

THE MISMARKETING OF MARKETING AS AN ACADEMIC DISCIPLINE REVISITED OR, WHERE HAVE ALL THE CHILDREN GONE?

J. Kent Pinney, Department of Marketing, University of Nevada, Las Vegas,
4505 South Maryland Parkway, Las Vegas, Nevada 89154-6010, (702-895-3026).

ABSTRACT

In 1979, I submitted a paper to the WMEA Conference entitled "The Mismarketing of Marketing as an Academic Discipline or Encroachment from Without and From Within." The primary concern expressed in that paper was that, in the 1970s, departments other than marketing and colleges other than business were offering marketing-kinds of courses, e.g., hotel marketing, advertising management, health care marketing, etc. From within the college, courses were being offered in other departments with such topics as distribution and logistics, purchasing, contract management, etc. Enrollments in the departments of marketing were going down relatively if not absolutely while enrollments elsewhere were going up. Fortunately, enrollments of many schools in the south and west -- which is where membership in WMEA is concentrated -- had been going up.

But this is not the case in the 1990s. Enrollments have either been stabilizing at best or decreasing at worst, leaving us to wonder, "where have all the children gone?", and creating a real challenge for marketing and other departments to begin to market themselves more effectively through a commitment to remarketing, new product development and direct competition marketing.

The purpose of this paper is to address these concerns and to propose some specific solutions marketing departments within WMEA's influence might consider.

INTRODUCTION AND STATEMENT OF PURPOSE

Marketing as a form of economic activity has existed ever since primitive man began exchanging goods and services (Robbins 1974). In fact, a good number of marketing types have noted that the fundamental questions of marketing have to do with exchange relationships. One of our colleagues has gone so far as to suggest that if this is the case, "...marketing should appropriately be identified and treated as a new behavior science in its own right" (Unknown 1994). As an academic discipline, however, marketing continues to suffer the pain and frustration of adolescence at best and of being an extension of economics at worst, although Kotler and Levy did suggest that Marketing was an evolving or ever-

changing discipline (Kotler and Levy 1969). According to Otteson, et al (Otteson, et al 1965):

"...as a specific area of study, marketing is one of the more recent fields to receive a place in the professional education of the businessman. Initially, it developed out of economics and even today still bears the stamp of that discipline."

The status of marketing has not changed all that much since this statement was written back in 1965 although a significant portion of the research literature for the past 20 years has been behavioral (psychology, sociology, etc.)(Unknown 1994).

Others have noted that the fundamental questions of marketing have to do with exchange relationships (Anderson 1983) (Hirschman 1987) (Houston 1987). If that is the case, then marketing should appropriately be identified and treated as a new behavioral science in its own right (Unknown 1994).

In fact, much of what marketing had become by the early 1970s, as an academic discipline, has been steadily encroached upon, or simply never fully yielded up by, other academic areas. Some of this has occurred from encroachment from outside the colleges of business and, perhaps, therefore beyond our control. However, other encroachment has been from within and is perhaps a more controllable problem. The purpose of this paper, therefore, is to substantiate this hypothesis through a process of symptom and problem identification and verification.

ANALYSIS OF THE OUTSIDERS

Although it has been argued that marketing has enjoyed a significant evolution since its emergence as a distinct discipline back in the 1920s (although marketing related books such as W.D. Scott's *A Theory of Advertising* appeared in 1903 followed by his *The Psychology of Advertising* published in 1910)(Unknown 1994), the fact still remains that of the four marketing mix variables of product, place, price and promotion, price is still primarily the private domain of the micro-economists as evidenced by the

existence of courses entitled "Behavior of the Firm" or "Price Theory." Promotion, as well, escapes much of our control due to the encroachment of ever-increasing programs around the country such as Communications and Radio and Television Production. Among other courses taught in these programs are: Media Planning and Analysis; Message Design, Production and Media Selection;¹ Broadcast Sales and Sales Management,² Advertising Principles and Practices,³ and Public Relations.⁴

