THIS response to the Task Force’s report on the development of marketing thought is oriented to the marketing practitioner (i.e., the business manager and consultant) and his or her needs for marketing knowledge. It is based on the proposition that the practitioner is the ultimate user of marketing knowledge and can play a meaningful role in developing and disseminating such knowledge. The discussion is divided into four sections: (1) marketing challenges for the 1990s that emphasize the need for marketing knowledge, (2) kinds of marketing knowledge needed, (3) sources of marketing knowledge, and (4) recommendations to the AMA Task Force for encouraging effective generation, dissemination, and utilization of practical marketing knowledge.

Marketing Challenges for the 1990s

From a practitioner’s viewpoint, the AMA Task Force’s basic premise—that insufficient marketing knowledge is developed, disseminated, and utilized—is, without question, correct. Business marketing executives and consultants are constantly seeking marketing knowledge and information in an attempt to gain the advantage in the marketplace. In view of the emerging competitive environment, this thirst for knowledge is stronger than at any time in the past 25 years.

As the 1990s approach, businesses face an entirely new set of challenges. Among the many challenges identified by academicians and practitioners, six will have the greatest impact on the marketing discipline. Possibly the most dramatic challenge is the globalization of major industries, such as the automobile, television, and construction equipment industries. Component sourcing, manufacturing, logistics, sales, and product design are truly becoming worldwide functions.

Along with global markets, marketing managers will have to cope with greater complexity in the marketplace. Consumer and industrial goods buyers alike are becoming more sophisticated and are demanding, and receiving, a wider variety of products and services tailored to their needs. Add to this situation the manufacturer’s ability to provide this wider variety in a cost-effective manner and it becomes apparent that marketers must learn to segment markets more effectively.

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Managers also are finding it necessary to adjust to radically different growth patterns. The electronics, computer, and service industries are undergoing explosive growth whereas mature industries, such as the capital goods industries, must cope with zero growth. In these mature industries, the battle for both demand creation and share growth is fierce and has become a major objective for marketing.

A fourth marketing challenge for the 1990s is the deregulation of various industries. Witness the upheaval in airlines, banking, investment banking, trucking, and oil and gas production and distribution. In some industries, notably financial services, nontraditional competitors have emerged in the wake of deregulation. The prospect of Sears Roebuck and Merrill Lynch as direct competitors would have been laughable as recently as 1980.

Another major challenge is the shift in the channel structure of many industries. Most manufacturers are beginning to use a mixture of channels for the first time. In retailing, there is an explosion of formats. Distributors and manufacturers' representatives are taking on increasing importance in many industries. In others, new buying groups, chains, and cooperatives are becoming significant factors. Because these groups bring greatly increased sophistication to the buying process—especially with computer access to more and better information—more buying clout is becoming concentrated in fewer hands.

Rounding out this list of major challenges is the transition from single-product thinking to systems thinking—a direct outgrowth of the technology explosion in biological sciences, information handling, communications, and many other areas. In some industries, it is manifested as a shift from tangible products, or hardware, to services and software. The shifts from selling discrete machine tools to flexible manufacturing systems and from selling calculators to home computer systems are cases in point.

The marketing discipline has made great strides since the 1950s to meet these challenges, as pointed out in the Task Force report. Until well into the 1950s, marketing was considered to be an art practiced only by persons having an unusual blend of creativity, intuition, and inspiration. With the vast improvement in marketing research and other analytical techniques, however, marketing has become more of an analytical science that utilizes logic, systematic data analysis, sophisticated market research, and synthesis, in addition to intuition and inspiration, in coping with the subtle variables present in today's complex marketplace.

Along with this shift, the role of marketing appears to be evolving from its early definition of "marketing equals selling" to "marketing equals a window on the world" (Figure 1). Not every industry has evolved at the same pace. Consumer packaged goods companies (e.g., P&G, Mars, Pepsi, Heinz, Lever Brothers, Coca-Cola, and Philip Morris) appear to have evolved the farthest becase of their "disciplined creativity." Retailing may be approaching the dangerous "mechanistic ritual" stage; the electronics industry is just entering the "marketing equals driving philosophy" stage. Generally, financial and industrial products companies lag behind, with a few exceptions (e.g., American Express, Citibank, IBM, Xerox, Caterpillar, OCF, and John Deere).

Nevertheless, the trend has started. More companies should use management's "window on the world." It is no longer enough to be "marketing oriented," which has an internal connotation. Today, a company must be "market focused"—shaping the company's offering to respond to observable needs and opportunities in the marketplace, to limit competition, and to energize latent market demand. The distinction is not merely semantic; it signifies a shift from sales forecasts to issue-oriented marketing plans—a total business approach rather than a technical marketing approach—which in turn requires greater marketing knowledge.

