

# **Does the Broadened Concept of Marketing Have a Social Disorder?**

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**ABSTRACT :** *The article discusses Kotler and Levy's proposal of broadening the concept of marketing beyond business organizations, which challenged the traditional understanding of marketing and opened up new avenues for its application. Kotler further expanded marketing by proposing a generic view of marketing, the core concept of marketing, and marketing transactions. The article presents arguments that every organization must develop appropriate products and tools of communication to reach their consuming public, and marketing principles are transferable to non-business organizations. The article also includes criticism of the social contributions of marketing and its role in business enterprise. Overall, the article reflects on the implications of this broadened concept of marketing for organizations and society as a whole.*

**KEYWORDS** - *Broadened concept of marketing, Generic concept of marketing, Kotler and Levy, Marketing myopia, Marketing theory*

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## **I. INTRODUCTION**

Marketing is a concept that has been traditionally associated with business organizations and their products and services. However, in the late 1960s and early 1970s, Philip Kotler and Sidney Levy proposed a broadened concept of marketing that went beyond the business domain and included non-business organizations, persons, and ideas. This new definition of marketing challenged the traditional understanding of the concept and opened up new avenues for its application. In this article, we will discuss Kotler and Levy's broadening proposal and Kotler's further expansion of marketing, exploring the generic view of marketing, the core concept of marketing, and marketing transactions. We will also examine the criticisms of this expanded concept and its social contributions. Finally, we will conclude by reflecting on the implications of this broadened concept of marketing for organizations and society as a whole.

## **II. BROADENING THE CONCEPT OF MARKETING**

In *A Generic Concept of Marketing* (1972), published in the *Journal of Marketing*, Kotler states that marketing is a descriptive science involving the study of how transactions are created, stimulated, and valued. Marketing management is a normative science involving the efficient creation and offering of values to stimulate desired transactions. This was a publication based on Kotler and Levy's article, *Broadening the Concept of Marketing* (1969), where they stated that the business heritage of marketing provides a useful set of concepts for guiding all organizations. The choice facing those who manage nonbusiness organizations is not whether to market, for no organization can avoid marketing. The choice is whether to do it well or poorly. Kotler and Levy argued that the modern marketing concept serves very naturally to describe an important facet of all organizational activity. All organizations must develop appropriate products to serve their consumer groups and see modern tools of communication to reach their consumer public. They interpreted the meaning of marketing for nonbusiness and the nature of marketing functions such as product improvement, pricing, distribution, and communication in such organizations. They questioned whether traditional marketing principles are transferable to the marketing of organizations, persons, and ideas. Kotler and Levy stated that nonbusiness organizations have an increasing range of influence, affect as many livelihoods, and occupy as much media prominence as major business firms. They declared that when it comes to the marketing function, "it is also clear that every organization performs marketing-like activities whether or not they are recognized as such" (Kotler & Levy, 1969, p.11). They supported their side with several examples, such as the police

department campaigning to “win friends and influence people,” the Museum of Art broadening the museum’s appeal through “happenings,” or the public school system by developing new teaching techniques and enriching children.

In 1972, Kotler published a further paper arguing that the 1969 broadening proposal's main weakness was not that it went too far but that it did not go far enough. Kotler claimed that marketing should be expanded to include the transactions between any organization and all its public. This was a significant extension of Kotler and Levy’s view in 1969 that marketing was a relevant discipline for all organizations that have customers and products. Kotler described marketing in three stages of consciousness. Consciousness One related to the pre-1969 articulation of marketing being essentially a business subject composed of market transactions. Consciousness Two was really the 1969 articulation of marketing being appropriate for all organizations that have customers and comprised organization-client transactions. Kotler defines this as the thrust of the original broadening concept. Consciousness Three is the generic and now conventional view of marketing being appropriate for all organizations in their relations, not only with their customers but with all their public. The core concept in Consciousness Three is transactions, and therefore, marketing is said to apply to any social unit seeking to exchange values with other social units. Kotler (1972) states that the original broadening proposal should be broadened still further to include the transactions between an organization and all of its public. He sees marketing as the disciplined task of creating and offering value to others for the purpose of achieving a desired response. He defines the generic view of marketing by a set of four axioms, which leads to new marketing typologies and views of the tasks of marketing management. Kotler (1972) argues that the broadening proposal’s main weakness was not far, but it did not go far enough. He asks, “What then is the disciplinary focus of marketing?” and explains that the core concept of marketing is the transaction. “Marketing is specifically concerned with how transactions are created, stimulated, facilitated, and valued. This is the generic concept of marketing” (Kotler, 1972, p.49). As Kotler states, generic marketing takes a functional rather than a structural view of marketing. “Four axioms define generic marketing. Axiom 1: Marketing involves two or more social units. Axiom 2: At least one of the social units is seeking a specific response from one or more other units concerning some social object. Axiom 3: The market’s response probability is not fixed. Axiom 4: Marketing is the attempt to produce the desired response by creating and offering values to the market” (Kotler, 1972, p.53).

