

Marketing as a Communication System: The Marketing Concept Revisited

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The marketing concept has been severely criticized by consumerists. However, not all of the issues raised by these critics are marketing problems. If social responsibility is to be redistributed, it must proceed from a realistic concept of the role and function of marketing.

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ALTHOUGH little more than a decade has elapsed since the marketing concept was formally introduced into the marketing literature, a past president of the American Marketing Association stated that "admitting that one's company does not have the marketing concept has become, in some quarters, like admitting that one doesn't have a modern computer . . . it's almost un-American."¹ Yet, an increasing call for legislative consumer "protection" has been accompanying the growing popularity of the marketing concept. Ironically, consumerists are demanding more and more protection from those whose ostensible purpose it is to satisfy consumer needs. What has gone wrong?

The marketing concept originally constituted a recognition that the

. . . principal task of the marketing function . . . is not so much to be skillful in making the customer do what suits the interests of the business as to be skillful in conceiving and then making the business do what suits the interests of the customer.²

Most marketers, and even most critics of marketing, would agree with the *spirit* of the marketing concept as stated above and as stated on numerous other occasions during the last decade. The goal of satisfying consumer interests, subject to the constraints of resource availability and of the state of the arts and sciences of production technology, seems unattainable.

The issue behind the rise of consumerism is not the spirit of the marketing concept but its operational application. Specifically, consumerism, stated in terms of the marketing concept, focuses on the operational meaning of the phrase: "Conceiving and then making the business do what suits the interests of the customer."

1. Robert J. Lavidge, "Comments on the Marketing Concept," *American Marketing Association Newsletter: Philadelphia Chapter*, No. 2 (November, 1966).

2. J. B. McKitterick, "What is the Marketing Management Concept?" in *The Frontiers of Marketing Thought and Science*, Frank M. Bass, ed. (Chicago, Ill.: American Marketing Association, 1957), p. 78.

Recently, an attempt has been made to give operational meaning to this phrase within the context of consumerism.³ Yet, it seems that in the rush to accommodate consumer demands there has been a loss of perspective, particularly with respect to the distribution of social responsibility among producers, marketers, and consumers. This loss of perspective becomes evident in the accusation of consumerists that if only marketers or producers could be made to change their behavior, then most consumption problems would be solved.

This article challenges this consumerist view that consumption problems are marketing's responsibility. The authors attempt to better define marketing's social responsibility, suggesting a redistribution of such responsibility. Specifically, the perspective assumed is that many of the problems discussed under the heading of consumerism are usually not *marketing* problems. Furthermore, attempts to indiscriminately revise existing roles and functions of marketing serve to react to consumerism pressure, but they accomplish little in the way of a solution.

In the following discussion the basic dimensions of marketing as a communication process are outlined. Second, some of the contemporary issues confronting marketers are reexamined in light of these dimensions. Third, a summary definition of the operational meaning of the marketing concept is proposed.

Marketing as a Communication Process: The Spirit of the Marketing Concept

Marketing's preoccupation with the scientization of the producer-consumer relation has produced interpretations of marketing as a control process rather than as a communication process.⁴ Marketing scientists have been unable to see market behavior in terms other than cause and effect; therefore, they have developed a model that depicts marketing as something producers do to consumers. Customer orientation in this context is a trivial concept and hardly new. The mere act of focussing on the customer does not capture the *spirit* of the marketing concept. It may even constitute a subversion of that spirit if the focus is upon the consumer for the purpose of controlling behavior.

A *communication* process differs from a *control* process in much the same manner as an open system differs from a closed one. In a control process the emphasis is on producing specific *outcomes*. Thus, if the optimum inventory level

size is known, a control process may be established to attain and maintain that optimum level.

In a communication process, however, the emphasis is on the *process* rather than on outcomes. Thus, if it is *not known* what is in the interests of consumers, a *process* must be developed by which these interests can be identified. In a free enterprise system, there is no justification for arbitrarily deciding what is in a consumer's interest. Consequently, an operational marketing concept must be expressed in terms of the dimensions of a particular communication process, rather than as specific outcomes to be produced, or particular interests to be satisfied.

