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Marketing in the Flourishing Society Megatrend

Richard J. Varey¹

Abstract

“New science” has profound implications for business. Industrial capitalism can no longer power prosperity. The mass society worldview is giving way to individualisation. The “standard enterprise logic” is challenged. Marketing has operated as an attention technology for sellers competing to capture customers. However, in an intention economy buyers are a scarce commodity, and it is intentions that drive production for specific needs. Change in marketing is overdue. Despite increased social disharmony and the mounting evidence of looming environmental disasters, progress is stagnant, often negative, as marketing exacerbates the problem by misallocating negative value goods. The commonality in the contemporary crises of financial meltdown, human-made climate change, economic inequality, distrust of government, and the social corrosion of consumerism is the moral limits of markets in civic society. Sustainable living provides the higher purpose of marketing: well-being and human flourishing. Sustainability is a socio-cultural, inherently ethical, respectful, intellectual construct for a life of careful and equitable resource use within limits and inter-dependencies. It is not the antithesis of competitive business, indeed business can flourish by competing on, and being rewarded for, the accomplishment of enduringly valuable outcomes. Sustainability is a transcendent societal “mega”-megatrend.

Keywords

post-industrial business, future of marketing, provisioning, corporate sustainability, megatrend, macromarketing

Introduction

Whereas the market researcher wants to – indeed can only - spot, define, and predict general trends or tendency in patterns of purchasing, the future-thinking marketing scholar observes higher-order large-scale, widespread fundamental forces of societal development profoundly impacting on civic society, the state, and markets – and thus, logically, on marketing in principle and in practices. From the vantage point of “the future of marketing” there seems no shortage of evidence that humans are collectively bringing about such profound changes.

Socio-cultural evolution in society has been scrutinized for decades (see, for example, Capra 1983; Ferguson 1982; Henderson 1981; Leonard 1972; Roszak 1978; Satin 1978; Toffler 1980), understood as the transformation of consciousness and the shift in value system towards a widespread eco-consciousness in which to understand the relationship of self, society, and nature. Change in the prevailing consumerist culture is manifesting in various social movements.

The crisis of “post-industrialism” is in our cultural premises and values. The concepts of the entrenched mechanistic world view do not explain the harmonious interrelatedness and interdependence of the biological, psychological, social, and environmental world. An ecological perspective that recognizes this dynamically balanced system is necessary. This requires a fundamentally holistic conception of reality, in terms of thoughts, perceptions, and values. The megatrend is of profound importance to the marketing field, when so much market activity is not productive (see Heinberg 2011; Sheth and Sisodia 2012; Smart 2010). Marketing alters society and the habitat in which it resides on an extensive and extending scale. Concern for the ability of healthy society to be sustained enduringly is rapidly escalating, and the eco-consciousness of the sustainability of business and society is an emerging megatrend (Kiron et al. 2012; Lubin and Esty 2010). As society (the interrelated patterning of behavior, meaning, and belief) changes, so marketing is changed.

This is a review of a necessarily small selection from the current crop of books calling for a new society, and thus this discussion cannot be in itself proof of the megatrend. They are, apparently, indicative of the movement towards better marketing systems. The authors bring forward lots of megatrend manifestations in their calls and proposals for, and stories of the progress of, changes to enhance the effectiveness and efficiency

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of markets for a better civilized, democratic society of prosperity and well-being. Some have called this part of the next phase in human development “conscious capitalism” (Aburdene 2007; Schwerin 1998; Sisodia, Wolfe, and Sheth 2006).

The overview of current works is intended to reflect the megatrend outpouring of critique and optimism, and to recognize connected ideas, underlying issues, and norms and theory development implications for marketing. Whilst the jigsaw or mosaic is not fully an appropriate analogy, since multiple aspects on the big picture are overlapping, the purpose of this discussion is in comprehensively expressing in different ways some common ideas. Thus, this is an attempt at coherently and systematically, if not completely, appreciating the megatrend – whatever we choose to call it. This is an assessment, in light of the question is sustainability a megatrend?, of what we need to be aware of as a changing context for marketing – the societal conditions with which marketing is intertwined, and mutually influencing. From this, an agenda for future thinking raises fundamentally significant implications for revising the purpose of marketing and thus the meaning of good and best practice.

In recent years it has become an inescapable realization that recognition and acknowledgement is not only growing but accelerating – that what we do in the name of wealth creation, commerce, and business does not always produce good outcomes for everyone – and that much of the ever expanding/accelerating economic activity is damaging our habitat and quality of life (Varey 2010, 2011, 2012). The neoclassical theory of human sees each as a materialistic utility maximizer who values individual short-term gratification above collective well-being and thus transacts amorally in pursuit of own stable and predictable interests. The associated managerial form of marketing that dominates in pro-business markets supports an agenda for short-term extractive profit-maximization, and the cost to all of us is too high to justify the benefits accruing to some. A pro-market marketing is consistent with the spirit of the Marketing Concept and long-run enduring well-being of the citizenry of which we are members.

And so to sustainability. As the number of people with expansive and relative aspirations for needs fulfillment and wealth grows, the impact on the habitat ecosystems we depend on accelerates and deepens. Over-population, economic instability, demeaning and life-threatening poverty, unemployment, degraded and unhealthy habitat, and depleted resources are the compelling basis for questioning the effectiveness and efficiency of the market and marketing. Despite the obvious and profound gains, the growth-driven system does not meet our expectations or needs for a sustainable society within finite limits. As crucial costs are externalized, the overly-competitive market driven by the need to sell for profit does not recognize resource scarcity and causes over-production and over-consumption of products that are damaging. There is an apparent re-orientation of marketing driven by societal change, but is it any more than another wave of acronymically rediscovering of the customer, as in previous “business megatrends” such as TQM, CI, BPR, and CSR?

It is increasingly apparent that the focus of knowledge-making in Marketing is shifting from short-term how to do it – method and technique and proficiency, to clarifying purpose – why is marketing necessary? The other shift evident is from a supply (firm) driver in which firms use marketing to push consumption, to demand doing the initiating, valuing, and shaping of business in which people use marketing to pull resources towards better lives – marketing in service of society. With the rise of the active, deliberative, and thus sophisticated citizen-customer the firm is invited into value creation by the citizen-as-consumer.

That the “problem” of achieving a sustainable way of living is without doubt complex, is an understatement. It is perhaps not simply a matter of societal values shifting and marketing responding, or even of marketing shifting to support a societal movement. Political processes and business processes are not independent.

Better Science: At What Cost “Science,” and on What Else Can We Rely?

Rogene Buchholz, in Reforming Capitalism: The Scientific Worldview and Business (2012) urges readers to question the costs to them and to society to maintain the classical scientific worldview of “normal science” in economics. This hints at the profound, so an overview of how we understand business and the problem of sustainability is helpful to direct our attention to problem definition as a pre-requisite for healthy problem solving.

The industrial age business of scientific business is founded on and reinforces a certain view of culture, government, and nature, and how business relates. There is an other, “new science,” understanding, with implications for business, and this is the subject of this challenging book. This analysis is reviewed in-depth as the prelude to our inquiry on sustainability as a mega trend with implications for business and marketing.

