Macromarketing and the Crisis of the Social Imagination
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## Table of Contents

**Art & culture** .............................................................................................................................................. 1  
Rain Room: The Crisis of the Social Imagination and the Popular Contemporary Art Exhibit ................. 2  
“It’s the Experience That Matters”: Techno Music vs. Sound in Marketing ........................................... 3  
Art-based research: Once more, with an artist ......................................................................................... 16  
Following the Yellow Brick Road: The Twisted History of Wicked ...................................................... 17  
Picturing the nation: the role of public funding for film in shaping visions of the nation ...................... 23  
Social Media and Music Consumption: A Case Study of a K-pop Fan Community .............................. 33  
Consumerism, Destruction and Value: Ephemeral art by Ai Weiwei, Michael Landy and Banksy .......... 35  
The death of cultural institutionalism - Floundering museums break the Venezuelan visual arts value chain .............................................................................................................................................. 43

**Complementary currencies and alternative local marketplaces** ......................................................... 54  
Alternative Currencies: The Reinvention of Marketing Systems for Degrowth Transitions ................. 55  
Complementary currencies as incentives for pro-social behavior ....................................................... 58  
SilkRoad, Onions, and Clean Money ........................................................................................................ 59  
Availability Cascades & the Sharing Economy – A Critical Outlook at Collaborative Consumption ....... 79  
The Nature of Exchange in Time Banks: Mapping the Territory and Identifying the Phenomenon ....... 94  
Narratives of Collaborative Consumption Movements: Imagining Social Change ............................... 98  
Alternative time-based markets and gender: public policy implications of Timebanking in a ... 
comparative European context .................................................................................................................. 102

**Consumer vulnerability** ......................................................................................................................... 106  
Exploring the temporality of consumer vulnerability ............................................................................ 107  
Patient, client, user, consumer? Issues involved with approaching vulnerability with consumer-
focused terminology .............................................................................................................................. 108  
Vulnerable Desires: Impoverished Migrant Consumers in Turkey ....................................................... 109  
In Search of Vulnerability: Consuming Pilgrimage for Emotional Release ........................................ 118  
The Role of Product and Place in the Vulnerability of Visible Difference .......................................... 119  
Care in the Community: Vulnerable Homebound Consumers and the Need for Surrogates ............. 132  
Communicating the Prevention of a Stigmatised Disease: A Macromarketing Perspective .............. 133  
Low income young mothers and the pursuit of ‘socially appropriate’ parenting ................................ 140  
The situational vulnerability of new mothers ......................................................................................... 141  
Energy Vulnerable Consumers ............................................................................................................... 142

**Energy consumption and energy policy in Europe: New perspectives and marketing** 
challenges for the “old continent” ............................................................................................................ 143  
Get Electric Vehicles Going – A Segmentation Approach for the Adoption of Electric Vehicles in Organisations .................................................................................................................................................. 144  
Cost-caused price increases in energy markets: How to frame and communicate them? .................... 148

**Extending social imagination beyond the social: The role of natural service in marketing** 
systems ......................................................................................................................................................... 149  
The Nature of Service and the Service of Nature – extending the service dominant logic by using Luhmann’s Systems Theory .............................................................................................................. 150  
Sustainable Service in the Social Realm: What Can We Learn From Natural Service? ..................... 156

**Gendered subjectivities and marketplace ideologies** ......................................................................... 171  
The Halal nail polish: Religion and body politics in the marketplace ..................................................... 172  
Weekend Border Crossings: The Discursive and (Trans)Formative Consumption of Gender and 
Culture Negotiators ....................................................................................................................................... 174
The Conflicting Role of Consumption in the Transgender Experience: Exploring the Interrelationships among Gender Identity, Consumption, and the Marketplace .............................................175
Imagining Gender Equality: Reflections on the Teaching of Gender in Marketing and Consumer Research ...........................................................................................................179

Illegal & dark markets .........................................................................................................................184
Dark markets and marketing versus social marketing and uninformed moral spaces. ..................185
Revolutionary marketing communication, acculturation in situ and the legacy of colonialism .......186
Rough Trade: Corporate Social Responsibility and the Garment Industry: implications for Macro-Marketing .........................................................................................................................203

Theoretical and practical insights from emerging markets .........................................................207
Colors of Culture and Politics in a West African Market Context ..................................................208
Urban consumer culture in Vietnam ...............................................................................................211
Culture-centric studies of marketing and consumption in Brazil .................................................219
Marketing Constraints and Opportunities for CAPS in eastern Africa: A Market Systems Perspective .................................................................................................................................226
Cross-Cultural Fashion Advertising: Its Impact on American and Chinese Women ..................235
Culturally Relative, or Relatively Cultural: Reflections on the Role of Philosophies of Sciences in Consumer Culture Research ..............................................................................................239

ISMD To serve the people? Exploring the market's role in Chinese development ... 242
The Aging Population and Quality of Life in Chinese Society: A Macromarketing Perspective ...246
Consuming Education: A Longitudinal Exploration of the Western Market's Role in Chinese Development ........................................................................................................................253
Revisiting the Relationship between Financial Status and Life Satisfaction among Chinese Rural-to-Urban Migrants—the Perspective of Self-Determination Theory ...........................................263

Macromarketing research methodology .........................................................................................273
Marketing Systems and Market Failure: A Consideration of Imperfect Information .................274
A Method to Distinguish Chrematism in Marketing Systems .......................................................279
Reassembling Marketing Systems: An application of Actor-Network Theory to An Illegal Online Marketplace ..........................................................................................................................290
Grounded Theory as a Macromarketing Methodology: Critical Insights from Researching the Marketing Dynamics of Fairtrade Towns ..................................................................................301

Marketing & psychoanalysis .............................................................................................................316
Games People Play with Brands: Transactional Analysis and the Market .................................317
The Personality Continuum and Consumer Behavior ..................................................................332
Subvertising and the Uncanny ........................................................................................................333
Confronting the Abject in Retail Servicescapes ...........................................................................334

Marketing ethics & corporate social responsibility (with macro dimensions) .............................335
Operationalizing the Constructs of the Integrative Justice Model: A Useful Tool for Marketers in Varied Contexts .............................................................................................................336
Less Shine, More Substance: Corporate Social Responsibility, SMEs and the Jewellery Industry .................................................................................................................................343
Marketing Ethics and CSR in the Gambling Industry: How Much is Enough? .........................348
Ethical Issues and Pharmaceutical Marketing in Developing Economies: A Study of Pharmaceutical Promotion in India .................................................................................................................356

Marketing theory ..............................................................................................................................369
A New Philosophical Underpinning of Macromarketing Theories .............................................370
Re-visiting Evolutionary Explanations of Distribution and Social Exchange ............................393
Conceptualisations of Consumer Orientation in the History of Marketing Thought: An Analysis with Ethical Implications ................................................................. 411
Indifference in the realm of consumption .................................................. 442
The Gap between Theory and Practice in Social Marketing: A Research about the use of Positive and Negative Appeals in European Television Advertising Preventing HIV/AIDS ......................... 446
Speak to the Leg: A post-Paralympic analysis and re-theorization of consumer-object relations 480

Neoliberalism and macromarketing .......................................................... 485
Neoliberal Marketing is Ludo-marketing: Gamification as biopolitical extraction ................. 486
Social Marketing And Neo-liberal Governmentality .................................... 489
The Reputation Economy and the aftermath of neoliberalism ......................... 507
Counternarratives to Delegitimation Efforts in the Marketplace ......................... 515
To Be or Not to Be Baltic, That is the Question: An Exploration of Post-Socialist Nationalism in Collaborative Investment Place Branding .................................................. 518
The polymorphous nature of place branding: a comparison of Stockholm and Turin ....... 529

New perspectives in macromarketing research ......................................... 533
Bayesian Networks: A Tool for Macro-level Analysis .................................. 534
Exploring Scale Development Using Rasch Modelling: The Case of Brand Personality .......... 548
Towards an ecological approach to macromarketing .................................... 578
A Modest Proposal Towards a Societal Marketing Approach for Higher Education ........ 579

Quality of life ......................................................................................... 584
A Systematic Literature Review of Quality of Life Research in Marketing ................... 585
Shopping Well-being and Subjective Well-being: The Role of Shopping Ill-being .......... 594
Exploring Different Well-Being Scales: A New Zealand Application ....................... 604
Understanding the Consumer Values of Self-Help: Magic versus Logic Values ............... 614
Importance of Faith, National Pride and the Value of Global Brands in Turkish Consumers’ Assessment of Their Quality of Life ................................................................. 617
Emerging Model of Consumers’ Quality-of-Life (QOL) with respect to an Alternative Food Network in Turkey ........................................................................... 649
A Macromarketing Perspective of THE Consumer Issue of the Future: The Quality of Life of the Elderly, Globally ............................................................................. 670
Seeking Halal Food in the U.S. through Social Media ......................................... 692
New Zealand Underdogs: Giving All a ‘Fair Go’ ........................................... 697

Revisiting macromarketing management: Is the view worth the trip? ..................... 712
Social Marketing: From Tunes To Symphonies ............................................. 713
Aldersonian Macromarketing Management? ............................................... 718
Managerial Macromarketing ......................................................................... 723
Revisiting Marketing as Constructive Engagement: Linking Policies and Managerial Practices. 725
Reconstructing Macromarketing Management: The Progress (?) to Date .................. 727
“Social Business and Macromarketing Management: a commentary.” .......................... 730
On the (near) Impossibility of Managing a Macromarketing System ....................... 736
Becoming a monstrous body: possible non/intentional feminist interventions into marketing’s non/institutions ................................................................................. 745

Sustainability, markets & marketing ......................................................... 746
Investigating a Sustainable Market Orientation in SME Strategy Management ............... 748
Marketing and Regional Integration for Food Security in the Arab World .................... 770
Sustainability Innovations: Shifting from the Dominant Social Paradigm ....................... 781
Channel-Based Determinants and Phase-Focused Traits in the Adoption Process of a Sustainable Development Strategy for the Hog Industry in Canada .................................................. 785
Differences in Sustainable Tourism Communication on Social Media within a Cross-Cultural Context.................................................................................................................................803
The Poor Consumer Facing Sustainable Development Stakes in Mali ................................................807
Emergence of Sustainable Markets: Interactions among Different Actors of the Fashion System .........................................................................................................................815
Simplifying Sustainably during a Crisis ........................................................................................................820
Disney as Environmental Steward? That’s Just Goofy: A Critical Examination of the Relationship Between Magic, Sustainability and Corporate Practice ..................................................824
Unveiling Everyday Reflexivity Tactics in a Sustainable Community .....................................................830
Exploring the Role of Modern Confucian Values for Promoting Sustainable Consumption in China .........................................................................................................................843
Modeling the Adoption of Car Sharing ........................................................................................................866
Responsibility Attribution and Consumer Behaviour in the Light of the Bangladesh Factory Collapse........................................................................................................................................892
Fairtrade Towns: Ethical consumers as architects of a ‘new’ branded place ........................................904
A Practice Theory Approach to Sustainability Issues in Fine Jewellery Consumption ................................918
Re-appropriating immaterial value: A Manifesto for the new rural economy ........................................925
The Role of Fashion vs. Style Orientation on Sustainable Fashion Consumption ................................926
Emerging water marketing systems: the consequences of commercial water trading on sustainable practices and consumption .............................................................................................................927

**The market and the household in times of austerity** .................................................................931
Consuming Austerity: Media Representations ............................................................................................932
Doing Family in Times of Austerity: evidence from Italy and the UK....................................................939
A Cross-Cultural Exploration of Austerity-based Practices around the Home .........................................941
When Citizens and Households fall below the Level of Consumption Adequacy: Implications for Service in Austere and Unsettled Times ........................................................................944
How Market Provision of Aged Care-Related Services is Changing the Institution of the Family: The Case of Germany Migrating Grandparents ................................................................................945
Food Insecurity and the Hunger-Obesity Paradox ....................................................................................951

**Violence, exploitation and servitude** ............................................................................................958
The Imperialist Ethos of International Marketing .....................................................................................959
Derealization of Subaltern and Violence in Service Encounters ............................................................960
Advertising Nanotechnology: Invisible Violence ....................................................................................963
What is violence ........................................................................................................................................964

**Panel sessions** ..........................................................................................................................965
Extending social imagination beyond the social: The role of natural service in marketing systems ........................................................................................................................................966
Quintessential Macromarketing ..............................................................................................................967
Macromarketing research in developing countries that can lead to later student involvement there ........................................................................................................................................973
Family, Food, and Markets .......................................................................................................................975
The globalization of marketing ideology ....................................................................................................975
Religion & marketing: Is there a crisis in the imagination of macromarketers .......................................992
Transformative service research roundtable ...............................................................................................1012
Art & culture

Chairs: Alan Bradshaw & Derrick Chong

Session 1c — Wednesday 2nd July, 11:00am

Rain Room at the Barbican: Recuperation of the social imagination
Matthew Waters

“It’s the experience that matters”: Reading techno music against sound in marketing
Brigitte Biehl-Missal

Art-based research: Once more, with an artist
Matthias Bode, Max Chauvin, Pierre-Yves Macé

Following the yellow brick road: The twisted history of Wicked
Terri L. Rittenburg, Kent Drummond, Susan Aronstein

Session 5c — Thursday 3rd July, 11:00am

Picturing the nation: The role of public funding for film in shaping visions of the nation
Finola Kerrigan, Douglas Brownlie, Paul Hewer, Faye Jones

Chang social media and music consumption: A case study of a K-pop fan community
Yu-Chien

Consumerism, destruction and value: Ephemeral art by Ai Weiwei, Michael Landy and Banksy
Chloe Preece

The death of cultural institutionalism: Floundering museums break the Venezuelan visual arts value chain
Victoria Rodner
Rain Room: The Crisis of the Social Imagination and the Popular Contemporary Art Exhibit
Matthew J. Waters

This paper responds to the conference theme by critically examining Rain Room by Random International, an installation of artificial visitor-controlled rainfall, which was exhibited at the Barbican Centre in London between 2012-2013, attracting over 77,000 visitors with queues of up to 12 hours, making it the single most popular event in the Barbican’s history.

The author employs a macromarketing perspective by suggesting that popularity alone should not validate the programming of such phenomena at cultural institutions, and that arts professionals are duly involved in shaping and influencing the social imagination. Thus, artists and art institutions carry a responsibility to consider the ideas, concepts and values that commissioned contemporary artworks directly and tacitly promote to their audiences.

The paper draws on interdisciplinary literature from marketing, management, sociology, critical theory and contemporary art for support and to emphasise the need for connectedness among research disciplines in working towards collective emancipatory goals.

Keywords: Arts Marketing, Consumer Society, Communicative Capitalism, Cultural Policy, Culture Industry, Experience Economy, Institutional Critique, Relational Aesthetics, Simulacra, Spectacle
“It’s the Experience That Matters”: Techno Music vs. Sound in Marketing

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Techno music is a powerful cultural phenomenon that stands in many obvious and many more indirect relationships to contemporary marketing. Despite an increasing emphasis on the “aesthetic experience” in marketing, the ubiquitous nature of music and its increasing use for sonic branding, the genre of techno music has not been sufficiently considered in marketing theory. I propose that there is a basic commensurability between techno music and sound in marketing. I will pursue a specific reading of sound phenomena in marketing “vs.” techno, i.e. through the lens of techno music, a genre that is associated with minimalist, repetitive, seemingly empty sounds that still bear a strong experiential and imaginative potential. The analysis focuses on a specific form of music that is associated with the legendary Berghain techno club in Berlin and includes insights from interviews with a resident DJ. This form of techno seems to stand in a contrast to many emotionally loaded and more narrative sound productions in a marketing context and to the insipid content of Muzak. To enhance our understanding of sonic phenomena in marketing, the study also develops studies on music producers by acknowledging the role of the DJ in the live situation, who uses techniques of mixing, programming and different forms of aesthetic apprehension and work to create particular experiences for people. The study adopts an aesthetic perspective and includes an auto-ethnographic appreciation of the music. The interdisciplinary approach draws on rave studies, DJ studies and cultural studies, and links to research in the (macro)marketing field that is concerned with music and consumer experiences.

Introduction

“[Berlin] was politically aligned with the left; it had a very militant character, which expressed itself in a very aggressive, minimalist raw form of techno… It’s a fuck-off to the rigid capitalist version of time …. it’s the experience that matters.” (Rogers, 2014, Rolling Stone)

Techno music is a huge and powerful cultural phenomenon. The experience, sound and imagery of rave that is associated with specific genres of electronic dance music (EDM) have influenced contemporary popular culture and many people’s lives and styles and thus, they also have affected the world of consumption. These powers have had an impact on techno music as well, for example when the infamous and former underground club Berghain has become one of the Berlin’s most high-profile tourist attractions in a climate of gentrification and mass-tourism (Rogers, 2014), with many people feeling attracted to the particular sound and experience. Other venues have been massively commercialized with corporate sponsoring targeting mass tourist raves in places such as Ibiza, but still, techno music has been found to enable and encourage forms of social resistance both on the individual and on the more macro level (St John, 2009). This idea links to this year’s Macromarketing conference theme that depletes what is referred to as a “crisis of the social imagination” with a “hegemony of thought in which the knowledge that counts is knowledge that serves capital”. I am approaching this topic from an aesthetic perspective that considers the experience of techno music that is heavily linked to issues such as escapism from the mundane, hedonism, sensations, and the underground (St John, 2004; Gilbert and Pearson, 1999). These issues stand in a certain tension and resonance to contemporary consumption that may be particularly productive for a
critical marketing studies perspective. I also consider the role of the DJ as an aesthetic worker in this context who enables the “party”, the rave and the experience for people, and whose approaches to this kind of sonic, atmospheric work develop a certain interest in, for example, jazz musicians and other sonic workers that has been expressed in arts-and-culture perspectives on marketing (e.g. Bradshaw et al., 2005).

The experience of techno music is fundamentally ‘aesthetic’, which means that music is not only perceived acoustically, but is experienced corporeally, through the rhythm and resonance in the body and the overall situation (Gerard, 2004). Christopher Small’s (1999) term ‘musicking’ (as a verb) emphasizes that performance is central to the experience of music such that music is a ritual in social space. Similar ideas have been extensively analyzed in the academic field of rave studies and techno music that emerged in the 1990s (e.g. Gilbert and Pearson, 1999), which are also a point of reference for my paper. These forms of aesthetic experience are of relevance for marketing today (e.g. Biehl-Missal and Saren, 2012; Biehl-Missal, 2011b) but still techno music has only been considered by a few consumer researchers (Goulding et al., 2002) and has received little attention in marketing research that specifically is concerned with the experience of music.

This lack of scholarly research devoted to the topic is astonishing because there is an on-going theoretical interest in the “ubiquitous” phenomenon of music in marketing theory (Oakes, Brownlie and Dennis, 2014). Jazz has been considered in a macromarketing context (e.g. Bradshaw, McDonagh, Marshall, and Brashaw, 2006), and different genres from EDM to rock, pop, and classical music were explored with regard to consumption and identity construction through music as an hedonistic escape (Kerrigan et al., 2014). Other studies have focused on music in a retail context (Oakes and North, 2008; Milliman, 1982, 1986). These inquires go beyond the visual that has for long been a focus of marketing, branding and consumption studies (Bartholomé and Melewar, 2011) and emphasize the acoustic dimension: The sound, it has been argued, plays a role so crucial in this aesthetic context that it can be compared to the sound in a film or the theater, having the power to affect the recipient consciously and subconsciously, possible winning “the hearts and the minds” of the customers (Fulberg, 2003: 195, 197). To harness the particular emotional potential of music for marketing, there is a demand that the acoustic messages are carefully created and symbolically loaded so that they relate to and “resonate” the brand, expressing core values, a corporation’s essence and related positive emotions (Spencer, 2010). There is also the co-opting of music outside of political and military contexts, when corporate chief executives make an entrance into conference centers not unlike contemporary gladiators (or boxers and wrestlers) (as one of the reviewers of this paper has pointed out to me): A recent example is Titanium (2011) by David Guetta, Bob Diamond’s successor at Barclays (“I’m bulletproof, nothing to lose / Fire away, fire away / Ricochet, you take your aim / Fire away, fire away”).

Playing on the experience and emotions linked to sound, corporate marketers ask for coherent and narrative expressions in sonic branding that bear a certain semiotic density in that they refer to, create and musically invoke desired “values”. This concept seems to stand in a certain tension or discrepancy to techno music: Techno music often is described with a broad range of adjectives that boil down to denominators such as empty, repetitive, primitive and unintellectual – but also include positive mentions of the spiritual, empowering and imaginative aspects (St John, 2004). This potential is being brought to life in the live situation that has been described as a fundamentally aesthetic experience (Gerard, 2004): Techno DJs “mix music with people”, play the music with techniques of continuous beat matching, planning, and improvisation of “tracks” or Vinyl records in direct, albeit intuitive, or aesthetic
interaction with the dancing and non-dancing crowds. Endless patterns of repetition-cum-difference that pump untiringly for many hours, repetitive beats and loops of sound with minor alterations of tones and insertion or removal of layers and staccatos, have been attributed the power to alter people’s sense of mind, body, feeling, time and reality, turning the dance floor into a powerful zone of “psychic fields” (D’Andrea, 2004, 248). Historically, rituals and other movement performances create temporary communities and may offer opportunities for individual projection and “identity performance” (Pini, 2001), particularly through this form of music that is, with its semiotically reduced structure, particularly open for “imagination” – whereby it links to the central topic of the annual Macromarketing conference. On a broader level, this phenomenon may be related to theories on semicapitalism that are pointed out in the CfP of the conference: We are witnessing a pervasive de-referentialisation of the discourse where signifiers and referents are largely disconnected, and where the word and the world are no longer linked together in meaning (Berardi and Empson, 2009). A consideration of techno music and its de-referentialisation and lack of musical narration can explore some aspects relating to the omissions that go along with de-referentialisation, but also to the value of “empty”, minimalist techno sounds that are commonly understood as the basis for the “rave” that enables further imagination.

This conference paper draws on literature and some data on these different musical phenomena, techno music and “sound in marketing”, to further explore issues revolving around sonic experience and the creation, negotiation and resistance of meaning.

Not only marketing theory and practice pays more attention to aesthetic experiences, there is a certain aesthetic turn in the field of rave studies and DJ studies as well. Despite its obvious musical force and consequent aesthetic richness, social science research and cultural studies have for a long time neglected the actual aesthetic experience of these events (Gerard, 2004: 169), putting more emphasis on social and cultural practices (e.g. Thornton, 1996), technologies, structures and questions of gender for example. Recent research however emphasises that there is more to be done on the experiential side of clubbing and raving, including the “encounters, the fleeting perceptions”, the crowd reactions and relations of people on the floor (Reynolds, 2013: 668). The sub-area of ‘DJ studies’ (e.g. Poschardt, 1997) also came to highlight issues such as the aesthetic side of the spectacle, acceleration and embodied social perceptions (Attias et al., 2013). The idea adopted in this paper is to start from the aesthetic experience of techno music to develop implications on the macro-level that relate to the production of sonic phenomena, to consumption and contemporary sonic practices in marketing.

I argue that techno music and an exploration of the ‘rave’ and its experiences can be used as a critical lens to re-assess efforts in contemporary marketing to use sound for different purposes such as audio branding or acoustic wallpaper in retail and consumption contexts.

A first point that seems to bear some potential for further exploration is the work of the DJ as somebody who does “aesthetic work” (Böhme, 2003), generating atmospheres in situations and exerting invisible influence on people with sound. While, for example, the experience and attitude of background musicians who play jazz (Bradshaw et al., 2005) have been analyzed, techno DJs (e.g. from the (former) underground club Berghain) have not been considered in (macro)marketing research. As there have been some explorations of how DJs work (Pfadenhauer, 2009), it can be assumed that some of their approaches to creating sonic situation may generate insights into aesthetic aspects of sound in marketing contexts.
The second aspect that seems worthy of consideration are efforts in contemporary marketing to use sound with a coherent and positive emotional narration for corporate branding. Another sonic phenomenon is Muzak that has been criticized to make people, among other strategies in retail design, “numb” (Murtola, 2010). Minimal techno on the other hand, as described in popular media as well (Paumgarten, 2014) “is repetitive, relying on subtle changes over time to intrigue the ear, eschewing lyrics, melody, and, arguably, harmonics. It doesn’t resolve. You don’t get crowd-pleasing drops.” There is the basic four-to-the-floor beat, the bass drum and snare that are particularly suited to generate involvement and a situation that generates something ‘more’ (St John, 2012). The question is whether a reading that contrasts these genres may sharpen our understanding of ‘tacky’, ‘cheesy’ or crowd-pleasing sonic phenomena in marketing, including, for example Muzak. While people experience communal forms of dancing to techno music in the mass, (Berlin) techno has also been related to “industrial badassness” and forms of unrelenting, solitary-raves (Paumgarten, 2014), allowing people to be part of an individual experience in a context that is not consumption-oriented.

This also has implications on a macro level. Questions of experience, escape and consumption have been linked to marketing theory before when musical and communal practices that share common ground with rave and post-rave phenomena were analyzed and were found to distance consumption from the broader rhetoric of efficiency and rationality in the market (Kozinets, 2002; Kozinets and Sherry, 2004). The perspective adopted here, with a focus on techno music, develops further implications with regard to contemporary consumption and possible forms of resistance and escape.

**Method**

The study adopts an aesthetic perspective on marketing (Biehl-Missal and Saren, 2012) and includes some aspects of musical and performance analysis (Biehl-Missal, 2011a) to capture issues pertaining to the experience of music. While the live experience of music in almost spiritual gatherings, with a co-created atmosphere in specific architectures surely is most powerful (St John, 2004), individual appreciations of music have always been valued for their strong emotional effects on people, as also acknowledged in marketing research (Kerrigan et al., 2014). Most obviously, in this research context of music and experience, I have adopted an auto-ethnographic approach (Rippin, 2006, 2013) and have extensively listened to this music using online sources such as Soundcloud and Youtube, also acknowledging other users’ registered Soundcloud feedback on specific moments in the recordings. I have received some guidance when I was pointed to a list of more notable, “seminal” pieces of techno music by the person I have interviewed.

The interpretive approach also is informed by interview data. I have conducted in-depth interviews with a resident DJ of the Berghain club in Berlin, Norman Nodge. Heralded as one of the most famous techno clubs in the world, the Berghain came to be known as an underground club and so far has resisted many forms of mainstream commercialization such as sponsoring, still boasting a number of dark rooms for a gay scene that mingles every more quickly with the drug using and experience-chasing international audience (Rapp, 2009). As any other club, this one has its own strong musical identity that is mediated aesthetically in a marketing sense (Schmitt and Simonson, 1997) and that, in this case, often is likened to a tradition of aggressive, brutal, minimalist, raw form of techno (Rogers, 2014). While every artist has his or her own profile and identity, there is some sort of a general “theme” of sound that is played in the venue and that is not alien to what these agents play and produce in other
instances. The DJ, who has spent some time and patience to explain to me the mechanisms of delivering a set and creating own productions, also produces a number of own tracks and remixes. The findings I am referring to are preliminary as it is intended to conduct further interviews prior to the conference, also with other DJs, so as to generate a broader data-set. However, my initial analysis has helped to identify the hypotheses outlined in the paper and shows avenues for further exploration of the topic.

A case study is used for my conference presentation. It is intended that, upon adoption of the theoretical argument outlined above, we will be listening to a track of the DJ/producer, entitled *NN 8.0* by Norman Nodge (http://www.youtube.com/watch?v=fSKQWsOWN_M) and discuss our own aesthetic appreciation and the producer’s reflections on the process that he shared with me in writing. His process of creation can be described as a more intuitive and iterative, but carefully executed technical project, that not only prevents semiotic closure, but, from the initial stages of the process, foregoes most of the semiotic and narrative messaging that we know from classical and “bourgeois” music and contemporary marketing sounds. The finished track can be seen as open to projection for different meanings, enabling different aesthetic experiences when listening.

This sonic experience that we have, albeit only in a conference context, will, in a next step, be contrasted by another case study. What I will be presenting will either be an audio production for Intercontinental Hotels that uses a range of musical means to transport different ideas to an audience of customers and potential clients and that has been created with the participation of employees and managers in long and reflective process (Spencer, 2010). However, I might also consider an example of a “corporate song” (e.g. for Air Berlin: https://www.youtube.com/watch?v=cUGuxlBPVwc) that is used in employee conventions, in retail settings and that also is available online. These songs often are characterized by a rather superficial and straight-forward narration that revolves around topics such as the passion for and the positive attitude in the job, and use more mainstream, popular beats and musical structures (Biehl-Missal, 2011b: 147). The connection is made by identifying a corporation’s value codex and personality; analyzing and categorizing words in order to translate them into sound, music and voice, drawing on cultural and aesthetic associations (e.g. “energy” – high tempo, percussive instrumentation, powerful dynamics) (Graakjaer and Jansen, 2009: 266).

More generally however, although semiotics claims universal applicability, music shows considerable resistance to becoming “readable” because of the semantic vagueness of the musical sign, so “music and semiotics do not make comfortable bedfellows” (Gronow 1987: c7). It seems hence fruitful to discuss the nature of these phenomena and their semiotic vagueness and corporate attempts to fill these sounds with meaning, using a techno music perspective that seems to embrace and more strongly emphasize this experiential openness.

The method of academic writing that has so far accompanied my theorizing, and that also is visible in the present paper, takes the form of – if I were to use a music metaphor – a textual “mash-up”. I am drawing on two different areas of theory including rave studies that have not been included in marketing theory so far and also acknowledge the more instrumental approach of corporate marketing. The acoustic argument oscillates between the two poles of what can be perceived of as a more minimalist, raw form of Berlin techno and the strongly strategically oriented, emotional and narrative form of commercial audio-branding. Attempting to do as music producers do, I, in writing, aim to blend together different aspects, by overlapping some of their characteristics and motifs in order to generate some resonance between both concepts that allow for implications for our understanding of contemporary culture and marketing practice.
The DJ as an “Aesthetic Worker”

With regard to one of the two aspects worth exploring that were pointed out in the introduction, the consideration of the DJ and their work would contribute to studies in the marketing field that have explored the intent of music artists in this context (Bradshaw et al. 2006). Focusing on the experience of artists performing background music, Bradshaw et al. (2005) analyzed the experience of musicians who create something like an inoffensive and aural wallpaper and may suffer from a subsequent de-aestheticization, and Bradshaw and Shankar (2008) provide a critique of the entire phenomenon of the production and consumption of music. Such works highlight the importance of embodied existence and the perception of music and also discuss how the producers struggle with their role. Holbrook (2005) has argued that selling out to commercialism might be tempting to the struggling jazz musician but detrimental for the socially valuable art form. He used the difference of critically acclaimed aesthetic excellence and commercial appeal for a semiotic analysis of films about jazz music and has again underlined the potentially destructive force of market-driven economic realities.

It might hence be interesting to look into DJs’ experience and motivations and perception when doing their set in a club. How do they feel about mixing people with music and in which ways do they assess their particular form of “aesthetic work” (Böhme, 2003) in a wider social context? This also links to their agency in the wider marketing context that includes the timed production and release of tracks and remixes and all other sorts of music promotion— which touches on many issues related to applied practice and corporate marketing and micromarketing and is not a focus of my study. The music these DJs produce and play also contributes to the organizational and sonic identity of the club itself, the Berghain for example, has, like many other clubs, a strong profile that is indispensable of the experience that is being provided—and sold—in these locations. I will come back to this issue of sonic branding in a later paragraph.

When referring to “aesthetic work”, I am pursuing a critical perspective on marketing that draws on Gernot Böhme’s (2000) studies on today’s aesthetic economy, where products and services are carefully staged and serve to heighten, costume and intensify life. In this context Böhme (2003: 73) uses the notion of aesthetic work that is not restricted to the world of the arts but encompasses the whole sphere of art proper and the “entire spectrum from painter to artist, from designer to music producer; it embraces all human activities that lend to things, people and ensembles that more which goes beyond their handiness and objective presence, their materiality and practicality” (Böhme 2003: 73). This includes sound artists in any field, whether they produce Muzak or work as a DJ as sound is a powerful element in contemporary marketing.

Techno Music and Aesthetic Experience

Not only has the construction of consumer experiences received increasing attention in marketing theory and practice (Arnould and Price, 1993; Caru and Cova, 2007; Biehl-Missal and Saren, 2012), but also have researchers on music (Prior, 2013; Kerrigan et al., 2014) deplored that sociologists often neglected musical properties and their impact on people’s emotional and experiential states. Research on techno music has seen this aesthetic turn as well. Techno music and rave have been analyzed from different interdisciplinary perspectives. Starting from the aforementioned aesthetic perspective that emphasizes the shared experience of music and movement, there seems to be an almost intuitive understanding of the
appreciation of this music, also in co-created events, as somehow transformative, transcendent and quasi-religious (St John, 2004). This most obvious idea of music as an ephemeral, spatial and embodied phenomenon broadly resonates in contemporary house music as well that heralds itself as a “spiritual thing”, a “body thing”, a “soul thing” (Eddie Amador, 1998, ‘House Music’) and calls for an exploration of the actual aesthetic and ecstatic experiences (McRobbie, 1995).

Despite all this aesthetic richness, social science research has for a long time neglected this aspect and only a decade ago, scholars came to emphasize that rave and club events occupy their present status in popular culture primarily because of their elements such as DJs, clubs, raves, dancing, getting high, offer multidimensional liminal experiences not found in the everyday world (Gerard, 2004; Fikentscher, 2000). Subcultural studies have theorized this music and its celebration as cultures of resistances (e.g. Thornton, 1996), developing Victor Turner’s (1979) views on liminal and liminoid genres in particular that offer a social critique of the mainstream. From a more postmodernist perspective on the other hand, Techno music can be seen as a celebration of meaninglessness, but scholars have indeed highlighted the potential for re-figurations of the here and now, the possibilities for creating new identities, albeit temporary, incomplete and constituted partly in fantasy (Pini, 2001: 3; D’Andrea, 2004). On a more macro level, these sounds may be viewed as an “electronic re-tribalization of society”, as a tool of collective transcendence and self-actualization, that is “beyond consumerism and materialism, and associated disaffected, alienated and generally self-destructive style of the industrial being” (Fatone, 2004: 204). In this view, these sounds communicate deeply resonating primal understandings that stand in a contrast to acoustic expressions that are further developed and engineered in a corporate marketing context.

With regard to this diverse body of research, the idea of the aesthetic appreciation is important for my paper, as well notions of resistance and alternatives outside the world of consumption. Emphasizing the aesthetic experience of techno music that occurs when it is experienced in a co-created dance event and when it is listened to in other situations, I will follow this idea of more “primal” sounds, of minimalist expressions, and semiotic emptiness of techno music to ask for its relation to our experiences and maybe to our identities as listeners and human beings – who also play their role in consumer society where they are exposed to the strategic use of music in forms of Muzak, acoustic branding, and in retail contexts.

**Sound in Marketing, Muzak and Jazz vs. Techno**

The suggested techno music approach seems to fit well to the “art and culture” conference stream that considers issues relating to the art vs. commerce debate and asks how art is used as an instrument of persuasion and manipulation by marketing. Extant marketing research on Muzak, jazz as background music and other forms of acoustic expression in a marketing context provide useful starting points for my theorizing and some of the most promising avenues will be discussed below. Issues to be explored briefly include the broader realm of audio branding that often is not easily to be separated from the use of Muzak and background music in retail stores because all these aesthetic and acoustic clues work towards some form of corporate identity (Schmitt and Simonson, 1997). Among the auditory elements that are relevant in a marketing context are corporate sounds, audio logos and corporate music or songs, as well as further audible applications produced by sound designers and related to a company or its products such as the particular sound of car engines, music on telephone cues, music in a retail shops (Bartholomé and Melewar, 2011: 58).
Non-visual clues that project corporate identity and that are based on senses such as hearing, smelling, touching and tasting have only received detailed attention for a couple of years now (Bartholomé and Melewar, 2011). In one of the founding works in the area, the term “sonic branding” is defined as the use of a special sound to identify and advertise products associated with a particular manufacturer” (Jackson, 2003). This is related to, but different from, the genre of music often referred to as elevator music, Moodsong, easy listening, or Muzak. Muzak is intended to be inoffensive but often is received critically by people who bemoan its pervasiveness and insipid content (Lanza 2004). Muzak, as some form of aural wallpaper, is there to be heard, while music is there to be listened, and those who perform this sort of music often struggle with the lack of a profound aesthetic connection with an audience that does not voluntarily listen (Bradshaw et al., 2005). With particular regard to Muzak, Bradshaw and Holbrook (2008) voice explicit concerns that cultural forms like as music are degraded by marketers as a means of social control. From an aesthetic marketing studies perspective, Muzak can be found to create “seductive and anaesthetizing ambiances, which neither challenge people’s aesthetic perception nor provide them with an opportunity to develop their sensuality” (Biehl-Missal and Saren, 2012, 172).

The appreciation of music has indeed changed in a contemporary marketing context saturated with images and in an economy that is characterized by a loss of many relevant links and references (Berardi and Empson, 2009). De Nora (2000) writes that younger people find it harder to listen to music attentively as a practice in its own right and rather they are using it as a resource for implying agency, mood, and constructing their self-identity. John Steinmetz (1993) on ‘resuscitation art music’ has developed some ideas about how art music could “do its job better” because young people in particular could not relate nor with an open ear and mind listen to this kind of music nor appreciate any of its musical value.

While techno music is strongly repetitive and not necessarily applauded for high value from a perspective that appreciates art music and classical music, its structure still has a specific certain potential for generating experiences in listeners. Rave studies have for a long time suggested that the music contains a special electronic expression for nearly every mood and that its heterogeneous rhythm is uniting dancers regardless of race, class, age gender or sexuality – albeit only temporarily (Richard and Kruger, 1998). The issue of projection and identity performance is a topic that often is emphasized in rave studies as well (D’Andrea, 2004) and has not fully been discussed in a marketing studies context yet. What does it mean when people and consumers dwell on or imaginatively immerse into these corporate music products? What could the temporary or more longer lasting effects be in terms of emotions, moods and identity perception? How would we negotiate these aesthetic experiences in a social and consumption context?

Music is ubiquitous in many consumption contexts where it can be see as a product of “aesthetic work”. The notion comprises the production of music and other decorative elements in a consumption context. For example in retailing, there is now considerable research showing how both the tangible and intangible elements of consumption spaces within hospitality and retail environments contribute to memorable consumer experiences (Biehl-Missal and Saren, 2012). In order to create consumer experiences and elaborate atmospheres for shopping, marketers employ a diverse range of lighting techniques, staging and decorating, that also includes the use of background music, corporate songs and corporate sound compositions.
Music has for example been used by Nike for many years now. The company has invested heavily in music for all elements of its brand communications and scholars find that this has paid off in the form of an extremely powerful set of brand triggers: “By playing this music wherever it can, Nike has been able to exploit fully the benefits of a consistent approach to sonic branding, and this is evident in the various types of retail environment it has created” (Fulberg, 2003, 197). The power of this flexible form of marketing communication is assumed to reside in the ability of music to create both consistency and diversity when being adapted to different musical tastes and environments, leading to Fulberg’s (2003: 198) judgment of the strategic implementation of music “the holy grail of branding” that can achieve “invisible communications”. This brings us back to a critical consideration of music in a marketing context as an invisible, aesthetic form of manipulation that enters people’s body and influences their mood, experiences and subsequent behavior (Biehl-Missal and Saren, 2012).

A further exploration of the nature of this music seems to be worthwhile. Using the techno music perspective and case study with a more minimalist, dark, potentially “empty” form of techno, I aim to explore differences to “marketing” music pieces that are highly semiotically charged and aim to evoke a quite different set of emotional and experiential responses. Sonic branding can be considered as highly structured because it plays on our common musical understandings that are generated and shaped in a cultural and arts context. Jackson (2003: 1) describes this with reference to popular films and popular movies: “We all know that violins playing fast, high-pitched notes repeatedly rising (as in the shower scene of Hitchcock’s Psycho) are very scary. Similarly, we know that a rising minor second interval … bowed on a double bass, means that a shark attack is about to take place.” To create the desired effects, common aesthetic and acoustic ground needs to be established between the brand, client and sonic branding composer. Sound specialists for example ponder about sonic interpretations of a brand that is defined as “knowledgeable”: “but how does “knowledgeable” music sound!” (Spencer, 2010, 42). The sound creation for a brand involves explorations into how the brand’s characteristics and imagery might be transposed into aural equivalents (Spencer, 2010), and, as indicated earlier, their analysis through the distinctive lens of techno music seems to be very promising.

A differentiated and aesthetic discussion of these acoustic strategies and sonic, cultural phenomena will help to increase our awareness of the complexity of music-related forms of “aesthetic work” in a marketing context. This will also have implications on our understanding of consumer identity and spaces to experience and negotiate these concepts.

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Art-based research: Once more, with an artist

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Over the past twenty years, a growing number of qualitative marketing researchers have turned to art as a legitimate form of knowledge production and representation. Still missing from this movement, however, is the voice of the artist. The project’s objective is to further unpack the potential for art-based research by featuring this voice more prominently. In particular, we have collaborated with a sound artist in every stage of our research, from the definition of a subject to its investigation, and communication through academic outlets - including this very conference presentation. Reflecting on a year-long collaboration and recent field work on consumers' subjective experiences of hospital soundscapes, we discuss, as a mixed team, the opportunities and difficulties we met while working together. In doing so, we contribute to the advancement and application of theories developed in the emergent fields of sound and performative social science.
Following the Yellow Brick Road: The Twisted History of *Wicked*

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The performing arts play many roles in people’s lives, at both individual and societal levels. From a macromarketing perspective, the arts represent both a business sector and a medium for the transmission of ideas, values, and culture. This paper, presented as work in progress, centers on the stage show *Wicked*. *Wicked*, slow to take off, has become a box office phenomenon that especially appeals to women and gay men, some of whom engage in consumption rituals surrounding attendance of performances. Employing a multi-method approach, the authors will explore several macro-level issues, including intertextuality, remediation, consumption ritual, mixed moral messages, and marketing. *Wicked*, as a prequel to the iconic Wizard of Oz story, will be examined within the context of cultural sustainability. Contributions of this study are intended to further macromarketing thought related to arts marketing, ethics, and cultural sustainability.

**Introduction**

The performing arts inspire and amaze us. They uplift us when we’re depressed, stimulate us when we’re bored, and relax us when we’re anxious. They enrich our lives by providing a community of viewership, meaning, and engagement. At their most powerful, they challenge as well as reinforce societal values. They serve as reflections of culture, even as they question it. The fine and performing arts are comprised of elements such as speech, gesture, movement, and clothing which are themselves symbols of culture (Cateora, Gilly and Graham 2013).

The arts also change shape as they change media forms. A book becomes a movie, then a stage play, then a sequel, and something is inevitably lost, and gained, in translation. Each re-mediation brings the challenge of a new marketing campaign, aimed at attracting a slightly similar – or perhaps vastly different – target audience. Producers, distributors, and performers must be paid. Revenue must be made.

**Arts Marketing**

The arts play both individual and societal roles. “Arts for the individual can play a social role, an educative role as well as transformation, informing the expression of their identity” (Fraser, Kerrigan, and Özbelgin 2004, p. 191). In society the arts may serve as a means of empowerment, social inclusion, and information giving (Fraser et al. 2004). Increased attention is being paid to arts marketing today, as evidenced by the growing literature in this field (see, for example, O’Reilly and Kerrigan 2010, forthcoming; O’Reilly 2013). From a macromarketing perspective, the arts represent not only a sector within the business and nonprofit domains, but also a medium for transmission of ideas, values, and both high and popular culture.
Fraser et al. (2004) have identified several key themes related to arts marketing: a service element, technology, education, diversity, and the nature of the arts in themselves. As a service, live performances are consumed as they are produced; they are imbued with the characteristics of pure services: inseparability (simultaneous production and consumption), variability, [...]. The relationship with the audience and potential audience is critical to commercial success. On the other hand, the arts represent the creation of the artist, “... who through a belief in its intrinsic value seeks ways of bringing [the creation] to an appreciative audience” (Fraser et al. 2004, p. 195). Artistic expression must please both producer and consumer; critical acclaim and popularity with audiences are not always in synch. The audience is integral to the arts experience. Hill et al. (1995) identified three forms: the audience as ‘arts receptors’; the audience as associates, including stakeholders not actually present; and the audience as customers.

**Why Wicked?**

The focus of this research is on a particular artistic work: the musical theatre production, *Wicked*. Nowhere are arts marketing issues more fully exemplified than in the Broadway musical *Wicked*. Since opening nine years ago to lukewarm reviews and less-than-full houses, *Wicked* has earned an astonishing $2.9B worldwide, and has been seen by a total of 36 million people. It recently set the record for the most revenue in a single week on Broadway: $2.9 million (IMDb.com 1990-2014). By any measure, *Wicked* matters – not only to Broadway, but to the culture at large.

We are examining several complex, interrelated questions related to this production. Aside from the important issues of intertextuality and adaption, we examine the moral and ethical themes in the musical, and how these themes differ from its source material, the culturally iconic *The Wizard of Oz*. We are interested in how audiences perceive the message(s) of Stephen Schwartz’s Broadway smash, which opened in 2004; how they may contrast this with the original L. Frank Baum book (1900), the MGM movie (1939), and Gregory Maguire’s novel (1998); and how these changes may reflect evolving moral values in U.S. culture. We also wish to investigate the ritualistic consumption behavior of groups of women who routinely patronize the show, for in so doing, they play a critical role in sustaining it.

**Research Questions**

The purpose of this study is two-fold. First, we wish to explore the genesis of *Wicked*: how it came to be across space and time. Second, we wish to identify the macro-level issues constraining, as well as enabling, *Wicked’s* unmitigated success. These include:

1. **Intertextuality.** From a book by L. Frank Baum in 1900, to *The Wizard of Oz* movie classic of 1939, to Gregory Maguire’s novel in 1998, to Stephen Schwartz’s Broadway smash, which opened in 2004, the Oz narrative has undergone countless shifts in emphasis and perspective. Each successive version exists in dialogue with all those that came before. Thus, we ask: how has *Wicked* the musical narrowed and deepened the Oz narrative tradition? What elements of plot, character, conflict and resolution have been heightened or omitted from prior works? Obviously, the musical *Wicked* owes much to the novel *Wicked*. Unpacking the latter provides a springboard to explaining the former. For example, Dorothy plays the key role in *The Wizard of Oz*, yet is an unseen character in *Wicked*. From the perspective of the tension between “good” and “evil” in both stories, her role is that of an interloper caught in the conflict
between the Good Witch of the North and the Wicked Witch of the West. The changing plot and characters provide a different perspective from the original story.

2. **Remediation.** As much as Oz changes narrative focus, it also changes media forms. From book to movie to play to prequel to Broadway musical, Oz has been remediated many times over many decades. In so doing, it is reinvented to fit the constraints and opportunities provided by each art form. For example, the notion of flight, so critical to the 1939 movie, is omitted from the Broadway play. Elphaba sings about defying gravity, but she is unable to enact it. At the same time, nothing can match the emotional intensity of Elphaba and Glinda singing “For Good” at the show’s climax. The visceral power of a live performance would, for most consumers, outweigh the impact of a novel, even though the novel yields its own power.

3. **Consumption Ritual.** Attend any showing of *Wicked* the musical and you will see clusters of women, young and old, engaged in a consumption ritual. Their outing methodically planned and often repeated, their clothing reflecting characters they admire from the show, they bond over and through their attendance at *Wicked*. In addition, these same women find other ways to re-experience the show: they take backstage tours, attend tribute shows, purchase soundtracks and t-shirts. Also, according to the show’s staff, a disproportionate number of gay men patronize the show. The fact that *Wicked* appeals so strongly to women and gay men suggests that the musical’s gender politics resonates with these audiences. We might inquire what issues of power, gender and community combine to make this so. It is possible to explore this question by interviewing consumers who engage in the *Wicked* consumption ritual. Our initial encounters with this consumer segment reveal that they are eager to tell their story. Audience members not engaging in ritualistic behavior may also shed some light on these elements.

4. **Mixed moral messages.** Moral lessons in the arts are nothing new. From the early morality plays to Shakespeare’s works, from the fledgling movie industry to music, the arts have served as a reflection of societies’ moral values. One has only to examine the annual film awards to see how important the message of a movie often is to its critical acclaim.

In the last few decades, the “counter-hero” has been a popular approach (i.e., *Butch Cassidy and the Sundance Kid*). The idea of the “prequel” has also been embraced by Hollywood as a vehicle for capitalizing on the success of a movie by providing back story.

*Wicked* turns *The Wizard of Oz* on its head by developing the largely undeveloped character of the Wicked Witch of the West into a heroine. Elphaba (a name chosen by Maguire as a tribute to L. Frank Baum, since the character was nameless in the original) is depicted as a victim due to her green skin. Shunned by other children, a source of embarrassment to her family, she is seen as a pariah by others and learns defense mechanisms to protect herself. Unlike the purely good figure she portrays in *The Wizard of Oz*, Glinda, the Good Witch of the North, is seen in *Wicked* as shallow, two-faced, and extremely self-serving. We might ask: how aware are viewers of these mixed moral messages? and what meanings do they derive from them?
5. **Marketing.** As stated earlier, *Wicked* did not do well at the box office in its first few weeks. Critical reviews were mixed. Yet, those who did see it were extremely moved. Word of mouth, combined with a visually powerful ad campaign, pushed the musical to a tipping point. By tracing reviews, viewer testimonials, and box office receipts by week, we can identify when and where *Wicked* caught fire. We will also trace the history of the touring companies, identifying countries in which *Wicked* has played well.

Initially, we will examine two or three of these issues at a closer level. Over time, we wish to address all five, drawing not only on popular press reports, but on the work of other scholars. We are employing a multi-method, qualitative approach to this research, including audience observations and depth interviews.

**Potential Macromarketing Contributions**

The focus of macromarketing is, of course, on marketing systems, and the interactions between markets, marketing, and society (Macromarketing Society 2014). We believe this research pertains to several macromarketing concerns, including arts marketing, ethics, and cultural sustainability.

Our intent is to gain a deeper perspective on marketing of the arts by exploring the relationship consumers have to this particular iteration of the Oz story. While Gregory Maguire transformed MGM’s therapeutic Depression-era fable into a dark political novel, Stephen Schwartz turned Maguire’s narrative into a Broadway musical with overtones of a high school movie. It features a mean-girl who ultimately repents, an underdog who ultimately triumphs, an awkward makeover, a dangerous romance, hidden identities revealed, a happy ending salvaged. Through it all, this “feel-good” musical achieves a visceral power, not only through its medium, but by its melodies. Ballads such as “I’m Not That Girl,” “Defying Gravity,” and “For Good” are at once plaintive and powerful, reducing the audience to tears. Others, such as “The Wizard” and “Popular,” uplift viewers, prompting them to nod their heads and hum quietly along. Whatever the emotions, they are experienced in the context of the theater, a space that inscribes actors and viewers in the same place, at the same time. As with the most impactful of theatrical experiences, *Wicked* creates both a sense of immediacy and a shared community; and these, we argue, are the keys to its success.

*Wicked* turns the original morality play, *The Wizard of Oz*, on its head. Whereas the original story makes abundantly clear that Glinda, the Good Witch, is truly good and the Wicked Witch of the West is truly bad, *Wicked* introduces additional dimensions to the story that create new complexity. By developing the character of Elphaba, Maguire and Schwartz demonstrate that all may not be as it seems, and there are good and evil elements in all characters. Our research will explore both the text and audience reaction to the story. We are interested in identifying ways in which societal views of morality have evolved over time. In a recent speech at the authors’ university, Aaron Beam, formerly with HealthSouth Corporation, spoke about the fraud perpetrated by his company and the lack of moral values among HealthSouth’s upper management team. He noted that, in 1806, the Webster dictionary definition of success was “being generous, prosperous, healthy, and kind,” while the current definition is “achieving wealth, respect, and fame.” His example illustrates society’s changing values over the past 200 years. To the extent possible, we will attempt to identify changing values through the vehicle of a well-known story.
Cultural sustainability examines the viability of cultural events and entities over time. For example, in Western literature, the works of Jane Austen have exhibited remarkable sustainability for almost 200 years. New editions of her novels, such as *Pride and Prejudice* and *Sense and Sensibility*, are continually being released. Cinematic adaptations of these books continue to be made. Spin-offs, re-tellings, and parodies abound. Even Austen’s ancestral home has been opened to fans as well as scholars. In the midst of this cultural fascination with Austen’s work, consumer researchers may well ask: Why is this so? The answers are, of course, complex, reflecting cultural values, tastes, demographic trends, and creative forces. Describing this rich tapestry is central to the work of consumer culture theorists. Our *Wicked* research will examine the enduring aspects of the Oz story, as well as the evolving views reflected in its recent adaptations and related consumer rituals, with a goal of identifying how the *Wicked* phenomenon represents sustainable elements of U.S. culture.

**Conclusion**

*Wicked*’s retelling of the Oz myth has clearly struck a chord. Bringing together a cross-disciplinary group of scholars to explore how and why this story has become one of the last decades’ most popular narratives will help us to understand broader issues concerning the intersection of stories, performances, marketers, audiences, and culture. We believe these understandings will further macromarketing thought related to arts marketing, ethics, and cultural sustainability.

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Picturing the nation: the role of public funding for film in shaping visions of the nation

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This paper investigates how publicly funded films contribute to depictions of the nation. Publicly funded film has received little attention from marketing academics despite being surrounded by constant scrutiny, as a vehicle for advancing economic, cultural and ideological interests (Moran 1996). As public discourse in the UK forces attention on the ‘value’ of film, usually equating notions of value with economic performance of film, it is timely to consider what a marketing analysis of public funding for film can yield to the discussion. Evidence was constructed from a series of detailed thematic analyses of a sample of recent films in receipt of production funding from the UK Film Council (UKFC). Close analysis reveals two distinct images of nation expressed within scaffolding of plot, character and funding. We illustrate the broader educative and ideological scope of cinematic product, by exploring the implications of these imagined nations.

Introduction

“The artist who puts her name on a ready-made article and produces an object whose market price is incommensurate with its cost of production is collectively mandated to perform a magic act which would be nothing without the whole tradition leading up to her gesture, and without the universe of celebrants and believers who give it meaning and value in terms of that tradition. The source of ‘creative’ power, the ineffable mana or charisma celebrated by the tradition, need not be sought anywhere other than in the field, ie. in the system of objective relations which constitute it, in the struggles of which it is the site and in the specific form of energy or capital which is generated there.” (Bourdieu 1993, p.81).

Film is a vehicle for cultural production, a visual art form traditionally created within national clusters forming what is known today as national cinema (Vitali and Willemen 2006). Cinema’s evocative power is well documented, described by Hirschman (1987) as one of the world’s foremost vehicles for communication. The nature of what constitutes cinema’s character is contested. Not only does film compete for attention and as a result form a competitive marketplace it is also a medium of creativity and expression, “a mass mode of storytelling and symbolic imagery” (Klein 1985 cited in Hirschman 1987, p. 336). Cinema shares an industrial and cultural identity and although public funding is often necessary, it is controversial. Investigation reveals that systems and processes of cultural production are, like others, susceptible to influence.

The global film marketplace stands today, as it has been for the majority of its 100 year history, dominated by Hollywood (Kerrigan 2010). “Of particular concern to national film industries is the issue of maintaining cultural diversity in the face of potential domination by US-owned media conglomerates. These worries present a challenge to national and
supra-national policy makers as they try to negotiate conflict between cultural and economic objectives” (Coe and Johns 2005, p.202). In response to US dominance, Europe implemented a series of supra-national protectionist policies in the General Agreement on Tariffs and Trade (GATT) of 1947. European protectionism was not without controversy, in the Uruguay round of the GATT negotiations the US seeking film trade rules across Europe to be liberalised challenged GATT. Arguably this challenge was a move by the US to safeguard its own interests for the future as it conflicted with how the US itself gained its own global foothold in the industry. Ulff-Moller (2001) noted that the US called for the audiovisual market to be liberalised and film subsidies curbed during the Uruguay Round, despite such protectionist measures being responsible for the growth and development of the modern Hollywood. The GATT disputes clearly illustrated, for the first time, that film is classifiable as both ‘film-as-industry’ and ‘film-as-culture’ (Dickinson and Harvey 2005). In light of this, this paper aims to understand the depictions of the nation evident in publicly funded films in the UK. The analysis undertaken identified three key themes, considerations of social class, British Cultural Identity and notions of Gender Equality. These themes will be discussed below.

Marketing the Nation through film

The cinematic arts operate within a market and film funding, production, distribution and marketing takes place within a complex setting (Kerrigan 2010). Traditionally marketing was associated with pure economic exchange, but with the broadening movement, marketers began to recognise its more extensive reach. As a result of this broadening, marketing was no longer limited to exchange based paradigms and extended to all products which create tangible and intangible value (Sheth and Uslay 2007). Kotler and Levy were the first to re-define marketing in terms of a general facilitation of exchange and as a result allowed it to adopt a broader social meaning. Accordingly, ‘products could be anything’; something physical, a service, an organization, an idea or even people (Kotler and Levy 1969, p.12).

As a form of cultural production, its ability to project cultural identity gives film the dispensation to become a part of national cultural life (Nowell-Smith cited in Higson 1989). According to Willemen (2006) the film industry has a notion of national, cultural specificity, making the construct of nationalism a critical part of film, “…the construction of national specificity in fact encompasses and governs the articulation of both national identity and nationalist discourses” (Willemen 2006, p.34). National and supra-national bodies contribute and help form part of the national character of film through implementation of public policy, “It is this political dimension of similar economic developments that makes a cinema ‘national’…ways in which an economic sector’s productive activities and a particular set of institutional networks…interact to mutual benefit gives us the terms in which a film industry becomes a national one” (Vitali and Willemen 2006, p.1).

The UK, the focus of this research project, is an example of a state which in recent years has coordinated significant public policy to protect and cultivate its own cinema. Historically however, the United Kingdom’s (UK) national policy towards film was largely disorganised. Kerrigan (2010) highlights how it was not until 1999 that a unified UK film body was created, previous to this only an amalgamation of disparate film bodies had existed, “This development was a welcome change as the previous structure of the UK policy making system was not capable of providing a strong enough response to competition from the US” (Kerrigan 2010, p.69). The new film body (The UKFC), was to fulfil a two-pronged mandate; the development of the film industry and film culture in the UK (Film Council 2000). The UKFC was therefore set up to support films, which informed and educated audiences of Brit-
ish culture and society, as well as, support creation of a film industry which could create significant income and compete globally. The Film Council was heralded as a strategic body, one which would boost both the creative industry and culture within Britain, incorporating previously uncoordinated government bodies. In 2010, Culture Secretary Jeremy Hunt, confirmed plans that the UKFC would be abolished as of 1st April 2011 as part of a range of cost-cutting measures. Initially, this decision was heavily criticised, particularly, as shortly after announcements were made the film ‘The King’s Speech’, helped by the UKFC by provision of £1m, made £50m in profit (Pulver and Brooks 2011). Tim Bevan, the last Film Council chairman commented, “Abolishing the most successful film support organisation the UK has ever had is a bad decision, imposed without any consultation or evaluation…” (Bevan cited in Shoard, The Guardian, 11/02/2010). Following consultation, the UKFC functions were transferred to the British Film Institute (BFI) and many of the departments from the UKFC transferred directly into the BFI following the closure of the UKFC.

Ideas of the Nation

What constitutes British national identity and national identity more generally is highly contested (Jacobson 1997). Nations are regarded as recent constructs, their existence reliant on a rhetoric described as nationalism. Anderson (2006, p. 6) famously defines nations as imagined, arguing, “…the members of even the smallest nation will never know most of their fellow-members, meet them, or even hear of them, yet in the minds of each lives the image of their communion”. Nationalism is therefore the communication and surrounding discourse which ensures the continue state-centred, political rights, on the basis of nationhood, “Nationalism has become the preeminent discursive form for modern claims to political autonomy and self-determination” (Calhoun 1993, p. 213). Sweeny (2005 cited in Hussain and Miller 2006) defines three types of Nationalism a state can exhibit, including state, civic and ethnic. Sweeny argues that in 21st century Britain a distancing from traditional state nationalism has occurred and a contest between popular ethnic and elite civic nationalism is being played out, raising the possibility of a new nationalism altogether, “British state nationalism, dominant in the 18th and 19th centuries, has given way to more tolerant civic nationalism…Britain [now] seeks to develop its image …as a multicultural society…state funding…[is] evidence of elite commitment to the notion of multiculturalism”(Hussain and Miller 2006, p. 4). Nationalism can be seen increasingly as a matter of address, involving interaction and two-way dialogue rather than a top-down production of ideology (Belton 1996; Anderson 2006). Belton (1996) discusses this in relation to film specifically, stressing, “The movies are an integral part of mass culture and are embedded within it. One does not produce the other; rather, each interacts with the other, and they mutually determine one another” (1996, p.1).

The establishment of the Diversity Strategy in 2003 by the Film Council containing within it the Equalities Charter for film illustrates a move towards the ethnic and civic nationalism noted by Sweeny (2005), “film should reflect society but at the same time it actively creates it. Film has the capacity to challenge stereotypes, but it can also perpetuate social prejudice and inequality” (Bhavnani 2007, p.110). However, this move towards inclusion by the Film Council came relatively late and inclusion of minorities was often within reports in terms of sustainability and development of the industry, “Getting the right workforce is key to sustaining and developing any industry” (Bhavnani 2007, p.41). Following the move to the BFI, the Diversity unit has been closed.

Ideological debates build upon Adorno and Horkeimer’s (1944) original critique of industrial relations entering into the cultural sphere. Adorno and Horkeimer (1944) therefore
saw mass production of art and culture within modernity as a hegemonic “culture industry” which they argued reduced leisure to shallow entertainment, meaning the consumer no longer engaged but only conformed within the system, “From every sound film and every broadcast program the social effect can be inferred which is exclusive to none but is shared by all alike. The culture industry as a whole has moulded men as a type unfailingly reproduced in every product” (Adorno 1944). In ‘How to look at Television’, Adorno reiterates this sentiment and denunciation of the consumer, describing them in less than flattering terms as “only a puppet manipulated through social rules.” (1991, p. 164). Adorno and Horkeimer’s argument that there exists a controlling capitalist ideology has been critiqued as being too extreme. This traditional top-down elitist model which views the media as a hegemonic ideological tool, has however given way to a more grounded and interpretive account of cultural messages (Fiske 1986; Jenson 1991). Bradshaw and Holbrook, dispute this position as they see the arts as occupying a ‘battleground’ between, “…aesthetic sensibilities and marketplace realities…” (Bradshaw and Holbrook 2007, p.130). In contrast, Postmodern sensibilities which, as Featherstone suggests, are more populist and indebted to the unacknowledged influence of Walter Benjamin (1991, p.23-24) reveals the elitist and antiquated character of Adorno and Horkeimer’s didactics. They see contemporary society as characterized by, “…the disappearance of authority, unity, continuity, purpose, and commitment…[Postmodernity] is perceived as the emergence of complexity, multiplicity, fragmentation, resistance, negation, rupture, and irreverence for any specific goal or point of view” (Venkatesh 1989 cited in Firat and Venkatesh1993,p. 228). Or as Featherstone, reiterates on Benjamin’s aesthetics project which “…emphasized the utopian or positive moment in the mass produced consumer commodities which liberated creativity from art and allowed it to migrate into the multiplicity of mass produced everyday objects…This celebration of the aesthetic potential of mass culture and the aestheticized perceptions of the people who stroll through the urban spaces…emphasize[s] the transgressive and playful potential of postmodernism.” (1991, p. 24).

Such theoretical re-positionings have led researchers to seek a deeper understanding of the processes of consumption and what consumption involves. Holbrook and Hirschman (1982) and Belk (1988) all recognised that products within a market were more than purely products, products such as film have layers of symbolic meaning and uncovering these is crucial to gaining insights into the workings of our materialist culture. Holbrook and Hirschman (1982) in particular described this usage of products and interpretation of its symbolism as the experiential aspect of consumption. Through the study of semiology within the film Out of Africa by Holbrook and Grayson (1986) an entirely new perspective was illustrated. Holbrook and Grayson associated the use of symbolism in the film as an insight into the way in which audiences consumed it, and as a result an insight into consumer behaviour more generally, “These artworks represent life, and the artistic uses of symbolic consumer behaviour may tell us something about humanity itself” (Holbrook and Grayson 1986, p.380). Holbrook and Grayson referred to “…symbolic consumer behaviour…” (375) to describe the way in which symbolism within film reflected notions of society, therefore through consuming symbolism audiences were consuming a reimagined notion of themselves and others.

