Laur, J., & Schley, S. (2010). *The Necessary Revolution: Working Together to Create a Sustainable World*. New York: Broadway Books.

Index