Marketing's Changing Social Relationships

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What are marketing's boundaries in a highly automated, industrialized society? What are marketing's social responsibilities today? These and other important questions are raised by the author. He contends that in an economy of abundance, marketing is more than a technology of the firm, and that marketing responsibilities extend beyond the profit realm. Marketing is viewed as an institution of social control instrumental in reorienting a culture from a producers' to a consumers' culture. Appraisal of the many complex issues raised in this article requires a broader conception of marketing than commonly used.

MARKETING is not an end in itself. It is not the exclusive province of business management. Marketing must serve not only business but also the goals of society. It must act in concert with broad public interest. For marketing does not end with the buy-sell transaction—its responsibilities extend well beyond making profits. Marketing shares in the problems and goals of society and its contributions extend well beyond the formal boundaries of the firm.

The purpose of this article is to present some viewpoints and ideas on topics concerning marketing's changing social relationships. The author hopes to stimulate discussion and encourage work by others concerned with the marketing discipline, rather than to present a definitive set of statements. He first presents a brief discussion of marketing and our life style, and marketing's role beyond the realm of profit. This is followed by the development of some ideas and viewpoints on marketing and consumption under conditions of abundance, with a particular focus on changing consumption norms. The last section is concerned with changing marketing boundaries and emerging social perspectives.

Marketing and Life Style

Recent developments in such areas as consumer safety and protection, product warranties, government investigations, and a host of urban issues, including air and water pollution, and poverty, are stimulating thoughtful executives and academicians to pay increasing attention to marketing's fundamental interfaces with society. They highlight the fact that marketers are inevitably concerned with societal norms and life styles of both our total society and societal segments. Since the American economy is a materialistic, acquisitive, thing-minded, abundant market economy, marketing becomes one of the cores for understanding and influencing life styles; and marketers assume the role of taste counselors. Since American tastes are being emulated in other parts of the world such as Europe, Japan, and Latin America, the impact of our values and norms reverberate throughout a broad international community.

Yet a basic difference exists between the orientation of the American life style, which is interwoven with marketing, and the life style of many other countries, particularly of the emerging and lesser-developed countries, although the differences are blurring. American norms include a general belief in equality of opportunity to strive for a better standard of living; the achievement of status and success through individual initiative, sacrifice, and personal skills; the provision and maintenance of a relatively open society with upward economic and social movement; the availability of education which is a route for social achievement, occupational advancement, and higher income. Yet, there are contradictory and conflicting
One of the next marketing frontiers may well be related to markets that extend beyond mere profit considerations to intrinsic values—to markets based on social concern, markets of the mind, and markets concerned with the development of people to the fullest extent of their capabilities. This may be considered a macro frontier of marketing, one geared to interpersonal and social development, to social concern.

From this perspective one of marketing's roles may be to encourage increasing expenditures by consumers of dollars and time to develop themselves socially, intellectually, and morally. Another may be the direction of marketing to help solve some of the fundamental problems that nations face today. Included are such problems as the search for peace, since peace and economic progress are closely intertwined; the renewal of our urban areas which is closely related to marketing development and practices, particularly in the area of retailing; the reduction and elimination of poverty, for marketing should have a major role here; the preservation of our natural resources; the reshaping of governmental interfaces with business; and the stimulation of economic growth. To help solve such problems, in addition to its current sense of purpose in the firm, marketing must develop its sense of community, its societal commitments and obligations, and accept the challenges inherent in any institution of social control.

But one may ask whether social welfare is consonant with the bilateral transfer characteristics of an exchange or market economy, or can it be realized only through the unilateral transfer of a grants economy? This is a pregnant social question now confronting marketing.

Business executives operating in a market economy can achieve the degree of adaptation necessary to accept their social responsibilities and still meet the demands of both markets and the business enterprise. At the very least, the exchange economy will support the necessary supplementary grants economy. Currently we are witnessing several examples of this.¹

The National Alliance for Businessmen composed of 50 top business executives is seeking jobs in 50 of our largest cities for 500,000 hard-core unemployed; the Urban Coalition, composed of religious, labor, government, and business leaders, as well as several individual companies, is actively seeking ways of attacking the problem of unemployment among the disadvantaged; and the insurance companies are investing and spending millions for new housing developments in slum areas. It even seems likely that business executives, operating in a market environment, stimulated by the profit motive, may well succeed in meeting certain challenges of social responsibility where social planners and governmental agencies have not.