Methods

A two stage data collection process was employed. All UKFC funded films in receipt of development or production funding were analysed in terms of the level of funding received, their box office performance, critical reception and box office earnings. Film content was then examined to discern common representations of nationhood. Using the UK Film Council website all films which were in receipt of one or more production and development
grants were collated into a database. In total 265 films were recorded. In order to focus the analysis on feature-length releases in receipt of a significant amount of Film Council funding all films classifiable as ‘Short’, ‘Documentary’ and all those in receipt of less than £60,000 in aid were excluded. Films yet to be released, were also excluded. After exclusion 137 films remained. Allocating those films to a genre is a complicated task as what constitutes a genre is contested (Kerrigan 2010) and no genre can account for every attribute of a genre film, and vice versa (Langford 2005). According to Stam (2000, pp.128-129), the standardised genre labels are problematic in four ways, “...extension (the breadth or narrowness of labels); normativism (having preconceived ideas of criteria for genre membership); monolithic definitions (as if an item belonged to only one genre); biologism (a kind of essentialism in which genres are seen as evolving through a standardized life cycle). Genre classification is therefore a subjective task. Using IMDB.com, a principle site of film information used by academics (Kerrigan 2010), an extremely concise list of six broad genre categories was compiled (comedy, family, thriller, horror, fantasy and drama). Through classifying each film to one of these genres, the amount of funding awarded and revenue created was calculated through basic data analysis. Trends between genres were detectable both as a monetary amount and a percentage of total funding received. Additionally the rate of return for each film and genre was calculated, based on the funding of UKFC grants. This dataset would act as the basis for gathering a second, smaller sample to complete the secondary part of the data collection process. Therefore in order to engage with thematic analysis, fifteen films were selected for the final sample.

Through the database analysis the genre which provided the greatest proportional return was identified as Drama and became the basis for gathering further data. The films within the Drama table were further sub-divided into five categories to aid further analysis (romance, costume-period, Black-British, social realism and international film). The top three categories based on return of revenue were Costume-Period, Black-British and Social-Realist. Contemporary Black-British film refers to a specific variety of national film production of which Crofts (2006) refers to as ‘Regional/ Ethnic Cinema’, “ethnic and linguistic minorities...cinemas distinct from the nation-states which enclose them” (2006, p.52). Social Realism is perhaps harder to define (Lay 2002) but best described by Lowenstein (2000) as, “bound up with moments of contemporary social crisis” (2000 cited in Lay 2002, p.9). Finally, Costume period film is defined as, “…films which are set in the past, telling stories of the manners and proprieties, but also the often transgressive romantic entanglements of the upper and upper-middle class English…” (Higson 2003, p.1). The films selected for Costume-Period were The King’s Speech; Gosford Park; Becoming Jane; Ladies in Lavender and Brideshead Revisited. For Black-British; Life and Lyrics; Bend it Like Beckham; Love + Hate; West is West and Anita and Me. Those included in the Social Realism category were Vera Drake; NEDs; Made in Dagenham; This is England and Fish Tank. Thematic decomposition analysis, more specifically, recognises the social nature of themes found within texts, “This approach informed by the idea that discourse does not simply express or reflect meanings, rather, meanings are constructed through discourse (Potter and Wetherell 1987). These constructions are useful and have ‘cultural currency’ inasmuch as they are social and enable a shared understanding” (Stenner 1993, p.94). This methodology was employed as it allows the use of judgment over what the key themes in the text can be, rather than purely adhering to a quantifiable measure (Braun and Clarke 2006, p.10).

Discussion
Through thematic analysis of the films selected three broad themes common to all were uncovered. Notably these themes were all related to staging and performing notions of nationhood, as each provides an example of the various intangible societal systems and values which make up ‘Britain’. Firstly, common themes are present throughout the UKFC films within the sample and these themes communicate a national specificity (Willemen 2006) and therefore invoke nationalist messages. Secondly, the ways in which the themes are framed, and the messages of the nation they communicate, vary depending on the category of Drama in which the film resides. Finally, the existence of culturally specific messages within the sample highlights two distinctive marketing practices occurring which contribute to an understanding of the broader use of film in society more generally. Taken together, these results suggest that the marketing of ‘Britain’ through film demonstrates the broader scope of film and marketing in society, particularly highlighting the various stakeholders involved in the arts.

The common themes discovered through analysis include: The British Social Class System, British Cultural Identity and Gender Equality. The presence of these themes is evidence of the representation of intangible national societal values and social systems within film. Evidence of the broadening of marketing is therefore highlighted here in practice. The variation in the way in which the films handle these representations and messages, illustrates the exercising of two distinct marketing practices within UKFC sponsored films; the marketing of a British social agenda and the marketing of Britain as brand and destination. These two marketing practices represent the two-pronged approach to the film industry stated at the inception of the UKFC (Film Council 2000). The marketing of British social issues is evidenced predominantly within the Social-Realist and Black-British film categories. These films’ depiction of the nation arguably seek to provide their audience with more than that of pure entertainment (Kerrigan 2010; Drummond 2000). Through presenting in parts, unglamorous depictions of British poverty, violence and segregation arguably these films were attempting to educate their audiences about social issues (Webb 2009). Therefore the overarching message of Britain promoted within this sample was that of achieving both multiculturalism and individualism; two examples of politically relevant ideological constructs regarding the nation (Hussain and Miller 2006). The marketing of Britain as a destination was evidenced within the final category analysed, Costume-Period film. The film’s depiction of the nation arguably sought to provide the audience with a largely positive, engaging and entertaining image. By presenting Britain in terms of wealth, heritage and opulence, arguably these films therefore endeavoured to sell a commercial image of Britain to their audience (Higson 2003). A link can be made between film and the nation as a brand and destination.

These two marketing uses also provide evidence of the possibility of two separate target audiences. In particular Costume-Period films focus on portraying Britain attractive and therefore desirable as a destination, which points to the targeting of a more international audience. In particular Higson (2003) and Swann (2000) argue such representations are reflective of American audience’s understandings of Britain and therefore a specific targeting of the US. Marketing through film illustrates an attempt to brand the nation, which would benefit Britain particularly in the ways of tourism (Riley et al. 1998; Beeton 2004). Whilst Black-British and Social-Realist focus on portraying deep, real and even critical images of Britain. This points to a target home audience as these representations provide within them educative messages which are relevant those consumers environments (Webb 2009). From analysis of our data set these conclusions are further verified. For example, Costume-Period Drama was found to have the highest international rate of return, further confirming a more international target audience for these films.
Goldman (1992) argues unconventional marketing such as film is crucial due to “sign fatigue” and “viewer scepticism” particularly within younger generations towards more traditional forms of marketing. Whilst Giddens (1994) advocated the “…myriad of complex choices…” (cited in Kerrigan 2010, p.179) within modernity, of which film is a part, can actively shape us as individuals. The communication of socio-political issues becomes illustrative of the art’s wider impact, beyond entertainment alone, “…the role of film as an educator is recognised” (Kerrigan 2010, p.177). Drummond’s (2000) call for art professionals to take responsibility for broadening the consumption choices and tastes of their audiences is therefore displayed within the Social-Realist and Black-British cinema samples. According to Webb (2009) the marketing of social problems is achieved by representing society in a certain way so as to actively shape the perceptions of that society, “The cultural industries are very important in the production and institution of ideologies, because it is the signifying, or symbolic, systems that provide us with the means for understanding the world…” (Webb 2009 ,p.117). Unlike the costume-period sample, the Black-British and Social-Realist films engaged with historical settings in an entirely different manner. Instead of focusing on portraying British heritage, films such as ‘This is England’, ‘Made in Dagenham’, ‘Anita and Me’ and ‘Vera Drake’ all use the past to comment on the present. According to Chapman (2005), historical films are as much about the present as the past and use historical settings as vehicles to deal with current social issues, “I think the only reason to make films that are a reflection on history is to talk about the present” (Loach cited in Chapman 2005, p. 1).

The financial support received from the UKFC has made adoption of this ethical role possible; subsidisation allowing demand to be shaped and informed rather than purely supplied (Kerrigan and Özbilgin 2002). As a result, of these representations of social problems film marketing is freed from its traditional dominant business marketing logic (Chriissides and Kaler 1993) and a new approach is taken which recognises the importance of the wider environment to the industry, “There is now a growing recognition, however, that wealth creation alone does not guarantee sustainable development of economies or markets...this new approach, which recognises the significance of the social role and responsibilities of business, is termed ‘the stakeholder approach’” (Kerrigan and Özbilgin 2002, p. 199). But, what is also at play is a form of market logic, where funding follows audience tastes. Films for international audiences tend to present a Britain of yesteryear which those for domestic audiences also include more contemporary and socially concerned stories. We can see film marketing as fulfilling a number of functions, the marketing of ideology, the marketing of place and nation, the provision of stories to understand who we are and to tell others about us, but all of these stories are underlain with a political agenda. Current film policy under the Conservative/ Liberal Democrat government encourages filmmakers to ‘make films that people want to watch’. This position undermines the political nature of film and its ability to ‘market’ ideological positions and fails to recognise the multiple functions that film marketing plays in helping us to understand who we are and who we were.
References


Social Media and Music Consumption: A Case Study of a K-pop Fan Community

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Korea’s cultural industries have enjoyed rapid growth due to the rise of the “Korean wave (Hallyu)”, which is led by Korean drama since the end of 1990s. Korea wave had long conquered Asia (Huang, 2011). However, now with the rise of K-pop, Korean wave reaches a wider audience in the West (Shim, 2008) and social media plays an important role for Hallyu’s success in a global level. Social networking media, such as YouTube, Twitter and Facebook, make K-pop bands easier to reach audience in different countries, and those fans are turning to these social media tools to proclaim their devotion and to help promote K-pop to their friends (Jung, 2011).

Music product can be a song, an artist, venue and associated paraphernalia, and the consumption of the music product must go beyond listening. New digital technologies have transformed forms of music consumption and made music itself cheaper that result in the decline in sales of CDs and DVDs. However, music fans tend to engage with a variety of products and their consumption on live concerts and non-musical associated products is getting important for music industry (O’Reilly & Doherty, 2006).

This paper contributes to discussions on fan communities through exploring how the fan community based on social media influences on fans’ music consumption. This research uses fans of a K-pop group called “Super Junior”, which is one of the most popular and successful K-pop groups in Taiwan, as a case. By interviewing 12 fans, the study examines how Super Junior’s fans use social media to communicate with others and how interaction within the fan community influences their music consumption process in the digital media.

First, compared to traditional virtual fan community, which is mainly based on web forums, the fan community based on social media takes longer time to develop trusting relationship. However, the way fan communicate on social media is closer to real life. As a result, in comparison with traditional virtual fan communities, interaction based on social media influences community members greatly. Second, social media is a multi-function platform for fans that allows them directly communicate with Super Junior members (pop stars), such as quickly receiving the latest information from other countries, spreading timely information and communicating with other fans without country barriers. In the process of music consumption, social media is not only the source of disseminating information but also a matchmaker for buyer and seller. Fans tend to believe information from the community. Therefore, even though fan interaction on social media does not turn the user directly into consumer, social media and fan community do contribute to fulfillment of consumption. Last, social media plays three roles in music industry: the media of music consumption and diffusion, a platform where all music-related information are collected and a contributor to exchange among different players (fans, singers, music companies) in music industry.
This research contributes to wider discussions on soft power and the influence that the marketing and consumption of cultural products can have beyond the level of individual consumption.

References


Consumerism, Destruction and Value: Ephemeral art by Ai Weiwei, Michael Landy and Banksy
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This paper looks at three contemporary art pieces by established art world figures Ai Weiwei, Michael Landy and Banksy. Although, at first glance, each of these works are strikingly different, they all present a commentary on consumerism and as such provide us with a valuable site to investigate contemporary consumer society. Moreover, due to the nature of the artworks and/or the media used, which makes them examples of ephemeral art; they raise important critiques around notions of value, particularly its temporality.

Introduction

Schroeder has highlighted the importance of the image and the need for critical visual analysis in decoding the visual in our contemporary consumer society (2002). He shows that advertising imagery and other visual marketing practices such as brand images, corporate images and product images can be understood as cultural practices in much the same way as art historians analyse paintings. Further analysis of visual artists’ work can therefore be of benefit in examining how art (both conceptually and visually) can embody and express cultural values and contradictions. Following Holbrook’s work (1989), which illustrates seven routes to facilitating insight through semiological interpretation of consumption symbolism and marketing imagery in works of art, this paper explores three artworks by different contemporary artists that each provide scope for insightful commentary on consumption issues.

The three artists selected, namely Chinese artist Ai Weiwei and British artists Michael Landy and Banksy have all produced bodies of work that reflect on and critique contemporary consumption ideology. Whilst they are by no means the only artists to do so, they are some of the most high-profile and their work consistently generates not only the attention of the art world but global media coverage. Their work therefore has significance in terms of its broad appeal and provides an interesting context to further explore Holbrook and Grayson’s (1986) and Holbrook and Hirschman’s (1993) claims that cultural artefacts offer appropriate sites for investigation due to their use as carriers of meaning. Indeed, Belk (1986) also identifies artworks as appropriate research sites to be explored in our search for understanding consumption and consumer society. As Said (1994) establishes, art can reinforce or challenge dominant ideology and this paper seeks to analyse three artworks (each selected due to: their subject matter which directly deals with consumerism, their being considered representative of the artist’s larger oeuvre and their prominence in terms of the media attention they received) to see whether they can elicit novel perspectives on consumption ideologies and value. In particular, we focus on the tension between transience and permanence in these pieces, unpacking issues of dematerialisation which provide a critique of the market by offering alternative, short-lived acts of protest.

In a visual information culture where we are exposed (or even bombarded) with hundreds of images a day, close, critical examinations of art may also further an understanding of
what the visual signifies in contemporary society. This is particularly important due to what Elkins (2007) identifies as a need for better ‘visual literacy.’ He argues that while we tend to articulate arguments in text, the image can take on all the work of argument but is rarely allowed to do so. While this paper is still reliant on text to put forward its arguments, its study of the visual seeks to begin to redress gaps in examining how visual artifacts create meaning within the circuit of culture and therefore act as socio-political objects which can construct new realities. Moreover, the study of visual artifacts, as Elkins points out (2001) is dominated by static objects such as paintings or sculptures, primarily taken from Western art history; by focusing on more temporal media such as performance art and street art, as well as a slightly more globalised selection of artists, we can highlight the importance of medium and socio-political context on the message transmitted. We shall now briefly describe and examine each of the works in turn before concluding by relating the issues raised to key macromarketing concerns and indicating how macromarketers can use the arts in order to develop innovative research methods which can be applied to understanding our consumer society.

Ai Weiwei – Han Dynasty Urns

Ai Weiwei (1957-) is probably China’s most famous contemporary artist. His work has received great international attention due to its outspoken critique of the Chinese State. He first established himself in the late 1970’s as one of the founders of the early avant garde ‘Star’ group of artists in China before becoming a prominent figure in the international art world by establishing himself in New York in the 1980’s where the influence of conceptual artists such as Marcel Duchamp led to his signature use of readymades. He returned to China in 1993, where he helped establish the experimental artists’ Beijing East Village and published a series of books about this new generation of Chinese artists. However, it was his 81-day imprisonment in 2011 that propelled him into global fame. He was Time Magazine’s runner-up person of the year 2011 and the sole artist in their annual Top 100 and got first position in that year’s Artinfo Power 100 and is now globally recognised as a political activist who uses his art to convey provocative messages critiquing the Chinese government but also offering wider critiques of Western hypocrisy towards China and touching on wider notions of globalization, mass production and consumerism.
The work selected for analysis here is part of a series focusing on Han Dynasty Urns, Neolithic pottery dating back 2000 years. On his return to Beijing after more than a decade in New York, Ai acquired an assortment of these urns. On one of these, in 1994, he painted the Coca-Cola logo, transforming the vessel from an antique into a contemporary artwork. The piece is characteristic in terms of its attention-grabbing nature and in creating controversy.\(^1\) The urn rapidly became one of the most prominent icons of Chinese contemporary art, representing the clash between the preservation of historical artifacts and what is generally considered to be consumer-driven ‘progress.’ By painting on (and then in a further work, smashing) the urns, Ai replaces historical significance with a newer cultural one, destroying to create something new but whether this can actually be considered progress is an interesting question that Ai leaves unanswered. This stretches Duchamp’s readymade whereby an object had little value until placed in an art context as the readymade in this case already had cultural significance. It breaks the taboo associated with altering or destroying another artist’s work, which is inscribed in international law as the ‘moral rights’ of the artist whereby the integrity of the work should be protected and preserved. By employing urns that are cherished for their archaeological importance as readymades, Ai strips them of their aura of preciousness only to reapply it according a different system of valuation. It forces us to consider our taken-for-granted judgments, what is authentic and what is fake, what we look at as valuable and how we decide what is valuable. Ai’s work reveals the socially constructed nature of these judgments. The piece evokes the widespread destruction that wiped out crafts such as pottery during the Cultural Revolution (it is worth noting that aged one, Ai’s father, the renowned poet Ai Qing was denounced and the family were exiled and sent to a labour camp and spent sixteen years in exile) but also the more recent, continuing destruction of historical cultural sites in China and the selling of the past to make way for new developments.

The Coca-Cola Urn also comments on the rapid rise of the market and its brand culture in China, as well as the commodification associated with this. The Coca-Cola logo, as one of the world’s most iconic and recognisable symbols of Western Capitalism (which also has a huge presence in China), powerfully depicts an uncomfortable collision of U.S. capital with ancient Chinese culture. This symbol of Western materialism, covers and subsumes the historical Chinese cultural object, redefining the urn through branding, which of course, is exactly what is happening on a much wider scale in China as it opens up to the world. Furthermore, somewhat ironically, as we tend to see archaeological pieces as precious, Ai actually increases the monetary value attached to the urn (there are numerous examples of these urns widely available in markets across China); by branding the object as a contemporary art piece through his reputation as one of China’s most prominent artists, he increases its monetary value, a standard part of the rhetoric of development and globalisation in our market-driven world. Ai thereby questions economic value, implying financial value may in this case only be characteristic of a market bubble and offering a critical approach to considering the trajectory of his nation’s development.

\(^1\) It was subsequently bought by Uli Sigg, Switzerland’s former ambassador to Beijing and the world’s foremost collector of contemporary Chinese art, cementing its value on the art market.
Michael Landy (1963-) is one of the group of artists known as the Young British Artists (YBAs) who gained prominence in the 1980’s through their shock-tactics and whose work disrupted the art world by focusing directly on the commerciality of the art itself, as identified by Lash and Lury (2007). Whilst many of these artists (not least of which is Damien Hirst who is now the richest contemporary artist in the world, see Bradshaw et al. (2010)’s for an analysis of the commercial with regard to Hirst’s work), went on to earn great material wealth from the sale of the art, Landy took a different approach by turning his attention to rejecting and escaping consumer society rather than embracing it. His best known work is the 2001 piece, Break Down, which involved renting a vacant shop on London’s most popular shopping destination, Oxford Street and installing a ‘destruction’ line in order to systematically destroy all of his worldly possessions. The ‘destruction’ line mimicked the production line of mass produced consumer goods and was run by ten assistants who reduced every possession he owned to dust, 7226 possessions in total, from socks to his Saab 900 car to family photographs and documents such as his passport and birth certificate. Consequently, he illustrates the difficulties which come from completely rejecting the structures imposed on us by society. Replacing these essential documents is costly and life without material possessions is difficult, we are dependent on our possessions to participate in societal norms. Landy received heavy criticism from family and friends for going through with the project, the concept was found to be a troubling one, many believed it to be an act of madness demonstrating just how strong these societal norms are. Indeed, his mother had to be thrown out of the exhibition as she broke down in tears watching the process.

Furthermore, he refused to allow his gallery to monetise the project by selling the pulp which remained after pulverising his possessions as this was not in keeping with the
work, thereby resisting the market. He later explained (2008) that it took him years to then rebuild his life, it was symbolic of a personal, as well as literal ‘break down.’ Landy still refers to the project as two weeks of “mini revolution” (Cumming, 2002). He left the objects he valued the most until the end, including his father’s sheepskin coat which he said weighed heavily on his conscience, “I really felt I was jinxing my dad by destroying it” (Cumming, 2002). More than just an anti-consumerist project, however, Landy (2008) expressed his interest in examining people’s love of things and the different value systems that come into play when we think of these things, for example the difference between ‘essential’ and ‘non-essential’ possessions. This echoes Belk’s (1989) work on possessions and the extended self, putting it to the test and exploring how to live without our self-defining belongings thereby engaging with loss. The project allows us to consider how consumers engage with consumer society, going beyond the conventional focus on non-essential goods, or the consumption of goods in line with our identity projects or Veblen’s notion of conspicuous consumption. Landy’s work provides an innovative way to consider the role of socially constructed ‘value’ within the context of the production and consumption of goods in our consumer society. It is an examination of the freedom of choice according to the logic of consumer society, rejecting society’s romance with consumerism and exploring both the nature of consumerism: graphically illustrating the amount of raw material that goes into making products, considering their lifespans; whilst also providing a thoughtful consideration of the relationship between people and their possessions.

**Banksy – The Lifestyle You Ordered is Currently Out of Stock**

Banksy is an anonymous British graffiti artist whose work is easily identified due to the anti-authoritarian but also humourous messages it sends (usually either anti-war, anti-capitalist or anti-establishment) and black-and-white stencilled images which are graphically striking. His work started appearing in the 1990’s but it was not until the mid-2000’s that he started getting media attention. He has since become the most famous graffiti artist in the world and one of few to cross the threshold into ‘high art’ by appearing at auction houses; in 2007 at the height of the art market boom one of his paintings sold for $1.9 million at Sotheby’s. Indeed, his witty and playfully subversive messages have played a large part in the newfound popularity of street art which has migrated from being ‘street vandalism’ to ‘contemporary art’ in the gallery with a significant market value. Banksy’s success is due in no small part to his aptitude at creating media hype by capitalising on the mystery surrounding his
anonymity and staging controversial stunts such as: painting on Israel’s West Bank Wall, transforming it with escapist scenes that highlight the negation of humanity that the barrier represents; staging secret exhibitions (and more recently a residency in New York City where he staged a new piece every day for a month); and even directing a celebrated fake documentary, *Exit Through the Gift Shop*, exposing the commercialisation of the art world and de-bunking and devaluing the art market itself.

The piece chosen for analysis here appeared in December 2011 on the side of a vacant building within a rectangular space for advertisements, the building has a backdrop of Canary Wharf’s financial skyscrapers in the distance. It presents a typically flippant message ‘Sorry! The lifestyle you ordered is currently out of stock’. The work provides an appropriate satire for a country undergoing an economic recession, particularly with the rise of youth unemployment and the first generation in over a century to be materially less well off than their parents – the promised lifestyle has indeed proved elusive. The message also playfully uses common commercial codes, taking the place of an advertising billboard and adopting the customary commercial apology ‘sorry, this product is currently out of stock,’ turning the capitalist system on itself. Indeed, while we use consumption to fulfill our emotional needs and convince ourselves that we are not alienated, this is paradoxically leading to the mass deploration of the resources we depend upon, excessive wastage, unfulfilled desires and a society demanding more no matter the consequences. Banksy both demonstrates our own collaboration in this system whilst also proving his marketing saavy with his clever positioning of the work, the juxtaposition of the message with the view of Canary Wharf makes a clear judgment on the banking elite who precipitated the crisis.

It is worth considering the medium of street art itself as the work’s power comes not only due to its written message but also because it occupies a place in the public sphere which incorporates its politicised content into the everyday lives of viewers, making the public active participants. Moreover, it is inherently subversive as it is illegal, ‘destroying’ or ‘defacing’ property, challenging the notion of control and authority, as well as being highly visible and democratising the discourse of art beyond the confines of ‘high art.’ It is thus a powerful tool for sociopolitical commentary. Furthermore, the work itself is meant to be transient, usually painted over quickly (indeed there is no sign left of the piece discussed here); this is an art form that is difficult to monetise and commoditise, although that has not prevented people from trying by removing entire walls to sell them at auction. Paradoxically, the very appeal of Banky’s art has ushered it into the consumerist culture it attempts to critique. While the work often attacks corporate branding, he himself has become a brand, somewhat neutralising the social commentary. As street art moves into the mainstream, its very principles are undermined as the figures of authority being derided and decredited are buying into the work. As Holbrook’s (2005) semiotic analysis of three films about jazz musicians shows, the success of the genre ultimately can undermine its creative integrity when performers sell out to commercialism. This complicates the street art discourse which traditionally is meant to give voice to those who have no voice but despite these incongruities, works by street artists such as Banksy are still extremely valuable in allowing us to consider the societal structures in which we live, exposing some of the power hierarchies that are in control and our own complicity in the system.
Conclusion

Through examining the artworks of Ai, Landy and Banksy, we find alternative access points to examine the grip which consumerism has upon society. These three artists provide insightful critiques of our consumer society but do so in extremely different ways with different media. However, they all destroy in order to create anew, offering up an innovative and often radical outlook on societal values and perhaps even an escape route in the form of re-defining value through perception change: finding value in the things we take for granted. Indeed, artworks are an interesting form for analysis as they work on different levels, as aesthetic objects, as artistic ‘products’ and as providers of commentary on the society in which they are created. Engaging with this art provides rich data to consider issues of interest to macromarketers such as the developments of consumerism in the boom and bust cyclical nature of capitalist society, a consideration of different forms of value and how value systems can be manipulated, as well as highlighting the fluidity of this value as it changes over time.

Defining these pieces as ‘ephemeral’ is questionable as it is such an abstract term, indeed any piece of art can be considered ephemeral in that beauty is transient and unfixable and that any experience of an art piece is short-lived and dependent on context, although of course its impact may persist beyond that fleeting moment. However, these pieces were chosen due to their emphasis on transience. In all three cases, the fact that the work undergoes transformation and destruction of some type (sometimes vanishing entirely) creates an urgency and reflects a desire to dematerialise the art object, thereby providing a way to democratisise or evade the market. Although ultimately the market attempts (and sometimes manages) to find ways to recapture these objects – whether by selling street art out of context in the gallery/auction house or photographing or filming the work – serves to highlight the tension between art and commerce and the constant search for ‘new’ products to marketise however intangible or impermanent they may be. This research therefore provides a complementary route to the traditional study of the role of marketing in society through traditional purposeful empirical research projects. Further research is needed to consider how artists can advance macro-understandings and this could also extend to other non-traditional visual artifacts, including nonart, to demonstrate how they compel, engage and express historically relevant truths.

References


The death of cultural institutionalism - Floundering museums break the Venezuelan visual arts value chain

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Over the last decade, the Venezuelan museum framework has witnessed significant changes to its modus operandi. With the introduction of new cultural policies and the banishing of an established structure of dissemination for the arts, the country’s art institutions appear to have purposefully dislodged themselves from a broader network of legitimation. Due to the administrative centralisation of museums, dismissal of qualified staff, discontinuation of previous curatorial programming, misguided and short-lived new cultural initiatives, and a poor acquisitions policy, Venezuela’s contemporary artists, and the art agents that support them, have had to envision alternative methods of generating value for the work they do without the support of an institutional framework. This paper reveals how the country’s socio-political polarisation has in fact hindered the value-generating mechanism of an art network for both local and international audiences, driving the visual arts deeper into private sector.

Purpose of Research

My previous research has visualised an art mechanism - or art machine - made up of artists, dealers and galleries, art schools, critics, auction houses, museum and independent curators, private and corporate collectors as well as foundations and government entities, who instinctively collaborate in generating both symbolic and financial value for visual artists (see Appendix I). Benefiting both private and public spheres of arts legitimation, within this art machine metaphor there exists not only an interdependency between the various functional parts, but also an innate fragility when the local mechanism is subjected to significant changes in its macroenvironment, meaning that significant shifts in political ideology that inform policy (to the Left or the Right) can in fact jeopardise the workings of local industries. My research uses this conceptual framework of the art machine to study in detail the workings of the Venezuelan art market, which, with the arrival of Chávez’s government and his Socialism for the 21st century, has witnessed significant structural changes, most notably to the existing institutional or museum framework. My research captures a major turning point in the country’s history and, subsequently, cultural context, where my findings reveal that component parts of the art mechanism have become disjointed from the rest of the system, thereby jeopardising the legitimation process within the visual arts. Despite these recent socio-political changes as the State purposefully sheds a capitalist model of value-creation for the visual arts, the local art machine continues to operate using an alternative institutionalism, allowing for its continued operation and ideally positioning its local artists within a global art context.

In this paper I explore how changes in cultural policies have altered the workings of Venezuela’s local art system, rendering the mechanism dysfunctional vis à vis global art network standards. As conceptualised in my art machine metaphor, each of the 7 cogs within the system play a crucial role in generating worth for contemporary artists. In order to compete on the international art scene and gain a global (cultural) reputation, emerging markets tend to mirror established market structures with similar interlocking cogs that validate their own contemporary artists locally whilst aiming to participate whenever possible at the pinnacles of the artworld in renowned art hubs. At the zenith of this process of legitimation (Appendix
lies the museum cog, representing the institutional seal of approval and inscription of an artist’s work into a cultural and art historical context.

Once considered important local symbolic platforms and the benchmark for museums across Latin America, my paper exposes how Venezuela’s museum cog is currently in crisis: breaking the once functional visual arts value chain, the institutional framework has distanced itself from the established art network, working against the value-conferring art agents within this system. For this paper, I explore this cultural deterioration in 4 key themes, namely the loss of museum identity, the migration of museum staff, the eradication of previous museum programming and freezing museum collecting, and lastly the alienation of museum audiences. Taken together, these themes paint a (bleak) picture of Venezuela’s local art scene today, where arts consumption and appreciation skews awkwardly towards the private realm of my art machine diagram, falling deeper into the hands of an elite, private sector.

Research Method

In tune with the Constructivist approach (Guba, 1990b) adopted in this research, the workings of Venezuela’s art scene are considered here within the context imposed by the country’s historical, social and cultural realities. On this note, Boccardo (2008: 344) insists that “the Venezuelan art market should be seen in the light of the country’s history”, while Jiménez (2008: 12) introduces his studies on Venezuelan art with contextual material to provide his readers with “the frame of reference needed to understand the political, demographic, and cultural context in which ideas were fomenting”. Burr (2003: 4) emphasizes the value of the contextually sensitive approach in general: “Not only are [understandings] specific to particular cultures and periods of history, they are seen as products of that culture and history, and are dependent upon the particular social and economic arrangements prevailing in that culture at that time”. For this paper I take into consideration the context in which the Venezuelan art market is currently operating, taking into account the macro-level factors that shape its local art mechanism. By focusing on the case of the Venezuelan contemporary art market at this particularly dynamic moment of its contemporary history, I have provided rich, new data in a little or even unexplored area. As arts marketing literature continues to be dominated by the global leaders, my paper provides a fresh perspective on the subject, and enhances our understanding of how art markets operate, whilst also exploring the dynamics between macro-level shifts in policy and micro-level operations.

The Constructivist ontology is relativist in nature, dictating that “reality is a social … multiple, construction” (Lincoln, 1990: 77). In practical terms this means that research must be conducted in the field, allowing the researcher to actively capture the meaning-bound realities of the proposed area of study. This ethnographic case study includes over 30 semi-structured, in-depth interviews with art professionals working within the private and public spheres of Venezuela’s art scene, including artists, dealers, gallery owners, auction house specialists, corporate collectors, as well as art critics, academics and historians, and most significant for this paper, museum curators, educators and directors. Here, I have used direct citations from my participants (in single inverted commas) to give my findings both relevance and a more meaningful context. Beyond my own analytical framework (of the art machine metaphor), I also applied a Constructivist Grounded Theory approach to data analysis in order to weave new narratives from my findings (Charmaz, 2006; Denzin and Lincoln, 2000; 2005).
Major Results

Setting the context

Following an international model and fuelled by ample government funds thanks to the oil industry, the Venezuelan museum structure was considered a ‘trailblazer of the artistic horizon’ across the Latin American continent. Thanks to their ‘dense infrastructure’, Venezuelan museums, mostly concentrated in the nation’s capital (Caracas), boasted of the continent’s finest modern art collections, top facilities, best location with the majority of museums clustered together for a “Florida effect” (2002; see also Currid, 2007) around ‘Museum Plaza’ (see Image 1) in downtown Caracas, armed with qualified and experienced human capital, first rate curatorial and educational programming and, most importantly, with an enthusiastic public. All these factors combined, helped make the Venezuelan museum structure stand out in Latin America and be considered a valid contender on the international art scene. Parallel to this fervent cultural development at home and a particular concentration of museums in Caracas, cultural policies of the time extended outwards, purposefully positioning Venezuela on the global (art) map. In 1956 Venezuela inaugurated its permanent national pavilion within the prestigious Giardini (gardens) of the Venice Biennale, alongside only 2 other Latin American pavilions. Despite this sound cultural foundation, my paper reveals how the country has witnessed a weakening of its arts validation mechanism, where ‘radical ideological contempt’ and a deliberate breakaway from previous legitimising structures have left a conspicuous void in the country’s museum framework.

Here I examine this void further, highlighting the key factors behind the breakdown of Venezuela’s once impressive museum structure. Firstly, I explore the implications of re-structuring the museum identity and how the introduction of an umbrella institution has in fact converted previously branded local museums into generic exhibition halls. Secondly, I highlight the displacement of a qualified museum workforce from the institutional framework and how this implies a migration of cultural capital (further) into the private sector. Thirdly, I consider some of the most significant policy changes that have affected Venezuela’s cultural panorama, highlighting how these break away from previously established curatorial programming and freeze museum collecting. And lastly, I turn my attention to the museum audiences and the intricacies of fostering a new public.

![Image 1 - Highlighted in red we find a deliberate clustering of cultural institutions in downtown Caracas, near the Central University campus, Venezuela Square, Olympic Stadium and easy access to the metro system](https://example.com/image1.png)
Museum identity

With the introduction of the umbrella institution Fundación Museos Nacionales or FMN (National Museums Foundation) in 2005, museums in Caracas and the interior of the country lose their autonomy and are subjected to a new strict centralised system regarding curatorial programing, outreach activities, marketing, acquisitions policies and loans, human resources management and budget. As museums lose their autonomy, they are also stripped of their individual identity and the brand-name that has been created for them over the years, transforming museums into ‘simple exhibition halls’, showcasing artworks from any period and genre interchangeably. Apóstol and González (2013) notice a dampening in the arts in that

[museum] profiles and past achievements were immediately restructured through the apparent grand opening [of the museum circuit] which in fact only homogenised and paralysed [museums] and blocked institutional independence and creative process.

Mirroring other newly branded institutions in a somewhat isomorphic process (DiMaggio and Powell, 1983), the museum field appeared to be subjected not only to homogenisation but also to unnecessary bureaucratisation. Independent curator, Federica Palomero, comments on the added administrative layers and distancing from the decision-making process:

It just multiplies bureaucracy [and] makes people feel even more distant from the decision-making process at the museums. Because there’s no one better than the museum staff itself, which knows the collection, the public, the [museum] profile, to decide what is best for the institution.

(cited in Méndez, 2007)

As part of the FMN initiative, some of Caracas’ museums were forced to house new museums within their already limited premises, such as the Populist Art Museum placed within the Contemporary Art Museum. As museums struggle to make a name and profile for themselves on the cultural horizon, these new associations only confused museums audiences: by linking these new areas within the pre-existing museum spaces, the new administration fails to create a clear identity for the new museum while, at the same time, stripping the established museum of its own unique positioning within Venezuela’s cultural panorama.

Museum workforce

Since the arrival of the Chávez administration in 1999 (and continued by his successor Nicolás Maduro since 2013), trained and experienced museum personnel, including curators, educators, museum directors and senior management, leave or are forced to leave their posts at the various museums across the nation (Esteva-Grillet, 2009). Consequently, museums are replenished with a new wave of museum personnel with little or no experience in promoting the arts. Unwilling to continue previously established curatorial programming, this new personnel aim to reinvent the country’s cultural identity with an array of one-off art initiatives that do very little to attract and secure a faithful museum audience. As a result of these short-lived projects along with an alarmingly fast staff turnover, Venezuela’s museum circuit struggles to solidify its new cultural image and fails to capture a loyal museum-going public. Art professionals fear that without the qualified personnel, with the necessary cultural capital (Bourdieu, 1984; Swartz, 1997; Jenkins, 2002) to interpret the arts for wider audiences, Venezuela’s institutional framework may lose its ability to ‘bridge meaning to the visiting public’ and subsequently narrow the arts to even more elite circles. Lacking the cultural com-
petence that they once had, museums in Venezuela have become empty shells that appear to go against the very nature of the artworld. As explored by Danto (1964) and subsequently Dickie (1974; see also Graves, 2010), art-worthiness lies in the validation from an artworld with the cultural capital to do so, not merely the structural presence of a museum circuit. These art agents or members of the artworld make meaning and mould a taste for art for wider audiences. Without these individuals to contextualise the work culturally, historically and socially, the cultural translation between art and public becomes lost, and the country’s cultural heritage risks becoming ‘meaningless’ for future generations. Unable to bridge these meanings to the public, Venezuela’s institutional framework today fails to provide the tools of art appreciation for new audiences, despite having the physical structure and collections to do so.

Although fine art appreciation may well be an acquired skill, so that “social origins and training” provide us with the tools or symbolic capital to decipher expressions of culture (on Bourdieu in Webb, Schirato and Danaher, 2012: 153), the arts need not be reserved for elite audiences alone. Art appreciation does, however, necessitate individuals with these skills (and the legitimating institutions run by them), to translate the visual arts to wider audiences through educational and curatorial programming and didactic materials (Webb, Schirato and Danaher, 2012: 153), a translation that appears to be lost in Venezuela’s institutional framework as it loses its museum personnel. Despite the government’s efforts to abruptly expand the visual arts to mass-audience consumption, the case of Venezuela reveals that a lack of continuity and cultural know-how to bridge the arts for a broader public leaves the country culturally barren.

Museum curatorial programming and acquisitions policy

My findings reveal how with the arrival of new museum personnel, much of the previously established curatorial and educational programming is replaced by more inclusionist events, such as Mega-collective exhibits and folkloric expressions of culture. As old museum personnel become pigeonholed as ‘elitist’ and ‘bourgeoisie’, their museum practices are swiftly discarded in an effort to bring local museums to the ‘real people of Venezuela’, so that previous curatorial programming felt like a ‘vulgar and subordinate copy’ of the global cultural hubs, essentially emulating European and American structures. Other nations have successfully fostered and exported an autochthonous identity of their local art scen: using Brazil as a clear example of this adoption of an ethnic image (Amaral, 1978; Leite Barbosa, 2008) we notice how this sense of self evolved organically within a cultural and historical context and was subsequently supported across both public and private spheres of the local art mechanism, rather than being ‘forced’ onto the local art scene as we witness in the case of Venezuela.

In a pursuit to ‘include everyone’, Venezuela’s museum structure detaches itself from any relevant distinguishing tools, preferring “monumental collective shows” over individual retrospectives of artists, causing serious “controversies” in the country’s cultural field and essentially going against the very nature of the global art world (Suazo, 2010). Coupled with this newfound inclusionism, these new socially-conscious cultural policies remained too confused or short-lived (many with single editions) to even have any significant impact on the local (much less international) reputation of Venezuelan artists. According to Khan (2013), there has been a deterioration of the previous institutional support mechanism, without a clear vision of how to construct a new structure of legitimation for the arts, so that “Chávez took away the existing model, which, although it had its flaws, was a pattern to follow” without
introducing a suitable and sustainable replacement.

As a consequence of these recent policy changes as well as a loss of museum identity (mentioned above), Venezuela’s institutional framework also loses out on new collections being donated or acquired and subsequently fails to be a relevant point of reference for the local contemporary art scene. Unwilling to distinguish some artists over others (which could be considered an elitist exercise), along with a continued fraught relationship with the private sector (and hence private collectors who may donate to local institutions), local museums risk having a ‘lost decade with no memory’ of its contemporary art scene. No longer the ‘symbolic platforms’ they once were, Venezuela’s museums have left a distinct void in their local value-generating art mechanism.

**Museum audiences**

Clustered together around Caracas’ cultural hub, ‘Museum Plaza’ (see Image 1 and Appendix II) and the nearby theatres, cinemas, libraries and specialist bookshops had attracted audiences from all walks of life. However, socio-political polarisation has translated into an alienation of the traditional museum-going public, whilst at the same time failing to attract new audiences, leaving the museums and cultural areas ‘deserted’ with a palpable “disappearance of the public from the museums’ exhibition halls” (Esteva-Grillet, 2010). Poor curatorship, confusing marketing efforts, and short-sighted outreach programmes, paired with a growing personal insecurity has made ‘Museum plaza’ a no-go area for many of Caracas’ inhabitants. Once ‘natural meeting places’ in the ‘heart’ of the city, ‘Museum Plaza’ is now unwelcoming and dangerous, especially for the middle or upper classes. Art appreciation, as a sociological phenomenon, is by no means automatic and requires careful and continued nurturing by qualified museum professionals to secure a sustainable, loyal and interested museum audience.

**Implications**

Recent changes to Venezuela’s museum framework have left this ‘cog’ operating out of sync with the rest of the mechanism. With a centralisation and subsequent loss of autonomy of local institutions; dismissal of qualified staff and migration of culturally-competent individuals into the private sector; erosion of previous curatorial programming to support a new message of (over) inclusionism; alienating the previous ‘elitist’ public whilst failing to attract new audiences, translates into a deterioration of the country’s institutional framework, as the museum cog is stripped of its ability to confer prestige and value onto the work of contemporary artists. Consequently, we notice how Venezuela’s art mechanism today leans heavily towards the private sector and the financial axis on my art machine chart (Appendix I), where galleries, auction houses and private collectors (also via private foundations) take the lead in legitimising the local art scene. My findings therefore stress the need for an integrated coherence between the working cogs of the art mechanism, and more broadly between private and public support and dissemination for the visual arts. Without this balance, there will be a compromised credibility as value in the arts becomes biased, skewing uncomfortably to either extreme of my art machine’s field of legitimisation. In the case of the Venezuelan market, the fear remains that a privately subsidised art scene may in fact lack the symbolic validation so desirable in the arts. Not merely will a dysfunctional art mechanism jeopardise the credibility of artists, but may also hinder their sustainability in the long term, making them more vulnerable to the fickleness of fluctuating tastes. Thanks also to the Constructivist underpinnings of this paper, my findings also reveal how institutionalism fosters short and
long-term legitimacy, through the continuous co-creation of new social realities triggered by groups and individuals and sedimented via a ‘legitimating apparatus’ (Berger and Luckmann, 1966).

As a direct consequence of recent policy changes in Venezuela, arts consumption - in both symbolic and financial terms – has tapered to even smaller circles. In this case study, we have witnessed an amalgamation of cultural capital sinks deeper into the private sector, a cultural capital that becomes crucial for a broader dissemination of the arts. As a sociological phenomenon, art appreciation is by no means an automatic skill and requires the cultural know-how of art professionals to interpret, register and translate the visual arts narrative to wider audiences. Coupled within this know-how, the artworld necessitates social capital to bridge meanings from locally operated art mechanisms to the global arena. The reality in Venezuela today seems to be that the public sector refuses to invest in the already established art apparatus, breaking the synergy that had been carefully built over the years whilst at the same time failing to create a viable alternative (such as a paternalist Socialist model) of arts consumption and promotion. Going against the very nature of the art machine, with its undeniable interconnectivity, coupled with significant changes to previously established cultural policies, it appears that arts consumption (on symbolic and mercantile terms) is being pushed further into the hands of a shrinking elite.

This research not only enhances our understanding of how an art market operates, but highlights the (innate) vulnerability of this mechanism as we witness a new level of crisis that Venezuela’s local art scene is subjected to. Marketing literature often stresses the importance of macro-level changes on day-to-day operations of local markets and industries. With this in mind, this paper presents a powerful case of how significant changes to a country’s macro-environment (and political environment in particular for the case of Venezuela) have palpably altered the dynamics of the local art market and also reveals how an overt political involvement in the (art) market pushes consumption and dissemination of the arts (or any other industry) further into private hands.

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Appendix I – Working the Art Machine

Unlike previous conceptualisations of the market (Danto, 1964; Becker, 1982; Thompson, 2008; Thornton, 2009; Robertson, 2005; 2011; Stallabras, 2004; Robertson and Chong, 2008; Chong, 2010; Velthuis; 2005), the art machine envisions an interdependent branding mechanism for the arts, where the artist manoeuvres their way through the various cogs, adding to their reputation (symbolic worth) and the price they may demand for their work (financial worth) as they progresses along the two axes. The artist commences this journey into the art world at art school, where an innate creative talent is moulded and contextualised by art educators. Once trained, the artist seeks recognition from a wider audience by having his work interpreted by critics (cog III) and made commercially available by galleries or dealers (cog II), each of which act as key components in the validation process and broader dissemination of the artist and their work. Subsequently, auction houses (cog IV) add significant monetary value to the work sold on the secondary market; whilst at the same time conferring their own reputation onto the artist. Art fairs and events appear to be two-fold in the overall validation process, where fairs satisfy an ever-growing demand for the commodified work; and art events add symbolic value to the work via a panel of judges. Central to these four stages lies the indispensable interlocking cog V: the art collector. Arts consumption (both public and private) generates motion between the interconnecting cogs, which in turn creates value for
the artists within the system. At the pinnacle of the value-creating process lies cog VII – the museum - where the ultimate seal of approval is bestowed upon the artwork and artist.

Appendix II – Caracas’ Cultural Map

Figure 3 Highlighted in red we find the clustering of museums and national galleries in downtown Caracas; in yellow there is a concentration of commercial galleries and art spaces in the commercial district of the city; and in blue new art spaces have been developed as alternative symbolic platforms for the local art scene.
Complementary currencies and alternative local marketplaces

Chairs: Mario Campana & Mikko Laamanen

Session 5d – Thursday 3rd July, 11am

- Alternative currencies: The reinvention of marketing systems for degrowth transitions
  Javier Lloveras, Nikolaos-Foivos Ntounis

- Complementary currencies as incentives for prosocial behavior
  Susan Steed, Daniel Jones, Michael Sanders

- Silk road, onions, and clean money
  Çagri Yalkin, Finola Kerrigan

- Alternative exchange systems: A study of ‘Chamas’ in Kenya
  Fredah G. Mwiti

Session 10d – Friday 4th July, 2pm

- Availability cascades & the sharing economy—a critical outlook at collaborative consumption
  Sarah Netter

- The nature of exchange in time banks: Mapping the territory and identifying the phenomenon
  Carmen Valor, Eleni Papaoikonomou

- Narratives of collaborative consumption movements: Imagining social change
  Mikko Laamanen, Mario Campana, Stefan Wahlen

- Alternative time-based markets and gender: Public policy implications of timebanking in a comparative European context
  Lucía del Moral
Alternative Currencies: The Reinvention of Marketing Systems for Degrowth Transitions

Javier LLoveras, Manchester Metropolitan University, Manchester, the UK
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According to Varey (2010), economic growth has turned into a prevalent, yet inadequate, criterion to gauge the performance of marketing systems to deliver quality of life. Different systems of provision, including marketing systems, are compared against one another with their relative advantages being judged in terms of their capacity to stimulate the highest rates of economic growth. This historical process, which Varey (2010) identifies as the growth paradigm, has shaped the architecture and functioning of contemporary marketing systems. In this regard, Firat and Dholakia (1998) have chronicled the gradual emergence of globalised marketing systems developed for the need to accommodate a constant expansion of production and consumption capacities during the Twentieth Century. Yet in the Twenty-first Century, the possibility of continuing such expansion has come under question due to the unprecedented convergence of ecological and economic constraints that threaten long-term prospects for global economic growth (Bina and La Camera, 2011). To reiterate, the historical development of existing marketing systems reveal that they have been designed to operate under conditions of intense economic growth. Therefore, it is suggested that enduring difficulties to return to the path of economic growth are likely to translate into increasing masses of consumers that are unable to consume, to put it in Bauman’s terms (Bauman, 2001).

According to Varey (2010), these arguments raise intriguing questions for macromarketing scholars that revolve around the issue of how to reorganise existing systems of provision to operate in a degrowth economy. In other words, these critical issues bring to the fore the problem of envisaging marketing systems that are capable to deliver quality of life without economic growth (Varey, 2010). Traditionally, macromarketing work has adopted an institutional view of marketing systems in which the latter are acknowledged as social constructions embedded in, and therefore dependent of, formal and informal institutions (Dixon, 2002). From this institutional perspective, market transformation in the context of sustainability has been addressed by calling for an implementation of greener taxes and regulatory frameworks (e.g. van Dam and Apeldoorn, 1996) or interventions that address cultural institutions such as consumerism (Assadourian, 2010) or materialism (Kilbourne et al., 2009). Nevertheless, recent conceptual developments on market performativity can be drawn upon to enhance our understanding of marketing systems and their transformation (Kjellberg and Helgesson, 2007). By shifting the research focus to market practices, performative approaches conceptualise markets as practical accomplishments, which are enacted in fluid, ever-changing performances, rather than as stabilized or ready-made entities (Araujo, Kjellberg and Spencer, 2008). Moreover, attention is paid to market materiality and the role of market devices as co-participants in market practices (Cochoy, 2008). It is argued that institutional and practice-based approaches to markets are mutually supportive, particularly as the latter can supplement the former by scrutinising the specific practices and devices through which alternative marketing-systems are enacted.

The present work engages with these critical issues by drawing upon the study of market practices to explore the reinvention of marketing systems in context of degrowth. Given the centrality of money in contemporary marketing systems, the empirical focus has
been placed on the role of alternative currency schemes. Broadly defined, the notion of alternative currencies is used here as an umbrella term to define monetary innovations created by communities outside – although not necessarily against - the circuits of national currencies (Blanc, 2011). Whilst alternative currencies have been implemented to pursue a broad diversity of goals, they tend to deployed with the purpose of subverting existing credit relationships that are regarded as oppressive (North, 1999). Within the context of environmental sustainability, alternative currencies are implemented with the aim of achieving a range of degrowth objectives, principally the creation of social capital, localization of economies, valuing non-productive labour, and enabling collaborative consumption to reduce environmental impacts of current life-styles (Seyfang and Longhurst, 2013). Drawing upon Seyfang and Longhurst (2013: p. 65), "the rationale is that money is a socially-constructed institution, so alternative systems of exchange, or financial services provision, can build-in more sustainable incentives and structures than conventional money".

Given these arguments, the aims of this paper are:

1. To undertake a conceptual exploration of the links between market practices, market devices and macromarketing concerns with degrowth through the lenses of alternative currency schemes.

2. To provide a reflexive assessment of the main opportunities and limitations of alternative currency schemes to reinvent marketing systems beyond the growth paradigm.

A discussion of these critical issues will be provided by drawing upon empirical insights from a study undertaken within an alternative currency scheme in the city of Seville (Spain). More specifically, this research involved a six-weeks ethnographic study of a mutual credit system, popularly known as LETs, implemented by a group of degrowth activists in an area of Seville known as El Pumarejo.

References


Complementary currencies as incentives for prosocial behavior

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Several studies have found that financial incentives can be counter productive because they crowd out people’s intrinsic motivation to do a task. In this paper we use a field experiment to look at how people respond to a different type of money - a community currency. We hypothesis that a community currency (such as the Bristol Pound) will be a better incentive to engage in prosocial behavior because the currency is already marketed as being a tool to do something good for your local community. To explore this possibility we recruit participants to do a task for voluntary organisations in Bristol and offered different incentives to complete the task. Participants are randomly assigned to one of five treatment conditions in a 2 (Sterling vs. Bristol Pound) x 2 (Low vs High incentives) between-subjects design (with a control group with no incentives).
SilkRoad, Onions, and Clean Money
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SilkRoad is an illegal market that operates with bitcoins. Its operating principles are the same as eBay’s, from the way exchanges are organized to the way the feedback is given, however, the goods/services sold are completely illegal. The market is only accessible through a safe deep web browser named the Onion Router (TOR). An ongoing online ethnography of the website and regular Internet users’ comments on the topic revealed that alternative markets can be imagined and realized, and they mimic the conventional markets, however, that such markets do not need marketing per se to flourish.

Introduction

The modern market has been envisioned as the means whereby all kinship and feudal obligations would be removed for the modern individual (Firat and Tadajewski 2010). The creation of a single, universally accepted currency was encouraged by orthodox economic theory to render marketplace exchanges easier (Tibbett 1997). There is, however, a diverse set of alternative currencies within our knowledge since the beginning of the modern era (Tibbett 1997). Prior to the invention of bitcoin, the virtual alternative currency, the types of bodies that created alternative currencies included local governments, a group of citizens, employers, shopkeepers, business people, welfare services, and charities. The common property of these alternative currencies is that they aim to overcome the inadequacies of official currencies and official modes of transactions within modern markets. For example, Local Exchange Trading Systems (LETS) schemes, which were as many as 270 in 1995 in England and Ireland, also existed across the world in addition to paper-based alternative currency systems such as Ithaca Hours.

Literature Review

Alternative Currencies

Alternative currencies have been recorded since the beginning of modernity. Tibbett (1997) suggested listing them under four main categories: “non-monetary substitutes such as tobacco, playing cards, or postage stamps; note issues, of which there are many different types; barter schemes such as the New Zealand Commercial Exchange Company (1898-1904) or present day LETS; and banking schemes such as the Wirtschaftsring (WIR) in Switzerland or Jord-Arbete-Kapital (JAK) in Scandinavia. Some are purely nominal or fiduciary, others are based around precious metals, backed by an official reserve, or backed by a commodity standard” (p.128).

Such currencies have generally been associated with positive alternatives to the use of money and the current economic system, through which especially subsistence economies can keep their exchanges going. Such currencies are “virtual” (Boyle 1999) in the sense that they do not exist. “Despite the misgivings of governments, community currencies are not generally created as a direct challenge to conventional money. Rather, they are usually adopted as a complementary system to plug the gaps where mainstream money fails to meet needs. They may serve economic, social, environmental, and ethical objectives by encouraging dif-
ifferent consumption and production patterns and fostering local trade, and by re-valuing work, wealth, and labour in a more equitable fashion” (Seyfang 2001, p.61). Such community currencies “have a primary purpose of enabling communities to trade goods and services among themselves, without the need for scarce cash” (Seyfang 2001, p.61).

**Bitcoin**

Bitcoin, as an alternative currency, was devised to ensure security in transactions on the Internet and to ensure market exchanges in a secure and anonymous environment (see Nakamoto 2008). It is a digital, decentralized, partially anonymous currency that is not backed up by any government or entity. It is not redeemable for any other commodity or gold. Law academics argue that such qualities make Bitcoin a potent weapon in the wrong hands, and deem it a threat to the Western world (e.g. Twomey 2013).

Completing marketplace exchanges using bitcoins is only possible through peer-to-peer networking and cryptography. Although bitcoin was thought to be the solution to the gaps in trust in the regular monetary exchanges on the Internet (Nakamoto, Consulted, 2008), alternative markets have been developed that use bitcoins as the currency to buy and sell illegal products and services. One example of such a marketplace is called the Silk Road. SilkRoad is accessible only through the browser TOR (The Onion Router). TOR is a browser developed (ironically) by the US government to aid security and anonymity of undercover agents and foreign officers (TOR 2011). Browsing on TOR is quite unlike browsing on the “regular Internet”: for starters, instead of www one starts browsing with onion.

Silk Road has been identified and defined as an online drug market that operates based on the principles of ebay (Barratt 2012, Van Hout and Bingham 2013), with the exception that the transactions are made in non-traceable bitcoins rather than through paypal and other methods regularly used on “legal” online markets such as amazon, ebay, itunes, etc. However, with time, Silk Road has evolved into a parallel-Internet based mini-capitalist market: Items for selling and bidding include clean slate money (for example, 500 clean cache Euros for 700 dollars), stolen art, stolen or imitation jewelry, rare books, hacked accounts for various platforms ranging from Netflix to iTunes. The most valuable possession on Silk Road, apart from the bitcoins, is the reputation of being safe and discreet. If even one user is not careful or well-versed enough about such platforms and advanced Internet security knowledge, they run the risk of exposing the other users.

SilkRoad is being widely discussed by a diverse set of consumers, ranging from those who actually use the deep web or are curious about what goes on in the deep web to lawyers and government officials. It has slowly become an everyday phenomenon, with Penguin publishing house signing a deal to publish a book about it: “Global publisher Penguin Random House has signed a deal to publish a book about bitcoin and Silk Road next year. Penned by Brian Patrick Eha, *Walking the Silk Road* will attempt to explore Silk Road at its core and the wider impact of bitcoin’s growth on the global economy.” (Lee 2014).

**How Does Bitcoin Work**

**Normal Markets**

“Market systems are made up of firms and their channel members, competitors, regulatory and policy bodies, and the vagaries of consumers” (Mittelstaedt, Kilbourne, and Mit-
telstaedt 2006, p.134). The market system on the deep web, as based on the preliminary findings above, mimics the market system as we know it: it has firms (vendors), channel members (web-site owners and administrators), competitors (vendors from alternative web-sites), regulatory and policy bodies (the actions of consumers and vendors themselves constitute the regulatory practices), and consumers. Therefore, the deep-web also operates on market system logic, except the actors and their roles are varying, and in some instances, are substitutes for one another. Overall, an alternative currency becomes a common object/agent that organizes and re-organizes the illegal market into one that mimics the legal markets. Hence, outside of the market, there is a market, and the principles with which it operates are no different from the legal markets. This renders the entire idea of alternatives to markets as we know it just a platform where the exact marketplace activities are carried out except with the difference in currency. Neo-liberalism, then, is a culture that does not allow the consumer imagination to create alternatives to its principles and tools. The irony, however, lies in that marketing, “the institutionalization of practices through which market exchanges are organized and executed as imagined in a modern culture” (Firat 2012), is absent from the realm of this market. This absence, overall, hints at the possibility that alternative markets may be produced and reproduced outside of the market as we know, however, such markets are not necessarily reinforced and expanded by marketing.

Furthermore, although SilkRoad is an illegal market, what keeps the market going, in other words its currency apart from bitcoin, is “trust”. Trust has been treated as a problematic concept in regular markets (Sichtmann 2007; Vlachos & Tsamakos, 2011), owing to a number of issues including, but not limited to the disagreement on the definition of trust (see Elliott and Yannopoulou 2008) and to issues such as disproportionate power distribution between corporations vs. consumers (see Laczniaik and Santos 2010), transparency (Kang and Husdvedt 2013), ethical businesses (Leonidou et al. 2013), sustainability issues (Laczniak and Murphy 2008). Trust can be defined as a person’s willingness to be dependent on another party in the belief that the party will not intentionally disappoint them (Deutsch 1958). Similarly, Dwyer and Oh (1987) suggest that trust refers to a party’s expectation that another desires coordination, will fulfill its obligations, and will pull its weight in the relationship.

**Aim of the study**

The previous studies on Silk Road focused on user experiences of both vendors and consumers (Hout and Bingham 2013a, Hout and Bingham 2013b). The overall mechanism with which the market operates and how similar/dissimilar it is to markets as we know it and what it can teach us about the possible existence of markets outside of the current market system remains understudied, and will be the focus of this study. Hence, the aim is not to study alternative currencies per se, but to study this deep web market system that uses bitcoins.

**Method**

This study employs two different interpretive methods. Netnography (see Kozinets 2002) and in-depth interviews (see Denzin and Lincoln 2005) were both employed so that triangulation of data was possible and differing views by differing parties could be obtained regarding SilkRoad. Kozinets (2010) indicates that netnography is suitable to study issues such as identity, social relations, learning, communications and creativity. The netnography included reading and interpreting entries on the popular tech savvy web-sites such as Wired. In addition, 3 Internet security consultants were contacted, using convenience sampling and
interviewed in-depth to understand the critical issues as perceived by individuals who were knowledgeable about the Internet, privacy laws, the deep web, and security issues as perceived by banks and the governments. The consultants’ positions in the organizations they worked ranged from chief information officer for a major global bank to consultant for online fraud division of a European country.

Netnography was carried out both on SilkRoad and on the regular Internet web-sites. On SilkRoad, users actions were studied through their interaction with each other regarding the goods for sale and through the feedback they provided for vendors. On the regular Internet, the hype around the deep web and SilkRoad in particular were studied on several web-sites. The web-sites chosen for conducting online ethnography on the regular Internet were diverse, so as to reflect a diverse set of consumers’ thoughts about the phenomenon.

Data Analysis

Data were analysed using a hermeneutic approach (e.g. Thompson, 1997). As suggested by Thompson et al. (1989), inferences were based on the entire data set, based on iteration. Once final themes were agreed, each transcript was re-examined for this write-up. The quotes extracted have not been attached a pseudonym. The excerpts reported below were chosen because they best represented the themes in the most parsimonious way. Again, the purpose of this abstract is to report preliminary insights, not to draw clear-cut conclusions.

Preliminary Findings

Shift of Power

Some of the consumers and security professionals are of the view that such a deep-web market challenges both the status-quo asymmetrical power of the vendors/corporations that are found in regular online and offline markets and the power of the government(s):

“this isn’t about money laundering, this is about the governments realizing they do not have the power to organize this shit... loss of authority, you know. I mean ok it is about laundering the money but the stakes are not limited to money...” (interview 1)

“if you think about it... if this place is not even legal and they cannot detect it, who cares what happens there.” (netnography 2)

“it is just like ebay but just illegal. What more would you want? No meeting spots, calling your guys. Order your drugs online and the system they have already makes sure you get good quality stuff and if you get bad stuff you can just post a bad review. It’s not like a dealer you only deal

The familiar discourse around hacker culture and the deep web also formed around SilkRoad. While some consumers view it as a challenge to the monopoly of the power the states have in organizing the (financial and otherwise) markets, others see it as scam predominantly because 1) drugs are sold 2) bitcoins are seen as money laundering regardless whether bitcoin users engage in money laundering or not. Some SilkRoad users do contribute to money laundering by selling clean-cashed money, but others only buy and sell illicit goods such as drugs, hence, technically, not laundering any money directly. Such discussions around SilkRoad and Bitcoin echo the dichotomy of alternative markets as heroes versus villains.
Trust

One of the key issues addressed by informants seems to be trust. Although in non-illegal marketplaces trust becomes more of an issue between corporations and consumers, in the illegal marketplace it becomes an issue among consumers:

“of course you have to trust people, you don’t trust them like you trust your friends but you trust that they don’t wanna get caught and for that reason they are not gonna give you away” (netnography 8)

“I’d never risk it. It only takes one to put everyone else in jail” (interview 2)

As security is a central concern, the participants of SilkRoad and users of Bitcoin are also unsure of the sustainability of carrying their “wealth” in bitcoins rather than in traditional currencies

“I prefer 500 dollars today than any bitcoins tomorrow” (netnography 5)

“you and everyone else. You have equal risk. You can buy or sell but the risk is the same, either you are busted or not” (netnography 11)

It must be noted that some consumers who claim to be non-users of SilkRoad are following the updates on SilkRoad, generating tweets about it, and reading and writing comments about it on various web-sites. The common sentiment among such consumers is that of a hesitant desire to participate in this market. They are constantly debating whether they are missing investment and money-making opportunities by not taking part on the deep web sites such as SilkRoad and others.

The (preliminary) differences found between the traditional (online and offline) markets and deep-web markets can be summarized as follows:

Nature of relationship between consumers

In traditional markets, the nature of relationship between consumers is almost (always mediated) by firms and brands. The reason d’etre of their encounters are based on consuming a brand. On deep-web markets, the consumers themselves and the consumers and producers interact based on the notion of trust. The reason d’etre of their encounters are based on avoiding the law.

