

MISSED OPPORTUNITIES IN TREATMENTS OF THE MARKETING CONCEPT IN PRINCIPLES TEXTS

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ABSTRACT¹

Current principles of marketing textbooks are examined regarding their treatment of the marketing concept. Examples of four (of five) marketing issues are provided to illustrate that texts miss the opportunity to take advantage of the marketing concept as a comprehensive theory of marketing to guide the productive efforts of the firm.

INTRODUCTION

The purpose of this paper is to review briefly the notion of the marketing concept (MC) as it appears in active Principles textbooks. As we will show, the MC, properly understood as originally framed, is relevant to virtually every aspect of the marketing discipline. We view the failure of authors to pursue the MC in the context of marketing's basic functions as missed opportunities to apply a cohesive theory of marketing to guide the actions that marketers must take when performing their assigned function within their organizations. Finally, we challenge authors, as they revise their current offerings or undertake to write new ones to use the MC as a means to illustrate marketing responsibilities and prerogatives in the modern business organization.

What is the MC? In spite of dozens of papers that have been published concerning "what the marketing concept is, and what it is not," (e.g., Houston, 1986) there is still great variation in the MC's interpretation and implications for marketing practice. Remarkably, the MC's original essential meaning is rarely to the fore or explicitly noted.

An exception is the work of Fennell (e.g., 1978; 1995) which offers a clear formulation, one that we adopt as appropriate for the discussion of the fundamental principles of marketing practice: "(the marketing concept): Don't sell what you happen to make; make what the customer wants to buy. This means that marketing is an orientation to production wherein producers proactively tailor offerings to the wants of their customers. In advance of deciding an output's characteristics, producers systematically inform themselves about the characteristics of prospective contexts of use, and

choose their offering's characteristics accordingly." (Fennell, 1989)

Following treatments in early MC formulations (e.g., General Electric, 1952; Borch 1957; Mortimer 1959; Keith 1960), Fennell here outlines the essential component of the MC as guiding producers to specify the relevant conditions of prospective customers' lives before formulating the firm's offerings. Such an interpretation provides substance to the more general specifications of many textbooks, that the MC is "...a companywide consumer orientation with the objective of achieving long-run success..." (e.g., Boone & Kurz, 1992). Fennell's definition gives meaning to the term, "consumer orientation" by specifying marketing's role as bridging the gap between the customer's world and the firm's, and, specifically, guiding the firm's production capabilities in its efforts to get hoped-for return on investment. In a recent discussion of the topic, Fennell (personal communication) has outlined at least five areas where presence or absence of the MC makes a difference in issues of policy and practice. Table 1 presents these topics and their MC implications. Because of space limitations, the following sections briefly review examples of textbook treatments of the first four of these areas as illustrative of missed opportunities to use the MC as a cohesive theory of marketing that guides the actions that marketers take and the advice they give in all aspects of their professional role.

Business Policy. The Principles textbooks seem to espouse, as fundamental to the firm's business policy, the concept of "consumer orientation" or of providing customer satisfaction, sometimes embodied in the maxim, "the customer is king." However, when the texts discuss this notion, they often do so in terms of how the firm treats prospective customers in relation to its existing offerings. Typically, the MC is illustrated as being nice, or offering honest support, to customers when they are choosing or have chosen the firm's brands, for example: "Many firms that produce consumer products now offer an "800" number, which allows consumers to call the company tollfree with questions, ideas, and comments about the firm or its products" (Kinnear, et al., 1995, p. 13); "each executive, including Xerox chairman David Kearns, spends one day a month answering customer complaint calls and making sure that problems are quickly

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TABLE 1
MARKETING CONCEPT IMPLICATIONS FOR SELECTED MARKETING ISSUES

Business Policy. Consider the status of customer satisfaction as embodied, for example, in the maxim, "the customer is king." The MC transforms customer satisfaction from a reactive, *ex post*, approach to handling complaints, to a proactive, *ex ante*, attempt to ascertain customer wants in the first place.