Further encroachment into the heart and soul of marketing in the past few years can be demonstrated by the emergence of courses taught in departments of transportation (logistics, routing, warehousing, etc.) and production management (inventory control, space utilization, etc.). This is not to dispute the contribution to one's learning an interdisciplinary approach has to offer. However, it does appear that as these other programs have sought to find newer and/or broader markets or perhaps even greater relevance, not to mention increased consulting opportunities, they have begun to develop curriculum within a business framework, often to the exclusion of the business faculty. These programs appear not only to be moving into business areas in general, their major encroachment has been specifically into the area of marketing. Further, they are beginning to market their

¹ This has been taught as Communications 420 in the Department of Communications at Michigan State.

² This has been taught as course No. 4403 in the Department of Radio-Television-Film at Oklahoma State.

³ This has been taught as Communications 280 in the Department of Communications at Washington State, along with four other related advertising courses. A single course entitled Promotion Management is taught within the Department of Business Administration.

⁴ This has been taught as Communications 109 in the Department of Communication Studies at University of Nevada, Las Vegas. Other related courses taught in this department have included Laboratory in Public Relations, Publicity Methods, etc. A course entitled Marketing Communications has been taught in the Department of Marketing.

programs to the business community which has continually expressed a want or a need for academic support in a very pragmatic framework, namely, for purposes of marketing and other functional activities of business. Quoting an earlier comment from Stanton (Stanton 1978):

"As...people have begun to recognize that marketing is vitally important to the success of a firm (as well as to the department or college), an entirely new way of business thinking--a new philosophy--has evolved. It is called the marketing concept."

The rationale of what is happening in these other programs is evident, including both a desire on their part to be more relevant to the needs of the job market for their students as well as a desire to benefit departmentally from already existing skills, often modifying their course offering but slightly to more effectively match the needs of the market place.

ANALYSIS OF THE INSIDERS

Where marketing faculty should be concerned is not so much with the encroachment into colleges of business in general and marketing departments in particular from the outside -- since it can be argued this would be an infringement upon academic freedom -- but moreso with the encroachment from the other traditional disciplines within. And I am surprised that, both collectively and individually, we as marketing educators appear to have done so little to counter it, or, as Stanton would have suggested, *counter-market* it. Specifically, this encroachment seems to have come from departments of finance which feel they are best qualified to prepare students for careers notably in three specific industries, namely, banking, insurance and real estate.

Once again, with all due respect for our academic colleagues, we must recognize that others have preempted what, *to some degree*, should be our responsibility as marketing educators to instruct and administer. In a recent scan of the catalogs and other literature of some of the leading colleges of business in the United States as listed in the annual December issues of MBA Magazine as well as a sampling of western institutions, not one which offered a degree or concentration in one or more of these three fields did so under the direction of the marketing department. Rather, they were handled either in separate depart-

ments or concentrations, or under the direction and supervision of the finance department.⁵

What we apparently are seeing is a production rather than a consumer orientation to the training and preparation of most students interested in careers in these three industries. For example, students majoring in real estate at one major south-western university must take twelve hours of specific real estate courses plus at least one course from a list of eight other courses not one of which exposes the student to an understanding of the demand side of the market but, rather, reinforces product or production myopia. This is not to deny the need for a solid foundation of product or service knowledge relative to what the firm has to offer, but these other departments fail to give any evident recognition whatsoever to the need for some exposure to the marketing concept. This is well demonstrated in these respected industries by means of the behavior patterns they evidence in dealing with their respective consumers. Let us briefly examine what is meant here.