As a rejoinder to Kotler and Levy’s opinions, Luck criticized reflections on the social contributions of marketing and affirmed business enterprise’s social role for marketing in “Broadening the Concept of Marketing – Too Far in July 1969. He found Kotler and Levy’s article intriguing, imaginative, and also based on premises that may lead to confusion regarding the essential nature of marketing. Luck (1969) stated that their main thesis is that the “concept” of marketing is too limited because it excludes marketing in nonbusiness activities. They complain that marketing is “a narrowly defined business activity” whose non-business usage has not been incorporated “in the body of marketing thought and theory.” They seem to be asking that marketing be redefined, but they do not offer any explicit, new definition of marketing. Also, Luck notes that it should be recognized that the marketing profession did not originate most of the concepts noted by Kotler and Levy. “If one has tried to explain to someone the nature of marketing, with presented limited definition, he will have found it difficult. Attenuate marketing’s definition to make it almost universal, and it will wholly lose its identity” (Luck, 1969, p.53-54). The Broadened concept of marketing, in contrast, suggests that marketing is a universal concept. Kotler (1972) says, “marketing is a human activity directed at satisfying human needs and wants.” All that is required for marketing to occur are two people able to communicate and deliver, each having something of value to exchange freely. Also, Staudt, Taylor, and Bowersox (1976) stated that “there is a universality to the application of marketing functions wherever there is an interface.” Hunt (1976) also observed that a distinction between marketing and marketing-like activities must be considered trivial.

### **III. THE SOCIAL DISORDER OF THE BROADENED CONCEPT OF MARKETING**

In 1979, Laczniaik and Michie authored “The Social Disorder of the Broadened Concept of Marketing,” which is highly in contrast with Luck’s ideas in these areas. In Luck’s terms, marketing is concerned with markets, and markets must be characterized by buying and selling. “By employing a firm, specific criterion in marketing’s definition - that of the ultimate purchase-and-sale of a product or service – the vagueness and open-endedness of Kotler and Levy’s “concept” is avoided. Thus a particular act must be related to an eventual or

intended offer to buy and/or sell a specified good or service – with the terms of sale specified between the parties – or that act is not a marketing act, regardless of its nature” (Luck, 1969, p.54). Similarly, given the emerging consensus about the nature of marketing, Laczniak and Michie analyze the broadened concept of marketing in terms of its implications for social order. The authors maintain the widespread acceptance and practice of broadened marketing has the potential to diminish social order and ultimately damage the reputation of the discipline of marketing. This is not to say that broadened marketing will undermine the entire social fabric. Rather, there are certain marketing-like practices that are occurring with growing frequency in society. They may also bring about some major changes. Luck asks the question of how one can view the enormous scope of marketing and consider it to be “narrowly defined” and tries to answer this question by stating that Kotler and Levy want marketers to justify themselves by applying their skills to an increasingly interesting range of social activity because they have guilt feelings because profit-making business activities may not be socially beneficial. Luck calls this “we’re not yet societal” syndrome and finds it becoming fashionable to an unfortunate degree. “It would divert marketers from the stern and difficult dedications to identifying marketing problems and their solutions and from energetically promoting the recognition and practice of efficient, responsive marketing. Those who give unselfish dedication to laboring effectively in nonprofit and nonmarketing institutions are applauded, and everyone is urged to spare whatever efforts are possible to aid and support them. However, let us not apologize for being marketers in the real sense. In the understanding and improvement of the marketing system lies all the challenge that one could desire” (Luck, 1969, p.54). He even finds it pleasurable inflating marketers’ self-image by claiming that even political campaigns are just another part of marketing, and he saw little to be gained from such reasoning.

