Towards a Parametric Definition of Marketing

by Gary Kurzbard and Gary F. Soldow*

Baruch College, University of New York

Most marketing scholars have been exposed to the debate regarding the broadening of the marketing concept and the subsequent argument that marketing represents exchange (cf. [1,2,3,4,5,6,7,8,9,10]). The issue hinges upon the most fundamental dimension of any discipline: a definition of what does, and what does not, constitute the appropriate subject matter of that discipline. Do we indeed have an adequate definition of marketing? Peter and Olson[11] argue in the affirmative. In a footnote to their article, they suggest that most marketing scholars accept Kotler's[12] definition that marketing is “human activity directed at satisfying needs and wants through exchange processes”. And for those scholars uncomfortable with Kotler's offering, the American Marketing Association has, after several years of study, recently formulated a new definition:

Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organisational objectives[13,p.1].

The purpose of a definition is to take a concept and indicate exactly what it means so that “we know when we do or when we do not have an instance of it [the concept]”[14,p.5]. The purpose of this discussion is to explore whether the possible definitions of marketing satisfy this basic requirement and to propose a definition that does so. It will be argued that we do not currently have a definition of marketing that fulfils Brodbeck's fundamental criterion. Developing a definition that does meet this criterion is critical as argued by Madge:

. . . definition and classification are preliminaries to analysis. Because of the inadequacies of definition, many important theories . . . remain in the purgatory between validation and rejection[15,p.538].

The Inadequacies of Current Definitions of Marketing

One need only consider the concept of exchange to appreciate the limitations of current definitions. It is generally held that marketing science is unique because exchange is its central focus (cf. [2]). Exchange can be argued, however, to represent a central focus of a number of disciplines, and it is the most salient dimension of both the Kotler and AMA definitions.

*The authors names are listed alphabetically; both authors contributed equally.
The operant question, though, is whether exchange and mediation are the same thing. In fact they are not. Mediation processes are more general and are involved in all human interaction. Essentially, the mediation process entails an individual's trying to create an atmosphere or environment so as to structure certain desired responses in another. That is, it is the creation of a milieu of co-operation so that desired responses can be both planned for and expected in others. If mediation as thus defined is considered to be synonymous with exchange, then all human behaviour is exchange. In this light, it is no accident that sociology and economics have exchange theory saliency within their domains, and any definition of marketing that relies exclusively upon the concept of exchange is inadequate. (The consequences of hinging the definition of marketing on exchange will be elaborated upon later in this discussion.)

If, rather than focusing upon exchange per se, we focus upon satisfaction of needs and wants through exchange (as in the Kotler definition), we, in effect, are presenting a definition that is synonymous in every respect with that of utility currently in vogue in economics. Should marketers then regard themselves as economists? If they are, in fact, studying the same things, the dichotomy between economics and marketing is tenuous indeed. If marketing science is to avoid contextual ambiguity, the question of whether it is indeed distinguishing itself from other disciplines must be asked. As Arndt has argued, including too much within the “boundaries” of marketing can result in a lack of focus and “the inclusion of phenomena which are not essentially marketing phenomena”[16, pp. 28-29]. It is useful to ask, then, what the consequences are of not having an adequate definition.

The Consequences of an Inadequate Definition
The most basic problem we are faced with when we are presented with a definition that does not allow us clearly to determine a legitimate domain is that marketing phenomena become global and all-inclusive. That definitions of marketing proliferate and vary in their degree of specification can be viewed as evidence of some concern about the global nature of the definitions offered. This is particularly apparent when one considers Kotler’s definition. Almost all, and perhaps all, human activity can be said to have as its goal the satisfaction of needs and wants. Further, this satisfaction can be argued as occurring by way of exchange processes, either in the form of persuasive attempts with a spouse or a prospective customer, or in the form of breathing to exchange oxygen with the environment. It should be noted that the AMA definition is similarly all-inclusive since it, too, relies upon satisfaction of needs and wants through exchange processes. Although the AMA definition presents the equivalent of the four-Ps, given its inclusion of exchange of ideas, the four-Ps become enough of an abstraction so that one can, for example, consider pricing to involve psychological costs instead of economic costs.

