The Myth of the Marketing Revolution
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Journal of Macromarketing 2007 27: 15
DOI: 10.1177/0276146706296708

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What is This?
In 1960, the *Journal of Marketing* published an article written by Robert Keith, titled “The Marketing Revolution.” Keith’s four-eras theory of the history of marketing practice became a staple part of the introductory chapter of virtually every introductory marketing textbook, and despite two important historical studies published during the late 1980s that challenged it, the received doctrine, as Hollander (1986) termed it, continues to dominate introductory marketing textbooks today (see Table 1).

Keith (1960) described what he believed to be four eras of increasingly sophisticated marketing practiced by the Pillsbury Company, of which he was then an executive vice president and director. According to Keith, Pillsbury’s revolution in marketing began with a production era from its founding in 1869 extending into the 1930s. During that era, the company focused on problems of production. Its basic function was to make the products it could make, and “incidentally,” to sell those products. During its sales era beginning in the 1930s and extending to 1950, Pillsbury became conscious of consumer wants, began to do some market research, and recognized that selling (backed up with advertising) was necessary to dispose of the products it made. The 1950s were characterized as the era of marketing orientation, when the customer became the center of Pillsbury’s business universe. It made the products that customers wanted and focused on marketing problems. The company’s purpose was to satisfy customers’ needs and wants. At the time Keith’s article was published, he believed that Pillsbury was entering a fourth era, one of marketing control that was subtly more advanced than the marketing era experienced during the 1950s. He described the company in 1960 as moving from having a marketing concept to being a marketing company.

Although Keith relied exclusively on his knowledge of Pillsbury’s history, he claimed that the “pattern was typical of American business in general” (1960, 35), that it was a “classic pattern of development in the marketing revolution” (p. 36). No evidence was offered for this generalization. Indeed, the article was only four pages long!

This study critically examines Keith’s (1960) historical theory of a marketing revolution using source material from the 1890s to determine whether or not there is evidence of sales-era and/or marketing-era ideas during the time period Keith referred to as the production era. Whereas Fullerton (1988) examined a wide range of evidence about institutions and methods in Britain, Germany, and the United States covering the period from 1870 to 1930 and Hollander (1986) studied economic conditions and marketing practices in the United States mostly during the first half of the twentieth century, this study focuses on Canadian marketing practices in the dry-goods industry during the 1890s. It is an attempt to triangulate the countries and industries studied as well as data sources with the Fullerton (1988) and Hollander (1986) studies. In that way, this research adds reliability and validity to those earlier works. It also differs somewhat in methodological approach. The studies by Fullerton and Hollander both used a methodology characteristic of mainstream historical research based on the systematic, critical interpretation of small numbers of rich, complex events and ideas. They used what Witkowski and Jones (forthcoming) have termed the traditional approach to historiography as compared with a scientific approach. By contrast, this research follows the examples of Pollay (1985) and Gross and Sheth (1989) in using content analysis, a research method based on a set of procedures to categorize, quantify, and make valid inferences from a large amount of text. However, as Weber (1990) points out, the best content-analytic studies use both qualitative and quantitative interpretations of text. Thus, the discussion section of this article includes more qualitative analysis as well.
METHODOLOGY

Source Material and Sampling

The Canadian economy, during the late nineteenth century and since, was tied closely to the British and American economies that were studied by Fullerton (1988) and Hollander (1986). Thus, Canada was another logical country to study for evidence about the four eras. Source material was drawn from one of Canada’s first business trade magazines, the Canadian Dry Goods Review (CDGR), which began publication in January 1891 (see Figures 1 and 2). It was published by John Bayne Maclean, who added several other trade papers to his fleet, including Canadian Grocer (from 1887), Hardware and Metal (1888), Books and Notions (1890), and Canadian Printer and Publisher (1892), and later published the Financial Post and Maclean’s Magazine, which continue in publication to this day. CDGR was the “organ of the Canadian dry goods, hats, caps and furs, millinery, and clothing trades” (February 1891, 1). Its stated mission was “to make this journal a medium of valuable information as between buyer and seller, to keep the former posted in all matters affecting his welfare, the introduction of new styles, condition of the markets, etc.” (February 1891, 1). During the late nineteenth century, there were no collegiate schools of business in Canada, and trade magazines such as CDGR served as a vital source of information about business practices. Trade journals were an excellent source of period thinking about business practice and an essential source of instruction for many businessmen. CDGR articles were about actual companies and what they were actually doing and about the opinions of actual industry observers. The magazine was a very good indicator of current practice and conventional wisdom.