In contrast, Laczniak and Michie stated that “Over the years, the domain of marketing management has expanded in order to integrate marketing-related factors more effectively into the firm, but it has, until recently, been limited to managerial considerations influencing marketplace transactions by businesses. The expansion of marketing, which had occurred until recently, was premised on the notion that if marketing were more integrated into the thinking of the firm (e.g., the marketing concept, marketing research), the distribution of goods and services would be more efficient” (Laczniak & Michie, 1979, p.218). They focused on the question of the historical concept of marketing being consistent with social order and the broadened marketing concept threat to diminish social order. According to Laczniak and Michie, “Broadened marketing, on the other hand, as a universal concept, with its boundaries encompassing the vast terrain of human exchange, does not suggest any specific evaluative mechanism. The broadened definition of marketing paints the field as a giant discipline which encompasses substantial portions of other areas of study” (Laczniak & Michie, 1979, pp. 220-221). “Significantly, the broadened perspective of marketing does not define the discipline of marketing as a part of any social institution or primary social function. Rather, marketing is perceived as a fundamental human interaction itself” (Laczniak & Michie, 1979, p.222). “Interestingly, few academics outside the field of marketing would recognize such universality. The public does not. The fact that only marketers assert this expanded view of their field could be dismissed as egotistic arrogance if not for a third disturbing factor. When the broadened concept of marketing is applied in various instances, power and responsibility are not in balance” (Laczniak & Michie, 1979, p.223). Laczniak and Michie defend that the “marketing of ideas” is a major dimension of broadened marketing. They state that, certainly, the application of marketing-like analysis would make the presentation of socially controversial ideas more persuasive and palatable. They emphasized this in *Broadened Marketing and Social Order: A Reply*, published in the *Journal of Academy of Marketing Science* in 1979 as an additional commentary to Kotler and Levy. Laczniak and Michie stated that “our present social system may be flexible enough to accommodate a wide variety of broadened marketing practices (including various forms of social marketing) without any dysfunctions. Our intention was merely to indicate that using a reasonable set of assumptions, broadened marketing could lead to certain social complications and potential embarrassments for marketing professionals. To deduce this possibility is hardly to oppose the free expression of ideas as Levy and Kotler intimate” (Laczniak & Michie, 1979, p.240).

Laczniak and Michie strongly reject Kotler’s generic concept of marketing and defend that the application of marketing-like methods and marketing-like thinking outside the business system should not be called “marketing.” They focus on several observations to defend their point of view. They state that; “In the realm of broadened marketing, judging what distinguishes “good” marketing from “bad” marketing in terms of social

necessity or morality becomes as difficult as attempting to define the elusive "public good." If marketing denies responsibility for its actions when problems and abuses occur, the public will eventually perceive the shaping role of marketing in the social arena and severely regulate it. Social complications caused by dysfunctional transactions will hurt the reputation of marketers in the eyes of the public. Many bright young people may shy away from careers in marketing. Furthermore, any regulations generated to cope with social marketing or other forms of broadened marketing will likely be applied to traditional marketing as well" (Laczniak & Michie, 1979, p.226). They conclude that; if abuses in the practice of broadened marketing occur, the reputation of marketing practitioners will steadily erode in the eyes of the public. "Marketers should take enough pride in the scope of traditional marketing. Marketing is a powerful force in society and essential to the business system. Traditional marketing bears an important responsibility in the social system. The activities of traditional marketing are not narrow" (Laczniak & Michie, 1979, p.228).

Despite all the support from Laczniak and Michie, Luck's vigorous, although respectful voice (as he defines himself) did not become very successful in the marketing arena. A little time after Luck's article, Kotler and Levy had an article, "A New Form of Marketing Myopia," ready as the answer. They stated that "many nonbusiness organizations would benefit from a more conscious awareness and practice of the marketing concept. To treat marketing as a function of only business firms denies that managers of nonbusiness organizations have marketing responsibilities, a view that is unrealistic and a new form of marketing myopia" (Kotler & Levy, 1969, p.57) Additionally, marketing academics embraced this radically new conceptualization of their discipline. "The 1970 Autumn Conference of the American Marketing Association was given over to discussing marketing's newfound role and social purpose. The Journal of Marketing issue of July 1971 was devoted exclusively to Marketing's Changing Social/Environmental Role, with no published article voicing significant dissent from Kotler and Levy's proposition" (Graham, 1993, p.3). As Graham (1993) also states, the irony here is that this further extension, whilst perhaps pandering to the needs of those who feel that marketing cannot be socially useful if it confines itself to business activities, violates the fundamental premise of the marketing concept which had emerged in the 1950's with a consumer orientation as its base. The marketing concept contrasted with the selling orientation that had preceded it and the production orientation that is said to have been the 1930s model of marketing. In terms of the marketing concept, the customer is central, and organizations meet their objectives by discovering and staying in touch with their potential customers' needs and want and then satisfying them by producing an appropriate product. However, twenty years ago, such reasoning did not impede the rush to accept the proposed extensions to marketing's domain. Following the conference of the American Marketing Association in 1970 and the 1971 Journal of Marketing devoted to the theme.