The definitions of trust highlighted in the literature review above echo SilkRoad users and consultants’ views on the key dynamic of this online illegal market. Trust on SilkRoad, however, is purely between individual actors operating in the marketplace. The vendors and the buyers do not only have to trust the SilkRoad admin, but more importantly, they need to cultivate trust among themselves in order to ensure remaining anonymous and “safe” from being prosecuted echoing both Gulati’s (1995) definition of trust as an expectation that alleviates the fear that one’s partner will act opportunistically. Hence, the kinship and feudal dues and bonds that were envisioned to be removed by the modern markets (Firat and Tadajewski 2010) re-emerge in different formats. The ties are no longer familial or feudal, but another form of tie as necessitated by trust is formed between illegal markets users. This
differs from brand communities in the sense that the main concern for the consumers here is being safe from prosecution. It does not have the community problem-solving ethos found in brand communities (Muniz & O’Guinn 2001) as helping with a prosecution problem would imply being prosecuted oneself. Rather, this bond has a “problem avoiding” focus, therefore, it is in anticipation of “a fundamental condition of trust is that it must be possible for the partner to abuse the trust and that the partner must have a considerable interest in doing so” (Luhmann, 1979, p. 24), but unlike Luhmann’s (1979) conceptualization of trust, it does not rest on familiarity.

**Nature of Goods for Offer**

In traditional markets, all offers that are regulated are either legal or are made to seem like legal. On the deep-web markets, apart from some items such as secondhand clothes and jewelry, almost all the goods on offer are “illegal” (drugs, clean cached money, stolen accounts, etc.).

**Branding**

Branding on the regular markets is achieved through marketing. Branding on the deep-web markets is achieved based on trustworthiness.

**Regulation**

The conventional markets are regulated (somewhat) by law. Deep-web markets are “regulated” by buyers (consumers) and vendors (producers). Ironically, deregulation, championed by free-market proponents, automatically occurs on the deep-web markets.

Referring to Thompson and Coskuner-Balli’s (2007) study in which community supported agriculture’s “ideology and constellation of marketplace-consumption practices sufficiently diverge from the disembedding modalities of corporate global capitalism so that they can credibly believe that it is redressing some of the ecological and socioeconomic problems fostered by economic globalization” (p.150) we see that yet another alternative marketplace, also diverges from the modalities of corporate (global) capitalism, however, that, the data so far does not permit us to elaborate on whether (although it was intended to) this alternative market system redresses problems fostered by the current (offline and legal) market system.

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This paper considers alternative forms of exchange revealed through communal activities enacted in a non-market setting, Chama. Chamas are similar to the collectives commonly known as Rotating Savings and Credit Associations (ROSCAs). By using this context, the study addresses calls in marketing and consumer studies to explore other ways that exchange is enacted outside the marketplace (Weinberger and Wallendorf, 2012). The paper presents findings from an ethnographic study, and reveals how alternative forms of exchange are used as avenues to address (and at time exacerbate) resource constraint, accumulate and display various forms of capital (social, symbolic, economic) as well as to simply share. The results also reveal that engaging in ‘alternative’ forms of exchange does not necessarily preclude the employment of market exchange logics and resources, and that the dualities often contrasted as market versus moral systems (e.g. Kozinets, 2002) may in fact be merged and blurred in such contexts.

Introduction and Background to Chamas

This section starts by describing the general characteristics associated with Chamas, or more generally, Rotating Savings and Credit Associations (ROSCAs). To clarify, in this study the term ROSCA is employed as a generic term that applies to the rotating saving schemes around the world, while ‘Chama’ is used to depict similar schemes specific to Kenya.

Rotating Savings and Credit Associations are largely viewed as informal groups formed by participants primarily to save and access credit, and are therefore considered as a complement to market failures (Kimuyu, 1999). ROSCAs have also been associated with social benefits, such as providing women with the opportunities to socialize (Johnson 2004). ROSCAs are prevalent in many parts of the world, but they are more prevalent in societies that are characterized by strong kinship networks and communal identification (Biggart, 2001). This is because ROSCA activities involve cooperative effort, and so societies that have a more communal orientation would be more accustomed to collaborations in other aspects of their life, and hence more receptive to the ROSCA principles.

ROSCAs are formed voluntarily by participants who come together on the basis of friendship, shared interests, ethnic affiliations, similar occupations, locality or other shared aspects that enable them to coalesce as a collective (Ardener, 1964). An important aspect of ROSCAs, therefore, is that they hinge on pre-existing relationships among members who form them, and continued future interactions to sustain them (Chiteji, 2002). Biggart (2001)
also notes that shared difficulties (such as the effects of poverty) can bring people together to form such groups. In fact, ROSCAs have been associated with the poor, acting as sources of credit for those locked out of the formal financial market, and as avenues for them to accumulate resources that they would not otherwise accumulate individually (Kimuyu, 1999).

ROSCAs work through a system where each member of the group contributes an agreed amount of money on a regular basis, with the expectation of receiving a lump sum amount at the end of a given period (Johnson, 2004). The pool accumulated is distributed to participants in rotation, based on pre-agreed conventions on the order of the rotation (ibid). For example, if four people form a group and decide that each one has to contribute £10 per month, the total £40 collected is given to one member for that month, and then to the next member in the subsequent month and so on. This rotation continues until all members have had a turn to receive £40, after which the group decides whether to continue with the rotations or stop the process. For a resource constrained participant this accumulated pool would enable them to purchase durable consumables (Kimuyu, 1999) or pay for lump sum expenses that they would not have been able to purchase with their single £10 at that particular time. This also means that at a given point in time during the rotation, individuals could either be owed, or owe others money, which in a way keeps them bonded. Some groups continue with these activities for years, and also engage in other activities as part of the ROSCA participation as well.

ROSCA activities are usually administered and regulated through elected officials, and use mechanisms such as record keeping (Ardener, 1964), lists of rules and regulations (Ardener 1995), and even written constitutions (Ardener, 1964). Such market-like contracts, however, do not always guarantee that everyone honours their obligations (such as continued contributions towards the pool). Research shows that ROSCAs also rely on social sanctions to regulate activities and to elicit compliance from participants (Elster, 1989). For example, Johnson’s (2004) study of ROSCAs in rural Kenya reveals that the fear of embarrassment or acquiring the reputation of a ‘defaulter’ guarantees that participants pay up their dues, hence acting as an effective social sanction.

In Kenya, the ROSCAs (hereafter referred to as Chama) also bear similar characteristics to those discussed above. More specifically however, the term Chama is often associated not only with the pooling of money, but also a sense of community, social support and socialization. This term is therefore preferred because by using it the underlying economic connotations that the term ‘ROSCA’ embodies (e.g. Ardener, 1964; Elster 1989; Kimuyu, 1999; Biggart, 2001; Gugerty, 2007) are avoided. Furthermore, the term Chama contextualizes the study specifically to Kenya. This is consistent with other scholars, who have identified the different names used to depict ROSCAs in different countries, such as ‘Kameti’ in India, ‘Esusu’ in West Africa (Ardener 1964) or ‘gün’ in Turkey (Eroğlu, 2010).

Generally women form the bulk of Chama participants in Kenya, as demonstrated in a study in rural Kenya in which 65.7 per cent of participants were shown to be women, compared to 30.3 per cent of men (Johnson, 2004). Some scholars have attributed the larger number of females in Chamas to the patrilineal nature of the communities they live in, where inheritance and ownership arrangements are often biased against women (Kimuyu, 1999). As such, these women are usually disadvantaged in terms of access to lump-sum financial resources offered by banks and other lenders, who normally require collateral - in the form of property rights - to extend such credit to them (Johnson, 2004). Having no such rights, these women hence participate in Chama to access informal credit without being subjected to the
formal processes common with commercial lending institutions. Other than access to credit however, studies in Kenya demonstrate that Chamas serve social roles as well, as platforms to gain certain social skills and enact social roles (Johnson, 2004). The Chama context can therefore be considered an arena in which various resources are exchanged, and hence an appropriate context to illuminate various forms of exchange. The next section reviews some of the literature focusing on exchange forms.

**Forms of Exchange**

The concept of ‘exchange’ has received increased attention in the marketing and consumer research, although it is largely associated with transactions of an economic nature, mainly enacted in market contexts (e.g. Belk, 2010). In the sociological literature however, the notion of exchange includes social (non-economic) types of exchange enacted outside the confines of the market (e.g. Blau, 1964; Ekeh, 1974). Because social exchange is in many cases considered an alternative to economic exchange, some scholars view these two forms of exchange as dualities that often are opposed to each other, and hence consider the merging of economic (market) and social (moral) forms of exchange akin to profaning the sacred (e.g. Belk et al, 1989; Canniford and Shankar, 2013).

A relatively small number of scholars have however challenged such dichotomized views, revealing more divergent approaches to viewing exchanges (e.g. Biggart and Delbridge, 2004). Miller (2001) for example questions the depiction of certain contexts as being only associated with either economic or social forms of exchange, and argues that either of the contexts (market or non-market) could exhibit exchange norms (and forms) not necessarily associated with them. For example it is possible to observe social exchange occurring within market contexts where economic activity prevails (Granovetter, 1985), or to engage in economic-like transactions in settings that are associated with social exchange, such as gift-giving occasions among friends or family (Miller, 2001).

Biggart and Delbridge (2004) have also broadened the view of exchanges that occur in economic systems to go beyond economic or non-economic dualities. In their model, they demonstrate that exchanges are organized around motives that could either be instrumental or substantive, or around relations that people (or entities) have with one another, which makes them behave either in an impersonal or particularistic way towards one another. By mapping these variables, Biggart and Delbridge (ibid) suggest that four systems of exchange emerge including: price (market) systems (denoting instrumental motives and impersonal behaviour between actors), associative systems (denoting exchanges based on alliances or associations formed for the purpose of mutual support and long term economic benefits); moral systems (where actors have no personal relations but pursue substantive motives, such as philanthropy) and communal systems (where actors have personal relations and pursue substantive benefits).

These ideas are drawn upon in the current study to explore the pervasiveness of exchange forms occurring within a context in which both economic and non-economic exchanges are performed co-currently. However whereas these previous studies consider the different exchange forms occurring under different and discrete exchange arenas (such as the market, in families etc), in this study the context (Chama) used is not confined within either economic or social categories, but rather considered as negotiated and constituted in different ways by participants in the course of exchange enactment. This paper therefore sets out to
establish what forms of exchange emerge in such a context, the resources that circulate there and the varied tensions that emerge in the course of these exchanges.

Methodology

Research Setting, Sample and Data Collection

The research was guided by an interpretive philosophy, which generally considers the (social) world as created by people (Hudson and Ozanne 1988; Brewer, 2000). In order to achieve the aims of the research therefore it was deemed necessary to employ an interpretive ethnographic epistemological approach, which enables a deeper understanding of phenomena through the lens of the informants (Lofland and Lofland, 1984; Hammersley, 1992; Denzin, 1997; Lofland et al., 2006; Hammersley and Atkinson, 2007).

The research was undertaken in Nairobi, the largest city in Kenya with a population of about 3 million people (Kenya National Bureau of Statistics, 2009). The study was conducted for five months, spread over a period of 2 years (2 months in 2010 and 3 months in 2011). Ten different Chamas were visited and 39 interviews (including individual and group, formal and informal, face-to-face and telephone) conducted over a period of five months. Three different contexts (affluent and mid-level neighbourhoods, and the slum) were used to allow for a diverse sample, generating varied insights typical within each of the contexts.

In terms of the actual data collection, ethnographic methods like observations, interviews and artifact analysis were employed. To start the process, the researcher first recruited participants that belonged to Chamas, and asked them to seek consent from the rest of their members for the researcher to attend their Chama meetings and record the proceedings. During the actual meetings, the researcher would ask one of the participants to sign a consent form, upon observation and note-taking was done. Sometimes when consent was given, mechanical devices were employed during these meetings. Data from these devices included photographs, audio recordings, or videotape/film (Arnould and Wallendorf, 1994). Participants would be given assurances given that their identities and the real names (or of their Chamas) would be concealed.

Verbal data was gathered through unstructured interviews with individual participants, although in some cases group interviews were conducted with willing participants. In addition data collection included artifacts analysis, which entailed analysing documents such as the agenda and minutes used in Chama meetings, the constitutions developed by groups to guide their activities, books used to record financial transactions, bank statements for groups with communal accounts and registration certificates given to groups upon official registration with the government. In total about 294 pages of (single spaced) transcribed data and 207 photographs were generated. The data were then uploaded to a qualitative analysis software package, Atlas.ti, and coding and analysis commenced.

Data was analyzed continually as it was collected, as is a common practice with the emergent design of a humanistic ethnography (Brewer, 2000; Belk et al., 2008). An iterative process was therefore adopted in which emergent themes were identified and categorized based on the data (Strauss et al., 1969; Sherry 1990; Wallendorf and Belk 1989) as well as drawing on the literature being consulted at the time. In order to increase data validity and credibility (Lincoln & Guba, 1985; Maxwell, 1996; Merriam, 1998), in this study the procedures that were used included triangulation, informant validation and peer reviews.
Findings

The findings section is organized by a framework (see Figure 1) that maps different kinds of goals and motives that emerged from the findings as important for Chama participation. The results from the data collected revealed that Chama participants pursued both instrumental and substantive goals, similar to those suggested by Biggart and Delbridge (2004). In addition, the results also showed that even while Chama participants have close relations, they exhibited differences in their exchange logics based on the interests that drove their actions, either displaying significant degrees of self interest in some circumstances, or conversely acting with the interest of others (or the group) in mind, sometimes at the expense of their own interests. The framework used here therefore maps the exchange partners’ basis for action (instrumental versus substantive goals) against goal directedness (self-directed versus group directed). This reveals four different exchange forms which have been named: associative egotism; associative affiliation; individualized altruism and communal sharing. In this study it was also evident that the different exchange norms that are drawn upon by the participants in the course of their interactions may at times conflict and this has been included in the framework (Figure 1 below) as ‘tensions’.

The next sections elaborate on these exchange forms and tensions in more detail.

The Associative Egotism Form of Exchange

The term ‘associative’ is used in this study in keeping with Swedberg’s (1998) definition of “rational agreements, typically involving interests” (p. 33). The associative egotism form of exchange bears similar features to market exchange forms which are characterized by a quid pro quo mentality and attempts to achieve balanced reciprocity over a short period of time (Bagozzi 1975). This exchange form is therefore most similar to Biggart and Delbridge’s (ibid) ‘price system’ where relations between strangers are characterized by rational
norms, and the pursuit of instrumental benefits. In this study, these norms were most prevalent in one of the activities that the Chama participants engaged in, hereafter referred to as the ‘merry-go-round’.

The ‘merry-go-round’ activity observed with Chama participants is similar to the rotational savings activity discussed in the previous section on ROSCAs, where participants normally contribute certain amounts of money (or material items) at specific times, and receive back the total amounts of what they contribute over time at a later date through a rotational process. The findings reveal that with Chama participants, norms of balanced reciprocity and the pursuit of utilitarian self-directed goals prevailed. So strict were the rules about adhering to these norms, that failure to reciprocate (through continued contribution even after one had received their contribution share) incurred fines and other sanctions that guaranteed that the exchanges between participants were balanced. This also ensured that none of the other participants incurred any financial or material losses. Accumulating one’s savings with fellow participants was especially beneficial to slum participants as it enabled them to buy lumpy durables which they would not be able to save up for and purchase on their own. Some of the slum participants for instance revealed how they used these funds to accumulate household utensils that enabled them to entertain guests especially during important cultural events like funerals. Furthermore, some of the items (like a colour TV) were especially valued in the slum for the prestige it afforded the owners, and were often displayed as a central item in their huts for visitors to see, as shown below:

Exhibit 1: Colour TV in the Slum

In some other instances, members of the Chama would buy food items for one another in rotation, rather than giving cash. With one slum group for instance, the norms of reciprocity were enforced by agreeing in advance the specific products (and brands) to be exchanged, as revealed below:

*We prefer to buy sugar for one another because it’s easier to buy the same type [meaning brand]. With other items like maize flour it is difficult to tell the different qualities as people tend to mill their flour in different milling shops. But with sugar everyone must buy ‘Mumias’ Sugar [a local brand perceived to be of high quality]. You cannot buy another local type and take to someone and yet they had brought you the ‘Mumias’ type. [Slum Chama: Interview]*

The requirements to match quality (brands) and quantities or indeed to get back the
exact amount contributed denote associative egotism, where balanced reciprocity and quid-pro-quo type of interactions prevail. These stipulations notwithstanding, some of the participants appreciated receiving several kilograms of sugar at a go as it enabled them to share some of it with their extended family members who could barely afford to buy it. Others however saw the stipulations to buy the more expensive brand as unnecessarily, as was revealed by one participant who likened it to wearing an ill-fitting shoe that pinched her every time she walked. As a resource constrained consumer such peer pressure from Chama therefore exacerbates her vulnerability.

Other tensions that were reported were due to some of the members exhibiting extreme self-centeredness, and pursuing individual gains at the expense of others. Some slum participants for instance reported how they had helped others buy household items (such as a TV), only for these members to stop making subsequent payments to Chama. Such malpractices often caused financial losses, loss of trust among group members and the breakup of groups.

**The Associative Affiliation Form of Exchange**

Just as with associative egotism, associative affiliation also revolves around the pursuit of instrumental goals, although these are geared towards benefitting other members or the group as a whole. One of the activities that Chama participants engaged in entailed pooling funds together to invest in commercially viable ventures. This activity is hereafter referred to as communal investment.

Groups that engaged in communal investments often asked their members to save certain amounts with the group for a certain period of time. Unlike the merry-go-round activity where the funds accumulated were given back to one member after a short period, with communal investing participants were discouraged from withdrawing their savings to pursue personal goals. This was in order to enable the group to accumulate enough funds for investment in ventures such as buying land, investing in shares or even in communal enterprises. Some of the groups also made money by encouraging (and sometimes putting pressure on) members to take loans from their (and others’) savings and pay back with interest. Such forms of exchange had clear benefits in that members were able to pool resources together (including finances, skills efforts) to run viable enterprises, as illustrated below:

**Informant:** *In my former group we were fellow businesswomen, and we worked together as basket weavers. We would then sell the baskets weaved and share the money.*

**Interviewer:** *Where would you weave the baskets from?*

**Informant:** *From one of the member’s house. We would all sit outside on the veranda and weave together all day. We would then send the younger members to Namanga (a town bordering Kenya and Tanzania) to sell them to the tourists there.*

**Interviewer:** *So why did you leave the group?*

**Informant:** *My eyesight deteriorated and I could not weave the baskets as fast as everyone else, and so I decided to leave the group to be fair to those weaving faster than me.*  [Former member of a mid-level Chama: Interview]
This discussion reveals participants leveraging and integrating one another’s resources such as space (the Chairlady’s veranda), social capital (the company of weaving together), weaving skills and physical resources (such as the young people’s agility). A number of scholars in marketing and consumer studies have demonstrated the value of integrating resources (e.g. Harris and Baron, 2008) especially under resource constraint (e.g. Piacentini et al., 2013). However these studies do not focus much on the implication of inequitable resources among the actors involved, as is the case here. Furthermore this study shows the implications of the loss of one type of resource (eyesight), which consequently leads to the loss of others as well (financial - as well as social resources in terms of the company that is lost when she leaves the group).

Participants from the affluent groups also revealed that they engaged in saving and borrowing activities. However for them borrowing from and saving with the group offered much less benefit as they had access to better alternatives from the market, unlike the slum participants to whom these alternatives were not so accessible. For the affluent participants therefore, saving with and borrowing from the Chama was often a cause of tension as they could get more substantial loans and earn higher interests from their savings with banks, but at the same time they had to save with the Chama as it was part of the activities that promoted group interests.

The Individualized Altruism Form of Exchange

This exchange form emerges by mapping self-directed goals with substantive ones, and is therefore depicted through activities driven by individuals pursuing substantive goals that bring them self-satisfaction and benefit others as well. Caillé (2005) has similarly suggested the notion of ‘altruistic egoists’ denoting individuals who get satisfaction through satisfying others (p.4). In Biggart and Delbridge’s (2004) model similar forms of exchanges are discussed under the moral exchange system. However this study focuses on the altruistic activities of individuals rather than organizations as is the case with Biggart and Delbridge (ibid).

In the study this form of exchange was revealed through a participant whose goal was to provide mentoring services to young adults. This was based on her personal convictions that young adults need proper guidance in order to live more meaningful lives. In order to achieve this, she informed the group of her desire to mentor all their mature children (above 18 years) in a session that was to be held at her house at a later date. She then requested all members of the group to each contribute a certain amount of money as an indication that they were committed to supporting their children to attend the session, and also to enable her to buy food and drinks for the event. From the interview held with her after the event, it appeared that she had derived personal satisfaction through the positive impact that the initiative has on the young adults:

Informant: I showed them a documentary on STDs and AIDS, and we then analyzed it together. They were watching it so keenly. I was looking at some of them; they were watching with tears in their eyes. But they were happy. They told me they would be inviting me to their functions in future (to give similar sessions).
Interviewer: Did their mothers contribute towards this?

Informant: Yes, they each paid 400 Shillings, which is really nothing. That’s nothing. It was a bit expensive eh. even though they paid. But I just decided, I will sacrifice
(meaning top up with her own funds) so that the youngsters enjoy themselves. I got a lot of satisfaction from it. [Affluent Chama: Interview]

The notion of ‘altruistic egoists’ suggested by Caillé (2005) emerges here in that the participant gets some personal gains - for example from the subsequent invitations she receives which gives her pride in a job well done (symbolic capital). She also gets satisfaction from doing something that adds some value to the participants’ children’s lives.

While such altruistic initiatives add value to both the givers and the recipients, it also emerged that it was not always beneficial to all actors. One participant from a slum group for instance related how an official from her group had used her savings to help an outsider who was in dire need. Although the official in this case did help the outsider (altruism), the loss incurred by the member whose savings were used up (and never repaid) caused rifts in the group and eventual breakup of the group. This brings to the fore wider debates around the notion of ‘altruism’ especially when different actors with different interests are implicated.

**The Communal Sharing Form of Exchange**

The final form of exchange (communal sharing) is best encapsulated in the quote below:

*For me Chama has more to do with getting to socialize, meet other women, my kids meet other children, we are happy, we laugh, we go home.* [Affluent Chama: Interview]

The quote above illustrates interaction for interaction sake, (autotelic interactions - Holt, 1995: 9), which denotes the communal sharing ethos sometimes employed in Chamas. Communal sharing emerges when substantive goals are pursued and the interests of other members (and the group in general) are also privileged. This form of exchange shares quite similar characteristics to Fiske’s (1992) communal sharing type of exchange, or Biggart and Delbridge’s (2004) communal system.

Groups that considered themselves as operating largely within exchange form would often make overt efforts to demonstrate their communal ethos across all activities, reconfiguring activities that overtly exhibited norms such as balanced reciprocity or instrumentalism to reflect norms associated with love, gift-giving, mutual support and community. One affluent group for instance related how they had done away with fines that were often levied on participants who failed to attend meetings, because in their view, this was deemed too punitive and inconsistent with the communal sharing ethos. For others, the communal ethos was best depicted through offering support to other members during difficult times, such as financial and emotional support to bereaved members.

Communal sharing forms of exchange were also observed through the communing activity, in which participants entertained other members during Chama meetings. Entertainment was often in the form of feasting as well as singing and dancing. For these participants, entertaining seemed to be valued more for the prestige it afforded the hosts (especially from the affluent groups), who would go out of their way to lay out a feast to impress others without much regard for the cost implications. For others, entertaining offered an opportunity to learn from one another and to exchange ideas. One participant for example revealed how the communing activity enabled her to accumulate cultural resources:
In fact another thing I really learnt was simple ... the way you ... what you use ... the cutlery, the crockery, the silverware... you know, if you don’t get in touch with other people, you use the normal soup plate, I don’t know, but each time I attended the meetings, I saw somebody had this type of glass for this, this tray for that ... of course you don’t say you learn, but I learnt very quietly, you observe.[Affluent Chama: Interview]

During a Chama meeting hosted by the informant cited above, it appeared that she had accrued the requisite cultural capital (competence) to enact the entertainment activity, demonstrated in the way that the food was served and the objects (like serving dishes) used as illustrated, in the Exhibit 2.

Exhibit 2: Entertaining in an Affluent Chama

From these findings, it is evident that the importance of engaging in Chama activities transcends the economic benefits that participants get, but also provides a chance to be part of a community and enact roles that are valued in that community. The comment below best encapsulates what Chama means for these women:

I don’t know any woman who does not belong to a Chama; such a woman is abnormal!
[Slum Chama: Interview]

Conclusions and Implications

This paper has used Chama as a platform to illuminate the different forms of exchange that occur outside the traditional ‘marketplace’, and that have implications on social development, resource integration and the meaning of community. The study has also illuminated different types of resources not usually associated with the market (including cultural, symbolic and social) circulating in these contexts and being used to mediate different exchanges. However even while these exchanges occur outside the confines of ‘the market’, and are sometimes enacted to compensate for market failures (Kimuyu, 1999), it has emerged that participants still draw on market-like exchange logics and resources, and the market still remains a relevant point of reference from which they cannot totally escape (Kozinet, 2002). Further, money-based currencies also circulate in these alternative systems, and are exchanged in ways that sometimes mirror or even compete with the market (such as use of interest rates), or conversely in ways that are contrary to the market (by embracing a more altruistic and communal ethos).
This study hence opens up avenues to explore other concepts related to human welfare, such as the ways in which peoples’ social lives are enriched through exchange. Being a part of Chama for example elevates the participants’ status by enabling them to acquire items valued in the community (for slum participants), facilitates their mutual learning on how to perform certain activities that are key to being part of that community, and generally fosters social inclusion. On the flipside however, the study reveals malpractices that bring losses to participants, restrictive regulations that raise question regarding the ‘voluntary’ aspect of community, and pressure to consume in ways that sometimes exacerbate vulnerabilities for those financially constrained. This therefore raises questions as to whether such alternative systems are necessarily more just or ethical than the often criticized commercial alternatives.

The conclusion reached in this study therefore is that exchange systems that are often conceptualized as dualities (market and ‘other’) with opposing exchange logics, are better understood if conceptualized as dynamic arenas that are constantly reconstituted by actors when different exchange logics are employed. Much scope therefore still remains for more contributions to be made around the different identities they take and the roles they play as they serve varied needs in the market and in society as a whole.

References


In search of a new concept that will provide answers to as to how modern societies should not only make sense but also resolve the social and environmental problems linked with our modes of production and consumption, collaborative consumption and the sharing economy are increasingly attracting attention. This conceptual paper attempts to explain the emergent focus on the sharing economy and associated business and consumption models by applying cascade theory. Risks associated with this behavior will be especially examined with regard to the sustainability claim of collaborative consumption. With academics, practitioners, and civil society alike having a shared history in being rather fast in accepting new concepts that will not only provide business opportunities but also a good conscience, this study proposes a critical study of the implications of collaborative consumption, before engaging in active promotion of this concept as the latest best fix.

Introduction

Whether regional currencies in Bavaria, couch surfing in San Francisco, fashion libraries in Copenhagen, or car sharing in Berlin, all signs point towards a paradigm shift towards a sharing economy. Ownership was yesterday, today everything appears to be a matter of access (Rifkin 2000). Collaborative consumption is ultimately about sharing and collaborating to meet certain needs, practically covering all types of products and services where people get together to share excess resources, expand the product life expectancy, their utilized capacity in the name of access to use instead of ownership (e.g. Belk 2010; Botsman and Rogers 2010). What started out as acts of few grassroots organizations, critical of the current growth oriented economic system and our current modes of production and consumption, appears now to be about to gain a foothold with the average citizen (Grimm and Kunze 2011; Seidl and Zahrnt 2012). Sharing economy and collaborative consumption are increasingly attracting attention. In 2010, Time Magazine listed collaborative consumption as one of “10 Ideas That Will Change the World” (Walsh 2011), with sustainability not always being the driver but frequently considered a positive side-effect of sharing products and services (Botsman and Rogers 2010).

Statements such as this and anecdotal evidence from different industries have significantly contributed to the hype surrounding collaborative consumption, with media, academia, the business world and civil society alike singing the praise of business models and organizations build around the idea of sharing.

Over the last years, research has increasingly started to study collaborative consumption practices, especially with regard to the eco-efficiency of product-service systems for investment goods, such as cars (e.g. Hockerts 2008; Mont 2000). This is not surprising, considering the possible resource reductions and financial savings, arising from the decrease of number of cars and optimized usage, to give one example. With car sharing services provided by Citroën, Mercedes and the likes, the automotive industry is living proof that collaborative
consumption not only constitutes a social movement but also has disruptive potential and provides opportunities for developing business models that go beyond the traditional forms, the traditional relationships between producers and consumers (e.g. Bardhi and Eckhardt 2012; Botsman and Rogers 2010).

We are recently witnessing a mushrooming of initiatives based on the ideas of sharing and community. There are good reasons to pay attention to these initiatives. Collaborative consumption might turn out to be more than a simple fad. In fact, it might turn out, to be a disruptive force, which will fundamentally challenge and change the way the business system works today; for the better or the worse, as it might have severe negative implications, consequences we currently cannot or do not want to foresee.

There is reason to believe that we are not only facing the risk of overestimating the sharing economies current market size and potential but also overestimating its potential to contribute to a sustainable development, therewith contributing to the creation of a “sharing bubble”. Thus before engaging in active promotion of this concept as the new solution to the problems we see with our current systems of production and consumption, there is a need to gain an understanding of (a) the actual substance, i.e. market potential of the sharing economy, and (b) the sustainability implications of producing and consuming in a collaborative manner.

Despite a range of examples from popular literature, scant attention has been paid to the sharing economy and collaborative consumption from scholars. The contribution of this paper lies in being – to the authors’ knowledge - the first attempt of applying cascade theories to the emergence of the sharing economy phenomenon. Cascade theories have proven helpful in making sense of why certain ideas and approaches have – sometimes erroneously- risen to popularity in society and academia while others were deemed a fad right from the start (e.g. Sunstein 2001; Lemieux 2003/2004). Thus, this paper advances our limited knowledge of the potentials and risks associated with this alternative mode of consumption.

The remainder of this paper proceeds as follows: The following section provides an introduction into the underlying theoretical framework. The subsequent section addresses some of the well-known reasons brought forth for the emergence of the sharing economy, followed by a more elaborate discussion of the weak vs. strong sustainability discourse. The successive section represents an alternative approach to explaining the emergence of the sharing economy, i.e. by applying the theory of availability cascades, followed by concluding remarks.

Availability Cascades

In their paper from 1992, Bikchandani, Hirshleifer and Welch define a phenomenon termed information cascades, which explains individuals forming their beliefs or adopting certain behaviors based on the information obtained, opinions or behaviors observed from others: behavior based on private information not publicly shared, which can lead otherwise perfectly rational people into serious error, adopting socially undesirable opinions or behavior, such as getting caught up in a market bubble. Cascade theories can proof helpful for making sense of “the emergence and evolution of transient and reversible phenomena of people falling in line with the crowd” (Lemieux 2003/2004, p. 16).
In a world defined by incomplete information, acquiring the necessary information to make rational, accurate judgments of any given situation involves vast transaction costs, which requires disproportionate effort from each individual to overcome. Thus, with incomplete information, the most rational thing to do is to observe the behavior and rely on the judgment of others. The more people adopt a certain behavior, whether this is buying houses or purchasing a certain brand of car, more and more people will conclude - despite holding potentially information pointing towards another judgment – that the previous decision-makers must hold information about the market or brand, which outweighs their own information (Bikhchandani, Hirshleifer, and Welch 1992).

Informational cascades tend to be rather fragile. Being built on a very small amount of information, cascades can also be reversed or stopped by any individual, who has a more precise signal. As Lemieux (2003/2004) puts it, most people in an informational cascade are aware of the fact that the behavior is purely imitative, thus holds no or little informational value. Consequently, with the appearance of a more precise signal, and involved individuals aware of this and willing to ignore their signals, the cascade can be stopped or reversed. A variation of information cascades, availability cascades, was developed by Kuran and Sunstein (1999) in order to explain why novel ideas gain rapid prominence in the popular discourse. In availability cascades, information cascades are mediated by the availability heuristic and reputational factors.

In their everyday decision-making, individuals are subject to a number of heuristics, rules of thumb or mental shortcuts, which enable individuals to make sense of their environment and come to a judgment by replacing a complex decision with a simpler one. However, as a series of experiments have revealed, a number of systematic problems exist with the ways individuals receive, store, retrieve, and process information (Kuran and Sunstein 1999, p. 705). According to Kuran and Sunstein (1999), the availability heuristic constitutes the most critical one, “which involves estimating the probability of an event on the basis of how easily instances of it can be brought to mind” (ibid., p. 706, citing Tversky and Kahneman 1982). Thus, in an availability cascade, individuals do not only follow the lead of others as they trust them to hold reliable information, but also take the simple availability of information or examples as an indication of its probability and reliability, which again reinforces the cycle. As Lemieux (2003/2004, p. 20) puts it “the availability of information influences individual perceptions, which in turn adds more of the same to available information”, which reinforces individual responses. As a consequence, through their rising popularity in the public discourse, availability cascades can create social errors, mistaken beliefs, which can produce mass delusion, detrimental market bubbles as well as harmful policies and laws (Kuran and Sunstein 1999).

Besides the availability heuristic, one of the key social mechanisms contributing to the development of availability cascades are reputational factors. Reputational cascades differ from informational cascades in the underlying personal motives. While in an informational cascade, individuals subject themselves to social influence as they ascribe others to be more knowledgeable, in reputational cascades, individuals seek social approval and avoid disapproval, regardless of their own knowledge. “In seeking to achieve their reputational objectives, people take to speaking and acting as if they share, or at least do not reject, what they view as the dominant belief” (Kuran and Sunstein 1999, p. 686-87). Furthermore, “if a particular perception of an event somehow appears to have become the social norm, people seeking to build or protect their reputations will begin endorsing it through their words and deeds, regardless of their actual thoughts” (Kuran and Sunstein 1999, p. 687). Through this reputa-
tional element, availability cascades tend to be more stable than pure informational cascades. As Lemieux (2003/2004, p. 20) ascertains, “once an availability cascade has started, few will dare to question the underlying self-righteous and apparently obvious conventional wisdom. [...] New information is much less forthcoming because nobody wants to risk his reputation by going against the trend”.

This active management of availability cascades, i.e. not only the silencing of deviant opinions and actions from the public discourse but also the creation of availability campaigns, aimed at triggering cascades, likely to advance one’s own agenda, are very much in the sphere of action of social agents, labelled by Kuran and Sunstein (1999) as availability entrepreneurs. These activists are willing to invest resources in advancing a certain agenda, at the risk of economic and reputational damage, in a market of competing beliefs. While enough individuals being receptive to any given availability cascade constitutes an important precondition for the successful diffusion, the impact of salience and vividness of information cannot be overestimated (Kuran and Sunstein 1999, p. 706).

**Emergence of the Sharing Economy**

In search of a new concept that will provide answers to as to how modern societies should not only make sense but also resolve the social and environmental problems linked with our modes of production and consumption, collaborative consumption and the sharing economy are increasingly treated as the next big thing. The idea of the sharing economy and collaborative consumption has gained widespread media attention since Rachel Botsman and Roo Rogers (2010) popularized the term in the book “What’s Mine is Yours”. Collaborative consumption is ultimately about people sharing and collaborating to meet certain needs, whether it concerns transportation, accommodation, land etc. Airbnb (space sharing) and Zipcar (car sharing) are among the most prominent examples of collaborative consumption, which increasingly expands its scope to other types of products and services, where there is an opportunity to share excess resources and expand product life expectancy, for instance fashion items and accessories (e.g. Rahbek Gjerdrum Pedersen and Netter 2013).

But how can this rethinking in society be explained? Swapping, sharing, and bartering are not new phenomena. Only few generations ago, it was common to form communities around the collective use of products and to pass on goods and services one had in surplus or did not need for the moment. One prominent example is the common use of TV sets. While it was common in the 1940s for families, friends and neighbors to cluster around the only TV set in the neighborhood (Galston 2000) nowadays this is rather the exception. Accelerated by globalization processes, rising levels of affluence and consumption, dependence on others for the consumption of products and services has become more seldom. In today’s world, where every US household has more TV sets than people (on average 2,5 people vs. 2,86 TV sets) (Nielsen 2009), coming together in front of the TV are rather rare ritualized occasions, e.g. the annual Super Bowl or the weekly screening of “The Killing” (Danish: Forbrydelsen). As a consequence of this emerging prosperity, the weakening of traditional ties and the rise of choice as a core value in affluent societies, individuals are increasingly finding themselves in the struggle of discovering ways how to live a life of individual autonomy while at the same time having strong social bonds with others (Galston 2000). In the light of this development, the advent of the internet has given rise to what Galston (ibid.) calls “voluntary communities”, that is communities built around shared interests rather than proximity, that consist of social ties which are compatible with individual autonomy.
“Collaborative consumption is rooted in the technologies and behaviors of online networks. These digital interactions have helped us experience the concept that cooperation does not need to come at the expense of our individualism [...]” (Botsman and Rogers 2010, p. xx)

Whether toy sharing, book swapping or garden sharing, the fact that the sharing economy is supposedly undergoing a renaissance or gaining momentum is primarily bolstered by the embrace of new technologies and social media (Botsman and Rogers 2010). Where internet portals and smartphone apps provide global access to products and services, voluntary communities of sharing emerge, not only locally but globally. Besides easing access, the dramatic IT-induced decrease of transaction costs makes collaborative use easier and more feasible (Reisch 2001). Trust in these communities is not developed based on daily and reciprocal interactions with people you know, but based on reference points, established through linking up sharing communities to social media networks such as Facebook or peer-evaluation systems (Botsman and Rogers 2010).

“The emergence of mass self-communication offers an extraordinary medium for social movements and rebellious individuals to build their autonomy and confront the institutions of society in their own terms and around their own projects. Naturally, social movements are not originated by technology, they use technology. But technology is not simply a tool, it is a medium, it is a social construction, with its own implications.” (Botsman and Rogers 2010, p. 249)

Breeding grounds for this development is the lessening of trust and heightened skepticism toward business, which makes individuals more prone to trust other individuals instead of faceless corporations, even if these individuals are strangers online (Gansky 2012; Botsman and Rogers 2010). The convergence of Internet and mobile communication now provides them with the opportunity to challenge the power relations institutionalized in society (Castells 2007). Last but not least can this growing phenomenon be considered as an expression of disappointment with the green growth agenda, which does not acknowledge the prevailing growth fixation as major cause, instead praises it as the only solution for the environmental, social, and not at least economic problems we see today (Seidl and Zahrnt 2012).

**Weak & Strong Sustainability**

Sustainable development is most frequently conceptualized as “development which meets the needs of the present without compromising the ability of future generations to meet their own needs” (UNWCED 1987). This term, originally coined in the Brundtland Report by the United Nations World Commission on Environment and Development (ibid.), was purposely drafted as a broad and fuzzy political umbrella concept, rather than a stringent scientific definition. As Goodland (1995) suggests, part of the success of the Brundtland definition of sustainable development lies in its opacity, its vagueness, and definition in the growth context, which has led to the emergence of a variety of definitions, reflecting the often opposing interests of different stakeholder groups (Lain 2005). However, what has led to its success, to putting the topic on the worldwide business and politics agenda, seems to have also led to its downfall. As Bebbington (2001) suggests, the loose definition of sustainable development has positively contributed to gaining an important position and dominating the discourses worldwide. However, its vagueness has also led to everyone making sense of the concept in their own way, instrumentalising it for their own means, hijacking it for green washing. As
Bebbington (2001, p. 129) highlights, “sustainable development means different things to different people in different contexts”.

In his study of corporate disclosures of Finnish listed companies, Lain (2005) found that sustainable development is usually conceptualized as providing a win-win situation, in which society does not have to accept trade-offs or restrictions of the system that we see as such, instead can continue to enjoy positive developments in terms of economic growth, environmental protection and social improvements, with sustainable development and economic growth being conceptualized “as compatible and mutually reinforcing and, thus sustainable development is represented as a way to solve social and environmental problems without limiting growth” (Lain 2004, p. 402.).

The relationship between sustainable development and economic growth is framed as a two-folded on. Not only does the pursuit of sustainable development open up for possibilities to accomplish further economic growth, sustainable development is often also conceptualized as being only possible through economic growth and increased business activity (Porter and Kramer 2011). Only if companies perform financially satisfactory, they are able to address environmental and social issues, wherefore no conflict exists between the three. Thus sustainable development will only be possible if business is allowed to handle the job through business as usual, without any interference from society (Lain 2005). Environmental and social problems appear to be less severe when assessed from this weak sustainability standpoint (Neumayer 2003). While the problems are acknowledged, it is believed that they can be solved by society within relatively short amount of time, through operating in the way it does today (Hajer 1997). Under the win-win umbrella, business actively uses a weak sustainability framing, utilizing sustainable development and the affiliated Corporate Social Responsibility (CSR) concept, to justify, legitimize, and camouflage their activities and efforts in the name of growth (Lain 2005). Sustainable development is perceived as some sort of fix-all solution, which will not only provide solutions for environmental problems and improve social issues, but also provide further economic growth (ibid.).

Applying Sunsteins’ work (2001) on informational and reputational cascades within the academic study of law proofs very insightful for making sense of the emergence and popularity of certain approaches to CSR – if not CSR in general – in civil society, the business community, and among academics, while other approaches appear to have fallen through. Take the business case for CSR, the win-win rational of the green growth agenda for instance. It is very understandable that this is an agenda that is heavily supported by business; understandably especially as it does not call for any significant changes to the current economic system. Instead, it provides us not only with business opportunities but also with a good conscience. In a nutshell, the things that let us sleep at night (e.g. Bebbington 2001). Sustainable development and the associated Corporate Social Responsibility concept were thus rather adopted quickly and accepted as central to our understanding of the relationship between humans and nature, by all actors involved.

While this agenda is heavily supported by availability entrepreneurs from business sectors and lobbying organizations, aiming at silencing critical voices, deviant from this discourse, policy makers, academics and large parts of the civil society appear to have jumped on this bandwagon. It is questionable that all actors actually share this weak definition of sustainability. By the same token would it be naïve and arrogant to assume that we are dealing with weak minds, who are easily persuaded.

84
There are a number of possible alternative explanations for this behavior. Firstly, it has to be said that if one wants to advance certain agendas and engage in dialog it is easier to do so by means of luring with potential win-win scenarios than via threatening with fundamental changes to our current understanding of modes of production and consumption. Secondly, we have to acknowledge that politicians and academics are subject to the same cognitive biases and reputational forces, which form the rules of the game for the average citizen. It is quite likely that a fair number of these actors personally hold another opinion of what sustainability should encompass. But under circumstances where deviating from the dominant discourse can mean putting ones’ reputation, career, or re-elections on the line, following the beaten track might very likely seem more appealing (e.g. Sunstein 2001). The more individuals are adopting the dominant opinion and contributing to this discourse, the more information becomes available, which in turn makes the agenda more plausible.

We have been rather fast in accepting the concept of sustainable development as central for our understanding of the relationship between humans and nature without actually attempting to develop a clear definition. This has created a situation where no single agreed on definition exists (Bebbington 2001). Instead, there is a number of different accepted definitions, depending on the academic discourse and discipline. In the public discourse, where business, policy makers, civil society, and consumers meet, business appears to be more than willing to act as availability entrepreneurs; to provide the empty shell of sustainable development with content, promote the concept and drive the discussion, with good reason. As Springett (2003) highlights, it is smart to “own” the language of the debate. That is by actively filling the empty shell of sustainable development with one’s own definitions, terms, and concepts one can actively silence the opposition, which might be in favor of a stronger approach to sustainability, one that decouples sustainable development from economic growth.

Nonetheless, availability cascades can become destabilized, dominant discourses can be overthrown. To date, we have not been able to establish the business case for CSR, which provides fertile soil for doubt. In a similar vein did the aftermath of the housing bubble burst and the financial crisis provide breeding grounds for rethinking the relation between human and nature, which open up for old niche discourses, conceptualizing a post-growth society. As Goodland (1995, p. 5) notes, “we cannot “grow” into sustainability”. Similarly, Daly (1977) suggests that further pursuing economic growth will hinder any chances for achieving sustainable development and survival of humankind. Growth as motor and goal for everything is not compatible with protecting the environment and leading to social improvements. Instead, economic growth must be viewed as major cause of the problems we see today. Eco-efficient business-as-usual approaches are not sufficient, if these resource-efficient product solutions are overcompensated by increased demand or usage of products and services (Schrader 2001). Thus radical structural changes of the current business and market system are needed if solutions for environmental and social problems are to be found (Gray 2002).

The Sharing Economy – An Availability Cascade?

Considering the above, we could argue that the emergence of the sharing economy is in fact the latest availability cascade, following the destabilization of its predecessor, the green growth agenda. Both approaches are closely connected, as they constitute different sides of the same coin, wherein the one approach favors a weak approach to sustainability, i.e. green growth agenda, while the other one suggests a strong approach to sustainability, i.e. post-growth thinking.
As Sunstein (2001, p. 2) puts it, “the underlying forces [of cascades] can spark creativity and give new ideas a chance to prosper. Unfortunately, these same forces can also produce error and confusion”. There is reason to believe that the hype around the sharing economy and collaborative consumption might in fact constitute a false cascade, based on false assumptions or rather overestimations.

The sharing economy and collaborative consumption have vast potential for contributing to finding a solution to the problems we see with our current modes of production and consumption. However, as we have learned from experience, bubbles based on informational or availability cascades have a tendency to burst at a certain point, leaving scorched earth behind. In order to slow down the formation of a sharing bubble, and ultimately prevent the burst of this potentially positive force in the transformation of today’s growth oriented society, we need to take a closer look at the mechanisms at work, potentially creating this availability cascade.

There are two major overestimations feeding into the potential creation of an availability cascade and sharing bubble, namely overestimating the sharing economy’s potential to contribute to a sustainable development as well as overestimating its current market size and potential.

While it is true, that collaborative consumption might have the potential to revolutionize the way we produce and consume, we are faced with the problem that we cannot already foresee, how sustainable this new system is after all. There is a need to clarify whether this alternative approach might in fact have unforeseeable side effects, rebound effects, which offset the resource savings provided through reduced use of virgin materials and extended lifespans of products.

It is important to bear in mind that we cannot simply generalize from one product group to another. While certain products, which by nature have a long potential lifespan but are rarely utilized to their optimum during the lifetime of their owner (e.g. tool kits), the lifespan of other products, such as fashion items, is far more under the control of trends and styles than the actual potential utility of the garments. Thus, albeit its potential, collaborative consumption might not be able to improve the sustainability profile of for instance the fashion industry after all. Even worse, it might actually contribute to aggravating the situation by providing consumers with an opportunity of guilt free shopping, living the throw-away fashion way of life, which will negate its sustainability claims. Besides potentially worsened consumption scenarios in terms of acquisition and disposal of clothing items, collaborative consumption, especially in its online form might very well also have negative implications caused by requiring increased levels of transportation, due to deliveries, as well as from the maintenance of the garments (i.e. water, energy & detergent use in the maintenance phase).

According to Geron (2013), it was estimated that in 2013 collaborative consumption would generate revenues worth USD 350 billion. However, this has to be assessed as rough estimations, based on the revenues reported by some of the bigger organizations classified as being part of the sharing economy. No statistical information is available of the total available market size of the sharing economy, much less by product categories or countries. Despite this fundamental lack of information, the sharing economy is deemed to revolutionize the economy, praised by entrepreneurs, venture capitalists, consumers and mass media alike. But what are the mechanisms contributing to these potentially erroneous assessments? Surely, popular explanations such as technological advancements, economic necessity as a conse-
quence of the financial collapse or a rising discontentment with the wasteful nature of our throwaway economy and market structures that are deemed untrustworthy (Seidl and Zahrnt 2012) constitute plausible explanations for the wider public opening up for alternative forms of production and consumption (Botsman and Rogers 2010). But there are also other possible explanations, pointing towards a potential availability cascade rather than an actual substantive phenomenon.

One of the factors lending to the assumption that we are dealing with an availability cascade and potentially a sharing bubble is the familiarity of the underlying phenomena – sharing, swapping, lending, bartering, renting - which makes it so appealing. As addressed before, most collaborative consumption approaches are anything but new. Surely, some are novelties, such as the leasing of jeans or weekly subscription based clothing deliveries. However, acquisition and disposal of second hand clothing as such, the handing down, borrowing or swapping of clothes within families or groups of friends are very familiar concepts, with which most people have made acquaintance with. Thus, this simple availability of information respectively the ease of finding instances of collaborative fashion consumption can be perceived by individuals as an indication of its reliability and plausibility.

But familiarity pertains not only to the practices of swapping, lending, bartering, renting, but also the medium through which most of these practices are facilitated today, i.e. mobile technologies. The demographics group currently characterizing the market is the so called Millennials generation, or generation Y, born in the 1980s and 1990. One significant subset of this millennial generation, the so-called digital natives (e.g. Palfrey and Gasser 2008; Palfrey et al. 2009), can be regarded as the driving socio demographic force behind the development of the sharing economy (Thompson and Weissmann 2012). “Grown up immersed in a networked world, with access to ubiquitous digital technologies and the ability to learn and use them in fluent and sophisticated ways” (Vodanovich, Sundaram, and Myers 2010, p. 711-12), digital natives trust the enabling technologies and attempt to push these quasi-primordial practices out of their niche existence.

In a similar vein, salience and vividness contribute to the formation of an availability cascade. Campfire-like stories of Brian Chesky co-founder and CEO of Airbnb not owning an apartment anymore, instead traveling the world, staying at Airbnb homes make this system of production and consumption very appealing. Who would not love to free themselves from all dead weight, be travelling the world, staying in beautiful places for a living? Similarly, with Sex and the City’s trendsetting Carrie Bradshaw having a chat with her assistant about renting an expensive handbag from Bag Borrow or Steal instead of buying it, formerly out of reach fashion statement items all of a sudden become affordable for the average citizen. With the majority of these collaborative consumption initiatives building on social media in order to provide reference systems and instill trust between strangers, its visibility – hence availability of information and examples – increases tremendously. Reputational factors might also play into this factor, as in times of increased exposure via social media and active management of online selves, social approval on the online frontier is gaining importance. As Cheng et al. (2002) suggest are the sharing economy dominating digital natives at a stage in their lives where finding ones identity through experimenting and playing with identities is very crucial. Social media aids them in their attempts to find the identity which will provide them with most approval and will not put their membership of social groups at risk (McKenna and Bargh 1999; Martin and Nakayama 1997).
Availability entrepreneurs constitute another very crucial factor contributing to the formation of an availability cascade around the sharing economy phenomenon. Availability entrepreneurs in this context are for the most part founders of collaborative consumption initiatives, venture capitalists and mass media. Founders of collaborative consumption initiatives as well as venture capitalists are invested in the development of this cascade in their hopes to strike home with the next Airbnb-like business idea (Brincat 2013). These actors are heavily invested in the agenda. Besides potential financial losses in case of failure, their reputation is on the line, which might be even more costly in the long run. Thus they have an interest in sustaining the cascade and making the market development happen. They are supported in their efforts to create appealing narratives by mass media. By means of e.g. cover stories on the Airbnb founder in Forbes magazine (e.g. Geron 2013), mass media increases public exposure and availability of information on the sharing economy, and ultimately adds credibility and authority to the phenomenon through their assessments of the market, potentially resulting in mass delusion. Mass media’s objective is not necessarily to educate but to reach the largest possible number of print runs, which can come at a cost for society. As Kuran and Sunstein (1999, p. 719) put it: “Media outlets have diverse and complex objectives, but it is clear that most newspapers, magazines, and television stations seek to en- large their "audience." It is also clear that this goal generally causes them to emphasize dangers over security, give some risks more exposure than others, and treat certain risks as particularly serious. The media exercise these influences by controlling the prominence with which stories are pursued, by selecting, soliciting, and shaping the quotations used in developing storylines, and by selecting the facts reported to advance editorial purposes, among other mechanisms.”

The availability entrepreneurs’ efforts are landing on fertile soil. Over the course of the last years, awareness levels of consumers have risen, for instance on the problems associated with the way we produce and consume fashion. The latest incident that shocked and spurred the interest of the media and public worldwide was the signing of the Accord on Fire and Building Safety in the aftermath of the collapse and burning of Bangladeshi garment factories. While such events most certainly inspire a wish in consumers to do something good and meaningful, consumers are not always able to do so despite their own best intentions. So when positive, feel-good information, i.e. the slightest indication that collaborative consumption might be a more sustainable approach to consuming fashion, which does not require complete abstinence from fashion - is more salient and consequently more readily recalled, we may end up exaggerating certain benefits and underestimating potential risks, i.e. its sustainable potential.

What makes the beauty of the collaborative consumption concept is that its different forms seem to unify socialists and capitalists, “that it fulfills the hardened expectations on both sides of the socialist and capitalist ideological spectrum without being an ideology in itself” (Botsman and Rogers 2010, p. xxii). On the one side, you have the hedonic consumers and the venture capitalists, searching for the next Airbnb, who see this paradigm shift as the rise of a new business model, as new opportunities for consuming even more and capitalizing on it. On the other end of the spectrum, you have the political consumers, who see this as a social movement, as an alternative to current overconsumption patterns. Its appeal to different actors, combining feel-good elements with business opportunities contributes to making this availability cascade more stable, spanning otherwise often local boundaries of cascades.
Concluding Remarks

Collaborative consumption is not a new phenomenon. People have been sharing, renting, lending, bartering, and swapping since ancient times. Now, with use of new technology and social media, sharing communities have the potential to connect millions of people around the globe, to gain momentum and challenge the traditional business models governing the relationships we see between producers and consumers today.

While it is true, that the sharing economy and collaborative consumption might have the potential to revolutionize the way we produce and consume, we are faced with the challenge that we might in fact be dealing with an erroneous availability cascade, a “sharing bubble”, which leads us to overestimating the sharing economies potential to contribute to a sustainable development as well as overestimating its current market size and potential. So far, little is known about the effectiveness and potential of these sharing economy initiatives and a clearer understanding is needed as to how to proceed, which approaches to support, so that funds for financing these initiatives can find their most suitable purposes and rebound-effects can be prevented or mitigated.

As history has taught us, bubbles based on availability cascades have a tendency to burst at a certain point, with frequently devastating results. In order to slow down the formation and consequent burst of a sharing bubble, more research is needed to understand the underlying cascade forming mechanisms.

While technological advancements, economic necessity or rising discontentment with hyper-consumption and a throwaway economy constitute plausible explanations for the seemingly rise of the sharing economy, other factors might point more towards a potential availability cascade rather than an actual substantive phenomenon.

Familiarity of sharing practices as well as familiarity with the enabling technologies, especially on behalf the most active sharing economy stakeholder group (i.e. digital natives) makes collaborative consumption very appealing and eases availability of information, which can provide an indication of its reliability and plausibility. Salience and vividness of information around the phenomenon create alluring narratives, which meet fertile soil with a generation struggling for direction in their attempts at finding the most accepted identity.

These narratives are carefully managed by availability entrepreneurs, i.e. start-up founders, venture capitalists and the mass media; actors, who are heavily invested in the agenda, for both social (i.e. reputational) as well as financial reasons. These efforts are met by a grateful public, lusting for feel-good information. In recent years, awareness levels of consumers have risen on sustainability issues related to the way we produce and consume. However, despite good intentions, consumers still frequently fail at living up to their own intentions. So when positive, feel-good information about a way of consuming more sustainably without living in abstinence becomes more salient, we may end up exaggerating those benefits and underestimating potential risks.

What contributes to the appeal of the sharing economy and collaborative consumption is that its different forms – combining feel-good elements with business opportunities - seem to have something to offer for everyone along the socialist and capitalist ideological spectrum. Its appeal to different actors makes this availability cascade more stable, spanning otherwise often local boundaries. However, the factors which might make the success of the
sharing economy and collaborative consumption, might also lead to its downfall, with collaborative consumption running the risk of washing out, to everyone making use of the concept as they see fit. As in the cases of the sustainable development and Corporate Social Responsibility, part of the success of the collaborative consumption concept lies in its opacity, its vagueness, and its long-term win-win rationale. Thus, more research is needed, in order not to throw out the baby with the bathwater or uncritically jump on the collaborative bandwagon.

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In the past few years, time banks (TBs) and other forms of bartering have experienced a peak in southern European countries according to international media (The Guardian, 2012; US National Public Radio, 2012) and local organizations (www.consumocolaborativo.org, http://www.tem-magnisia.gr/).

The functioning of TBs is simple: an individual provides services to another individual earning time credits that he/she may later use to obtain a service that he/she needs (Clary 2008). In turn, the party receiving the service has a debt in time credits and needs to ‘repay’ the debt by offering a service to another member of the time bank. In this way, time is ‘banked’ and may be used when the member needs it. These exchanges include a variety of services and products such as gardening, dog walking etc (Paccione 1997; Seyfang 2006).

The phenomenon of TB is not new, as they were created in the 80s by the lawyer Edgar Cahn in response to the erosion of social networks and informal neighborhood support (Seyfang 2002). Nevertheless, previous research has not clearly identified the boundaries of the TB phenomenon so as to define it. In specific, the nature of the social exchange that takes place within the TB is not clear giving room for further exploration: What are time banks? Are they a space of sharing or pseudosharing (Belk 2010)? Are they a space for utilitarian exchanges as understood in social exchange theory (Cook & Rice 2003)? Are they exchanges closer to gifts or volunteerism (Mauss 1967; Sherry 1998)? As a result, there is a clear need to map literature on exchanges in order to better understand the type of exchange that constitute the time banking phenomenon.

Previous literature on TB has defined them on the basis of their outcomes and desired or achieved benefits from a social policy perspective. The conclusion is that TB are chameleonic in the sense that they capable to adjust and fit different purposes. They are considered a tool to achieve social objectives such as social inclusion, civic engagement, equality (Seyfang 2006; Dubois et al., 2011), to foster work-life balance (Gisbert 2010), to gain access to services in times of restricted cash (Kimmel 2008), or even a challenge to the existing economic paradigm (Collom 2008; Dakin 2007) and a glimpse into an economy based on ethical values (Kimmel 2008).

The main purpose of this paper is to advance the conceptualization of TBs, by focusing on the nature of these exchanges. To do so, we will analyze how different agents involved in TBs understand these exchanges and whether these views are aligned or in friction with one other and with the theoretics of TB, as initially proposed by Cahn. The object of analysis is the diversity of meanings attached to the TB. We adopt a mixed method approach and examine i) the perceptions of TB users obtained through a survey (n=270), ii) the perspective of the TB brokers through personal interviews (n=28), iii) the official discourses about TB’s functioning, mission, goals and principles through their websites, fan pages, brochures, and other public and official documents.
Our units of observation are Spanish time banks that vary in terms of their characteristics (e.g. their size, ‘age’, online/offline based, urban/rural, context of formation etc.) A heterogeneous sampling has been adopted to account for differences in the meanings created. The main conclusion of this paper is that TBs are given different meanings by different agents leading to tensions along two lines:

1) The tension between meanings associated to communal sharing and to equality matching. Here, it emerges that TB is presented in the website as a form of solidarity similar to the communal sharing type (Fiske, 1992), as the emphasis is put on pooling resources and improving the social fabric of the neighborhood. However, in handbooks it is also presented as equity balanced form of sociality, emphasizing the reciprocity, the norms for “fair” exchanges, and using market-related jargon (e.g. debt, credit, checkbook).

2) The tension because of different meanings assigned to the nature of exchange in TBs. In interviews with TB brokers it is emphasized that there is a utilitarian dimension to TBs. Personal gains to be obtained were highlighted by TB brokers and their definition of exchanges resembles commodity exchanges (Belk, 2010). However, exchanges in TBs are understood by their users either as negotiated and may be avoided because of lower quality, less availability etc. compared to the traditional marketplace, or as reciprocal and thus closer to volunteerism (Mölm et al., 1999: 877). The latter contributes to the phenomenon of reverse reciprocity: members willing to offer their services without expecting reciprocity, thus accumulating time credit and creating disequilibrium. This is a common finding in previous research (Ozanne and Ozanne, 2011; Dubois et al., 2011) leading to a number of interpretations: shame, reluctance to be in a dependency position or lack of understanding of the nature of exchange in TBs. In all cases and in line with Ozanne and Ozanne (2011) TB members appear to evaluate the TB in terms of the traditional marketplace and the exchanges that take place within it. This seems logical, as TB members have been socialized as consumers in the traditional marketplace, whereas TBs propose a different model of exchange where time is the currency used. However, these ‘misunderstandings’ have to be examined in relation to all the different agents participating in TBs and on how they appropriate and convey the meanings of TBs. This is one of the main contributions of this study.

These meanings are obviously not aligned with one another and may create frictions since they project different visions of TBs to potential and existing TB members. As a result, there are misunderstandings that may jeopardize the time banking project at present time and in the future. Understanding these frictions can lead the way to explore the full potential of TBs and other alternative spaces of exchanges to question mainstream rituals and conventions of consumer exchanges.

Microstructures such as TBs provide a different, more democratic alternative for marketing systems fitting with the broader scope of macromarketing research that “should focus on the microactions of microactors that create macrostructures” (Lusch, 2006). In that sense, the study of exchanges in these microstructures is a first step to understand the emergence and functioning of alternative markets.

References


Narratives of Collaborative Consumption Movements: Imagining Social Change

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Collaborative consumption is associated with alternative modes of exchanging resources (Botsman and Rogers, 2010). Different forms of collaborative consumption arise for various motivations and outcomes, yet exchange in collaborative consumption often centres on immaterial, non-monetary assets (Botsman and Rogers, 2010). Basically, collaborative consumption communities are organized around (1) shared material resources in product-service systems; (2) lateral recycling through redistribution, and (3) collaborative lifestyles in co-production. All of these variations have the purpose to solve incapacities of the market or public services in order to allocate and (re)distribute resources.

Collaborative consumption has become particularly topical since the recent dramatic disruption in conditions of everyday life, and an associated disillusionment with the equitable and democratic relations on the market and in the society. However, current research in the macromarketing or consumption vein (e.g. Ardvisson, 2008; Belk, 2010) has only partially been concerned with individual consumers adopting collaborative consumption lifestyles or how these influence standing institutions, such as markets. Consequently, this paper examines the foundations of collaborative consumption from participant perspectives on what we call Collaborative Consumption Movements (CCM). We conceive CCMs as lifestyle movements that engage with everyday habits and routines, such as leisure activities and consumption thereby having the capacity to promote social change. Necessity for change is based on some shared condition, ideology and/or moral predicament, and it’s achieved through individual action that aggregates on collective levels (cf. Haenfler et al., 2012; Snow and Soule, 2010). We argue that in order to understand how social change can come about through CCMs, we need to consider the individuals engaged in these activities and why they participate. Thus, it is our aim to understand the process through which individual understanding and activity lead to collective ones for social change.

We are especially interested in those agentic mechanisms pertaining to identity work and meaning creation in collaborative consumption. Specifically we are interested in the narratives of collaborative consumption. Through telling stories consumers frame their own everyday experience and create their reality (Thompson, 1997; Van Laer et al., 2014). These narratives connect to the experiences of engagement and configuring events in CCM as well as to larger cultural-institutional narratives (Benford, 2002; Davis, 2002; Polletta, 1998).

We are conducting qualitative interviews with Time Banks members in three particular European urban settings, namely, Amsterdam (Netherlands), Helsinki (Finland) and London (UK). However, data collection is still on going due to some difficulties in gaining access to the field of study. For this reason, this paper presents some preliminary understandings of these narratives.

Given the ideological and moral foundations as well as some shared grievance, collaborative consumption relates to studies of the moral economy. These consider the impacts
of economic systems – their motives, values, norms and actions – on peoples’ lives (Sayer, 2000). In consumption, a moral economy perspective promotes exchanges that are socially desirable, ethical, and construct and maintain social ties (Arvidsson, 2008; Belk and Coon, 1993; Belk, 2010; Cheal, 1988; Weinberger and Wallendorf, 2012). For instance, gift giving and sharing are a form of moral economy since they are based on an exchange aimed at building social relationships and solidarity, with or without reciprocity (Belk, 2010; Ilmonen, 2011; Komter, 2005).

Collaborative consumption communities can further be conceptualised having a social movement character. As social movements typically emerge from outside of institutional arrangements; act on a perceived or experienced grievance, and in doing so either challenge or defend existing structures and systems of domination and authority (e.g. Buechler, 2011; Meyer, 2007; Snow and Soule, 2010), their actions have a political (and often also moral) purpose. Thus, the dominant understanding of social movements connects them primarily to political protest. Nevertheless, not all insurgency is aimed towards political targets and recently lifestyle movements have emerged as a form of collective action.