**Kinds of Marketing Knowledge Needed**

In this challenging environment, practitioners will need four overlapping levels of knowledge to compete successfully and create demand for their products and services.

1. Concepts/theories are the fundamental principles or ideas, verifiable by experiment or observation, that underlie the science of marketing. Without them, marketing is not a science but merely an art. Most original academic research centers on concepts and theories. Examples include the power of market share (Schoeffler 1971), indicating that 15% is the minimum share required for profitable growth; market segmentation principles (Bonomo and Shapiro 1983) for developing successful niche strategies; the price band (Ross 1984), which is the basis for effective yield management or tactical pricing; and the value delivery system (Bower and Garda 1986), whereby the entire business is viewed from the customer's perspective rather than as a series of internally oriented functions (Figure 2).

The value delivery system exemplifies how a concept can shape the practitioner's thinking. It reminds the practitioner that a sound marketing strategy is directed first—factually, constantly, resolutely, and imaginatively—to the customer and his or her needs rather than the product given to the marketer to sell. Ames (1970) captures this view of the marketing concept with his definition.

"Marketing ... is a total business philosophy aimed at improving profit performance by identifying the needs of each key customer group and then designing and producing a product or service package that will enable a company to serve selected customer groups or segments more effectively than its competition. ..."
FIGURE 1
Evolution of Marketing Effectiveness

MARKETING EFFECTIVENESS

Financial Services & Industrial Products
Electronics
Consumer Packaged Goods
Retailing

1950s/60s
1970s
1980s
1950s/60s/70s
1960s
1970s
1980s
1980s
1990s?

ERA:
MARKETING= SELLING
MARKETING= MARKET ANALYSIS
MARKETING= DRIVING PHILOSOPHY
MARKETING= MECHANISTIC RITUAL
MARKETING= WINDOW ON THE WORLD

CHARACTERISTICS:
Push
Sell what we make well

Pull
Focus on:
- Advertising/promotion
- Market research
- Planning
- Selling

Balanced push/pull
Ability to:
- Identify attractive customer groups
- Develop winning product/price packages
- Position products
- Provide superior product value

Marketing muscle-bound
Little innovation
Cost-effectiveness lags
Slow responses (over testing and bureaucratic decision making)

Close/committed to customer
Analysis paralysis

 Truly market driven
Superior value proposition to customer
Beyond segmentation
Marketing integrated with other functions
Ability to:
- Read weak warnings
- Regenerate demand
- Redesign business system
- Use sophisticated research (e.g., conjoint)
- Integrate marketing mix
- Spawn entrepreneurs

Marketing is everyone’s job
Experts in marketing tools of the trade
2. Frameworks help the marketer think about a concept. They enable practitioners to tie together various pieces of market/customer, competitive, and channel information to develop specific product/market pricing, channel, service, and other strategies. Useful frameworks include the industry structure model (Porter 1980) for understanding industry dynamics, the growth/share matrix (Henderson 1974) for prioritizing products and markets, the strategic triangle (Olhamne 1983) for assessing market opportunities and threats, the marketing strategy development process (Figure 3) for linking and synthesizing market/competitive analyses with marketing actions, the SPP (sources, positions, and performance) framework (Day and Wensley 1988) for diagnosing competitive superiority, and the "gameboard" (Buaron 1981) for generating innovative marketing strategies that change the competitive game. Practitioners usually find these frameworks more valuable than concepts or theories because they are practical. Given the fact that brilliant marketing is 25% conceptual and 75% day-to-day execution, frameworks help practitioners form actionable marketing strategies.

3. Analytical techniques/tools are often the most useful marketing knowledge elements for a practitioner. They are discrete building blocks that fit into a framework for practical use; they rarely stand alone. Examples include time utilization for salespeople (Bonomia and Garda 1983) to determine how a salesperson can increase time in front of the customer, the correlation of sales territory potential with territory market share (Semlow 1959), which forms the basis for determining the number of salespeople needed and sales deployment (Figure 4), conjoint measurement (Green and Wind 1975), which is a sophisticated market research tool for determining the tradeoff between product attributes and price, and the correlation of service satisfaction with repurchase (Figure 5).

A recent example of the use of the service satisfaction correlation demonstrates the practical impact of analytical tools. This technique was instrumental in changing a consumer durable goods manufacturer's view of service as a marketing weapon. The findings showed that the satisfaction/loyalty relationship is so significant that moving up the curve would be worth millions of dollars annually for both the manufacturer and the dealers/retailers.