Marketing scholars are thereby forced to ask how the definitions of marketing are distinguishable from those used in economics or psychology or sociology. It is suggested that the definitions, in fact, do not make such a distinction. That distinction is critical because, as suggested, if marketing cannot be differentiated from other disciplines, it necessarily will have a global domain, thereby diffusing research questions and obscuring findings. As Dubin argues, “the domain of a model [is] the territory over which we can make truth statements about the model and, therefore, about the values of the units
composing the model” [17, pp. 134-135]. If our domain, however, is all-inclusive, then true marketing statements can be made in any area of human activity. Marketing does, indeed, become psychology, sociology, economics or history, or as Peter and Olson[11] have suggested, science itself.

There is an additional consequence to an inadequate definition of our field. Consider again the AMA definition of marketing. Due to its reliance on ideas and exchange, there is no indication of goals or consequences of marketing (with the possible exception of exchange as an end in itself). Thus, we can only determine that something is marketing after it has occurred because we have no way of definitionally distinguishing marketing activities from the vast arena of social intercourse. That is, we posit that such things as a politician’s trying to get votes or a person’s trying to get a date are marketing events after the fact, i.e., we are providing an ex post facto explanation for such events.

Activities are Marketing after the Fact
As Selzitz, Wrightsman, and Cook explain:

“Given any two variables that show a statistically significant relationship, an investigator usually finds it possible to propose an explanation for the relationship. However, the critical test of an obtained relationship is not the ex post facto rationales and explanations . . . but rather the ability to predict it or predict other relationships on the basis of it” [18, p. 488].

Thus, Kotler, Levy, Fisk, and Walden are saying that a politician is successful (or unsuccessful) through the efficacious use of marketing techniques or the absence of those methods.

The point is that we can, after the fact, argue that situations might be explained in terms of the application of marketing techniques. We do not know, however, whether such application makes any difference to someone who has no awareness of marketing. Success simply becomes serendipitous, and marketing becomes an after-the-fact explanatory variable or group of variables that can always be applied, but that may or may not make a difference in how they are applied. Thus, we run the risk of making marketing worthless apart from finding in it a rich means of post hoc explanation. Merton[19] addresses the issue:

As is . . . often the case in sociological interpretation, the post factum hypotheses are also ad hoc or, at the least, have but a slight degree of prior confirmation, then such ‘precocious explanations’ . . . produce a spurious sense of adequacy at the expense of further inquiry.

Post factum explanations remain at the level of plausibility . . . Plausibility, as distinct from compelling evidence, is found when an interpretation is consistent with one set of data . . . It also implies that alternative interpretations equally consistent with these data have not been systematically explored and that inferences drawn from the interpretations have not been tested by new observations . . . The method of post factum explanation does not lend itself to nullifiability, if only because it is so completely flexible . . . Thus, whatever the observations, a new interpretation can be found to ‘fit the facts’ (in [14, pp. 473-474]).

Surely this state of affairs is undesirable. We must seek to establish a definition that performs the vital functions of separating marketing from other disciplines so we will know when we do have a genuine instance of marketing and, therefore, when we can and cannot make truth statements before-the-fact rather than after-the-fact. In order to begin creating such a definition, it is necessary to present specific criteria that render definitions cogent.
Criteria for an Acceptable Definition
As suggested earlier, any definition must be such that it establishes clear indices as to what constitutes the concept being defined. As Merton[19] states, "a basic requirement of research is that the concepts . . . be defined with sufficient clarity to enable the research to proceed" (in [14, p. 494]). This requires "indices which are observable, fairly precise, and meticulously clear" (in [14, p. 494]). Put simply, any definition of a concept must be exclusionary as well as inclusionary.

A Definition of Marketing as Tendentious and Exclusionary
The definitions of marketing presented thus far do not, even on the surface, appear to meet this basic requirement of clarity precisely because they appear to exclude little if anything from their purview. As suggested, they do not indicate with any precision a definitive domain that should be observed by marketers. Instead, these definitions are sufficiently vague and inclusive as to allow almost any activity within the domain of marketing. Clearly, in order to provide the clarity so severely lacking, we have to revise what appears to be generally accepted definitions of marketing.