The Strategic Dimensions of a Fully Functioning Marketing Process

The spirit and ultimate purpose of the marketing concept is to facilitate a *dialogue* between producers and consumers. This contrasts with the prevailing representation of marketing as a well-directed and efficiently implemented monologue. The strategic dimensions of the marketing communication process are:

1. The *boundaries* of marketing concern and responsibility, such as size and dimensionality of the marketing "scene."
2. The set of *potential outcomes* of a particular marketing effort or of marketing in general given the producers and consumers involved.
3. The set of available and potentially available *methods* of communication between producers and consumers.
4. The *division of tasks* among various marketing agents (including producers and consumers), and the relative degree of control available to each agent or group of agents.

Any given marketing operation explicitly and implicitly embodies a set of decisions with respect to these four dimensions. If it were possible to give a universally valid definition of the form that each of these dimensions should take, it would be possible to reduce marketing to a control process designed to accomplish the specified *outcomes*. Since it is neither possible nor desirable to develop such universally valid definitions, strictly normative statements must be confined to specifying the relations among these four strategic dimensions.

One basic requirement for a set of decisions concerning the strategic dimensions of a marketing operation is that they must be *consistent* relative to each other. This is a requirement which many criticisms of marketing and marketers fail to meet. For example, some maintain that marketers should concern themselves with the long-run ecological effects of the mass distribution and use of particular products (boundary decision). But, marketers may not have that

3. Martin L. Bell and C. William Emory, "The Faltering Marketing Concept," JOURNAL OF MARKETING, Vol. 35 (October, 1971), pp. 29-30.

4. Bent Stidsen, "Some Thoughts on the Advertising Process," JOURNAL OF MARKETING, Vol. 34 (January, 1970), pp. 47-53.

choice. For the most part, marketers possess neither the competencies and necessary data nor the *methods* to control or even persuade producers and consumers to concern themselves with broad issues of ecological protection and social development. However, even if marketers did have the necessary methods, no definitive decision rules are available by which to decide what is good for ecology or society and what is not.

The point here is not that concern with ecological effects as such is misplaced. It clearly is not. Rather, if *marketers* are to assume responsibility for these effects they would have to have the *marketing methods* to control them, and these they do not have. In addition, any viable concept of a marketing system must rest on internally consistent definitions of the set of strategic characteristics outlined above.

In the following sections a more explicit perspective of marketing as a viable and fully functioning communication process is developed around the four strategic dimensions outlined above. The point of view or basic premise underlying the following discussion is that marketing is a process facilitating consumer and producer decision making.

1. The Boundaries of Marketing Concern

Discussions of the social responsibility of marketers often fail to take into account the limitations of marketing methods. It is always tempting, particularly in view of specific examples of faulty products or disadvantageous consequences of mass consumption, to define the social responsibility of marketers in terms of a set of "socially desirable" outcomes of the marketing process. But the "socially desirable" usually goes far beyond the "socially attainable." The "socially desirable" merely depends upon one's imagination; the "socially attainable" depends upon everybody's resources. Any specification of the boundaries of marketing concern in terms of particular "socially desirable" outcomes (e.g., highway safety, health, nonaddiction) ultimately presumes that marketers *control* both producer and consumer behavior. Marketers neither possess such control, nor is it clear how they could attain it in an essentially free market.

Consistent with the limitations of marketing methods, the area of concern must be confined to the marketing process itself. That is, the area of marketing concern cannot, in the context of existing marketing means, encompass the responsibility for production and consumption management as such. One of marketing's responsibilities is to enable consumers to effectively influence the decisions of producers. Furthermore, enabling producers to effectively influence consumer decisions is also a marketing responsibility.