Buchholz, from the North American perspective, examines the effects of rapid population growth and connections brought about through technologies of information and communication. In the present time, individualism seems obviously outmoded, and relationalism makes more sense of more of our life as we are each primally driven to interact successfully with our environment. Buchholz argues that the classical scientific worldview brings values into aspects of life – ethics, economics, politics, culture, and our relationship with nature – such that we are deprived of true meaning. The characteristics of classical science are reductionism, atomism, quantification, determinism, and the assumption of mechanism. The meaning of the parts provides meaning of the whole. This science is supposed to be passive, disinterested; there are only facts, there are no values. But, the new science shows a view of a world that is organic, and holistic. The meaning of the whole is the basis for the meaning of parts. There is a fact-value distinction, and both are necessary to understanding.
Applying classical science in economics entails dominance of the market system over the social system. Thus, we have a confusion of thinking about society-oriented markets and market-oriented society. The environment is not valuable only in discrete units of exchange. The imperfections of the classical viewpoint have led to the emergence of social responsibility thinking for business embedded in a market economy, in society, recognizing not two separate, autonomous, bounded linked entities in which firms are separate independent agents. From the macro view, it is clear that business has been understood as a collection of colliding atoms in a mechanistic process of transactions and interactions. But, in this way of thinking there is no moral theory that ascribes obligation to work towards social betterment. Such social responsibility has remained rooted in the classical scientific worldview. Atomistic individualism, that there are individual selves distinguishable from other selves and defined apart from any social context, is also embedded in stakeholder theory to describe the business-society relationship – the firm’s identity is formed independent of its stakeholders.

Whereas the original idea of the social responsibility of business was expressed in terms of economic growth for progress, it is now recognized that single-minded growth pursuit produces negative effects imposing social costs on society. The newly emerging business-society contract with new “rules of the game” requires quality of life outcomes beyond quantity of output – value for society in terms of a wider range of values. Yet again, however, society and business are understood as separate entities with conflicting interests, so negotiated trade-offs are assumed to be the way to make decisions, not realizing the embeddedness of business in society. A relational view of firms and society goes some way to broaden the view of role and responsibility, but they are both trapped in the mechanistic scientific way of thinking, rather than understood as facets of society seen through different ontologies within the integral worldview.

Politics for community, not a collection of isolated individuals, seeks commonality of courses of action towards good for all participants, but this understanding is undermined by the scientific worldview. The reduction of society to the clashing of individuals makes true community impossible, evidenced in long-standing rivalry of public and private interests, as debated among libertarians and communitarians in a continuing dichotomization such as individual identity vs group conformity, and individual rights vs. community interests. But is this any more than simplistic collectivism and majoritarianism? The reductionist view places persons as isolatable individuals with absolute rights, rather than as inherently social persons integral in a community. The moral basis for democracy is eroded by reductionism and atomism, as then government is only the co-ordination of supply and demand of public goods and services, with no particular conception of good life or purpose in promoting the common good, and not representing and helping create a true community.

In discussing culture, Buchholz explains the scientific basis in which what we now term technology for using resources emerged, and thus is a capitalistic culture to exploit, and the rise of the science of economics. He charts the rise and demise of the (Protestant) (work) ethic, and the associated “cult of consumption.” The moral justification of capitalism became hedonism in the mid 20th century when a value shift promoted immediate gratification and narcissism. Capitalism lacked a higher moral purpose above the materialistic conception of the good life. Science and technology provide the means for supply to meet demand. More is better in the quantitative way of life, and in the pursuit of growth a better life comes through continued exploitation of nature.

In an era of rapid population growth and associated concentration and consumption, resulting affluence brings more buying power and increased awareness and expectations for greater affluence, but also effects that have now exceeded the absorptive, dilutive capacity of the natural environment. “Sustainable growth” is pursued to increase the size of “the pie” to “lift everyone’s boat” to meet the needs of the present without compromising the ability of future generations to meet their own needs and aspirations. This is assuming common-sense status in everyday thinking. In this rhetoric, all boats are lifted by a rising tide, although tides rise and fall, and those who cannot afford a boat are prone to drowning in the swirling waters of the rising storm.

What is the viability and morality of a society that constantly pursues ever-increasing quality of life by using up habitat resources (i.e. those parts of the life-sustaining biosphere valued by humans) and creating pollution at an accelerating rate? Such questions raise issues of sustainability and justice in terms of intra-generational and inter-generational equity and recognition of the falsity of the assumptions of consumer society: that the supply of resources for use to satisfy material wants and needs is inexhaustible, the outcomes of material consumption are always desirable, and resulting material waste can be disposed of in bottomless sinks without damaging effects. Could we benefit from a moral basis for production and consumption that provides further meaning and/or limits to economic activity, such as enrichment of human existence? The scientific worldview conceives of life as materialistic and progress as expansive.

The economy determines use and abuse of nature and operates on scientific economic terms without a moral basis, devoid of an ecological perspective. Instrumental reason determines roles of producer and consumer in Western culture, supporting domination and exploitation of people and nature as resources for capitalist interests in selling ever more commodities in the market. Such rationality excludes moral considerations.

In his consideration of Nature, Buchholz sees that the scientific worldview objectifies nature as a useful resource for humans to manipulate to their interests; otherwise it is of no value. In terms of use(-up) and waste disposal, the environment poses a challenge to continued economic growth - is overconsumption a real problem? Sustainable development cannot undermine the integrity of the environment on which it depends, so what will become of the corporations whose primary purpose is to convert natural resources into saleable
goods and services to enhance material well-being, if resources are conserved and pollution reduced, thus curbing such economic activity? For how long and to what extent is consumer culture sustainable? How just is it for developed nations to over-use more than their fair share? An ethic is needed to provide moral limits on consumption and direct production into a less harmful path whilst consumption nourishes and enriches human existence. What is needed is a reconceptualization of the relationship of humans and nature.

Having interrogated the consequences of the traditional scientific worldview, Buchholz then turns his attention to a “new understanding of science,” adopting the American classical philosophical school of thought known as Pragmatism as an alternative way to understand the multiple environments in which business is embedded. The way in which business relates to them has profound implications for the society in which businesses operate. Re-thinking science in a holistic, relational philosophy treats ordinary lived experience as a form of knowledge, and does not reject scientific knowledge, but crucially accepts morality as essential in human experience. General characteristics of Pragmatism (originated by Charles Pierce, William James, John Dewey, C I Lewis, George Herbert Mead) are emergence, holism, continuity, quality, and indeterminism. Recall that classical science deals in reductionism, atomism, discreteness, quantitativeness, and determinism.

In Pragmatism’s understanding of our world, knowledge emerges through intelligent reflection on experience within nature, and is thus fallible and tested by its consequences in experience. The nature of value is not considered real, i.e. objective, knowledge in a scientific worldview – it is no more than a subjective feeling. In Pragmatism, values emerge out of human experience in interaction with the environment in which humans live. Things experienced possess qualities (for example, fulfilling, stultifying, appealing or unappealing) that are real emergents in the context of interactions with cultural and natural environments: “valuing experiences are not the experience of evaluating experience from the outside but arise from the immediate ‘having’ of experience” (Buchholz 2012, p. 142). Further, “valuings are turned into the valuable by the organizing activity of the mind in the ongoing course of experience as experimental” (p. 143). The consequences of actions yield that which is valuable because they produce enriching valuing experiences.