To be sure, such revision is likely to be controversial because it necessarily is going to shrink the boundaries that so many theorists have laboured to expand. Yet, to make a definition that provides the clarity we need, we have to eliminate equivocal dimensions. It is suggested here, then, that any definition of marketing must deal with exchange processes that are tendentious and deal exclusively only with goods and services. This stipulation satisfies the exclusionary function of definition as implied by Brodbeck[14], (also see Popper[20]).

The pointed exclusion of ideas, albeit uncomfortable, is necessary because the inclusion of ideas allows marketing to include philosphic discussions or any other type of human interaction, even thinking. Whereas an interpersonal exchange dealing with philosophic ideas may be geared to mediating the intellectual perspectives of either or both parties, there is no directed activity towards the exchange of goods or services. This is not to say that ideas have no part in marketing. As every marketer knows, ideas may (and often do) play an essential role in marketing transactions. By excluding ideas from a definition of marketing, we are still allowing that ideas may be instrumentalities directed towards marketing goals, but that the exchange of ideas does not represent an end in itself within marketing transactions.

With respect to the suggestion that the marketing process is always tendentious, we are simply saying that the goal of marketing is uniformly the exchange of goods and services. All processes which tend towards this exchange, including ideas, are mediation tools. These tools are used in helping to achieve the goals of marketing.

In this context, it is important to make a further distinction between intended and unintended consequences of marketing exchange. That is, while marketers will have specific outcomes in mind, an entire array of additional results may accrue that are unforeseen or barely imagined. Thus, the question that arises is how we are to treat these unintended outcomes or consequences in a definition of marketing.

Intended and Unintended Consequences
One of the primary difficulties in coming up with a definition of marketing has been a confusion between intended and unintended consequences of marketing exchange. As
suggested, intended consequences are those that are planned for and structured so as to
duce a desired response. In effect, in most human endeavours, intended consequences
represent a goal for the structuring of the responses of an individual by another who
desires a specific action. Specifically with respect to marketing, the desired action is always
the selling of a good or service. Thus, the intended consequences of marketing exchange
are always purposive; they are never accidental.

Unintended consequences are unplanned-for elements which may affect the exchange
process. They are not considered in marketing plans. Unintended consequences are the
result of unforeseen elements that may impact on the exchange process and are, in
principle, unpredictable. For example, if an individual acts as a role model for another by
intentionally mediating the other's consumption behaviour, the marketing exchange
process may be said to have taken place. Thus, a comparative advertisement that results
in increased usage of the advertised brand can be said to be a planned and intended conse-
quence of marketing activity. If the effect is, however, unintentional such as a role model's
unknowingly altering consumption behaviour, there has been no exchange process, and,
and, hence, marketing has not taken place. If, therefore, the compared-to brand has increased
sales as opposed to the advertised brand, marketing has not occurred, and the marketing
exchange attempt has failed. This is a critical distinction and follows from the argument
that marketing is purposive.

It is useful to recall the earlier stated distinction between mediation and marketing.
Whether or not we have intended or unintended consequences of any human goal-
directed activity involving other persons, we have mediation in terms of creating a milieu.
However, only in those situations with intended consequences as a result of trying to effect
buying and selling do we have marketing. Just what, then, should the domain of
marketing include?

The Domain of Marketing
Fifteen years have passed since Kotler and Levy in 1969 presented their important article
arguing for the broadening of the marketing concept. In one sense, it would seem that no
reasonable person could argue with their perspective. They were simply arguing that
marketing is not only done by business organisations but also conducted by politicians,
institutions of higher education, churches, fund-raising organisations, and many other
not-for-profit organisations. Thus, for example, it is simple enough to think of the
politician's task in terms of defining a target market, analysis of behaviour of the
politician's potential "consumers", consideration of differential advantages, etc.

. Three years later, Kotler[6] expanded even this broadened concept to include
the organisation dealing not only with its final consumers, but all its publics including its own
employees. Fisk and Walden[5] extended this further still to include the behaviour of any
individual engaging in any kind of persuasive activity where the goal is to get something
the individual would not otherwise get. This would include getting a job and getting a
date. Thus, everyone of us is a naive marketer. Finally, Peter and Olson[11] maintained that
scientists are actually marketing when they engage in scientific research.

