tem works imperfectly at best, and there are pressing social needs which must be met with goods and services that are not bought and sold. All thinking men want to see the nonbusiness aspects of our society performed properly by other agencies when private or governmental businesses cannot or should not provide them. However, this is no reason to distort and attenuate the scope of “marketing” in order that we may see marketing participate where it does not.

The “we’re not yet societal” syndrome is 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 in aiding and supporting 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.

A New Form of Marketing Myopia:
Rejoinder to Professor Luck

PHILIP KOTLER
and SIDNEY J. LEVY

The authors offer a rejoinder to Professor D. J. Luck’s comments regarding their article and present additional commentary supporting their position that marketing’s role in society should be expanded.

WE WELCOME Professor Luck’s comments on our paper on “Broadening the Concept of Marketing.” His decision to make a case for traditional marketing gives us an opportunity to offer additional reflections on both the essential and the changing nature of marketing.

Professor Luck criticizes our viewpoint for various reasons. He prefers to remain with the more traditional definition of marketing, one that insists on restricting marketing to business activities regardless of what similar functions may go on in nonbusiness organizations. He fears that marketing will lose its identity, possibly defeated by retaliatory responses from the fields of management or sociology. He maintains that there is enough to think about with a definition of marketing that is restricted to the criterion of an “ultimate purchase-and-sale of a product or service.” He suggests that an expanded definition is proposed to alleviate a guilt feeling of marketers about the profit motive. All this leads Professor Luck to conclude that marketers should not stray from marketing “in the real sense” to work with the rest of the universe, except for little favors to the church or the United Fund on the side.

First we must recognize that the scope, methods, and aims of any discipline are determined more by tradition than by anything intrinsic in the name. For example, economics is practiced primarily as a deductive science in contrast to most of the other social sciences. Second, every discipline periodically faces challenges to its traditional form from people within and outside who seek to make it more “relevant.” Thus, the deductive tradition in economics has been attacked repeatedly by institutionalists, psychologists, and empirically minded researchers. Third, the members of the discipline will show responses to these challenges ranging from hostility, to sympathy, to open embrace. Whether a particular challenge is accepted depends on its ultimate contribution as a new perspective. Debate among the members of the discipline will hopefully clarify the issues, but other more fundamental factors will eventually determine the outcome.

According to Professor Luck, marketing has traditionally focused on “those processes or activities whose ultimate result is a market transaction.” This focus is in line with the widely understood meaning of the term and has the virtues of clarity, closure, and comfort. However, there are severe limitations associated with such a viewpoint. The first major limitation is that students of marketing will deny their expertise to the most rapidly growing institutional sectors of the society. The second major limitation is that business marketing per se will forego the enrichment that comes from examining the same processes practiced in other
contexts. If the current definition is not expanded, both business and nonbusiness marketing will be restricted in their growth.

Our position starts with the fundamental awareness that marketing-like activities take place in nonbusiness organizations as well as in business organizations. Churches, schools, and museums all engage in product development, pricing, distribution, and communication. For what purpose? To serve the needs of their “customers.” These institutions seek to cultivate a long-term relationship with well-defined groups in much the same way that the modern business firm seeks to develop loyal customers. Do these institutions have “products”? Yes, they produce services designed to minister to various needs of their customers. Traditional marketing has always included services in its scope, such as insurance, repairs, hair-setting, and entertainment. There is no basis for distinguishing these services from religious, protective, or educational services which are offered in the nonbusiness sector. Business enterprises may even be more effective in meeting the needs the nonbusiness organizations aim to meet.

Do these organizations make any effort to promote themselves? Yes, these organizations recognize that they are competing with other institutions to gain the affectionate preference of their audience. They use such “tools” as public relations, newsletters, and personal salesmanship to create and sustain a “following.”

In all of these functions there is little difference between the marketing activities of business and nonbusiness organizations, with two possible qualifications. First, executives in nonbusiness organizations may be less conscious of engaging in marketing. But consciousness does not have to exist to prove that an activity is taking place. Personnel activity did not start in American business with the appointment of personnel directors, and marketing existed long before there were marketing vice-presidents. Many business firms are still not aware that they are engaged in marketing, and there are many nonbusiness organizations that are very conscious of the power of marketing. (Consider the Harvard Business School, Heart Fund, and the Museum of Modern Art.) Furthermore, executives in nonbusiness organizations are increasingly interested in “business” marketing and what it has to offer in their operations. The head of a hospital recently invited the authors to indicate how the hospital could do a better marketing job. According to Professor Luck, “individual marketers lend their talents to United Fund drives, political campaigns, or church program planning.” What are these talents if not a prima facie case for the existence of marketing problems and opportunities in welfare, politics, and religion.