4. Market/competitive data are the foundation for all of the marketing knowledge. Practitioners constantly complain about the lack of data. The creative development of sources for segmentation analyses, competitive structure, customer understanding, market flow-out, channel shifts, and so on is crucial.

The Task Force report implies that marketing knowledge is solely original research at the concept/theory level. Original research is surely needed in each of the knowledge levels, but also needed are synthesis, repackaging, and repetition of "old" knowledge for the new generation of managers. Marketing concepts, frameworks, and analytical techniques are needed both for each element of the marketing mix (Figure 6) and for integration of the elements of that system.

The first section of this response to the Task Force report highlights why there is a compelling need for better marketing knowledge in the 1990s; the second section covers what kinds of knowledge needs practitioners have. The next section discusses who the practitioner turns to for marketing concepts/theories, frameworks, and analytical techniques/tools.
Promising Sources of Marketing Knowledge

The Task Force report identifies the five major sources of marketing knowledge—doctoral candidates, junior faculty, senior faculty, business managers, and consultants—but focuses most of its attention on the doctoral candidates and junior faculty as the prime sources of marketing research and marketing knowledge. In terms of written contributions, especially in scholarly journals, these individuals are very productive. However, a case can be made that academia is not the prime
FIGURE 4
Correlation of Territory Potential with Territory Market Share (Case Example)

SHARE OF TERRITORY POTENTIAL
Percent
40
35
30
25
20
15
10
5

TERRITORY POTENTIAL
$ millions
0
1
2
3
4
5
6
7
8

25 territories – current situation
Average territory potential = $5.1 million
Current share = 23%

30 territories – projected situation
Average territory potential = $4.2 million
Projected share = 25%

source of useful marketing knowledge and information for practitioners. Only 30% of AMA's professional members subscribe to the Journal of Marketing and only 19% subscribe to the Journal of Marketing Research. Is this because these two journals are too scholarly, too theoretical, too technical, or too methodological or is it because the articles are written by junior academicians in their 20s and early 30s who lack depth and breadth of experience? Nearly two-thirds of all authors in the Journal of Marketing Research have written just one article, most likely when they were doctoral candidates or junior faculty seeking tenure.

As the report states and academicians admit, one of the primary challenges of academia is to make its research more relevant to the practitioner. The Task Force, however, appears to have spent little time on the practitioner's main source of marketing knowledge and information—senior faculty, business managers, and consultants.

1. Senior faculty. Practitioners would like more contributions from senior faculty who have depth and breadth of marketing knowledge. The greatest creativity and innovation, as well as productivity, in marketing normally occur between the ages of 30 and 40, usually after a faculty member has been tenured or is about to be tenured and is considered a faculty member.

2. Business managers. Admittedly business managers have not been very active as a group in writing about marketing concepts, frameworks, analytical techniques, and data sources—possibly because of confidentiality, narrow perspective, or lack of incentive. They typically have been receivers, not contributors. However, if ways can be found to harness the experience, the research,
and the case examples generated by business, the marketing discipline would be enhanced immeasurably.

3. **Consultants.** Michael Porter, in a speech at the opening of the new building at the Fuqua School of Business, Duke University, in 1983, lamented the fact that, with the exception of finance, consultants had far out-stripped academia in contribution to the practitioner. Why are many useful concepts, frameworks, and analytical techniques developed by consultants? One reason is that, given their wealth of cross-industry case examples, consultants are in an ideal position to bridge the gap between theory and practice.

A recent pricing conference exemplifies this bridg-
ing role. The presenters came from all three groups. The academic presentations addressed broad, theoretical topics, rarely carrying them to the point where they could be directly usable by the marketing practitioners. The practitioner presentations, in contrast, were oriented toward applications and thus addressed situational-specific problem areas. In this case, the content was practical but not generalizable. The consultant presentations, however, discussed approaches and frameworks that were both generalizable and practical—often borrowing, at least moderately, from academic theory but developing ideas down to a usable level. Though the academicians and the practitioners had difficulty relating to each other’s contribution, each was clearly able to build on the ideas presented in the better consultant presentations.

The Task Force report is critical of consultants “who are presenting their ideas and techniques in order to solicit new clients.” However, it is this commercial incentive that drives consultants, unlike business managers, to make a contribution to marketing knowledge. Major consulting firms put a premium on developing useful outputs for client use.