Banking - In the area of banking, two facts seem to prevail: (1) banks tend to open their doors about an hour and a half after many of their potential retail customers have to be to work, and they close those same doors about an hour and a half before their customers leave work. This imposes critical time constraints upon many of their customers. For the retail (or household) customer or the employee of a firm other than the bank, he or she must either bank by mail, take time off from work, or use the lunch hour for making deposits, withdrawals, loan applications, etc. For the commercial (or business) customer, he or she must also use valuable time from the hours of business in order to make receipt deposits, acquire change for the day's business, or make those commercial loan applications. Because the U.S. Postal Service has created certain credibility gaps of its own, many people prefer to deal with their banks directly and in person. Hence, (2) the traditional lunch time queuing phenomenon! Today most banks have anywhere from a few teller windows up to several dozen, depending on where the bank or branch thereof is located. But how many prospective consumers have had to stand in lines with the multitudes

while the majority of those teller windows remain unoccupied by tellers? Why? Because many tellers go to lunch from twelve noon until one and the others from one until two. In other words, the bank gives the impression of being more concerned with employee lunch breaks than with consumer service and satisfaction, reducing its supply of sales force personnel at a time when demand might be at its greatest. This appears to be a simple manifestation of the production orientation of the banking industry, as reinforced by the finance departments of many of our respective schools -- more concerned with balancing books and setting the interest rates than with meeting the wants and needs of at least several major market segments. Is it not possible that these behavior patterns can be traced, at least in part, to the course offerings and the production orientation of the finance faculty who influence and mold this particular industry's eventual leaders?⁶

Insurance - In the area of insurance, one dominant fact seems to prevail: the consumer usually has no idea what he or she is getting. This is demonstrated in the legal jargon of the insurance policy. Most policies might as well be written in Latin, given all the legal expressions, exceptions, options, alternatives, clauses, costs and benefits of which one must be aware. The lawyers, statisticians, actuaries and financial managers have taken over. To the insurance agent, "full life", "full term", etc. (how about half life?) might have some crucial meaning but to the typical consumer these terms leave much to be desired. The opportunity for rational comparisons does not exist. This applies not only to life and health insurance, but also to casualty, automobile and home insurance as well. Could this not be attributed to the product orientation of the course offerings in this academic area of study: Insurance Law, Functional Analysis of Business Risk and Insurance, Economics of Insurance, Employment Benefit Plans, Insurance Companies as Financial Institutions, Insurance and Actuarial Science, etc.?

⁵ Indiana University has had separate Departments of Insurance and Transportation while Arizona University has had a separate Department of Real Estate.

⁶ Examples of typical course offerings in the various departments of finance might include "Money and Banking," "Commercial Bank Management," "Investment Management," "Financial Institutions," and "Growth and Structure of Financial Institutions".

Real Estate - And finally, in the area of real estate, we find similar production as opposed to consumer oriented priorities. Real estate programs deal almost exclusively with the legal definition of the product and the subsequent evaluation based thereon. Either the real estate is industrial, commercial, residential, agricultural, or recreational, modified by a zoning system which only gives clues to the real estate agents as to the legal restrictions imposed on the property, including liens, rights of ways, easements, assessments, etc. It would appear that the typical courses in real estate contribute to this thinking. They include Real Estate Appraisal, Seminar in Urban Economics and Real Estate, Legal Aspects of Real Estate, City and Regional Planning, Real Estate Finance and Investments, Real Estate Taxation, Real Estate Law, etc.

SOME EXPOSURE UNAVAILABLE TO MARKETING

In some fairness to the finance and other departments, they usually are found within the confines of a larger under-graduate or graduate program administered by the college of business and, hence, are required to have their students also take a brisk overview of the functional courses of management, finance, and marketing. Unfortunately the marketing requirement is usually met by the student taking a course in the introduction to marketing -- a sophomore or junior level course at best at the undergraduate level -- and a survey course in marketing at best at the graduate level. No person within the group here assembled, with any commitment to the marketing concept, would regard this as sufficient.

