

# POST-WAR MARKETING RESPONSIBILITIES NEED CHANGED MARKETING EXECUTIVES

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WAR is the great disillusioner. It changes the lives of everyone, and upsets the economy of every country. It jolts the thinking of millions of individuals out of the tight little grooves worn during peace-time years. The thinking of marketing men, of both practitioners and students of the profession, is no exception to this experience.

Thousands of persons in the distribution field have had to change to new jobs in which the duties and experiences are completely new to them. Many professors and researchers as well as many from the selling and merchandising fields have joined the war agencies. Others are teaching purchasing, military procurement and traffic management. Sales managers have become purchasing agents, or personnel managers, or production men. Still others in their old jobs have found these jobs so changed as hardly to be recognizable.

The aggregate of these thousands of experiences cannot help but change fundamentally the mass thinking of the whole distribution profession. Individual adjustments cause personal hardships. In the short run they are hard to accept and must be counted one of the costs of the war. In the long run, individuals can be better equipped for their peace-time work through their experience. If it takes advantage of its opportunities the distribution profession will move into the post-war era with its eyes open to the new conditions which a changed world economy will inevitably set up. Truly the war is putting marketing men

through a stern exercise in perspective.

The important thing is that this great opportunity to diagnose and learn shall not pass over us without having its fundamental lessons extracted. How can we assure ourselves that that will be done?

## THE PERMANENCE OF CHANGE

First of all, every thinking individual in the marketing field must accept as a personal assignment during this war interlude the task of studying distribution's changing relationships. We must not make the mistake of "leaving it to George." To enter upon this assignment with conviction, the individual will have to satisfy himself, of course, that changes taking place in economic conditions are more than temporary or superficial.

Specifically the marketing man wants to know whether post-war conditions and problems of marketing will actually be different to a substantial degree. Furthermore he wants to know whether marketing men will have a position of relative influence among the internationalists, the economists, government officials, bankers and production men such that their voices will be heard.

There are many, no doubt, who believe that the general functioning of business will be little different from what it was once the war's unpleasantness has been put behind us and the rough places have been smoothed out. For these, perhaps, no argument will be convincing.

Many others, however, believe that a vastly changed—and improved—economic structure will be built after the

war. They believe that somehow the aims of the Atlantic Charter will result in international trade of a scope previously undreamed of; that a comparatively unfettered world trade will find a counterpart in domestic distribution and consumption of goods at maintained levels higher than have been reached heretofore. Proponents of this view believe that not only the volume of commerce, but also the fundamental motives and techniques of distribution will undergo important changes.

#### THE END OF "SOMETHING-FOR-NOTHING"

The period of the 1920's and 1930's has been characterized as the "something-for-nothing era." During the decade from the close of World War I to the beginning of the depression in 1930, the stock market was the source of good things which for countless numbers of people seemed to make real production appear unnecessary. During the 'thirties, the government displaced the stock market as the "great white father." The onset of the war has made it appear that, after all, production is important in the scheme of things.

On the international scene during the same two decades the policy of extreme protectionism in most countries emphasized national selfishness and discounted the potentiality of expanded trade and production.

In our own domestic economy, perhaps it is valid to suggest, a counterpart existed during this era in the policies and thinking of most business firms. For these it was a period of extreme competitive aggressiveness. The techniques of market protectionism were highly developed by the individual firm and by one industry against another. Trade marks, brands and patent structures were used to the limit of ingenuity. De-

sign obsolescence, special packaging, and exclusive selling arrangements were used to protect high margins. The end result sought by all of these efforts, in their exaggerated form, at least, was to build a fence around a segment of the market, to establish a vested interest which would yield a higher return—"something for nothing" for the firm or the industry.

To recall the prevalence of these competitive policies, without at once referring to the great strides made in bringing more and more products and services to the public, would be to deny credit where credit is due. Probably in no two decades in this country has there been greater advancement in material welfare than in the decades between 1920 and 1940. Yet it seems evident that the thinking of those engaged in this economic enterprise was continually straying farther away from the fundamentals, i.e., the performance of maximum productivity for the price.