Managerial Science. An implication of the preceding is that trial and error is to be replaced by scientific method as a means of ascertaining customer wants (e.g., search for the systematic determinants of value in a good/service).

Marketing as a Profession. Marketers' functional responsibility becomes that of contributing at the initiation of the firm's product specification process, information about customer circumstances and views of available options within and outside the marketplace, replacing their former status as directors of distribution, charged with unloading goods/services to whose specifications they had made no contribution.

Qualitative Research. The essential, marketing-relevant role of qualitative research is not, as typically presented in textbooks, to obtain reaction (or guidance on how to sell) existing offerings, but to hear prospective users describe the (heterogeneous) circumstances in which they engage in an activity where they could consider using a good/service.

Cross-Disciplinary Perspective. Terms and concepts with established meanings in other disciplines need to be examined for appropriateness in the context of the MC's distinctive assignment. Some may need to take on a marketing-appropriate meaning, different from their meaning in their home discipline or in everyday language. For example,

Demand, which, in economics, is an *ex post* concept (e.g., goods/services sold) becomes an *ex ante* concept in marketing (e.g., attributes of user conditions specifying attributes of goods/services that users will find valuable, given existing offerings).

Scope of concepts, which, in psychology, spans activities and contexts within activity (e.g., trait, attitude), needs rethinking in light of the scope of individual brands of good/service, which relate to subsets of conditions within activity domains. Consider the classic marketing product, laundry detergent. A brand may, for example, be intended for heavily soiled, sturdy fabric, or lightly soiled, delicate fabric, each reflecting particular subsets of conditions found within the activity domain, doing the laundry.

Source: Fennell (1996, personal communication)

solved" (Boone & Kurz, 1992, p. 11). In such examples, often the only ones given to illustrate the MC, students get no introduction to the proactive nature of providing offerings that result from systematic and careful exploration of customer wants prior to production.² Even when the general spirit of the MC seems to have been captured (e.g., "...it is better to find out what the customer wants and offer that product than it is to make a product and then try to sell it to somebody." Zikmund

² One reviewer comments, "Is it possible... (that)...the MC may be an ideal which companies aspire to but never actually reach, especially as it is stated in marketing textbooks?" In reply, we ask, What alternatives might there be? Choose offering specifications according to what's easy to make, what the engineers think is elegant or efficient, what the competition are making, what the boss's spouse thinks is a good idea? The MC recognizes that user circumstances EXIST, and all management's product attribute choices inevitably bear some relationship to user circumstances, whether "relevant, irrelevant, appropriate, inappropriate" (Fennell 1988). As a result of ignoring the MC, users' wants have no concrete status in the marketing literature, distinct from marketplace offerings. In consequence, they have no actual existence in the minds of textbook authors, who cannot, then, but fail to communicate to students their essential role in the firm's decisions about its offerings.

and d'Amico 1996, p. 20) follow-on examples allow students to misinterpret the proactive nature of marketing as practiced within the dictates of the MC (e.g., "The chairman of the board of McDonald's restaurants increased his company's consciousness of the importance of consumer orientation. While visiting one of McDonald's outlets, he encountered a sign ordering customers to MOVE TO THE NEXT POSITION. He required that such signs be removed from all McDonald's outlets and states, 'It's up to us to move to the customer.'" Zikmund and d'Amico 1996, p. 21). Again, such examples leave open to interpretation whether the firm is exploring the customer's world prior to production, or merely trying to deal with potential objections to existing offerings. Here the opportunity is missed to point to marketing's role of bringing information into the firm about attributes of the conditions in which people pursue their (relevant) tasks and interests, which may prompt them to consider using/buying a good/service. Finally, textbook examples typically provide no discussion about what goes into implementing the MC, e.g., the pitfalls, misunderstandings, and best practice procedures, or reference to later sections where more detail might be found.³

³ One reviewer notes a common misunderstanding of the MC at this point: "... (the authors') definition (of the