Buchholz considers Economics reviewed in Pragmatism and reviews the fundamental ideas of capitalism, wealth, and growth. The economy is intelligible as only one inseparable dimension of the socio-cultural matrix, a discriminable dimension of a total existence, and inherently social. Value is emergent in social experience, and more than just monetary wealth. Capitalism is more than an economic system: a social system that enhances the efficient use of materials to enrich and not exploit the total existence of the community in which each person is embedded. Production and consumption have a moral direction. They are not ends in themselves, but rooted in the goal of enhancing human existence for human “growth,” not mere quantitative increase or accumulation. The experience is fuller, richer, more inclusive, and more complex interactions with multiple environments in which the person is relationally embedded. Pragmatism denies the nonsense of so-called economic development that destroys these environments in which growth is accomplished.

Politics in Pragmatism is concerned with public goods and services, public policy and markets, competition, science and democracy. Culture has a relational/contractual understanding of the social, of the inter-subjective and self and community (the individual and the common other), and rights/responsibilities, and entitlements/obligations. This is a holistic view of society that rejects the individualistic. Each human is contributor and recipient in a reciprocal relationship.

Pragmatism examines Nature as an environmental consciousness that does not dehumanize nature in the way that classical science treats it objectively for manipulation to suit human interests, and does not denaturalize humans in the way that the Christian religion takes humans out of nature to provide supernatural meaning and purpose. Pragmatism conceptualizes humans and nature in relation. Humans are natural organisms embedded in and dependent upon a natural environment.

Buchholz then goes on to consider implications of the Pragmatic philosophy for business. The corporation (firm, business) is not a legal device solely for the self-interested economic purpose of creating material wealth for shareholders, but rather understood as a social community in a larger community. There is a “new” (i.e. different, alternative) social contract based on new understandings and relationships between employees and employers to better function as a corporate community (see also Swan et al. 2000; Varey 1997). Business is conducted in society. In the community, the corporation has multiple purposes, both economic and non-economic for stakeholders.

In the relationship of business and science, it is readily apparent that the scientific culture continues to be pervasive and dominant in business schools. Currently academic credibility and respectability are assumed to require scientific methods and outputs, but the impact of such research on management practice is questionable. “Modern” business studies/management science has been based in mathematized economics since the 1960s, and business is thus largely understood as a solely economic institution for increasing economic wealth.

Yet, reductionist quantification in understanding socially complex phenomena has obvious limitations, especially when there are morals concerns in a world of uncertainty and thus judgment is essential to effective management. Buchholz includes a quite lengthy discussion of the 2007-2008 financial crisis, showing that much of the “common-sense” of the modern economy is based on myths of free and rationally beneficent markets, scientific laws of the market, and shareholder wealth maximization as the primary purpose of the corporation. These myths are founded on a misguided sense of science and the denial of the validity of other forms of knowledge, especially the significance of communal knowledge. This challenging and highly readable book closes with recommendations for a more suitable business school curriculum, establishing a
service ethic and the appreciation that profit is a reward for providing enriching experiences that better lives. This idea is central to the “firms of endearment” in the conscious capitalism movement (see Hollender and Breen 2010; Sisodia, Wolfe, and Sheth 2006).

**Better Business: Value Creation**

In Umair Haque’s analysis, *The New Capitalist Manifesto: Building a Disruptively Better Business*, the need and potential for disruptively better business is pressing. The world has changed radically, but capitalism has not and the established industrial way of thinking can no longer power prosperity. Capitalism as we have known it for the past half century is nearing a “system reboot.”

Haque’s vision is for a reinvented form of business that generates what he calls “thick value” that makes capitalism better in serving interests to meet the revolution in expectations. Maximization of quality of life rather than consumption requires a conscientious, accountable, sustainable capitalism, with a clear and shared sense of what business is for, whom it serves, and how it creates value. Beliefs are needed to replace shortsighted and self-limiting industrial assumptions in an era of radical transition to a new order in which production, consumption and exchange – in terms of profitability, value creation, and competitive advantage – take on different meanings. Commerce, finance, and trade become transformed and transformative, requiring institutional innovation. What capitalism has been is not what it can be and now should be.

Whereas industrial society was built in an assumed big, empty, stable world of valuable resources and likened to a game reserve with rich hunting, today the world is increasingly understood as tiny, fragile, crowded and invaluable resources (many sources are not renewable) and more like an ark. What once drove prosperity now creates crisis. We have lived through several decades of “dumb” growth during which the poor have been (unwittingly) subsidizing the rich in over-consuming ever more ephemeral goods and services with greatly diminishing returns whilst marginalizing nature, communities and society! This is some indictment, indeed, especially when transient consumption has been the focus rather than investment and innovation. This form of capitalism – market fundamentalism – is unsustainable and now defunct as the 2008 financial crash and the continuing reverberations and repercussions so painfully evidence. Institutions of industrial era capitalism structure economic, social, and political incentives in exchange and thus shape human interaction. Yet, they have not yet changed enough to deal with world developments and so “company people” continue to see themselves primarily as hunters rather than as stewards.

We still largely cherish foundational cornerstones of industrial age capitalism: production in value chains, positioning through value propositions, competitive strategy, advantage from market protection, and inert, fixed goods and services as the means of consumption. The flaw in this way of thinking is that costs are shifted to and benefits are borrowed from people now and in the future, including future generations, as well as communities, society, and nature. This is non-consensual, often irreversible, and thus unfair. It is a great imbalance that undercounts costs including ignoring loss and damage, whilst overstating benefits of goods and services in making people better off durably, tangibly, meaningfully. Shifted costs and borrowed benefits create net economic harm: the modern global economy does not increase prosperity when this “deep debt” is created and not repaid. This can be seen to be the cause of the continuing, intensifying, and accelerating cycle of crashes since the 18th century. Prosperity is really diminished by too much economic destruction (bads) and too little economic creation (goods). When resources are invaluable (because they are finite and essential to human flourishing), use must safeguard against damage, depletion, exhaustion, and also produce tangible, meaningful, enduring benefits. Otherwise it may simply not be worth it! True prosperity must minimize harm.

Of the 250 companies sampled in his preparation for this book, Haque found that 90% align with the outdated cornerstone values of capitalism and produce thin “socially useless” value. This so-called “market value” is artificial not authentic, unsustainable in enjoying today by sacrificing tomorrow, and meaningless in not making people better off in ways that most matter. Much value is not positive and tangible. Yet, orthodox strategy, innovation, and competition are premised on this economic harm! A paradigm shift is necessary in business, centered on optimization in place of maximization. Whether by action or inaction, economic harm cannot be allowed, whilst creating more and higher value of higher worth. Such a constructive capitalism – profit without harm – is evident in 15 of the 250 companies who are no longer satisfied with industrial era capitalism and are creating industry-changing value through the disruption of building new cornerstones: value cycles, value conversations, market completion, and betters.

Value cycles pursue resource renewal instead of exploitation; so all costs are considered and minimized. The separation of production, consumption, and reproduction is minimized. Production is demand-driven, with advantage realized through minimizing losses from waste in unused, degraded, exhausted materials. Value conversations instead of product propositions enable responsive and democratic resource use for authentic value creation. Strategic and managerial agility in making decisions on what to do come from dialogue initiated “outside-in” and “bottom-up.” This authentic democracy is participative and deliberative reasoned conversation that is essentially associative and consensual through dissent and veto.