The AMA should exploit the natural inclination of consultants to develop practical marketing knowledge. It should encourage further participation and even foster original research by this group. In fact, because of the unique position of consultants, they should be considered a sixth constituency rather than part of the practitioner constituency. This distinction would highlight their bridging role between academia and the practitioners.

Practitioners talk about marketing ideas they receive from articles in popular magazines (e.g., Fortune, Business Week, Harvard Business Review, Management Review, Industrial Marketing Management, Business Marketing, and Sales and Marketing Management), nonscholarly books (Ohmae 1982), textbooks (Kotler 1984), marketing handbooks (Buell 1986; Britt and Guess 1983), trade association meetings, and management consultants whom they retain. The ideas themselves come largely from senior faculty, business managers, and consultants.

**Recommendations to the Task Force and AMA**

Rather than commenting on all of the recommendations in the report, this section considers the four that will have the greatest impact on the practitioners—the business managers and the consultants—and then discusses two additional ideas to strengthen the contribution of the AMA to practical marketing thought. The section concludes with a few ideas that the AMA might suggest to the graduate schools of business to make their faculty contributions more useful to practitioners.

**Task Force Recommendations**

Four excellent Task Force recommendations will certainly enhance the development, dissemination, and utilization of marketing knowledge for practitioners.

*First,* the Task Force recommendation that will have the most positive effect on practitioners is the proposal for a new semischolarly journal, *Marketing Management,* which would have quality standards similar to those of the *Harvard Business Review* and which would summarize current knowledge and present innovative approaches to marketing management problems. The proposed content is excellent and the positioning in relation to the *Journal of Marketing* and the *Journal of Marketing Research* is a breakthrough idea. The only periodical that comes close today is *Industrial Marketing Management,* but its scope and audience are limited.

To ensure applicability to the practitioner, the editors should search the popular business magazines for ideas, with emphasis on companies that have successfully implemented novel marketing and sales strategies. The general managers and marketing managers of those companies should be approached to write articles and even offered assistance by doctoral candidates, under the sponsorship of senior faculty who can put these novel strategies in the context of useful marketing concepts or frameworks. Editors will probably be surprised at the receptivity of the business community. Not only will business managers be flattered, but they will be pleased to contribute to the education of the younger generation.

A second important recommendation of the Task Force, to honor the “masters” in the marketing discipline, should be expanded to include practitioners as well as academicians. This recognition would provide additional incentive to practitioners to contribute to marketing knowledge. Most are proud to be part of the marketing profession and want to be recognized by their colleagues in the profession. As suggested, this program could include a “Hall of Fame” as well as annual awards. Awards could be given for innovative thinking about each element of the marketing mix, as well as for each knowledge level (concepts, frameworks, analytical techniques), with emphasis on innovation and usefulness.

The third important recommendation of the Task Force is to encourage interaction between academicians and practitioners by attendance at each other’s conferences. The Task Force’s thoughts and ideas in this area are on target. Meetings of this kind have proven fruitful when the presentations are theoretically based but practical—in other words, if each constituency takes the other’s perspective into consideration. Another successful interaction has been the occasional joint writing of articles and textbooks by academicians and practitioners (Ames and Hlavacek 1984; Robertson, Diamond, and Mitchel 1983). However, if this interaction is to be more frequent, a significant change of attitude will be necessary—by both academicians and practitioners.

A fourth recommendation of the Task Force, to develop a public relations function for the AMA and for the marketing discipline in general, is also worth-
while. Business managers need periodic updates on current research and marketing thinking. Another Task Force idea, use of the Marketing News, can be helpful in this effort.

Additional Recommendations

Though the preceding four Task Force recommendations will go a long way toward bringing practitioners into the development of marketing thought, two other actions will ensure their inclusion. The first recommendation is to establish a Joint Task Force of leading academicians, business managers, and consultants to search the marketing literature and survey practical academicians and practitioners. This is perhaps the most important thing AMA can do to encourage the development and dissemination of marketing knowledge and bridge the gap between theory and practice. The Joint Task Force might be charged with four objectives.

1. To determine how marketing knowledge is utilized, something to which the Task Force admits it paid little attention. If utilization, or lack thereof, were better understood, the generation and dissemination of marketing knowledge, information, and research could be improved and made more useful.