Obviously this vast array of "marketing" situations is hardly exclusionary. It is useful,
therefore, to distinguish between those institutions whose principle reason for being is the
offering of goods and services through the employment of marketing strategies to affect
the sale of such goods and services from those institutions which employ marketing
strategies for reasons other than the proffering of goods and services. The former might
include such organisations as IBM or Proctor and Gamble, while the latter might include
educational institutions and the Republican Party. (This does have implications regarding
what constitutes a service; however, consideration of that issue is beyond the scope of the
present discussion.)

The above distinction, while it may not be exhaustive, does probably encompass most
institutions of society. These institutions of society can be separated into two broad
classifications: economic mediators and socio-cultural mediators analogous to IBM or
the Republican Party. Although both of these spheres interface with each other in many
areas, they are not ontologically equivalent.

While socio-cultural mediators may employ the techniques of economic mediators,
socio-cultural mediators ought not to be regarded as marketers because their goals are
different. That is, their intended consequences are different. Thus, the employment of
marketing techniques and strategies by any organisation does not, *ipsa facto*, mean that
the organisation may be regarded as an economic mediator. The confusion between these
two broad mediating institutions is apparent in many scholarly journals concerned with
issues in marketing. A distinction between necessary and sufficient conditions will serve
to dispel the confusion.

Although marketing techniques and strategies may be employed by socio-cultural
mediators, these techniques serve as necessary but insufficient conditions for regarding
the socio-cultural sphere as equivalent to the economic sphere. In order for genuine
marketing to be said to have taken place, necessary and sufficient conditions for the
exchange process must be manifest. This means that the techniques of marketing can be
employed by marketers and non-marketers alike, but techniques do not make for
equivalence. For example, a person who offers personal counselling to another by listening
attentively, by showing sympathy, or by making specific recommendations is not, thereby,
garded as a *bona fide* clinical psychologist, although that person may be a *bona fide*
friend. Similarly, a politician who shakes hands with commuters on their way to work,
who places posters at strategic locations, or who calls on potential voters to try to persuade
them to vote for him/her, is not a *bona fide* marketer; the politician is only a *bona fide*
politician.

What emerges herein is a need for a definition of marketing that will clearly specify
those necessary and sufficient conditions to set the parameters of its legitimate domain.

**A Definition of Marketing**

Having discussed criteria for acceptable definitions in general (that they must be both
inclusionary and exclusionary as well as precise enough so that one will know when there
exists an instance of the concept being defined), as well as the specific criteria for a
definition of marketing (that marketing is tendentious and, finally, deals only with the
exchange of goods and services), it is possible to formally state a definition as follows:

Marketing is a mediated activity occurring within the economic sphere that employs
strategies intentionally rendered and goal-directed towards the exchange of goods and
services.
In addition to the specific criteria argued to be important for this definition, the definition also is based upon the distinctions between intended and unintended consequences such that we are dealing only with intended consequences, and it also refers only to the economic sphere relative to the economic/socio-cultural distinction.

**The Benefits of the Proposed Definition**

A logical question, of course, is just exactly how is this definition superior to other commonly accepted definitions. First, the proposed definition is sufficiently capacious to incorporate marketing activities and, at the same time, to distinguish marketing from other mediated human behaviours. Thus, while persuasion is a mediated human behaviour, it is clearly not included in the proposed definition. At the same time, the definition allows consideration of the long list of diverse subject areas listed by Hunt:

... consumer behavior, pricing, purchasing, sales management, product management, marketing communications, comparative marketing, social marketing, the efficiency/productivity of marketing systems, the role of marketing in economic development, packaging, channels of distribution, marketing research, societal issues in marketing, retailing, wholesaling, the social responsibility of marketing, international marketing, commodity marketing, and physical distribution[2, pp. 19-20].

See also Bartels[22] since the definition offered herein allows consideration of his list of concerns as well.

Second, this definition has the virtue of a specificity that would allow an independent observer of behaviours accurately to ascribe the categorisation of marketing to those behaviours. This can be contrasted with more global definitions such as that of Bartels:

... marketing is the process whereby society, to supply its consumption needs, evolves distributive systems composed of participants, who, interacting under constraints — technical (economic) and ethical (social) — creates the transactions of flows which resolve market separations and result in exchange and consumption[23, p. 32].