Long-term competitiveness is sought through value creation not value extraction. Such economic conflict is not healthy, free and fair competition that significantly betters things. Blocking or manipulating others in their value creation endeavors can never create sustainable positions. The constructive alternative is to disrupt the self to build resilience – a form of corporate fitness training. Resilience is the ability of people, communities, and systems to maintain a core purpose in the face of unforeseen shocks, and requires adaptability, agility,
and co-operation. Market completion is achieved in creating new arenas for competition – markets and industries that orthodox capitalism cannot serve. Markets in which ultra-high need is served at ultra-low cost, so that the least well-off benefit the most, are fairer because every product is affordable, accessible, and functional for all at the same proportion of spending ability, and so inclusive. This completion of a market for people addresses inequities when defending from rivals cannot. Value can be created in terms of reducing information costs, subdivision (fractional/shared ownership), service subscription, products as assets that serve, and simplicity in place of complexity. Markets can be moral. Creativity is a competence, not a resource. Frugal innovation is the ability to generate solutions with more business and social value using less scarce limited resources, compelled by cost-conscious and eco-aware consumers, employees, and governments, resulting in simultaneously affordable, sustainable, and high quality outputs.

Beyond goods (not all of which are good, some are bad), “betters” address the seeking of meaningful outcomes in human terms from goods and services in enduring positive impact. They make a real difference to quality of life, so they matter. Instead of ever more superficially differentiated products, “betters” make a meaningful difference to people, communities and society. Currently, orthodox capitalism cannot create further happiness because it is not made in the market by buying more stuff, it stems from well-being. An economy that makes people less happy is fundamentally unsustainable, and must be corrected with a higher purpose: do the right things for enhanced smartness, connectedness, security, and health and fitness outcomes (values of “better off”). This transcends beyond the conflict between profiting from selling more outputs, and people, communities and society, to become a shared interest in better outcomes. Hence there is a redefinition of the purpose of business: making good and better outcomes.

The current concern for value seems oddly belated given over a 100 years history of the Marketing field, yet it is the realization that in today’s life conditions (inequitable affluence and mega-population) the game has changed. The kind of wealth that is needed now is different; it’s not the dwindling value of consumption utility in using up outputs, but value-in-use, that produces enduring, fair, and better outcomes that are enhanced the more they are used (in the network logic of increasing returns). The firm’s role is to serve experiences with supporting, nurturing goods and services (outputs) to ensure the physical, social, economic, and mental betterment of those who are engaged with them (outcomes). The product becomes the start for this instead of the endpoint. This necessitates going beyond product and business model adjustments to innovate institutions. Superficial differentiation, transient market share, saturating branding, cost cutting that destroys value - all are insufficient for thick (not thin) value and high-quality profit. Thinking beyond competitive advantage to constructive advantage, and profiting by making people, communities, societies, and future generations better off, enables a better kind of business. Haque offers advice on constructive strategy for smart growth that does not try to prosper through selling “toxic, diminishing-return products to the rich, subsidized by the poor,” based on over-consumption and fueled by debt. This dumb growth is increasingly self-destructive in its pursuit of growth in shareholder value. Smart growth is more useful – it produces high-quality (meaningful, authentic, enduring) value, based on investment in capabilities and assets for higher purposes.

Features of better business resilience include durability (instead of disposability and waste), togetherness (not costly separation), purposive (rather than unresponsive, apathetic), empowerment (supplanting manipulation, resistance), leveling (not unfair competition), generosity (instead of hoarding, exclusion), compassion (rather than “squeeze”), independence (not dependent vulnerability), truth (not inauthentic, counterfeit), epiphany (rather than dissimulation, lobbying, over-promotion), and consciousness (not obliviousness, alienation). Businesses capable for profiting from less economic harm and from more harm are a force for good with a re-conception of worth.

**Better Service: The Dis-service of the Consumer**

For three decades the once sub-field specialism of Relationship Marketing has evolved until now it is seen, at least by some, as the general case for marketing, albeit largely hijacked by customer relationship management specialists from the information and communication technology field. Taking a resolutely sociological perspective, Shoshan Zuboff and James Maxmin (2002) address what they see as a transaction crisis in product markets. In *The Support Economy: Why Corporations are Failing Individuals and the Next Episode of Capitalism* they identify the support economy as the evolutionary next step in capitalist society.

The authors take a sociological view and identify a shift to a shared capitalism that is strongly characterized by psychological individuality. The mass society worldview of modernism and industrialism is giving way to a new society of individuals. The standard enterprise logic is challenged by new dreams of deep support, so people as consumers and as employees experience a crisis. The problem is that commercial firms do not see this individuation of consumption because they are constrained by the enterprise logic of the mass production era of 20th Century that prevails in the managerial proprietary capitalism.

In the “commercial solar system” the producer is at the center. The next orbit is institutional shareholders, financial analysts, and investment bankers, then come employees. Suppliers appear in the next more distant orbit. Business customers are to be found in the next most distant outer orbit, and in the furthest most orbit live consumers. Thus, in the industrial market, both the consumption relationship and the employment relationship were distant and based on transaction, and increasingly in recent decades people have asked if mass society and civilization are compatible? The standard enterprise logic was invented to manage the production of things to be owned, and thus adversarial relationships became the norm. The partial-person consumer is locked out, and the partial-person employee is locked in!
In the century-old business logic, people are treated as objects/things to be manipulated, and transactions are revenue units. The main assumption is that producers create value, while consumers are distant, an abstraction. Relationships with customers are facilitated through marketing communications mediated by advertising agencies, market researchers, and other parties. Zuboff and Maxmin observe that

“advertising and public relations firms extol the primacy of the end consumer precisely because just the opposite is true. The relationship between producers and end consumers has more typically been characterized by disdain and conflict. If the current wave of platitudes about customer service and satisfaction were true, then the frustration, stress, and anxiety that is the transaction crisis would have long ago disappeared. Instead, they are growing with each passing year” (p. 184).

Advocates of relationship marketing rarely acknowledge that the relationships with consumers are largely adversarial.

In the making of a new kind of person in pursuing psychological individuation (self-determination/self-authorship) such “new individuals” require “a new kind of marketplace.” This requires an appropriate enterprise logic. Research on values and socio-cultural evolution (e.g. Inglehart 1977, 1990; Inglehart and Baker 2000) shows that in recent decades developed societies have approached a tipping point as a younger cohort of post-materialists is replacing the older generation of materialists (referred to as “post-modernization”). In psychological individuality there is the strong drive to interdependence, affiliation, and community-building, and post-materialists want the true voice of unmediated influence and bottom-up inclusion, rather than hierarchical expert authority. In this direct democracy, new participatory formats are replacing mass participation. This can be seen clearly in the rise of informal virtual identity-based communities with activist goals and shared interests and conversation.

We can observe the shift from the socially integrated paradigm (a culture) for structuring well-being, to a personal/individual paradigm (personal adaptations) to explain how individuals connect to society from formal participation in large organizations to one-to-one relationships. Old organizations in the civic, political, religious, and commercial realms have failed to respond to the needs of the new individuals and their evolving human spirit. They still assume that consumers most want efficiency from producers, but the “new” individuals seek support in their efforts for psychological self-determination. Thus, observe Zuboff and Maxmin, “people are routinely punished for being complex psychological individuals in a world still fitted out for the old mass order” (pp. 142-3).