Additionally, other concerns were voiced about this broadened concept of marketing. Enis also responded to Kotler's argument for further expansion with a wish to deepen rather than broaden the concept of marketing. As Graham also states, whilst broadening the concept of marketing was seen by Enis as a significant contribution to the development of the discipline, he did not see it as straightforward as it first appeared. Rather he saw it as multidimensional. Enis evaluated the usefulness of a concept in terms of its value in explaining the existence or behavior of phenomena. "Broadening" would be more useful if it were deepened-developed in operational terms and tested in actual marketing situations. "Broadening the nature of the product exchanged from economic goods and services to anything of value; broadening the objective of the exchange from profit to any type of payoff; and broadening the target audience of the exchange from consumer to any 'public' that relates to an organization" (Enis 1973, p59). Enis did not object to the broadened concept of marketing per se but felt that to be meaningful and useful, it would have to be more comprehensive, better integrated, and communicated with greater clarity. This he called deepening.

Followingly, another concern came from Bartels in 1974 in "The Identity Crisis in Marketing". Bartels traced the evolution of marketing through various distinct phases since the turn of the century. He saw marketing as originally concerned with the distribution of products and wondered if marketing was now to be regarded as so broad that perhaps marketing as originally conceived would ultimately reappear under another name, possibly logistics or physical distribution. Specifically, Bartels saw the following disadvantages to broadening the concept of marketing. "On the other hand, there are also some possible disadvantages, broadening the concept of marketing through the notion that techniques derived largely from the study of market phenomena are generic, when in fact those market techniques are applications to the marketplace of a broader class of techniques

expressing more basic principles of social behavior” (Bartels, 1974, p.76). As Graham (1993) also states, Carman (1973) and followingly Hunt (1991) state many processes, for example, political processes, do not involve an exchange of values and that marketing should not take such processes under its "disciplinary wing". Tucker (1974) explicitly attacked Kotler's generic concept as a foundation for theory. Although he felt that there was little harm involved in thinking of a churchgoer as a consumer of religion or a teacher as a salesman of mathematics, he considered it sensible to ask what marketing theory could derive from an intensive study of religious practices or educational efforts. As Graham (1993) also states, despite these comments, the broadened conceptual domain that constitutes the generic concept of marketing has become the dominant paradigm in the marketing discipline. As early as 1974, a survey of randomly selected professors of marketing showed an overwhelming acceptance, over ninety-two percent, of the proposition that the concept of marketing should be expanded to include the marketing of schools, charities, politicians and other nonbusiness activities” (Nickels, 1974). “The survey also showed that marketing professors wanted a broader definition than market transactions. Specifically, the professors wanted emphasis placed in introductory marketing classes on transactions that further the goals of churches, schools, charities, and other social causes” (Nickels, 1974, p.141). "More than 90 percent of the responding professors agreed that the marketing concept should be broadened to include the efforts of nonbusiness organizations to satisfy society's needs" (Nickels, 1974, p.142). Additionally, Shuptrine and Osmanski went further and asserted that marketing would have to become vitally concerned with human welfare rather than economic gain and with the broader needs, aspirations, and potentialities of society rather than merely with the problems of competition, sales volume, and profit in 1975. Also, Foxall acknowledged the dominance of the generic concept of marketing but is critical of the usefulness of the concept as it is based on the notion of exchange. He stated that; "the concept of marketing as a process of matching - of aligning the relationships between organizations and/or individuals - may provide a more coherent framework for any extended concept of the marketing function and marketing-oriented management" (Foxall, 1989, pp. 8-9).

#### **IV. CONCLUSION**

In conclusion, the broadened concept of marketing proposed by Kotler and Levy challenged the traditional understanding of marketing as a concept only associated with business organizations and their products and services. The authors argued that all organizations must develop appropriate products and tools of communication to reach their consuming publics, and that marketing principles are transferable to non-business organizations. Kotler further expanded the concept of marketing, proposing a generic view of marketing that takes a functional view of marketing, defining it as the disciplined task of creating and offering value to others for the purpose of achieving a desired response. Despite criticisms of the social contributions of marketing, the broadening of the concept has opened up new avenues for its application and has significant implications for organizations and society as a whole. As a result, it is important for organizations to recognize the importance of marketing and its principles in all aspects of their operations, regardless of whether they are a business or non-business organization.

Broadened marketing is being accepted increasingly by marketing professionals as specifying the "true" domain of the field of marketing. Marketers borrow from economics, mathematics, social science, and many other fields of study to bring about the essential and efficient exchange of goods and services. Just as marketing borrows concepts from other disciplines and applies them to its task, marketing perspectives and methods can be borrowed by non-profit organizations and individuals.

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