2. To develop a list of priority needs of marketing managers. A recent article in Sales and Marketing Executive Report indicated some surprises in the 1986 priority ranking of marketing “pressure points.” Pricing and new product introduction remained at the top of the list of priorities (in comparison with 1984). However, marketing segmentation (niching) strategies (rated third) and servicing the products after sale (rated sixth) were new to the list; product differentiation dropped from fourth to ninth and new competition from exploding technology went from seventh to fourteenth. Surely, the Joint Task Force can expand this survey, using conjoint measurement to ensure efficacy, and develop priorities by each element of the marketing mix and by broad industry groupings. This priority list would be helpful to the editors of the new Marketing Management journal, as well as to doctoral candidates, faculty, and consultants in designing their research.

3. To develop a highly selective list of articles and books that are most relevant and useful for the practitioner—organized by marketing mix element as well as by level of knowledge (concepts, frameworks, and analytical techniques). The Joint Task Force could also develop a list of data sources.

4. To compile a list of major practitioner and academic contributors to marketing knowledge. Such a list would help practitioners select potentially valuable articles and books.

By working toward these objectives, the Joint Task Force would assist AMA in its efforts to develop, disseminate, and utilize marketing knowledge.

The second recommendation for the Task Force and AMA is to approach leading marketers and consultants to sponsor marketing research based on their firm’s needs as well as those priority needs identified by the Joint Task Force. Practitioners welcome academicians who provide value; they already fund research that is relevant and useful to them. All too often practitioners complain of not having skilled people to undertake sophisticated research at a low cost. The benefit to the doctoral candidates and junior faculty would be valuable practical experience and a rich database upon which to draw.

Suggestions to Business Schools

To an observer of graduate business education, the Task Force’s observations on the pitfalls of “publish or perish” in the tenuring process appear to be well founded. Graduate schools of business place too much emphasis on scholarly research in tenuring. A better approach might be to require a minimum standard in scholarly research and, once that standard is achieved, let each young faculty member pursue one of three “spikes of excellence”—scholarly research, teaching, or practical research for publication in nonscholarly publications. Clearly, all three are needed—by the schools to appeal to their constituencies (i.e., other academic institutions, businesses, and students) and to enhance their reputations and by faculty to feed their creative energies. Today, young faculty members receive credit toward tenuring only for scholarly research, which emphasizes methodology rather than contribution to the marketing knowledge of practitioners or the teaching of students. Once each aspirant for tenure chooses his or her “spike of excellence,” extraordinary effort in the chosen area can be demanded to achieve tenure. Leading consulting firms use a similar approach in advancement to partner; consulting firms recognize the value of different skills in their partners.

Moreover, the leading business schools can better balance their needs for teaching and research if they keep the pressure on senior faculty and younger tenured faculty (who aspire to make full professor) for “spikes of excellence” in any of the three areas. These individuals are in the “creative age” zone and have the relevant experience through consulting. The business community and the MBA students would be served better with this approach. Not only would there be better teaching, but there would be superior scholarly research (by persons who are qualified) as well as superior practical knowledge transfer (by persons who have the practical experience base through consulting and years of teaching).

Conclusion

A few general observations on the Task Force report are in order. First, the Task Force puts forth many good arguments for structural impediments to the development and dissemination of marketing knowledge. It also lays out an exhaustive list of sound recommendations, especially in the academic area, for overcoming these impediments to generating and disseminating the marketing knowledge that U.S.
corporations so desperately need to be competitive in the global market.

However, the marketing discipline in general would be better served if the Task Force balanced its recommendations between the academic and the practitioner viewpoints. The Task Force’s charge from the President of the AMA was to make recommendations that have “actionable implications for the discipline as a whole and for the AMA.” Thus, the AMA should spend more time and attention on how the practitioner can be better served as well as motivated to develop and disseminate marketing knowledge. Marketers have turned to non-AMA publications for ideas and recently have embraced two new organizations—the Pricing Institute and the Marketing Science Institute—which have the objectives of assisting practitioners and bridging the gap between academia and practice. Actions discussed in this response to the Task Force report should enable the AMA to maintain its ascendancy over newer organizations and publications.

Finally, given the large number of Task Force recommendations and the magnitude of implementation, the AMA must give careful thought to prioritizing the recommendations. Priorities should be based on potential impact and achievability.

In conclusion, the AMA faces a formidable challenge in balancing the needs of academicians with those of practitioners. The Task Force is a good start on addressing that challenge. Their recommendations to launch a Marketing Management journal, to increase interaction between academicians and practitioners, to start a publicity program, and to initiate awards and honors for the marketing “masters” are steps in the right direction. By adding to this list the formation of a joint academic/practitioner task force and a program to approach leading marketing managers and consultants to sponsor research, the AMA will make a contribution to development of marketing thought that will go beyond its already highly regarded efforts.

REFERENCES