However, it is not marketing's responsibility to

decide whether detergents should or should not contain phosphates, and whether children's toys should or should not be made to last for generations. The durability of toys, the safety of automobiles, and the abrasiveness of toothpaste are not as such *marketing problems*, and they cannot be resolved by *marketing means*. These are partly *production* issues and partly problems of *consumption management*. Some consumers may (and do) want toys with a limited life, automobiles that are built to be driven rather than crashed, and toothpaste that effectively cleans teeth. Whether they *should* or *should not* want these or other product characteristics is not a marketing issue.

2. The Output or Product of Marketing

The issue of whether marketing is to be regarded as a cost or a value to "society" has never been satisfactorily resolved. The resolution of that issue depends upon the general model of economic processes that one adopts. If the *ideal* economic process is viewed as one in which consumers and producers possess perfect knowledge of the needs of each other as well as product offerings, then marketing is a cost. Under this assumption, expenditures on marketing activities measure the degree to which the real departs from the ideal world.

On the other hand, if one views the *interaction* of producers and consumers as constituting the technology utilization strategy of a free enterprise society then marketing is a value. In this case, marketing expenditures measure the resources members of a society devote to the management of their technological progress.

Viewed in the latter sense as a communication process, marketing facilitates decisions. That is, marketing provides inputs to decisions concerning the production and use of products in particular ways by producers and consumers. Inherent in these specific decisions are also the more general decisions pertaining to the overall direction and implications of technology development and utilization.

However, marketing is responsible for the particular and general consequences of the production and consumption decisions made *only* insofar as they result from an inadequate communication system. It is not a marketing problem if consumers or producers are incompetent decision makers. If, given the evidence that a particular product may be harmful under certain conditions (e.g., drugs, motorcycles, cigarettes), consumers still buy and use it (whether because they want that product or because no alternative exists), then the ensuing consequences are neither outputs of the marketing process, nor are they marketing problems.

But if the marketing process is inadequate and consumers must manage their consumption be-

havior with less than the available and usable data concerning what products are available and why, then a marketing problem exists. Similarly it is a marketing problem if producers must manage production with less than the available and usable data on the consumer's interest. The crucial distinction here is between *data availability* and *decision-making competence*. The outcome of any consumption *decision* is the responsibility of the decision maker (i.e., the consumer or producer). But to the extent that any given consumption decision is less well informing than it could have been, allowing for the decision-making competence of the consumer involved, there is a marketing problem. Similarly, if producers have only the data marketers think they should have (whether due to limitations in research methodology or a particular conception of what should be in the consumer's interest) rather than the data they could have and use, producer decisions will to that extent not be based on actual consumer interests.

Many consumption and production decisions are probably not as informed as they could be. Thus, the spirit of the marketing concept is being violated. On the other hand, many production and consumption decisions are probably as well informed as they can be within the constraints of the decision-making competencies of the individuals involved. The outcomes of these decisions are, therefore, in no sense marketing issues.

3. The Methods of Producer-Consumer Communication

The most significant method by which consumers communicate with producers is decisions to buy or to not buy their products. Yet, sales and profits are very inadequate indicators for communication in that consumers may decide to buy or to not buy a product for many reasons. In the first instance, then, profit (or sales) fails as a method of consumer-producer communication for the same reason that it succeeds as a summary measure of corporate success. It is a general and neutral measure from the standpoint of the product mix of any enterprise.

Market research is the primary activity used to augment the feedback provided by sales and profit information. It is important to note, however, that market research has developed largely as a *feedback* device rather than as a means for consumers to effectively influence producer decisions. There is an important difference between a *method of communication* and a *feedback device*. A method of communication (e.g., a telephone call from a consumer to a producer) allows the consumer strategic control of the content (even if not of the outcome) of the message. A feedback device (e.g., a survey of consumer opinion) at best allows the consumer tactical control.

Consequently, insofar as market research has developed as a feedback device, the information it provides is likely to emphasize consumer opinions on the issues that matter to producers, rather than consumer opinions regarding the issues of concern to themselves. That such a bias does occur is indicated by the fact that firms which do a great deal of market research have been surprised by some of the issues raised by consumer spokesmen.