CDGR was published monthly and consisted of three basic types of content: industry news, advertising, and articles or commentaries intended to instruct readers about sound business practice. Most of the latter were feature articles or editorials. However, some were regular columns with titles such as “Business Management”; “Progressive Storekeeping,” which was described as a “monthly article on the proper management.

TABLE 1  ERAS OF MARKETING IN CONTEMPORARY TEXTBOOKS

<table>
<thead>
<tr>
<th>Authors</th>
<th>Eras in Textbooks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinnear, Bernhardt, and Krentler (1995)</td>
<td>Production concept (up to 1920) → sales concept (1920s–early 1950s) → marketing concept (n.d.)</td>
</tr>
</tbody>
</table>
system, etc., of an up to date retail business”; “Window Dressing,” which regularly described tips for merchandising and window displays; and “Good Advertising,” which offered advice on all aspects of effective advertising. The publisher believed that there were basic principles of business that could be taught in the pages of his magazine: “There are fundamental principles which are always found in success, and without which success is never possible” (CDGR 1895, 34).

All monthly issues for three years including 1891, 1895, and 1899 were carefully examined so that all the instructional articles could be identified and those with marketing-related content could be analyzed. Those screening criteria resulted in a sample of eighty-two instructional articles that focused on marketing-related topics: thirty-three in 1891, thirty-two in 1895, and seventeen in 1899 (see Table 2).

The decade of the 1890s was chosen for various reasons. That decade was situated directly in the time period associated with the so-called production era, well before the sales and marketing eras were supposed to have begun. If convincing evidence of sales-era or marketing-era ideas and practices could be identified in this time period, it would cast further doubt on Keith’s theory of a marketing revolution. CDGR started publication in 1891, and all issues from 1891 through 1899 were available in a form convenient for data collection. However, time and resource constraints limited the data collection to three years of publication. The period from 1873 to 1896 is described by some Canadian economic historians as the Great Depression and was a period of much disruption and dislocation (Norrie and Owram 1991). The general wholesale price index during this period declined from 64.6 in 1891 down to a low of 53.4 in 1896, then increased to 61.9 in 1900 (Statistics Canada 1983). Thus, the period of time examined covered a complete business cycle in the Canadian economy. Indeed, these conditions were confirmed in the pages of CDGR, which reported (March 1895) on the annual address of the president of the Toronto Board of Trade, who observed that 1894 “had been one of unusual anxiety, the depression severe and continuous” (CDGR 1895, 16). Then, later, in November of 1895, CDGR reported on the improving economic conditions when it printed, “The right method to pursue in these days of rapidly returning prosperity is to talk beauty, style and quality, rather than low prices” (p. 20). Thus, it was desirable to sample years both before and after the shift (about 1896) from economic difficulty to growth so as to reduce any effects from either a very weak or very strong economy.

**Coding and Reliability**

The first step in content analysis is to create and test a coding scheme (Weber 1990). This involves defining the recording units of text to be classified, the content categories into which units of text are to be classified, and testing the coding with a sample of data to assess reliability. That is followed by coding all of the text and interpreting the results. In this case, articles in CDGR served as recording units. Those recording units that are classified in the same content category are presumed to have similar meanings. Coding is simply a presence/absence judgment by the coder. The content categories were based on seven basic dimensions or indicators common to but differentiating between the

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**Table 2**

<table>
<thead>
<tr>
<th>Date</th>
<th>News Reports</th>
<th>Advertisements</th>
<th>Instructional/Commentary Articles</th>
<th>Total</th>
<th>Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1891</td>
<td>119</td>
<td>135</td>
<td>80</td>
<td>33</td>
<td>1891</td>
</tr>
<tr>
<td>1895</td>
<td>706</td>
<td>745</td>
<td>118</td>
<td>32</td>
<td>1895</td>
</tr>
<tr>
<td>1899</td>
<td>461</td>
<td>1,457</td>
<td>140</td>
<td>17</td>
<td>1899</td>
</tr>
<tr>
<td>Totals</td>
<td>1286</td>
<td>2,337</td>
<td>338</td>
<td>82</td>
<td></td>
</tr>
</tbody>
</table>
TABLE 3
SEVEN INDICATORS DIFFERENTIATING AMONG PRODUCTION, SALES, AND MARKETING ERAS