In the post-modern society and compatible enterprise logic, persons are the origins of the relationship value latent in the subjective experience of each one, and realized in individual space. There is a mounting need for commercial processes to align with each individual consumer whose purpose in consumption is life in terms of the time and support necessary to pursue psychological self-determination. Thus goods and services are only part of a broader and more inclusive commercial purpose (i.e. “deep support”). Enterprises assume full responsibility and accountability for the consumption experience in an on-going relationship based on advocacy, mutual respect, trust, and strong alignment of interests. Emotions, including pleasure, were once thought to be located in things and these objects valued in terms of their intrinsic pleasure quotient. In the new market, this is in the subjective experience of things. Value is now understood as a subjective proposition arising from meanings invested in things, not from the things themselves. Hence, we have brand valuations!

The prevailing theory of value is at the heart of the transactions crisis. Relationship economics has emerged as an alternative to transaction economics. The latter assumes business comprises transactions between sellers and buyers that creates and destroys shareholder value. Transactions are assumed to be anonymous, binary, episodic encounters within a framework of costs and revenues – there is no person, no history, and no context. The value maximized to produce shareholder wealth is transaction value. The consumer is a means (or troublesome obstacle) in this and consequences for others in the system are ignored. Short-term profit is assumed to be good, even if at the expense of others in the system or the long-term wealth of the corporation. Thus transactions are managed to maximize profit yield, with two common methods.

The easiest profit making method is resource reduction – lowering costs. All transactions are viewed as opportunities to increase efficiency and productivity, hence the introduction of automation, re-engineering, downsizing, and outsourcing. The second method is revenue enhancement through finding new markets, new channels, or new products. In this expansion, the emphasis is on strategy, innovation, education, and service enhancement. Often, business practice swings between the two, and revenues compensate for the problems created by cost cutting: dissatisfaction of customers and employees. Either way, the focus is on transactions, not the people. Customers bear the brunt of profit maximization within the individual transaction. What may be in the interests of customers and contributes to building long-term relationships is interpreted as “value destruction” when seen as reducing profits.

Relationship economics recognizes potential for interdependence — relationship value — in the shift from mass to individualized consumption. Created not in corporate space, but latent in individual space, it is the process of supporting a people and fulfilling their needs. Yet, transaction value creation destroys relationship value. It is realized that relationship value requires a higher-order economic understanding that absorbs transactional economics into a broader more comprehensive conception of value, hence relationship economics. Relationship value does not depend on goods, or customized services, since it is realized in activities of deep support. The value co-creation concept is recognition of relationship value. Products are subordinated to new forms of advocacy and assistance that enable people to pursue their goals of psychological self-determination. Relationship value cannot be derived from
current measures of customer satisfaction, since they reflect customer expectations within their experience of the standard enterprise logic of transactional value!!

Corporate “customer value creation” destroys relationship value in a number of ways. In transaction starvation resources are withdrawn from the front line connection with customers despite pent up demand for deep support! This happens especially in customer communications, when interactions experience “value suffocation.” Outsourcing apparently frees up staff for more productive activities (“core responsibilities”) rather than talking with customers, whose time and effort is treated as free (to the firm). In transaction inflation, managers try to maximize revenue from each transaction, irrespective of value, cost or consequences for relationship, by surcharges, “upselling”, and hidden charges. Managers are indifferent to relationships, customer knowledge, or long-term customer contribution in product tyranny, when the product is the unit of analysis in revenue and profit terms (for example, in yield management pricing and service level). In relationship mimicry, perhaps far too evident in so-called customer relationship management practices, transactions are cynically presented as if they were relationships. There may be much (often expensive) paraphernalia of simulation, but corporate commitment is limited. Much Relationship Marketing is not relational. False expectations are raised and actual experience veers between hope and disappointment. In all of this failure to live up to the Marketing Concept, the problem is not profit making, but profit making based on transaction value.

From the business perspective is power really shifting to the consumer? It seems to make sense that people now have access to more information for purchase decisions, yet this accelerates commoditization and sensitivity to lowest price. There seems to be more choice in the proliferation of products, channels, formats, and price points. Buyers can withdraw purchasing power from one seller and invest it in another and, of course, have freedom to buy or not. But, once a decision to buy is made, a person must conform to sellers’ rules. The sellers’ shift to electronic media is seemingly an effort to depersonalize, to avoid wasted time, degrading inconveniences, and insults!!

Better Markets: Means and Ends - Consumption or Production?
For some considerable time, since the 1960s, marketing has been operated as if in an attention economy in which sellers must compete to capture customers. Advertising is the primary means deployed to get attention, and customer recruitment was the primary objective. However, in an intention economy buyers are a scarce commodity. Consumer intentions drive production to meet specific needs, and thus customers are in charge of the market. This is the focus for Doc Searls’ The Intention Economy: When Customers Take Charge (2012). When attention is the basis of competition, marketers propagate consumers, but in the intention economy buyers are ready-made people who must find sellers. Today, Searls sees the emergence of vendor relationship management as the much needed counterpart to the customer relationship management that has largely dominated attempts at Relationship Marketing when writ as management of customers by suppliers.

As this Internet-enabled shift in the way markets can operate progresses, personal demand will increasingly be truly driving supply. Instead of firms wastefully trying to turn people into customers, they will be responding to ready-made buyers’ intentions to purchase. Thus, the costly and often wasteful efforts to find customers for products of proposed value (by competing to get their attention and persuading them to buy) will be supplanted by helping people to do things enabled by outputs that they value as outcomes. The original spirit of the marketing orientation / marketing concept – meeting needs for reward – can be realized.

Internet tools are being developed that make people independent of vendors. Whereas CRM (customer relationship management) has been used by suppliers to control consumers in the face of competition, people will be better able to engage vendors through VRM (vendor relationship management). When consumers express intention to buy, sellers (and their suppliers) will vie to be supporters (see Zuboff and Maxmin’s support economy) through fourth parties (advocates). The VRM movement wants to preserve Internet freedom and opportunity by changing the economic power structure. In the industrial age it has been master-slave and customers had no choice but to play along with marketing’s complications built on privacy-violating business models and practices. But customers are getting smarter more quickly than companies.

It is but a short step back to the birth of the so-called knowledge economy and the reinforcement of attention as a key marketing objective. How attention works in the knowledge economy was the focus of Davenport and Beck (2001) managerial perspective before the rapid emergence of Google, Facebook, and Twitter. They called the challenging conditions of unsettlement “The Attention Economy” (Davenport and Beck 2001). In this logic, attention is a scarce resource, so the management problem is how to get and hold the attention of consumers? Attention management is needed to acquire loyalty on the Web. As selling products is dependent on a scarce resource, with definite limits, markets exist for attention, which can be bought and sold. The Internet raises fundamental challenges for advertising. Advertising is an attention-getting industry and it is now responding to scarcity. When attention is openly contested, costs escalate: “… a wealth of information creates a poverty of attention” (Simon 1971, 1997).

The field of attention economics recognizes increasing returns - the more attention you have, the easier it is to get more. Celebrity demonstrates this readily, as does large-scale brand advertising, as well as corporate reputation. Distraction is a cost. Rich and attractive experiences attract customer attention. Interestingly, the experience economy was heralded at the dawn of the Internet (see, e.g., Pine and Gilmore 1999) and was spotted first by market research practitioners rather than marketing scholars. One effective way to get attention is by giving attention, so the advertising monologue is tempered with the dialogue of relationship. Technologies associated with the
Internet are being developed to get attention, to protect attention, and to monitor attention. Information pull has overtaken information push as the most prominent market activity. We usually say we “pay” attention, but perhaps it is best thought of as loaned or managed as an investment.