The other possible difference between business marketing and other types of marketing might be in what Professor Luck calls the market transaction. He says that the aim of marketing is “the ultimate purchase-and-sale of a product or service.” This criterion is not as unambiguous or acceptable as it might appear at first glance. Business marketers have recently re-expressed the aim of marketing to be “the satisfaction of consumer wants at a profit” which emphasizes not the sale of particular products or services, but the continual adjustment of their offerings to meet customers’ needs. Business marketers are increasingly focusing on cultivating long-run rewarding relationships with customers rather than achieving sales in the short-run. This is much in the spirit that schools cultivate their alumni and churches cultivate their membership. The form in which these products and services are paid for is less relevant than the exchange relationship itself. Any institution can, in principle, arrange to sell its services in such a way that it resembles market transactions: that is, one can buy tickets to enter a church for holiday services, or buy educational services directly instead of paying for them through taxes. The fact that spiritual and educational services are usually paid for in other ways than outright purchase reflects convenience and tradition. Is anyone deceived that there is not a quid pro quo? Nor is the aim of profit a definitive characteristic of marketing. The price may cover less than the costs, or more than the costs, and not indicate anything about how effectively the organization is carrying out its marketing tasks. This is a cultural bias, for marketing activity goes on in primitive and socialist societies where the drive for private profit is not an issue.

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The crux of marketing lies in a general idea of exchange rather than the narrower idea of market transactions. Exchange involves two (or more) parties who voluntarily agree to enter into a "trading" relationship. The trade may consist of one product for another, a product for a service, a service for a product, or a product or service for money. Each party enters into the exchange because he wants something other than what he gives. Each party tries to emphasize the value of what he is giving in order to consummate an exchange that is mutually satisfactory, and which perhaps will lay the basis for a continuing relationship. Traditionally the focus has been on the producer or seller as doing the "marketing," but a more general viewpoint indicates that the buyer also does marketing. Consider a person seeking an apartment in a seller's market and the efforts which he will make in order to appear to be the right customer, or the perfect tenant. Similarly, industrial buyers, in times of tight supplies, will do all kinds of things to "market," that is, to solicit response from the seller.

Marketing is a universal process carried on by individuals, groups, and organizations. Basically, it describes those efforts to win the support of others through offering value. This process is termed marketing for two reasons: First, a better term for this generic and endemic process has not been found. Second, we think that a single theory can ultimately be forged to describe this process no matter where it occurs and no matter what it is called.

Professor Luck is afraid that this definition claims too much for marketing and is likely to be interpreted as an encroachment upon other disciplines. We take the view that jurisdictional disputes are healthy for the progress of science, and the validity of any new viewpoint will ultimately be tested in the marketplace. In addition, all phenomena may be claimed by various disciplines, depending upon the viewpoint taken. There is a division of Consumer Psychology in the American Psychological Association—and we assume marketers do not resent it. By no means do we intend to argue that marketing is the whole of political science, religion, and/or education. It is an aspect of these enterprises (as indeed, management, faith, and learning are presumably aspects of marketing).

Our intention is to examine the subtleties of marketing in nonbusiness organizations as an area intrinsically worthy of study, to teach those who work in such organizations, and to better appreciate the nature of business marketing.

We also feel that many nonbusiness organizations would benefit from a more conscious awareness and practice of the marketing concept. It may lead them to place their clients ahead of products and integrate their efforts to develop relevant want-satisfaction. To treat marketing as a proper 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.

Identifying Determinants of Retail Patronage

P. RONALD STEPHENSON

How do consumers choose among alternative retail outlets? What elements of a retailer's merchandising mix are critical in customers' patronage decisions? Results of this study identify patronage motives that appear important in the choice among competing food outlets. The study also demonstrates how retailers can employ the semantic differential to obtain such market information.

THE marketing literature contains several previous items suggesting use of the semantic differential in image and attitude related research. For example, Mindak discussed the means by which this technique could be adapted specifically for marketing and advertising problems. He shows how the semantic differential can be used to quantify image data and illustrates his case with a study of differences in brand image among competing beers.1

Kelly and Stephenson have suggested using the semantic differential at three different stages in the life cycle of a retail store: (1) to provide information for the original design of a retail strat-