<table>
<thead>
<tr>
<th>Production Era (orientation)</th>
<th>Sales Era (orientation)</th>
<th>Marketing Era (orientation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1: Demand exceeds supply. There are shortages and intense hunger for goods.</td>
<td>S1: Supply exceeds demand.</td>
<td>M1: Supply exceeds demand.</td>
</tr>
<tr>
<td>P2: There is little or no competition within product markets (between firms selling the same goods to the same markets).</td>
<td>S2: There is competition within product markets.</td>
<td>M2: There is intense competition within product markets.</td>
</tr>
<tr>
<td>P3: The company, not customers, is the center of focus for a business.</td>
<td>S3: Businesses are conscious of consumers' wants, and some market research is done.</td>
<td>M3: The customer is at the center of a company's business; the purpose is to satisfy customers' needs and wants.</td>
</tr>
<tr>
<td>P4: Businesses produce what they can produce and focus on solving production problems.</td>
<td>S4: Businesses must dispose of the products they produce and therefore focus on selling.</td>
<td>M4: Customers determine what products are made. Businesses focus on marketing problems.</td>
</tr>
<tr>
<td>P5: Businesses produce limited product lines.</td>
<td>S5: Businesses produce limited product lines.</td>
<td>M5: Businesses produce extensive product lines.</td>
</tr>
<tr>
<td>P6: Products sell themselves. Wholesalers and retailers are unsophisticated in their selling and marketing.</td>
<td>S6: Hard selling is necessary, backed by advertising.</td>
<td>M6: A wide range of marketing activities is used and coordinated to satisfy customers' needs.</td>
</tr>
<tr>
<td>P7: Profit is a by-product of being good at production.</td>
<td>S7: The primary goal of a firm is sales volume; profit is a by-product.</td>
<td>M7: Businesses focus on profit rather than sales volume.</td>
</tr>
</tbody>
</table>

Four eras. These indicators were developed from Keith's original article, from descriptions of the production, sales, and marketing eras found in marketing textbooks listed in Table 1, and from the studies by Fullerton (1988) and Hollander (1986). They included (1) the relationship between demand and supply, (2) intensity of competition, (3) company/customer focus, (4) functional focus, (5) product-line size, (6) range of marketing activities used, and (7) profit orientation (see Table 3). For example, competition is described in the eras model as virtually nonexistent in the production era, growing rapidly in the sales era, and intense during the marketing era. Thus, the coding sheet included different categories for each of the eras corresponding to all seven indicators as listed in Table 3. Examples of text coding are included in the discussion section at the end of the article. The indicator “product line size” was coded and included in the results but not used in the statistical analysis because it yields limited information. In the revolution literature, there is no clear difference in product-line size between the production era (P5) and sales era (S5). We can, however, compare these results with the marketing era (M5), which was supposed to have included expanded product lines.

All monthly issues of CDGR published in 1891, 1895, and 1899 were examined for instructional articles that dealt with marketing-related topics and contained text that could be classified into one or more of the seven content categories. Coding was conducted by two judges, including one of the authors, as well as a senior undergraduate marketing student who had recently completed an honors thesis related to the topic (MacDougall 2002) and who was thoroughly trained for the content analysis. The coding scheme was tested using the January and February 1891 issues of CDGR. One of the authors coded that sample (N = 70: ten articles × seven indicators) twice, eighteen months apart, to determine test-retest reliability. The latter was 81 percent, an acceptable level but no doubt reduced by the relatively long interval between coding sessions. Intercoefficient reliability for the final coding was calculated by publication year (1891, N = 231, r = .84; 1895, N = 224, r = .87; 1899, N = 119, r = .82) and overall was .85, all well within acceptable levels (Kassarjian 1977).

RESULTS

Table 4 reports the frequencies (and percentages of year totals) of content for each indicator by year and totals for the decade as well as results of statistical tests of the difference between production-era (P) content versus sales-era (S) and marketing-era (M) content. For both the supply/demand content and competition content, the predictor for both the sales and marketing eras is the same. The “limited product lines” category was used as a predictor for both the production and sales eras, so those frequencies are compared with the marketing era’s extensive product lines but not included in the statistical analysis. There was no discernible pattern or statistical variation in levels of P, S, or M across years that would suggest a change in content from 1891 to 1899 after the Canadian economy was well into recovery from the depression. For example, 23 percent of all articles in 1899 referred to intense competition, compared with 21 percent and 25 percent in 1891 and 1895, respectively, and 6 percent of all articles in 1899 discussed the excess of supply over demand, as was the case in 1895. The content category discussed least during the decade was the size of product line. The issue most discussed was competition, followed by the types of marketing activities used. In the latter category, aggressive selling was the most common topic covered.