According to the growing field of behavioral economics, the logic governing market exchange is problematic. In studying the nexus of economics and psychology, Frank (2011) observes a “Darwin Economy” and that a simple and profound misunderstanding of how competition works must be addressed. Frank argues that Charles Darwin better explains the reality of competition than does Adam Smith, and predicts that Darwin will come to be known as the founding father of economics.

Individual incentives often lead to wasteful tit for tat escalations. This can be seen in personal auction bidding behavior as well as corporate advertising and sales promotion arms races. The behavior of one participant drives the behavior of others. This problem of collective action in which no participant actually gains, but rather loses, is far more difficult to remedy by individuals and results in much greater losses than any caused by cognitive errors, such as accounting for sunk costs in decisions. When individual reward depends on relative performance — e.g. rank — and not absolute performance, this eliminates harmony of individual and collective interests. Such economic competition often has negative effects in the form of relative mutually-offset gains, and no lasting advantage ensues.

Collective action problems are often confronted by realizing the need to constrain one’s own freedom of choice of action, since narrow self-interest causes harm to others. In practice, rather than making harmful actions illegal, and imposing regulations to try to prevent such behavior, taxing harmful behaviors would expand the economic pie and generate revenue, lead to better public services and elimination of government debt, and discourage behaviors where costs outweigh benefits.

Better Marketing: Social Provisioning for Society

Change in the marketing discipline is well overdue (Sheth and Sisodia 2006, and others). Despite increased social disharmony and the mounting evidence of looming environmental disasters, progress is not only stagnant, but it is often negative as marketing exacerbates the problem by misallocating negative value goods. Transactional marketing is wasteful in terms of unfulfilled desires, depleted and damaged resources, and the opportunity costs of the misguided use of the power of marketing as a social process. Capra (2002) cites Senge’s distinction of optimal needs fulfillment (resource productivity) and maximized money making (exchange efficiency). Micro-marketing overemphasizes the latter and largely ignores the former. Capra promotes human dignity and ecological sustainability as the pressing societal cause. Thus the higher purpose for society is clear, and marketing can be seen as one of the fundamental processes for accomplishment.

Marvin Brown’s *Civilizing the Economy: A New Economics of Provision* (2010) raises the challenge of civilizing the economy, and this prompts thought on making marketing integral in “learning our way out” (Milbrath 1989) of the crisis of market-based society, rather than limiting our discussion to speculation on a new set of marketing methods and supporting technologies. For Brown, the transcending (i.e. inclusive, higher-order) societal purpose of business is provisioning and he sets out a new economics of provision. The basis for Brown’s analysis is recognition of two competing economic frameworks. Orthodox market economy is founded on property relations and accumulation of property. This sees that people and the planet Earth are commodities with values determined by market prices, and this disconnects our provisions from their living sources. This is a mistake with profound destructive consequences. In the alternative view founded on civic relations and the making of provisions, the planet/habitat and human communities are living providers (note, not firstly “consumers”) to be protected for present and future lives, yet all too often exploited and excluded. This is not a new economy, but a better perspective from which to see what really happens in economic transactions. Brown calls this a battle between uncivilized and civilized economy where the latter is based on civic norms and humanistic values (moral equality, reciprocity, trust, dignity) operated by citizens. The former measures price and ignores civic rights. If the consumer culture continues to prevail, then people and planet are threatened with decline and degradation.

Brown does not claim that this is a new way of thinking about life in society. The civic consciousness has been evolving since the 18th century as properties such as land, labor, and money are redefined as providers. This shifts thinking from ownership as the basis for citizenship, to citizenship as the basis for ownership. Hence, practices of human community are seen in providing for one another, protecting one another, and creating meaning together. The contest of dominant worldview is more about ethics than economics! The business school response has been to try to temper economics and business with ethical standards and constraints. This is proving inadequate, since “If ethics were about how we live together, then economics would be a dimension of ethics” (Brown 2010, xi).

Thus, economics is for the management of provisions rather than the accumulation of property (“wealth” as presently generally understood). A wise economy will derive from dialogue, that is, to examine lives together in civic conversations of deliberations among stakeholders that shape a common future. The prospect from this standpoint is a just and sustainable economy providing for everyone’s basic needs now and in the future with political stewardship. Such talking is the very basis for “learning our way out” to “escape into understanding” (Marshall McLuhan, in Gordon 1997). In making the transaction mistake, we have become plunderers, blind to our destruction as we pursue economic growth. Provisioning is providing for each other. The basis is service in accord with the service logic for marketing (see Grönroos and Voima 2013; Vargo and Lusch 2004). Relationship marketing (not the CRM that largely is not relational) that can build and support authentic civic relations becomes civilized marketing!
Sustainable Business: Theory and Practice of Business under Sustainability Principles by Geoffrey Wells (2013) is an edited collection from the University of South Australia in which the authors’ various perspectives – management, media and social sciences, natural and built environment, computer and information sciences, accounting, commerce, and law – are directed to management for long term viability of businesses and their societies.

Antecedents of sustainable business can be found in the history of the responsibility of the firm, at least since the mid-20th century, and perhaps as early as the 1930s when proposals to save capitalism were being circulated. The principled action of managers is founded on morality with broad social ends and responsibilities in addition to primary economic functions of the firm. The definition of the “business management problem” has shifted from corporate social responsibility to corporate sustainability. This shift recognizes the basic sustainability challenges of pollution, depletion, and poverty; the inherently ethical nature of business decisions; and the avoidance of actions without market returns since they are a form of taxation that diminishes the firm’s performance.

The growing prominence of social movements and NGOs in recent years shows that more people are becoming less tolerant of business that solely pursues short-term profit maximization. They expect a contribution to a sustainable society through innovation founded on trust. Sustainable business operates on transformational change-ability and stakeholder partnering that makes the world better. Corporate Sustainability is an integrated perspective on social equity, economic prosperity, and environmental integrity that takes an eco-centric view of resources, motivation, institutions, in terms of both the carrying capacity of natural systems, and not only eco-efficiency. Whereas Corporate Social Responsibility is a phenomenon that has been widely observed, Corporate Sustainability is a normative guide to the management of economic activity, in order to at least maintain, or increase economic capital, natural capital, and social capital.

Sustainable marketing, then, does not struggle to meet immediate unrelenting consumer demand while destroying long-term business prospects. Its purpose is to create long-term prosperity without causing harm to customers or resources and positive value outcomes that enhance both environment quality and social well-being. Thus, Well’s book presents a particular account of marketing science, consumer behavior, and sustainable marketing.


The contemporary crises of financial meltdown, human-made climate change, economic inequality, distrust of government, and the social corrosion of consumerism share a commonality: a reckless disregard for the future, especially as to how the economy is organized and how well it serves us. The mega-crisis is essentially one of trust and governance. In The Economics of Enough: How to Run the Economy as if the Future Matters, author Diane Coyle (2011) examines the political economy. She begins the conversation necessary to start the corrective process towards a sustainable economy that provides enough to be happy without cheating those who will inhabit the planet in the future, including ourselves.

Market economies are inherently unstable, so the price of increasing prosperity is uncertainty about the future. Growing inequalities in income and wealth in rich economies is eroding social identification between groups and weakening the social ties needed for a healthy society and dynamic economy. Social capital is lost and quality of life is declining for many, as overall, we are becoming less willing to trust fellow citizens. Further profound changes in society and technology bring forth another crisis of capitalism that is especially and uniquely rapid, pervasive, and disruptive: the information and communication technology revolution in organization of business and relationships.