Managerial Science. Beyond the policy orientation of marketing, authors of Principles textbooks will want to have something to say about the application of managerial science to marketing practice under the MC. Here, texts might logically turn to scientific method as a replacement for a trial and error approach to developing business offerings. The textbook chapter on marketing research is an obvious place to articulate the implications of the MC for such issues. In line with the MC, one would expect a marketing research framework to help marketers to determine the qualitative nature of customer demand (proactively, as discussed above). However, the prototypical model of marketing research that appears in Principles textbooks always begins by "defining the problem." While this presents, from the orientation of the MC, an opportunity to begin by exploring customer circumstances, to investigate and describe the nature of heterogeneous demand, as found, examples from textbooks show authors typically presenting "the problem" under consideration as some difficulty the firm is experiencing with an existing offering" (e.g., "...when an ice cream manufacturer's market share began to decline, the marketing manager decided the problem was ineffective advertising" (Kinnear, et al., 1995, p. 252); "...when Eurasia restaurant, serving Eurasian cuisine...turned off the important business lunch crowd, sales began to decline. The owner surveyed several hundred business-people working within a mile of the restaurant..." (Lamb, et al., 1996, p. 221).

It is clear from such examples that Principles textbook

MC) may not be as consumer oriented as they imply. For example, if companies were only to provide products that their customers want, they probably would not pioneer any truly new products. How many among us a few years ago knew they needed sophisticated web browsers?" Here, the commentator implies that such technology precedes, perhaps creates, demand. The (common) error here is equating goods/services (e.g., web browsers) with user wants. From an MC standpoint, customers want to search for information on topics of interest, to promote their own views and interests to others, to chat with others with similar interests, etc., regardless of whether a specific technology is or is not available to help them do so. What is important is that wants of potential users exist, prior to formulating marketing offerings, and that the MC provides a systematic, proactive, approach to business' on-going problem of deciding what to produce to get its best return on investment. User wants are distinct from goods/services. Goods/services may or may not be responsive to user wants.

authors often illustrate "problem definition" in terms of problems that the firm perceives with its existing offering. Following exposure to these examples, students are left to picture the typical business offering as originating outside of marketing's domain, from elsewhere within the firm, and to expect that management must wait until sales returns are available before undertaking marketing research.

Marketing as a Profession. Under the MC, marketing's functional responsibility is clearly that of contributing at the beginning of the firm's brand development process rather than after brands have been formulated elsewhere within the firm. If so, one would expect textbook authors to portray to students marketing's consultative and informational role in brand policy. In this case, we might look to ideas that Principles texts convey to students concerning their professional responsibilities, namely guiding the firm's productive capabilities toward developing competitive brand offerings. Again, however, examples from the available texts indicate lost opportunity to discuss what the MC means for a core marketing issue, in this case, the marketer's professional contribution within the firm relative to brand policy.

For example, a model that is universally used by authors to represent the firm's brand policy options is the two by two Ansoff (1957) model that crosses "product," old vs. new, with "market," old vs. new. Such a model dismisses from consideration what is, perhaps, the single most significant marketing fact, i.e., market heterogeneity—qualitative variation of demand within a market. Addressing the MC's task means that the marketer helps a producer to answer the question, which kind of demand shall I respond to, within the market in which I want to compete? Such a key role for marketing professionals finds no representation within the ubiquitous Ansoff model. Moreover, the examples used to illustrate the model again constitute lost opportunity to relate to students what the MC means in fact, here that brand opportunities derive, upstream from existing offerings, from the customer's concerns and interests as regards the focal activity, which are the source of "what the customer wants to buy."