The most striking result is the overwhelming lack of evidence to support production-era thinking. It might be argued that since the primary target audiences for CDGR were retailers and wholesalers (although manufacturers were clearly a target audience), some of the content categories, such as functional focus and company/customer focus, were biased against finding content representative of the production-era orientation. However, the four eras included in the
marketing revolution were not intended to apply solely to manufacturers; resellers produce assortments and services. In any case, other categories such as competition, demand, and profit surely had no such bias, and even in those categories, there was no support for the production orientation. On the other hand, there is strong evidence in support of sales-era and marketing-era orientations across all three years and across all content categories. Of the total 174 content categorizations during the three years, 116 were consistent with a sales orientation and 111 were consistent with the marketing orientation. Combined subtotals exceed the grand total of content categorizations because of double counting in the demand and competition categories. In the content categories for functional focus and marketing activities, sales-era thinking dominates. Marketing-era ideas and practices are less easily identified but seem to be more evident than a sales-era orientation for the company/customer focus, product-line size, and the role of profit.

The results of this content analysis of CDGR for 1891, 1895, and 1899 strongly support the earlier findings of Fullerton (1988) and of Hollander (1986). There is clear evidence of sales and marketing orientations during the period known as the production era. One of the limitations of this study is that it only compares levels of the different orientations during one time period rather than changes during all the time periods constituting the so-called four eras. However, Keith’s marketing revolution was a stage theory of progression from one era to the next. Given the level of marketing orientation during the period studied here, it is reasonable to conclude that there was no marketing revolution.

**DISCUSSION**

**Demand and Competition**

Although it was fairly straightforward to distinguish discussions of demand from those of competition, the two are obviously related. Excessive competition usually means too much supply chasing too little demand in an industry. Declining demand for print cloth was an issue in 1891 (May), and curiously enough (given Canada’s reputation for cold winters), the demand for blankets was observed to be insufficient in 1891 to warrant the manufacture of blanket-hemming machines, the latter reported in an article about the high duty on textile machinery (April 1891). Such conditions were generally summed in an 1895 article that read as follows.

Too many goods are today held in stock in the retail stores in Canada. Too much money is spent in fruitless competition. Too much selling is done without the honest profit that is necessary to carry out an honest business. Too much credit, too little capital and a number of other individual mistakes all

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**TABLE 4**

**CONTENT CATEGORY FREQUENCIES (AND PERCENT OF ANNUAL TOTALS) BY YEAR**

<table>
<thead>
<tr>
<th>Year</th>
<th>P</th>
<th>S</th>
<th>M</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1891</strong></td>
<td>Demand exceeds supply</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Supply exceeds demand</td>
<td>7 (10)</td>
<td>4 (6)</td>
</tr>
<tr>
<td></td>
<td>Little or no competition</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Intense competition</td>
<td>15 (21)</td>
<td>17 (25)</td>
</tr>
<tr>
<td></td>
<td>Company focus on the company</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Focus on the company and customer</td>
<td>5 (7)</td>
<td>4 (6)</td>
</tr>
<tr>
<td></td>
<td>Focus on the customer</td>
<td>4 (6)</td>
<td>9 (13)</td>
</tr>
<tr>
<td></td>
<td>Functional focus on production</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Focus on selling</td>
<td>7 (10)</td>
<td>9 (13)</td>
</tr>
<tr>
<td></td>
<td>Focus on marketing problems</td>
<td>5 (7)</td>
<td>2 (3)</td>
</tr>
<tr>
<td></td>
<td>Limited product lines offered</td>
<td>1 (1)</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Extensive product lines offered</td>
<td>3 (4)</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Products sell themselves</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Hard selling is necessary</td>
<td>8 (11)</td>
<td>9 (13)</td>
</tr>
<tr>
<td></td>
<td>Range of marketing activities used</td>
<td>4 (6)</td>
<td>7 (10)</td>
</tr>
<tr>
<td></td>
<td>Profit a by-product of production</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Profit a by-product of sales volume</td>
<td>4 (6)</td>
<td>4 (6)</td>
</tr>
<tr>
<td></td>
<td>Focus on profit first</td>
<td>8 (11)</td>
<td>3 (4)</td>
</tr>
</tbody>
</table>