Lifestyle movements “…consciously and actively promote a lifestyle, or way of life, as their primary means to foster social change” (Haenfler et al., 2012: 2), whereby engagement in individual lifestyle-based activities lead to the creation of collective good. In their definition of a lifestyle movement, Haenfler and his co-authors (2012: 6) observe three qualities differentiating lifestyle movements from the traditional, politically motivated movements. Lifestyle movements are (1) oriented towards and draw from practices in the individual / private sphere (rather than public), (2) have a continuous (rather than episodic) nature, and (3) are oriented towards cultural and/or economic authorities (rather than political ones, even when these adversaries are ethereal, such as neoliberalism, capitalism, bad taste and so on; see Della Porta and Diani, 2006).

Our conceptualisation of CCMs combines the perspectives of individual-driven social change from lifestyle movements and extra-institutional challenge addressing some communal grievance. The difference of CCMs to other forms of collaborative consumption, such as access-base consumption (e.g. Bardhi and Eckhardt, 2012), is CCMs avoidance of the mechanisms and logics of traditional market exchange. To elaborate this, we analyse a particular type of CCM, namely time banks. Time banks endorse the organisation of community level social activity to strengthen the social grid, and by using an unconventional currency of time, liberate the activities from the hegemonic understandings associated with monetary value systems.

In time banks, participants’ competences are valued in time and the egalitarian principle of time banks stipulates that time of less fortunate participants is at par to that of those with higher education or social status (e.g. Seyfang, 2004). What follows is that everyone has certain skills and competences to exchange (e.g. Timebanking UK, 2011). Exchanging competences can further enhance solidarity amongst participants in the face of adversity. Where time banking can be perceived as a non-adversarial form of social movement activity (Collom, 2011; Day 2005), on an aggregate level, time banks nevertheless challenge institutionalised understandings of work, money and exchange relationships. Through their communal practices, CCMs react to and resist immiseration, both material and spiritual, taking place in communities and the society.
Our paper aims to respond in particular to certain shortcomings of previous research. Where Bardhi and Eckardt (2012) and Marcoux (2009) have shown that sharing and gifting are not entirely aligned with the moral economy assumptions, and that market-mediated types of alternative exchanges do not generate solidarity, community or a sense of collective ownership; we perceive that a more diversified understanding of the logic by which collaborative consumption communities work is missing. Such logic can be approached through the self-narratives since CCM participants have agency to install such a logic to their actions. Furthermore, we aim to extend the nascent literature on lifestyle movements: using consumer self-narratives, we can sketch the convergence of the intimate/personal and collective/public in social movement activity (as invited by Davis, 2002; Snow, 2004). Thereby we can ultimately envision how the individual and the social imagination for change converge.

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Alternative time-based markets and gender: public policy implications of Timebanking in a comparative European context

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Since 2008, in a context of what has been called a “multidimensional global crisis” (Fernández Durán 2011) or a “policrisis” (Morin 2011), there is a growing number of alternative collaborative production, distribution and consumption practices that favor access to goods and services beyond the market, the household and the state provision. Frequently, these emerging and increasingly digital forms of interaction are characterized by the logic of co-production, the reduction of stages of intermediation, peer to peer practices (Benkler 2011; Senet 2012), the importance of reputation, network organization and the blurring boundaries between working and free time, private and public space, online and offline. In particular, the birth of the prosumers (Toffler 1987) and the practice of produsage (Bruns 2008) highlights the collapse of the distinction between work and consumption and between work and participation, opening up possibilities for collaborative networks among volunteers for the creation of immaterial “commons” (Ostrom 1990). Some examples of that, such as barter networks or social currencies, have been seen as possible women empowerment tools (Pereyra 2007; Walker 2012). Previous research confirms the overwhelming role that women play in this kind of initiatives, especially in time banks (Boyle 2013). In addition to this, they, theoretically, break up with some of the founding dichotomies of the still hegemonic androcentric economic perspectives (public/private, work/non-work, paid/unpaid) (Nelson 1995). Despite this, the everyday of these practices reveals some contradictions that are not easily seen at first sight (del Moral 2013).

A Time Bank is an example of a complementary monetary system based on an-hour-per-an hour schema. It is a pattern of multireciprocal service exchange that uses units of time as currency. These units are always valued at an hour's worth of any person's labor. The origins of timebanking in Europe go back to the early 90’s (Amorevole y Guareschi 1997; Amorevole 1999; Coluccia 2001). Over the last few years, however, public administrations, citizens and the so-called third sector are increasingly devoting resources and efforts to their promotion, both in continental Europe and in United Kingdom. In United Kingdom, both academics and practitioners, explain this popularity by referring to how time banks focus on co-production and their possible similarity with the idea of a “Big Society” led to the inclusion of time banks in Labour and Coalition government strategy documents (Gregory 2012; Naugton-Doe 2012; Dabbs, 2010). As for continental Europe and, specifically, as for Mediterranean countries, English speaking media relates (Wall Street Journal, Washington Post, The Guardian) this growing interest for time banks with the context of economic crises (Murray, 2012). However, both Spanish and Italian researchers and local organizations (the Italian Associazione Nazionale Banche del Tempo and the TEMPOMAT - Osservatorio Nazionale sulle Banche del Tempo and the Spanish Salud y Familia and Asociación para el Desarrollo de los Bancos de Tiempo) tend to describe this phenomena in a more complex way, connecting it with a deep change of values. This approach has been adopted by national newspapers such as El País (2012, 2013, 2014) in Spain and La Reppublica (2012, 2013) in Italy. Despite this growing, renewed, interest in timebanking and the increasing presence of time banks in
social, political, academic and media environments, the real nature of the phenomena, the elements that may favor or difficult their expansion and their impact on the everyday living conditions of their members are still under-studied. As a result, most of the evidence-base data concerning time banks remains anecdotal (Naugton-Doe 2012).

Time banks are generally seen as a tool for work-life balance (Torns 2001) and adult care (The Guardian 2012), for active aging (Junta de Andalucía 2010; PSOE 2011), for neighborhood regeneration (Warne y Lawrence 2009; O’Sullivan 2012), for multiculturalism (Altes, 2012) and for developing of more sustainable ways of production, distribution and consumption (Ecolocal, 2011). When analyzed under gender lenses, and in the framework of the capability approach (Robeyns 2003) these aims, work-life balance, care, active aging and sustainability, are very connected to the promotion of gender equality and the development of a wide concept of well-being (Addis et al. 2011) and, a step further, to the development of new concepts and models of well-being/welfare beyond capitalist identities.

This paper emerges from a 5-year (2008-2013) case study research involving three different time banks in three different European Regions: North West England, Emilia Romagna and Andalusia. This three regions are clearly characterized by a different welfare economy mix (Harris 2004). The paper is organized in four main parts. The first one briefly introduces each case study. It analyses different ways of enacting the creation and development of a time bank. The second one, summarizes different kind of public polices related to the promotion of timebanking and approaches each one’s contradictions, challenges and opportunities. The third one, analyses whether Time Banks promote gender equality. Finally, the fourth one, has a more theoretical nature and seeks to outline the elements that define what was been called Community Exchange Spaces from a gender perspective
The main research questions are:

1) What kind of TB-related policy measures are developing Italian, Spanish and English (regional) Public Administrations.
2) In which sense can TB be considered a tool for gender equality?
3) What gender implications have the notion of Community Exchange Space?

The main conclusions of the paper are, on the one hand, that timebanking shows different public policy implications across European regions and that this is related to the diverse welfare economy mix that characterized different local contexts. On the other that, time banks are a feminized field and have a strong potential for the promotion of gender equality. Despite this, as Community Exchange Spaces, they still reproduce some gender stereotypes and roles. In order to address these issues, the paper finishes by proposing some strategies that may contribute to change these patterns and transform time bank into real tools for achieving gender equality.

References


**Consumer vulnerability**

*Chair: Kathy Hamilton*

**Session 6c – Thursday 3rd July, 2:00pm**

- Exploring the temporality of consumer vulnerability
  *Philippa Hunter-Jones, Steve Baron, Gary Warnaby*

- Patient, client, user, consumer?: Issues involved with approaching vulnerability with consumer-focused terminology
  *Maria Piacentini, Susan Dunnett, Kathy Hamilton*

- Vulnerable desires: Impoverished migrant consumers in Turkey
  *Ozlem Sandikci, Berna Tari, Sahver Omeraki*

- In search of vulnerability: Consuming pilgrimage for emotional release
  *Leighanne Higgins*

**Session 8c – Friday 4th July, 8:30am**

- The role of product and place in the vulnerability of visible difference
  *Teresa M. Pavia*

- Care in the community: Vulnerable homebound consumers and the need for surrogates
  *Hilary Downey, Tim Stone*

- Customer collectives in healthcare: The transformative potential of service to overcome consumer vulnerability
  *Julia Rötzmeier-Keuper, Nancy V. Wünderlich*

- Communicating the prevention of a stigmatised disease: A macromarketing perspective
  *Beatriz Casais, Joao F. Proenca*

**Session 9c – Friday 4th July, 11:00am**

- Low income young mothers and the pursuit of ‘socially appropriate’ parenting
  *Emma N. Banister, Margaret K. Hogg, Kirsty M. Budds*

- The situational vulnerability of new mothers
  *Andrea Tonner*

- Energy vulnerable consumers
  *Rob Lawson, Ben Wooliscroft*

- Understanding young consumer competency and vulnerability within the marketplace
  *Wided Batat*
Exploring the temporality of consumer vulnerability
Philippa Hunter-Jones, University of Liverpool, Liverpool, UK
Steve Baron, University of Liverpool, Liverpool, UK
Gary Warnaby, University of Manchester, Manchester, UK

Multiple approaches to understanding what constitutes consumer vulnerability are documented within literature. These include court definitions, ethics committee definitions and a need to define vulnerability in terms of when a consumer experiences it, in other words a state-based classification system. More recently calls have been made to classify vulnerability on a class-based system, by disability or literacy levels for instance, the thinking being that certain groups and states in society are likely to be more susceptible to vulnerability than others.

Lacking in research thus far is any real attempt to differentiate the needs of those experiencing temporary or permanent vulnerability. Using case examples, this paper argues that, if resources and consumer experiences are to be managed most effectively, the domain of consumer vulnerability needs to be extended to take account of these distinctions.
Patient, client, user, consumer? Issues involved with approaching vulnerability with consumer-focused terminology

Maria Piacentini, University of Lancaster, UK
Susan Dunnett, University of Edinburgh, Scotland
Kathy Hamilton, University of Strathclyde, Glasgow, Scotland

This presentation aims to build upon the central themes emerging from our ESRC seminar series on Consumer Vulnerability (2013-2014). These seminars provided a space to critically engage with the notion of consumer vulnerability in two key ways. First, they brought together international speakers from the fields of marketing, consumer research, sociology, social policy, law and medicine to ensure developments in thinking and best practice were shared across academic networks and across traditional disciplinary boundaries. Second, policy and practitioner organisations played a key role in our series, thereby adding a more practical element to discussions. An overarching concern emerging from the seminar series was the nature of the language we use when discussing those experiencing vulnerability, and how this language impacts on the relationships between individuals and the services they used (both private and non-commercial). In particular, this presentation will consider the issues involved when approaching vulnerability with consumer-focused terminology.
As a vulnerable consumer segment, economically deprived consumers have received scholarly attention (e.g. Baker, Gentry and Rittenburg, 2005; Hill and Stamey, 1990; Lee, Ozanne, and Hill 1999). Realizing differences in the consumption behaviors of economically better-off and impoverished consumers, some researchers explored how poor consumers cope with economic restrictions in a world of abundance. Lewis (1970), for example, argued that poor consumers did not behave according to the dictates of higher-income people, while others claimed that consumption values were the same regardless of consumer’s level of income (e.g. Irelan and Besner 1966; Leeds 1971). On the one hand, poor consumers were seen as lacking the adequate level of income to provide themselves with proper consumption (e.g. Holloway and Cardozo 1969); on the other hand, they were perceived to be capable of finding their own ways to optimize their purchases in terms of assortments of products (e.g. Andreasen 1975). Overall, the expectation is that “necessities of survival” have to be met first; thus, most studies focus on understanding what constitutes the “basic needs” of the poor consumers (e.g. Hill 2002a; Richards 1966).

We aim to contribute to the existing literature by studying how poor, immigrant consumers talk about their needs, desires, and hopes and how their interpretations are structured by various institutional and cultural discourses and norms. The context of our study is rural-to-urban migrants in Turkey. In many developing countries, including Turkey, worsening living conditions in rural areas, such as decrease in employment opportunities, increased threats of natural disasters, limited access to health and education facilities lead to large scale rural-to-urban migration (Hemmasi and Prorok 2002). These migrants move into the peripheries of big cities, build shantytown communities, and live in conditions of poverty. Poor, migrant consumers present a different case than homeless or urban poor consumers that are typically studied in the consumer behavior literature. The migrant consumers go through a process of acculturation (e.g. Oswald 1999; Penaloza 1989, 1994; Sandikci et al 2006; Ustuner and Holt 2007) which involve negotiation of rural and urban values and norms. During their adjustment to the new environment, their needs, desires, and hopes are likely to change. However, as Belk et al (2003) note, how consumer desires are negotiated among people who have not grown up in an urban, marketizing society remains an understudied area. Before we discuss the insights our research offers into poor consumers, we briefly review relevant literature.

**Economic Deprivation and Consumption**

Proposed by Lewis (1959, 1970), the term ‘culture of poverty’ refers to the culture of people with a lack of material abundance and with negative beliefs, attitudes, and behaviors. The negativity stems from the inequity and alienation they feel, as well as poor mental and physical health (Hill 2002b). According to statistics, there are more than fifty countries in the world where more than 30% of the population lives under the poverty line (World Bank 2006).
Although there seems to be no consensus on poor consumers’ consumption patterns, the common belief is that they actively attempt to exert control in their consumer world (Holloway and Cardozo 1969, Hill 2002c). Hill (2002b) discusses different strategies that poor consumers, including those with meager materials and with significantly low standards of living, utilize. He argues that, over time, it is possible for poor consumers to “establish a baseline standard of living against which they measure their relative affluence”, which creates a benchmark against “media portrayals of material life” (Hill 2002b, p. 283). In terms of how homeless people acquire and consume items, Hill and Stamey (1990) reports that they need the same basic items as average middle-class consumers. In another study, poor consumers are found to be paying more for the same items because they do not know what, where, and how much to buy, making them vulnerable to merchants’ easy credit terms and making their purchases “irrational” (Caplovitz 1963).

Most of these studies attempt to understand poor consumers’ basic needs (e.g. Hill 2002a, Richards 1966). In many of these studies, respondents themselves use the terms ‘need’ and ‘necessity’ for all of their purchases (e.g. Lehtonen 1999). Although the term “for the other” has been used to reflect the desire of the “less affluent world” (c.f. Ger and Belk 1996) towards a world of abundance (Arnould and Wilk 1984), the term can be used for poor consumers, expanding the notion of poor nations, by potentially cutting across nations and cultures. Poor consumers can be conceptualized to desire a transformation on different grounds, especially towards a modern and urban lifestyle (Belk et al. 2003). For example, Hill (2002b) argues that these consumers focus their minds on fantasies of better consumer opportunities in the future in order to alter their negative emotional states. As Ger (1997) points out, consumption has the potential to make people happier but only if the “imagined consumption is within the realm of possibility” (p. 111). Therefore, hope should be included in a discussion of needs and desires, especially when the context involves poor consumers.

**Research Context and Methodology**

Similar to other emerging markets, rural-to-urban migration is prominent in Turkey. Migrants typically settle in shantytowns, in the periphery areas of the big cities. A recent survey (Uzuncarsili and Ersun 2004) reports that squatter houses comprise 35% of all dwellings in Turkey. Squatter settlements date back to the late 1940s; at that time they were perceived as a temporary solution to the housing shortage experienced in big cities due to rapid urbanization. By the end of the 1960s, squatter settlements had not only expanded but become permanent features of all the major cities. The first migrants to cities were young men seeking jobs; later, the most migrants started moving to the city as family groups (Ozbay 1985), predominantly nuclear families (Kandiyoti 1982). The proportion of migrant women who are formally employed is low, although many work informally as cleaning ladies in the homes of the better-off urbanites (Kandiyoti 1982).

Ethnographic data collection method was chosen in order to understand an ‘unfamiliar world’ and bring the lived experience of consumers living in shanty towns (van Mannen 1988). Researchers spent hours in each of the respondent’s house, engaged in formal and non-formal conversations with them, participated in various social gatherings, and met their families and friends. Twenty-two in-depth interviews were conducted in two different regions of shantytowns in Ankara, the capital city of Turkey. Both areas have running electricity and water and are characterized by one-storey dwellings which are often built using bricks and cement. Interviewees were recruited through snowball sampling. Following the discovery
oriented aims of grounded theory, our analysis sought to identify conceptual categories and themes. Interview transcripts and field notes were read by all the authors several times to gain an understanding of informants’ interpretations of needs, hopes, and desires. Once categories were identified and agreement among the authors was attained, we sought to relate the emergent themes to underlying theoretical constructs. Below, we offer an abbreviated and preliminary analysis of our findings.

Findings

All of our informants’ daily lives are characterized by close relationships with each other. They form small groups within the squatter area and spend time together eating, chatting, and praying. Almost all informants stated that their life in the city is much more comfortable because they do not have to work at the field for farming-related activities. They reside in squatter houses rather than apartment buildings, because they cannot afford the rent. But they also think that living in the apartments is not desirable. They believe that they cannot live freely in the apartments because they have to respect many rules they are not accustomed to, such as not making too much noise. They define themselves as different from city people since they strongly believe in God and, besides their jobs and other daily activities, they spend a major part of their time praying and reading religious books. These are the main reasons why they want to live together with relatives, acquaintances, or with people who are also immigrants. It is a close-knit environment in which they can share their own experiences and live somewhat isolated from the city culture.

Still however, some of them think they are poorer in the city than they were in the village because now they have to spend more. Many of them express their desire to buy more things simply because they see more things around. They find more sources of consumption, more items to consume, and new ways of consuming products. Many told us how they like to make window shopping even though they do not have enough money to spend. Window shopping is a new kind of pleasure for them as they have not seen any stores, malls, or supermarkets in the village. It is very common for a family from the squatter area to visit a big supermarket during the weekend, have a look at the diverse range of items, try a few samples if provided, and make a full day out of it with children.

What I’ll Have is What I Want

As discussed above, many migrants move to the city as a family and they usually meet their relatives or friends in the squatter area. Contrary to Lyon (1999) who argues that migrant people who moved to a developing city break their ties with families and communities, we found strong support for the opposite; that they still continue to live with their families and friends. What became problematic for our informants was the move itself. They left their houses behind for a totally new house in a totally different environment, not only in terms of the surroundings or buildings, but also in terms of culture. They started to work in a job totally different from farming or breeding. The movement of their bodies and minds from the village constituted the basis for their needs and wants. Most of the migrants did not bring anything from the village because they thought they were going to need different things. Feride, for example, has put all her belongings she brought from the village in boxes and she does not even remember what is in those boxes.

When asked about their needs concerning their migration, they first mentioned a house. When asked about what they need to have in their houses, they provided responses
like bed, carpet, couch, and kitchen utensils. They did not mention washing machine, dishwasher, or even tables and chairs as their needs, because what they needed at first was shelter, i.e. a safe place to live in. In similar vein, migrants in bad living conditions see a major part of consumption items as waste. For example, Gumus seemed to be quite puzzled by the question “Do you decorate your house?”, which she responded: “Have you ever seen any decoration in shanties? [laughing] Do you think it’s necessary?” When we asked about what they would like to have, they often mentioned things they lacked most: furniture and household items, such as a couch for the living room, a wardrobe for the child, or a dining table.

The theme that is common in all responses is the idea that their needs and wants are shaped by what other people in the squatter area already have. In other words, the objects they want are the things they see on each other. These people are mostly their relatives or friends who they knew from their village or met in the neighborhood. Similar to what Hill and Stamey (1990) have found, members of the shanty communities regularly converse and share. These people constitute comparison points. Many informants expressed their wants by referring to what their relatives or their next-door neighbors own. For example, Feride (27 F) described the household items she wants by actually describing what her friends had in their houses.

Another factor that influences respondents’ needs and wants is the decision-making power of husbands, fathers, and father-in-laws. Turkish society is characterized by male dominance, which is especially prevalent in villages (Erman 2001). We observe that patriarchy has a strong effect on consumption. Informants often talked about situations where they migrated to a house with many items already purchased by their father-in-law or where they had to rely on their husbands to buy whatever is needed. These two factors, i.e. tendency to get what is observable in nearby houses and the influence of patriarchal forces which dictate what should to be purchased, seem to shape migrated consumers’ needs and wants. Deciding what is needed seems not as an individual decision making process, but a male-dominated assessment of what is needed and affordable.

Desire for Desire is the Hope for Hope

All respondents stated their hope towards having a house which has more rooms, closets and wardrobes that they can use, a concrete ceiling that prevents rain dripping inside, and newer and nicer furniture. They want to have separate rooms for their children, serve their guests well, and cook meals in a proper kitchen. They literally state their willingness towards certain objects using the word ‘hope’ and give details about their dream houses. They also use the word ‘insallah’ which means ‘by God’s will’ in Arabic. This word has everyday usage but in our case it also connotes meanings about religious beliefs that nothing can ever happen if God does not permit. Therefore, they know what they are hoping for and believe that God is aware of their hopes, and maybe someday they will be permitted to have their house of dreams.

Although the construct of hope was found to be consistent with the established literature on poor consumers’ consumption practices, reading transcriptions several times revealed that consumers in our study hope what they can achieve but desire what they cannot achieve. A vivid example of desire was demonstrated by Ayten (24 F) who wanted to look more attractive. Her object of desire is a woman with flawless skin, shiny hair, a good-looking body in perfect proportions, manicured nails, nice perfume, and appealing clothes. Other female
migrants’ responses were similar to Ayten’s desire. For example, Meral (24 F) was very willing to be like ‘Hülya Avşar’, an actress who has become an icon of ‘Turkish femininity’ in popular culture. In their day-time gatherings in the neighborhood, they talk about these beautiful women and their desire to be like them.

But Ayten (24 F) thinks she cannot achieve her desire for two reasons. First and foremost, she does not have the money to purchase necessary items such as skin care products including facial creams, masks, and moisturizing lotions. Similarly, the physical conditions in her house are not adequate; for example she desires to have a tread mill, but even if she could afford it, she could not find an appropriate spot to place it in the shanty house. Second, she believes that it would be sinful to look like a woman that appears on television. She believes that she should not wear revealing clothes and apply too much make-up; in fact, should be covered. Ayten struggles with and tries to negotiate the desire to be an attractive woman and properly observing religious expectations and norms. Yet, she continues to desire because ‘desire for desire is the hope for hope’ for her (Belk et al. 2003). In other words, although she acknowledges that she cannot achieve it, her ideal continues to remain as an unfulfilled desire. In contrast to what Belk et al. (2003) suggested, realizing that her desire will not be fulfilled at all does not result in a state of hopelessness. She does not feel depressed, disappointed, or hurt because of this realization. She has other things to hope for, such as a new house and better living conditions for her child.

Discussion and Conclusion

This exploratory study was about how migrated, poor female consumers talk about their needs, desires, and hopes and how these interpretations are structured by various institutional and cultural discourses and norms. Economically impoverished people are generally assumed to be living in the city, such as the urban poor (Hill 2002a, 2002b) or homeless people (Hill and Stamey 1990); thus they are assumed to know the values and norms in the city, as well as meanings attached to products. Moreover, they have been studied in consumer behavior only in terms of their basic needs, although desires and hopes seem to be important factors influencing their consumption practices. We hope that this study sets a step toward investigating immigrants as poor consumers, who usually lack knowledge about products and consumption practices in the city, and a step toward understanding their desires and hopes, as well as their needs and wants.

In terms of migrated consumers’ needs and wants, we found that they were mostly shaped by what migrated consumers observe in each other’s houses. Relatives and friends provide sources of comparison for migrated consumers. As a community, they together create their own consumption relationships, providing support for Bourdieu’s (1984) observation that different ways of life involve different systems of thinking about what is ‘necessary’. Migrated poor consumers’ ‘baseline standard’ (Hill 2002b) does not depend on the dominant consumption culture prevalent in the city, but on what other poor consumers in the same squatter area have.

There was support for the idea that desires of immigrant consumers’ were not achievable. As one respondent in Lehtonen’s (1999) study puts it: “It’s like a dream, wishing that you could have it. I mean you can imagine that you’ll get it, that already brings you pleasure” (p. 256). Playing with dreams and desires in this manner was enjoyable for our respondents, too. They imagine themselves to be consuming the objects of desire, even though they consciously convinced themselves that they cannot fulfill their desires. The pleasure, creativity,
and fantasy of consumption liberate their desires (Firat and Venkatesh 1995), but since the desired object requires a dramatic transformation of the individual, as well as money, it remains unfulfilled. This dramatic transformation is achievable but totally inappropriate. In other words, achieving their desires is not desirable since it means deviation from their beliefs and values, and hence, deviation from the group.

In contrast to Belk et al.’s (2003) findings, desire is not kept alive until the object is acquired; it is kept alive as long as it brings enjoyment since the object will never be acquired. Desire is beyond hope but it still exists, yet this does not create depression. The relation between desire and hope in our case reveals a different situation where one might desire an object without necessarily hoping it. Hope is towards a goal-congruent outcome (MacInnis and de Mello 2005); and like a plan, it shapes immigrant consumers’ consumption routines. But desire is not goal-congruent; to desire is to live, to hope, and to be alive (Belk et al. 2003).

The general conclusion in our study is that consumer desires and hopes can be negotiated in different ways in different contexts. This study is only a small step towards understanding immigrant consumers’ consumption patterns and the concepts of desire and hope in this specific context. Our study was limited in terms of the depth of information collected. Future studies might focus on different contexts, differentiate between first- and second-generation immigrants, and include male respondents and children. Continuation of this research has the potential to extend the notion of the ‘desire for the other’, in ways that reveal who the other is and what that desire involves in relation to hope.

References


Van Mannen, John (1988), *Tales of the Field: On Writing Ethnography*, Chicago:


**Table 1. Sample Characteristics**

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In Search of Vulnerability: Consuming Pilgrimage for Emotional Release

Leighanne Higgins, Lancaster University, Lancaster, UK

“No one chooses to experience vulnerability. Yet all of us, on occasion, will experience vulnerability” (Baker et al, 2005, 136). Society perceives vulnerability as something to fear, a weakness, stigmatic and undesirable. However, this three-year ethnographic consumer research study has found emotional release and vulnerability to be outputs yearned for and sought after when consuming religious pilgrimage to Lourdes, France. Well-documented for its curative properties, Lourdes is a haven for millions of sick and healthy Catholics (Turner & Turner, 1978). Consequently, this study unearthed a context where vulnerability is privileged, positive, cathartic, inspiring, with the release of emotional pain, anguish and suffering at Lourdes aiding consumers to better deal with their everyday lives. Consequently, this study contributes further towards work on consumer vulnerability bringing to the fore discussion on humankind’s need for vulnerability and the important role consumer culture plays in catering to such need.

References


The Role of Product and Place in the Vulnerability of Visible Difference

Teresa M. Pavia, David Eccles School of Business, University of Utah, USA

Marketing is a powerful force in setting norms for how one should look and how one’s body interacts with products or the market. There is an impressive stream of literature on the role of promotion in setting expectations for idealized bodies. The goal of this essay is to advance the discourse to investigate how products the market offers, and the nature of where the exchange occurs (place), influence the experience of vulnerability associated with visible difference. Products and place are a double edged sword; in some instances they help minimize this vulnerability, and in others they are implicated in its experience. Macromarketing issues that are explored include conflicts between efficient production and goods that are needed by non-normative bodies; the tension between evocative/descriptive names and shame; the role of stigma in the experience of vulnerability related to visible difference; and the dark side of a finely segmented marketplace.

Introduction

The question explored in this essay is the vulnerability associated with a body that does not match explicit or implicit market expectations of what “a normal person looks like”. Consumers who are visibly different from the majority of their local market may feel pride in their difference (e.g., tattoos, gang clothing) or may feel stigma/shame (e.g., birthmark, wheelchair). Complicating matters, a particular difference, say wearing a full veil for religious reasons, may endow status and respect in some settings, but prohibit engagement in other settings (such as getting a driver’s license, Harris 2010). Similarly, sexual orientation may be a source of pride, but the need for employment and a desire to fly below the employer’s radar may lead someone to disguise markers of difference associated with sexual orientation while in the workplace (Woodruff-Burton 2008). Finally, skin color, religious affiliation and ethnic origin may be enough to identify someone visually as other, opening the door to profiling and discrimination (Schreer, Smith, and Thomas 2009).

Since this essay is interested in vulnerability, its primary focus is on aspects of the market that lead to feelings of powerlessness, isolation, and reduced choice (Baker, Gentry, and Rittenburg 2005, Baker and Mason 2012) that are linked to a non-normative body, as opposed to feelings of pride and strength drawn from the same. While there may be positive elements associated with a body that has visible difference, this essay tries to understand several market elements that heighten its negative dimensions. As Valtonen notes (2013, p. 208), there is a “hegemony of bodily normality that rules the lives of contemporary consumers. People who deviate from it are recurrently told, in a concrete manner, that they are problems.”

Sanctions directed at those that have attributes that make them visibly different from the majority of a group pre-date the development of market structures; identifying an outcast by sight can be seen in many animal species (e.g., The Ugly Duckling). So, the argument here is not that these behaviors are a recent by-product of contemporary marketing systems. However, marketing systems are a powerful force for communicating and setting normative expectations for how one should look and how one’s body should interact with products or the
market. There is a long and wide stream of literature on the role of marketing communication in setting expectations for idealized bodies. The goal of this essay is to advance the discourse to investigate how the products the market offers, and the nature of where the exchange occurs (place), influence the experience of vulnerability associated with visible difference.

This essay uses two aspects of the macro market to explore vulnerability associated with visible difference. The first is the products that are produced and how these relate to this type of vulnerability. Although products can help minimize difference, such as using make-up to cover scars, they can also amplify someone’s sense of isolation and lack of choice, as happened for decades when mass-market cosmetics firms ignored all darker-skinned women. The second market dimension this paper explores is the place where exchange occurs. While the availability of online exchange has tremendous potential to reduce vulnerability associated with visible difference, much consumption still happens offline, and the role of place in the experience of visible difference is important. Issues of place range from more straightforward factors, such as mannequins in a store that only portray the idealized body, to complex place-related regulations that constrain certain types of appearance, for example, “stop and frisk” laws.

Before exploring product and place we provide an overview of two approaches that people use when coping with visible difference, that is, passing and covering. Careful product selection, and modifications of place, are often used in the process of passing and covering, so it makes sense to introduce the terms at the outset.

**Passing and Covering**

In his seminal work on stigma, Goffman (1963) explores the fluid boundaries between “normals” and those deemed different that derive from social norms, expectations, and the ability to detect the underlying deviation. The uncomfortable situation in which one’s social identity is “spoiled” by the awareness of one’s shortcomings can be managed by avoidance (often a change of place), aggression, and the active management of one’s identity (often enhanced by the use of various products). The ability to manage identity and reduce stigma depends on how accepting the social group is of difference, how visible the impairment is and how amenable it is to remediation (Goffman 1963; Joachim and Acorn 2000). Consider the case of an amputated leg and the means that someone has to recover the potentially spoiled identity that may come with it. With access to advanced prosthetics, adequate rehabilitation and an environment matched to the prosthetic features, the individual should experience little to no vulnerability. Additionally, should the person choose to wear pants, this visible difference can be hidden and become an invisible difference. Finally, if the social group is indifferent, or even proud, of the individual’s missing limb (e.g., if it is seen as a marker of heroic action or survivorship), the visible difference is not associated with stigma. In contrast, consider the visible difference of extensive and head and neck surgery to treat metastatic cancer associated with long term tobacco use. The ability for reconstructive surgery in this setting is low, the impairment is very difficult to hide and, often, for cancers associated with tobacco use there is little pride linked to living with the disease.

Goffman (1963) refers to activities of hiding aspects of oneself that may “spoil” identity in terms of passing and covering. *Passing* refers to behavior in which the deviation from normality is kept invisible and not disclosed to others, thereby the individual attempts to be identified as not possessing the stigmatized attribute. As an example of using products to pass, an employee may downplay the type of dress that identifies his or her sexual orientation.
(Woodruff-Burton 2008, Yoshino 2006), or someone with a glass eye may wear sunglasses while shopping indoors. In contrast, the term covering refers to situations in which the stigmatizing aspect is readily visible or known to others, and yet attempts are made by both the individual and those around them to tone down the distinction (Goffman 1963). So, someone who is overweight may make an extra effort to dress as well as, or even better, than the others in the office. Although everyone can see she is overweight, her efforts confirm her shared understanding of dress norms. Her behavior may lead others to comment favorably on her purse or scarf, allowing everyone to avoid the topic of her weight. Here, the overweight woman covers her visible difference through the use of products.

The same process can be seen when place enables passing and covering. If someone with a facial anomaly builds long-lasting connections in an online forum, where he is known only by his avatar, his movement of building relationships from face-to-face to online allow him to pass. As an example of using place to cover, a group including an overweight man who seeks seating at a restaurant could ask for a table instead of a booth to avoid the discomfort of fixed seating and the awkwardness of sliding in and out of a booth.

While products and place can support passing and covering, as a double edged sword, products and place can also lead to situations in which someone resorts to passing or covering. For example, if someone has an essential tremor causing his hand to tremble uncontrollably, eating food from paper plates presents a difficult situation. Because of the instability of this product, the man may choose to say he is not hungry in order to pass as someone with no hand control issues. Or, one may be completely unaware that a colleague uses a prosthetic limb until the co-workers travel together. Airport security (place) forces disclosure of the missing limb. But, given workplace norms and friendships, the co-workers do not directly address the fact of the prosthetic limb, instead ruefully talking around the delays caused by additional security scans, thus helping the co-worker cover. What can be seen is that people employ products, and adapt place, to help them pass and cover. But, various products and places force people into a coping mode where they resort to passing and covering too.

Stigma arises because someone has an attribute that is deemed deviant and the result of the awareness of ones shortcoming drives coping behaviors like covering and passing. In early theoretical development, shame was described as an innate affect associated with the interruption of continuing interest in the self by another (e.g., an unrequited smile) (Tomkins 1963). Subsequent scholars disagreed proposing that shame was not innate, but instead the heightened consciousness of the self as inadequate (e.g., a poor public performance) (Izard 1991), the individual’s thoughts about himself after understanding her failure in someone else’s eyes (Lewis 1992), and the “complete closure of the subject-object circle” in which the self is the subject experiencing the emotion as well as the object about which the emotion is felt (Lewis 2003). Additionally, the shame literature suggests that feelings of shame spill over to individuals who share close ties to the person who is found inadequate.

In the discussions that follow the role of shame is intertwined with the role of products and place in the lives of the visibly different. Part of their vulnerability derives from the products and places: appropriate products may be more expensive, scarce or awkward to procure; people may feel unfairly set apart in public spaces. But, a great deal of the experienced vulnerability comes from the lived experience of emotions associated with products, their labels/brands, the feelings associated with acquisition, and the experience of being with other shoppers. That is, the potential of feeling shame or personal shortcoming
is inseparable from the market. As a result the macromarketing thought on this type of vulnerability falls into two broad areas: structural, process and design features that the market could implement to reduce vulnerability, and the more difficult task of changing the market to reduce social stigma coming from other actors.

**Product**

Products provide a reflexive ground that allow people to express who they are and to simultaneous convey information to people about the user’s identity. For example, clothing allows someone to indicate group membership, professional affiliation, religious belief or sexual orientation. At the same time, clothing tells the person about his/her body. Clothing sizes tell people something about how they fit, literally, in the aggregate of the population. When a woman with size dysmorphia can only shop in the children’s section, or the plus section, or the men’s section, the products themselves add to her sense of difference as she not only looks different, but is deemed different by the products she uses. Her choices are constrained and her consumption undermines her sense of self as “just a normal woman”. Similarly, a man with small hands may find that women’s gloves fit him better than a small men’s size, but may reject the product because wearing women’s accessories has implications far beyond the functionality of the item.

**Issue One: A Dearth of Products for the Non-Mainstream Body**

In the preceding paragraph, the people who have visible differences stemming from bodies that differ from the mainstream generally constitute a small part of the market (e.g., very tall or short people). So, for example, it is hard to criticize firms for making kitchen cabinets that are too high for the smallest women to reach comfortably if the majority of the market is significantly taller. If the role of a firm to is make a profit, then producing for the mainstream body makes sense. On the other hand, viewed abstractly, people with non-mainstream bodies have reduced market choice and must pay extra to get products that meet their needs, not because of idiosyncratic wants or goals, but just because they were born with a particular shape/size/look body (Valtonen 2013). Unless this group is paid more than the average person (which is true, say, for the very tall basketball player), this looks like a systematic opportunity for vulnerability. The macromarketing issue is that mass production drives product design to make products for bodies with a shape/size/look shared by the largest number of customers. Anyone outside these dimensions must pay incrementally more in repeated transactions over a lifetime for things like clothing, furniture, and car adaptations.

However, there are instances where the individual’s physical dimensions are shared by many people, and yet, products that fit these dimensions are few. For example, in North America it is difficult to find glasses that fit well on faces with a low nose bridge and high cheekbones, such as a traditional Asian face. Reflecting on this problem, comedienne Margaret Cho said in her essay on glasses shopping (Cho 2004), “The anger that I have right now is directed toward those who make, design and market glasses, which are probably essential to all people at one time or another, specifically not for – a skull like mine …What? Don’t you *** want me to be able to see?” Cho’s expression goes beyond issues of self-identity inferred from product design to musings on manufacturers who are intentionally constraining her abilities. In response to demand like Cho’s, Oakly developed Asian Fit eyewear, a nomenclature that has been picked up by the rest of the industry, notably TC Charton, a firm that specializes in Asian fit eyewear. The founder of TC Charton says her firm “has addressed issues that are problematic to the greater community of people of color” (Murray 2012). Reading this
closely, we see that individuals who are not Asian may actually find their best optical choices at a store that touts its Asian fit. Thus for someone who is African-American or Caucasian with a broad flat nose, Asian fit glasses solve the need for eyewear, but raise identity issues.

From a macromarketing perspective, the drive for efficient production leads to little interest in serving small, niche markets. If a producer does make something with limited demand (say, a very large women’s shoe) the demand is so thin that it makes no sense to disperse the product through normal channels. This means that products designed for bodies that deviate in terms of shape/size/look will most likely cost more (as the production runs are smaller) and only be sold in centralized locations (such as online or at a specialty store). The implications of cleaving to the capitalist model of profit enhancement and targeted segmentation are reduced choice, higher costs and channel segregation for people with bodies that differ from the mainstream.

**Issue Two: The Labeling of Available Products**

Diving deeper into the topic of identity, many challenges for people with bodies that do not conform to the mainstream shape/size/look can be traced to the product’s label or brand names. A strategic recommendation for a good brand name usually includes the idea that it is evocative and descriptive. A name such as Asian Fit is evocative and descriptive for people who understand the code that this name means a low or wide nose bridge and high cheekbones. For those who do not know the code, a more descriptive name would be one that pointed to the functional aspects of the product. The macromarketing issue here is the pattern of identifying the largest (or most profitable) segment of the non-mainstream body type and then naming the products tailored for this body type with the name evocative of the largest/most profitable demographic sub-segment. While this is effective for this particular group and builds its identity, it doubly challenges everyone else for whom the products provide a solution. Not only are products hard to find, but when they exist they affirm an identity that is irrelevant or discordant.

At the same time, purely functional branding may be marginalizing. Murray (2005) describes cutting the plus-size tags out of her clothing, noting that it is almost impossible to “remove yourself from the discourses that constitute us as subjects”. That is, even wearing clothing with a hidden tag that identifies the article as produced for someone with a plus-sized body continues the discourse of “fatness” on a daily basis. This suggests that even a fanciful brand name can become tainted when the functional markers of the product remind the person of his or her otherness. So, it is possible that if the producer uses brand names or other labels that are descriptive of something about the body that is seen as shameful, fewer buyers would be interested even if the product met their needs.

Finally, the issue of product assortment appears in the next example. Sephora sells Make Up Forever Full Cover Concealer to cover scars. The company skirts the topic of scars in the name, but in the promotional material says it is “Designed to cover major imperfections like scars, hyperpigmentation, major discoloration, burns, and tattoos.” This is a neutral name, and an informative description, but also one carrying the loaded term of *imperfection*. While this product could be used to cover tattoos, Sephora also sells a less expensive product, Kat Von D Lock-it Tattoo Concealer. Here Sephora openly identifies tattoos in the naming of the product and uses the name of a famous tattoo artist in the name. The promotional material touts a quote from Kat Von D regarding the freedom the wearer will have, giving him or her the “liberty to look whatever way they want whenever they want”. The contrast in names, the
fact that no one famous is associated with scarring, and the additional promotional text suggests that someone with imperfections, of course, would want to conceal these, whereas someone with tattoos might or might not – this is under his or her control. Here, the concealer for scars and other imperfections is named neutrally and described functionally. So far, so good. But when placed in an array of goods offered by the same manufacturer for related purposes, subtle issues of shame and loss of control emerge.

A second level of branding/labeling consideration is the name of the place where the exchange happens. Sometimes a name becomes synonymous with the non-mainstream shape/size/look market that it serves. Gruys (2012) describes a shopper who commented after her purchase was placed in a bag marked with the logo of the clothing store for plus size women in Los Angeles, “Now I always have to remember to turn the bag around so nobody knows where I have to shop!” (p. 489). On the flip side, sometimes the name is perfectly acceptable for the majority of the patrons, but does not fit the visibly different customer at all. As an example of this, there are certain types of pelvic pain in men that are best treated by gynecologists (Grady 2013). Without some reframing, the man with pelvic pain is left “going to the gynecologist” which medical centers may have housed in an area with female centric magazines, décor, etc. To address this, some locations are choosing names that are more functionally descriptive, such as the Center for Chronic Pelvic Pain (at Johns Hopkins Medical Center).

The macromarketing issue is that when brands and labels are evocative and descriptive (as recommended by theory), but the name reinforces a shameful visible difference, then the name can become a liability. Or, if the name reinforces the demographics of the dominant target sub-market, then the name further marginalizes people who share this difference but who are of another demographic. Manufacturers are caught in a difficult spot. The underlying problem is the broad stigma that is associated with much visual difference that, when linked to one’s identity, triggers shame and diminished self-worth. The most successful names that meet specialized needs also reduce negative thoughts in the buyer about him or herself. This is done by reframing the functional aspects of the brand into a neutral statement, such as the pain center described above.

Place

The most obvious issue related to visible difference and place is when a person realizes that he or she simply doesn’t look like everyone else around him her. This very primitive sense of being different and outnumbered can lead to feelings of isolation and even fear. One response is to avoid such settings completely. For example, a morbidly obese person may choose to only shop online. Another is to find a setting where similar looking people may be found and cluster there (for example, expats living overseas spending most their time with each other). From a macromarketing perspective, the growth of segmented environments allows people to find others with similar visible appearance (e.g., stores just for petites, restaurants with early-bird specials just for senior citizens, or gender-specific restrooms), but this place segmentation limits visual diversity in public spaces.

**Issue One: Feeling as Though No One Else Looks Like You**

Sometime a person finds him or herself in a place where no one shares the same shape/size/look. Intellectually, one may know that there are numerous other people who share a particular appearance, but for one reason or another, no one is co-located, leading to a sense
of aloneness and isolation. For example, there may be many people with a one’s skin color in a city, but there may be none that share the same mass transit, visit the same retail locations, or use the same gym. One can see how this becomes a vicious circle – if one feels uncomfortable or set-apart in a particular place, the inclination is to avoid this sort of setting and to find locations where one feels more camaraderie. However, every time someone with visible difference withdraws from a particular place, the channel become even less welcoming to the next person with the same body shape/size/look. This phenomena is well described by Rucker (2010)

The first thing that struck me after I became paralyzed and wandered out into the world for the first time was that I didn’t see anyone else in a wheelchair out there…If there are 5.6 million paralyzed people in America, not to mention 50 million plus citizens with some form of disability, where the hell are they? When I throw out those stats around my non-disabled friends, they politely nod and assume that I’m exaggerating (again). The only wheelchair user most of them see is me. Compare that 5.6 million to the Wikipedia estimate of the American Jewish population: 5.128 million. Or the American Korean population; 1.4 million. I promise you, wander around any big city in America and five will get you ten that you’ll spot more Koreans than wheelchairs, canes, or zippy three-wheel scooters.

Rucker goes on to note that there are good reasons some people using wheelchairs are not out and about, such as a disproportionate number of elderly or ill citizens among this group. Still, even when these are accounted for, there are still fewer chair-users in the market than there should be given the numbers. Similarly, people with facial anomalies, the morbidly obese, burn survivors, and others with stigmatized visible difference minimize public appearance because of the difficulty of being in public and the emotional after-effects of the difficulty (Mason and Pavia 2006, MacRae 1999, Pavia and Mason 2012, Pruzinsky 1992). This is demonstrated in the description of growing up with a sibling with dwarfism: “Siblings attributed the difference [in their lives] to unequal treatment and the hostile attitude of others. Therefore, it was not the sibling’s disability in itself that contributed to this experience, but rather the way they were perceived and treated by the public” (Guse and Harvey 2010 p. 392-393).

Building a physical space that accepts a variety of shapes and sizes of bodies is potentially the most mutable structural macromarketing issue discussed in this essay. If more people with diverse shapes/sizes/looks felt comfortable in public it could start a cascade in the other direction. As people feel less peculiar, they engage in the market more, leading to fewer instances of people feeling peculiar and so on. Structurally, the market could provide diversity in its service providers (e.g., shop clerks), display models (e.g., faces on packages or mannequins), and physical space to accommodate different size and look customers. Unfortunately, place is not entirely under control of the marketer; it is populated with other customers that enter with their own stereotypes, fears, and expectations of appearance.

The difficulty of drawing a disapproving gaze in public is an ever-present problem when one differs visibly. Hawkeworth (2001) describes how the oppressive gaze (Hughes 1999) leads consumers with facial disfigurement to self-limit their movement in public, to withdraw from jobs and social situations, and to seek spatial-temporal combinations that minimize exposure and maximize control (e.g., choosing to work as an usherette in a darkened cinema). Ware (2002) and Kittay (1999) write about the sadness that accompanies covering efforts to make their disabled children look clean and well put together so they look more
“normal”. Sadiq, Khwaja, and Saeed (2012) argue for treatment of otherwise non-threatening facial palsy because “There are significant psychological effects as patients lack the confidence to carry out many daily activities in public, such as appearing in photographs.” The list of examples goes on, and it demonstrates the overwhelming pressure from other actors in the market against people with visible difference. This is a much more difficult systematic problem and only seems to shift when the overall culture changes its perspectives on a visual deviancy (such as has occurred recently regarding tattoos).

**Issue Two: The Retail Ghetto**

One way to address feeling as though no one else looks like you is to seek spaces where many others share the same visual characteristics. This reaction is a powerful way to reaffirm and build identify. As Wang and Lo note (2005, p. 684) in the case of immigrant communities, “the social use of ethnic shopping spaces indicates that immigrants are not only consumers in ethnic shopping places but coactors in producing the unique ethnic retail environment.” That is, shopping in a homogeneous space achieves more than just product acquisition. This process may occur unintentionally too. For example, if the elderly time shift when they enter a retail space to find a quieter, less crowded hour, they de facto create a concentrated elderly clientele during their retail experience (Meneely, Strugnell, Burns 2009).

To a large extent, retail or service micro-segmentation is a victory of marketing. With micro-segmentation, all patrons share similar needs, they gather in one spot, and can be served efficiently. They feel comfortable because others look like them. One possibility is that the segregation feels shameful; that is the patron wishes she could consume in the mass setting, but the staring and comments are so difficult, she flees to the setting where she fits in. On the other hand, if segmentation by look does not feel shameful, then it may be a positive, identity-building experience for the patrons (e.g., the Little People cruise). But, there are two insidious by-products of micro-segmentation. One is that, by providing segregated offerings the producer may feel that there is less need for accommodation to body diversity in other servicescapes. Second, the other members of the market are deprived of diversity in patron shape/size/look when the non-normative bodies willingly withdrawn from the mass setting.

**Issue Three: Profiling in Public Spaces**

With regard to visible differences related to ethnic characteristics, many citizens of the U.S., Canada and Europe are conflicted about profiling or choosing someone for special attention based on looks, accent or other visible characteristics. Most emphatically do not support discrimination on the basis of looks alone and strongly disapprove of the sort of racial profiling people refer to as “shopping while black” (Jost 2013). While this shorthand terminology refers to shopping, profiling occurs in traffic stops and even in simple activities like hailing a cab (Russell 1999). At this point, retailers, law enforcement, schools and other service providers are sanctioned if they engage in unwarranted profiling, but the fact that cases keep being brought to the courts suggests that the process is still alive and well.

However, people also say that police should focus on those that look “more likely” to commit a crime and, thus, not pull grandmothers in wheelchairs out of airport screening lines for special attention. The result of this sentiment is that there are allowable, even mandated, programs to engage people who look a certain way to assess their potential for being a criminal passing as an innocent person. For example, the law enforcement practice of “stop and frisk” in New York City has received a great deal of attention recently, largely because the
data show that people with darker skin are stopped disproportionately more often. In 2012 there were over half a million people subject to stop and frisk in NYC, with 55% of them being black and 32% Latino (New York Civil Liberties Union 2013). While it is true that these sweeps did result in uncovering a crime related to 11% of the people that were stopped, it is not hard to imagine the chilling impact this activity has on people of color choosing to consume in public places (particularly young adult males). Knowing your chances of being stopped are high, the temptation to ask someone else to go to the store for you, or otherwise avoid public space, would be high too. One study of young adults in six New York communities who had been intercepted at least once stop in a stop and frisk action reported engaging in community activities “Always of Often” or at rates that seem low for people who rarely own their own cars: shopping 45%, playing sports outside 40%, hung out in a public area outdoors 39% and hung out in a public area inside 18% (Fratello et al. 2013).

In addition to stop and frisk, areas of large immigrant populations in the United States have implemented stop and verify laws. These laws allow (and sometimes require) law enforcement officers to verify the immigration status of someone if a “reasonable suspicion” exists to believe the person is “unlawfully present” in the United States. In a report from the Urban Institute on the impact of Oklahoma’s stop and verify law (HB 1804), Koralek, Pedroza and Capps (2010) concluded “that HB 1804 has contributed to a genuine ‘culture of fear’ among immigrant families.” Because the impact on public services was low the report continues, “to say that this dog’s bark was worse than its bite is not to dismiss its importance. If the true point of HB 1804 was to make unauthorized residents and others in the immigrant community feel more uncomfortable and unwelcome in Oklahoma, then the legislation may still have accomplished its goal.” Increased scrutiny based solely on physical appearance raises all sorts of issues of self-worth, identity and ability to engage in market exchange freely.

It is useful to contrast stop and frisk/verify laws with the case of a young-looking person trying to buy cigarettes or alcohol. When the young-looking person chooses to make an exchange she must justify herself. Without the exchange, no one stops her and asks to see proof of age. In contrast, someone who looks a certain way under stop and frisk/verify can be thrust into a situation in which she must prove that the penalties of illegal behavior do not apply. That is, in some settings, the penalties are not necessarily triggered by an exchange act. Instead, the penalties arise from simply coming in contact with an authority figure while in a particular body in a public space.

In sum, normative proscriptions for how people who are innocent of wrongdoing look not only reflect bounds on who can move unimpeded through the market, but establish unspoken bounds regarding the sort of person one should expect to meet in a public space. The application of a simple tool such as “looks like me/doesn’t look like me” is tempting because it gives an easy, although wildly inaccurate, way to make decisions. Because simple tools offer a false promise of relief from complex problems, the vulnerability of looking, acting or sounding different is even more acute in complex social situations where decisions may be made quickly under feelings of fear and uncertainty.

**Conclusion**

Vulnerability is a serious concern of marketers and policymakers because, over the long term, it can impact a person’s identity, diminish access and market freedom, lead to inequality in the availability of products and basic services. This essay brings together thoughts
on interwoven themes related to people with visible differences: the nature of embodiment, identity, how identity is reflexively created through products and place, the public gaze, stigma associated with visible difference, why the market creates certain products and places for its customers, and means of coping with a non-normative body using products and place. Various aspects of products and place can exacerbate the vulnerability of someone living with a visible difference; other aspects of products and place offer solutions and reduce vulnerability.

For the most part, people create their own marketing mix out of the available choices that provide them the greatest sense of self-worth and healthy identity. The question for marketers is how to develop the systems that provide marketing mix components to support individual efforts in these personal self-integration goals. Setting aside the topics of promotion and price (which are important but out of the scope of this paper), what role does the marketing system have in providing the product and place elements that allow everyone, even someone with visible different to be successful and happy?

The thorniest problem comes from the stereotypes and stigma that flow to the person with visible differences from other actors in the market. Market structures have limited power to change cruel or ignorant behaviors, but to the extent that visual diversity occurs in the market, the more normative visual difference becomes. So, for example, the market per se may not change attitudes on wearing a head scarf for religious reasons, but if the average person sees store clerks, patrons, people in public parks and professionals wearing a head scarf, then it becomes less a phenomena to stare at or wonder about, and simply more visual diversity. Similar processes hold for using a wheelchair, being short, tall, old, overweight, scarred, and so on.

Consequently, one of the things the marketing system can do is to encourage more people to be physically present in the market. However, this runs in direct opposition to behaviors that occur when mainstream channels do not carry an array of products for non-normative bodies. For example, the very tall or very short have more success shopping for clothing online, which, in turn, reduces their presence in brick and mortar retail settings. Thus, the role of the marketing system may be to entice customers with visible difference into setting where there is no online substitute, such as outdoor recreation, travel and dining but ensuring that these servicescapes are as welcoming as possible.

Consumption constraints do not always lead to consumer vulnerability; but when the constraints force consumers into situations of higher expense, limited service providers, shame and feelings of isolation, the probability of vulnerability is increased. The market cannot eliminate the largest cause of vulnerability associated with visual difference – the stares and whispers of other actors. But the larger market can be thoughtful about the implication of micro-segmentation, limited channel options for niche products and how products are named/labeled. This is a complex topic that deserves much more attention as it impacts a shockingly large number of people as they interact with the market, on a daily basis.

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By drawing upon literature in relation to personal communities, vulnerability and surrogate consumption, this study illuminates and explores the nuances of home-bound micro-communities in terms of personal vulnerabilities and associated surrogate consumption activities. Depth interviews with three homebound consumers experiencing a diversity of disabilities were conducted on a weekly basis over a two year period. Interpretive engagement with the data revealed three nomothetic themes: (1) Independent Living? (2) Decision Making and (3) Identity Construction. The findings reveal a dynamic process within which home-bound consumers’ communal sense of self emerges through: decisions that are taken to address the often negative perceptions of disability; the performance of autonomous tasks; and high levels of involvement in consumption choices and experiences. Moreover, we argue that surrogate consumers provide a vital bridge that enables vulnerable consumers to lead a more normal life and secure independent living.
Communicating the Prevention of a Stigmatised Disease: A Macromarketing Perspective

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The authors analysed 375 European social advertisements preventing HIV/AIDS until the end of 2011 and examined over time of production the sources, target audiences, messages delivered and the use of positive and negative appeals on those messages. The objective was to understand if the practice of social marketing follows the theoretical evidences for social marketing effectiveness and fits with the contextual needs, as the epidemic profiles, social, economical, political and cultural context. Results indicate that social advertising is commonly framed by public policies in reaction to epidemic dynamics along the time. Those advertisements are essentially targeted to general people with general messages, using a high proportion of positive appeals. These findings contradict the theoretical recommendations that advices social marketing appropriateness to contextual needs and vulnerable populations. The authors discuss specificities about the communication of a stigmatised disease, since the fear of increasing discrimination may create a trade-off for social marketers.

Social Marketing for Health Promotion

Health promotion is an important topic for public health considering that prevention is worthier and cheaper than treatments, both in public policy and in an individual point of view (Rothschild 1999). Social marketing is a useful tool in health prevention, since it consists on the adaptation of marketing techniques to the promotion of behaviour change (Andreasen 2002; Evans and McCormack 2008; Gordon et al. 2006; Keller and Lehmann 2008; Stead et al. 2007). Communication has been a very popular component within social marketing programmes and social advertising on television one of the most used communication tools (Abrons and Maibach 2008; Block and Keller 1995; Griffin and O’Cass 2004; Hastings and Haywood 1991; Mattson and Basu 2010).

Health-related social marketing effectiveness depends on the correct management of marketing strategies, such as segmentation and targeting to vulnerable or most at risk populations (Albrecht 1996; Andreasen 2002; Bloom and Novelli 1981; Fine 1980; Grier and Bryant 2005; Walsh et al. 1993). Branding public health includes culturally-sensitiveness, persuasiveness by appealing healthy behaviours through social models, repeating and reinforcing the message (Abrons and Maibach 2008; Evans and McCormack 2008; Kreps 2008). The research on message strategies that work in public health is one of the biggest challenge among this field of research (Evans and McCormack 2008) in order to find paths that indicate the best strategies to reach social marketing effectiveness.

The authors proposed to examine how social marketing is used in practice for consequentially understand social marketing policies. As unit of analysis, they decided to study television social advertisements preventing HIV/AIDS infection in Europe because of its seriousness and the high number of interventions preventing the disease, using social marketing and particularly television social advertising (Myhre and Flora 2000; Noar et al. 2009). The purpose of the study was to understand over time the type of sources, the target audiences, and messages delivered, as well as the direction of appeals more frequent – positive or negative ap-
peals – and discuss its appropriateness to theoretical evidences of effectiveness and contextual appropriateness to culture, political, socio-economic profile, and epidemic dynamics.

HIV/AIDS infection: preventing a stigmatised disease

HIV infection was first diagnosed in 1981 (Merson et al. 2008) and was marked by a starting period with a huge number of deaths. Stigma towards the populations most affected and the behaviours associated with the infection transmission was also a reality (Castro et al. 2010; Gruskin and Mills and Tarantola 2007; Uhrig et al. 2010). The first worldwide public-health strategy to engage with human rights was motivated by the discrimination towards people living with HIV, that also was driving people away from prevention programmes because of the lack of the conscious of self-vulnerability (Gruskin and Mills and Tarantola 2007). That stigma still persists nowadays despite science realising that HIV infection is a global epidemic that can be transmitted by basic unprotected behaviours of any human-beings (Merson et al. 2008). In 2001 the United Nations proclaimed fighting HIV transmission one of the Millennium Goals, including fighting against HIV discrimination (UNO 2001). The still existing stereotypes created at the beginning of infection proclaiming that HIV is a disease of promiscuity people led to individuals may not experience fear of transmission that might prompt preventive messages acceptance (Campbell and Babrow 2004). On the other hand, scaring the already scared may accentuate the existing stigma and discrimination towards the most vulnerable populations, such as men who have sex with men, sex workers, or drug users, as well as people leaving with HIV (Muthusamy and Levine and Weber 2009).

This fact makes the researchers wonder whether social marketers face trade-offs between following social marketing theoretical recommendations, appropriating the prevention messages to the specific and contextual needs of intervention, and the avoidance of increasing stigma and discrimination for designing special messages to the most vulnerable populations.

Methods

The researchers collected television social advertisements from the 1st of January to the 30th of June 2012, searching for data in the internet databases: a) browsing the institutional websites and Facebook profiles of governmental institutions coordinating HIV/AIDS prevention in each EU country; b) browsing the institutional websites and Facebook profiles of NGOs members of “Aids Action Europe” in each EU country; c) searching in the popular video-sharing websites Youtube, Vimeo, Dailymotion and Google videos. d) the online media archive www.ina.fr, which is the website from the National Audiovisual Institute in France and saves all the institutional communications broadcasted on television in France; and e) the online media archive www.culturepub.fr, the website from a french television program which shows several advertisements from around the world. These two French websites that provided audiovisual advertisements online emerged from the online research of data and may explain the high prevalence of french advertisements in our database, though these kind of online media archives were not found in other countries’ research. The search terms in video sharing websites were “HIV AIDS Prevention advertisement” in English followed by the name of each EU country, also in English because of the fact it is the most important international language and this could help to find videos. Then the researchers translated the expression to each of the twenty-three official European languages. As the video-sharing websites provide suggestions for other videos connected to the search terms and/or also were
seen by people who viewed the ones shown, we also followed those suggestions, resulting in a richer data collection.

Out of a database of 539 television social advertisements on HIV/AIDS prevention collected from 21 EU countries developed by governments and/or NGOs between 1986 and 2011, the researchers selected all the ads from four countries that represented 69.6% of the database. The study was conducted with 375 national HIV prevention advertisements broadcasted on TV as case studies. 146 are from France (38.9%), 115 from Germany (30.7%), 76 from Portugal (20.3%) and 38 from Italy (10.1%).

The narratives of the ads were translated into English and transcribed into the NVivo software in order to perform content analysis. We described the characters, music, colours, non-verbal symbols and the story review of each advertisement and type of rhetoric. These notes were recorded in NVivo and served as a basis for the coding process. The content analysis was processed by one of the researchers and independent coders. This process allowed to calculate interjudge reliability by Proportional Reduction in Loss (PRL) approach (Rust and Cooil 1994). The content analysis of positive and negative appeals in social advertisements was conducted following a model based on literature review which had also independent coders in a sample for PRL reliability (Casais and Proenca 2013). The results from content analysis allowed the classification of advertisements by year and country according to the target, behaviour change message, type of source, and message appeals – positive or negative. The results were discussed with a descriptive quantitative analysis and compared with cultural insights about the context, such as public policies on HIV prevention, uncertainty avoidance or openness to chance. The results are also analysed with a correlation analysis with country’s contextual indicators, as epidemic incidence rates, gross domestic product (GDP) or public expenditure on health.

**Results**

Television advertisements preventing HIV/AIDS are generally part of a public policy strategy but not focus on the needs demonstrated by the analysis of epidemic dynamics and the most at risk population. When there is a relationship between marketers’ choices and epidemics, advertisements are generally part of a reactive prevention policy. Television advertisements especially target the general public and young people, suggesting some avoidance to targeting the most HIV-vulnerable populations. Although condom use is the most prevalent message, because sexual transmission is the most important way of infection, general messages on avoiding or stopping AIDS and fighting discrimination are also very common in the data analyzed. This suggests that providing information about the ways of transmission has been a priority.

Following the reported effectiveness of fear appeals in the literature, both in research that focused on effectiveness and in meta-analysis of literature (Block and Keller 1995; Brennan and Binney 2010; Caubergh et al. 2009; Chary and Demoulin 2012; Cismaru and Lavack 2007; Cismaru et al. 2008; Cismaru and Lavack and Markewich 2009; Dillard and Anderson 2004; Gallopel-Morvan et al. 2009; Hastings and Stead and Webb 2004; McKinley 2009; Vincent and Dubinsky 2005) we would expect the confirmation of a high prevalent use of negative appeals in social marketing, which might alternate with positive appeals fitting the level of severity of the infection in societies. On the contrary, results show an unexpected popularity of positive appeals in the social advertisements analysed with expressive proportion use along the time. We did not find sensitiveness to the differentiated effectiveness of
appeals reported in the literature according to the targets grouped in regulatory focus theory, neither to the type of source. We only find an undulated cycle with an increasing and decreasing of positive and negative appeals, but without affecting the preference of social marketers for positive appeals. The only sensitiveness found is on the use of negative appeals regarding the cultural uncertainty avoidance and conservative society in the end of the twentieth century in Portugal, and with the increasing incidence rates of infection in Germany in the twenty-first century.

The results make the researchers suggest that the communication of a stigmatised disease may have specificities which require more attention is social marketing. On the one hand, recognising that specificities into practice may be a contribution to social marketing theory; on the other hand, the understanding of trade-offs from social marketers may be an important step to overtake the fears in practice and better design oriented interventions targeting vulnerable populations without developing that stigma and discrimination.