Rather than illustrating the marketing process as exploring customer variation in demand proactively, examples typically exhort students to deal with the firm's existing brands through more advertising, (e.g., "Crest toothpaste might attempt to increase its market share through more effective advertising" Kinnear, et al., p. 95); foisting off unsold items through unexplored "new markets" (e.g., "New markets may be found in many

places like other segments of the population or through global expansion. Apple Computer announced plans in September 1993 to expand into China. Similarly, Coca-Cola is entering the market in India and Ben & Jerry's ice cream is attempting to build markets in Europe and Asia" Kinnear, et al., p. 95); or assuming that a brand that has been successful will ensure sales of other offerings to the same customers (e.g., "Mrs. Fields cookies has developed products such as muffins, biscuits, and specialty coffees into existing Mrs. Fields locations" Kinnear, et al., 1995, p. 95). Thus, by relying on these four underspecified "product marketing opportunity analysis strategies" of the Ansoff model, authors have missed the opportunity to explore the implications of the MC for the marketers professional role in the firm.

Qualitative research. It should be clear by now that the MC, as a charge to marketers to guide management in responding to conditions of demand and want-satisfaction as found, requires identifying and systematically exploring relevant domains of prospective customers' lives to discover unmet demand (see Fennell, 1982, Fennell & Saegert, 1995 for a description of a model that fully specifies the market definition/segmentation process).

Modern firms often turn to qualitative research for the initial stages of prospect research, specifically the use of focus groups. Such a procedure, under the MC, seeks to explore "the customer's world" in a behavioral domain that corresponds to the firm's productive capabilities and interests. Thus, researchers elicit discussion on such domains as cleaning windows, feeding dependent children, feeding pets, and "focus" the session more directly to the producer's domain of interest. The objective here is to discover conditions that might serve as candidates for subsequent quantitative research, with an eye to uncovering unmet demand for which brand attributes might be designed (see Fennell, 1991b for further discussion of the role of qualitative research in market segmentation analysis). Typically, however, Principles textbooks allow students to believe that qualitative research exists primarily to evaluate reactions to existing goods and services, (e.g., "[the researcher] is interested in gathering people's perceptions of current Old Globe promotion and prices to reverse the declining sales" Kinnear, et al., 1995, p. 246); (Focus group interviews consist of "inviting six to ten people to...talk about a product,

service, or organization" (Kotler & Armstrong, 1996, p. 122).⁴

CONCLUSIONS

We have briefly reviewed four (of at least five) aspects of marketing practice as authors of marketing textbooks discuss them. It is apparent that a MC perspective is essentially absent both in the commentary of the textbook authors, and in the examples that they cite. Specifically, virtually without exception the examples refer to an existing good/service, details of whose origin, i.e., position in relation to the different kinds of demand and competitive response within the market-as-defined, are not provided.

Space restrictions constrain us to discuss only a few relevant aspects of practice. Suffice it to say, we believe that the missed opportunities of a MC perspective that we have illustrated here are widespread. Elsewhere, the MC's absence as regards market segmentation analysis, both domestically and in international marketing, has been discussed (e.g., Fennell 1982, Fennell & Saegert 1990, Fennell, et al. 1992, Fennell & Saegert 1995, Fennell 1995) and, similarly, as regards Fennell's fifth topic (Table 1), i.e., terms and concepts appropriate to marketing (e.g., Fennell 1994, Fennell 1991a). In all cases, what is missing in authors' commentary and examples, is attention to the nature of the conditions that users are experiencing, independent of goods/services, that prompt them to engage in the activities for which goods/services may be relevant. The pedagogical discussions to which we are drawing attention are missed opportunities for authors to give users their rightful presence, in substantive terms, in the marketing literature.

References

The entire paper, including references, is available from the authors.

⁴ A reviewer has raised the possibility that our examples in this paper may not be typical of all such treatments in principle texts, or that they may have been taken out of context. In that regard, we offer a bottle of Irish Mist Liqueur (or Tipperary Natural Spring Water) to anyone who can find and send us, before end of 1997, an example from a Principles of Marketing textbook, of "upstream" analysis of user wants as specified by the MC, i.e., examples of discussion in terms of user conditions to which goods/services may or may not be responsive. (In the event of duplicated examples, the prize goes to the earliest arrival.)