Governmental agencies alone cannot meet the social tasks. A spirit of mutual endeavor must be developed encompassing a marketing thrust. For marketing cannot insulate itself from societal responsibilities and problems that do not bear immediately on profit. Marketing practice must be reconciled with the concept of community involvement, and marketing leaders must respond to pressures to accept a new social role.2

The development of the societal dimensions of marketing by industry and/or other institutions is necessary to mold a society in which every person has the opportunity to grow to the fullest extent of his capabilities, in which older people can play out their roles in a dignified manner, in which human potentials are recognized and nurtured, and in which the dignity of the individual is accepted. While prone to point out the undesirable impact of marketing in our life style (as they should), social critics have neglected to indicate the progress and the contributions that have been made.

In achieving its sense of broad community interest and participation, marketing performs its social role in two ways. First, marketing faces social challenges in the same sense as the government and other institutions. But unlike the government, marketing finds its major social justification through offering product-service mixes and commercially unified applications of the results of technology to the marketplace for a profit. Second, it participates in welfare and cultural efforts extending beyond mere profit considerations, and these include various community services and charitable and welfare activities. For example, marketing has had a hand in the renewed support for the arts in general, the increasing demand for good books, the attendance at operas and symphony concerts, the sale of classical records, the purchase of fine paintings through mail-order catalogues, and the attention being given to meeting educational needs. These worthy activities, while sometimes used as a social measure, do not determine the degree of social concern or the acceptance of social responsibility.

A fundamental value question to be answered is not one of the absolute morality or lack of problems in our economic system and marketing activities, as many critics suggest. Rather, it is one concerning the relative desirability of our life style with its norms, its emphasis on materialism, its hedonistic thrust, its imperfections, injustices, and poverty, as contrasted with other life styles that have different emphases. Great materialistic stress and accomplishment is not inherently sinful and bad. Moral values are not vitiated (as many critics might lead one to believe) by substantial material acquisitions. Increasing leisure time does not automatically lead to the decay and decline of a civilization. In reality, the improvement of material situations is a stimulus for recognition of intrinsic values, the general lifting of taste, the enhancement of a moral climate, the direction of more attention to the appreciation of arts and esthetics. History seems to confirm this; for great artistic and cultural advancements were at least accompanied by, if not directly stimulated by, periods of flourishing trade and commerce.

Marketing and Consumption under Abundance

American consumers are confronted with a dilemma. On the one hand, they live in a very abundant, automated economy that provides a surplus of products, an increasing amount of leisure, and an opportunity for a relative life of ease. On the other hand, they have a rich tradition of hard physical work, sweat, perseverance in the face of adversity, earning a living through hard labor, being thrifty, and “saving for a rainy day.” There is more than token acceptance of a philosophy that a life of ease is sinful, immoral, and wrong. Some consumers appear to fear the abundance we have and the potential life style that it can bring, and are basically uncomfortable with such a way of life.

Yet, for continued economic growth and expansion, this feeling of guilt must be overcome. American consumers still adhere to many puritanical concepts of consumption, which are relevant in an economy of scarcity but not in our economy of abundance. Our society faces a task of making consumers accept comfortably the fact that a life style of relative leisure and luxury that eliminates much hard physical labor and drudgery, and permits us to alter unpleasant environments, is actually one of the major accomplishments of our age, rather than the indication of a sick, failing, or decaying society. Those activities resulting in the acquisition of more material benefits and greater enjoyment of life are
physical production to consumption. Accordingly, the culture must be reoriented: a producers' culture must be converted into a consumers' culture. Society must adjust to a new set of drives and values in which consumption, and hence marketing activities, becomes paramount. Buckminster Fuller has referred to the necessity of creating regenerative consumers in our affluent society.\(^6\) The need for consumers willing and able to expand their purchases both quantitatively and qualitatively is now apparent in the United States. It is becoming increasingly so in Russia, and it will be so in the future among the underdeveloped and emerging nations. Herein lies a challenge for marketing—the challenge of changing norms and values to bring them into line with the requirements of an abundant economy.