It is the thesis of the present article that the war has halted this tendency. Furthermore, it is contended that the change is more than temporary or superficial. One would be naive to expect that when peace returns all business will be run on completely new standards of ethics and motivation. But it is distinctly logical to believe that attainment of the international economic order for which we are fighting will make lasting changes in United States domestic business. And as business changes, relationships faced by marketing men will change.

#### CHANGING RELATIONSHIPS

During the 'twenties and 'thirties the marketing profession engaged in a sort of technocracy all its own. Greater progress was made during those decades than during any other period in perfecting the techniques and management pro-

cedures of marketing. Such departmental specialities as budgetary control of sales, sales engineering, radio advertising and various forms of aggressive selling were brought up to a high level of excellence.

In short, the technique of following and benefiting profit-wise from the swings of business activity was learned. But too little was learned of the possible methods of controlling the rate of general business activity. In the late 'forties and 'fifties business must learn, first, how to keep going and, second, how to make a profit if it can while going. This change of emphasis is one which lessons learned during the war will without doubt give rise to.

A changed relationship between marketing and finance is another thing which may well emerge after the war. During the "something-for-nothing" era, marketing was in a very real sense the hired man of the financier. Companies changed hands or were merged, expanded or closed at the nod of the financial control. The merchandiser often had little voice in such decisions. The capacity of the enterprise to produce needed products or services or to furnish employment was seldom an important factor. The functions of marketing and production were employed by the financial control to earn profit; production and distribution of goods too often became the incidental part of the operation.

Many considerations point to the conclusion that distribution will occupy a dominant position after the war. The feverish technical activity during the war years will leave us with a grist of new products, new raw materials and new inventions. Drastically lowered costs of some materials will open new markets to them and intensify competition for old materials. A new airplane industry

will call for a reorganization of markets, distribution points and transportation in general. Foreign trade on a vastly larger scale and a permanently larger merchant marine will cause competitive realignments. The marketing man will have all these things along with a returning buyer's market to occupy him.

#### THE MARKETING MAN'S OPPORTUNITY

Will the marketing man of today be ready to fit into the new post-war scheme of things? To answer this question, we must ask some others. How wide is his horizon? How great are his capacity and influence in his company and industry? Will he be a "statesman" in this rising profession of distribution, or will he remain the departmental technician that he too often became in the between-wars period?

The marketing man's place in post-war planning and in the eventual execution of those plans will be what he makes of it. It will be in proportion to the scope of his powers and the thoroughness of the preparation which he is making now.

Leading thinkers throughout government, private business and universities are at this moment giving much of their time to the post-war problem. It is important that such research be carried on now. It will be too late when the victory parades are over. If the marketing man is to occupy the place that we can rightly envision for him in this undertaking—if the "new marketing" is going to be ready to fit into the new scheme of things being prepared by the world planners and the economists—then he too should have his research and planning work well under way right now.

There are very special reasons why marketing men should take a leading place in the solution of post-war economic problems. Above all else these

problems call for unrestricted, creative thinking and imagination. This capacity is supposedly a specialty of the sales executive. If he has been up to his job in the past, he will have been his company's chief re-examiner of traditional policies. It will have been his function to interpret trends in external company conditions in order to adjust his own company's operations. With this background the sales executives should carry the brunt of the post-war planning assignment for private business.

It is true that the help of the production expert, the engineer, the economist

and the financial man will be needed. The complex problems to be solved in reconstructing and stabilizing post-war business must have a balanced attack. But because the problems so largely involve the organization of distribution and merchandising, the marketing man should be in the vanguard. If he is to find himself in that place, if he is to be capable of directing the world-wide flow of goods back into the channels of peace under complex post-war conditions he will need to take full advantage of his present opportunity to appraise changing economic forces and to plan.