**Year Totals** | 71 (100) | 68 (100) | 35 (100) | 174 (100) |

**Total P** | 0 | 0 | 0 |
**Total S** | 46 | 47 | 21 |
**Total M** | 43 | 42 | 21 |

NOTE: P = Production Era; S = Sales Era; M = Marketing Era; Chi-Square = 78.26 production versus sales/marketing 1891; significant (df = 1, p < .001). Chi-Square = 80.22 production versus sales/marketing 1895; significant (df = 1, p < .001). Chi-Square = 41.32 production versus sales/marketing 1899; significant (df = 1, p < .001). Not including product line size (P5/S5/M5).
point to the controlling anxiety for a large rather than a profitable business. (CDGR, March 1995, 6)

That passage noted the problem of an excess supply of goods and the related problem of intense competition and pointed out the fact that sales volume alone was not as important as profit—an idea that contrasts the sales orientation with a marketing orientation.

More content was classified in the competition category than any other in this study. The phrases *keen competition* and *slaughtering sales* were evident again and again in describing conditions in the dry-goods industry of the 1890s. An article in the June 1895 issue asked, “Does it mean ruin?” in reference to the competition in the manufactured-woolens industry.

The price of wool is much higher than a year ago, and yet manufactured woolens are cheaper than ever. Goods are being slaughtered in every direction. Domestic manufacturers seem to have gone stark mad in their anxiety to secure orders. Prices are cut until there is nothing in it for anybody. . . . The competition among domestic woolen manufacturers in nearly all lines is so keen that few, if any, classes of woolens are being sold at a profit. . . . The insane competition now running rife will likely continue until one third of the manufacturers are driven to the wall. (P. 13, emphasis added)

At the beginning of the decade, the most common issue associated with “keen competition” was the indiscriminant offering of credit to attract customers. Apparently, the practice of granting generous credit terms began in Scotland between 1884 and 1886, spread to England shortly thereafter, and by the early 1890s, had become very popular in the Canadian dry-goods industries. Desperate businessmen granted lengthy credit terms to customers and often were unable to collect or were left without sufficient cash flow to run their businesses.

The giant evil of lengthened credit . . . In our own Dominion the evil is intensified by the keen competition of foreign houses and the jealousy between Montreal and Toronto houses. . . . Overproduction in textiles resulting from the effect of the National protective policy gives too early deliveries which lead to a certain class of retailers continually fighting for earlier shipments or better dating. The very keen competition resulting from rival influential firms which started between 1884–6, and the keen competition from Glasgow, Manchester and London warehouses have caused the laxity in dating now prevailing to some extent. (CDGR, March 1891, 1)

The article went on to conclude that lengthened credit was the chief cause of one in forty-five dry-goods businesses’ failing that year in Canada.

Foreign competitors were a favorite target for criticism. In 1895, CDGR observed that “imports of foreign manufactures have in the last ten years increased at a very rapid rate . . . This is an age of competition . . . the lesson for every maker is to meet his foreign competitor with the greatest skill and vigilance” (p. 5). It was a call to war. In a January 1891 article that carefully walked the reader through the costs (duties, inability to return defective merchandise) and benefits (lengthened credit, glamour of being imported) of importing goods, the rhetoric was quite strong.

The crushing out of the evils resulting from this foreign competition lies mainly in the hands of the retailers. It will ultimately pay them well to be loyal to Canadian houses, as by doing so they will get rid of dishonest and incompetent rivals. (CDGR, January 1891, 5)

Clearly, competition was very much an issue in the Canadian dry-goods industries during the 1890s. These were conditions characteristic of the sales and marketing eras that should have been forty years away if the chronology in our marketing textbooks is accurate. It is not.

### Company/Customer Focus

There is no idea more essential to the marketing orientation than putting the customer first. Contemporary textbook versions of Keith’s four eras are careful to distinguish between the production era’s focus on the company and the marketing era’s focus on customers. During the sales era, companies were supposedly conscious of customers’ wants but still focused more on getting rid of the products they made.

The content of *CDGR* during the 1890s demonstrated a strong concern for satisfying customers’ needs and wants. It advocated doing research to learn about customers’ wants, making use of customers’ interests in developing merchandising displays, extending product lines to cater to various desires, targeting specific (more profitable) market segments, and focusing on building long-term relationships with customers to encourage repeat buying, which was acknowledged as being more profitable than ripping off someone once. The following passage from *CDGR* sets the tone for this obvious marketing orientation.