INDUSTRY RECOMMENDATIONS

Inasmuch as this paper has criticized, now let it be constructive. Any student considering a career in banking, insurance, or real estate or preparing for a career in other disciplines outside the college of business should be advised to consider the following minimum course work in marketing: market research, consumer behavior, and/or salesmanship. Longer run reasons for these particular courses being recommended are obvious but would certainly include:

- banks might begin to realize even more now than ever before that the market place is not made up of two relatively homogeneous submarkets, namely, those who bank by mail and those who have ample time to bank in person; evidence of this is the rapid emergence of the 24-hour automatic teller machine (ATMs);

- banks might discontinue insisting that consumers queue up in everlasting lines at the teller windows during the consumers' lunch breaks or leaves of absence from work;

- insurance companies might begin to draft insurance policies in a language comprehensible to the consumer, in order that the latter might truly begin to understand exactly what the firm is offering and for what he or she is paying; evidence of this emerged briefly about five years ago in the form of customer/user friendly policies, but given my own personal round with these policies in the past year, either the practice was not universal or was short lived;

- the consumer of insurance might no longer feel confused, uncertain, exploited, or at the mercy of the insurance salesman due to the complexity of present insurance policies, but content with having made a rational decision based upon comprehensible information;

- the real estate salesman might begin to realize that although the legal status of a piece of property is important to the consumer, the most important features might well be very personal, psychological, or even aesthetic, -- things not too often if at all discussed in a real estate course; and

- the consumer of real estate might for the first time feel the full personal, social, psychological and aesthetic satisfaction of having purchased a piece of real estate rather than a legal puzzle filled with ever lurking dangers of inadequate title, the hidden lien, closing costs, points, the unexpected assessment, etc.

And, finally, it is recommended to business students that in order not to overlook the benefits of an interdisciplinary approach to one's education, a course or two in persuasion or argumentation from the Communications Department and a course or two in small group interpersonal behavior from the Sociology or Psychology Departments might be recommended.

CONCLUSIONS

In conclusion, what this paper has tried to establish is that many of our children have gone elsewhere. We as marketing faculty and administrators have a challenge to remarket the marketing discipline. We must become cognizant of the fact that for many years we have failed to withstand outside encroach-

ment into our markets and, hence, must recognize the need for countermarketing.

Further, we must be cognizant of the existence of a very vital target market for remarketing, namely, those students, faculty, and administrators within the areas of banking, insurance, and real estate who, by their very conduct, both in academia and in practice, seem to epitomize the antithesis of the marketing concept. If we truly believe in the principles we profess, let us begin firstly with ourselves, secondly with our other business faculties, and thirdly with our non-business colleagues. Let us train and mold our students (products or consumers) preparing for careers in banking, insurance, real estate, advertising, health care marketing, etc. so that the industries in which they eventually find themselves as owners, managers, and employees are steeped in the conviction of the desirability of implementing the marketing concept and might more fully meet the wants and needs of their respective customers.

Finally and hopefully, may this aura of apathy, ignorance, complexity, intrigue, uncertainty or perhaps even self-pride on the part of some individuals and institutions be removed and a breath of fresh air be introduced back into these very important market places. And, hopefully, may we not only learn to know where all the children have gone but also are willing to make a commitment to restore them to the fold while appealing to still other children lost outside colleges of business in these times of declining demand.

REFERENCES

- Anderson, P. (1983). Marketing: Scientific Progress and Scientific Method. *Journal of Marketing*. Fall, 18-31.
- Hirschman, E. (1987). People As Products: Analysis of a Complex Marketing Exchange. *Journal of Marketing*. Jan. 98-108.
- Houston, M. and J. Gassenheimer (1987). Marketing and Exchange. *Journal of Marketing*. Oct. 3-18.
- Kotler, P. and S. Levy (1969). Broadening the Concept of Marketing. *Journal of Marketing*. Jan. 10-15.
- Otteson, S.F., W.G. Panschar and J.M. Patterson (1965). *Marketing: The Firm's Viewpoint*. New York: The Macmillan Company. 3.
- Robbins, G.W. (1974). Notions About the Origins of Trading. *The Environment of Marketing Management*. Edited by R.J. Holloway and R.S. Hancock. New York: John Wiley & Sons, Inc. 7.
- Stanton, W.J. (1978). *Fundamentals of Marketing*. New York: McGraw-Hill Book Co. 10.