**Conclusion**

The fact of HIV prevention ads involving the discussion of fracturing issues, as well as stigma and discrimination linked to the disease, may be important factors in the minds of social marketers and public policy makers, leading them to avoid targeting strong messages to the most at-risk populations. Data suggests that stigma and discrimination associated with the disease (Herek 1999; Valdisserri 2002) may be a factor that can inhibit social marketers from designing advertisements for the most vulnerable target audiences or avoiding shocking messages with threat appeals in order not to increase those attitudes in society. That fact may influence the design of messages for stopping or avoiding AIDS, which tend to be generalised or focused on fighting HIV/AIDS discrimination. The same reason may also pressure to the use of positive appeals, which consists on motivating people to change, without showing shocking images that might hurt people living with the infection or increase feelings of stigma.

The research may be a contribution for both academics and social marketers in practice, considering the gap between theory and practice identified. The discussion of this trade-off may be useful for public sector management, concerning the evaluation of the social marketing policies, its financial investments and the coherence with society needs to improve future social marketing strategies. The conclusions also reveal the specific factors concerning this practice, which have public policy and macromarketing implications for this topic and consequences in epidemic dynamics, since society is a mirror of public policies.

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Low income young mothers and the pursuit of ‘socially appropriate’ parenting

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We examine how family is performed and produced by a group of young, low income, new mothers. We focus particularly on how new young mothers engage with the marketplace in order to demonstrate ‘socially appropriate’ mothering. The context for our study is firstly, a growing concern with the widening gap between the ‘haves’ and the ‘have-nots’ in British consumer society (Bauman, 2007); secondly the vilification of young mothers as reflective of a ‘new gendered underclass’ (Clarke, 2014; Skeggs, 2005; Tyler, 2008); and thirdly, contemporary normative models of motherhood, such as intensive mothering which emphasise the time, energy and money expended in raising children (Hays, 1996). From longitudinal interviews with fourteen informants we identify how these young mothers’ stories feature primarily themes around the purchasing of products and brands which function as visible markers of good mothering. This is in contrast to themes found in earlier research with older mothers which place as much emphasis on investing time and energy in pursuit of ‘socially appropriate’ mothering (Hays, 1996). Paradoxically rather than achieving ‘socially appropriate’ mothering this tendency by young, low income, new mothers to demonstrate good mothering via consumption could leave young women open to further scrutiny and negative evaluation by society so that they fail to achieve the ascribed status of ‘good mother’, because the danger is that these consumption signals are misread outside their immediate peer groups, carrying an associated risk of stigmatisation (Hamilton, 2012).

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The situational vulnerability of new mothers.
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This paper focuses upon consumer vulnerability experienced in pregnancy and beyond as women become new mothers. Mothers have previously been identified as experiencing both liminal and consumer vulnerability (The Voice group 2010). Applying Baker & Mason’s (2012) taxonomy of vulnerability this paper considers that pregnancy may be considered as a form of situational vulnerability; characterized as multi-dimensional and dynamic. Based upon narrative interviews with women during and post-pregnancy, it utilizes Baker & Mason’s (2012) process theory of vulnerability to explore: the vulnerability inducing pressures which new mothers experience, the diversity of their vulnerable state experiences and the temporality of situational vulnerability. It considers that vulnerability can be both a socially and individually constructed state, that ‘powerlessness’ and ‘imbalance’ insufficient in capturing the diversity of the vulnerable experience and that the dynamism of vulnerability is crucial to understanding consumers’ potential for resilience.

References


Energy Vulnerable Consumers
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On the 29th May 2007 Mrs Folole Muliaga died in her Auckland home a few hours after the electricity to their house was disconnected due to non-payment of her bill. Mrs Muliaga was morbidly obese and had a BiPap ventilator machine to assist her breathing. A subsequent enquiry exonerated the company, Mercury Energy, and the contractor who actually disconnected the supply. Although there has never been total agreement on what was told to the contractor and the company it is clear that the company did not know that she was medically dependent upon electricity supply and that the family had not taken opportunities to acquaint them over a period of several weeks before the disconnection eventuated. Similarly, the family had not advised any of several possible support agencies that they were having difficulty paying their electricity account. Mrs Muliaga was a Samoan living in New Zealand but she was a trained schoolteacher with a Diploma in Early Childhood Education, and as such it is difficult to appreciate that it would have been simple ignorance about rights or processes that would have kept the company uniformed.

In 2013, one of the authors experienced a related issue as his wife suffered with motor neurone disease and they became registered as medically dependent upon the supply of electricity for ventilator, bed, hoists, powered wheelchair and extra heating needs. While disconnection as a result of non-payment was not an issue, the inability to control use in any way did leave a distinct feeling of vulnerability and the potential for a disruption to supply from storms or earthquakes became a serious concern. Self-efficacy felt reduced in this situation. Whatever the precise causes of Mrs Muliaga’s death it is clear that she and her family were not in control of their negotiations with the power company and one would expect vulnerable consumers to experience lower self-efficacy than the general population.

This research tests this hypothesis in a random sample of 3560 New Zealand consumers, of whom 312 were registered as needing additional power for health reasons. Self-efficacy is assessed as relevant to the domain of energy use and the results show that is clearly lower in this group of vulnerable consumers providing a basis for developing information and programmes that might address some aspects of vulnerability in this group. The data also reveals differences in demographics, material culture, values and other attitudes towards support for the uptake of energy efficient changes.
Energy consumption and energy policy in Europe: New perspectives and marketing challenges for the “old continent”

Chairs: Doreén Pick & Stephan Zielke

Session 8d – Friday 4th July, 8:30am

Get electric vehicles going: A segmentation approach for the adoption of electric vehicles in organisations
Daniela Mueller, David M. Woisetschlaeger, Nils O. Ommen, Christof Backhaus

Cost-caused price increases in energy markets: How to frame and communicate them?
Doreén Pick, Stephan Zielke, Wayne D. Hoyer
Get Electric Vehicles Going – A Segmentation Approach for the Adoption of Electric Vehicles in Organizations

Daniela Mueller, Technische Universitaet Braunschweig, Germany
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The finitude of fossil resources as well as increasing environmental demands by governments and customers (Schulte et al. 2004) are the major arguments, as to why Diesel and petrol engines can no longer be the main types of power trains. This article will focus on the adoption of innovations like battery electric vehicles (BEV). Being driven by an electric motor, BEVs are innovative to the market of automobiles. They increasingly gain importance and public attention. Despite of this attention and governmental efforts to bring BEVs on the street, the adoption rate remains low. To integrate BEVs extensively, manufacturers and governmental organizations focus especially on organizational fleets as organizations are the largest purchaser of new cars (KBA 2013). For example, in Germany 61.8% of all newly registered cars belonged to organizational fleets in 2012 (KBA 2013), which is why they are seen as pacemakers for the adoption of BEVs (Nesbitt and Sperling 2001).

The phenomenon of innovation adoption has already been dealt with by several scholars, especially because many innovations fail in the market. Researchers investigated several factors that inhibit or enhance the possibility of innovation adoption. Amongst those are the costs associated with the innovation (Tabak and Barr 1998; Ramirez et al. 2013), the compatibility of the innovation with the existing business model of the firm (Rogers 1983), and the attitude of the buying center members towards the innovation (Waarts et al. 2002) to name just a few. Another stream of research focused explicitly on the adoption of green products and services. Most of this research described practices that aimed to reduce waste or recycle old products (e.g. Carter and Carter 1998). Only very few studies focused on the phenomenon of green innovation adoption within organizations. For example, del Rio Gonzales (2005) investigated the importance of different factors for or against green innovation adoption and found that image enhancement is the most important reason to adopt and long payback periods the major barrier. De Marchi and Gardner (2012) on the other hand investigated factors more related to firm characteristics, such as firm size and whether an international focus of the firm explains the adoption of green innovations.

However, despite the multitude of factors affecting the adoption decision already being found, there remains a lack of knowledge as to why some companies adopt green innovations and others do not (Naranjo-Gil 2009; Frambach and Schilfgeawert 2002). Moreover, the literature in the field of green innovation adoption is still sparse. Therefore Banerjee et al. (2003) pled for the identification of barriers and enablers of corporate environmentalism. This paper thus aims to detect factors affecting the adoption of BEVs. We thereby focus explicitly on organizational buyers. The following research questions shall thereby be answered: 1) Who buys green innovations and for what reasons? 2) Are there different types of companies buying green innovations and how do they look like? 3) What needs to be done so that non-adopters will adopt the innovation as well?
By answering these research questions we provide the following contributions. Firstly, we deepen our understanding on green motives of organizational buying behavior. In comparison to other studies on the motives of green innovation adoption, we integrate motives of the adoption of corporate social responsibility (CSR) (Ellen et al. 2006) with the ones of innovation adoption so that a more complete picture of the motives for the adoption of green innovation emerges. Secondly, based on the extend understanding of the motives we could build a practically oriented typology of car buying companies which equips suppliers with the knowledge to target different organizational types more purposefully.

In order to answer our research questions we conducted 39 qualitative semi-structured interviews with fleet managers of 35 different companies in Germany, which lasted on average 32 minutes. Thirteen of those companies already had integrated BEVs in their fleet. Issues discussed were related to the decision-making process for new company cars in general and for BEVs in particular. The data have been analyzed using the method qualitative content analysis (Mayring 2003).

We found that motives for BEV adoption are primarily related to the environmental consciousness of the firm, which the firm wants to clearly express by the adoption of BEVs (i.e. a value-driven motive). The adoption of BEVs is furthermore facilitated by research projects funded by external sponsors (i.e. stakeholder-driven motives). The major barrier, which has also been stated by the companies which have already adopted BEVs is indeed the high purchasing price (i.e. strategic motive). Especially the adopters of BEVs expressed several value-driven and stakeholder-driven motives, whereas the non-adopters brought forward mainly strategic motives.

In particular, we found that two dimensions influence the adoption likelihood. These are the business model fit on the one hand and the environmental concern of the firm on the other hand. The business model fit is defined as the degree to which BEVs fit into the company’s everyday activities and is measured by the company size, fleet size, the typical usage profiles of company cars and the daily driving distance. Larger companies with more than 250 employees, which have medium-sized to large fleets with at least 50 cars are found to be more likely to adopt BEVs than small companies with small fleets. Moreover, companies with car pools in which those cars are mainly driven within cities, are more likely to adopt BEVs. The environmental concern, on the other hand, is defined as the firm’s expressed desire to reduce environmental harm and is measured by external information published on the website of the company, such as sustainability reports, as well as by their attitude expressed in the interviews, for example by stressing the importance of reducing CO2 emissions.

Along those two dimensions we could detect four different types of companies, namely the Skeptics, which have a good business model fit but low corporate environmental concern; the Pioneers, which have a good fit and a high level of environmental concern; the Unsuitables, which have a low business model fit and only little environmental concern; and the Hampered ones, which have a low level of business model fit but a highly expressed concern for the environment. Recommendations for actions for all four company types could be derived.
References


Cost-caused price increases in energy markets: How to frame and communicate them?

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Scarcity of oil and gas and increased skepticism about nuclear energy caused an increasing attention towards greener energy. Usually, governments decide about the energy-mix in a country with consequences on energy prices. In Germany, for example, energy suppliers have increased prices because of the transition from nuclear power to renewable energies. When energy suppliers communicate these price increases, previous research suggest that they should emphasize increased costs, so that the price increase is perceived as external and uncontrollable and therefore fairer from a customers’ perspective. However, our content analysis of energy suppliers’ price increase letters shows that in practice communication means are much more differentiated. Energy suppliers can justify the price increase by government regulations, which are a high burden for each citizen (negative framing) or by addressing the positive impact for the environment, for which it is worth to pay a bit more (positive framing). Furthermore, firms can communicate own efforts to prevent the price increase and they can express regret.

Based on several theories (dual entitlement principle, attribution theory, equity theory), we develop hypotheses about effects of these communication means on perceived price fairness and customers’ switching intentions. Results of a large scale experimental study (N>500) show that for the negative framing condition, communicating no regret and no effort is perceived as most fair and results in the lowest switching intentions. In the positive framing condition, communicating regret has a positive effect on perceived price fairness, but it does not reduce switching intentions. Hence, communicating effort and regret have opposing effects in the different framing conditions and contrary to common wisdom, a negative framing can be more beneficial for the energy supplier than the positive one. Theoretically, the paper extends prior research on cost-based price increases by a more differentiated approach.
Extending social imagination beyond the social: The role of natural service in marketing systems

Chairs: Helge Löbler & Michaela Haase

Session 3a – Wednesday 2nd July, 4:15pm

The service of nature and the nature of service—extending the service logic for marketing
Helge Löbler

Sustainable service in the social realm: what can we learn from natural service?
Michaela Haase
The Nature of Service and the Service of Nature – extending the service dominant logic by using Luhmann’s Systems Theory

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Keywords

Introduction

Service is ubiquitous and it has been written a lot about service and services. It has been tried to understand and define what service is in different disciplines and most of the work is important and helpful. Service is a very common phenomenon in human coexistence and everybody has experienced service.

However service is not only a man made phenomenon it also exists in the natural world e.g. between organisms of low and high developed species. There are two untapped areas of service research outside Management and/or Marketing. Firstly, service is addressed in the biology of symbiosis (Boucher 1985, Douglas 1994, 2010) not related to humans and secondly service is discussed in ecology (Boyd and Banzhaf 2007) where ecosystems (nature) offer service for humans. Research on symbiosis goes into the question why “different kinds of organisms help each other out” (Boucher 1985, p. 1) whereas ecosystems service research researches the service provided by nature for humans (Boyd and Banzhaf 2007). Not only food and fresh water are coming from nature. Hence three fundamental realms of service can be distinguished. Service in nature is by far older than human made service as it already exits long before humans were on earth. Hence service as a general phenomenon can’t be explained by human motives or intentions. What lies behind the existence of service? Are there common denominators for manmade and natural service and what is the role of value? Is there common frame of natural and human service that deepens our understanding of the phenomenon of service? What can humans learn from understanding the service of nature as nature without humans is sustainable? Integrating natural and man-made service enables humans to re-embed into nature without losing technological and cultural development. This paper is organized as follows (not all in this 4 page summary): Section 2 identifies realms of service in the man-made and non man-made world. Section 3 describes and identifies three common denominators of man-made and non man-made service. Section 4 uses Luhmann’s system theory to identify the service system’s single mode of operation which according to Luhmann defines the system and its environment (Luhmann 1995, 1996, 2006, 2008). Section 5 discusses academic and managerial challenges and implications.

Four Realms of Service

As shown in figure 1 four realms of service can be distinguished: Service exchanged between non human beings (nature to nature); service provides by nature to humans (e.g.硫磺的分泌, 1848年)
ecosystem service) and service exchanged between humans and finally service from humans for nature.

**Figure 1. Realms of Service**

The first realm of service contains all services exchanged by non-humans; this service is provided by nature for nature and often discussed under the term symbiosis (Lewis 1985, Janzen 1985, Boucher 1985). Different categorical systems have been used to describe different kinds of symbiosis (Starr 1975, Lewis 1985, Conner 1995). Authors agree that in these kinds of interactions, “one of the species provide some kind of ‘service’ that its partner species cannot provide for itself” (Yamamura et al. 2004, p. 421).

The second realm of service is all service provided by nature for humans; these are ecosystem services. Its ecosystems also provide less obvious service such as storm protection and pollination. Pollination of crops by bees is required for 15-30% of U.S. food production; most large-scale farmers import non-native honey bees to provide this service. (Kremen 2005). “Ignoring these services in public and private decision making threatens our ways of living and impedes our ability to achieve our aspirations for the future.” (Ranganathan et al. 2008, p. 2). Humans benefit from a manifold of resources and processes that are offered by natural ecosystems. While environmentalists have discussed ecosystem services for decades, these services were popularized and their definitions formalized by the United Nations 2004 Millennium Ecosystem Assessment (MEA) (2005), a four-year study involving more than 1,300 scientists worldwide.

The third realm is not described here because it is the best known realm for humans.

The fourth realm is not only covering preservation of natural heritage but also originally very natural service is to be substituted by man. In Europe for example, already 40 percent of the bee colonies have disappeared. In China, there are only 10 percent. Nevertheless, the Chinese take this threat for man and nature seem more serious than the Europeans. You have started trials for artificial pollination. (arte TV) What are the common denominators of all these different kinds of service?

**Common Denominators for Natural and Human Service**

An extended review of different streams of literature served for identifying three joint denominators for human and non-human service (e.g. Douglas 2010 for Symbiosis; e.g. Boyd

1. Use or integration of resources. All service can only be performed by use of some kind of resource whether these resources are material (land, seeds, food, etc.) or immaterial (sunlight, information, wind, etc.).

2. Exchange/Transfer of resources. To get these resources an entity has to exchange them with other entities or with its environment.

3. Transformation (change) of the receiver’s state by use of resources. Resources are not integrated (used, consumed) for their own sake but for a change in a service receiver’s state whereby the receiver usually also changes (consumes or wear down) the resources.

4. Contextuality of value (benefit) of service. Value or survival is not inherently a service characteristic. Value can emerge via resource integration depending on the relationship between service receiver and its environment hence value as well as survival is contextual. (e.g. Blaser and Atherton 2004 for Symbiosis; e.g. Turner and Daily 2008; e.g. Chandler and Vargo 2011 for human service).

A Luhmannian Service System

Luhmann’s system theory is a consequence out of his critics to how systems are often defined. “Usually, systems are described through a plurality of terms. For example, systems are relations between elements; or a system is the relation of structure and process, a unit that directs itself structurally in and through its own processes. Here you have unit, boundary, process, structure, element, relation—a whole bunch of terms—and if you ask what the unity of all these terms is, you end up with the word ‘and’. A system then is an ‘andness’. Unity is provided by the ‘and’ but not by any one element, structure or relation.” (Luhmann 2006, p. 46). In a very condensed version describing a system and simultaneously avoiding “andness” we find three important properties of the system (Luhmann 2006, 37):

1) The system is the difference between system and environment
2) A system can be defined through a single mode of operation
3) Every system observes internally its own system/environment distinction

Applying this to service and referring to the common denominators a service system can be defined by the single mode of operation of an ongoing process of exchange and change of resources. Since resources are not but become the service system is open to things becoming resources in the service system however the system is closed with respect of the operational mode the ongoing process of exchange and change. By the process of exchange and change system and its environment are defined because the process of exchange and change needs entities performing exchange and change. However these entities are not part of the system but belong to the system’s environment and like the psychic system are the environment of the social system (Luhmann 1995, 1996). In addition for the service system the social and the psychic systems are environment. Figure 2a shows the ongoing process of exchange and change in nature. Figure2b shows how the natural process is interrupted by humans “creating” waste where waste in this systems theoretical terminology can simply be understood as resources which cannot be integrated in the process of exchange and change
(change in particular; and with this becoming part of the ongoing process) in a specific time frame. The service system as proposed here is in line with the cradle-to-cradle approach (Braungart and McDonough 2002) which is according to Braungart “Firstly … a business model” (Den Held 2009). The service system as proposed here is explicitly bases on system theory and furthermore integrates exchange with change. It goes beyond the idea of input is output and output is input as it focuses on the whole process between input and output as well as between output and input. It also looks on value creating exchanges and changes as contextual.

Figure 2a.

Sustainability can be understood in this terminology as keeping the ongoing process of exchange and change uninterrupted in a specific time frame. As a first approach to specify the timeframe for resources to be changeable can be found by taking into account the life time of exchanging entities. A second approach to specify the timeframe for resources to be changeable can be seen in the growth rate of the amount of a specific resource in relation to its declining rate.

Implications

The above conceptualization of service as an ongoing process of exchange and change is – as typical for Luhmannian systems – a very abstract one. However it enables to integrate natural service and man-made service for a re-embedding of human service back into a general activity which is performed as well by nature and by humans. It further focuses beside exchange on the phenomenon between exchanges which is change. Economics and other disciplines (e.g. Marketing) have very elaborated understanding of exchange but a huge lack in
understanding change as a second part of the coin of an ongoing process. Even consumer theory has not fully understood the process of change induced by consumption. It is important for politicians and managers to understand this under researched part of the ongoing process: changes between exchanges.

References


Löbler has extended service thought to the realm of nature, that is the study of nature-nature, human-nature, and nature-human interactions. As the origin of sustainability thought lies in the way human beings interact with nature, natural service is linked to sustainability. The common denominators of natural service and service in the social realm inform the understanding of the concept of sustainability. From the service-dominant perspective, sustainability has to be rooted in service thought. The study of service in the social realm requires reference to the actors’ values and valuations. Sustainability as a leitmotif provides orientation for the families of values that actually do, or can, or should guide value creation. Human-nature or nature-human interactions lead to a discussion of the status of nature as a resource or as an actor. That nature is not the passive environment for human activities has ethical consequences that have to be explored in future investigations.

Introduction

“The modern experience of nature is increasingly stripped of aspects that establish continuities or connections between the human spirit and the things of the natural world. To the extent that modern societies realize this ontology in their mentalities and institutions, they undermine their own basis in the natural world” (Feenberg 2014, p. 280).

Service provision of human beings for other human beings is a common topic in today’s marketing discipline. Service is provided through activities that have been related to exchange (Bagozzi 1975; see Chandler and Vargo 2011: 35), resource integration (Löbler 2013a; Kleinaltenkamp et al. 2012), or value creation (Grönroos and Voima 2013; Grönroos 2011; Gummesson and Mele 2010). Löbler has extended service thought to the realm of nature, that is the study of nature-nature, human-nature, and nature-human interactions. As the origin of sustainability thought lies in the way human beings interact with nature, natural service is linked to sustainability. In addition, the common denominators of natural service and service in the social realm (SSR), in particular transformation and change, can inform the understanding of the concept of sustainability itself.

This paper argues that the extended service-dominant (S-D) perspective, that is the identification of common denominators of natural service and SSR and the enhanced interaction framework, can improve our understanding of SSR and, with it, of sustainable SSR or sustainable value creation, respectively. In contrast to the study of natural service, the study of SSR requires reference to the actors’ values and valuations. Sustainability as a leitmotif provides orientation for the families of values that actually do, or can, or should guide value creation. Sustainability, however, is not the sole source of ideas and values that guides value creation. Economic values such as efficiency and effectiveness play a part as well. They are

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2 See Birnbacher (2006) for a discussion of the distinction between natural and artificial, as well as of the many overlappings of these categories.
implicitly addressed in connection with the distinction between instrumental and intrinsic values.

The paper begins with a short introduction to the concept of sustainability. Its approach to sustainability draws on transformation and change rather than on the reconciliation of the economy, the society, and the environment. The latter category is related to Hans Carl von Clausewitz, who invented the sustainability triangle in 1713: ecologic balance, economic security, and social justice (Grober 2010). As mentioned above, the former category, transformation and change, is one of the common denominators of service thought. The following section entails a brief introduction to and discussion of Löbler’s approach. His typology of interactions, the common denominators of natural service and SSR, and what can be drawn from their study for SSR and sustainability studies is in the foreground of the discussion. After that, value creation is discussed with respect to value-in-context (for the discussion of value-in-context, see Chandler and Vargo 2011; Löbler and Hahn 2013), values, valuations, and their objects. The paper ends with discussion and conclusions.

Two approaches to sustainability

The idea of sustainability has been developed as a “child of crisis” (Grober 2010) in the social realm. The concept of sustainability is vague; it applies to a multiplicity of things: behaviors, action consequences, states, processes, systems, policies. One core understanding of “sustainability” sees it related to a particular attribute, that is the continuity of what is designated by it: “After all, sustainability means that what is sustainable may last, may go on and on” (Raatzsch 2012, p. 361). This aspect of the meaning of the concept of sustainability can be traced back to the concept’s history. The idea to put “sustainability” on par with “something that should go on or continue,” namely an undestroyed state of nature, has accrued from the historical background of the concept. As Grober (2010) has noted, the ideas that have been related to “sustainability” in the 20th century are age-old: “On a regular basis, old words are uploaded with meanings from the past” (Alte Wörter sind in der Regel mit vergangenen Bedeutungen aufgeladen, own translation). For one example, the German humanist Paulus Niavis (1492) used the Latin concepts “sustentare” (to sustain) and “conservare” (to conserve) in a small allegoric volume in which he criticized the destruction and plundering of nature by humans through the silver mining business in Saxony. Grober (2010) assumes that Niavis has influenced other thinkers of sustainability, among them Carl von Clausewitz whose name is usually associated with the origin of the term “sustainability” and to whom we owe the famous triangle that relates the economy, the social realm, and the environment.

Historical meanings of concepts might not necessarily be “wrong” or inadequate. However, new ideas (as the ones contained in service thought) can influence the connotation of a concept as well or inform or substantiate available views.

The transformation and change approach

The (often inflationary) use of the word “sustainability” to denote that something is (or should be) ongoing (e.g., a development) or lasting (e.g., profit, see Carbo II et al. 2014) does not seem to refer to the same meaning of “sustainability” as does the transformation and

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3 Grober (2010, p. 166) refers to Joachim Heinrich Campe’s (1809) definition of the German word “nachhaltig” (sustainable) in the Wörterbuch der deutschen Sprache (German dictionary): “Einen Nachhalt haben, später noch anhaltend, dauernd.”
change approach. According to Raatzsch (2012), that something can go on and on does not imply standing still or the perpetuation of the same but transformation and change. Raatzsch (2012, p. 371 f.) uses “transformation and change” not in reference to S-D thought, but it is interesting to see how he uses it to characterize a proper economy:

“Yet, this does not mean that a proper economy has a form which, provided there is a certain environment, never changes. Indeed, the form may change all the time. Often it has done just that, more or less slowly and sometimes back and forth. To the extent to which this is an essential feature, to the extent, that is, to which the concept of economy is the concept of something that might take on different forms, each of these forms already points beyond itself. Also the last form, if there is one, by being the last one points beyond itself, although in a different sense. So, for every form, except the last one, there is one kind of leaving its world: transformation into another form. The last form, however, just ends. Therefore, every form of a sustainable economy may either transform itself into another form or it will be the last one, i.e., the one that marks the end of sustainable economy as such.”

Transformation and change are preconditions that help to avoid that something cannot continue. However, both in nature and society, transformation and change do not make a system immune against demise and downfall. Demise and downfall are not generally avoidable. Sustainable natural systems can come to an end, as can sustainable economies. Transformations can also go wrong and sometimes systems that are considered as pathological survive or thrive.4

Sustainability is no attribute that can simply be added to the description of conversant phenomena or analytical categories. Rather, it is what comes into view because of our interest in the way we frame the pursuit of activities required for the solution of particular problems or, with reference to Löbler’s wording, the creation of change. To get closer to an adequate understanding of a proper economy requires a change of thinking about the economy. It requires a change of the framework within which we think about the economy, and not a change within the framework. As Raatzsch (2012, p. 371) has argued, “(a) proper economy is a sustainable economy, and here ‘proper’ does not apply in addition to ‘economy’.”

Sustainability is a category of the social, and from this perspective one could also argue that not everything in the social realm or in the way humans interact with nature should go on. A non-sustainable economy is a pathological case of an economy, and it should not go on. As a leitmotif, sustainability can guide the design and performance of processes (or procedures) and has been ascribed to states or systems as well (Grunwald/Kopfmüller 2012).

The reconciliation approach

The reconciliation approach accrues from a vague but general agreement unfolding since the 2005 world summit of the World Commission on Environment and Development (WCDE). This agreement says that sustainability requires the reconciliation of environmental, social, and economic demands, expressed as the “three pillars” of sustainability: “This view has been illustrated as three overlapping ellipses indicating that the three pillars of sustainability are not mutually exclusive and can be mutually reinforcing” (Thomsen 2013, p. 2358). According to this view, sustainability is what is in the intersection of the three ellipses (sets). Not much is said (or known) about the manner in which the economy, the society, and the environment are or could be connected. Thomsen’s (2013, p. 2358) word use is “manag-

4 There are cases in which incest works very well, bringing about close to genetically identical and healthy individuals (the Chillingham cattle in England, Süddeutsche Zeitung 2014a). In other (perhaps most) cases, incest leads to unhealthy individuals.
ing in the middle.” This view has invited scholarly thinking from several perspectives and disciplines; thus, the approach has “stimulated critical reflections on the relations between humans and the environment and a growing number of scholars have stressed the need for a ‘paradigm change’ from the current ecologically damaging growth-focused economic model to one that is ecologically sensitive or environmentally friendly” (Gomes 2013, p. 363).

The WCDE approach seems to substantiate the view that the proper economy and the proper domain of the social are disconnected and unsustainable. The economic is not embedded in the social and one is not informed about the characteristics or attributes of the environment. This view subsumes ecosystems under environment but also animate and inanimate non-human beings such as animals, forests, rocks, rivers, etc. In addition, this approach to sustainability is characterized by the division of realms (the social, the economic, and the environment), and it contains no clue about how these previously separated realms could be linked by sustainability, or what is the integrating force of sustainability, respectively. As sustainability is something unspecified of what is assumed the miraculous faculty to “reconcile” realms that have previously been separated according to principles that are left unspecified as well, the paper calls this approach the “reconciliation approach.”

If the reconciliation approach is compared with the transformation and change approach with respect to the understanding of nature, the most important difference is that in the latter, non-human beings or nature are not understood as the passive environment to human activity in the social or economic realm. Activity is a characteristic that applies to nature as well.5

Löbler’s extension of the range-of-service provision

Löbler’s analysis enhances the range of application of service thought from the social to the natural realm. Of particular interest for this paper is what can be gained from this analysis for the study of human-nature and nature-human interactions.

Four types of interactions

Löbler has identified four basic denominators of service that connect the social realm and nature as well as four types of interactions. “Service” applies to all types of interactions of human beings and non-human beings (or nature) that are characterized by the basic denominators (see the next subsection). The benefits generated from interactions, or the change that shall be brought about by interactions, provide the source or (especially in the social sphere) motive or reason for the activities in question (related to the provision of service).

Löbler (2013b) distinguishes four types of interactions or realms of service, respectively:

(i) interactions between non-human beings: service of nature for nature;
(ii) interactions between non-human beings and human beings: service of nature for human beings;
(iii) interactions between human beings: service of human beings for human beings;
(iv) interactions between human beings and non-human beings: service of human beings for nature.

5 Note that this understanding of activity does not presuppose a social-scientific concept of intentional action.
As more than two entities can be involved in interactions, the range of interaction is not limited to dyadic interaction. (ii) and (iv) are distinguished because it makes a difference if nature serves humans or humans serve nature, and because of the non-symmetry of the relation. Nature can provide service for human beings (e.g., bees pollinate crops), but human beings don’t need to provide service for the bees. The crops are not grown to serve the bees but human beings. On the other hand, a beekeeper who takes the honey from the bees provides them with a home and protection. It is a possible empirical phenomenon if human beings served by nature serve nature as well and vice versa, no matter of definition or logic.

An extension strategy of service thought could be pursued by presenting new successful applications of the available conceptual framework or by proving that there are entities stemming from other, non-social realms whose understanding can be improved or whose behavior can be explained by the application of the service logic to them. Löbler does not proceed in this way; instead, he seems to pursue a different strategy that might be characterized in terms of “reduction” or “adaptation” of meaning stemming from the analysis of SSR. He argues that some important aspects of service thought can be “translated into” more “basic” categories that apply to the natural realm as well. Extension is thus reached on the basis of “reduction.” However, the “reduction” is not complete. Not all concepts of the service-dominant logic are “reduced” to the more basic categories. In particular, there are categories of the social realm that cannot be subsumed under categories of the natural realm such as ethics and morals and values and valuations. In the next subsection, the paper briefly describes and discusses the four common denominators of natural service.

**Four common denominators of natural service and SSR**

Human beings can identify only those traits or structures in nature that have already found expression in or are connected to their shared belief systems. The study of nature draws on conceptual frameworks, theories, language, ideas, etc. that all originate in the social sphere. The identification of common denominators of natural service and SSR shall not obscure that all systematizations have their origin in the social world. The common denominators belong to the conceptual frameworks of social-scientific theories; they got their syntax, semantics, and pragmatics from these frameworks that are applied, interpreted, and further developed by scholars. Self-reference cannot be avoided; thus, Löbler’s (2013b) extension of the meaning of “service” beyond the social realm is done from the viewpoint of the social realm. This paper introduces the term “SNS turn” (with “S” for “social” and “N” for “nature”) as shorthand for two aspects that are mentioned in this regard: Self-reference is expressed by “SN,” and “SNS” stands for the re-transfer or application of self-referring terms (adopted to study natural service) to the study of SSR.

The historical development of the meaning of concepts such as “exchange” or “resource” took place within the historical development of theoretical frameworks or theories that, from the contemporary perspective, belong to anthropology, sociology, economics, or marketing. In addition, all scientific knowledge is value-laden (Doppelt 2007). The conceptual frameworks of theories that are developed to solve problems or improve the understanding of what is going on in a domain mirror these value-ladenness issues, and are discussed with respect to the concept of resource (as well as other concepts) below.
Use or integration of resources

Service provision requires the use of resources. The bird sitting on the back of a rhino picking insects from the rhino’s skin can integrate resources (insects) provided by the rhino while the rhino can integrate the resources of the bird (the bird’s pecking or search for food, respectively).

The concept of resource implies instrumentality or usefulness and, with it, valuations. This instrumentality did not fall from heaven; in this case, the language mirrors a change (or appearance) of practice. As Grober (2010, p. 185 f., own translation) explains: “With the beginning of the fossil era a new wording appeared. The ‘gift’ of god or – optional – of nature changed into ‘resources.’” The change of the vocabulary mirrors a new perspective. The word stems from the Latin “resurgere” – to stand up, to arise. (…) With the word “resource” a shift of focus to the bringing up of aged matter or the exploitation of deposits has taken place.”

The value-ladenness of the concept of resource cannot be avoided or erased. There were several ways to deal with this problem: “neutralizing” the concept of resource in the study of natural service with respect to value or valuations, thus granting that the concept of resource is value-laden in the social realm and limiting discussions of value and valuations to this area. Another option is assuming that the term “resource” means in the natural realm something different than in the social realm but something that is functionally equivalent.

Exchange or transfer of resources

Exchange is the object of study of the marketing discipline (Shapiro 1993, p. 61). As Chandler and Vargo (2011, p. 35) point out: “Most contemporary marketing scholars (e.g. Bagozzi, 1975; Hunt 1991; Vargo and Lusch, 2004) consider the study of marketing and, by implication, markets to be concerned with exchange.” For Löbler, the meaning of concept of exchange is not limited to the social domain. Transformation requires the transfer of resources, and exchange is what precedes integration and transformation. The bird and the rhino exchange food for skin care. In the social realm, exchange is the exchange of property rights; in the case of natural service, it is what precedes or determines the various means or procedures that bring resources to their “operational area.”

Transformation and change of the receiver’s state by use of resources

“Transformation” is a word that designates a process as well as a result. As a process, “transformation” characterizes what happens to or what is done with the resources that are used or integrated. From a teleological point of view, the result of (a process of) transformation is the transformation or the change that is brought about. In the social realm, service provision begins with the interest in or the desire for change. Note that the service-dominant perspective is non-Smithian. Adam Smith holds both a materialist and a sensualist view on value creation (Shapiro 1993, ch. 2). He assumed that objects produce satisfaction because of their materiality. From this perspective, transformation has to create material objects able to cause sensual impressions (satisfaction) in human beings.

The intentionality of human beings aims at service provision; service provision, however, is no end in itself. It is a means to the achievement of other ends. Intentionality and motives are categories that apply to human beings. If they apply to the animate nature as well, or if there are at least borderline cases in the animate nature, is subject to debate (Menzel and Fischer 2011).
Benefit and contextuality

Value results from assessments and not all non-human beings are able to make (conscious or unconscious) assessments. Compared with value, benefit is a concept that does not require the beneficiary to make conscious or unconscious assessments. Both receiver and provider of service don’t have to reflect on the benefit of the other party.

In contrast to nature-nature interactions, the social-theoretical category of the other (Bedorf 2011) is relevant for the provision of SSR. For its understanding, it is constitutive that service is provided for the own benefit and the benefit of the other party (Vargo and Lusch 2004). As in the social realm, interactions between non-human beings are not always to the benefit of both parties; in some interactions, the category of benefit may play no part at all or only for one party to the interaction (a river bed taking shape in millions of years results from the interactions of river and rocks). What is called cheating in the social realm (or a functional equivalent of it) is found in nature as well: There are for example orchids that are deceiving male orchid flies (male orchid flies that are heading for the blossoms of the orchids are cheated by the orchids that are mocking female orchid flies).\(^\text{6}\)

In the social realm, contextuality accrues from culture, history, locality, etc. – aspects that can be of importance for the study of the natural realm as well. The impact of culture is restricted to sentient non-human beings: “Gorillas, orangutans and chimpanzees pass down traditions and follow fads” (Marris 2006), whereas history and locality are of relevance for the nature-for-nature service of non-sentient non-human beings as well, granting the impact of the situation for the benefit that can be generated.

SSR presupposes at minimum dyadic interaction, values and valuations that determine the benefits, and thinking or mind-reading skills that are not available in the inanimate nature and debated with respect to parts of animate nature (Lurz 2011; Menzel and Fischer 2011).

The next section is devoted to SSR, in particular to value creation. The implementation of sustainability as a leitmotif or family of values requires no change in the S-D analytical framework. Quite the contrary, values and valuations characterize the value creation process.

Value creation from a S-D and non-Smithian perspective

The service-dominant logic has spent effort on the elimination of G-D concepts such as “production” and “consumption.”\(^\text{7}\) “Value creation,” although not synonymous with “production” and “consumption,” has taken their place. The term “creation” designates a process as well as its results, and value creation is the social-scientific pendant to transformation and change. “Value” in the expression “value creation” designates the results of a particular process, namely a value creation process. It does not designate the economic or ethical values to which human beings refer at the point of valuation. Change is created as a consequence of a transformation process into which resources are invested, in the course of which activities and interactions are performed and interpretations and valuations are made.

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\(^\text{6}\) The examples are taken from a German newspaper (see Wedlich 2014).

\(^\text{7}\) From the good-dominant perspective, “consumption” means “destruction.” The S-D logic has not gotten rid of the term “consumption” but changed its meaning.
Centuries of objective and subjective theories of value (in what is called economics, philosophy, and ethics from the contemporary perspective) have contributed to the discussion and understanding of value (Beinhocker 2006; Rescher 2004; Stavenhagen 1969). As Shapiro (1993, p. 64) has observed, “(t)he Smithian subject or body faces things alone, alone in the sense that there is no linguistic or cultural intermediation between a person and the satisfaction of value.” And there are no processes of interpretation and assessment. Thus, for Smith, the sensualist and objectivist, value is the consequence of the impression that physical objects make on the sensual apparatus of individuals. As mentioned above, a non-Smithian view does not see in objects or their attributes the source of value. Shapiro’s (1993, p. 64) formulation seems to harmonize with the S-D view: “Interpretation produces value”8 (Shapiro 1993, p. 47; Shapiro quotes Arkady Plotnitzky at this place); it is “a function of the context of the exchange, especially the intersubjective bond it reinforces or creates” (Shapiro 1993, p. 64). Shapiro (1993, p. 65; italics in the original) adds that in order “to disrupt the Smithian view more thoroughly, it is necessary not only to shift the locus of value production away from objects but also to note how they become valued within a syntax that relates them to other things.”

According to the S-D perspective, value is nothing that the individual passively “receives;” furthermore, it is a consequence of a context-sensitive, culturally impacted and actively elaborated interpretations or valuations, that is value-in-context. This harmonizes with S-D logic’s fundamental principle number 10, which says that “value is always and uniquely and phenomenologically determined by the beneficiary” (quoted by Löbler and Hahn 2013, p. 257). Value-in-context cannot abstract away the specific situation in which the value-creation process or the activities related to it, respectively, takes place (Löbler and Hahn 2013).

Value creation is not among the common denominators of service. Value creation processes are the transformation processes directed at the creation of change in the social realm. Among other things or entities that can be made the subject of valuations, the created change is perhaps the most relevant reference for valuations. However, all optional references are valued by actors through valuations on the basis of their values.

**Value creation in the social realm**

Figure 1 represents the relationships between objects of valuation, values, and valuations. Against the backdrop of service thought, SSR can be understood on the basis of, first, value creation as process and change as its intended or expected result; second, the valuations that initiate, guide, and accompany value creation processes; third, the values that guide these processes.

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8 In this paper’s terms: Interpretation produces change.
Values
- ethical
- sustainability
- economic

Objects of valuation
- Change
- Actors
- Processes
- Resources

Valuation
- Creation of meaning
- Fixing of interpretations

**Objects of valuation**

Value-in-context is the origin of the potential infinity of objects of valuation. It is the lens of concrete theories or approaches that sheds light on particular objects. The S-D logic’s distinction between actors and resources (Kleinaltenkamp et al. 2012) is fundamental for this paper’s selection: Actors are the ones who valuate, and resources are assessed with respect to their value. In addition, the basic denominator transformation and change has to be considered. The paper follows up and combines these two strands of argumentation in the next subsection.

**Values**

In marketing theory, several categories of values (economic, ethic) have been distinguished, for example, in the constructs consumption value or shopping value utilitarian, hedonic, or social values (for references, see Löbler and Hahn 2013, pp. 256 ff.). Values influence the decisions for and against value creation. Values, such as the family of sustainability values, can become motives and a reference for justifications. A person who intrinsically values the existence of rain forests on Earth will probably not cover the floor of his or her home with wood made from rain forests. Anti-consumption, consumer boycotts, etc., are indicative of the fact that consumers decide about their involvement in value creation processes, or accept or reject the “investment” of certain resources into value creation processes (Chatzidakis and Lee 2012). Activities can be performed in various ways, and the experiences that consumers make in the course of value creation processes with particular actors (co-creators of...
value), or the activities of these actors, or the resources that they themselves or the co-creators “invest” in the value-creation process may change their values as well.

As to the classification of values, one important distinction is that between instrumental and intrinsic values. As Löbler and Hahn (2013) have argued, the means-end scheme is one optional framework for the understanding and analysis of valuations but probably not the only one. Economic values such as efficiency and effectiveness are usually understood as instrumental values. Intrinsic values play a part in the characterization of non-pathological, i.e., sustainable SSR as well. According to Singer (2011, p. 246) “(s)omething is of intrinsic value if it is good or desirable in itself, in contrast to something having only ‘instrumental value’ as a means to some other end or purpose.” A phenomenon, a state, or an entity has instrumental value for a human being or a non-human being (e.g., a primate) if it, or the one who does the valuation, leads or contributes to the achievement of the end for that it counts as a means. On the other hand, intrinsic value is unconditioned value or assumes that something has a value in itself.

In case of sustainable value creation, values related or identical to the family of values named “sustainability values” are among the set of values that plays a part for each value creation process. Each actor has to determine what “sustainability” means for him or her in the course of value creation. However, that sustainability values are recognized or even put into practice by an actor is not sufficient for sustainable value creation to take place. The ascription of the attribute “sustainable” has been restricted to “higher-level” entities such as social systems, service networks, or economies.

Valuations

From the service-dominant perspective, “valuation” designates the indeterminate number and intensity of assessments of actors, resources, or activities, wished-for and undesired action consequences, etc. That something is valuable is a result of interpretations that come to a temporary standstill after a series of valuations. As Shapiro (1993, p. 47) has remarked, “the achievement of value requires the fixing of interpretation, and consequently, the arrest of the process of creating meaning.” “Point of valuation” designates the small interval of time at which the process of interpretation has come to a standstill. The analysis of valuations requires the previous identification of objects of valuations such as “usage process quality” (Macdonald 2011, quoted by Löbler and Hahn 2013, p. 256).

“Fixed interpretations” require reference to values based on which these valuations take place. Value or valuations play a part in only some of the interactions that can arise from the “realms of service” (Löbler 2013b, Figure 1). In three of the four above-mentioned realms of service, human beings are involved, who are able to value the respective object of valuation.

Valuations, objects of valuation, and the valuing subject

Valuations require the activity of a valuing subject. In this vein, the valuing subject is the origin of value. Valuation is an endeavor in the generation, assessment, negotiation, or

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9 Not all subject matters of valuation may be equally important.
10 That the valuing subject is the origin of value does not imply that it is the origin of values. Subjectivist positions in meta-ethics assume that all values accrue basically from human assessments. Objectivists are convinced that values are independent from valuations or that values exist as part of – to the human – pre-given structures.
justification of value. There are multiple entities or phenomena that can be valued by human beings, and there are different origins and justifications of these values. For limitations of space, the paper cannot provide a complete discussion of all aspects that it considers as relevant. It restricts itself to the discussion of two types of dyadic interactions with respect to the service provided by humans for humans and natural service. According to the selection in the previous subsection, the paper addresses transformation and change (T, C), resources (R), and two actors (Ai, Aj). In the first case, Ai and Aj are human beings and nature is conceived as a resource. The analysis of the transformation process is focused on joint value creation of Ai and Aj. Nature is of instrumental value, but it is not excluded that it is of intrinsic value for Ai or Aj as well. The same holds true for Ai and Aj in their characteristic as cooperation partners. If the joint value creation process (T) is guided by economic values, then the instrumental value of Ai for Aj (and vice versa) for the pursuing of the value creation process is in the foreground: Ai is valuable for Aj (and vice versa) if his or her respective cooperation is helpful for the achievement of C. In case of the inclusion of ethical values in the “value portfolio” of Ai or Aj, the intrinsic value of Ai for Aj (and vice versa) can be addressed. In case I, the perspective of Aj as beneficiary of the service provision is adopted:

I
(i) C or Ai or R or T is valued by Aj;
(ii) C or Ai or R or T is valuable for Aj;
(iii) C or Ai or R or T is valuable for Aj because of G (grounds, reasons, motives).

That Aj does value C or Ai or R or T does not imply that Aj values C or Ai or R or T. Accordingly, that Aj thinks that C or Ai or R or T is valuable does not imply that Aj is aware of the reasons, etc., for this judgment or that the reasons are justified or justifiable.

Western ethics has ascribed to nature instrumental value only. As Singer (2011, p. 241) points out, “(a)ccording to the dominant western tradition, the natural world exists for the benefit of human beings. Human beings are the only morally important members of this world. Nature itself is of no intrinsic value, and the destruction of plants and animals cannot be sinful, unless by this destruction we harm human beings.” Human beings can be interested in maintaining and protecting nature only because of the instrumental value it has for them. In this case nature is valued by human beings or is of value for human beings for instrumental reasons only.

From a Kantian perspective, human beings have intrinsic value (one formulation of Kant’s categorical imperative). Can non-human beings have intrinsic value as well? Singer (2011, p. 245) rejects the idea that only human beings have intrinsic value. He is convinced “that it is wrong to limit ourselves to a human-centered ethic.” For him, the question is, “(i)s there value beyond sentient beings?” (ibid.) Although “in any serious exploration of environmental values a central issue will be the question of intrinsic value,” Singer is skeptical of the view that intrinsic value can be ascribed to non-sentient beings such as rivers, rocks, or mountains. The paper does not delve into these issues. It suffices to say that, from Singer’s point of view, the arguments in favor of the existence of intrinsic value of non-sentient beings are in the stage of development.

In the case discussed above, a human actor (Aj) has valued a human actor (Ai). If Aj and Ai are sentient non-human beings, the fundamental denominator “benefit” replaces “value.” The paper limits its discussion to the variables selected above (included in formulation I)
and the common denominator benefit. In the same vein as in formulation I, formulation II
takes the perspective of Aj as that of the beneficiary:

II
(i) C or Ai or R or T benefits Aj;
(ii) Aj demonstrates “revealed preference” toward C or Ai or R or T;
(iii) A reason (ground, motive) for Aj’s behavior can be found.

According to Löbler’s basic denominators, the change realized by natural service pro-
vision benefits Aj (i). A rhino accepting birds sitting on its back and picking insects shows
preference in the sense of (ii). Prima facie, it is obvious that the activities of the birds are
beneficial for the rhino. (iii) allows inclusion of the knowledge gained from scientific analy-
ses that have identified reasons for the behavior of the entities involved in the service pro-
cess. Neither Aj nor Ai have to be aware of them.

Discussion and conclusions

The paper shares Raatzsch’s (2012) conviction that an unsustainable economy is a
pathological case of an economy. From this assumption it concludes for the study of service
 provision that unsustainable service is a pathological case of service. For sustainable SSR,
this means the same as for the sustainable economy: Sustainability is no quality that can be
added to an otherwise proper service provision. Sustainability has to be rooted in service
thought, and service thought comprises service provision by humans and nature and their
respective interactions as well. For all four types of interactions, a change is or should be
brought about by the exchange of service. In the social realm, a transformation process is
undertaken for the wished-for consequences of the process (although not all consequences of
a transformation process are intended ones), and the change has a factual and a normative
dimension. The factual dimension is related to the problems that shall be solved through a
transformation process; the normative dimension is related to the values that influence prob-
lem identification, the wished-for change and the way it is brought about. The transformation
process and the resources as well as the actor’s particular skills, knowledge, or competences
affect the way the change is realized. In case of sustainable service provision, sustainability
as a leitmotif plays a part in the initiation and the realization of transformation processes and
the assessment of their results. However, sustainable SSR draws not only on values; it draws
also on the knowledge and ideas gained from the study of service provision in the social and
natural realms.

How human beings interact with nature figures prominently in most approaches to
sustainability. As a “child of crisis” (Grober 2010), sustainability is a problem-driven con-
cept, and the problems that made sustainability a dominant category in daily academic and
everyday discourses are human-made problems (Moran 2010, p. 1). Nature’s service provi-
sion has been studied within the categories of environment or resource (Sandmo 2014). Hu-
man-nature and nature-human interactions might give reason to include the social-theoretical
category of the other into the study of service provision.

It can be doubted that “pure” human-human interactions exist at all or stated that hu-
man-nature interactions are always involved in value creation, respectively. In case of value
creation, pure human-human interaction is possible only if nature is conceived of as a re-
source. The terms “human-nature interaction” and “nature-human interaction” put “human”
and “nature” syntactically on a par, but it is still to explore what this balance means with re-
spect to semantics and pragmatics. Nature is no actor in the sense of the understanding of “actorship” in ethics and economics that presupposes categories of Western ethics such as freedom and intentionality. These presuppositions don’t apply to non-sentient non-human beings and to sentient human beings, at least not to a full degree. Some sentient non-human beings (e.g., primates, birds, rats, etc.) show purposive behavior. Like human beings, they build expectations and apply instruments. A proposal could be developed with respect to the functional equivalence of human beings and non-human beings within the framework of the four types of interactions but clearly not on the synonymy of the meaning of “human actor” and “non-human actor.”

If nature is conceived as an actor, then it cannot be conceived as a resource at the same time. This has implications for the analysis of service provision and value creation. As is well-known in business ethics, to be an actor is no guarantee to be involved in fair or powerless relationships only. That sentient non-human beings don’t have the status of actors can have negative consequences for them: They don’t act, but human beings act upon them according to their values or consider them as resources, respectively. However, that something is treated as a resource is not necessarily bad for the resource. Even if it is accepted that the concept of resource implies instrumental value, the limitation of access to resources, the reduction of resource uses, and the termination of resource uses can be discussed (Campbell et al. 2013). To be a resource for an actor can be bad if the actor has only his or her own benefit in mind and does not ascribe intrinsic value to the resource.

That nature is not a passive environment for human activities has ethical consequences as well. The service of nature for human beings might be seen as a source of obligations of human beings toward nature. Is it, for example, justifiable that humans accept the service of nature but don’t serve nature as well? If human beings adopted the extended S-D perspective, they could become aware that they are served by nature and of the service they could provide to non-human beings.

References


11 While cycling through a small street in Berlin, a craw threw a walnut toward the front wheel of my bicycle—a typical behavior of craws toward cars that crush the nuts for them. Obviously, this craw had wrong expectations of the power of my wheels.


Gendered subjectivities and marketplace ideologies

Chairs: Catherine Coleman & Pauline Maclaran

Session 4c – Thursday 3rd July, 8:30am

The Halal nail polish: Religion and body politics in the marketplace
Özlem Sandikci

Weekend border crossings: The discursive and (trans) formative consumption of gender and culture negotiators
Gary Paramanathan, Teresa Davis

The conflicting role of consumption in transgender experience: Exploring the interrelationships among gender identity, consumption, and the marketplace
Elizabeth Crosby Kim McKeage, Elissa Cook

Imagining gender equality: Reflections on the teaching of gender in marketing and consumer research
Wendy Hein
The Halal nail polish: Religion and body politics in the marketplace

Özlem Sandıkçı, Istanbul Sehir University, Turkey

In January 2013 the Polish cosmetic company Inglot introduced the first ever halal nail polish, the O2M line of breathable nail enamel. Wearing nail polish is a contentious issue for pious Muslim women, both symbolically and materially. While some religious scholars emphasize that looking beautiful is a requirement in Islam, others call for a refrain from any action that would attract the male gaze. Moreover, wearing nail polish interferes with ablution, a ritualized body cleansing process that every Muslim should undertake before prayer. Because nail polish sets a permanent barrier between water and nail, ablution cannot be performed without first removing the nail polish. Inglot claims to have devised a formula of breathable nail polish, which allows water to penetrate nail, hence is suitable for prayer. In this paper, I use halal nail polish as a case to interrogate the complex ways through which social, cultural, material and religious interpretations of body intersect with marketplace dynamics and inform identities.

The perception and evaluation of one’s own body and physical appearance contribute significantly to self-concept (Thompson and Hirschman 1995). Within the logic of consumer culture, body turns into a site of endless choice and possibility. However, the relationship between body and choice becomes complicated in the context Muslim identities. As substantial amount of research has shown, the concept of modesty plays an important role in shaping Muslim identities and practices related to body. While modesty requirement applies both men and women, it is the female body that modesty becomes embodied, most prominently in the form of Islamic veiling (Ahmed 1992; El Guindi, 1999; Mahmood, 2005; Sandıkç and Ger, 2010). Increasingly, the discussions of a modest body take place in the marketplace. The veiling industry and related Muslim lifestyle media promote products and images that promise women fashionable yet modest looks (Sandıkç and Ger 2007). Underlying these is an understanding that modest dressing, like other body management practices, is a choice for individual women. This emphasis on choice resonates with the construction of the neoliberal consumer subject and aligns religious norms with market logic. The introduction of halal nail polish exemplifies this mutually informing relationship between Islam and neoliberal consumerism. However, what is interesting in this case is the product’s capacity to invoke debates about female body and modesty, and complicate our understanding of the dynamics of consumer identity work. Previous studies on Muslim consumers have shown how consumers mobilize various ideological, political, religious and economic resources to resist global brands (Izberk-Bilgin, 2012) or create a new, alternative taste structure (Sandıkç and Ger, 2010). Rather than exemplifying an instance of consumer identity work to transform marketplace structures, the halal nail polish provides an interesting context to explore how marketplace resources might contribute to, challenge, or redefine, a collectively shared identity and to what effect.

I explore the debates surrounding the halal nail polish through netnographic and ethnographic methods. World-wide blog entries, news stories and forum discussions on social media sites as well as interviews with women selling and using the product in Turkey constitute the data set. As the product has been recently introduced, data collection still continues. Preliminary analysis suggests a multi-faceted debate involving multiple actors, going well
beyond the marketer-consumer dyad. Three main themes inform the initial analysis. First, there is a debate about the ‘necessity’ of a halal nail polish; that is, while some readings frame the product as an ‘innovative,’ ‘proper,’ ‘up-to-date,’ ‘useful,’ and fulfilling a real need, others focus on the superfluous nature of the polish and ‘greedy’ corporations that seek to turn everything into profit. At a deeper level, the debate revokes on the one side the notion of market opportunism and on the other side the notion of consumer freedom. Second, there is a tension between religious and material conceptions of body. While references to scriptural texts and norms seek to define boundaries of Muslim female body and situate nail polish within this normative framework, testaments based on the physical experience of the product attempt to expand the very boundaries of religiously appropriate and inappropriate forms of bodily consumption. Third, the debate about the nail polish brings forefront the question of who has authority to speak on behalf of women and what defines being a pious and modern Muslim woman today. Beyond market forces, religious authorities and institutions, politicians, and consumers and their families contribute to the discussion at various capacities.

Overall, reactions toward the halal nail polish underline the question of what Muslim looks like, or what looks Muslim. Body features predominantly in these interrogations, but not only at the symbolic level. The nail polish draws attention to the material understandings of body and highlights how products shape women’s relationships to their bodies by enabling or preventing performance of certain practices and contribute to their sense of being a “good” Muslim. While introduction of halal nail polish appears to be yet another example of the growth of modest fashion and lifestyle sector (Lewis, 2010), it also shows the increasingly instrumental role market actors play in the construction and maintenance of pious consumer identities.

References


Weekend Border Crossings: The Discursive and (Trans)Formative Consumption of Gender and Culture Negotiators

Gary Paramanathan, Information and Cultural Exchange ICE, Australia
Teresa Davis, University of Sydney, Australia

This paper is an examination of the identity narratives of a small group of trans-national transvestite men in Australia. This study reveals the complexity of the identity project undertaken by this ‘micro-culture within a subculture’. Transvestites of Sub-continental origin engage with the dominant discourses of heterosexuality, gayness, whiteness and femininity carving out a micro-cultural space in which to consume, perform and play out their gendered selves as ‘weekend women’. We identify transgression and transcendence of gender and culture boundaries, but see this particular gendered identity as a ‘Negotiator’ identity. We echo Penaloza’s(1994) idea that “gender boundaries demarcate different consumer cultural domains, shift historically, represent contested sites and are reproduced in consumer marketing and marketing practice” (p.360) Our analysis follows the intertwined discourses of culture and gender that form this (trans) formative, enabling consumption of particular cultural and gender scripts.

Among our informants, we see a nuanced and layered response to multiple discourses that they engage with - rejecting some, accepting others, and working around yet more. Existing on the liminal borderlands of gender, they use consumption to make performative, (trans)formative forays from the male to female, and back again all in the space of a week. We highlight the complexity of the multiple discursive strands that form such a subject.
The Conflicting Role of Consumption in the Transgender Experience: Exploring the Interrelationships among Gender Identity, Consumption, and the Marketplace

Elizabeth Crosby, University of Wisconsin-La Crosse, La Crosse, WI, USA
Kim McKeage, Hamline University, St. Paul, MN, USA
Elissa Cook, University of Wisconsin-La Crosse, La Crosse, WI, USA

Transgender is “an umbrella term for people whose gender identity differs from... the sex they were assigned at birth” (GLAAD 2014, p. 1). This difference can create gender identity conflicts. In this research, we explore transgender individuals’ lived experiences with their gender identity. More specifically, we examine the emergence of different types of gender identity conflicts and the role of consumption and the marketplace in either lessening or exacerbating these conflicts. We seek to further the field’s understanding of how the market can either validate or invalidate identity.

Identity is a complex and multifaceted construct. Hecht (1993) argues that there are four frames of identity: (1) personal, (2) enacted, (3) relational, and (4) communal. The personal identity frame is how individuals view themselves while the enacted frame is how individuals express their identity. Both the personal and enacted frames have an internal orientation meaning that individuals have control over these aspects of their identity (Crosby 2012). Relational identity includes how those around an individual, such as his or her colleagues, peers, family, etc., view the person (Hecht 1993). Lastly, communal identity is the identity that society ascribes to the individual. Both relational identity and communal identity have an external orientation in that these aspects of identity are determined by outside forces and the individual has little direct control over them.

As part of a larger study on gender non-conformity, we conducted 24 depth interviews with individuals who identify as either a transgender female or a transgender male. The term transgender is an umbrella term which includes people who identify as transgender male/female, genderqueer, non-binary, gender fluid, a third gender, etc. For this paper, we are focusing only one those that identify as transgender male or transgender female. Informants first constructed collages depicting their gender identity and then participated in depth interviews for two to three hours. One informant requested not to be audiotaped. Notes were taken during her interview. All other interviews were audiotaped and transcribed, yielding more than 700 pages of text. In analyzing both the collages and the written text from the interviews, we searched for emergent themes while also engaging in dialectical tacking (Strauss and Corbin 1998).
Different discourses govern various aspects of identity which can result in identity conflicts (Hecht 1993). We argue transgender individuals can experience two different, separate categories of gender identity conflict. The first is an internal conflict where individuals realize that they do not identify with the sex they were assigned at birth. Additionally, our informants also report not feeling comfortable with their gender expression (their enacted gender identity) when attempting to match the sex they were assigned rather than the gender they identify with. Many of our informants have already reduced or eliminated this identity conflict. They accepted their gender as different from the sex they were assigned at birth and embraced their gender identity. Most have also changed their enacted gender identity to reflect their personal gender identity. Informants acknowledge consumption can be important in this process. For example, they dress in clothes that they feel express their identity. Other consumption includes cosmetics, jewelry, hobbies, etc. In this context, consumption is viewed positively as it helps informants express themselves and align their personal and enacted gender identity. Informants often stress that they are doing it for themselves, not for any outside people. For example, Kimberly (transgender female) notes that she loves perfume because it feels feminine to her. She uses the perfume and other “girly stuff” such as heels and stockings solely for herself.

The second gender identity conflict is an internal-external discrepancy where the individual’s internal frames of gender identity differ from the identity society and/or those around the individual ascribe to him or her. Some informants report this conflict, but feel that they do not need to reduce or eliminate the inconsistency. For example, Keagan (transgender male) says, “As long as I’m out in my binder and dressed as a male... even if people aren’t perceiving me as male, I feel more male and that’s what’s more important to me right now.” However, many of our other informants feel that it is important to be gendered correctly by society and those around them (thereby eliminating the internal-external gender identity conflict). Mark (transgender male) notes that it makes him uncomfortable when he is at work or out in public and someone calls him ‘she’ or ‘her.’ Informants report that it negatively impacts their self-esteem when they are not gendered correctly.

The potential resolution of this gap is very different due to the external component. People have little direct control over how others or society view them. Furthermore, gender norms and expectations are socially constructed. Goffman (1976) notes “[gender] expression in the main is not instinctive but socially learned and socially patterned; it is a socially defined category which employs a particular expression” (p. 7). The marketplace and advertising significantly contribute to the social construction of gender role expectations (Pollay 1986). Our informants continually note that these expectations place a heavy burden on them and can be difficult to meet. Unresolved identity conflicts can lead to individuals feeling misunderstood (Jung and Hecht 2004) and depressed (Jung and Hecht 2008). However, being gendered correctly and thereby eliminating the identity conflict comes with complications. Due to the societal expectations related to gender performance, it can be a learning process for transgender individuals. Informants discuss that they had to learn how to dress or put on make-up in order to be gendered correctly. For example, Anna (transgender female) notes that it took her a lot of trial and error to learn how to dress. While consumption may be used in a positive way to help people in this process, many of our informants felt that it can also be negative. First, informants acknowledge that there is privilege associated with being gendered correctly; moreover they want to be gendered correctly. They argue that the marketplace exploits these desires, offering products that appear to ensure the individual meets social gender expectations. Jordan (transgender female) says, “[A] great way to sell stuff to
transpeople is to convince them somehow they are one make-up kit away from [being gendered correctly].”

Being gendered correctly in public may also put pressure on some informants to be more female/male than they feel that they actually are in order to be accepted. Mark (transgender male) notes that he wants to prove that he is “one of the guys” and in some cases this makes him act hypermasculine so that no one questions his gender identity. Similarly, Skylar (transgender male) says, “I’m still trying to learn what society wants, what society says a man is… I think I always have to hypermasculinize a lot.” If they are acting hypermasculine or hyperfeminine in order to be gendered correctly, it brings up questions of authenticity for the individual and whether or not they are being true to themselves.

This conflict also brings up the sensitive issue of “passing”. Oftentimes, informants want to be gendered correctly, but are opposed to the word passing. Most of our informants feel that the term implies that they are being disingenuous. Sarah Allison (transgender female) says, “[Passing is] a word I don’t like… because I feel that it implies dishonesty… because in every other circumstance, except for transpeople, ‘passing’ means presenting yourself as somebody you’re not. For a person of color, ‘passing’ means that you are pale enough to look white. For a gay person, ‘passing’ means that you are heteronormative enough that you read as straight. For a transperson, ‘passing’ means that you are successfully read as the gender you identify with, and that is diametrically opposed to every other definition of the word ‘passing’.”

The marketplace presents a version of gender identity that is both used and resisted by transgender individuals. The versions are distorted – often hypermasculinized/feminized. The reality presented, while useful for transgender individuals, can also be problematic, in that these consumers are already trying to conform to a social ideal from a location of difference, and the only signpost they may have for whether their gender identity is granted legitimacy by society may be the degree to which they can conform to the norms or “pass.”