In the last analysis there is but one class whose taste the producer of textiles is called upon to consult. The decision of that class is final, and woe betide the drygoodsman who fails to adjust his product or his purchases to its requirements. The woman at the counter—the customer—makes or mars the success of mill or store. What she wants in the way of weaves, colors or other details is the great question which the man who manufactures textiles or deals in them is called upon to solve. . . . What on earth can your looms make to earn a profit? The way out of difficulty must lie in a more careful study of the tastes and ideas of the consumer. Find out what the woman at the counter is going to want; make it; then promptly drop it and go on to something else to which fickle fashion is turning her attention. (January 1899, 23)

In that one article, we find combined in a single argument the three basic components of the marketing concept—that if
a business first figures out what customers want, then makes it, the business will earn profit. That was more than fifty years before the marketing revolution was supposed to have begun. Another example of this simple advice went as follows.

Success in trade is not accidental. The dealer who notes what a community is most in need of, and supplies that want thoroughly, possesses the attributes of a merchant. Experience demonstrates that the merchant who keeps his purposes fairly within the line of the current wants of his trade is the one in the long run who makes the most money. (CDGR, July 1891, 11)

CDGR encouraged retail buyers not to use their own tastes in deciding what products to carry but to study their customers and give them what they wanted. The Progressive Storekeeping column in August 1899 begins by praising a store buyer who had very “good” taste, but then . . .

This buyer, however, had a taste which was far above the tastes and desires of the class of trade which patronized his store. The simple fact that a man has good taste in buying what would be suitable for the ladies with whom he associated in daily life does not always avail him in his business. This kind of good taste is to be avoided in all dry goods stores. Do not buy goods which would please yourself or your wife, but buy goods which you know will please your customers; cultivate a taste for such things as will sell well, rather than for such things as look beautiful to your own artistic eye. (CDGR, August 1899, 11)

To call the following market research was perhaps a little generous, as most such discussions simply referred to studying the customer. However, one article described a crude form of participant-observation research.

It would be an admirable plan for the retail merchant once or twice a year to put on his hat and go shopping . . . for the ordinary day’s shopping of an ordinary woman. Let him try to select a dress, keeping in mind, as the ordinary women must, its adaptability to a certain complexion, purse and needs. Then let him buy the various details the gown will require. He will probably have to go from one shop to another . . . and if he is observant he will see why it is that women go to one place as a first impulse and to another only as a last resort and because they cannot find what they seek anywhere else. (CDGR, September 1891, 8)

The article went on to discuss the obvious benefits of targeting ordinary women with ordinary wants for the mass of customers, but there were also articles that discussed the virtues of targeting specific segments of the market, such as tourists.

The traveling public forms a good class of customers too. As a rule they do not haggle over prices. They always have some money to spend, and an attractive store can get away with quite a lot of it. This is especially true of the summer tourist season, when thousands of European and American tourists visit this country. (CDGR, August 1895, 7)

There was a clear recognition of different groups of customers with different needs, different price sensitivities, and different interests and of the different marketing tactics that should be used to appeal to those different customer groups. Obviously, women were assumed to be the primary market segment for most products in the dry-goods industry. In 1895, Canadian women were granted the right to vote, and CDGR suggested that the suffrage movement be used as a basis for merchandising.

It seems that woman suffrage has come. Now make the best of it. Show your genius in a window display. Let the ladies know that you are thinking of them. Make a nice ballot box and have ladies in costumes voting. It will make a big hit. Have the ballots so that they can be seen, and make them read like this: “I vote for Blank’s hosiery,” or “I vote for Blank’s tailor made cloaks” or “I vote for Blank’s dress goods.” Then have a card in the window reading “Good Results from Woman Suffrage.” (February 1895, 22)

Granted, that may have been a tongue-in-cheek example even in 1895, but the underlying message was a serious one. If you wanted to be successful, you needed to be aware of your customers’ interests and use that knowledge in developing your merchandising tactics.

A final example of nineteenth-century concern for the customer deals with the awareness of the value of building long-term relationships with customers or at least suggests an awareness of the greater long-run profitability of repeat buyers. The title of the article from which the following example is selected is simply “Give What Is Wanted,” which is telling by itself.

There are some salespeople who are so eager to make sales for which they will get individual credit that they often forget the interests of the house, and do things which, while it may result in their making a sale for which they get personal credit, still it is to the disadvantage of the house in the long run in that it does not give the customer as good satisfaction as if the clerks had neglected their individual interests for the time being . . . . The practice of substituting other goods for what the customer desires is a practice which I must condemn in the strongest terms. It is a nearsighted policy which only looks at the today and forgets the tomorrow. (CDGR, November 1899, 12)

**Selling/Marketing Activities**

There was no evidence in the pages of CDGR during the 1890s that businesspeople thought products would sell themselves. As mentioned above in the section on competition, aggressive selling was popular in spite of the numerous examples just cited in which customers’ needs and wants were credited as the driving force of business. The most aggressive selling practices were disparaged as suggested in the title of one article, “Influences to Be Resisted.”