Although some social critics and observers might lead us to believe that we should be ashamed of our life style, and although our affluent society is widely criticized, it is circumspect to observe that other nations of the world are struggling to achieve the stage of affluence that has been delivered by our economic system. When they achieve it, they will be forced to wrestle with similar problems of abundance, materialism, consumption, and marketing that we now face.

### Consumption Activities and Norms

The relative significance of consumers and consumption as economic determinants has been underemphasized in our system.\(^7\) Consumption should not be considered an automatic or a happenstance activity. We must understand and establish the necessary conditions for consumption to proceed on a continuing and orderly basis. This has rich meaning for marketing. New marketing concepts and tools that encourage continuing production rather than disruptive production or the placement of consumer orders far in advance, or new contractual obligations, must be developed.\(^8\) To achieve our stated economic goals of stability, growth, and full employment, marketing must be viewed as a force that will shape economic destiny by expanding and stabilizing consumption.

To date the major determinant of consumption has been income. But as economic abundance increases, the consumption constraints change. By the year 2000 it has been noted that the customer will experience as his first constraint not money, but...

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10 Same reference as footnote 8.

11 Same reference as footnote 9.

12 Same reference as footnote 9.
But what happens to norms and values when people have suitably gratified their "needs"? What happens after the acquisition of the third automobile, the second color television set, and three or four larger and more luxurious houses? Maslow has noted that consumers then become motivated in a manner different from that explained by his hierarchy of motives. They become devoted to tasks outside themselves. The differences between work and play are transcended; one blends into the other, and work is defined in a different manner. Consumers become concerned with different norms and values reflected in metamotives or metaneeds, motives or needs beyond physical love, safety, esteem, and self-actualization.\(^\text{13}\)

The tasks to which people become dedicated, given the gratification of their "needs," are those concerned with intrinsic values. The tasks are enjoyed because they embody these values. The self then becomes enlarged to include other aspects of the world. Under those conditions, Maslow maintains that the highest values, the spiritual life, and the highest aspirations of mankind become proper subjects for scientific study and research. The hierarchy of basic needs such as physical, safety, and social is prepotent to metaneeds. The latter, metaneeds, are equally potent among themselves.

Maslow also makes a distinction between the realm of being, the "B-realm," and the realm of deficiencies, the "D-realm,"—between the external and the practical. For example, in the practical realm of marketing with its daily pressures, executives tend to be responders. They react to stimuli, rewards, punishments, emergencies, and the demands of others. However, given an economy of abundance with a "saturation of materialism," they can turn attention to the intrinsic values and implied norms—seeking to expose themselves to great cultural activities, to natural beauty, to the developments of those "B" values.

Our society has reached the stage of affluence without having developed an acceptable justification for our economic system, and for the eventual life of abundance and relative leisure that it will supply. Herein lies a challenge for marketing: to justify and stimulate our age of consumption. We must learn to realize ourselves in an affluent life and to enjoy it without pangs of guilt. What is required is a set of norms and a concept of morality and ethics that corresponds to our age. This means that basic concepts must be changed, which is difficult to achieve because people have been trained for centuries to expect little more than subsistence, and to gird for a fight with the elements. They have been governed by a puritanical philosophy, and often view luxurious, new, convenient products and services with suspicion.

When we think of abundance, we usually consider only the physical resources, capabilities, and potentialities of our society. But abundance depends on more than this. Abundance is also dependent on the society and culture itself. It requires psychological and sociological environments that encourage and stimulate achievement. In large measure, our economic abundance results from certain institutions in our society which affect our pattern of living, and not the least of these institutions is marketing.

Advertising is the institution uniquely identified with abundance, particularly in America. But the institution that is actually brought into being by abundance without previous emphasis or existence in the same form is marketing.\(^\text{14}\) It is marketing expressed not only through advertising. It is also expressed in the emphasis on consumption in our society, new approaches to product development, the role of credit, the use of marketing research and marketing planning, the implementation of the marketing concept, the management of innovation, the utilization of effective merchandising techniques, and the cultivation of mass markets. Such institutions and techniques as self-service, supermarkets, discount houses, advertising, credit plans, and marketing research are spreading marketing and the American life style through other parts of the world.