The communication issues are not, however, limited to message transfer and relative control of message content, although these are important problems. Effective communication also involves the availability of suitable media for a consumer-producer dialogue. The emergence of organized consumer groups has been helpful in this respect. The establishment of direct telephone lines to some corporate customer service departments and the "we-listen-better" campaign launched by Ford Motor Company, have at least the appearance of exemplifying a communication model of the marketing process. But these are very limited examples of what could have been accomplished to implement the spirit of the marketing concept through the development of effective communication channels from consumers to corporate decision centers.

Perhaps the basic reason for the paucity of consumer-producer communication channels is that marketing is still viewed as selling, the rhetoric of the marketing concept notwithstanding. The necessary technology clearly exists (e.g., telephones, two-way cables, and electronic processing equipment), but the economic rationale for and commitment to giving the consumer a voice in producer decisions is clearly lacking.

Even with respect to producer-consumer communication through existing channels there are many ways in which the communicative qualities of advertising could be improved to enhance its value to consumers and for producers. A series of isolated and unconnected messages (such as a string of unrelated television commercials) do not go very far toward enabling communication with consumers. The communication value of such messages might be greatly enhanced if they were ordered or grouped into related categories along, say, functional lines. Foods, kitchen implements, home-decorating materials, personal care products, and leisure products are just some examples of such categories. Integration of messages representing complementary products shown in suitable and appropriate contexts is another means by which this might be accomplished.

In any case, the potential for facilitating communication between producers and consumers has only begun to be realized by marketers and marketing scientists. Yet, the creation and imple-

mentation of methods to realize this potential is an important marketing concern.

4. The Division of Marketing Tasks

The division of tasks pertains not only to the position of marketers within a corporate structure, but also to the division of tasks within the marketing process itself. Whereas dimension 3 is concerned with the form and method of communication, this strategic dimension is focused on the agencies and institutions responsible for the performance of communication-related activities. The spirit of the marketing concept demands a separation of marketing communication functions from producer interests. Without such independence, the marketing *communication* process too easily degenerates into a *control* process where consumer interests are considered primarily as means for the satisfaction of producer interests. A separation of marketing communication functions from producer interests could manifest itself in a greater independence between advertising and marketing research agencies, or in a gradual replacement of these institutions by consumer and government-sponsored information acquisition and dissemination agencies. Since such agencies would not be committed to the perpetuation of any particular producing enterprise, they would, at least in this regard, be more likely to facilitate unbiased communication.

For example, while the performance of physical distribution activities is facilitated by the existence of independent middlemen, marketing communication operates largely without the benefit of such a structure. It would seem that arguments similar to those favoring the existing independent agency structure for the physical distribution process could be advanced for a data distribution structure. In addition, the independent middlemen who presently *do* serve the marketing communication process (e.g., food editors, consumer's union, specialty magazines, and television features) are rarely viewed as part of the marketing process. Yet, it would seem that those independent "middlemen" serve as a source of marketing information for consumers that is at least as important as producer-sponsored advertising.

In any case, the issue is not what specific communication agencies should or will develop. Rather, there exists a crucial imbalance in the way in which the marketing communication process is presently studied and implemented because this activity is designed, for the most part, according to producer needs rather than those of the consumer. The correction of this imbalance must begin with a broader conceptualization of the total marketing communication process than currently prevails.

The Ultimate Purpose of Marketing

The marketing concept is clearly and unequivocally based on the faith in the viability of a free enterprise market system. This free enterprise system is the fundamental reason for the need to separate producer, marketer, and consumer responsibilities. In a free enterprise system, the quality of a production or a consumption decision is a responsibility separate from that of marketing. Consequently, the ultimate purpose of marketing is to enable producers and consumers to make the best production and consumption decisions that they can and will make.