We submit that this definition is more concerned with the socio-economic dimensions of production and distribution than is the definition proposed herein. As such, Bartels definition should be regarded as primarily of interest to economists.

If we turn again to Kotler's definition ("marketing is a human activity directed at satisfying needs and wants through exchange processes"), we can see additional confusion. This definition could be of interest to psychologists, to economists, biologists and perhaps even linguists. Kotler's definition includes everything and excludes very little. In effect, it is tautologically true because there are no conditions which tend to negate it. Particularly problematic in this definition is its reliance on exchange processes, as though exchange represents an end in itself.

**The Problem with Viewing Marketing as Synonymous with Exchange**

The essence of exchange is interdependence, either between individuals, groups, or institutions. Such interdependence results from people depending upon each other for symbolic, material, or non-material rewards (cf. [24]). In that sense, marketing is certainly concerned with exchange.
The idea of marketing as exchange has both a positive and a negative aspect. It is positive in that inherent in the word exchange is the notion of process or something fluid that occurs over time (cf. [25]). It is negative when it is maintained that what distinguishes marketing from other fields, i.e., what makes it unique, is that marketing focuses on exchange. Thus, if exchange is considered a process that is a means to an end, i.e., the sale of goods or services, its positive aspects are operative. However, if exchange itself is the focus, then there are a number of other fields that have the same focus.

One field characterised as studying exchange is speech-communication. Ruesch and Bateson state:

... the concept of communication would include all processes by which people influence one another... all actions and events have communicative aspects as soon as they are perceived by a human being... such perception changes the information which an individual possesses and therefore influences him [26, p. 7].

As a kind of definition of exchange, Homans states:

As [a person] emits behavior [relative to another person], each man may incur costs, and each man has more than one course of behavior open to him. This seems to me the paradigm of elementary social behavior [27, p. 598].

It might be noted that this is also the equivalent of the conceptualisation of exchange presented by Bagozzi [2] and adapted from Levi-Strauss [28] when Bagozzi was maintaining that marketing is the study of exchange.

Mass communication scholars can also be said to be concerned with exchange when they study how and why we interact with the media, in effect exchanging our time for information. Thus, when Kotler [6] maintains that the person deciding to watch television is engaging in marketing (which appeared to disturb Luck [9]), the people in mass communication may be rather concerned about this when they pursue their own interests having to do with mass communication effects. And when we can argue that any act of persuasion, including persuasion that occurs in dyadic interactions such as seeking a date, is really marketing, the people in speech-communication who study interpersonal and small group communication as well as persuasion might register somé concern.

Sociology is another discipline concerned with exchange as one of five types of social interaction. (The other types include co-operation, conflict, coercion, and competition, which, of themselves, appear to overlap with the types of social interaction with which marketers are concerned.) Specifically, exchange relationships are defined as,

... a person acting in a certain way toward another for the purpose of receiving a reward or return... Most employer-employee relationships are of this type... The rewards do not have to be monetary or material. Subjective emotional rewards form the basis for many social exchange relationships — for example, when a person tailors his behavior toward another for the purpose of receiving gratitude [29, p. 50].

Blau [30], also a sociologist, discusses reciprocal exchanges in daily life such as the exchange of gifts, favours, information, as well as exchanges involving money, goods and services. If we add to this the following statement quoted by Merton [19], exchange is clearly implied: "to a certain approximation it is useful to regard society as an integrated system of mutually interrelated and functionally interdependent parts" [14, p. 468]. Finally, to the extent that sociology is the study of social relationships, whether such relationships be micro or macro, Johnson's statement clearly establishes the linkage
between sociology and exchange: "Analysis of social relationships in terms of costs and rewards is one of the major features of exchange theory" [24, p. 343].

The point here is that there are several disciplines or within-discipline areas that are concerned with exchange. To be sure, different disciplines approach the notion of exchange differently, but they still consider exchange. Indeed, the notion of exchange is broad enough so that it could even be argued that it is difficult not to consider exchange. Thus, psychologists are concerned with exchange when they attempt to understand attitude change or mass communication effects or even reward and punishment that lead to learning (cf. [27]). Accounting scholars are also dealing with exchange to the extent that they are providing an arithmetical account of results of monetary transactions.