Marketing is truly an institution of social control in a relatively abundant economy, in the same sense as the school and the home. It is one of the fundamental influences of our life style. It is a necessary condition of our high standard of living. It is a social process for satisfying the wants and needs of our society. It is a very formative force in our culture. In fact, it is impossible to understand fully the American culture without a comprehension of marketing. But, unlike some other social institutions, marketing is confronted with great conflicts that cloud its social role.

**Changing Marketing Boundaries**

We may well ask, what are the boundaries of marketing in modern society? This is an important question that cannot be answered simply. But surely these boundaries have changed and now extend beyond the profit motive. Marketing ethics, values, responsibilities, and marketing-government relationships are involved. These marketing dimensions will unquestionably receive increasing scrutiny by practitioners and academicians in a variety of areas, and the result will be some very challenging and basic questions that must be answered.

We might ask, for example, can or should marketing, as a function of business, possess a social role distinct from the personal social roles of individuals who are charged with marketing responsi-

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Does the business as a legal entity possess a conscience and a personality whose sum is greater than the respective attributes of its individual managers and owners? Should each member of management be held personally accountable for social acts committed or omitted in the name of the business? Answers to such questions change with times and situations, but the trend is surely to a broadening recognition of greater social responsibilities— the development of marketing's social role.

Few marketing practitioners or academicians disagree totally with the concept that marketing has important social dimensions and can be viewed as a social instrument in a highly industrialized society. Disagreement exists, however, about the relative importance of marketing's social dimensions as compared to its managerial or technical dimensions.

The more traditional view has been that marketing management fulfills the greater part of its responsibility by providing products and services to satisfy consumer needs profitably and efficiently. Those adopting this view believe that as a natural consequence of its efficiency, customers are satisfied, firms prosper, and the well-being of society follows automatically. They fear that the acceptance of any other responsibilities by marketing managers, particularly social responsibilities, tends to threaten the very foundation of our economic system. Moot questions about who will establish the guidelines, who will determine what these social responsibilities should be, and who will enforce departures from any standards established, are raised.

However, an emerging view is one that does not take issue with the ends of customer satisfaction, the profit focus, the market economy, and economic growth. Rather, its premise seems to be that the tasks of marketing and its concomitant responsibilities are much wider than purely economic concerns. It views the market process as one of the controlling elements of the world's social and economic growth. Because marketing is a social instrument through which a standard of living is transmitted to society, as a discipline it is a social one with commensurate social responsibilities that cannot merely be the exclusive concern of companies and consumers.

Perhaps nowhere is the inner self of the populace more openly demonstrated than in the marketplace; for the marketplace is an arena where actions are the proof of words and transactions represent values, both physical and moral. One theologian has written, "the saintly cannot be separated from the marketplace, for it is in the marketplace that man's future is being decided and the saintly must be schooled in the arts of the marketplace as in the discipline of saintliness itself." 16

In this context, marketing's responsibility is only partially fulfilled through economic processes. There is a greater responsibility to consumers and to the human dignity that is vital to the marketplace—the concern for marketing beyond the profit motive.

Academicians and executives will be forced to rethink and reevaluate such situations in the immediate future just by the sheer weight of government concern and decisions if by nothing else. 17 In the last year, there have been governmental decisions about safety standards, devices for controlling air pollution, implied product warranties, packaging rules and regulations, the relationship of national brands to private labels, pricing practices, credit practices, and mergers. There have been discussions about limiting the amount that can be spent on advertising for a product, about controlling trading stamps, about investigating various promotional devices and marketing activities. Such actions pose serious questions about marketing's social role. If we do not answer them, others will; and perhaps in a manner not too pleasing, or even realistic.

There need be no wide chasm between the profit motive and social responsibility, between corporate marketing objectives and social goals, between marketing actions and public welfare. What is required is a broader perception and definition of marketing than has hitherto been the case—one that recognizes marketing's societal dimensions and perceives of marketing as more than just a technology of the firm. For the multiple contributions of marketing that are so necessary to meet business challenges, here and abroad, are also necessary to meet the nation's social and cultural problems.