References


Gender equality has been acknowledged as a fundamental human right, yet it is still rarely achieved. In particular, the role of education in promoting gender equality has been recognised, yet only two countries have achieved equal access to teaching at all levels (United Nations 2013), emphasising that even the developed world is far from equal. Although marketing and consumer research have been subject to feminist critique (cf. Bristor and Fischer 1993; Hirschman 1993), and gender discrimination has been widely addressed (Burton 2009; Walters and Moore 2002; Valtonen 2013), little is known about what may constitute as gender equality. This paper presents reflections about this concept based on insights into marketing teaching in higher education. Specifically through considerations of how, and in what context, gender is currently taught within marketing and consumer research, it aims to provide an understanding of how students learn about these concepts, indicating how gender equality may be realised in theory and practice. Findings highlight that a main focus lies on the teaching of gender oppositions – often men versus women – as well as gender differences, and various reasons for this are presented. Questions are raised as to how these teaching approaches may or may not address issues of gender equality and suggestions are made for how we can conceptualise gender equality in marketing contexts. This paper argues that, although recognition of gender differences and critical evaluations of gender issues are vital, they may not suffice in the teaching and in attempts to achieve gender equality in marketing, and some recommendations for alternative approaches are provided. Most importantly, the aim of this paper is to build a platform to further conversations, learn from experts, and create a forum for marketing educators to share practices that advance gender equality as a topic within marketing curricula.

To provide some background, this paper presents insights from a wider project about gender equality in marketing, with a particular focus on advancing gender-focussed teaching practices (cf. Stern 1993; Catterall, Maclaran and Stevens 1999). It is well documented that marketing and consumer research characterise gender based on differences (Catterall, Maclaran and Stevens 2000) which are often based on dualistic opposites (Borgerson and Rehn 2004). Moreover, dichotomous gender characteristics continue to be linked with sex and essentialise gender through an association of stereotypically masculine characteristics with men and feminine characteristics with women (Carothers and Reis 2013). As many other disciplines, marketing has been recognised as privileging ‘malestream’ perspectives (Östberg 2010), and instances of discrimination exist in both academic (Hirschman 2010) and industry workplaces (Maclaran, Stevens and Catterall 1997). Furthermore, academic communities within marketing have been critiqued as promulgating exclusionary, masculine gender practices (Maclaran et al., 2009). As contemporary initiatives highlight, women only represent 3% of creative advertising directors worldwide (3% Conference 2014), emphasising the dominance of men in the production of marketing messages (even though the advertised product may be for women), and that masculine cultures reign within media and advertising worlds (Nixon 1997). Furthermore, women are socialised into reading and interpreting these messages by men, yet men are in positions that allow them to neglect texts produced by women (Stern 2000; O’Donohoe 2000). As unattractive as the field of marketing may appear...
for women, Scott (2000) suggests that female participation is particularly important in the advancement of feminist issues.

With critical perspectives such as these in abundance, the above paints a clear picture of inequality and a frequent (re)occurrence of arguably antiquated theoretical perspectives in marketing and consumer research. Considering these significant imbalances in gender and sex representations, and although gender issues have been increasingly researched since the beginning of the biennial ACR Gender, Marketing and Consumer Behaviour conference in 1991, it is surprising that this has not yet translated into more (communicated) changes in marketing curricula, despite notable recommendations (Stern 1993; Maclaran, Stevens and Catterall 1997). If gender is (re)produced through institutions, including educational institutions, and understanding the role of academics in facilitating the learning of marketing theory and practice to a vast number of students who may shape the future of marketing, an increased focus on how we teach gender may be essential in advancing gender equality efforts.

To gain further insight into how and where gender is currently taught across marketing subjects, and how this may address gender equality, informal conversations with colleagues and online discussions took place which led to the sharing of teaching material. In addition to this, syllabi and case studies that related in some way to gender or gender equality have been collated and are freely available through an online resource.

A review of these materials highlights the frequent use of advertising campaigns, images, adverts and documentaries in modules of marketing communication, media and culture. Students are often mentioned to be ‘invited’ to critically examine or reflect over the message(s) the images portray. Following a long history of seeming advertising tradition, these images often portray women as objects or are objectified, whereas a male gaze is the implied subject (Williamson 1978; Goldman 1992). Yet, even within documentaries such as ‘Killing me softly’ whose producers have campaigned for gender awareness in the media for more than 40 years, activists report that these images continue to be (re)produced and some have become even stronger in their sexualisation. Further examples of teaching material showcase marketing efforts towards gender neutrality, such as children’s toys as becoming ‘ungendered’, as well as the opposite of previously gender neutral products which are now targeting (and shaping) the gender of children, women or men. This clearly emphasises the business case of gender in marketing: further (gender) diversification opens previously untargeted segments and has the potential of product/market proliferation. One relatively recent example may be the marketing success of the ‘metrosexual’ (Salzman, Matathia, O’Reilly 2005; Tun-cay 2006).

Overall, the review of this teaching material gave insight into how gender is still seemingly ‘practiced’ in marketing; as dualistic and essentialised in the juxtaposition of male and female, masculine and feminine. Arguments of feminist perspectives and of multiplicity/fluidity of gender may have been mistranslated in marketing and consumer behaviour practices into either over-gendering or un-gendering of products and services. This however may not change marketing’s promulgation of normative ideals, not only against women, but also against men, limiting their choices of ‘doing’ gender and promoting stereotypes that continuously reproduce inequalities. It is important that students become aware of this through material such as that mentioned above. However can and should we move beyond awareness and critique? What are the alternatives?
The term ‘equality’ may prove difficult to interpret in marketing and consumer research contexts. Alternative theoretical approaches are suggested, such as gender inclusivity (Anderson and McGuire 2010; Adams 2011), which highlight appreciation of diversity. These approaches do however also present some shortcomings. A concept suggested in this paper which may aid in the conceptualisation of gender equality is that of ‘imagined communities of practice’ (Paechter 2002; Anderson 2006). Conceiving gender as communities of practice in the first instance permits a conceptualisation beyond dualism and multiplicity towards understanding the anatomy of ‘doing’ gender as it is shared, or rather imaginably shared, by collectives. It also considers gender at the intersection of race, sexuality, culture, class and age. Conceptualising gender this way may allow a re-evaluation of the embodied knowledge and competence required to participate in communities of practice and could open discussions of how inclusivity and diversity can be increased in a practical way. The ‘imagined’ dimension of these communities of practice addresses their development based on historical narratives, on shared vernacular, co-produced by media, and resulting spaces and institutions. However, it also highlights their illusionary character. It is argued that Anderson’s concept of nationality, based on inclusionary and exclusionary practices, shares similarities with gendered communities of practice. Of course, the pitfalls of essentialising gender practices continue to be problematic in this context. More importantly, this concept is offered as one of many possible alternatives for conceptualising gender equality in marketing and consumer research, with a view towards changing the teaching of gender in the curriculum, towards facilitating students’ imagination of practices that may promote equality or inclusivity besides highlighting those that reproduce inequality.

While initial steps towards achieving gender equality in and through marketing may certainly include awareness of current practices that contribute to the (re)production of inequality and discrimination, awareness alone may not suffice. Yet, it is difficult to imagine alternatives, and the development of new perspectives on gender practices and re-imagining the same may be a worthwhile approach. In particular, considering the institutionalisation of gender and the role of education in changing gender relations, marketing educators could realise their positions as potential agents of change further. Most importantly, the purpose of this paper is to reinvigorate conversations initiated by the academic community who raised these issues more than 20 years ago (Stern 1993), acknowledging that problems persist and that one way of taking charge is through the sharing of practices in and outside the classroom.

References


182


Illegal & dark markets

Chair: Mark Tadajewski

Session 3b – Wednesday 2nd July, 4:15pm

- Dark markets and marketing versus social marketing and uninformed moral spaces
  Ross Coomber

- Revolutionary marketing communications, acculturation and acculturation in situ and the legacy of colonialism
  Elizabeth Hirschman

- Rough Trade: Corporate social responsibility and the garment industry: Implications for macromarketing
  John Desmond
Dark markets and marketing versus social marketing and uninformed moral spaces.

Ross Coomber, University of Plymouth, UK

The drug trade may encapsulate for many the essence of what ‘dark marketing’ (Brown et al 2012) is thought to be ‘dark top to toe’. Evil dealers, selling evil goods. A market place where uncaring sales approaches and practices are, with predatory zeal, particularly focused on the young and vulnerable. Social marketing in opposition seeks to mitigate against the worst excesses of the drug trade often by pointing out the darkness therein. Arguably however current market/marketing analysis of the illicit drug trade (whether analysed as a dark market or from a social marketing perspective) and other dark markets, is itself, through an over-reliance on assumption and moral certainties vulnerable to serious misunderstandings of what it is trying to understand and as a consequence limit its ability to impact helpfully/meaningfully. Drawing on nearly thirty years of research in illicit drug markets this paper will, through reference to assumed routine drug dealer/drug market practice (dangerous adulteration; enticement through LSD blotter tabs; lacing drugs to hook the young, vulnerable and innocent; ‘freebies’ to hook new clients; the ‘evil’ drug dealer) demonstrate that much of what is thought to be dark is in fact far less so in reality, that homogenising whole ‘markets’ is unhelpful and that uncritical, evidenced moral stances in social marketing that reinforce stereotypes can make problems worse rather than better.
Revolutionary marketing communication, acculturation in situ and the legacy of colonialism

Elizabeth Hirschman, Rutgers University, USA

Over the past few years the political and economic landscape of the Middle East-North Africa (MENA) region has been dramatically transformed through a series of revolutions. Tremendous potential is now present for the entry and expansion of western-style marketing practices. Yet there are complications due to the continuing legacy of western colonialism. Marketing communications must walk a fine line between opening up the opportunity for greater economic development to these populations, but at the same time avoid giving the impression of western ideological dominance or oppression. Through a field study conducted prior to, during, and after the revolution in Tunisia – the first of the MENA nations to successfully revolt against dictatorship – we document the transition toward democratized marketing communications.

In rapid succession, a series of neo-colonial dictatorships in North Africa and the Gulf States has been toppled by violence or altered through forced reforms during the past 2 years: Egypt during January 2011 (and continuing), Libya in February 2011, Yemen in January 2011, Morocco in February 2011, Bahrain in February/March 2011, with Syria at present in the midst of a bloody civil war. In total, an Arab-Muslim population of 250,000,000 has been directly affected by the events of the Arab Spring (Al-Momani 2011; Anderson 2011), and the entire Middle East-North African (MENA) region is in flux socially, economically and politically. Often overshadowed by the larger players in the region is the small North African nation that served as the spark to this unprecedented pyre of cultural upheaval – Tunisia.

Yet it was here that a college-educated salesman, unable to find employment and trying to support himself by selling vegetables from a cart, set himself afire after being fined for “vending without a license”. He died days later of burns, but as his mother later noted, “His death freed Tunisia” (Jacobson 2011). The present research study began prior to these historic events in a Tunisia that was modernized and westernized, but not democratic (Al-Amin 2012). Our initial purpose was to examine the ways in which the Tunisian marketing system had incorporated western media motifs, packaging iconography, retail selling practices and advertising narratives into its traditional Arab-Muslim culture (Fiitouri 1983).

Then, about half way through the year-long set of field interviews with personnel in Tunisian advertising agencies, Tunisian retail store managers, Tunisian marketing directors and Tunisian media executives, a revolution happened. Realizing that this was perhaps a once-in-lifetime opportunity to observe the marketing, political and social systems of a country in flux, we continued on with the field work, completing the final interviews about 24 months after we started – at approximately six months past the first anniversary of the revolution. Although Tunisian society is still in a dynamic mode, we are able to grasp some sense of the direction it appears to be going with regard to the marketing system. And the patterns we are discerning may have pertinence to the rest of the Middle East-North Africa region – an area of the world ripe with enormous promise and significant pitfalls for western marketers.
The principal conceptual and theoretical framework within which we construct our study is that of acculturation. Acculturation is commonly viewed as the extent to which individuals’ values, norms, beliefs and behaviors are influenced by those of another culture (Triandis et al. 1986). The underlying assumption of this definition is the pre-existence of a foundational culture, on which a second, different culture is superimposed. The acculturation concept was first conceptualized in the social sciences during the 19th century era of worldwide colonization by European powers, most notably England and France, where it was described as the initial contact and subsequent interpenetration of two different civilizations – the colonizer and colonized (Bastide 1960).

In this context, acculturation referred to the imposition of the more powerful colonizing culture upon the weaker colonized culture (e.g., England’s entry into India in 1750). One of the earliest and most quoted colonial-era definitions in the literature was proposed by Redfield, Linton and Herskovits (1936), who defined acculturation as "...those phenomena which result when groups of individuals having different cultures come into continuous first-hand contact, with subsequent changes in the original cultural patterns of either or both groups" (p.149).

In the marketing literature, however, a somewhat different and narrower conceptualization of acculturation has generally been used. Authors usually assume that there is a “dominant culture” – the one of the “host country” – and a minority cultural group (for example, Berry (1980; 1997) and Kim (1985) are often cited as theoretical bases for this assumption). In most cases, marketing research studies focus upon immigrating populations or cultural minorities originating from immigration (Luedick 2011). Additionally, this conceptualization of acculturation is strongly associated with ethnicity and ethnic identity issues in the marketing literature (e.g., O’Guinn, Lee and Faber 1986).

More recently, some consumer behavior studies have examined the case of persons moving from a rural environment to an urban one within the same culture, or vice-versa (see for example, Üstüner and Holt 2007). In these studies, as in the previous ones, acculturation is understood as a phenomenon that individuals undergo while being in a new cultural context, different from the one where they grew up (Hui et al. 1991; Peñaloza 1994).

Other research studies consider acculturation as something that occurs during repetitive commercial encounters between individuals coming from different countries, and include a cultural negotiation process between the parties (Berton, Kimura and Zartman 1999). In this case, acculturation is described as efforts to adapt to the other party’s negotiation and communication style, language and behaviors while building cross-cultural partnerships (Berton, Kimura and Zartman 1999).

All these forms of acculturation assume the presence of two conditions. First, there is direct interpersonal contact between two cultural groups; this contact may be continuous or episodic, but occurs over an extended period of time. Second, there is a “process of movement and adaptation” by the incoming or minority consumer to a new “consumer cultural environment” (Peñaloza 1994) within “a dominant host-country” (O’Guinn, Lee and Faber 1986) and this new consumer cultural environment differs from the one he/she is familiar with.
However, recent research studies conducted in the MENA post-colonial (but not post-revolutionary) environment highlight the existence of another marketing manifestation of this concept. Termed “acculturation in situ” (Hirschman and Touzani 2011), this form of acculturation is often found in formerly colonized countries and does not require the two conditions cited above. Consumers in formerly colonized countries may indeed be acculturated “without first going abroad and without necessarily being in direct physical contact with foreign communities” (Hirschman and Touzani 2011, p. 125).

**Structural Antecedents of Acculturation in situ**

*European colonization of the Middle East and North Africa.* The MENA colonization by France and England lasted generally from the mid- to late-1800s until the mid-1950s. The last North African country to remove itself from French rule was Algeria in 1962 (Salhi 2003). The English officially departed from Palestine and Egypt in 1948 and 1953, respectively. But as several commentators have noted (Salhi 2003), they left behind an ongoing legacy of western neo-colonialization that persists to the present day. This lingering post-colonial legacy created – and continues to engender – a deep modification of the pre-colonial culture in these societies.

In Tunisia, formal colonization by the French lasted from 1881 to 1956. During this 75-year period, the uneasy coexistence of Arab-Muslim culture and French culture engendered a society marked by ambivalence and ongoing conflict between the two models, “the first being nationalist, reassuring [and] backward-looking, the second being foreign, conquering, but contemporary and modernist” (Fitouri 1983). This cultural struggle did not cease in 1956 with Tunisia’s independence, but continued in a pattern of neo-colonialism. That is, French ways of life continued to saturate Tunisian culture, especially in the upper classes of society and within the political elite (Marzouki 2007).

As a result, many Tunisians came to view their traditional, Arab-Muslim way of life as representing “cultural deficiency”, “cultural handicap” and “cultural inadequacy” (Dei and Kempf 2006). The result is that the country, although successfully revolting against a neo-colonial dictatorship, is now facing a deep identity crisis (Bournaz-Baccar 2002). The challenge confronting Tunisia, and the other MENA revolutionary states, is to form a vision of who and what they are as a country and a culture. We believe that marketing can perform a highly significant role in assisting the population to forge its own identity.

**Identity issues.** Currently in Tunisia, the educational system is based on bilingualism – French and Arabic. As they advance in their studies, students discover that French grows in importance at both the written and oral levels, while the use of Arabic diminishes. As we shall document, the Arabic/French language split is deeply embedded in the current marketing system in Tunisia and is linked to a larger regional narrative contrasting western modernity with Arab-Muslim traditionalism. This cultural conflict narrative, as pointed out by several Islamic and western marketing scholars (Fitouri 1983), is potentially very damaging to the continued success and growth of western marketing efforts in the MENA region.

**The Role of Mass Media and the Internet in MENA Countries**

With the advent of modern communication technologies in Tunisia from 1950 forward, neo-colonial acculturation became possible without direct interpersonal contact. In the past several decades, TV and the internet have played an essential role in this process (Hirschman and
Across the MENA region, and especially Tunisia, has spread a potent crop of satellite dishes, permitting consumers access to hundreds of channels and radio stations conveying both western and Arabic-Islamic cultural models and values (Papathanassopoulos 2011). The internet is also a window for looking at multitudes of websites originating from diverse cultural backgrounds. Researchers find that language plays a critical role in narrowing and siphoning consumer choice among these alternatives (Khalbous 1999).

For many of the MENA nations, even post-revolution, their media choices are still guided by the neo-colonial language in which they are fluent – usually French or English (Aoudia 2010). This funnels them to the selection of western media and website choices carrying western marketing themes and stories, especially if they believe these to be superior to their own. Or, as Hofstede, Hofstede and Minkov (2010, p. 473) put it: they can “compare their situations with the lives of others whom they suppose to be better off”.

Advertising plays a crucial role in the acculturation in situ process conveyed by these media. It provides representations of “the good life” (Belk and Pollay 1983; Holbrook 1987) in which the promoted products have a central position. Acculturation in situ may then occur at two levels: the individual and the group. Individuals may attempt to acquire the products in order to reproduce the western lifestyles they admire; while concurrently, specific social groups and social classes may use some symbolic products as markers to distinguish themselves from other groups and create conspicuous codes shaping their common identity (Han, Nunes and Drèze 2010; McCracken 1986).

French-speaking print media are very common in the country. Several daily and weekly newspapers, magazines and other periodical publications are in French or bilingual (Arabic and French). In magazine kiosks, one will find current issues of the most influential French newspapers (Le Monde, Le Figaro, Libération, etc.). Local Tunisian radio broadcasts are mostly in Arabic, but a French-speaking radio station, Tunis International, has a large and loyal audience, especially among the country's elite.

At the end of the 1990s, a majority of Tunisian households had analog television receivers that allowed them free access to several French channels (Ferjani 2002). With the advent of the digital technology era in 2000, these households were able to access a plethora of channels from diverse origins, but could no longer get their favorite French channels, because these now required a subscription. However, in spite of these obstacles, young viewers watch more French TV channels (47.3 %) than Tunisian-Arab TV channels (24 %), indicating that the acculturation of Tunisian society through television is still very important (Khalbous and Maazoul 2007).

**Markets and Retailing**

Commerce and markets can play a central role as acculturation agents (see e.g., Peñaloza 1994). Recent growth in international trade, the globalization of retail corporations and service businesses, and the development of ethnically themed store chains enable consumers to be in contact with many different cultures without leaving their country. These international retailers play the role of cultural intermediaries; they facilitate cultural exchange not only by promoting new brands and products, but also by introducing novel in-store marketing and sales methods and atmospherics (Cappellini and Yen 2012; Jamal 2003). In Tunisia and other MENA nations, western marketers have an opportunity to adapt themselves to the local norms and expectations of the consumer population. They can become
conversant with Tunisian culture as a “living space, a space of practices, customs, and relationships, therefore a space of dialogue, negotiation, conflict, solidarity, and simply humanity” (Ben Sedrine 2007).

However, this is proving not to be the case in Tunisia (and other MENA countries), even after the revolution. During the colonial period, several French retailing brands expanded to Tunisia (e.g., Galeries Parisiennes, Maison Universelle); and two of these store brands developed a national distribution network: Magasin Général and Monoprix. From the outset, the merchandise carried by these stores was primarily imported from France. A description of Magasin Général in a Tunisian newspaper from this colonial period (La Regence, 27 December 1898) states that the retailing store “offered a luxury Western atmosphere reminiscent of the finest French retailing institutions” (Stoll-Simon 2006). Upon Tunisia’s gaining independence in 1956, these stores became nominally Tunisian, but never severed their commercial or cultural ties with France. They continued to carry French goods in a French store atmosphere. Across the decades, they became associated with patronage by the social elite of Tunisia, to whom they represented culture supérieure.

In recent years, prior to the 2011 revolution, western-style shopping malls arrived in Tunisia and several other MENA countries and increased the level of acculturation to western consumption. The arrival of malls was accompanied by increasing numbers of western brands being offered by retail stores, as well as the adoption of new western marketing techniques (e.g., merchandising displays, sales promotion activities, in-store techniques such as flashmobs and videos, websites, and western-appearance mannequins).

For example, the 2001 arrival of the French retailer Carrefour in Tunis was a spectacular event, and for several months the hypermarket was packed by eager customers from all parts of the country. The commercial landscape continued to change with the opening of several other renowned French stores such as Géant, Champion, and Bricorama. As a result, prior to the 2011 revolution, Tunisia was a neo-colonial country, whose population had been effectively acculturated in situ to western marketing narratives and artifacts. As our investigation began, we believed that we would be documenting this phenomenon. Then on January 14, 2011, the dictatorial government collapsed and the country found itself confronting a new world.

Methodology

To better understand the phenomenon of acculturation in situ by marketing practitioners in Tunisia, we conducted a qualitative investigation. We selected this approach because it is appropriate when dealing with under-explored areas or themes (Marshall and Rossman 2011; Morrow and Smith 2000; Shinnar 2007).

Sample

We collected data through in-depth interviews with a diverse set of Tunisian marketing managers during the period June 2010 to December 2012. The participating managers were contacted through the alumni network of a major business school located in the capital of Tunisia, Tunis. One interviewee per company was selected. We ceased our interviewing process when theoretical saturation occurred, i.e., when additional interviews brought no new information (Glaser and Strauss 1967). The final sample consists of 26 marketing managers. This sample size is appropriate for exploratory research studies (McCracken 1988).
Table 1 shows the professional characteristics of the interviewees. Interviewees were drawn from a broad cross-section of product categories, including food, furniture and home decor, retailing, fashion, marketing consulting, etc. The selected companies all utilized professional marketing practices, although the firms possessed different levels of marketing expertise: some companies had recently implemented professional marketing practices, while others had run advanced marketing programs for over 25 years. We sought also to include diversity in the positions and seniority of the selected marketing managers. We limited our sample to B2C companies, acculturation in situ being a phenomenon primarily affecting the final consumer (Hirschman and Touzani 2011).

**TABLE 1. Professional characteristics of the interviewees**

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Name of the company</th>
<th>Brand(s)</th>
<th>Industry</th>
<th>Participant’s position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Aramys group</td>
<td>Blue island, Sasio</td>
<td>Clothes</td>
<td>Commercial director</td>
</tr>
<tr>
<td>2</td>
<td>Ballouchi.com</td>
<td>Ballouchi.com</td>
<td>Online communication</td>
<td>Web manager</td>
</tr>
<tr>
<td>3</td>
<td>Banque Internationale Arabe de Tunisie</td>
<td>BIAT</td>
<td>Banking</td>
<td>Agency manager</td>
</tr>
<tr>
<td>4</td>
<td>Chakib Nouira Distribution</td>
<td>Dixit</td>
<td>Clothes</td>
<td>Marketing director</td>
</tr>
<tr>
<td>5</td>
<td>Frank Muller Group</td>
<td>Frank Muller</td>
<td>Furniture</td>
<td>Advertising manager</td>
</tr>
<tr>
<td>6</td>
<td>GEMO</td>
<td>Geant / Monoprix</td>
<td>Retailing</td>
<td>Marketing manager</td>
</tr>
<tr>
<td>7</td>
<td>GIPA</td>
<td>Olá, Selja</td>
<td>Ice creams</td>
<td>Marketing manager</td>
</tr>
<tr>
<td>8</td>
<td>Globalnet</td>
<td>Globalnet</td>
<td>Internet service provider</td>
<td>Communication manager</td>
</tr>
<tr>
<td>8</td>
<td>Gourmandise</td>
<td>Gourmandise / Octave</td>
<td>Pastries chain</td>
<td>Owner and CEO</td>
</tr>
<tr>
<td>8</td>
<td>IDClaire</td>
<td>IDClaire</td>
<td>Marketing consulting</td>
<td>Owner and CEO</td>
</tr>
<tr>
<td>9</td>
<td>Industries alimentaires SA</td>
<td>Randa</td>
<td>Food</td>
<td>Product manager</td>
</tr>
<tr>
<td>10</td>
<td>Karoui &amp; Karoui advertising</td>
<td>Karoui &amp; Karoui</td>
<td>Advertising agency</td>
<td>Account manager</td>
</tr>
<tr>
<td>11</td>
<td>La Générale de Distribution</td>
<td>Caterpillar, Lee Cooper, Lois, Patterson, Sebago</td>
<td>Clothes retailing</td>
<td>Sales director</td>
</tr>
<tr>
<td>12</td>
<td>Lloyd Assurances</td>
<td>Lloyd</td>
<td>Insurance</td>
<td>General insurance agent</td>
</tr>
<tr>
<td>13</td>
<td>Maille Club</td>
<td>Square 5 – Mabrouk – André – Mode Discount</td>
<td>Fashion apparel retailing</td>
<td>Marketing manager</td>
</tr>
<tr>
<td>14</td>
<td>Maison Yamama</td>
<td>Yamama</td>
<td>Industrie du cahier (fourniture scolaire)</td>
<td>Sales manager</td>
</tr>
<tr>
<td>15</td>
<td>Meublatex</td>
<td>Meublatex</td>
<td>Furniture</td>
<td>Sales manager</td>
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<td>16</td>
<td>Mosaique FM</td>
<td>Mosaique FM</td>
<td>Radio station</td>
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<tr>
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<td>Prosdelacom</td>
<td>Prodelacom</td>
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<tr>
<td>18</td>
<td>Promodar</td>
<td>Promodar</td>
<td>Distribution Equipment de la maison</td>
<td>Business manager</td>
</tr>
<tr>
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<td>Scoop informatique</td>
<td>Scoop informatique</td>
<td>Computer retailing</td>
<td>Sales manager</td>
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<td>SFBT</td>
<td>Safia – Garci – Boga</td>
<td>Food industry</td>
<td>Brand manager</td>
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<td>SMG</td>
<td>Magasin General</td>
<td>Supermarket distribution</td>
<td>Marketing director</td>
</tr>
<tr>
<td>22</td>
<td>SOTEFI</td>
<td>Selecta – Liberta – Kartex</td>
<td>School supplies</td>
<td>Brand manager</td>
</tr>
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<td>23</td>
<td>Tunisiana-Orascom Tunisia</td>
<td>Tunisiana</td>
<td>Telecommunication</td>
<td>Advertising manager</td>
</tr>
<tr>
<td>24</td>
<td>Tunisie Porcelaine</td>
<td>Rose des Sables</td>
<td>Table accessories</td>
<td>Commercial director</td>
</tr>
<tr>
<td>25</td>
<td>Tunisie Telecom</td>
<td>Tunisie Telecom – Alyssa</td>
<td>Telecommunication</td>
<td>Marketing director</td>
</tr>
<tr>
<td>26</td>
<td>Ulysse Hyper Distribution</td>
<td>Carrefour</td>
<td>Retailing</td>
<td>Marketing manager</td>
</tr>
</tbody>
</table>

**Interview Guide**

The original version of our interview guide had three sections. In the first part of the interview, we asked participants to describe their market environment, their company and its global strategy, as well as its marketing strategy and the way they segmented the market. The purpose of this introductory stage was to check whether acculturation *in situ* spontaneously emerged as an important element of the marketing practices of the company.

In the second section, we asked interviewees to describe how far they integrated acculturation in their marketing strategy. We invited them to describe how they did this when segmenting the market, targeting specific segments and positioning the company’s brands. To keep the process grounded, we asked participants for specific examples of actions undertaken by their company. In the third section, we attempted to understand how acculturation *in situ* influenced the planning and implementation of marketing actions. Here, we asked open-ended questions about brands, brand names, the product portfolio and management, prices, retailing, advertising, other promotional activities, sales, and sales force management. We aimed to generate precise examples of how acculturation *in situ* affected marketing operations.

After the Tunisian revolution, we added a new section to our interview guide in order to check whether this revolution and the “Arab spring” which followed it had any impact on the marketing system and more specifically on the use of acculturation in marketing practices.
Interviewing Procedure

Face-to-face interviews were carried out at the interviewee’s office location. They lasted between 50 minutes and 2 hours 30 minutes. Interviews were conducted in French or the Tunisian Arabic dialect or both, often going back and forth between the two languages as the interview unfolded. With the interviewee's permission, the dialogue was recorded on audiotape and later transcribed for analysis.

Marketing managers are usually among the most western-acculturated individuals in Tunisia, and we noted that they often preferred the French language to Arabic when being interviewed. Each interview was conducted by two researchers, one male, and one female. This allowed one of the researchers to concentrate on interacting with the interviewee, while the other took detailed notes of the meeting and followed up on any issues that required further clarification (Eisenhardt 1989). We used the opportunity of making on-site visits for the interviews to also make company observations, which we recorded in our notes. The data obtained from the interviews was supplemented with company documents we collected on site and from the company websites. These helped us to better interpret the narratives of the participants.

We used thematic content analysis to analyze the collected data (Boyatzis 1998; Hyde et al. 2009). We adopted an interpretive approach involving an immersion of the authors into the interview set and accompanying observations and documents. As a first step, we independently coded the verbatim transcripts to identify if and how the participants included the “acculturation in situ” concept in their marketing strategies and actions. Next we compared and discussed our results, arriving at a common interpretation of the way acculturation in situ may influence marketing practices at both the strategic and operational levels. In the next section, we elaborate on the major findings that emerged from the data.

Findings

Notably, all the Tunisian managers interviewed for this study, both before and after the revolution, reported that western-acculturated consumers constituted the most highly profitable and sought-after segment in the national market. Consistently they described the acculturated segment in terms such as “accessible”, “substantial”, “differentiable” and “actionable”. Thus, our first proposition is that, at present (end-year 2013), Tunisian and likely other post-revolutionary MENA marketers are not yet experiencing an ideological ‘backlash’ against the western norms of neo-colonialism among the elite segment of society. We suspect this is because at this point in their cultural history, the most affluent Tunisians are so thoroughly acculturated to western consumption ideals that they do not see themselves as “traditionally Tunisian”.

However, the managers also noted that the Western-acculturated consumer segment does differ significantly from the population dwelling in the rural and non-urban areas of the country. Consumers in these areas are much more likely to be religiously observant, socially conservative, and to speak and read only Arabic. Indeed, the majority of MENA consumers continue to follow the rituals and norms of Arab-Muslim culture (Lariviére 2005) and, despite having some desire for western products and brands, they continue to dress, eat, and work in traditional ways (Ben Salem 2007). This raises the possibility that in post-revolutionary Tunisia the western-acculturated population of the cities and coastal areas may come to be seen as 'false' or 'inauthentic' Tunisians by their rural, conservative, traditional
cousins, especially if the country turns toward Islamic traditionalism as a way to define its post-colonial identity. Or the elite members of Tunisian society may, themselves, decide to return to what are increasingly seen as ‘true’ or ‘authentic’ Tunisian values and reject their current western-style consumption norms as ‘inauthentic’ and undesirable. If this does occur, there may be a backlash against western-style marketing and marketers. We will address this possibility and ways of dealing with it as we continue our discussion of the findings below.

The marketing managers working at both international chain stores and Tunisian national stores report that “high-end, up-market positioning” presently requires the use of French for both store signage and marketing communications. This is believed to be the case whether or not their goods have actually originated in France and whether or not the store was affiliated with a French company. Thus, within Tunisia, and probably other MENA countries colonized by France, the French language seems to play the role of a western semiotic vessel from which meanings of luxury, good taste, cosmopolitanism and upward mobility are poured. As one marketing vice president reported:

In our company (GIPA), we definitely integrate the French cultural factor into our marketing strategy. We market two completely different lines of ice-cream targeted to two different Tunisian segments: Selja and Olà. Selja is an ice-cream positioned according to the Arabic way: it’s popular…. and done in a way to conform to this segment’s tastes and preferences. Olà, however, is positioned as a product in the European style. It is designed for those who are attracted by Europe and the West. The flavors, the package, the colors, the logo, the advertising slogan are all designed to take into account the differences between our two segments.

For Selja we use the Tunisian dialect; we create a rather traditional atmosphere anchored in the “Houma Arabi” [an ethnic expression meaning traditional neighborhood] with its architecture, its atmosphere and its specific characters. And our communication and retailing strategies consist of being present in the working-class neighborhoods. Conversely, as far as Olà is concerned, we use the French language, and we are present in the high-class living areas. Prices are also more expensive for this product [See Appendix 1].

**Product and Brand Decisions**

As described above, the most common way for marketing managers in Tunisia to differentiate between western-acculturated and Arab-Muslim consumers is choice of language (Arabic or French). But the Francophile preference extends beyond merely language to include also aesthetics and design choices. These practices are adopted in order to give consumers the impression that these brands originate in France or other western countries or, at the least, to take advantage of the positive associations these places have in the affluent Tunisian consumer’s mind (Leclerc, Schmitt and Dubé 1994; Smaoui 2009; and see also Üstüner and Holt 2007).

Indeed, throughout the MENA region, using a European language in a store, in advertising and in other marketing communications is a way to imply “technology”, “progress”, and “modernity” (Smaoui 2009). However, even among western languages, French enjoys a privileged position. It is associated with features such as “luxury”, “refinement”, “ele-

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12 Selja is an Arabic word meaning "frost" while Olà has no particular meaning, but resembles European ways to say hello.
“gance”, “fashion”, “high life”, “style”, “taste”, “culture” and “class”. Some reported that France is also associated with “chic cafés and restaurants”, “fashion apparel”, “gastronomy” and “beautiful furniture”. Several of these associations are shared worldwide, but they have a more resonant meaning (McQuarrie and Mick 1992) within Tunisian culture, due to Tunisia’s colonial past.

For example, for clothes and furniture, French-speaking consumers usually prefer sedate colors, while traditional Tunisian consumers prefer bright colors – preferences which are typical of the MENA region generally. The number of colors used to create one’s ensemble or home interior decor also differs: French-acculturated consumers desire fewer colors and a subdued palette, while the traditional, bright, multicolored designs are favored by consumers rooted in the Berber/Arab Tunisian culture.

The managers seemed to follow western marketing strategy norms, as well, positioning their entire product line consistent with the acculturated or traditional segments they were seeking. An interesting example is provided by Randa, a Tunisian company specializing in food processing and tomato sauces, in particular. This firm described the two distinct segments as follows: Traditional housewives still believe the housewife, herself, should take all the necessary steps to prepare the tomato sauce. This segment generally uses double-concentrated tomato purée or fresh tomatoes, which are both very commonly used in traditional Tunisian dishes.

The acculturated families’ lifestyle is much more westernized: these women spend much less time in the kitchen, and sometimes it is even the husband who cooks! We focused particularly on this target in developing a set of ready-to-use tomato sauces containing ‘green pepper’, ‘olives and capers’, ‘onion’, and ‘basil’ for the western-acculturated market. This made the sauces seem more unique and cosmopolitan to this segment.

Taste tests were conducted among non-westernized Arab-Muslim consumers to see if they would accept the sauces despite their “Frenchness”, but traditional Tunisians would not buy what they considered to be an overly sophisticated product. In line with the westernized positioning, other elements of the marketing mix were designed to appeal to the acculturated consumer (i.e., higher prices, with product distribution and sales promotion only in up-market urban areas). This suggests that should Tunisian cultural identity (and that of other Arab-spring nations) turn towards pre-colonial Arab-Muslim roots, marketing communications would have to adjust, as well.

In-Store Marketing Communications

Retail stores in Tunisia typically segment the market into western-acculturated and traditional consumers. Prior to the revolution, this was accomplished by adjusting the product assortment, attending to the linguistic skills of sales staff, and in-store signing to utilize the appropriate language. The product assortment for western-acculturated areas would be skewed toward, for example, ready-to-cook, frozen and diet foods, European and American apparel and accessories, French-language magazines; and so forth. Several of these products would not even be offered to customers in the more Arabic-Muslim areas of Tunisia.

We found that in-store communications after the revolution are still being consistently managed in ways deemed appropriate for customers’ level of western acculturation. In the most westernized stores, Arabic-style music continues to be prohibited in order to maintain
an “international image”, while in stores serving the traditional Arab-Muslim market, the only music played is *Mezoued*, that is, the fast-beat Arabic-style music. Similar differences remain with regard to store décor. Stores targeting westernized Tunisians continue to “try to be as modern and sedate as possible”, drawing their interior aesthetics from those popular in Europe.

Conversely, Tunisian stores catering to a traditional clientele create interiors that are reminiscent of the Arabic *souks* (traditional markets) to help their customers feel at ease. To enhance the “*soukification*” of the atmospheres in these stores, the Koran will now be placed at the entrance to the store and incense will be burned to create a desirable scent throughout the store.

As is apparent from these managerial strategies, there are in fact two Tunisias: one which is westernized, cosmopolitan and affluent, the other which is traditional, rural, and much less well-off. A clash of cultures within Tunisia and the MENA region, generally, would seem to be a strong possibility if the process of westernization continues, because this acculturation *in situ* is not limited merely to fashion or taste, but rather represents a deeper challenge to Arab-Muslim culture and religion. One store manager interviewed after the revolution reported his marketing communications theme as follows:

Just recently we started integrating western and Christian holidays into our calendar of events. More and more Tunisians celebrate Christmas, the Christian New Year’s Day, Valentine’s Day, and Halloween. So during these periods we change the decorations in the store to adjust them to the look of the holiday, and we also adjust our product assortment. For example, during Christmas, we decorate with evergreen trees, Christmas musical CDs, candles, colored lights, strings of glittering garlands, sparkling and twinkling electric lights, and other seasonal ornaments and decorations. Even in the food department we now include several items imported from Europe during the Christmas season: special types of chocolate boxes, several kinds of holiday cakes and Yule logs, many varieties of salmon, the traditional “*foie gras*”, of course, and we sell thousands of turkeys and chicken.

**Advertising**

Among the advertising managers to whom we spoke, the consensus was that it still is best to use French in advertising messages directed toward up-scale consumers, especially if the medium itself is in French. Conversely, when advertising to traditional Tunisians, the standard practice has been to use the Arabic language and Arabic media. Research (Lowrey 2002) has found that using an inconsistent language or medium is perceived as offensive by each audience.

Some post-revolutionary advertising managers are now trying a new approach, seeking to create a more integrated national narrative. This consists of mixing Arabic and French in the same advertising. This 'blended' advertising approach uses both languages, and even mixes the Tunisian Arabic dialect with formal Arabic (now increasingly popular in the MENA region). Other print ads may intermix Arabic sentences and French sentences, while others even mix Arabic and French words in the same sentence. This advertising evolution seems to correspond to a national desire to create “one” harmonious Tunisian culture.
The Arabic language is almost entirely absent from the internet in Tunisia, although exceptions may be found among the websites of governmental ministries and public or semi-public firms, as well as the online websites for traditional Arabic-speaking media (TV, radio, newspapers, magazines). Usually these websites have a quasi-governmental character and take into account the fact that Arabic is the official language in Tunisia.

Some Tunisian blogs dealing with politics, cooking and religion are in the Tunisian Arabic dialect. Most notable here are the blogs that contributed political commentary during the revolution. Some other religious blogs are available in classical (formal) Arabic. International internet service providers (e.g., Yahoo, Google, and Facebook) have used IP addresses to present Arabic content to Tunisian and other MENA consumers, but largely without success. This is because the providers seem to view the MENA region as one large homogeneous market, and present content inappropriate for specific countries in the region.

When you open the new Arabic version of Yahoo you’ll find pictures of emirs or sheikhs that we don’t even know here. Most of the news is about the Gulf countries (e.g., Bahrain, Saudi Arabia), so all the Tunisian users rapidly move back to the French-speaking version of Yahoo.

On some Tunisian websites there are Google Ad-sense ads that are written in Arabic. But our administrative team received several complaints about them. Internet users don’t appreciate these ads; they affect our website’s credibility. Each time, we have to explain that those ads are not really part of our website and that they belong to Google.

And there is increasing non-Islamic religious messaging now arriving, post the revolution: There are more and more internet banners in Arabic that promote Christianity on Tunisian blogs and websites, such as “Al massiah fi Tounis” [i.e., “The Messiah in Tunisia”]. These banners are relayed by Ad-sense and Ad-words. I don’t think that these banners are especially effective. Tunisian web users seem to find them rather humorous, because they are in Arabic, while the rest of the internet environment here is in French or English.

It is fortunate that this interviewee viewed the Christian proselytizing advertisements as humorous. But such western-originating religious appeals may be seen by the more traditional Arab-Muslim population as not only inappropriate, but aggressive.

Theorizing the Arab Spring from a Marketing Communications Perspective

Our paper began with a recounting of the past two years’ tumultuous events in the Middle East-North Africa region; events that ousted several neo-colonial dictatorships and replaced them with what is hoped will become participatory democracies. We then turned to a theoretical notion – acculturation in situ – to frame and interpret any shift in marketing communications practices characterizing Tunisia before and after the revolution. For approximately 140 years Tunisia has been acculturated into western consumption norms and values, first as a French colony and then as a French-dominated social system. Though formally giving up its colonizer status in 1956, France never really “left” Tunisia. French influence remained entrenched in the form of a Francophile educational system, a westernized social elite and, most importantly, a western-style marketing system.

During the interviews conducted over the past 24 months, we found this western marketing system still largely in place. Although some minor adjustments have been made to
accommodate the majority Arabic-speaking, Islam-observing population, these may not prove to be adequate if (or more likely, when) the bulk of the Tunisian citizenry feels it appropriate to rebel against the westernized social and political elite that continues to exert cultural dominance. The authenticity of these French-speaking, western-consuming Tunisians may come into question, as the nation explores its traditional Arab-Muslim heritage and perhaps comes to view this heritage as a source of pride, rather than as a sign of backwardness.

The obvious limitation of the present study is that it is but a two-year snapshot of what will likely be a complex, intricate and evolving re-construction of Tunisian identity. Though but one country among the Arab-spring nations, Tunisia can perhaps serve as a bellwether for the region. It is the origin point for the revolutionary fervor which has swept through North Africa and the Middle East during the second decade of the 2000 millenium. The populations of these newly-democratized countries are now in some sense dealing with a tabula rasa of national identity. What models are they to follow? Will democratization necessarily lead to the embracing of western ideals of consumerism?

Surely this places an enormous challenge in front of western marketers who are presently operating in the region or who may be contemplating entry to the region. But we believe they may also have a unique opportunity to help construct a positive bricolage that melds the diverse segments of these newly-democratized consumers into a culture that feels comfortable and genuine to all the inhabitants. This could be done by closely monitoring the attitudes of MENA peoples at the ground level and adapting marketing communications offerings to the shifts in identity that these people will be undergoing over the next decade. Ultimately, our findings suggest that it may advisable, and perhaps imperative, that western marketers serving consumers in the MENA region seek to acculturate themselves to the traditions and history of the countries in which they operate (see e.g., Peñaloza and Gilly 1999), rather than continuing to serve as western acculturation agents in situ, as they did prior to the wave of regional revolutions. It is now time for international marketing managers to permit themselves to be acculturated.

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Rough Trade: Corporate Social Responsibility and the Garment Industry: implications for Macro-Marketing.
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Introduction

Questions pertaining to Corporate Social Responsibility in the garment industry such as those relating to fair trade and sustainability, that one might imagine to be central to the concerns of macromarketers, are in practice rarely discussed by them, (for an exception see Golding, 2009) nor indeed by their counterparts in the wider marketing arena (for exceptions, see Dixon, 1999 and Rudell, 2006). Massive industry change has been driven from the 1970s by the implementation of new manufacturing technologies, then in the period leading to the demise of the Multi-Fibre-Agreement, by outsourcing of manufacturing “offshore” from the USA in the quest for ever lower prices. In Britain, industry stalwarts such as Marks and Spencer dramatically reduced their price point in response to the challenge presented by supermarket own-brands, whose margins in turn came under pressure from ‘throwaway fashion’ brands such as Primark.

In this paper I discuss the events surrounding two of the most iconic historical cases of Corporate Social Responsibility in the garment trade, by first retracing the events leading up to, ‘St Michael: Has the Halo Slipped’ (World In Action, Granada Television 1996), then linking this to the ‘Dateline’ (NBC, 1992), which aired to the US public four years earlier. Comparing and contrasting the lessons learned from these cases provides a platform for wider discussion of important and complex issues that are relevant to macro-marketing, such as western ethnocentrism in relation to the employment of child labour in garment manufacture and the relations between marketing and politics involving the use of ‘soft’ and ‘hard’ power by those acting in pursuit of ethical outcomes. The paper also makes a case for the potential of historiography as a method to counter the tendency in marketing thought for abstract generalization, offering instead to facilitate the quest to come to grips with complex questions and moral aporia and the role played by chance and happenstance, as opposed to rational determination, in the selection of key issues, such as that of child labour, which has set the agenda for debate and research in this area.

‘St Michael: Has the Halo Faded’ (World in Action, Granada, 1996)

The paper first describes the events leading up to the ‘St Michael: Has the Halo Slipped’ programme, broadcast by Granada Television in December 1996. This programme played a role in framing the agenda for discussion of Corporate Social Responsibility in the UK, contributing in part, with the establishment of the Ethical Trade Initiative being launched in the UK in 1998. Contesting the claims made in the documentary, Marks and Spencer subsequently won significant libel damages from Granada Television. The circumstances surrounding the broadcast were controversial, not just for the claims made in the documentary, as it was subsequently claimed that Marks & Spencer’s staff, alerted by the programme makers about the issue of child labour, visited the Sicome factory in December 1995 and as a consequence, many of the child labourers were summarily dismissed before the programme aired in January 1996. The aftermath of the programme was followed up by a group of aca-
demics whose report (Zalami, et al. 1998) informed subsequent discussion of this case (Hobbs et al., 1999; Bourdillion et al. 2010; Bourdillion et al. 2013).

It has also been argued that ‘Has the Halo Slipped’ formed template for subsequent media exposés. For example, Bourdillion et al. (2010) refer to a similar 2008 “undercover” story in which the reporter misled children by expressing interest in buying the clothing they were decorating, when his concern was to stop Primark selling their products, “thus destroying their market and their income: his report did not indicate what the children thought about their work.” (Ibid.: 5).

Academic discussion of the aftermath of, ‘Has the Halo Slipped” followed along the lines of the argument that academics and policymakers should guard against Western ethnocentrism. This raises the question of the child’s best interest? Some argue that education is of key to importance for the development of the child and of the wider economy, while others contend that impoverished families require economic support from their children’s labour, where educational provision is often patchy and the promise of jam tomorrow has little force in the face of present economic difficulties and daily hardship faced by these families (Schlemmer, 2009). Nor is it easy to combine education with work, as research from Vietnam suggests that while child labour brings economic benefits, it damages educational prospects (Beegle, Dehejia & Gatti, 2008).

The academics who followed up the children dismissed from the Sicome factory argue that the children themselves should be considered as agents. Zalami and her colleagues argued that neither the TV team, nor Marks & Spencer took any interest in the employment context in Morocco, nor did they speak to, or take into account the girls’ own preferences. When asked for their point of view by the researchers, it became clear that many of the girls felt that they had been robbed of a desirable job opportunity and were now desperate to find alternative work. Amal, who was interviewed following her dismissal from the factory is reported to have said that when she was younger she had wanted to go to school, but now she is too old (Zalami et al. 1998). Not that there were many alternatives in Morocco, where tens of thousands of young girls are condemned to work as domestic drudges, or ‘petits bonnes’. The researchers also noted that one girl had ended up in prostitution.

The Sicome case is used to exemplify how rich ‘northerners’ selectively judged ‘southern’ practices according to their own ethnocentric lights, used their power to change the situation and then walked away from the outcome. By comparison to the penury into which the girls were ejected, the broadcaster achieved high ratings and the retailer walked away relatively unscathed. The case also alerts one to the easy manipulation of consumer outrage by broadcast media and the potential damage that can flow from ill-informed consumer action in response to this, such as boycotts. One study estimates that industrial work accounts for only 7% of child labour (Diallo, 2010) and it is argued on this basis that consumer boycotts of child labour in industrial settings provoked in response to programmes such as “Has the Halo Slipped’ have limited impact, because the majority of children work in agriculture on the family farm (Fors, Edmonds and Pavcnik, 2005).

‘Wal-Mart “Buy American”’ (Dateline NBC, 1992)

The events leading up to and springing from the “Wal-Mart: Buy American” segment (NBC Dateline, 1992) are accorded primary importance in relation to several important issues surrounding Corporate Social Responsibility and child labour (Hertel, 2006; Nielsen 2006).
The programme formed part of a sequence of events leading up to and beyond the signing of a Memorandum of Understanding (MoU) between the Bangladesh Garment Manufacturers Association (BGMEA), UNICEF Bangladesh and the ILO Bangladesh in relation to child labour.

There are also several important parallels in relation to the NBC and World In Action programmes. Indeed the similarities are such that one might sway to believe that the Bangladesh programme formed a template for broadcasters to use in Morocco four years later. The overall prevalence of child labour in Bangladesh was also very high and employment in the garment industry, particularly in the export sector was regarded as being preferable over alternative occupations. The object of NBC’s “sting” operation in Bangladesh was Wal-Mart. The NBC programme makers followed the same formula as that subsequently used by World in Action at Sicome, with journalists posing as buyers. Their video footage was subsequently broadcast as a segment on the Dateline NBC, on 22nd December 1992, to a particularly high audience of 14 million. Wal-Mart stood accused of similar allegations as those directed at Marks and Spencer four years later, of falsely displaying goods under banners stating ‘Made in the USA’ and using illegal child labour to manufacture its garments. Wal-Mart subsequently denied the allegations of child-labour and its 3% drop in stock price at the time of the programme soon recovered to half that. Just as with Amal and other children who worked at Sicome, it was later alleged that thousands of children were dismissed from factories in Bangladesh in advance of the programme being aired. Similar to Morocco, a great deal was made in relation to the subsequent claim that some dismissed children had been driven into prostitution. The reaction to the World in Action “St. Michael, Has the Halo Slipped” programme was like a storm in a teacup compared with the tidal wave of outrage provoked in Bangladesh following the broadcast of “American Made”.

When fully developed my paper will move beyond discussion the similarities mentioned above in relation to the events surrounding the two media broadcasts, to discuss their differences and what these contribute to the understanding of questions of western ethnocentrism, child labour, politicization and the use of ‘hard’ power in these contexts.

References


ISMD Theoretical and practical insights from emerging markets

Chair: Janice Denegri-Knott

Session 1b – Wednesday 2nd July, 11:00am

Colors of culture and politics in a West African market context
Lise Bundgaard, Søren Askegaard, Kira Strandby

Urban consumer culture in Vietnam
Hai Chung Pham, Barry Richards

Culture-centric studies of marketing and consumption in Brazil
Marcia Christina Ferreira, Bernardo Figueiredo, Severino Pereira, Daiane Scaraboto

Marketing constraints and opportunities for CAPS in Eastern Africa: a market systems perspective
Eric Arnould, Melea Press

Session 2b – Wednesday 2nd July, 2:00pm

Cross-cultural fashion advertising: Its impact on American and Chinese women
Timothy H. Reisenwitz, Jie G. Fowler, Aubrey R. Fowler III

Culturally relative, or relatively cultural: Reflections on the role of philosophies of sciences in consumer culture research
Kira Strandby, Søren Askegaard
Colors of Culture and Politics in a West African Market Context
Lise Bundgaard, University of Southern Denmark
Søren Askegaard, University of Southern Denmark
Kira Strandby, University of Southern Denmark

Introduction

McCracken (1988) underlines the significance of cultural categorization for codification of a particular vision of the world. One such significant codified set of cultural categorizations is the way in which meaning is ascribed to colors in different cultural contexts. Although the visual aspect of consumption gained more interest and profundity in recent studies (see, e.g., Schroeder 2002) and in the increased use of videographies as scientific mode of presentation, this increasing interest has not spawned a lot of interest in colors. Nevertheless, from a phenomenological perspective, color may be one of the most significant elements of daily visual experience. So it is quite remarkable how the significance of colors is often overlooked in cross-cultural marketing and in consumer research. Segall et al. (1966) found the color spectrum to be divided differently by different cultures. A study of color palette preferences revealed significant cultural differences among English, American, Japanese and Korean cultures (Park and Guerin 2002). According to Jakobs et al. (1990), marketers tend to take color associations for granted, and may not even question whether other associations exist in other societies. Singh (2006) made quite similar points. Color continues to be marginalized in marketing and consumer research foci.

Divard & Urien (2001) suggest a semiotic approach to color in consumer and marketing research. Consequently, colors are considered a sign system comparable to language, insisting on its complexity, subtlety and dependence on the cultural context. Non-linguistic sign systems, they assert, are particularly dependent on culture-specific codifications for their interpretation. We might want to add, that situational context and general cultural context create a specific culturally interlocked context of context (cf. Askegaard & Linnet 2011), through which the semiotics of color should be interpreted. Kress and van Leeuwen (2002) take the linguistic metaphor one step further, and propose a grammar of color, a syntagmatic order through which cultural valorizations of color is manifested.

In the history of decolonization these colors have been decisive in the formation of in particular West African national identity, and one might expect them also to play a role in the market in terms of package color preferences. Based on these reflections, we conducted a study concerning the perception of colors in the West African country Togo. This was done in cooperation with a multinational dairy company, seeking advice for future packaging design.

Findings

Through data material collected in February 2013, consisting of observation, children’s drawings and eight qualitative interviews, we analyze the Togolese perception of colors. An interesting insight concerned the categorization of colors by the informants, who did not distinguish between pale color nuances. One respondent even indicated that such nuances are indif-
different by stating that pale colors do not even exist in Togo. Instead, colors in Togo were categorized as lively - a category including white, yellow, blue, red and black. Indeed, my observation confirmed that bright colors are prevalent in the Togolese society - and that pale colors on the other hand are largely absent. In reference to light blue, one informant stated that it will not attract anyone. If someone wears light blue, that person will not be noticed. Next to a person wearing pink, a person wearing light blue will be lost.

Although pale colors are not part of the culturally constituted world of Togolese respondents, and although such colors were rejected for other product categories, especially clothing, such colors were considered interesting in relation to dairy. Pale colors connected to this category created very positive associations of creaminess, quality, purity and healthiness, matching the desired characteristics by the respondents for this product category. Such associations must be considered particularly valuable in a society dominated by scarcity, malnutrition and lack of food safety regulations.

Even though people responded positively to the idea of pale dairy packaging in general, they would not embrace pale colors for packages sold by the dairy company. One obvious explanation is that this company mainly operates through street-vending, consisting of bicycles and push-carts, where customers must be attracted from a distance, as opposed to the narrow aisles of a supermarket. Informants were highly concerned that pale colors would not attract people in this context. The predominant African shopping category of street-vending therefore seems therefore to have decisive influence on packaging color preferences.

Not all eye-catching colors were considered appropriate for dairy packaging offered in the street-vending system. The responses to a range of colors categorized as gloomy, dirty or striking were negative, especially in connection to red, black, brown, purple and grey. These colors were connected to undesirable connotations related to dirt and poor hygiene, and even on a symbolic level to pain, blood, sadness and death. Interestingly, even the symbolic meanings irrelevant to the medium of packaging often seemed to remain within the context of packaging. Instead, the respondents preferred colors that could be categorized as “éméfa”, which is a term in the local language Ewe. Unable to find a French parallel, the respondents described “éméfi” as the opposite of striking, as something that is pleasant to look at. Especially pink and light green were considered as such.

Discussion and Conclusion

The contributions of this research to the literature on cross-cultural marketing are twofold. First of all, it contributes to the understanding of the categorization of colors in an African context. Second of all, it argues that the special circumstances related to the predominant African street-vending system influence the consumer perception of product color significantly. What is considered an appropriate packaging color for a supermarket product may be considered inappropriate for a street-vending product. Thus, not only should the product category be decisive for color choice, but also the chosen distribution channel. On a more theoretical note, our findings challenge the suggestion by Singh (2006) that there may be a generalizable classification system connecting color and brightness to specific categories.

However, we would like to add a particular political discussion to the cross cultural color codes in a West African context. Besides cultural preferences and specific semiotic and grammatical structures of color codification and communication, it comes as no surprise to anyone that colors are also political. For example, the juxtaposition of red and blue is mean-
ingful in a variety of national political contexts. In terms of nation-building in a post-colonial world, color has been very central in the codification of a national and ethnic identity. This is highly visible process both in terms of the formation of the pan-Arabism and pan-Africanism in terms of codified color systems.

Pan-Africanism is a movement dating from the dawn of the 20th century with the triple purpose to gain equal political, social and economic rights for people of African descent, resurrecting African cultural pride and unity, and trying to overcome the split generated by the slave trade of the people of African descent in an American-Caribbean and an African population on the one hand and an African population on the other (Contee 1969). This movement also has adopted its specific colors. Mainly two sources have been influential in this process. One is the colors of the Ethiopian national flag – a green-yellow-red horizontal tricolor - since Ethiopia was the only non-colonized territory on the African continent. Another source is the colors of the pan-African flag designed by Afro-American activist Marcus Garvey in 1917 – a red-black-green horizontal tricolor (Znamierowski 1999). We thus also conclude on establishing a particular semiotics of pan-African color codes, and their role as a combined political and marketplace manifesto.

References


Urban consumer culture in Vietnam

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This paper discusses the specific features of consumer culture derived from economic transition, emergence of consuming class in cities and recent political history of post-socialist era in Vietnam, to consider ways in which globalizing processes are negotiated and interpreted at the micro level. To make sense of this, theoretically, the presentation draws on a body of scholarship specific to the Vietnamese context where materialism values, social status and conformity are used as a part of on-going identity work by consumers in Vietnam. Focusing on the identity construction created through brand consumption, the empirical study particularly explores how the younger generation of urban consumers in Hanoi and Ho Chi Minh City define themselves to build a new image of emerging consumer force. The paper concludes by defining the potential and existent tension (a new global-local way) of consumption practices in contemporary Vietnam.

Introduction

Consumption is involved in the creation and maintenance of social relationships (Veblen 1925; Reisman 1950; Bourdieu 1979). Consumers try to transform the link between self and society through consumption. The inspirational groups play an active role in constructing their social identity through consumption. They set “the tone for culture as a whole” (Featherstone 1991, p.110).

Today's global consumer is faced with a wide range of styles and choices. It is not difficult to find a global brand in cities of developing countries where “consumption and urban life have been a central component of the development of [an emerging] consumer society” (Jayne 2006, p.3). The emerging cities are increasingly characterized by the growing consuming group. According to McKinsey (2012), we would expect over one billion more people joining the consuming class in emerging market cites by 2025, which is truly transforming the world economy.

The emergence of the new consuming class and the new desires appearing would create the expansion of the market and redefinition of the world according to the market logic (Sheth 2011). Accordingly, the stream of potential fantasy materials with the active factors and actors leading to new research on consumption in emerging markets appear quickly. Featherstone (1991) suggests we must shift our attention to emerging transnational cultures where “the style of the richest countries were widely influential, and the sense of sharing in global patterns was attractive” (Stearn 2001, p.135). However, the result is not global hegemony as local consumers adapted consumerist values to more familiar standards (Stearn 2001; Jackson 2004; Trentman 2004). “Consumer culture in the developing world followed suit: ’the West’ soon came to be reframed in terms of the ’good life’ to be had through consumerism” (Ustuner and Holt 2010, p.40).

Vietnamese people in cities actively embrace the modernity and globalisation themes (Vann 2006; Freire 2009) when the government initiated the Economic Renovation (1986). “There is an urge by everyone to catch up with the world” (Shultz et al 1994, p.47). In the expanding economy of Hanoi and Ho Chi Minh City, consumers are confronted with a world

**Research Methodology**

Taking Hanoi and Ho Chi Minh City as the case studies, the main aim of the study is to explore the influence of brands upon how the younger generation of urban consumers (re)construct and negotiate their social identity at the intersection of globalisation and local discourse. With qualitative orientation, we use psychological and interpretive approaches to provide the latest data on consumer culture in Vietnam by analytically identifying meaning-making practices (Elliot and Timulak 2005) of consumer behaviour at the conjunction of globalisation and locality. The surveys with projective techniques were carried out among 600 Vietnamese respondents (610 distributed) in Hanoi and Ho Chi Minh City, to understand precisely the face work of younger urban consumers through brand consumption. One of the main tasks in the survey asked the respondents to spend 15 to 20 minutes writing a story about consuming Western brands. The survey data was supported by in-depth interviews of 16 urban middle-class and follow-up participant observation to explore the varied ways in which these consumers use and attach symbolic meanings to the products they consume to affirm their social identity. The key findings in this paper were analysed, based on the 600 written stories, 16 qualitative interviews and 4 participant observations.

**Key findings**

*I always consider tomorrow is the end of the world and I have to live for today. I live in a happiest way. I keep telling my child that I don’t have money, and he would not get anything from me in the future, he must live independently. My parents did not teach me like that way...I warn my child that this is my house, if he doesn’t behave well, he could not get any support from me. My motto of life is each day gone would not come back.* (Participant No2, 35 years old, male, Ho Chi Minh City, Interview)

*From the period of basic needs of ‘enough food and clothes’ to the period of ‘good meals and beautiful clothes’.* (Participant No1, 34 years old, female, Ho Chi Minh City, Interview)

Materials determine interpretation of the face strategies regarding one’s face implications (Cocroft and Ting-Toomey 1994; Wong and Ahuvia 1998). The collectivistic cultures with the influence of Confucian values indicate that one must look good and be judged by possessions (Wong and Ahuvia 1998), which provides inspiration for status consumption among the new consumers of Vietnam, borrowing the model of the Western lifestyle and, consequently, Western brands. These consumers are serious and concerned with their credibility, which makes them “label” consciousness. "Face" is understood as a desire to gain favourable social self-worth and to be valued in relation to others (Belk 1996). Thus, the younger generation of Vietnamese urban consumers would buy brand names to publicly display their wealth and position within particular social circles. They are extremely class conscious to shift the social boundaries.

In this study, the younger urban consumers in Hanoi and Ho Chi Minh City show a clear preference for products from developed countries (Western countries) as confirmation of higher level of material achievement and to maintain positive impression upon the others (Belk 1999; Wong and Ahuvia 1998). For Vietnamese urban consumers, Western brands are
associated with status and pride in the construction of social identity, to convey that one is "high class, modern and civilized" (Wilk 2006, p.22).

“A Gucci or a Lexus nowadays would tell you a lot about the social standing of its owner.” (21, female, Hanoi, Survey)

The findings also demonstrate the way of consuming an item is like an act of wearing a ‘mask’ by the consumer, which can be ‘loudly’ or ‘quietly’, displayed to fit in a favourably social circle. The outcome of consumerism and traditional heritages – the negotiation of show-off face and quiet luxury face has become the nature in the habitus of Vietnamese urban consumers. They are more guided in behaviour and practices by societal standards or group norms. In a collectivist culture such as Vietnam, when interacting with others in society, most are concerned about what others think of them (Nguyen Thi Tuyet Mai 2003), thus consumers would place more importance on the symbolic values (Wong and Ahuvia 1998; Batey 2008). The emerging consumers in urban Vietnam pay more attention to the front region, referring to the “screening – off of aspects of identity”, where the performance is given (Goffman 1969).