Thus, when marketing scholars say that the study of exchange is what differentiates them from other disciplines, they are mistaken. Many disciplines study exchange. We could even argue that the physical sciences study exchange, although they are not necessarily concerned with exchange between humans. For example, the act of breathing represents exchange. (It might be noted that, in some cases, when marketers argue that we are studying exchange, they use the concept of exchange incorrectly. For example, Fisk and Walden[5], in discussing the exchange of getting a job, argue that such an exchange is restrictive and unilateral. But exchange is not unilateral; it affects both parties or units in a transaction (cf. [28]).

While we can group together all disciplines using exchange concepts, we still have distinct disciplines. This holds true of marketing as well as any other until, however, we insist on broadening the definition of marketing. That is, we can very comfortably argue that we study exchange relationships. But what distinguishes us from any other discipline is which particular exchange relationships we choose (arbitrarily or not) to study, specifically the exchange relationships having to do with buying and selling of goods and services.

We might ask here whether the definition offered by the AMA ("Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organisational objectives") resolves any of the difficulties discussed thus far. While it appears to be more specific than either that of Bartels or Kotler, it is, upon careful reading, rather opaque. It argues that marketing is a process, but never specifies what that process is. Further, it suggests that planning and executing are the constituent elements of that process, but does not specify the ultimate goals of the process nor how strategies of conception, promotion, pricing, or distribution are generated. Nor does it explain how the satisfaction of individual and organisational objectives are made possible. By its inclusion of the exchange of ideas, it does not exclude any form of communication whether it be persuasive or otherwise.

**Conclusion**
The definitions offered by Bartels, Kotler, and the AMA try to explain what marketing is, but they do not explain what marketing is not. They also allow for behaviours that are not intentional marketing behaviours to be regarded as marketing. If the spate of definitions for marketing continues unabated, with essential disregard for exclusion as well as inclusion, the posing of scientific questions for marketing researchers will be increasingly
difficult. Recalling Popper, disciplines are, in part, characterised by the questions they ask. Those questions suggest methodologies. And those methodologies, in turn, determine what will be regarded as evidence for significant answers. The difficulty thus far with some marketing research is that the questions posed by researchers have skirted a multiplicity of disciplines in a variety of ways. We are not claiming that the proposed definition is one for the ages, but we would argue that this definition would allow for the posing of specifiable questions that may yield productive answers for our discipline.

We would expect this definition to generate controversy. Controversy is healthful and the loam for the growth and maturation of any discipline. Indeed, controversy characterises some of our more mature and respected scientific disciplines, such as quantum mechanic's current "operationalist" controversy[31].

Yet, despite incipient controversy, clear definitions are essential for the maintenance of a common frame of reference within any discipline. Should mathematics have a definition of "circle" for example, other than the formally accepted "locus of all points equidistant from a given point on a plane", geometricals would find the posing of research questions increasingly difficult. But the stipulation of what will count as a working definition is easier in mathematics (a discipline which necessarily stipulates its definitions) than in marketing, an empirical science with multiple foundations. Marketing, in addition to stipulating what a term will mean, must also use ostension in defining, a pointing to specifiable referents. Mathematics has no such constraints; its axioms are self-referential. The confusion of ostension and stipulation in marketing research has led to the use of terms in a variety of ways by different researchers who rely heavily on an assumed synonymy. Consider, for example, the inclusion of "ideas" in the AMA definition of marketing. The AMA has stipulated that ideas be included in their definition. Definitions of stipulation are purely consensual. It is the equivalent of saying "let x include y". The difficulty emerges when x and y are posited to exist in the real world. The inclusion of y within x from an empirical standpoint requires empirical investigation. How would the AMA definition ascertain "ideas" to be working in marketing behaviours? What are the critical standards for ascertaining the legitimacy of its inclusion? Without such standards, anything might be included in the definition, and stipulations can go on ad infinitum. The check on all such stipulations must be its fit with reality. By stipulating what marketing is, as this discussion has attempted to do, even though that stipulation will prove controversial, it may prove beneficial to the clarifying of external referents, the correspondence any science must maintain within the family of empirical disciplines.

References