Trust is ever more important when goods and services exchanged are temporally and spatially separated. We are increasingly living on borrowed time and materials – the unsustainable will become unsustained. Debt, natural resources, and social capital are being borrowed from the future. Maintaining our own well-being at the expense of those who will follow us has increasingly evident limits, so we need a process to solve this challenge in the face of eroded trust. The economic crisis is also a political crisis. So, the pressing question is how to keep the economy healthily provisioning society. Sufficiency necessities less consumption and more saving than had been the case in the 20 years before the onset of recession in 2008. Downgrading the importance of conspicuous consumption is a lifestyle choice. Transition beyond a pecuniary system of belief, meaning, and learned behavior – and the commodity fetishism of consuming in order to support paid employment and corporate profiting – is a mega-transformation of society. Affluent society has already met its basic needs. So, what should be done with the finite materials extracted as resources (as defined by technology, property rights, and cultural norms)?

Progress requires better measurement of policy and wealth effects in terms resources, and social capital, and especially the intangible value of service output and outcomes. Happiness, social welfare, and economic growth stem from producing more product variety and scope for self-definition that enhances well-being. Growth can be achieved from enhanced productivity and/or increased production. Resource efficiency gauges useful (effective) efficient use of resources, whereas waste results from low conversion efficiency or from producing unwanted products, or from products that have bad effects on consumers. In addition, important value in non-economic (exchange) terms is anchored in values from beyond the market – a true sense of value.

Efficient resource use, fair distribution (equity), and freedom of self-determination (liberty) are desirable conditions, yet, asserts Coyle, only two can be met simultaneously. This is evidently the trade-off thinking in managing the economy. The “enough economy” will emphasize mutuality and
patience/contentment and a balance of efficiency, equity, and liberty. Also critical is a longer-term frame for economic decisions and policies and the sense of responsibility for others. This requires institutions of governance suitable for the knowledge age of engaged citizens and effective change. In short, a new politics is needed.

In Capitalism for the People: Recapturing the Lost Genius of American Prosperity Luigi Zingales (2012) finds the North American economy has become more corporatist and less capitalist. This pernicious collusion of big business and big government has brought the world economy into crisis and has tarnished capitalism’s reputation as it has become pro-business instead of pro-market. Thus, we need a reformed capitalism that is pro-market and that may be, for some at least, anti-corporation/anti-business. Small-government free-market libertarianism needs a thorough update to restore true competition if it is to gain the popular support needed for its survival. The formulation of a blueprint for this is attempted in this book.

Crony-capitalism stands in the way of freedom in the pursuit of happiness by altering normal market rules to reduce real competition. Markets that operate to produce best outcomes for participants do not cheat. Money is a manifestation of success, not the sole purpose of economic life. But the moneymaking motive leads to cheating by those who can extract, what might be called legalized robbery. The established economic system unfairly favors the wealthy by distributing wealth according to political connections rather than “free-market” forces. Markets distribute resources and rewards and are the best available system to create wealth when they are undistorted and truly competitive. Zingales calls for the application of market-based norms to business. These are norms that facilitate economic interaction as the moral foundation of capitalism. The 20th century was a time of ideologies. The 21st century will become an era of information and will bring a “capitalism for the people.”

A British perspective on the critique of neo-liberal capitalism, market fundamentalism, managerialism, and expansive commercialization is provided by Martin Large’s (2010) Common Wealth: For a Free, Equal, Mutual and Sustainable Society. The author considers the moral limits of markets in respect of civic society, and observes and promotes the remaking of society in a shift from compliant collective consciousness to engaged individual participation in ethical democratic processes. This will replace the competitive, selfish individualism that is producing an unhealthy society.

Large accounts for the rise of global civil society movements that voice, witness, and advocate values; that create alternatives; and that demonstrate for/against issues. Examples include the environmental social justice movements, and indigenous culture resistance to globalization. Values expressed include social justice, equity, non-violence, empathy, sustainability, and respect for culture (a humanistic ethic). This megatrend is the next phase in the sequence from theocracy to democracy to the current capitalist market economy that has morphed into a neo-liberal marketization of ever more life spheres. Next to come about is the emergence of the common wealth of the future.

Large takes a historical perspective from the British vantage point, and traces the history of land theft and enclosure since the Norman invasion of the British Isles in the 11th century. Little has really changed in patterns of inequality. Very few people—the aristocracy, church, crown, or government—own land despite aspirations for and apparent progress and the drive for democracy. Society is distorted in that neo-liberalist capitalism seizes common wealth and delivers it into minority private hands, and government serves business interests.

A viable alternative to bipolar state-and-business society is a “tri-sectoral partnership” among three societal powers: the civil society/community/cultural sector, government, and business. Were this to happen, we would accomplish the moralization of society. This would transform society to “an economy that works well for all, a vibrant cultural life that enables all human beings to realize their potential, a political life rooted in equality, human rights and social justice, and the sustainable care for the environment” (Large 2010, 2). Presently we live a largely unsustainable way of life, as evidenced in the credit, food, climate, energy, water, poverty, and democracy “crunches.” This raises fundamental questions: What social future do we want? How can we create a sustainable society for people and planet? The alternative include sustainable businesses, caring for the environment, renewed democracy, and community development.

Large shows how the tri-polar rebalancing is happening through the emergence of civil society. The Commons, the totality of common shared resources valued as a gift from Nature and the activities and demands of society, should not be captured by individuals or corporations for private gain. The captive corporate state is to be replaced with government for the common good, and neo-liberal capitalism replaced with an associative fee trade economy. Commercialized services are to be returned to public goods, and the voluntary and community sector—civil society—not part of public or business sectors. For social renewal each sector is to focus on strengths, engage in dialogue and partnership with others, and clarify separate domains in terms of interests, powers, and governance. The partnering of culture, politics, market can support freedom, equality of rights and responsibilities, and mutuality, respectively, for holistic sustainable development. Government and business are to be in service of civil society. Social marketing adopts business logic and techniques to bring about social change, but often is misdirected by neoclassical economistic assumptions drawn from the very way of thinking that creates the problems. Government and business are simply ways of doing things and organizing that provide for citizen’s needs. Society is all citizens, not only the minority wealthy owners who can wield power and privilege.

If accomplished, a more efficient economy results that meets needs sustainably and collaboratively in a peaceful, just and equitable society through democratic process. This enables each person to reach their full potential whilst caring for the habitat and living beings. Large is concerned with building capacity for bringing all of this about and provides inspiring practical solutions for “constructive action to build human-
friendly society.” He adopts the stance that it is better to light candles than to curse the dark. The book includes strategic planning tools, participative design tools, and processes for transformation.

How do we practice a better form of capitalism that generates authentic progress and prosperity for everyone without further careering out of control off the desirable pathway? How can we conduct business in a way that satisfies the need for both commercial profit (not as an end in itself) and a healthy, sustainable habitat for humanity? The market fundamentally needs collaboration.

We are witnessing the emergence of a new understanding of our world’s need for a sustainable creative capitalism, which Mainwaring (2011) in We First: How Brands & Consumers Use Social Media to Build a Better World calls “contributory consumption.” This alternative mindful form of consumerism is capable of bringing about necessary social change for the better, and is being brought about by ground-breaking companies who are re-strategizing around the burgeoning social media that are democratizing the market. The evolution of “citizen media” is inevitably causing greater corporate transparency, or demise for those who fail to sense and respond accordingly.