Many of the issues raised by consumerists are indeed marketing issues. They pertain to inadequate opportunities for consumers to communicate with producers (e.g., issues concerning consumer communication, reliability of advertising, packaging, and pricing). By the same token, some issues raised by consumerists are clearly not marketing problems (e.g., littering of the landscape with disposable containers, excessive drug consumption, cigarette smoking, highway deaths, household "accidents," alcoholism, obesity, and other forms of over consumption). Some of these are problems resulting from poor production management, but most of them result from poor consumption management. They are issues that were not created through marketing, nor can they be resolved by marketing.

Toward an Operational Statement of the Spirit of the Marketing Concept

An attempt has been made to outline the strategic dimensions of a fully functioning marketing process within the spirit of the marketing concept. Briefly summarized, these dimensions are:

1. *The boundaries of marketing concern* are made up by the interests and decisions of producers on one side, and by the interests and decisions of consumers on the other side. The identification and evaluation of these interests are marketing responsibilities. The degree to which they are satisfied or not satisfied is *not* a marketing responsibility.
2. *The output or product of marketing* is the facilitation of producer and consumer decisions regarding both the specific and the general aspects of technology development and utilization. The outcomes of these decisions to make or to use particular products are not marketing responsibilities. However, the quality of the data on which these decisions are based relative to the data potentially available and usable by producers and consumers is a marketing concern.
3. *The methods of producer-consumer communication* are those devices and techniques of organizing data through which producers

and consumers may establish communication *with* each other. Much remains to be done in this context with respect to operationalizing the spirit of the marketing concept. Consumers are still all but entirely barred from effectively influencing producer decisions except through the indirect feedback channel provided by market research. Although it would appear that the necessary technology exists, the economic rationale and the commitment to the realization of consumer-producer communication channels seems as yet to be lacking.

4. *The division of marketing tasks* concerns the relative roles of various marketing agencies. It would appear that scholars and marketing practitioners have devoted a disproportionate amount of attention to producer-sponsored agencies. Therefore, a broader perspective of the marketing communication process is required.

The ultimate purpose of marketing is to enable producers and consumers to make the best decisions they *can* and *will* make. The value of marketing, thus, inheres in the degree to which it enables producers and consumers to engage in dialogues regarding both the specific and the strategic issues of technology development and utilization.

The following statement of the spirit and opera-

tional implications of the marketing concept is proposed:

The marketing task is that of creating and maintaining a fully functioning producer-consumer communication system. The output of marketing efforts is the facilitation of producer and consumer decisions pertaining to the development and utilization of technology to ends determined in the interaction of producers and consumers. The quality of the actual data that are the basis for producer and consumer decisions, relative to the potential quality of such data, is a measure of the degree to which marketers succeed or fail at fulfilling their social responsibility.

Many aspects of the existing marketing system violate the spirit of the marketing concept. However, there are many problems regarding technology development and utilization being discussed in the marketing literature which are simply not marketing problems.

In a free enterprise society the social responsibility of marketers must be defined in terms of the marketing *process* rather than in terms of socially defined *outcomes*, no matter how desirable one may think certain outcomes. The ideal marketing *process* is a functioning dialogue involving a communication system which enables consumers and producers to significantly influence each others' goal attainment.

MARKETING MEMO

A New Poverty of Time . . .

The major constraint on consumption in the 1970s may be shifting from money to time. Time will become a more significant factor in product selection and use. Paradoxically, increasing affluence will result in less rather than more free or uncommitted time. There will be more alternatives competing for the consumer's time. This does not mean increasing leisure for consumers in the sense that they will do nothing, rather it means greater amounts of discretionary time—time they need not spend supporting themselves. Hours of work will not decrease greatly if at all. Indeed, where shorter work hours have occurred in the past, so has moonlighting.

—William Lazer, John E. Smallwood and others, "Consumer Environments and Life Styles of the Seventies," *MSU Business Topics*, Vol. 20 (Spring, 1972), pp. 5-17, at p. 15.