So keen has the competition among the wholesale houses developed that each has to keep a small army of travelers
[salesmen] on the road who are constantly importuning merchants to buy whether they are in need of the goods or not. We are not finding fault with the travelers as most of them are simply carrying out their instructions to secure orders at all hazards. ... There are others whose policy is to get their goods out of stock no matter what the consequences may be. ... In this way merchants are continually being led, coaxed, and driven into the trap of buying too many goods. (CDGR, August 1891, 1)

Aggressive selling by the “knights of the road” was a reality, but an influence to be resisted. Aggressive but honest advertising was strongly encouraged. However, there was recognition of the complementary nature of selling and advertising, and there was at times a clear recognition that even selling together with advertising were not enough to get the job done. The complementary nature of selling, advertising, location, and the right goods at the right prices was discussed together in one article as follows.

Advertising will not sell goods; my salesmen must see the customer to make the sale, even if I do advertise. And even then inadaptability in the salesman, goods, or prices can defeat either sale. Carry it further. Are not polite treatment, honest goods and fair prices as much of a hold on a retail customer’s regular trade as the same qualities as your traveling salesman and goods? ... If his price is right, the material, quality, style of workmanship of any of his lines may not just fit the retailer’s wants; or everything may be right except the price. (CDGR, April 1891, 8)

Location is acknowledged as being less important for manufacturers and wholesalers than for retailers, but with the preceding discussion of advertising, selling, product, and price, we have most of the elements of a marketing mix. This is pretty sophisticated marketing compared with what businesses were supposedly capable of during the late nineteenth century. It demonstrates again that marketing practice and thinking had evolved much further and much earlier than is commonly given credit.

**Profit**

Profit was a motive, of course, in all the eras leading up to and including the marketing revolution. However, during the production and sales eras, profit was supposedly a byproduct of efficient production and sales volume, respectively. A marketing orientation recognizes that profit is the primary objective of the firm, and satisfying customers’ needs is the means of achieving that objective. That was a fairly subtle idea to identify in the source material used in this study. However, the most convincing evidence of this appeared in CDGR articles that distinguished between sales volume and profit as measures of success.

The main object of every merchant is to sell profitably. How to draw custom is one of the most serious problems that puzzles the brain of the retailer. Greatly as a merchant may strive to do a larger trade than his neighbors, it stands to reason that unless he has a satisfactory number of profitable sales his business will be a failure. (December 1891, 8)

In favoring profit over sales volume, CDGR often illustrated the distinction through pricing strategy. Maintaining prices rather than cutting them, all other things being equal, would bring greater profit even if at the expense of sales volume.

A merchant is just as much entitled to get from customers, in the money received for goods, a legitimate profit as to get the cost of the goods. The merchant cheats himself who sells goods without a profit. The merchants who have achieved fortune and success are those who have made it an invariable rule to make a fair profit on every sale. A man who charges a good price shows he has confidence in his goods and the very fact of charging a uniform price impartially to all necessarily begets confidence in the customer that the goods are right and desirable. (CDGR, July 1891, 9)

And finally, just because sales volume might be growing and easily achieved, as it was in late 1899, that did not mean a business was necessarily profitable, as CDGR reminded its readers with this warning: “Now that trade is pretty active in the dry goods business, are our merchants taking care to increase their profits?” (October 1899, 35).

**CONCLUSIONS**

The research reported herein addresses essentially the same question answered nearly twenty years ago by Fullerton (1988) and by Hollander (1986). Were there production, sales, and marketing eras in the history of marketing? There were not. This research triangulates the methodologies, data sources, and economies of those earlier studies by using content analysis to examine period trade-source materials describing conditions and techniques used in the dry-goods industries in Canada during the 1890s. Clear and significant evidence suggests that ideas and practices characteristic of the sales and marketing eras existed during the time when a production orientation is commonly believed to have dominated business practice. These results add reliability to the early findings by Fullerton (1988) and Hollander (1986).