**Show-off face**

When the surface of self or the front region expects to be seen by the others (Goffman 1969), individuals consume visible products or brands at the time telling others of their social status or desired images. It’s the expression the individual wants: ‘I want to show my stuff’. It’s the reaction the individual wants to receive: ‘I want a noisy chat about my stuff’. They allow to be seen, they display, to become visible. To some extent, it is apt to attract attention and convey the message about the existence of the product. The economic socialization orients people towards a favourable view of social inequality and materialism values. The more each individual believes in the values of materialism, the more part of show-off one would occupy.

*On a windy, cold day of late December in Hanoi, the participant No.16 (a 30s year old lecturer) entered the office, being in a coat, wearing high heels and carrying a handbag. All of her colleagues were talking about the incentives at the end of the coming lunar New Year holiday. She ostentatiously called the attention of other people while everyone was busy, calculating, checking the cash in envelopes they received. She acted as attention-seeker or loudmouth, tapping on the shoulder of one woman, and started showing her new handbag and dress “they are new? Are they beautiful?, look good on me?”. Others turned to involve in her show with polite, flirting, admired words or just jealousy on different face expressions: “You are rich, girl, put on new stuff everyday” “Where did you get it?”.....She just waited for reactions as she expected to continue her show “this is the new arrival of Zara, this is hand-carried..., a present from an auntie....”. (Notes taken from participant observation, Hanoi, December, 2012)*

**Quiet luxury face**

Quiet luxury face is more related to the quiet display of the product that the performer want to do. Consumers use the side of the performance that does not call for attention from others. It’s the part that the individual wants to hide. It’s the expression the individual who want to communicate “let’s my consumption invisibly apt to the situation or the setting” or “don’t pay attention to me and my stuff”. In the manner, products are presented without ex-
pecting the responsive reaction from the others as being the central of attention. The purpose is to be intangible in some ways, to please themselves, and to achieve normal looks, to be different from show-off face or others.

The participant No.1 (34, Ho Chi Minh City, Interview) spent huge money on purchasing Burberry, just make to satisfy her own interest, which was nurtured during her childhood with English Literature. Burberry with classic style reminds her of her love for British royal family. She does not expect the colleague in her office admiring her whenever she carries a Burberry bag. Even she knew the mimic ones of her Burberry bag are widely seen in the streets of Ho Chi Minh City and maybe her colleagues would never know her stuff is genuine.

The data analysis contains four underlying factors (Taste, The influential, Parents, and Socialism and Confucianism) influencing consumers in the way of their presenting self and shifting between show-off face and quiet luxury face in a particular social context. Consumers would negotiate (swift) among these factors to convey aspects of their social identity.

- **TASTE**
  
  Taste is used as a mean of distinction between classes or group (Bourdieu 1984) and taste is commonly defined and recognized among a group in a favourable condition. In the context of Vietnam, consumers see class position as an equivalent to taste, or use taste as a distinction to swift the line of class “Not anyone know how to buy stuff with money, even they are rich. Some are just “Trưởng gia học làm sang - 'neau vouriche learn to become aristocrat’ “(25, male, HCM City, Survey). The choices of brand defined through the word ‘taste’ become a surer mark of class distinction.

- **THE INFLUENTIAL**
The influential are “keepers of the flame for the ideas” in consumption (Keller and Berry 2003, p.82). They can be the group leaders, the celebrity or anyone who can have power to influence on the others’ consumption pattern and choices. They have stronger and sufficient breadth and depth of expertise on others’ decision (Keller and Berry 2003, p.129).

“Thanh Loc (Vietnamese comedian) is a very talented performance with amazing senses of humour, but he is very modest. He often appears in a friendly simple way, but still looks very professional. I love his personality, his way of presenting materials.” (Participant No8, 25, female, HCM City, Interview)

PARENTS

Strong family ties are unique to the context of Vietnam as well as other Asian countries as part of Confucian-based culture. To some extent, parents’ perception of face work through consumption practices would influence on the younger generation’s choice to shift between different images of faces. For some young people, family bonds are still stronger than other kind of social bonds when they obediently conform to the social acceptance as their parents want.

I am not yet married, still living with my parents. Whenever I prepare to go out if I dress too short, my mom would scream out, and push me to change. Gradually, I unconsciously put on clothes as she wishes although I, in my mind, want my own way of dressing. Because, my generation, we think differently from her time. But I do not have courage to be against her wish. (Participant No8, 25, female, HCM City, Interview)

SOCIALISM AND CONFUCIANISM

Vietnamese cultural diversity influenced by Confucianism which is characterised by Collectivism and power distance dimension (Hofstede 2001, 2001). Inside each, there is a contradictory negotiation between show-off face and quiet luxury face when they interpret themselves through material presentation. People would negotiate between “to have” and “want to be” to achieve the certain purposes and involve certain social interactions. Consumers learn themselves to negotiate and re-negotiate between modernity, globalisation themes and cultural values of traditions and obedience to political dictates, to pick a suitable mask in relevant setting.

My style of dressing is still a bit traditional- Vietnamese way (not showing a lot part of body) and care much about what people around is thinking. This point is not true in Western world. Thus, I choose Burberry and Polo because they are both classic. The style of design is a bit like uniform, not strong revolution in design like other brands. I mean a bit vintage. If a person so much Westernized would not like it, he or she may like other brands. (Participant No1, 34, female, HCM City, Interview)

When material can serve as “sign of political values” (Dittmar 1992, p.79), the quiet luxury face would be favourably occupied among Vietnamese society. Power distance (Hofstede 1991, 2001) refers to the value of hierarchy in a society which attributes importance to formal difference and respect for people of higher status. When people work for the state, they would care more about their socialist image and public image.
The participant No.3 with a senior position at Vietnam Press Agency did not forget to put on normal jean and T-shirt with a friendly image of Vietnamese youth volunteer when joining the charities activities in the remote area.

Discussion

Urban consumers in Vietnam today learn to adapt themselves to the new consumer culture and bend themselves to their will, shifting from the culture of discipline to the culture of pleasure seeking. They are more inspired by the tastes, sensibilities, and practices of the Western lifestyles, but produced in the local culturally context.

The emergence of transnational consumer culture in Vietnam both features the pleasure of immediate material encountering (Reisman 1950; Hayton 2010) in discontinuity with past of the war consequences and culturally maintain continuity with collectivist tradition (Wong and Ahuvia 1998; Nguyen Thi Tuyet Mai 2003) as the possible roots of consumer conformity.

The transition to driven-market economy in Vietnam has created many changes in social values (Nguyen Thi Tuyet Mai 2003, p.18), leading consumers quickly embrace the modernity themes. The ‘new’ rich want to distinguish their social position from working class and establish their position in urban society (Nguyen Bich Thuan and Mandy 2004) and makes the way people present themselves more visibly with materials. Materials can help them to “differentiate them from a certain socio-economic category and marks their social status” (Freire 2009, p.70).

Vietnam is a case study of transnational consumer culture, which a class become conscious of its interest. The emerging consumers are symbolically linked with each other by the notion of Western lifestyles and the associations of brands in post-socialist Vietnam.

“Nobody wants to be called ‘thợ’ (working labour). The way you behave and understand the world tell which position of social map is dedicated for you” (22, male, Hanoi, Survey).

The country is strained by its attempt to balance a Confucian-based and socialist model with a capitalist market economy (Harm 2010; Libby 2011). Consumption practices in Vietnamese context is continuously challenged by the ‘rival forces of markets and culture’ (Trentmann 2004, p.379), which is not necessarily “a complete surrender to ‘Western values’” (Trentmann 2004, p.380). It may be measured in a rise in material standards, and cease to add happiness (the culture of pleasure seeking) in established consumer societies.

References


Culture-centric studies of marketing and consumption in Brazil
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This study examines the development of consumer culture studies in Brazilian scholarship. In particular, we trace the unfolding of the scientific production of culture-centric studies of marketing and consumers in the past 20 years in Brazil. We draw from multiple sources of data, including interviews with senior scholars in Marketing and Anthropology, to build our reflexive account of the field. As we trace the historical origins and influences of consumer culture studies in Brazilian society, we reflect on some of the key themes underlying culture-centric studies of markets and consumption. We also note the societal implications of the culture-centric research tradition in Brazil, and point out to a series of relevant challenges and opportunities faced by researchers in this context.

Introduction

As markets globalize (Craig and Douglas 2006) and economic and political power is redistributed in the world (Sassen 2006), there has been a growing need to understand how emerging markets like Brazil work, as they represent “significant departures from the assumptions of theories developed in the Western world that challenge our conventional wisdom” (Burgess and Steenkamp 2006, 337). Indeed, there is a growing “need for considering theoretical and ideological approaches to the studies of consumption that do not necessarily belong to the Western tradition” (Jaffari et al. 2012, 3), but rather to some other kind of ontological and epistemological tradition.

In addition, studies rooted in postcolonial literature have frequently demonstrated that emerging economies run the risk of extending the dependency on the West, replicating dominant ideas, and importing traditions and knowledge with low criticality (Varman and Saha 2009). This risk is even greater in the field of marketing, where a neoliberal agenda supports and finances most of the scholarly work done in the field both in developed and ‘developing’ countries (Bradshaw and Tadajewski 2011). Consistent with other studies that focus on unearthing alternative modes of thinking in emerging markets, we trace the intellectual history of culture-centric research in Brazil to examine the origins, key players, and historical influences that were part of the process of developing a discipline in a local context. Besides tracing the recent intellectual history of culture-centric studies of consumption in Brazil, we point to the current limitations and challenges faced by local scholars who work in this field, and also identify opportunities and directions for the development of Brazilian culture-centric studies.

Intellectual history studies have moved from the fluid notion of history of ideas to focus on the “human condition of language, interpretation, communication and cultural construction” (Kelley, 2002:07) where “interpretive strategies to reconstruct the production and transmission of meanings at various cultural levels and in different cultural contexts” can be
applied (Towes, 2011, 881). In line with this topic, meanings and experiences of senior scholars in Brazil are incorporated to the historical reality that underpins their actions. This scenario allows us to analyze how these researchers and educators “creatively adjust, adapt, and even extend” studies of marketing and consumption in the country (Denegri-Knott, Witkowski, and Pipoli 2013, 1).

Our focus is on culture-centric studies of consumption, that is, studies that have taken the cultural approach to understanding how markets, marketing, and consumer behavior work. Despite the increasing pervasiveness of cultural approaches to understanding consumer research and marketing in North America and Europe (McKinnis and Folkes 2010), Latin American scholarship has been mostly focused on understanding marketing through economic and sociological views. The cultural perspectives adopted by anthropologists and CCT scholars in the marketing field (Arnould and Thompson 2005) have not yet been fully integrated in research and education in Latin America. Furthermore, existing Latin American research on markets and consumption is not well known outside the continent’s borders.

As a multi-gendered team of four Brazilian researchers with diverse academic trajectories and a common interest in culture-centric studies of consumption, we have outlined a research program to historically trace and critically evaluate the production of culture-centric studies of marketing and consumers in Latin America. This first stage of the project focuses on Brazil and aims to examine the intellectual history of culture-centric studies in the country.

Our research data include interviews with local experts (our database currently consists of five depth interviews with senior scholars with more than 10 years of marketing research production in culture-centric research). The interviews serve as our starting point to understand the intellectual history of culture-centric consumer studies in Brazil. The interview data are further informed by an ongoing analysis of online archival data from webpages related to universities, conferences, associations, and public debates. Introspective notes regarding the experiences of each one of the authors within the field of consumer culture and marketing research in Brazil help contextualize key events and dynamics of the field. Data collection will be further strengthened by an ongoing meta-analysis of the production of culture-centric studies during the past decade based on two Brazilian marketing conferences and key national and international journals in the field. This meta-analysis will help contextualize the information given by our informants and ground our reflections on cases of publication and dissemination of research.

We draw from these multiple sources of data to build our reflexive account of culture-centric research as it unfolds in the fields marketing and cultural anthropology in Brazil. As we trace the historical origins and influences of consumer culture scholarship in Brazil, we reflect on some of the key themes underlying culture-centric marketing and consumer research in Brazilian academia, note the societal implications of the culture-centric research tradition in the country, and point out to a series of relevant challenges and opportunities.

Origins and evolution

“The marketing area has been consistently searching for auto-analysis regarding its task of knowledge generation. Along this line, Brazilian marketing scholars have made great effort to discuss their identity and the directions for the discipline in the national context.” (Sampaio and Perin 2006, 180)
Mapping the production of “ethnographically inspired studies of consumption” in Brazil, Rocha and Rocha (2007, 74) situate the first culture-centric studies of marketing and consumers at the COPPEAD Institute, at Federal University of Rio de Janeiro (UFRJ). In the early 1990s, the first research group on “Anthropology of Consumption” was established at COPPEAD by Everardo Rocha, an anthropologist and communication scholar with incursions in the field of consumer studies. In fact, one of the earliest Brazilian references for researchers interested in cultural-centric approaches to consumption was Rocha’s book, *Magia e Capitalismo* (Enchantment and Capitalism), published in 1985. The country was just resurfacing from a two-decade military dictatorship, and facing staggering levels of inflation. The book was very impactful among sociologists, anthropologists, and other researchers who were interested in cultural themes. A scholar explains, in a video produced to celebrate the 25th anniversary of the book: “I was doing social science research at that time and the themes were still very orthodox: rural workers, indigenous people…classical themes within Anthropology. But I was already flirting with pop culture, mass culture, music, and even though the book doesn’t address that directly, it was kind of liberating to me.” On the same video, a scholar in the field of Social Communication states: “I’ve lost count of how many people have told me that they decided to study Anthropology because of this book.”

Business professors, including Rocha’s colleagues at COPPEAD, began to show increasing interest in symbolic aspects of consumption. Soon, the interest spread to other business schools across the country, notably at Escola de Administração at the Federal University of Rio Grande do Sul (UFRGS) and Escola Brasileira de Administração Pública e de Empresas at the Getúlio Vargas Foundation (EBAPE-FGV). Early studies produced in these nuclei were the first identified as culture-centric studies of consumption, and focused on explaining particularities of consumption in consumer collectives such as divorced women, and poor teenagers living in favelas. Status, violence, and identity were key themes in these early studies.

Starting in the early 1990s, culture-centric studies of consumption continued to develop within business schools in Brazil, and also reached more expression in the cultural studies field, more specifically in media consumption studies. However, culture-centric studies of consumption still represent only a fraction of the overall marketing research production in the country – which is, in itself, small, “modest,” and “inexpressive” at international levels, according to the experts we interviewed.

Despite its modest records, in recent years we have seen a growing interest amongst Brazilian scholars in producing culture-centric studies of consumption. For instance, two outlets have been created for presenting scholarly work in 2007: a track on Culture and Consumption at the annual conference organized by the Brazilian Association of Graduate Studies and Research in Business Administration (ANPAD); and a new multidisciplinary conference that focuses on cultural studies – the National Meeting on Consumption Studies (ENEC). In addition, there has been a growing attendance of Brazilian scholars and students at the international Consumer Culture Theory conference (CCT). Overall, these factors highlight the greater familiarity of Brazilian scholars with culture-centric research, which runs along the increasing consumption power of Brazilian consumers, and the currently optimistic climate in the country regarding the status of Brazil’s economy.

**Current limitations and challenges**

“There is normativity and profound morality, still on these days” – A.B.
The marketing scholars we interviewed identified certain themes that cut across consumer culture research in Brazil, such as the focus on peculiar collectives, and the use of classic texts of Brazilian anthropologists. According to one anthropologist we interviewed, Brazilian research on consumer culture (“in fact, in Social Sciences in general”), is still very much adapt of a Marxist/Frankfurtian approach, and very critical of capitalism. She also points out to the lack of studies on contemporary consumption practices, daily life, and materiality.

“We’re still very parochial, very enclosed” – A.B.

Brazilian CCT scholars comply with a “colonialist” view of knowledge production in which modernity becomes associated with the idea of westernization. Grounded on this distortion, this model reproduces an image of the western experience as superior and, most importantly, maintains Latin America at a peripheral position of modernity (Bortoluci and Jansen 2013). Failing to see the ideological roots of the Eurocentric discourse (Mignolo 1993), the marketing academy in Brazil swaps Europe for North-America (see Vieira 2010), but keeps the position of Latin American culture as a follower of the modernity established in central dominant countries (Souza 2000). Therefore, the understanding of Latin America culture as peripheral in spatial terms and consequently late in temporal terms has negatively reflected upon culture-centric studies of consumption. Most of our informants note that, in Brazilian academia, there is much “copying”, “reproduction” and “replication” of studies that are published abroad. Acting in a “parochial” way not only delays the development of culture-centric studies of consumption in Brazil, but also reflects negatively on the market in the course of time. By failing to introduce a critical perspective on their own research, Brazilian scholars reproduce the colonial discourse and miss the opportunity to develop critical sensibilities in their audiences (students, other scholars, policy makers, and managers). This is particularly troublesome in the case of students’ critical education, as “education means to acquit the young with the best heritage of the human race” (Tadajewski 2010, 803).

“We don’t work in teams. There are very few researchers who are doing studies with others, who work with various other people from within or outside Brazil...It is not common. We work with students, barely, inside the programs we are at, or the departments we are at. ... We don’t create consistent research teams. This is something we haven’t evolved to yet.” – C.D.

Our interviewees point out that Brazilian researchers who employ culture-centric approaches tend to work in isolation and very rarely search for collaborative work both inside and outside Brazil. Various political schisms prevent Brazilian researchers from working more collaboratively. These include a strong divide between public funded universities and private business schools, the perception of dialectic between academic research and market research/consulting, and the need to placate departments who see culture-centric research as “unconventional.”

The lack of solid methodological training in qualitative research is another recurrent theme in the interviews. Experts see this is a limiting factor in the further development of the field. One of our interviewees notes, for example, that business scholars in general make use of sociology and anthropology theories and methods “lightly,” and therefore are not taken seriously by scholars in these foundational disciplines.

Finally, our interviewees note the challenges associated with internationalization and the dissemination of Brazilian research production abroad. In this case, the lack of language
skills to perform the rhetorical games needed to publish in international top journals is an important factor. The specific Anglo-Saxon way of writing prevalent in top journals differs sharply from the indirect and circular Portuguese manner of writing, which allows for “a greater freedom to digress or to introduce extraneous material” (Kaplan 1972). Moreover, the lack of insertion of senior scholars in international networks also weighs here. Nevertheless, most of our interviewees note that there is a growing movement of Brazilian researchers, especially the new generation of marketing researchers, to network and establish research partnerships outside of Brazil.

**Directions and opportunities**

“The Brazilian cultural fabric is, if not exclusively ours, very peculiar” – E.F.

The experts we interviewed detect innumerable areas where further culture-centric research can yield strong theoretical contributions to the marketing and consumer field. For example, Brazilian favelas have been going through a fast process of gentrification due to the rise of new classes C and D. People who used to live under the poverty line now have been inserted in the consumer society as the new working poor. Very little is known about emerging consumer cultures under these conditions. Another topic to be covered concerns the various cultures of subsistence representing traditional ways of living in the rural areas. These cultures of subsistence were deemed to disappear with processes of mass migration of rural works to urban spaces. A renewed interest in ecological sustainability and green consumption has been revamping the importance of these cultures, nationally, and worldwide. Understanding the mutual impact between global flows of ecological discourse and local forms of production can contribute to how we understand the role of emerging market as shaped and being shaped by global consumer culture.

Experts pointed to various other topics of relevance, including peculiar consumption practices of Brazilian consumers such as purchasing in installments (as many as 12 for a vacuum cleaner, for instance), and the different relation Brazilian consumers have with materiality. Some rich areas to explore those relations are clothing, house cleaning, or the very particular practices of improvised design (*gambiarra*), which cut across class and income profiles in Brazilian society.

“We need for scientific marketing research in Brazil to search for an identity, and to present an agenda that reflects our market, and not the designations of the Marketing Science Institute. A Brazilian agenda includes: … moving interdisciplinary beyond a mere discourse; not abdicating from conceptual discussions; and valuing qualitative research.” Vieira (2012, 487)

Culture-centric marketing and consumer research in Brazil is still on the outlook for its own identity. This identity should valorize the richness of local research contexts and their immense potential to generate culture-centric theories. Simultaneously, it should open the doors to international insertion for Brazilian consumers – through the establishment of partnerships and research exchange between Brazil and other countries where culture-centric research on marketing and consumption is produced.

**References**


Marketing Constraints and Opportunities for CAPS in eastern Africa: A Market Systems Perspective

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Literature and field experience tells us that small farms in Kenya and Uganda face daunting challenges in meeting their subsistence requirements and producing surplus crops that can respond to market demand in an ecologically sustainable fashion. Recent development assistance projects in the east African region generally have focused much attention on Conservation Agriculture Programs (CAPS) as a solution to many of the agronomic problems facing small holders in the sub region. In the context of research for a USAID SANREM project on CAPS in western Kenya and eastern Uganda, we focused on the marketing challenges in developing CAPS solutions for farms in western Kenya and south eastern Uganda. We explored these issues by collecting primary and secondary data about regional market systems. A priori, we identified five types of challenges in to the development of innovative value chains that would support the success of on-farm agronomic interventions. We present some emergent findings. And we offer suggestions for intervention from a market systems perspective.

Introduction

Scholars of public policy and marketing, macromarketers and even some scholars of international marketing have argued for the importance of marketing as a requisite element of grassroots development in underdeveloped countries including sub-Saharan Africa (Arnould 2001; Arnould and Mohr 2007; Joy and Ross 1989). Layton (2009) has argued strongly for the relationship between marketing, economic development and quality of life, a relationship shown in some empirical research (Oneto and Arnould 2012). There is mixed evidence however, and some hotly contest the ability of alternative marketing channels to deliver either development or improved quality of life (Dolan 2008; Lyon 2006). There is also limited evidence that colleagues in agricultural science have assimilated the importance of marketing for the success of agricultural development projects, since in our experience input and output marketing appears mostly as an afterthought in agricultural development. This thus reinforces the urgency of the call others have made for more research involving marketers in development contexts (Schulz, Rahtz and Speece 2004). In this report, we highlight some findings from a multidisciplinary agricultural research project below, and conclude with some implications for outreach.

Research Orientation

This five-year project funded by USAID is called SANREM (Sustainable Agriculture and Natural Resource Management); the east African component, one of five worldwide. The focus of this project within which we conducted our marketing assessment is Conservation Agriculture (CA), an agricultural production system that uses the application of three principles, minimal soil disturbance, permanent soil cover, and crop rotations, to improve soil fertility and prevent soil erosion. In addition the project aims to improve and conserve the soil of very poor smallholder farmers, reducing their workload on the farm while increasing their yield over time through soil improvement.
In our work plan we advanced the following five suppositions:

**Supposition 1:** Policy and regulatory factors are punitive of small farm innovation in on-farm marketing.

**Supposition 2:** Existing tools and technology for sensing market demand limit market efficiency.

**Supposition 3:** Existing upstream and downstream marketing logistics constrain agricultural innovation.

**Supposition 4:** Local storage infrastructure constrains on-farm marketing income.

**Supposition 5:** Farmer supplier/farmer-buyer relationships constrain innovation in production strategies.

In detail, we elaborated on these a priori beliefs.

Supposition 1
- a) Policies favoring large farmers access to credit and agricultural inputs over small farmers hamper small farmer productivity.
- b) Policies limiting the use of mobile money to access agricultural credit and inputs and decrease paperwork and reduce the need for visits to multiple government offices hamper small farmer productivity.
- c) Short donor project cycles and rapidly changing donor priorities hamper small farmer and small input supplier’s ability to improve agricultural productivity on a more stable basis.
- d) Wholesale imposition of donor country policies restricting the use of agricultural chemicals may constrain small farmer productivity.
- e) Policies limiting the development of properly certified seed multiplication systems limit availability and constrain small farmer productivity.

Supposition 2
- a) Efforts by the Kenyan government to collect and broadcast market information have improved the availability of price series from regional markets.
- b) Efforts by the Uganda government through AgriNet (agrinet.ug.net) to collect and disseminate market information and connect buyers and sellers have improved market sensing.
- c) Market sensing for secondary crops grown in the study zone remains underdeveloped.
- d) Small producers need help finding non-local markets for many innovative crops, e.g., tilapia, cabbage.

Supposition 3
1. Seed and other inputs are not always available on a timely basis
2. Seed adapted to high altitude conditions are scarce
3. Counterfeit inputs are an increasingly problem.

Supposition 4
4. The lack of low cost, secure drying facilities hurts quality of small scale producers.
5. The lack of low cost, decentralized storage poses quality control problems for small scale producers
6. The poor state of rural feeder roads constrains timely evacuation of produce.
Supposition 5

- Information asymmetries continue to favor market intermediaries over farmers in price negotiations.
- Lack of trust especially among the poorer farmer groups hampers collective action that could address power and information asymmetries between producers and market intermediaries.
- Scarce and sometimes ill adapted seed varieties constrain farm level innovation.
- Limited effects of feedback from farmers on supply chains constrain the development of innovative technologies and inputs. Channels are too long and the top of the input supply chain has limited market sensing capacity especially with regard to small farmers.

Method

To assess these suppositions we set out to collect secondary literature and to conduct interviews with key members of the agricultural marketing channels. In August 2012, the expatriate team spent two weeks in Kenya and Uganda working in close collaboration with colleagues from AT Uganda, Manor House and SACRED Africa on the marketing component of the project. This was in addition to field work conducted in 2010 also in collaboration with the larger SAMREM team. NGO partners continued interview data collection throughout August and September 2012.

Towards the goal of fleshing out our a priori suppositions, we interviewed input suppliers (seed, fertilizer and herbicide dealers), organized farmer groups, bulking agents, millers, mobile banking agents and institutional buyers to determine the challenges that individuals at different points in the marketing channel face. Thus, in August 2012, we conducted 15 interviews including four farmer focus groups (with an average of 15 farmers per group). Our NGO partners subsequently completed additional interviews in our focal areas of research providing us with over 60 total interviews. In addition, to primary data collection the researchers have reviewed secondary literature and field reports, the latter collected by the host country partners. Through the field work we conducted and that of our partner NGOs we fulfilled our data gathering targets and are able to assess our a priori propositions. We offer some selected observations.

Findings

General Market System

Our research revealed that portraits of agricultural marketing systems in the recent academic and policy literature describe the situation on the ground as we found it in Western Kenya and southeastern Uganda. Our knowledge of the marketing value chains has increased dramatically thanks to a series of reports that have been produced (Anonymous 2010; Kilimo Trust 2012; Mugisha 2011). To summarize, commercial value chains in western Kenya and southeastern Uganda suffer from numerous problems. The common constraints across agricultural value chains include: the high cost of, or shortage of basic inputs delivered in a timely fashion to producers in anticipation of planting or cultivation. There is an increasing problem of counterfeit inputs due to what we would consider to be a lack of regulatory oversight. Many informants pointed to a pervasive deficiency of local storage resistant to theft and pests for post harvest storage, which, in our view leads to promiscuous sales that mini-
mize returns to producers, concentrating them in downstream channel members. Many complain of post-harvest crop losses due to pests and moisture, which we would contend reflect a weakness in the marketing system in delivering appropriate prophylactic products and inexpensive monitoring equipment. The general lack of value added transformation of agricultural produce we observed as have other researchers reflects a lack of appropriate technology and sustained credit support for micro entrepreneurship. Entrepreneurial experiments are generally weakly supported by private sector or NGO actors. We can also point to inefficient farm gate marketing and downstream market systems generally and poor transport infrastructure. Concretely, this means the rural roads are inadequate even in the high value agricultural production zone and the rolling stock is ill adapted to the challenges. Limited or lack of access to agricultural credit (although this is expanding) constrains innovative investment, especially among women who are the key farm managers. Finally, market communications is limited to some state sponsored radio broadcasts of market prices, some small agricultural price cell phone subscription services, and person to person information exchange. These constraints affect the various stakeholders in the value chain although they impose more difficult constraints on poorer farm households. Together these market system factors constrain the adoption of CAPS either directly or indirectly via their effect on rural livelihood. All of these weaknesses in agricultural marketing channels would need to be addressed if CAPS is to be adopted widely at the on-farm level. Stated another way, in our view diffusion of farm level innovations alone cannot transform the marketing value chains to promote diffusion of CAPS innovations.

Selected Emergent Findings

We turn first to a policy issue that was not among those that guided our work but that emerged during our field studies. There are issues with the current state of NGO funding in Kenya and Uganda that threaten the success of projects such as the SANREM project and other similar projects in support of more sustainable agriculture sector. This is a pity since we frequently collected data testifying to participant enthusiasm and support not only for the SANREM project but for other now terminated initiatives in the study zone. The current funding structure is such that NGOs are constantly searching for donor money from varied sources, but there often exists a mismatch between changing donor goals and country needs or slippage in the timing of projects and participant needs. These are expressed in a few different ways. First, projects that donors sponsor often do not take into account a realistic assessment of the challenges presented by the state of basic marketing infrastructure of Kenya and Uganda. Infrastructure is an environmental factor crucial to marketing efficiency. Second, a USD$2.5mil. (the size of the SANREM grant), or even USD$10mil. spend on certain projects that in themselves are often excellent, helpful and needed, is terminated after only a few years and then no more support for these programs is available. This reflects unrealistic expectations for enterprise success and institutional self-sufficiency. Thus, we learned of a grant program that effectively supported micro-loans to farmers so they could purchase inputs at the beginning of their planting season. It ended abruptly when the grant ran out leaving the input suppliers rather high and dry. A few years of support is not enough time to build stability into fragile local marketing systems so that local organizations are able to maintain such lending systems. While we believe that more effective local systems of input supply and agricultural credit could be developed, it will take more oversight, aid and capacity building than can be administered in the present 3 or 5 year grant cycles (Arnould 1989).

Second is an issue related to supposition 5 reported above. We were struck by the pervasive self-interest and lack of trust between and among market actors. Significant market
actors in the study zone included farmer groups, family members of farmer groups, local millers, NGO staff, input dealers, mobile money providers, local political authorities, and middlemen. As Singh, et al. (2005, 41) develop

low trust–low value market relationships that neither foster and sustain trust nor deliver value are eventually doomed. However, as dynamic systems, trust and value contributions may rarely be in perfect balance.

Our research finds that market actors struggle to develop the high trust-high market value relationships that Singh, et al. (2005) argue are key to economic growth and wellbeing. Below a certain level of economic activity we have testimony that even family members cannot be trusted to represent the interests of fellow community members. For example, farmer groups are encouraged to start collective savings programs to assist with the micro-loans that are so hard to get, and are also encouraged to do collective input purchasing and marketing. Prior research shows that collective action can give farmers an advantage relative to bulking agents in the marketplace. However, trust and recourse for instances of self-interested behavior are relatively absent from this system and often prevent it from working. For example, a farmer group in Bungoma, Kenya tells a heartbreaking story about the demise of a thriving nascent marketing cooperative they had organized. Fifty-two members in this farmer group had organized themselves to the point where they were not only selling farmer crops as a collective, but they also had grain storage where they sold maize, soy beans, other dry beans, ground nuts, and finger millet. They were able to stock these items when prices were low (during harvest time) and sell them a few months later when the price was high. They sold as far as a market town 180km away, and when they brought their products there they used the return trip to bring products such as fish, which was not available in their local area, back for sale. The member who went with the truck to the market town brought back receipts from sales to show the group he had brought the correct amount of money. It is hard to understate the achievement that this business represents among smallholder farmer groups. However, the treasurer and other leaders of the group ran off with 2 million KSh (about USD$23,700), a huge amount of money for poor farmers (GDP, $1,720 per capita in PPP dollars). The farmer group members said they just had to “forgive and forget” because there was no recourse for them to take. But, “things disintegrated…we backslid.” By this they refer to an absence of effective governance above the village level that can adjudicate such problems.

Third is a set of findings also related to ideas advanced under Supposition 5 above. As we know “middlemen” perform many critical tasks in agricultural marketing. Unfortunately in the study zone, their linkage specializations come at a significant cost for farmers and consumers. Unfortunately, most middlemen are relatively small-scale operators themselves and must transfer their product to yet other middlemen in most agricultural marketing channels before product may reach processors or end consumers due to the shoddy state of transport (including both roads and rolling stock), limited storage capacity, restricted market information, and intensive competition (Anonymous 2010). In addition, middle men can easily prey on small farmers’ economic vulnerability. For example, farmers may wait for middlemen to approach them in the villages, a not uncommon marketing practice, during which time their maize can rot if it is not properly dried. They wait because they fear that if they take the maize to the middlemen in local market towns, the latter will use the leverage of high transport costs to extract deep cuts on purchase prices. Moreover, farmers often are in such dire need for money because of the annual cycle of school fee payments that corresponds
with price lows of the harvest season that they again sell to middlemen at a steep discount to annual market price rises.

Fourth, in evaluating the agricultural value chains that we encountered, our experience dovetails with that reported in other recent research. These findings relate to suppositions 3 and 4 outline above. Thus, as Mugisha (2011) perceptively writes:

Key issues in the maize value chain are the huge post-harvest losses at farm level, poor quality maize in the market, very low prices farmers get and a big informal market.... Much value is created at farm /producer level and this means that value chain intervention for upgrading is critical at this point. This can be through ensuring the use of more inputs on the farmer plots that have generally decreased in fertility. Farmers also need to be supported to produce and market in groups so as to increase their bargaining power. There should be a deliberate effort to educate all the actors in the chain to ensure that quality maize is transferred to another chain. Value chain actors along the chain need to be supported with credit facilities at affordable interest rates since, as revealed from literature; they play a crucial role in the chain (Mugisha 2011, xii-xiii).

What Mugisha says of the maize value chain is true of other major food crops such as beans, and oil crops in the study zone. The other value chain actors he refers to should include input dealers and cooperative buyers in particular who face credit constraints and contend with shortages of quality stocking and reliable transport. Middlemen also need support in learning improved crop handling, not merely financial support, particularly of high value perishables.

Fifth, is an emergent problem that has the effect of eroding economic-trust relationships (Singh, et al. 2005) in local markets, but which is related to issues of input supply that we discuss under the heading of supposition 3. We had tended to think of this in terms of material shortages or in terms of inadaptation of inputs to customers’ requirements. While issues of supply and adaptation are indeed market system issues, in some ways more pernicious is the proliferation of counterfeit agricultural inputs. All market actors we interviewed recognize counterfeit inputs as a significant problem. Consumers of inputs try to protect themselves by purchasing only from recognized sources, especially from Kenya Seed, which enjoys a very favorable brand reputation in the research zones. However, rebagging of counterfeit seed in Kenya Seed packaging is beginning to erode trust in the brand in some regions. And all have reported incidents of counterfeit fertilizers (dyed sand), seed (dyed grain to simulate seed treated with antiviral agents), and herbicides, especially from off-brand suppliers. Some Ugandan seed producers have compounded problems by producing seed, marketed as Kenya seed, in agronomic circumstances that do not produce quality seed. Here again systems governance emerges as a significant dimension of concern.

A sixth point is directly related to supposition 4. A well-developed agricultural market landscapes in developed countries are dotted with storage facilities. In the US agricultural bulk storage is handled by a mix of independent and vertically integrated grain elevators and the like. By contrast, the agricultural landscapes in Kenya and Uganda are marked by isolated, large (by local standards) centralized warehouses, often empty and derelict, and a paucity of local storage and processing infrastructure above the farm level. It appears that a systemwide liquidity crisis, coupled with a lack of small scale and low costs moisture monitoring and drying technology, constrains the development of a storage market player. An informant from a significant cooperative organization argued against the establishment of de-
centralized stocking facilities in favor of rapid evacuation of stocks from rural points to a central warehouse, assuming development of the rural road network, an unlikely occurrence in our view. Another informant spoke of initiatives with the World Food Program (WFP) to establish large warehouse facilities in another part of the study zone. But at the muddy farm-gate level or even that of rural bulking markets, what appears to the observer are the paucity of secure drying, grading, and storage facilities, forcing farmers to dry their grain on the road verge, and bulking agents to spill grain all over the roadside as they rebag and load farmers’ maize, barley, beans and rice.

Seventh, and most crucially to the assessment of supposition 3 is the quality of the distribution infrastructure, i.e., roads, stocking and storage points. For example, a 5km (three mile) drive to a study site outside Kitale, Kenya took 20 minutes; the last kilometer on a heavily carved out dirt road easily consumed half of that time. Worse, a 24km (15 mile) drive from Kapchorwa to Kwosir, Uganda, another one of our study sites took one hour and a lot of stamina (especially if seated in the back of an SUV) and courage. During our visit, it had rained heavily during the night (not of course an uncommon occurrence in this high altitude zone) and the dirt roads were muddy with slippery clay film. We hired a local professional driver to drive our 4wd Toyota SUV up the mountain because many experienced Ugandan drivers have failed to make it. Our colleagues in the car jokingly have named certain hills, summits and corners after various colleagues who have gotten stuck on them. The main commercial artery we climbed up to the Kwosir study site would be more aptly described as a rocky, washed out trail with steep cliffs on one side. While our story is anecdotal, the more systemic situation is that farmers who live on this mountain side are virtually cut off from Kapchorwa during the rains. This is a city that has developed greatly in the past few years including a very large new cooperative warehouse that both buys grain and stores grain on credit. It is arduous and expensive for farmers to take their products to this town even though they can get the best prices at the cooperative warehouse. Thus, something somewhat overlooked in recent value chain analyses that would really benefit the mass of smallholder farmers in Kenya and Uganda is paved and maintained rural roads.

Finally to end on a more positive note, there is much positive to report about the evolution of banking especially in Kenya, but increasingly in Uganda as well. Cell phone banking is a stunning if uneven success. M-PESA and other such services in Kenya; mobile money and other such services in Uganda have dramatically increased security and convenience and decreased delays in making money transfers between exchange partners even in remote areas. Imagine that one has to pay school fees of 100,000 KSh but the cost of transport is 15,000 KSh in each direction plus another 5000KSh for meals, not to mention the opportunity cost of lost time standing in line at one of the understaffed local bank branches to pay these fees. Mobile money cuts these costs to 50KSh. We found rural women who bear the brunt of agricultural work are often the beneficiaries of remittance transfers from urban family members. Informants among input dealers reported that mobile banking permitted easier payment of suppliers, while farmers reported the benefit of relief from the burden of carrying cash from markets to their homes. The increase in financial privacy was similarly appealing.

Further, Centenary and Equity Banks in Kenya and Uganda respectively have found a formula that allows them to loan money for agricultural inputs to small farmers based on assessments of their land and other assets. A minority of the most progressive farmers we interviewed access these services, but fear, lack of understanding, and in some cases unclear traditional land title hampers further access to bank loans. The biggest obstacles however may be interest rates on loans of 18-22% on the balance. Of course, these are dramatically better than
the 100% middlemen in the informal sector may charge, but the banks are not nearly so agile
nor so close to their customers as are the middlemen. We are not blind to the dangers of ex-
propriation associated with expanded loan practices, but merely point to encouraging evi-
dence of new suppleness in the financial infrastructures in agricultural banking. Reinforce-
ment of ethical lending practices seems high on a list of priorities.

Descriptive Summary and Some Recommendations

From a market systems perspectives our research calls attention to the need to put
markets and marketing squarely at the center of efforts to improve sustainability and produc-
tivity in subsistence agriculture in east Africa, which in turn, may positively affect quality of
life (Layton 2009). While soil fertility and agricultural productivity are surely pressing issues;
so too is the resolution of pernicious inefficiencies in the marketing system. We see major
issues in the lack of continuity of funded projects designed to support entrepreneurship in
agri-business, lack of recourse to punishment of self-interested behavior within farmer coop-
eratives, tenuous access to agricultural inputs of assured quality, scarce and high bank interest
rates, and the limited extension of mobile banking into the agricultural and social sectors con-
strains the effects of all the hard work agricultural development projects undertake. Rein-
forcement of the phone banking system seems high on a list of priorities. Ways should be
found to facilitate the use of mobile money should be extended systematically into the pur-
chase of agricultural inputs by input dealers and small farmer groups. Can incentives be de-
vised to organize remittance transfer from urban areas to rural areas in support of enhanced
investment in agriculture? Perhaps a program to target local millers to expand their storage
and processing services would be of value in mitigating poor local, rural storage capacity and
crop handling. However, when we ask what one single thing that would really change farm-
ers’ and other market actors’ ability to do business, improving rural roads is a reply we hear
repeatedly; market actors single out transport costs as a cross-cutting systems constraint. Is
there a way to make it economically and politically palatable for donors to reinforce the Ken-
yan and Uganda local authorities’ abilities to build and maintain roads? Can we understand
the complexity of this unstable and disjointed marketing system enough to embrace the im-
 pact that good roads would have on poor farmer communities?

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Cross-Cultural Fashion Advertising: Its Impact on American and Chinese Women

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The visual presentation of beauty has been documented in the marketing literature, as advertisers tend to choose attractive models to draw attention and promote a desirable feeling among audiences. However, much of previous research focused on the content of ads (e.g., the models), but ignored consumer response towards the beauty in advertising. Thus, the study aims to examine viewers’ responses to the presentation of beauty in advertising, particularly the presentation of trendy ideals in fashion advertising in a global context. In doing so, a qualitative approach was taken to investigate audience response to the fashion ideals presented by the models. The data were collected from U.S. and Chinese women from two generations. The similarities and differences between the two cultures and generations were analyzed in the paper.

The visual presentation of women has been documented in the marketing literature with an emphasis on the representation of beauty. For instance, due to emotional responses toward attractiveness, the literature shows that advertisers tend to choose attractive models in order to draw attention and promote a desirable and aspirational feeling among viewers (Dion, Berscheid, and Walster 1972; Frith and Mueller 2010).

Recent literature has begun to examine beauty or attractiveness as a multidimensional construct. Solomon, Ashmore, and Longo (1992) found that there are six dimensions of beauty ideals, e.g., classic, trendy, cute. The evidence also showed that trendy looks have become the most prevalent beauty ideal, while sensual/exotic appeals were less popular in recent fashion/beauty magazine advertising (Fowler 2012). However, there was a paucity of research on consumers’ responses to the most prevalent beauty ideal, e.g., trendy ideal, in the marketing literature, and the study of fashion ideals from a global perspective is even rarer.

Pursuing fashion is a global phenomenon and consumers across the globe sense fashion ideals through mass media (Thompson and Haytko 1997). Traditionally, one may expect that advertisements would be created and consumed in the same society. However, globalization alters the process. Many Western advertising agencies have entered developing nations to seek new opportunities. Fashion magazines, such as Vogue and Harper’s Bazaar, operate multiple editions to fit various cultures and extensively use Western/original appeals to promote the Western brand (Dong and Tian 2009; Fowler 2012). As such, examining consumers’ responses towards fashion/trendy ideals from a global perspective is essential. To guide this study, the researchers formulated the following research objectives: (1) to provide an understanding of cultural influence on the idea of fashion from consumers’ perspectives; (2) to offer insights on how different age groups respond to the fashion ideal; (3) to explore how non-Western consumers perceive Western appeals in hybrid advertising; and, (4) to enrich the literature on the visual presentation of women in international advertising and consumer research.
In order to examine how consumers respond to fashion appeals across cultures, the theory of gestalt guides the study. According to gestalt theory, due to the capability of our senses, particularly with respect to visual recognition, the mind understands external stimuli as a whole rather than the individual parts (i.e., Bruce, Green, and Georgeson 1996). As such, advertisers often strive to communicate a look, an impression, or feelings by creating a visual gestalt as viewers often see the objects that lie close together and derive integrated meanings (Englis, Solomon, and Ashmore 1994).

The exploratory nature of the study indicates that a qualitative inquiry would be most informative. In order to choose a set of representative ads for the study, a word association was conducted to validate the concept of being trendy, which originated in Solomon et al.’s (1992) study. The researchers define the trendy appeal as those appeals that feature urban and sophisticated women who are attired in the most current fashions and are situated within a recreational context (e.g., shopping malls). Based upon the updated definition, a set of ads was chosen from most recent transnational magazines, such as Cosmopolitan, Vogue, and Harper’s Bazaar from both Chinese and American editions. As half of the hybrid ads are Western appeals/Western models (Fowler 2012), the researchers carefully chose both Western and Asian models from Chinese editions. Additionally, a projective method, the storytelling approach, was utilized in order to ensure that the researchers chose the appropriate ads (copies and headlines were disguised).

Following the pretests, focus groups were conducted in China and the United States to study viewers’ responses towards each of the fashion ideals in the ads. This is because focus groups allow for interactions among individuals and support honest disclosure (Papista and Dimitriadis 2012). In addition, focus groups are able to provide insights into the sources of complex motivation and behaviors (Herstein and Zvilling 2011) and have been a useful method for research advertising, e.g., obtaining consumer impressions on advertising copy (Iacobucci and Churchill 2005). As such, a total of 64 female consumers were interviewed for the study. Half of the participants were between the ages of 19 and 28 and the other half were their mothers. In order to ensure length and in-depth understanding of viewers’ impressions, perceptions, or feelings, the researchers separated the participants into 16 groups based upon age. This is because a small group discussion is preferable when the participants have intense feelings or experiences with the topic of the discussion (Krueger and Casey 2009). A total of 16 focus groups can be considered adequate for this particular method (Mariampolski 2001). In essence, focus groups provide opportunities to examine the differences of consumer culture between China and the U.S.

The results indicated both young Chinese and American women were inspired by the images. However, Chinese women demonstrated a level of enthusiastic aspiration, whereas American audiences were much more reserved and cautious. The higher level of aspiration may enrich previous literature of Western fashion influence on Chinese popular culture (Wu 2009). In addition, with the increase of participants’ age, the study showed that older females in both cultures had difficulties in identifying the ideal or in being inspired by the same ads. However, the findings suggested that older American females were more cynical than Chinese females. On the other hand, older Chinese females expressed more “trust” toward the images. Finally, the findings revealed that Chinese participants did not perceive any differences between Western models and Asian models. Similar to American consumers, Chinese females did not evaluate the models based upon race. In essence, the findings indicate the change of Chinese consumer culture.
Women, in large part, are fashion-conscious. Through comparing consumers’ responses towards fashion ideals, the study extends the self-reference theory, which was conceptualized in the Western context (Hirschman and Thompson 1997). Additionally, it contributes to the cultural study of fashion advertising. Finally, the study provides insights on how non-Western audiences perceived fashion ideals in transnational advertising. Practically, it may offer implications on advertising design. At a more macro-level, the study provides additional insight into the development of “identity projects” within developing nations. As one of the major domains of consumer culture theory (Arnould and Thompson 2005), the investigation of identity projects in an emerging consumer culture, such as that found in China, is of particular interest as the notion of “identity” and “individuality” is emerging as well. This study not only confirms that the younger Chinese women are beginning to think in terms of how the fashion they buy and wear represents “me” but also how this phenomenon differs quite explicitly from their mothers.

Further research may investigate similar topics with experimentation. In addition, a cross-sectional study may be helpful in terms of generalizing the findings. A longitudinal study may offer insights into how women respond to fashion at various lifecycle stages. A content analysis may provide valuable information for advertising/marketing researchers.

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Culturally Relative, or Relatively Cultural: Reflections on the Role of Philosophies of Sciences in Consumer Culture Research

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Non-Western cultures have, deservingly, been given an increasing amount of attention within the field of Consumer Culture Theory, as illustrated recently by a special issue in Marketing Theory (2012). However, this surge in interest presents new methodological challenges and invites us to reflect upon our theoretical foundations. In an attempt to address these challenges, we outline some of the key issues we have encountered while trying to design a study in Sub-Saharan Africa from a consumer cultural perspective.

In adopting a cultural perspective on consumption, we accept, to a certain degree, the notion of cultural relativism (Anderson 1986, Arnould & Thompson 2005), rather than a more logical positivistic notion of cultural universalism. As a consequence, context has been the core focal point of CCT research (Askegaard & Linnet 2011), with a number of novel methodological approaches being fostered. Venkatesh’s (1995) suggestion of an ethnoconsumerist approach comes to mind in terms of respecting global differences in consumer culture. However, differences do not only exist in space but also in time, where one may note the work by Karababa (2012) and Karababa & Ger (2011) demonstrating how context can be deconstructed using a historical approach. However, we argue that a similar deconstruction of (philosophical) concepts could be equally beneficial to consumer research. Using African oral culture as an example, we question whether we, as a field, can claim cultural relativism while working within a framework of Western philosophies of science, and explore how we can attempt to integrate other philosophical frameworks while maintaining a degree of comparability between studies of different cultural contexts.

While it is debatable whether or not it is possible to speak of a generalized (sub-saharan) African culture, given the multitude of national, regional and tribal affiliations, Gyeke (1997) argues that the majority, if not all, sub-saharan countries share many historical traits (such as colonialism) which have influenced their culture during the last century and he emphasizes that nuances in different sub-saharan cultures tend to be variations upon the same themes. Among these commonalities are communitarianism and orality. The notion of communitarianism is relevant in this connection (see Joy (2001) for an application within consumer research but within an Asian context). Communitarianism is depicted eloquently in Mbitis (1970) redefinition of Descartes’ “Cogito Ergo Sum” reflecting the African cultural context; “I am because we are, and since we are, therefore I am”, which accurately demonstrates and sums up the co- and interdependencies of the communitarian society. This adaptation invites us as researchers to reflect upon our notions of self and the social – both concepts of which are central to CCT (Arnould & Thompson 2005), and the way we apply these concepts in our analysis of data material from a given culture.

The notion of orality constitutes the core of the dissemination, sharing and learning of knowledge in an oral society. Cultural values and knowledge are passed on from the elder to
the younger generations through songs, poems, proverbs, dance and storytelling (Breitinger 2000, Otiso 2006, Bukenya & Gachanja 1996). Traditionally, these tales and stories have evolved to reflect the challenges of a given culture, such as colonialism, wars, droughts and famines etc. Consequently, oral literature has never been static or recordable, which makes is near impossible to recreate the knowledge of a given (oral) society at a specific point in time. Whatever was once said, was said – but it does not have potential to survive in an “untampered” format. Thus, the earlier accounts of oral literature accessible today, such as Marcel Griaule’s “Conversations with Ogotemmeli” (1965), are inevitably colored by the cultural lenses of the anthropologists who authored them.

The oral and communitarian aspects of sub-saharan African culture do not only pose a significant challenge to researchers who aim to take a point of departure in African philosophies, they are also a core part of a wider discussion on whether African philosophy can indeed be identified as philosophy (Hallen 2009). When knowledge is created within a group, rather than by individuals, it makes it difficult to determine the actual origin of a given text, thus making it impossible to identify the context in which is was created and in which it should also be interpreted. Furthermore, it raises the question as to whether or not it is possible to be collectively reflexive to a point where the outcome can be interpreted as philosophy.

In conclusion it seems that we, as culturally oriented consumer researchers working in an oral and communitarian culture, must decide whether to sacrifice the scientific validity of the foundations of our theoretical frameworks in not being able to fully account for the origins of the knowledge on which we are building our studies, or sacrifice the validity of the interpretations of our data, in using theoretical frameworks created from a significantly different epistemology.

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ISMD To serve the people? Exploring the market’s role in Chinese development

Chair: Giana Eckhardt

Session 1a – Wednesday 2nd July, 11am

Policy-making on consumer privacy protection in China: A historical review
Zhihong Gao, Susan O’Sullivan-Gavin

The aging population and quality of life in Chinese society: A macromarketing perspective
Jie G. Fowler, James W. Gentry

Consuming education: A longitudinal exploration of the Western market’s role in Chinese development
Amy Yau, Iain Davies

Revisiting the relationship between financial status and life satisfaction among Chinese rural-to-urban migrants—the perspective of self-determination theory
Rongwei Chu, Junlin Zhao
Policy-Making on Consumer Privacy Protection in China: A Historical Review
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Due to the rapid spread of new technologies and e-commerce worldwide, privacy concerns are a global issue. Similarly, policy making on consumer privacy protection increasingly takes on a high global profile because of growing policy interdependence between countries and the proliferation of transnational actors. There have been waves of privacy protection legislation around the world since the 1970s (Bennett and Raab 2006). Yet, to date, most studies have focused on Western countries, especially the European Union (EU) and the United States (U.S.). Their differences aside, both the EU and U.S. privacy protection systems are products of well-established democracies with a tradition of protecting individual rights. In contrast, we know very little about the state of consumer privacy protection in developing countries, a group that has recently experienced more rapid economic growth than the developed world (United Nations 2013).

As one of the few large economies without a national privacy protection law, China offers an informative case study of consumer privacy protection in a developing country. Unlike the EU and U.S., China does not subscribe to Western liberalism. Though the concept of “privacy” is not alien to the Chinese culture, Confucian teachings nevertheless emphasize that individuals are inseparably connected with the outside world (Wilhelm 1931), and the word “private (si)” has derived strong negative connotations (Sommer 2000). The Communist regime after 1949 further stressed the moral undesirability of the private (Wang 1997) and implemented systematic measures to guide and monitor the behaviors of its citizens (Zhang 2010). Politically, China is a one-party authoritarian state with a tenuous record of protecting individual rights (Wu 2009). Hence, the cultural-political context of privacy protection in China forms a sharp contrast to those in Western countries.

Recently, China has been experiencing rapid economic development, technological proliferation, cultural pluralization, and rising consumer activism (Gerth 2010; Wang 2008). Notably, China today has the largest population of Internet users in the world—564 million strong by the end of 2012, 42.9% of whom made purchases and 39.1% paid bills via the Internet (China Internet Network Information Center 2013). E-commerce constituted 14.1% of China’s GDP in 2012; 78.5% of mid-sized and small companies used the Internet in their daily operation (China Internet Network Information Center 2013). The proliferation of digital technologies has created a fertile environment for privacy invasion (iResearch 2012) and compelled the government to improve consumer privacy protection.

Bennett (1992) posits that forces such as technological development, emulation among states, elite networking, and harmonization by transnational actors contribute to convergence of general principles among international privacy protection systems, while distinctively local beliefs and institutions often emerge as obstacles that lead to policy divergence. Given the unique cultural-political context of China, as well as the larger international trend, we pose the following research questions: What has been the development trajectory of consumer privacy protection in China? To what extent has the Chinese system been converging
toward the international experience, and what factors contribute to such convergence? How and to what extent have local cultural-political factors shaped the Chinese system? To answer these questions, this project takes a historical approach and examines how Chinese policy making on consumer privacy protection has been evolving since the 1980s. A historical perspective is necessary and important because it enables us to recognize the substantive changes of marketing institutions over time and to understand the interplay of various influencing factors (Taylor and Omura 1994).

More specifically, the development of Chinese consumer privacy protection will be divided into four periods: 1980s, 1990s, 2000s, and 2010-present. Such periodization is justified by two reasons: each period entails a new international wave of policy-making on privacy protection, and each period also witnesses some development of privacy protection in China. Each period will be studied on three fronts: (1) a brief summary of the international trend on privacy protection during the period, (2) the Chinese discourse on privacy protection during the period, and (3) major government laws, regulations, and policies on privacy protection issued during the period. The objective of such an approach is to investigate whether there have been links between the international development, the Chinese discourse, and Chinese policy making on the topic and, if so, what was the nature and strengths of those links. Corresponding to the focus of the project, the data consist of three sources: (1) the literature on international privacy protection issues published in English; (2) articles on privacy issues published in Chinese academic journals and popular magazines; and (3) relevant Chinese laws, regulations, policies, and court cases published by the Chinese government.

The project finds that consumer privacy protection in China has made slow but steady progress over the years. To some extent, the year 2000 marks a watershed in the history of Chinese consumer privacy protection. Before 2000, the Chinese system was rudimentary, largely isolated from the international trend, and focused narrowly on protecting personal secrets—consumer privacy protection received little attention from Chinese policy makers. Since 2000, the Chinese system has been quickly catching up with international practices, with consumer data protection its declared priority. The history of consumer privacy protection in China illustrates some important lessons for consumer policy making in general. First, economic and technological development functions as potent catalysts of consumer rights development. Second, international interactions between consumer policy makers, activists, and opinion leaders help promote local development, but the nature, timing, and scope of such interactions are frequently determined by the local context. Finally, there is a strong dialectic relationship between consumer rights and individual rights in general: it is difficult to promote consumer rights alone when there is a general lack of basic human rights, yet consumer rights development can also serve as a critical front to promote individual rights in general.

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The Aging Population and Quality of Life in Chinese Society: A Macromarketing Perspective

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Quality of life marketing has been defined as marketing practices, which are designed to enhance consumer well-being while preserving the well-being of other stakeholders (Sirgy 2001). Marketing literature on QOL has been categorized in six areas (Sirgy and Samli 1995): measures of QOL, marketing and satisfaction, QOL of vulnerable population, aspects of lifestyle and QOL, the impact of organizational practices on QOL and expectations of future QOL. In macromarketing, much work focused upon consumers’ well-being in the marketplace in Western societies, under the assumption that materialism has a negative impact on consumers’ well-being (e.g., Bouroughs and Rindfleisch 2002; Sirgy et al.1998). The individual orientation of material values conflicts with collective-values (Sawatzky, Ratner, and Chui 2005). Yet, the sense of well-being in consumer life may be associated with non-consumption activities as well as material consumption (Layton and Grossbart 2006). In essence, some individuals may gain more satisfaction by consuming less (Kilbourne, McDonagh, and Prothero 1997).

However, a disproportionate share of the research was done in developed societies. Little research has been investigated the QOL of vulnerable populations in developing societies such as China. As such, the particular interest of this research is to analyze how external environmental factors, such as culture and political change, have impacted QOL for the aging population in Chinese society. As the focus of the study is an aging population, the most critical indicator or concern of QOL is perhaps health (both physical and mental health), rather than everyday consumption activities (Barnhart and Penaloza 2013) [though the health issues are clearly not independent of the consumption abilities]. Thus, the central purpose of the paper is to examine the macro-level causes (e.g., public policies, culture, and marketing practice) for Chinese elderly’s physical and mental health in the transitional marketplace. In doing so, literature on aging population/health, public policy, culture, and current marketing practice (e.g., building nursing homes, advertising technique) will be reviewed in the following section. The interpretive method and preliminary findings will also be presented.

The Aging Population and Health in China

The causes for the rapidly aging population in China are different from Western societies. Besides low fertility rate and rising life expectancy (Banister, Bloom, and Rosenberg 2010), the central factor for the changing age structure is the One-Child Policy. In the late 1970s and early 1980s, the Chinese government promoted a “late, longer, fewer” lifestyle, encouraging individuals to have fewer children, in order to curb population growth (BBC 2012). According to BBC news (2012), for every 100 people aged between 20 and 64, there will be 45 people aged over 65 in China by 2050. Thus, the Chinese will increasingly face healthcare issues (Rahtz and Szykman 2008). As the population becomes older and lives longer, the occurrence of illness increases. As a result, the cost of providing health care to a society continues to rise. For instance, in the United Kingdom, the Department of Health estimates that two-thirds to three-quarters of all people older than seventy-five years suffer from chronic illness (Rahtz and Szykman 2008).
In addition, aging populations may suffer beyond physical illness. Consumers in societies that are less affluent and in transition can experience stress in moving towards the imagined “good life” of the Western world (Kilbourne, McDonagh and Porthero 1997). This negative effect may be due in part to the disparity/social comparison in the distribution of wealth between developed and transitional economies/countries. As such, it is expected that Chinese elderly will have to cope with both physical and mental health issues (Banister, Bloom, and Rosenberg 2010). Although, the life span for Chinese elderly has been greatly increased due to economic development (Banister, Bloom, and Rosenberg 2010), physical and mental health problems are still widespread. According to Orlik (2013), 38.1 percent of Chinese elderly reported difficulty with daily activities and over 40 percent of Chinese elderly showed high symptoms of depression.

Public Policy, Culture, and Marketplace Atmosphere

Government policies have been modified in order to cope with the aging population. After the economic reform in 1978, China abandoned the rural health insurance system and much of the urban medical insurance as well (Banister, Bloom, and Rosenberg 2010). Only in recent years has China begun to reverse public support for healthcare. Banister, Bloom, and Rosenberg (2010) suggested that with the weak health finance system, families are exposed to the risk of being driven back to poverty by a health problem affecting even just one family member. With an aging parent or grandparent, the economic status of the family can become precarious.

China has begun to develop a pension system in recent years. By the end of 2008, 53 million retirees were benefiting from the system (Banister, Bloom, and Rosenberg 2010). However, the pension system is limited largely to urban areas. Bloom, Jimenez, and Rosenberg (2012) note that 21% of Chinese are covered by pension funds, compared to over 83% in the OECD countries. In cities such as Shanghai and Beijing, pensions have become the main source of support for the elderly, followed by family support. However, in rural China, the pension system barely exists and only eight million rural people were beneficiaries in 2008, though half of the Chinese population is rural. In sum, the Chinese pension and healthcare systems are still at the beginning stage of development, and the impact of the policies on elderly’s mental health is uncertain.

Studying economic and policy development is essential to understand the aging population’s health. However, it oversimplifies the phenomena. Culture, as the third dimension, also shapes the elderly’s health. In a collective culture like China, family or community supports influence the individual’s mental health, as individuals’ well-being can be influenced by others (Layton and Grossbart 2006). As in much of the developing world like India, China has traditionally relied on family and communal support to take care of elderly. However, due to the influence of One-Child Policy, a “4-2-1” family structure has developed, with the one child expected to take care of the two parents and possibly help with grandparents as well. Such expectation is infeasible for many young people. As a result, many young Chinese no longer see filial piety responsibility as obligatory and, thus, family support may not be dependable for future Chinese elderly. It appears that traditional “social security” relations are indeed fraying. The deviation from traditional Chinese culture may negatively impact the elderly’s mental health.
Given the change of the youth culture, nursing homes have been a growth area (as in the developed world) in private sector. China has about 38,000 institutions, with 2.7 million beds for the elderly. This covers about 1.6% of the population over 60; the developed world has beds for about 8% of those over 60 (Balfour and Kahn 2012). About 20% of rest homes are non-government owned, with some sponsored by Christian donors who require residents to convert (or at least be open to converting). The government has not changed greatly its orientation to religious groups, but it is very aware of the growing needs of its society and its inability to meet them. One example is Hangzhou City Christian Nursing Home, which opened in 2006 with 500 beds, with it taking four years to fill them. In 2012, it had 1400 beds and a waiting list over 1000. It receives a local government subsidy of $1600 (10,000 yuan) for each bed (Economist 2012).

The aging population has also caught the attention of marketers. Ad agencies have incorporated traditional cultural values/filial piety responsibility into the advertisements. As such, this is a need to analyze such advertisements. For instance, analyzing examples such as the China Mobil ad below may help illustrate the interaction between the political atmosphere and consumer culture. According to Schroeder and Borgerson (1998), the visual dimension of consumption offers unique view of culture consumption. As such, literary or art criticism serves as a legitimate approach for our study (e.g., Stern 1989; Brown, McDonagh, and Shultz 2013). For example, the analytical method begins with textual criticism as the basis for entering a text to make its literary dimension explicit (Stern 1989). This approach is similar to the “description” that Schroeder and Borgerson (1998) suggested. Sociocultural and historical perspectives are then used to examine real consumer lifestyles of certain historical eras. This step often goes beyond text itself to analyze the text. Thus, it provides information about the culture, advertising, and consumption, enabling researchers to understand the implicit values in ad text. Next, structural and semiotic criticism adds further information about the symbolic code. In sum, a variety of literary approaches may offer insights not only on the portrayals in the ads but also broader aspects of culture in certain historical eras.

To address this research purpose, we chose ads that related to family values. For example, the first two ads (Figure 1 and Figure 2) are sponsored/published by the Chinese government. The first ad (Figure 1) emphasizes the obligation of taking care/respect for the elderly. The copy can be translated as “When the wrinkles showed up on your forehead, my hand could not smooth them out. Respect the elderly to ensure the future value of humans.” The copy of the second ad (Figure 2) can be translated to “care of the elderly now is care of the self in the future.” Using the literary theory approach, we found that the ads acknowledge current living arrangements while promoting the traditional filial piety obligation. Additionally, the text (Figure 2) “go home often” is a clear indication that the extended family may not live under the same roof. “Taking care of the self,” (Figure 2) is an acknowledgment of increasing individualism.