Capitalism is the way of the affluent world, but as well as producing huge gains in quality of life for many hundreds of millions of us, it has devolved from an effective, self-regulatory, sustainable economic system, becoming unregulated, overheated and hyper-active. For a healthy sustainable society that does not undermine the physical and social habitat, we must change from a systemically dysfunctional capitalism that generously profits a small elite at society’s expense by re-engineering capitalism as a driver of prosperity for the greater good. This requires a foundation of constructive mutual self-interest in place of destructive selfishness, and the pursuit of purposeful profit that accounts for the harm that is the price of profit — and this has to be purposeful in terms of methods, consequences, and social implications. Sustainability must be understood in terms of enduringly life-supporting outcomes and advancements, underwritten intrinsically with ethical (human/societal) values.

Mainwaring observes the burgeoning cases in which people are harnessing social media to further socially responsible corporate interests. This is a unique consumer-driven transformation of capitalism, empowered by social media, drawing on the new understanding that the corporate world revolves around collective well-being. This is a profound disruption to the still generally accepted belief system that the purpose of business is profit through aggressive competition.

Mainwaring tells stories of necessary partnerships of corporations, government, and philanthropy (from the civic sphere) to address humanitarian issues, explaining this expanding phenomenon as an “engine of global prosperity” in “building a better world.” His book provides case studies from companies such as P&G, Wal-Mart, Starbucks, Pepsi, Coca-Cola, Toyota, Nike, Whole Foods, Patagonia, and Nestlé. These are huge-scale brands leveraging social media to earn consumer goodwill, loyalty and profit, while creating sustainable social change through conscious contributions from customer purchases. This is what the author means by “contributory consumption” when companies — or perhaps more specifically customers — consciously choose to contribute part of their spending to support a social cause. This combination, according to Mainwaring, holds powerful potential in meshing together corporate branding, conscious consumption, corporate social responsibility, and social media in mobilizing for renewal in all “marketing.” Mainwaring calls the practical process “transaction funding,” also to be found in Cunningham’s extensive reWealth! account of restorative development in which business and society are not pitted against each other with a choice between sustainability and affluence (Cunningham 2008). This way of thinking about sustainability is not simply about not using a source faster than it can regenerate — transformative action is an outcome of wealth seeking behavior that purposefully deals with harm and waste to create genuine life enhancement.

To mobilize market resources on the scale necessary to accomplish the mega transformative change needed for adequate response to the sustainability imperative, Mainwaring proposes a Global Brand Initiative. This is a focused partnership alliance designed and managed to deploy collective intelligence in a collaborative network. Such a federation would concordantly transcend the evident and necessary (but limited) good accomplishable from corporations working independently or with each other, and with NGOs and governments. For transformative change, social media become the platform for bringing people together to make a better world.

What is the Purpose of “Business” and “Good” Marketing?

Peter Drucker (1969) was clear that we could not have healthy business in a sick society. Further, how can we ensure that business makes society healthy and not sick? Market-oriented sustainability has been proposed (Crittenden et al. 2011). What is good for society evidently is good for business (see Porter and Kramer 2011, for this reversal of thinking). Then, the higher purpose of marketing is welfare in terms of well-being and prosperity, or human flourishing (Varey 2010).

The concept of mindful consumption (Sheth et al. 2011) addresses the weakness of any understanding of sustainability that is not customer-centric. Mindful consumption is the guiding principle for recasting the sustainability measure of business performance in terms of the outcomes of business actions measured holistically with environmental, personal and economic well-being. This is premised on a consumer mindset of caring for self, for community, and for nature, that translates into tempering the self-defeating excessive behaviors of acquisitive, repetitive and aspirational consumption.

The basis of product markets is the “do or make or buy” choice that increasingly leads to shopping and consumption as orthodox marketing cultivates consumers (Smart 2010). More voices are being raised in asking is capitalism the right model for a 21st century of rapid population and quality of life
aspiration growth? When market ethics encourage dog-eat-dog survival of the fittest profiteering and economic value overriding all other values, markets dis-serve citizens. A need-driven marketing supplants the profit-driven marketing to address social needs and improvement through the innovation and efficiency of constructive competition. Social value is what makes lives better, and market exchange value is the special case of what can be bought and sold under conditions of property rights, money, and profit motive. Balance is a key idea – expansive competitive material goods and conservational, cooperative relationships, with heightened emphasis on human dignity and resource productivity. The service flow economy is explained by both systems thinking on sustainability (for example, Capra 2002) and the service logic for marketing.

Sustainability can be understood with some clarity as a socio-cultural, inherently ethical, respectful, intellectual construct addressing a life of careful and equitable resource use within limits, and understanding of the inter-dependencies of economy – as a facet of society – and habitat. Resilience is a more complete concept for this than is sustainability. On this basis, the role of marketing is organized within a pro-market provisioning system comprising the resource, want, production, and meaning processes (Dugger 1996) that promote quality of life through value co-creation. This updates marketing thinking in light of the trend in economics to understand the domain as social provisioning rather than as market allocation. In the neo-classical market, marketing is understood as the necessary response to competition (in a zero-sum game) in the competitive allocation of scarce resources, and wealth and ownership as the basis for accumulation and affordance/use. It is important to acknowledge the moral structure of marketing and the kind of worldview it imposes and necessitates. In redefining for common wealth, instead of taking the easy road in persuading consumers to buy, marketers will authentically act on the Marketing Concept by facilitating choice in serving citizen’s needs. Marketing needs to fully embrace a paradigm that does not abstractly assume equilibrium conditions. Marketing is meaningful activity flow in which communicating participants form value. Welfare/humanistic marketing (Varey 2010) addresses the social problem of provisioning human needs: serving for flourishing life. Such a social contribution to society is both more noble and necessary than competing for base profit, an objective this is necessary, but not sufficient in a sustainable society.

The market is a fiction that makes sense of support seeking. It is a meeting of minds in coordinated benefit formation activities. In essence, it is the same phenomenon as concert, congregation, and other terms with the “co-” root – a coming together. The term, market, can be traced etymologically to the 12th century as a gathering for trade. Today, the market is not a place. It is particular organized collective and highly selective courses of action that are patterned socially with guiding rules and norms. Increasingly, business in markets has supplanted civic community and government as the primary force in society. The partnering of civic, government, and business capabilities raises the question of whether we want marketing to be a business technology or a societal service-for-noble-profit in itself.

Sustainability is not the antithesis of competitive business, indeed business can flourish by competing on, and being rewarded for, the accomplishment of enduringly valuable outcomes. Firms are increasingly finding innovations that strengthen their reputation as sustainability-driven businesses. The notion of marketing as freely entered-into, mutually beneficial, exchanges implies democratic valuing and participatory decision making, but corporate marketing attempts to control the market in the seller’s profit-making interest. As the powerful process in social provisioning, marketing must be understood from the macro/societal level of the total system, inclusive of and transcended beyond micro level firm efficiency, as a social process and life-supporting provisioning technology (Applbaum 2004; Fisk 1981).

Previous business megatends (see Naisbitt and Aburdene 1982 for the original thinking) were concerned with interconnected shifts in ways of doing business, and manifest in globalization, the Internet information economy and ICT, mass production and quality management, and network forms of organization. Sustainability is a transcendent societal mega-megatrend that realizes the implications of nearing load-bearing and source availability limits of our finite habitat in the man-made, socio-cultural evolution big bang in which we are living.

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