The myth of a marketing revolution continues to be repeated in most introductory marketing textbooks today. The examples included in Table 1 include the two top-selling introductory marketing textbooks in North America today and six of the top-nine-selling texts (Monument Information Resource 2005). One of the examples cited in Table 1 (Solomon et al. 2005) introduces the discussion of the four eras with the heading “When Did Marketing Begin?” to which they answer, of course, during the 1950s in the marketing era. It should be an insult to marketing scholars and practitioners alike to
suggestion that marketing was not “invented” until the 1950s. That thinking robs us of our intellectual and professional history. It isn’t that marketing has not changed over time but rather that the changes have primarily been ones of degree.

In fairness, not all textbooks profess the four eras. At least one (Kotler and Armstrong 2006) discusses the orientations associated with the four eras but in a completely ahistorical context. While this is preferable to misrepresenting history, it still leaves us with no history at all. Decades ago, marketing-textbook authors relied on generally accepted historical accounts by economic historians of the evolution of economic trade dated from the ancient Greeks and Romans with periods such as self-sufficiency, trade specialization, handicraft, mercantilism, and industrialization (e.g., Maynard and Beckman 1946; McCarthy 1964). McCarthy’s (1964) earliest edition indicated that a customer orientation existed in the late 1800s, which is ironic since that book now follows the four-eras model. The most comprehensive translation of economic history into marketing was by Hetchkiss (1938), and there is a growing volume of historical research in marketing that could be used to update that work.

Ideally, we would “teach what [history] we study and discover in our research” (Raju 2005, 18), that is, use the accumulated historical evidence to rewrite our textbooks. Fullerton (1988) proposed an alternative periodization of marketing’s evolution stretching from the sixteenth and seventeenth centuries to modern times and based it largely on changes in marketing institutions and technology over time. However, twenty-eight years after its publication, that model still has not been used in any introductory textbook. Ideally, someone would rewrite one of our textbooks incorporating marketing history throughout instead of trying to reduce it to a single model presented separately in the opening chapter.

So why does this ill-founded interpretation of marketing history persist? Several possible explanations were included in responses we received to an informal survey of some of the textbook authors in Table 1. One simple answer is that the myth persists because it is useful. It provides a way in which a number of concepts (e.g., the four orientations associated with the four eras) can be presented in a memorable way. The myth has pragmatic value as a pedagogical device. As one textbook author acknowledged, “the [four-eras] approach is a useful pedagogical simplification just like the four Ps.”

The persistence of the myth may also be related to what we will call, for lack of a better phrase, academic failures. They range from sloppy scholarship to plagiarizing the work of other textbook authors and ignorance of historical research such as the Fullerton (1988) and Hollander (1986) articles. Although all the textbook authors with whom we corresponded acknowledged awareness of that research, in recent studies of citation counts of articles in the Journal of Marketing dealing with marketing theory, history, and history of thought, historical research ranks near the bottom (Hubbard, Norman, and Miller 2005a, 2005b). Fullerton’s (1988) work ranked seventeenth in a sample of twenty-four such articles published during the 1980s. Even when citations outside of marketing in the Social Sciences Citation Index are included, those rankings do not change, and Fullerton’s (1988) study is only cited on average about once a year (Hubbard, Norman, and Miller 2005a). One of the textbooks included in Table 1 (Lascu and Clow 2004) mistakenly cites Fullerton’s (1988) article in support of the four-eras model!

The academic-failures explanation also includes two problems of periodization discussed by Hollander et al. (2005). Keith’s theory of a marketing revolution is a periodization of marketing history. One of the problems common in periodization is reductionism, the compression of a complex set of events into a single catchphrase or catchword. Under the pressure of such reductionism, periodization often omits important events or variables that would otherwise result in a more accurate account of history. Another problem characteristic of periodization is a false sense of progress (Hollander et al. 2005). There is a strong tendency to see events moving from a less desirable state (production orientation) to a more desirable one (marketing orientation), and the current condition is usually viewed as superior to the past (Ree 2002). Sometimes, that progress is real. Often, it is overstated.

Finally, sociological theory suggests that well-known scholars writing widely adopted textbooks often institutionalize ideas, “transmitting what is socially defined as real and, at the same time, at any point in the process the meaning of an act can be defined as more or less a taken-for-granted part of this social reality” (Zucker 1977, 728). Once an idea such as the four eras has become ingrained, it persists. Once Keith had published the article about the marketing revolution, others started using the story, and it became valued as part of our identity as marketers. As one textbook author responded to our inquiry, “we originally included the ‘four eras’ and retained them because reviewers of our text and adopters preferred that we do so.”

The four eras have become part of marketing doctrine. It is time to move beyond that doctrine.

REFERENCES


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