Similar themes can also be found in commercial advertising. For example, the third and fourth ads (for China mobile) (Figure 3 and Figure 4) both use a family theme to convince viewers that cell phones can be holiday gifts for the elderly, to be used to connect generations. The copy of the third ad in Chinese is “Besides health supplements, what else will your parents need? Feelings, emotions?” Similar to the third ad, the last ad (Figure 4) claims that “Love the elderly, and respect your parents from your heart. This holiday deliver your love to your parents.” The text (Figure 4) clearly indicates interplay between family bonding and the product. Gift-giving rituals still play central roles in family relationships.
Advertising reflects cultural ideology and broad societal codes. These ads share a conception of family identity linked to consumer lifestyles (Epp and Price 2008) and work by reconfiguring cultural symbols (Zhao and Belk 2008). The images may reassure family identity by placing individuals in a harmonious situation; thus, revealing a complex pictorial conception of the intra-family relations (Borgerson et al. 2006).

Discussion
Recent research has touched upon the concept of quality of life in global marketing practices (Lee and Sirgy 2004). For example, research suggests that individuals in the culture of poverty may develop creative mechanisms to overcome financial constraints, although people who live in such circumstances may suffer from alienation, loss of self-esteem, and mental and physical health (Hill 2002). Additionally, previous study found that, relative to consumers of a collective culture, individuals in an individualistic culture are more likely to place greater emphasis on affect and less emphasis on cognitive life satisfaction in determining their overall level of subjective well-being (Suh et al. 1998).

However, quality of life issues such as health have been given little attention in marketing literature across the globe. With rapid economic development, changing public policies, and the influence of mass media, the aging Chinese population is facing challenges in
both physical and mental health. Although physical health has been greatly improved due in large part to economic development, the effects of the changing youth culture and fading filial piety responsibility on the elderly’s mental health can be somewhat negative. Given such circumstance, mass media have been used as a political tool to restore traditional cultural values such as filial piety responsibility/obligation to cope with such negativity.

Thus, the research contributes to QOL marketing theory by drawing literature from political and cultural perspectives. In addition, it offers researchers insight on vulnerable consumers from global perspectives. As Schroeder and Borgerson (1998) emphasized, advertising draws on cultural, political, and visual conversion. This study is the first to examine traditional cultural values such as filial obligations in both public and commercial advertising in transitional economies like China. In doing so, the study takes an interpretive approach, as it characterizes a class of perceptual and attitudinal effects that operate below the awareness of consumers (Schroeder and Borgerson 2004).

Future research, however, should examine how individuals in such a society perceive QOL. Moreover, it might be insightful to examine how the elderly manage/cope with such physical/mental health issues in order to adapt to the rapid societal change. It is also valuable to further investigate how advertisers incorporate both the traditional and contemporary cultural values in their messages.

References


Consuming Education: A Longitudinal Exploration of the Western Market’s Role in Chinese Development

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Due to differences in educational styles between the culture of host (CoH) and the culture of origin (CoO), the study explores the extent of these differences when consuming higher education. Through 42 longitudinal in-depth phenomenological interviews, experiences of acculturation and higher education will be studied in the context of Chinese students migrating over to the UK. The findings revealed that their perception and experience of the differences affected the need to culture swap and adopt techniques previously alien to them. Their experience of consuming a western education had influence on their process of general social acculturation. Another finding was the complexity in the notion of Chinese collectivism in education and the politics surrounding that. Thus, a more elaborated understanding of the acculturation situation is needed when assessing the learning and pedagogy styles for acculturating students and aims to theoretically contribute simultaneously to the acculturation and higher education literature.

Introduction

The major rationale for modern migration of young consumers is higher education. The adaptations required by these consumers within the host culture’s learning and education styles can be huge, yet within the realm of consumer culture theory (Arnould and Thompson, 2005), despite the urgency and relevance of the topic, there is limited research regarding acculturation and education together. This paper focuses on how the acculturating consumer’s individualized socio-historical lens shapes their experience of Western higher education and how it may influence the overall acculturation process. The importance lies especially in the context of the large influx of Chinese students in the UK. It is reported that Chinese students are now the largest single overseas student group in the UK; in 2010 over 90,000 Chinese students were undertaking various educational programs in the UK (British Council, 2011). Furthermore according to a McKinsey study, 82% of affluent families in Mainland China plan to send their sons and daughters to study overseas (British Council, 2011). In the face of rising tuition fees, recent changes in the discourse of higher education as a consumable product and the demand for more quality teaching and experiences from the “consumers”, it presents subsequent pressure for academics to meet these demands. There is an urgent need to acknowledge the differences and the difficulties students have to overcome to adapt to the UK culture. This is in order for academics and policymakers to ensure an on-going competitive advantage for the UK higher education establishment in the face of the growing international competition. The need for an understanding of customising learning and teaching environments towards the needs of international students fits perfectly with this year’s Macro-marketing’s conference theme of Crisis of Social Imagination and how higher education institutions can stay relevant and valuable to our core revenue generating customers within the crucial times of vast globalisation.

Consumer Acculturation
Consumer acculturation is defined as when a consumer learns the behaviours, attitudes and values of a culture that are different from those of their culture of origin (CoO) (Lee, 1988; Penaloza, 1994). The existing consumer acculturation literature has looked at how the consumer in the culture of host (CoH) learns to consume in the market (Penaloza, 1994) and how constraints of socio-cultural structures and acculturation conditions may lead to specific acculturation outcomes drawn from discursive elements, cultural models and acculturation agents (e.g. Penaloza, 1994; Oswald, 1999; Askegaard, et al, 2005). Extant research has looked at consumption in a general sense e.g. grocery, media, food (e.g. Askegaard, et al, 2005; Oswald, 1999; Lindridge et al, 2004) or looked at how various socio-cultural capital may effect acculturation outcomes (Ustunner and Holt, 2007). There are various factors related to the acculturation rate, the common ones highlighted in literature are reason for migration, age, education, cultural distance, attitude of host culture, racism, generation, language and social support (e.g. Padilla, 1980; Berry et al, 2002; Bornstein and Cote, 2006; Yeh and Inose, 2003; Luedicke, 2011). Within the educational context, the attitude of the host culture, language and social support factors are of most interest, since these to some extent, can be monitored and influenced by the higher education institution. For instance, a culture that is supportive of cultural pluralism can aid the acculturative transition by being less likely to enforce assimilation or segregation on immigrants (Bornstein and Cote, 2006). In terms of language, self reported language fluency is a predictor of acculturative stress (Padilla, 1980), e.g. a low level of English fluency is predictive of higher levels of acculturative stress (Yeh and Inose, 2003).

Consumer acculturation research was established by assessing the different levels of assimilation through the consumer practices of acculturating immigrants in America (e.g. Wallendorf and Reilley, 1983; Deshpande, et al, 1986). The earlier literature takes inspiration from Park (1928) and Gordon (1964) with the book “Assimilating into America”. This was hinted with colonialist overtones, suggesting that the position to assimilate; to soak up the American culture and unlearn their past, which Berry (1992) labeled as ‘culture shedding’, was indeed the optimal strategy. Immigrants who failed to do so were considered ignorant, naïve and overall it would lead to own self-detriment and degradation in their wellbeing (Gudykunst and Kim, 2003). Current higher education processes have a habit of mirroring this colonialist overtone with the expectation that international students “know” and will at ease “adapt” to western pedagogy at the expense of their socio-historical basis of learning and development. However is it a zero sum process as theorised, where to learn one consumption culture is to unlearn the other, such as in the case of cultural fusion (Kramer, 2009; 2011)?

In the past, international pedagogy and learning styles have been categorised into national boundaries using Hofstede’s (1980) cultural generalizations. However the understanding of interdependence of acculturation and learning/ teaching is pertinent as migrants may experience critical environmental, academic, psychosocial barriers. They leave behind a familiar language, culture, community, and a social system with the need to adjust to new ways of life, which can be for most, overwhelming. When the student and teacher come from different cultures, many complications may arise, these can arise from different social positions of teachers and students in the two societies, differences in the relevance of the curriculum, differences in cognitive abilities between the students, or from differences in expected teacher/student roles and interactions (Hofstead, 1986). The insufficiency to adapt and communicate ideas and feelings confidently may result in confusion, frustration, anger, and alienation (Humfrey, 1999; Ward and Kennedy, 1993). It is also evident that, because of the language and cultural limitations, they have a high probability of not receiving sufficient education and
other services to enable them to become independent, successful, and productive adults (James, 1997).

**Western Higher Education**

Higher education is becoming increasingly seen as a commodity product / consumption context (Doti, 2004; Longhurst, 1994) in which lecturers provide relatively standardised courses with intended learning objectives targeted at preferred western learning styles (Anderson and Krathwohl, 2001). Western education has moved towards pedagogies with reduced student contact time and increased class sizes (Doti, 2004). This in effect has welcomed and encouraged the idea of self determination which appears as a fundamental principle of self directed learning and adult learning (Fry et al, 2008). In this scenario the lecturer is an imparter of basic knowledge, and arbiter of moral authority but is principally there to adopt the role of ‘facilitator’; there to provide resources instrumental for independent learning (Goode, 2007). On the other side, is the role of the student developing from a passive student to become more independent and more responsible for their own learning (Goode, 2007), through the use of problem based learning in order to harness ‘deep’ as opposed to ‘surface’ learning (Finucane et al, 1998). This kind of learning can be seen to be at odds to learning emanating from traditional Chinese styles of teaching and learning (Humfrey, 1999) where the fundamental principles lay in adherence to Confucian values.

Confucianism forms the ultimate foundation of Chinese cultural tradition and provides the basis for the norms of Chinese behaviour (Pye, 1972). These include but are not limited to deference of authority, collectivism, conformity, avoidance of confrontation and face saving (Fan 2000).

Within the Western approach those who are considered to not encompass the qualities of self-directed learning and critical thinking are perceived in a negative light. From being enculturated for approximately twenty years to a Confucian style of education, the expectation that the acculturating consumer will suddenly switch and know the extent of alteration is naive and insensitive towards the struggles of migration (Cobb and Bowers, 1999). Previous work trying to understand student behaviours attribute differences to the educational philosophies of their CoO, and allowed sweeping assumptions of an entire culture to direct their conclusions rather than also looking at the role of the education system of the CoH itself (Kingston and Foreland, 2004). Thus this study explores how acculturating consumer’s socio-historical lens shapes their consumption of Western higher education and how this could influence the acculturation process.

**Methodology**

This research is exploratory and interpretive due to the limited extant research in the area. The interpretive lifestory (Atkinson, 1998) approach will be used to gain descriptive accounts of individual’s attitudes, perceptions, beliefs, views and feelings, and the meanings and interpretations (Hakim, 1994). The longitudinal interviews were semi-structured, asking participants a similar sequence and range of pre-established questions (Denzin and Lincoln, 2005). A theoretical sample comprised of 27 young acculturating migrants from various parts of China who have come for higher education in the UK. Some interviewees elected to take part in follow up interviews one year after the first interviews to see what lasting changes had occurred. Therefore in total 42 interviews were conducted.

**Findings**
Due to space limitations, a selection of the findings will be illustrated in this paper.

**Negative education consumption experiences:** There were pervasive negative experiences for the Chinese students adapting to a more westernised style of education as seen below.

“There may be some difficulty in the lecture, I can’t understand clearly. I don’t know the humour here. Sometimes people smile but I don’t think there is any smile points in this lecture” (SY).

“Most of them [lecturers] are really hard to follow for me and I can’t keep up with their speed and the studying styles are quite different from that in China” (JY).

“I have to respect others culture but sometimes there are misunderstandings of each others’ culture...I found that in my class, there is like a intangible line between Asian people and European people and sometimes it’s hard to cross this line” (VH).

“Me and my flatmate were talking and we think that perhaps people here are not willing to get more familiar with some Chinese people or because we are just very fresh here. We don’t have so much opportunities to get to know each other” (LZ).

Although they noted some difficulties that were mostly anticipated prior to arrival, the students found a lot of highly unexpected differences that were in stark polarity with their Chinese education. These predominantly fell into the categories of independency, creativity, freedom, practicality and interaction with CoH students. It fundamentally contrasted with their conventional educational styles, such as deference of authority (students obey and do not question the elders or those in position of power), collectivism (students may not want to individualise themselves in terms of opinions and may want to adhere to group thinking), conformity, avoidance of confrontation and face saving (Fan 2000).

**Independency:** Most students were quite unaware of the extent to which they would need to study independently. Following on from potential misunderstanding and potential language problems this provides a very difficult learning environment for people used to being provided all their learning materials. However some students were able to see the benefit of this approach.

“There are two sides. The good is we have more thinking and the source will stay in your mind for a long time whereas if the teacher drives the education, it just stays for a short time and we will forget it at a later time and its good for developing our minds. The bad point is if you don’t understand its really bad you will get a wrong direction but I know there are many truths about that there is no good or no bad about studies you just have to show your evidence or proof you’re right” (SY).

“I come to the UK, a strange country, in a strange environment, I challenge myself in both study and knowledge” (QL).

However for most students this provided an anxiety inducing environment for which they felt ill equipped and little help was on offer from the university to provide assistance.

**Creative:** Students however did find the environment an exhilarating one in which they could stretch and develop themselves. “

Long before, when I was really a kid, you have to listen to the teachers, the textbook and the education they give you. When we had exams, there is only one right answer, you have to be exactly the same as the answer...so we just memorise the answers. There is no opinion or creativity. When I came here I was having an exam, I was like wow, what am I going to write, I was so nervous I didn’t know what to write but I realised there is no right or wrong answer, as long as you have your opinion and it’s logical, and you have your own supportive materials, that’s fine” (SP).
**Freedom:** Although this openness and creativity allows for greater freedom of expression, Chinese students are not familiar with, and acculturated to these open environments. Their previous experience of education may have suppressed their willingness and desire to speak out and participate, in fear of being wrong or standing out.

“There is a proverb that, if a bird stands out among others in the forest while others are hiding, the hunter will kill him easily. This is how to act during all experiences, don’t stand out. So that’s why we don’t want to answer the teacher’s questions. People will say “why you say so eager to stand out? Why do you want to show-off?” Maybe all the students know the answer but they don’t want to speak out. Just want to listen to the teacher, what the teacher said. Just keep writing, keep making notes.” (KW).

“When I go to UK, I think I can have more opportunity to have a debate in the class and maybe I can express myself more freely” (AL).

“The teachers are very serious in China, they don’t care if you are a good student or not. They do know what is right or wrong definitely. If you express your opinion, if it is wrong, the teacher cannot understand you. They cannot understand why you think like this. They tell it is totally wrong” (SH).

With the prevalence of more individualised marks from group projects, or class-participation based grading business schools can actually be alienating their largest and most stable form of income. For a culture built on face saving such as the Chinese these forms of assessment can conflict with three fundamental cultural values, saving face, conformity / collectivism and deference to authority.

“British are more willing to try, they’re not afraid of failure. Even if they fail, it’s okay. But in China we are quite afraid of failure. We will avoid the risk to make sure the thing is under your control. For example, in lectures British students just say what is in their minds. But Chinese will think about whether this answer is good or not, whether the lecturer will appreciate it. We would like to bring out sophisticated answers but British just say what they want to say. They don’t care about the value of their speech” (WT).

“I think the Western ways are totally different from Chinese ways. They are more open and easy going. For example, in my class, I could act towards my teacher and just stand up and ask my question or even asking for her opinion. This may not be allowed in a Chinese class. This is not considered proper behaviour. In China, the teacher just tells us something and we just listen. We have no interaction” (VH).

“I have to respect my senior, but I guess people are more relaxed here and see teachers as friends, sharing opinions rather than accepting everything. I need to learn to adapt to that” (CS).

However for the lecturer these natural approaches for Chinese students can appear as if students are not engaging or participating and lead to an inferior opinion of that student’s performance – especially when grades can be dependent on highly visible interaction.

**Practical and Interactive:** On the positive side however students find lectures more exciting and valuable to their CoO experience.

“In China, I think most of the teachers just find the book and give the keywords in the book and tell you something about it. So, I can do my thing without listening to what they say. But I will know because they are totally according to the book in theory. But now I would listen to some teacher’s ideas which are totally different and learn some new ideas from the books and reference” (LYJ).

“But UK universities they’re more cases driven. Which means they are more practical, so I think that’s the biggest difference” (GZ).

“I like the question and answer part. We can ask any questions to the professor and they will gladly answer you, classmates can take part and tell you their thinking it will important for your study” (SY).

“My university, Shantou University is a very famous university. In our class, it has 88 students we sit in a big classroom, the teacher may be showing the Powerpoint’s, some students are sleeping, some talking and we do not listen and we do not have a lot of one to one communication. In the UK, we can personally talk with teacher and we can have some group presentation, that is very good” (QA).

**Interaction with host students:** However one area in which Universities are clearly letting down their Chinese students is in helping them to integrate. Many lecturers and other acculturation agents presuppose and dislike that Chinese students “always sticking together".
This collectivistic intention is often not the case but given the high-pressure situation of problematic assimilation, it is often easier to develop a tribe with fellow classmates also experiencing the same cultural upheaval than attempt full assimilation. Chinese students anticipate as well as yearn for more opportunities to speak English and break out of the bounds of the collective group, however this is met with stigmatisation from their Chinese peers and this, in effect induces the fallacy of stereotyping Chinese students to “always wanting to be together”.

“My motivation is to study and socialise. Actually, I came here and see many Chinese around me and just feel a little upset because I want to make friends from foreign countries. I think it is not good for us because we always speak Chinese. If I can study with some foreigners, we can make friends with each other and I can practice my English. I will try my best to make friends and join some social program but may not be invited” (VH).

“Another reason for me to choose [university A] is that people say that this has more white people and they try to keep the school more international; won’t hire so many students from one country; they get a balance from different countries. I think it’s really good. I know because my uncle graduated from [university B] and he visited [university A]; he told me that. I think I just want to learn something from the westerners, I don’t want to have a class with 90% of the students are from China” (KW).

Data shows that they are disappointed with the amount of Chinese speakers in the class, hoping for differentiation as some commented it was necessary to expand their skills abroad as the educational and work competition fiercely tightens in China. They were somewhat disappointed with the situation, but had to make a bad situation better.

“Don’t you see the looks of other Chinese students, this look is the look of jealousy, and they’re not too friendly, other friends have told me they experience it too. They don’t think o, you’re Chinese, you can be a friend, and they see you as pure competition” (JZ).

The respondents repeatedly dispel the myth of Chinese students desiring to stick together. It masks a more political and complex sets of problems Chinese students have assimilating which needs further research and development.

Discussion and Conclusion

The study gives some indication as to how constraints of socio-cultural structures, acculturation conditions and actions of acculturation agents may influence the acculturation process and outcomes. The findings revealed that the acculturating student’s perception and experience of the differences affected the need to culture swap and adopt techniques previously alien to them. Their experience of consuming a western education had influence on their process of general social acculturation and their thought towards their adaptation. Another finding was the complexity in the notion of Chinese collectivism in education and the politics surrounding that, thus identifying areas of tension for acculturating students that may prevent assimilation, as prescribed by the extant literature.

From the findings, the paper questions existing international educational literature. Firstly it questions the appropriateness of certain learning forms and especially assessments requiring fundamental changes in culture for the acculturating consumer. Secondly it is insufficient to characterise China as a homogenous group, it is essential to look at the process of acculturation having an influence of their understanding and demands for a new learning style. Practically, more encouragement and mixed designated teams will lessen the gap of being separated from the CoH or at worst, marginalised from both CoH and CoO. This could possibly lead to higher comprehension of social English, more confidence in language fluency and
a positive perception of their education experience which overall creates a more overall satisfying acculturation process. The teachers could be made more aware of hegemonic practices and mitigate the devaluing of ingrained cultural perspectives that international students bring along with them. Thus enforcing the notion that integration, rather than assimilation is seen to be more achievable and more conducive to a successful process of acculturation. Students do not need to shed their culture and unlearn their past. It is acknowledged that the process of acculturation in general and to Western pedagogy is not as easy as prescribed, more understanding from the acculturation agents is necessary. It highlights the issue of Higher Education Establishments such as the HEAcademy integrating cultural issues into its framework for accreditation of teachers and acknowledging the differences and appreciating the students’ assimilation efforts. It also raises issues of tension for the acculturating students themselves and the value they can find in moving beyond their Chinese tribe to experiment outside their usual social network in the CoH. Further research into the perceptions of the CoH students and their receptivity in aiding the international students acculturation process is recommended. Accommodation for the aforementioned barriers is a definitive need in UK Higher Education if they are to remain in a competitively strong position.

References


Revisiting the Relationship between Financial Status and Life Satisfaction among Chinese Rural-to-Urban Migrants—the Perspective of Self-Determination Theory

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The current study focuses on the life satisfaction of Chinese migrant workers. We explore the effects of their financial status on their life satisfaction, and find that for migrant workers with a lower income than their peers, the increase in their income has no significant impact on their life satisfaction, whereas for those with a higher income than average, more income predicts a higher life satisfaction. Also we examine the effect of basic needs satisfaction proposed by self-determination theory on life satisfaction, and find that it’s a strong predictor of life satisfaction. Managerial implications and limitations are discussed.

Keywords Chinese migrant workers, income, self-determination theory, life satisfaction, aspiration

“The urbanization in China and the high-tech development in the United States will be the two keys to influence the human development in the 21st century.” --- Joseph Stiglitz (2001 Nobel Prize Winner)

Understanding the emerging consumers in developing counties has attracted attentions by academics as well as marketing executives from global corporates. Who are emerging consumers? Existing studies predominantly consider individuals in these emerging markets with same socioeconomic profile as affluent Western consumers. Besides the middle classes in developing countries, we cannot ignore the huge population that will migrate from rural areas to urban cities, creating over 2 billion urban citizens. This phenomenon is particularly notable among developing countries in Africa and Asia where the urban population will double between 2000 and 2030 (Saunders 2011).

Chinese migrant workers, without doubt, will be the next wave of emerging consumers in China (Chu et al. 2013; Wang and Tian 2013). They are defined as those who hold peasant Hukou (Chinese household registration system) but have migrated from rural agricultural areas to urban areas where they work and live (Chan and Zhang 1999). There are totally about 2.6 million migrant workers in 2013. More than 60% of the migrants are male, receive less than junior high school education, working in labor intensive industries such as construction, manufacturing, and service industry and have no chance to any professional and technical training.

Chinese migrant workers migrate for more job opportunities, a higher income, and ultimately, a better life in cities. As Chakravarti (2006) said, however, it was not easy to define a good life for the people in poverty. Although the issue of well-being at the bottom of pyramid has been noted by consumer researchers and psychologists for more than one decade (e.g. Biswas Diener and Diener 2001; Chakravarti 2006; Davey et al. 2009; Martin and Hill, 2012), the works on the well-being of Chinese migrant workers have just started in recent
years (e.g. Chu and Hail 2013; Gao and Smyth 2011; Knight and Gunatilaka 2010; Nielsen et al 2010). These studies basically focus on the association between migrant workers’ income and happiness and reach inconsistent conclusions. For instance, Chu and Hail (2013) found a U-shaped relationship between income and life satisfaction among this group, in which for poorer migrants, an increase in their income is negatively correlated with their life satisfaction, and for richer migrants, their life satisfaction increases with a higher income level. In contrast, Nielsen and his colleagues’ study (2010) on Chinese off-farm migrants reported no significant difference in well-being across income groups and Knight and Gunatilaka (2010) found a positive but moderate relationship between income and happiness. Based on these inconsistent findings, the first objective of the current study is to reexamine the relationship between financial status and well-being among Chinese migrant workers. Since the aforementioned studies have generated distinct findings on this issue, we would not develop hypothesis on this relationship and investigate it in an exploratory way.

Despite a number of studies on migrant workers focusing on the variables related to income, certain psychological variables such as needs satisfaction, social comparison and aspirations that could also contribute to their well-being are ignored by these researchers. Therefore the second objective of our study is to test the effects of some psychological predictors on the happiness of migrant workers. Regarding to the potential psychological predictors of well-being, we follow the stream of research on self-determination theory (SDT) (Deci and Ryan 2000; Ryan and Deci 2000) and investigate the influences of basic psychological needs satisfaction. As argued by Deci and Ryan (2000), human beings have three innate and universal psychological needs, the needs for autonomy (to endorse one’s activity), competence (to be effective in one’s environment and achieve desired outcomes), and relatedness (to feel connected to others), which would promote human flourishing if they are satisfied. The positive effects of needs satisfaction on people’s well-being have been confirmed by a large body of studies (e.g. Niemiec, Ryan and Deci 2009; Partick et al. 2007; Deci et al. 2001), however, a recent study by Martin and Hill (2012) found that psychological needs satisfaction had little impact on life satisfaction for individuals living in extreme poverty. Despite this contradictory result, we still believe that the three basic needs are important drivers of migrant workers’ happiness and hypothesize that the satisfaction of these needs would enhance their level of well-being. Apart from needs satisfaction, we explore the issue of aspiration among Chinese migrant workers, which could be an explanation of the “the higher income, the lower happiness” paradox as noted by previous studies (Chu and Hail 2013; Knight and Gunatilaka 2008). Traditionally, SDT researchers found the “dark side of the American dream” (Kasser and Ryan 1993; Kasser and Ryan 1996), which demonstrates that the pursuit of extrinsic goals (i.e. wealth, fame, and appearance) has a negative impact on people’s well-being. Based on the arguments above, we hypothesize that migrant workers with larger aspirations of being wealthy are less likely to be happy.

Method

We perform our current study in three steps. First, we test the direct relationship between migrant workers’ financial status and well-being with regression analysis. Second, we add the needs satisfaction variable into our model to test its influence on well-being. Also we consider the potential mediation effect of needs satisfaction on the relationship between financial status and well-being. Finally, we examine the moderation effect of financial status on the association between needs satisfaction and well-being.

The survey was conducted by Shanghai government in 2013, and the stratified sam-
pling method and one-on-one interview were used. Respondents were migrant workers in Shanghai, and 561 valid samples were collected. Male respondents account for 75.4% of the total number of participants, the average of age is 36.5, and they have lived in Shanghai for 8.4 years on average. Most of the migrant workers land their job in domestic private company (67.6%) and foreign businesses (12.3%).

We use The Satisfaction with Life Scale (Diener et al. 1985) to measure the well-being of migrant workers (5-item, 7-point scale, from 1-strongly disagree to 7 strongly agree). The basic psychological needs satisfaction is measured by the basic psychological needs scale in general (21-item, 7-point scale, from 1-strongly disagree to 7 strongly agree) (M Gagné 2003). To measure the financial status of migrant workers, we use their self-reported saving as an indicator. The value of savings is counted by ten thousand RMB and standardized into z-score in the regression model. The aspiration is measured by a scale with two items “how important is it for you to be a wealthy person?” and “How’s the likelihood that you will be a wealthy person in the future?” (7-point scale, from 1-extremely not important/unlikely to 7-extremely important/likely), which are similar to a part of the aspiration index scale used by Kasser and Ryan (1993). Also, considering social comparison as a potential mechanism through which financial status affects well-being, we introduce the social comparison orientation scale developed by Gibbons and Buunk (1999). Finally, demographical variables (age, gender, education, marital status, occupation, and duration in Shanghai) are also included as control variables.

**Results**

We combine the five items within The Satisfaction with Life Scale by taking average of them (alpha>0.7). For each 7-item needs satisfaction sub-scale (all alphas>0.6), we take average to obtain the score of autonomy satisfaction, competence satisfaction, and relatedness satisfaction, respectively. Because the correlations among the three needs satisfaction are all larger than 0.45, and in our study we are interested in the overall needs satisfaction, we combine the three individual needs satisfaction by averaging them (alpha>0.7). For the social comparison score, we perform the exploratory factor analysis on the 11 items of the social comparison variable and obtain a two-factor result, which is labeled as “ability” and “opinions” by Gibbons and Buunk (1999). Since we are only interested in the “opinions” part of social comparison tendency, which we believe is more related to people’s happiness, we compute the standardized enhancement factor score as the indicator of social comparison tendency. The Pearson correlation coefficients between the key variables are shown in table 1, in which life satisfaction is positively correlated with overall needs satisfaction (r=0.332, p<0.01), and personal saving is positively related to life satisfaction in a moderate magnitude (r=0.140, p<0.01) but not significantly related to needs satisfaction (r=0.076, p>0.1).

[Insert table 1 here]

We first regress life satisfaction on personal saving and other control variables. The result is shown in table 2. For the entire sample, personal saving has a positive impact on migrant workers’ life satisfaction (β 0.136, p 0.01), and other variables except marital status (β 0.159, p 0.01) do not significantly influence life satisfaction. Considering the possible difference in the effect of personal saving across different income groups, we split the whole sample into two groups by the average saving. The result shows that the impact of personal saving remains significant in the high-income group (β 0.153, p 0.01) but it is no longer significant in the low-income group (β 0.1). Second we include the needs satis-
faction variable in our model, and find that the needs satisfaction is a stronger predictor of well-being $\beta = 0.307, p < 0.01$ compared with financial status $\beta = 0.113, p < 0.01$. The model with needs satisfaction indicates a significant improvement in adjusted R square from 0.033 to 0.125. Mediation test with Baron and Kenny’s (1986) method does not find the mediating effect of needs satisfaction on the relationship between financial status and life satisfaction. That is, financial status and needs satisfaction independently affect migrant workers’ level of well-being. To test the predicting power of needs satisfaction across different groups, we again divide the whole sample into two groups and find the effect of needs satisfaction hold significant across the two groups($\beta = 0.271$ in the low-income group, and $\beta = 0.380$ in the high-income group, both $p < 0.01$), whereas personal saving only has a significant impact in the high-income group $\beta = 0.136, p < 0.01$.

[ Insert table 2 here ]

To further explore the mechanism through which financial status has a positive impact on life satisfaction in the high-income group while the effect is insignificant in the low-income group, we test the aspiration hypothesis proposed by Knight and Gunatilaka (2008), in which they argue that the increasing aspirations among Chinese migrant workers would induce a lower level of happiness. To examine this hypothesis, we divide the entire sample based on income as before and conduct independent sample t-test to find the difference in aspirations, social comparison orientation, and life satisfaction between these two groups. The results are shown in table 3. The aspiration hypothesis is supported by our results, in which people in the high-income group place less importance on becoming a wealthy person than those in the low-income group ($t = 3.225, p < 0.01$), and they are less likely to compare with peers ($t = 2.781, p < 0.01$). On the other hand, the high-income group believes that they are more likely to be wealthy ($t = 2.107, p < 0.05$) and are more satisfied with their life ($t = 2.826, p < 0.05$). Although the correlation coefficient between personal saving and importance of being wealthy is not significant $r = 0.065, p > 0.1$, and the correlation between personal saving and social comparison orientation is small $r = 0.09, p > 0.05$, based on the results of the between-group test we still believe that migrant workers with lower income would be more likely to set wealth as an important life goal and more subject to social comparison, which actually contributes to a lower life satisfaction.

[ Insert table 3 here]

Discussion

The income-happiness relationship found in our study is closest to Chu and Hail’s (2013) finding in their study, where life satisfaction changes with income in a U-shaped trajectory. Chinese migrant workers with lower income compared with their peers are suffering from the negative consequence of income being increased. Considering possible explanations for this paradoxical result, we find that migrant workers with lower income are more likely to be involved in extrinsic aspirations and social comparison, both of which are demonstrated as a negative predictor of life satisfaction (e.g. Gibbons and Buunk 1999; Kasser and Ryan 1993). As noted by Martin and Hill (2012), “impoverished consumers not only face different circumstances but actually respond to those circumstances in unique ways”, our findings concur with the conclusion in their study. Chinese migrant workers, especially those whose income level is lower than average, actually respond to the increase in their income in a more pessimistic way. In contrast to those with worse financial status, migrant workers with personal saving beyond the average would benefit from the increase in their income $r = 0.14, p$
0.01. This effect size is in line with Howell and Howell’s (2008) meta-analysis that the effect size of income on life satisfaction is 0.16 for countries (China included) with a lower middle economic development state.

Our current works provides supports for the universality of psychological needs from a cross-culture perspective. The satisfaction of basic psychological needs has a strong and positive impact on the life satisfaction of Chinese migrant workers, and this result holds across all of the demographical characteristics. Differing from Martin and Hill’s (2012) study, who claim that the satisfaction of basic psychological needs for autonomy and relatedness would have little impact among people with poor consumption adequacy. However, our study shows that education and financial status do not have a moderation effect on the relationship between needs satisfaction and life satisfaction. Particularly, the need for autonomy serves as the center of the three basic psychological needs in SDT (Ryan and Deci 2000) but is also the most controversial one due to the early critiques that the need for autonomy is not that important in a collectivistic cultural context (e.g. Oishi 2000). However, our work demonstrates that autonomy is the strongest predictor \( r = 0.315, p = 0.01 \) of the life satisfaction among the three needs in a collectivistic social context, which is also along with a series of cross-culture studies from the SDT lab (Chirkov, Ryan and Sheldon 2011). Therefore, it is reasonable to conclude that migrant workers living at the bottom of pyramid of China also need the psychological nutriments that contribute to their well-being and growth.

Moreover, our finding shows that income and psychological needs satisfaction independently contribute to the increase in migrant workers’ well-being. This result is different from the mediation effects of needs satisfaction found by Howell, Kurai, and Tam (2013)’s work, which confirmed that the psychological needs satisfaction (with financial security) had a full mediation effect on the income-happiness relation. This difference can be explained by the distinction in the sample collected in the two studies. Howell et al. (2013) used the sample of normal students and adults, whereas our study sampled migrant workers, the group living at the bottom of pyramid of Chinese society. As Howell and Howell (2008) put it: “higher-level need fulfillment is perceived to be more important and bears more strongly on SWB in wealthier samples and nations than in poorer ones.” It is possible that for people living in relative poverty, the basic physical needs satisfaction indicated by income level and psychological needs satisfaction are both important predictors of their well-being, while for people with higher socioeconomic status than migrant workers, the physical needs satisfaction per se would not significantly contribute to their well-being, but rather the satisfaction of their higher-order needs (i.e. needs for security and psychological needs) would correlate with their happiness. It should be noted that the needs of Chinese migrant workers are different from people living in the middle class, thus the factors that significantly affect their well-being should also be different.

**Implications and limitations**

Our study finds that a threshold value that would moderate the relationship between financial status and life satisfaction may exist among Chinese migrant workers. Policy makers should take this threshold income into account when formulating their wage rates, because even a moderate increase in the absolute value of wage rate could ameliorate the negative consequence that an increase in income leads to a lower life satisfaction for migrant workers who earn income lower than average.

Based on the findings that psychological needs satisfaction is a strong predictor of the
well-being of migrant workers, recommendations can be made both on the individual and social contextual level. For corporate managers who hire migrant workers, they should create an “autonomy supportive” environment to facilitate employees’ needs satisfaction, as suggested by SDT researchers (Stone, Deci, and Ryan 2009). For example, offering choices including the clarification of responsibilities, active listening including acknowledging the employees’ perspective or providing sincere and positive feedback would satisfy people’s needs for autonomy, competence and relatedness, thus enhancing their work motivation and well-being. For migrant workers themselves, previous studies have shown that daily activities play an important role in increasing individual’s happiness (Lyubomirsky, Sheldon, and Schkade 2005) and these changes could be mediated by people’s needs satisfaction (Ryan, Bernstein, and Brown 2010; Reis et al 2000). Therefore it is recommended that, for instance, migrant workers can engage more “eudaimonic activities” such as doing extra readings or exercising that would conducive to their long-term well-being (Huta and Ryan 2010).

Our current work serves as a start of extensive studies on the psychological well-being of Chinese migrant workers, which have been neglected by consumer researchers for the past decades. However, two limitations should be note in our study. The first one is that our measurement of financial status is personal saving, but traditionally the economic status is measured by per capita or household income, socioeconomic status etc. (Howell and Howell 2008). Personal saving is related to but also different from other indicators, and this discrepancy could be one reason why our results are different from previous works (e.g. Gao and Smyth 2011; Knight and Gunatilaka 2010; Nielsen et al 2010). Further studies should reexamine our findings with the traditional measurements. Second, our current study is correlational, therefore causality cannot be demonstrated. The effectiveness of new policies or psychological interventions on migrant workers should be confirmed by longitudinal studies, which would be the center of further works.

**Notes:**

1. Although researchers on well-being always differentiate the concepts such as life satisfaction, happiness, and well-being, it is not the main focus in our study. Therefore we use them interchangeably in our discussion.

2. Although Martin and Hill (2012) argued that satisfaction of autonomy and relatedness had negligible effects on the life satisfaction, the data they reported did not clearly indicate this pattern. Specifically they didn’t report the exact effect size of autonomy and relatedness in the extremely impoverish group. We found the effect size of autonomy was large (0.27) in the pooled sample, as a result it’s reasonable to predict a smaller but still significant influence of autonomy. Furthermore, we believe the two figures in their paper (p.1162) in which needs satisfaction served as a moderator could not support their claim that “relatedness/autonomy does little to life satisfaction”. In fact, these two graphs could not clarify the direct effects (not the moderating effects) of autonomy and relatedness.

**References:**


Table 1: Correlations between key variables

<table>
<thead>
<tr>
<th></th>
<th>Autonomy satisfaction</th>
<th>Competence satisfaction</th>
<th>Relatedness satisfaction</th>
<th>Life satisfaction</th>
<th>Needs Satisfaction</th>
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</thead>
<tbody>
<tr>
<td>Autonomy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competence</td>
<td>0.512**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relatedness</td>
<td>0.597**</td>
<td>0.458**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Satisfaction</td>
<td>0.315**</td>
<td>0.287**</td>
<td>0.198**</td>
<td></td>
<td>0.322**</td>
</tr>
<tr>
<td>Needs</td>
<td>0.844**</td>
<td>0.800**</td>
<td>0.833**</td>
<td>0.800**</td>
<td>0.833**</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>0.287**</td>
<td>0.833**</td>
<td>0.322**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Saving</td>
<td>0.079</td>
<td>0.064</td>
<td>0.045</td>
<td>0.140**</td>
<td>0.076</td>
</tr>
</tbody>
</table>

Note: two tail test, ** p<0.01 *p<0.05,
### Table 3: independent sample t-test across two groups

<table>
<thead>
<tr>
<th></th>
<th>High-income group (N=221)</th>
<th>Low-income group (N=335)</th>
<th>t value&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance of being wealthy</td>
<td>4.42</td>
<td>4.94</td>
<td>-3.225***</td>
</tr>
<tr>
<td>Likelihood of being wealthy</td>
<td>3.46</td>
<td>3.11</td>
<td>2.107**</td>
</tr>
<tr>
<td>Social comparison orientation&lt;sup&gt;b&lt;/sup&gt;</td>
<td>-0.15</td>
<td>0.09</td>
<td>-2.781***</td>
</tr>
<tr>
<td>Life satisfaction</td>
<td>4.43</td>
<td>4.16</td>
<td>2.826***</td>
</tr>
</tbody>
</table>

<sup>a</sup>for all comparisons, equal variances tests are all insignificant

<sup>b</sup>social comparison score is the standardized score of the factor “social comparison orientation”.
Macromarketing research methodology

Chair: Ben Wooliscroft

Session 2c – Wednesday 2nd July, 2:00pm

Marketing systems and market failure: A consideration of imperfect information
William Redmond

A method to distinguish Chrematism in marketing systems
Djavlonbek Kadirov, Richard J Varey, Sally Wolfenden-Gull

Reassembling marketing systems: An application of actor-network theory to an illegal online marketplace
Sarah Duffy, Roger Layton

Grounded theory as a macromarketing methodology: Critical insights from researching the marketing dynamics of Fairtrade towns
Anthony Samuel, Ken Peattie
Marketing Systems and Market Failure: A Consideration of Imperfect Information

William Redmond, Indiana State University, Terre Haute, IN, USA

Marketing systems play an increasingly prominent role in economic activity and, correspondingly, in academic research. In this light Layton (2007) argues that marketing systems are a central concept in the field of macromarketing. The networked systems concept draws attention to relational aspects of market exchange, implying shared participation and predictability of exchange partners. This stands in contrast with the neoclassical assumption of markets being characterized by arms-length, one-off transactions, conducted by atomistic, anonymous actors. Hence the systemic view of market organization necessarily involves an emphasis on “non-arms-lengthness.”

Introduction

By the term marketing system, the discussion below anticipates marketing networks which engage in substantial communication and coordination, rather than a loosely-coupled arrangement. Networked marketing systems simply operate differently than the purely transactional markets of neoclassical assumptions. The idea (and practice) of networked marketing systems emphasizes a stable group of exchange partners, resulting in a “domesticated” market (Arndt 1979). The domestication concept draws attention to planning and cooperation, seeking the avoidance of active competition. Domesticated markets are an example of non-competition in marketing systems (Layton and Grossbart 2006).

If the systems approach is increasingly displacing the transactional approach to marketing, what are macro-level effects of this shift? This area has been the subject of broad-scale assessments (Layton and Grossbart 2006; Layton 2007). The present paper is focused more narrowly on the issue of market failures and, more specifically, with one type of market failure: imperfect information. The question is whether networked marketing systems, qua systems, are more prone to produce information problems than are transactional markets. That is, do the properties which characterize non-arms-lengthness make information problems more or less common, more or less severe?

Jim Carman and Robert Harris developed a three part analysis of the interaction between exchange (ie markets) and authority (ie regulation) in the organization of economic activity. The premise is that voluntary exchange is the preferred mode, except in cases of market failure. Hence their interest in market failure. There are several basic types of market failures, including imperfect competition, externalities, (de)merit goods, as well as imperfect information (Harris and Carman 1983). Carman and Harris developed the failures framework based partly on economic theory and partly on a pragmatic understanding of market behaviors. While their papers continue to be a powerful tool for understanding markets, developments in the understanding of marketing systems since that time indicate that the framework might benefit from renewed attention.

Harris and Carman identified five subcategories of imperfect information in markets: bounded rationality, information costs, asymmetric information, misinformation, and lack of information. The issue in question here is whether networked systems make the problem
worse, as compared with transactional markets. At first glance the answer would appear to be no: networked systems engage in joint communications and planning, which should serve to mitigate problems of lack of information and individual cognitive limitations. Planning requires gathering and sharing information, anticipating future conditions, and coordinating decisions. For these reasons it seems safe to say that one of the five problems, the costs of gathering information, would be lower in a network.

**Asymmetric Information, Misinformation, and Lack of Information**

Durable relationships are based, in part, on trust (McMillan 2002). Problems related to asymmetric information, misinformation and lack of information may arise when trust replaces caution within the network. If some member acts in an opportunistic, dishonest or simply an incompetent fashion, other members may accept false or misleading information at face value. Over the course of time, members providing faulty information should be excluded from the network, or at least their veracity suspected. Marginal members can be excluded from participation (Layton 2007) and a more valuable information flow should benefit remaining network members. In this way market systems can be self-correcting, at least in the long run.

Nevertheless, damage can be severe in the short run and involve both negative internalities and negative externalities. An example is the US housing market crisis and subsequent mortgage securities disaster (Redmond 2013). Prior to the house price bubble, mortgages were generally provided by local banks and saving and loan associations who were vigilant about loan quality. During the bubble however, investment banks (who were previously unconnected with the housing market) organized a new financing channel which funneled unprecedented amounts of money into the housing market via the issuance of subprime mortgage securities to institutional investors (also not previously involved in housing). Although the mortgage brokers and investment bankers were aware of the poor quality of the subprime loans being issued, the rating agencies and institutional investors were not. Also, many borrowers did not understand the terms of their loans or the financial consequences thereof. Hence there was in this instance: 1) asymmetric information between investment banks and mortgage brokers on the one hand versus investors on the other; 2) misinformation between brokers and borrowers; and 3) lack of information by ratings agencies. When the mortgages underlying the securities faltered, banks failed, economies entered recession and individuals lost jobs and homes around the world. This was, by some reckonings, the most massive level of negative externalities on record.

**Bounded Rationality**

The last of the five subcategories of information failures is bounded rationality which, in this case, involves a failure to correctly utilize available information. Bounded rationality seems to be an ongoing problem in marketing systems. In Simon’s (1955) classic formulation, decision makers with “limited knowledge and ability” arrive at decisions which are less than optimal by neoclassical standards. These decision-makers have an incomplete knowledge of alternatives, an incomplete or inaccurate grasp of the future, and a limited or biased insight into the pay-offs of alternate decisions. The result is satisficing rather than optimizing (Simon 1978). Note, however, that these cognitive limitations apply to all individuals and would not necessarily seem to be exacerbated by membership in a marketing system as opposed to a transactional market.
While the term “bounded rationality” is associated with Simon’s model, Harris and Carman (1983) do not reference Simon specifically but rather appear to be referring more generally to a range of cognitive limitations which depart from the neoclassical ideal. Some of these other forms may indeed be prone to negatively affect members of a networked system.

The tendency in systems to engage in joint communication, planning and coordination exposes members to cognitive traps such as groupthink (Janis 1972). Whereas a transactional setting puts actors on their guard against the opportunistic behavior of others, a network setting reduces such tendencies. Groupthink carries the unrecognized assumption: we know everything we need to know (Goleman 2013). Sharing of information tends to produce common sets of assumptions and beliefs about how the world works and what will transpire in the future.

Shared communication flows within a marketing system can also lead to decision errors due to framing. Framing occurs when the way in which a decision issue is presented biases the outcome (Kahneman 2003). The manner in which a decision problem is outlined includes highlighting certain features of the situation and leaving other potentially salient features out altogether. In this way, the perceptions and limitations of one system member can influence the perceptions and decisions of others. Framing is typically thought of as a matter of language, but is also a matter of norms and habits (Tversky and Kahneman 1986). A marketing system, precisely because of repeated interactions, can easily develop sets of norms and habits which impede accurate decision-making.

A related cognitive bias which may affect system members is the availability heuristic. The ease with which an idea or example is recalled gives it undue prominence in subsequent deliberation. Availability bias is known to cause forecasting errors (Lee and O’Brien 2008). As forms of bounded rationality, groupthink, framing and availability are likely to affect members of marketing system more so than transactional marketers.

Other problems operate at the organizational level. DiMaggio and Powell (1983) argue that the more dependent an organization is on another, the more similar it will become to that organization in terms of structure and behavioral focus. Since marketing networks are designed to foster mutual interdependence, this would also seem to create particular problems for systems. The cooperative form of network formation involves a conscious effort to structure organizational activities vis-à-vis one another (Laumann, Galaskiewicz and Marsden 1978). This leads to “institutionalized thought structures,” which provide commonly accepted rationales for organizational behavior.

These cognitive biases may also lead to lack of preparation and readiness for unanticipated eventualities. Instances of problems due to lack of anticipation include breakdowns in JIT supply chains and excessive reliance on a small number of system partners. Such negative internalities may be exacerbated by the geographic clustering of suppliers in the event of natural (or otherwise) disasters. For example, a 2011 flood in Thailand revealed that a sizeable portion of the world’s supply of hard-disk drives originates in a smallish area near Bangkok (Economist 2012).

Discussion and Conclusion
Market failures are defined as a deviation from some ideal, which in this case is formed from neoclassical assumptions. Since no real market meets this ideal, all markets are in some degree of failure. The question is: how severe is the failure? The information problems outlined above have produced both externalities and internalities. Systems are embedded in the broader economy and society, so suboptimal decisions impact others. The housing crisis, discussed above, produced massive negative externalities. Other externalities are less visible: for instance, Stiglitz (1988) points out that information failures are related to incomplete markets. This condition is also termed a discrepant market (Layton 2007). For this reason information problems may contribute to insufficient supply relative to demand. Negative internalities due to bounded rationality are also difficult to observe but are undoubtedly much more common.

The fact of non-armslengthness, which characterizes networked marketing systems, appears to help with some information problems but can make others worse. By sharing among members, the costs of acquiring information should be lower and cost is a considerable issue in decision-making (Simon 1955). On the other hand bounded rationality, particularly in the forms of groupthink, framing and availability, are aggravated by participation in marketing systems.

References


A Method to Distinguish Chrematism in Marketing Systems

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Sally Wolfenden-Gull, Eastern Institute of Technology, Napier, New Zealand

The purpose of the paper is to present our initial thoughts on a much needed method for scrutinising chrematism (i.e. obsession with monetary exchange value and the pursuit of pecuniary interests) and its effects in marketing systems from the macromarketing perspective. We suggest that researchers must watch for the symptoms that signal the possible extent of chrematism developing in marketing systems. These symptoms are community need myopia, self-deception, demand manipulation, monopolisation of life necessities, and lack of humanism. We believe that chrematistic marketing systems are but a product of symbolic (ideological) unfolding of systems processes that stand in stark contrast to community-embedded systems.

Introduction

The true criticism of market society is not that it was based on economics—in a sense, every and any society must be based on it—but that its economy was based on self-interest. Such an organization of economic life is entirely unnatural, in the strictly empirical sense of exceptional (Polanyi, 1944, p.249).

Macromarketing takes the marketing system as a unit of analysis. The concept of exchange dominates the existing conceptualisations of marketing systems. Exchange presupposes the seemingly “natural” and somewhat simplistic motive behind the actions of marketplace participants – self-interest. The problem might be in the neo-classical understanding of self-interest which precludes sincere concern for another, agape, and care for community (Brockway 1995; Hill 2002; Daly and Cobb 1994). The resulting macro picture is that micro self-interest-driven exchange “atoms” make up the holistic “fabric” of the marketing system. At this point, the tragedy of the commons becomes an unavoidable outcome because each and every player would be trying to maximise his/her fortunes at the expense of the system’s homeostasis (Shultz and Holbrook 1999). Such a dilemma can be solved by applying what Polanyi (1944) calls the analysis of double movement – society and its morals acting as a moderating force against the onslaught of tenacious pure market culture. Moreover, the reality is that exchanges are mostly unbalanced. Markets are almost always incomplete and inefficient (Stiglitz 1991). Hence, there is always an opportunity to tweak the system in a way that it delivers whatever is intended. Such “invisible” power leads to another danger that exacerbates the grievous situation even further. This is chrematistics.

Chrematistics refers to obsession with the side-effect of the exchange, abstract value embodied in money (in principle only an enabler of exchange), which many economists used to consider inconsequential (Daly and Cobb 1994). However, recent developments in research show that the effect on the marketing system of money generation, use, and destruction is significant if not fundamental (Daly and Cobb 1994; Dholakia 2012; Stiglitz 2010). Therefore, we are in need to develop the study of chrematistics in macromarketing. Especially, there seems to be a need for a (macromarketing) method to investigate how chrematistics alter typical (natural) marketing systems. Existing marketing systems theories have so far dealt with how balanced marketing systems (should) operate. Perhaps it is time now to con-
sider how deviant ideologies (e.g. chrematistics) turn community-based systems into soulless machines of fiat token generation that are neither beneficial nor healthy for society at large.

Chrematistics

The Aristotelian distinction between “oikonomia” and “chrematistics” is one of the significant insights that informs the analyses of modern economics (Daly and Cobb 1994). In Ancient Greece, chrematistics stood for the art/science of getting rich (i.e. making money). The chrematist was a person whose sole objective in life was to get rich by accumulating fiat tokens representing wealth. For Aristotle, the excessive pursuit of money was irrational as money had no intrinsic use value except being a means of exchange. Aristotle argued that physical commodities contain concrete use value that satisfies real needs. As the needs are satisfied the agents are less inclined to accumulate extra goods unless these goods function as money (i.e. a reservoir of value). In contrast, the abstract exchange value of money is not restricted by satisfaction. Desire for money is unlimited - more is better. Aristotle predicted that the focus on money accumulation would alienate the person from his/her community/household and thus become a hindrance to attaining personal happiness.

Excessive drive for token accumulation is detrimental not only to individual well-being, but also community cohesion. Excessive wealth of a few causes resentment amongst those that do not have it and may lead to theft and crime that is justified in some circumstances, i.e. the Robin Hood effect. Recent public protests such as the Occupy Wall Street movement represent such growing anxiety.

The word “oikonomia” (today "economics") literally means the (prudent) management of a household, or in a different interpretation, the stewardship of a community/society. Applying Aristotelian philosophy, Daly and Cobb (1994) explain the modern meaning of the concepts. Accordingly, chrematistics refers to “the branch of political economy relating to the manipulation of property and wealth so as to maximize short-term monetary exchange value to the owner”, while oikonomia refers to “the management of the household so as to increase its use value to all members of the household over the long run” (Daly and Cobb 1994; p.138). Moreover, Daly and Cobb extend the concept of “household” in the definition to include communities “of the land, of shared values, resources, biomes, institutions, language, and history” (p.138).

Furthermore, Daly and Cobb propose three ways in which chrematistics differs from oikonomia (Table 1). The first difference reflects the temporal view: chrematistics takes the short-run view in contrast to oikonomia’s long-run focus. It means that the economic agent acts to maximize the short-term token value of wealth with a view to benefiting from manipulative and speculative market behaviour.

The second difference is that of scope: chrematistics is limited to dyadic transactions in its emphasis while oikonomia takes into account the interests of all stakeholders. Chrematists would be more concerned with their rights/obligations toward the party they are transacting with than with those toward the parties affected by the transaction.

The third distinction is that of concrete use value against abstract exchange value. Chrematistics is distinguished by its emphasis on abstract exchange value in contrast to oikonomia’s focus on concrete use value. Chrematists are so driven by the desire to accumulate
exchange value that the true purpose of economic activity, that is creating and exchanging concrete use value, is annihilated in the process.

Table 1. The characterisation of chrematistics (adapted from Daly and Cobb 1994)

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>CHREMATISTICS</th>
<th>OIKONOMIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporal Focus</td>
<td>Short-run</td>
<td>Long-run</td>
</tr>
<tr>
<td>Scope</td>
<td>Transactions</td>
<td>Systems</td>
</tr>
<tr>
<td>Value</td>
<td>Abstract exchange value</td>
<td>Concrete use value</td>
</tr>
</tbody>
</table>

The desire to accumulate for the sake of accumulation is unnatural or even pathological. We can observe this in money/finance markets versus product markets (the more common domain of what is generally understood as marketing); the former having surpassed the latter in volume and speed of expansion as well as uncertainty and “turbulence” (Heinberg 2011; Martenson 2011).

Chrematistics in Marketing Systems

Systems Chrematism

Individual chrematism, i.e. greed and the pursuit of self-interest is not an issue for neo-classicists. Accordingly, it is seen as the “natural ambition” of a human being that is assumed to eventually serve societal interests on a grand scale (Gaski 2012; Stiglitz 1991). This is how the economic man is predicted to behave – Homo Economicus is the utility maximiser (Brockway 1995). In fact, neo-classical theory, in opposition to Aristotle’s use value theory, predicts that the economic agent is never going to be “satisfied” in the sense of complete gratification, happiness, and consummation (see Holbrook 1987) due to greed to control ever more resources. To digress from the main issue, the “greed” conjecture in fact motivates the paradox of marketing’s micro-definition, i.e. satisfying needs/wants to serve own self-interest: marketing can only meet rather than fundamentally satisfy “fleeting desires” of the soul for both parties, the marketer and marketed. Since the concept of satisfaction assumes limited desire for resources or absence of desire, the concept of the economic man with unlimited hunger for resources precludes complete satisfaction by default (Scitovsky 1986, 1992). Paradoxically, greed is attributed to the marketer while satisfaction is expected from the consumer.

Nevertheless, it is not our purpose to scrutinize (micro) marketing from the individual chrematism perspective in this paper, a potential research issue that can be pursued in a separate investigation. The issue we would like to deal with here is systems chrematism. Neo-classicists tend to make a rather mystical jump from the micro to macro level when they employ the even greater mysticism “the invisible hand” to argue that individual chrematism leads to better societal outcomes. The champions of information economics are already arguing that the invisible hand is invisible because it is simply not there (Stiglitz 1991; 2010).

We think that the missing link in the debates on marketing-society interactions is systems chrematism (chrematism embedded in the ways economic/marketing systems operate). We believe that individual chrematism contributes to institutional, ideological (i.e. systems) chrematism which then impacts societal outcomes. Hence, even if one is prepared to accept that individual chrematism might play a positive role in enhancing societal welfare (which information economists reject anyway), the argument that chrematistics at the systems level would similarly benefit society might not be really plausible.


Marketing Systems

Macromarketing deals with exchanges embedded within marketing systems. Here, for the sake of simplicity we accept Layton’s (2007) definition of the marketing system: “a marketing system is a network of individuals, groups, and/or entities, linked directly or indirectly through sequential or shared participation in voluntary exchange, which jointly creates, assembles, transforms, and makes available assortments of products, services, experiences, and ideas, provided in response to customer demand”. Hence, an exchange does not stand in isolation – it is only meaningful within the structure of a whole (i.e. the complex system of market interactions, interdependencies, and relationships). On a more global level, an exchange is a part of symbolic (meaningful) differentiation of marketing systems where new marketing structures develop in reference to the established ones (Kadirov and Varey 2011).

Method for Recognising Symptoms of Chrematism

Most people would find it at least ethically challenging to serve individual chrematists. Individual chrematism, in its expressed forms like greed and self-interest, is mostly seen as a negative character trait in everyday social life. Specifically, greed in the economic systems is an exceptional phenomenon and cannot be morally justified (Polanyi 1944). Moral detest toward greed is masked by the neo-classical theory which simply considers it as “necessary evil” for the cause of promoting better societal outcomes via free markets. However, it would be hard to deny the negative impact of chrematism built-in in the way societal institutions operate as a whole. Nevertheless, most people would find it difficult to discern chrematism at a global level. There are many who are honest and work hard for good causes. Paradoxically, these people might also end up contributing to chrematistic systems because of macro-ignorance. Observing such a paradox in the recent financial crisis in the US, Stiglitz (2010) wrote:

I criticize—some might say, vilify—the banks and the bankers and others in the financial market. I have many, many friends in that sector—intelligent, dedicated men and women, good citizens who think carefully about how to contribute to a society that has rewarded them so amply. They not only give generously but also work hard for the causes they believe in...As seems to happen so often in our modern complex society, “stuff happens.” There are bad outcomes that are the fault of no single individual. But this crisis was the result of actions, decisions, and arguments by those in the financial sector. The system that failed so miserably didn’t just happen. It was created. Indeed, many worked hard—and spent good money—to ensure that it took the shape that it did.

Discerning inherently chrematistic workings of marketing systems is not an easy task. Indeed, such a task is impossible to accomplish via the use of a single definition. Sometimes, the realization of chrematism is ex post hoc, historical. It is not easily revealed. But there are common symptoms that can be observed. In this paper, we outline a method for identifying the symptoms of chrematism.

Symptoms

Community Need Myopia

To discern chrematism in the marketing system, researchers would find it useful to first look for the signs of misplaced interpretation of consumer needs. In some cases the understanding of the real need becomes so deviant that most often the choice that maximizes
revenues to the marketing system is thought to be the best choice which in fact might not necessarily be the one that maximises value for the consumer-in-community. A marketing system arrangement that maximises revenue to participating agents is not always the one that delivers satisfaction.

Ted Levitt (1960) got it all wrong. The real myopia of troubled industries was not their excessive focus on products. In fact, it was their obsessive chrematism. Chrematistic industries do (can) not serve real customer needs, the needs that are shaped with(in) community and linked to happiness, due to their unbalanced emphasis on money-making. The products that make it through complex systemic chrematistic arrangements in corporations end up serving the unrecognizably contrived conception of customer needs. A case in point is the US housing bubble. The American (and perhaps all others’) dream was always a home (not a house), a place where one can continue healthy community life, in a however form it is defined. However, the US financial industry generally interpreted the need (in a strangely chrematistic way) as a house (or a contract) that should maximise revenues to the whole marketing system. Stiglitz (2010) tells the story:

In all these go-go years of cheap money, Wall Street did not come up with a good mortgage product. A good mortgage product would have low transaction costs and low interest rates and would have helped people manage the risk of homeownership, including protection in the event their house loses value or borrowers lose their job. Homeowners also want monthly payments that are predictable, that don’t shoot up without warning, and that don’t have hidden costs. The U.S. financial markets didn’t look to construct these better products, even though they are in use in other countries. Instead, Wall Street firms, focused on maximizing their returns, came up with mortgages that had high transaction costs and variable interest rates with payments that could suddenly spike, but with no protection against the risk of a loss in home value or the risk of job loss…Had the designers of these mortgages focused on the ends—what we actually wanted from our mortgage market—rather than on how to maximize their revenues, then they might have devised products that would have permanently increased homeownership. They could have “done well by doing good.” Instead their efforts produced a whole range of complicated mortgages that made them a lot of money in the short run and led to a slight temporary increase in homeownership, but at great cost to society as a whole.

Stiglitz (2010) notes that it was a type of modern alchemy, chrematistics in pure form, that the banking system became carried away re-packaging subprime mortgages into AAA-rated securities. This led to failures to perform its core functions: facilitating transactions, assessing risks, and making safe loans. The marketing system as a whole did really help to increase “houseownership” albeit temporarily. However, this was not the same as “homeownership” that meets consumer aspirations. A recent report from Canada indicates that most urban dwellers would be willing swap their large house and spacious lots to smaller residences in efficient and accessible neighbourhoods (RBC-Pembina 2012).

Self-deception

Another symptom of chrematism that researchers should investigate is the instance of collective self-deception about imminent perils of selfish behaviour. Self-deception involves acting as if nothing is wrong with what is happening when everyone knows that there exists a very serious problem. Specifically, the recognition of the chremastistic problem requires taking the macro-perspective. Chrematism involves dismissing the macro-picture as irrelevant (in some cases it is considered to be some other people’s concern) (see Gaski 2012) and focusing on “the now” specifically when the business is gaining from each current transaction.
Back to the example of the US financial crisis, post-hoc investigations showed that individual actors largely dismissed the macro-view despite a large number of warnings from different sources (Lewis 2011). At the transactional level, the market was doing what it was supposed to do and nothing seemed to be wrong as everyone was (seeming to be) making profit. Mortgage agents pushed mortgage contracts to broader markets, the banks re-packaged these mortgages into securities, the financial institutions sold these securities to investors, and the rating agencies approved these securities, while the government agencies left everything to free-markets (Stiglitz 2010). However, there were multiple clear warnings from various experts and institutions and most actors knew that something was systemically wrong in these individual transactions all taken together, while preferring to keep collective silence about the possibility of financial meltdown (Lewis 2011; Heinberg 2011). This is exactly what self-deception is: people know that there is a “white elephant” in the room but choose to collectively ignore it. Moreover, there always is systematic effort to silence the ("radical") dissent.

On the other hand, the pursuit of money has a negative effect on common sense, i.e. economic rationality. A behaviour considered to be rational at the individual level might translate to mass irrationality at the macro level. Since the definition of money is “community debt” (Daly and Cobb 1994), the excessive accumulation of money in the marketing system (or its obsessive pursuit) is a certain recipe for industrial collapse. Paradoxically, the tragedy of the commons plays out within the marketing system. For a single player accumulating excessive claims to future community resources (i.e. money) the chances for survival might be better than average. However, if all players attempt to do the same thing and accumulate excessive claims, then community default on debt is certain.

**Consumer Demand Manipulation**

Another symptom of marketing systems gradually turning into chrematistic systems is – the ever-increasing industrial effort to manipulate society – with a view to artificially expand consumer demand while such expansion is proven to be harmful to society. Marketers are expected to be sincerely dedicated to consumer interests, while chrematism replaces such dedication with obsession with money hoarding wealth accumulation. Marketing definitions emphasise marketers’ neutrality: marketing simply responds to the given demand of the masses. However, the real needs/desires of consumers are not simply given. The needs do not come in a nicely structured way. They are malleable. Specifically, demand manipulation can turn into a pure chrematistics game when marketers have information advantage or can greatly influence vulnerable consumers (Galbraith 2004). Off-label marketing, promoting drugs to other than approved patients, often employed by major pharmaceuticals is an example of such synthetic market expansion.

Chrematistic marketing systems work in a way that broad desires are channelled into pre-specified paths that serve the profit-making motive. For example, recent research shows that the US gambling industry used what researchers call “megamarketing” techniques in the gradual society-wide legitimisation and general acceptance of gambling (Humphrays 2010). Similarly, the tobacco industry appears to be spending more for “grooming” younger generations than advertising to adults, as the industry believes that new smokers can only be recruited from among teenagers (Hastings and Sheron 2013). Credit card companies are found to unfairly encourage bad debts (Henry, Garbarino, and Voola 2013), while goods manufacturers put latest technological advancements to use to engineer obsolescence to boost the demand on a societal level.
Monopolising Necessities

The symptom of the marketing system becoming more chrematistic is government regulation that allows the development of unbalanced market-like structures that monopolise supply of the necessities of life. In fact, it is known that regulation creates markets and, paradoxically, it takes more regulation to enforce deregulation (Polanyi 1944). Supply of currency, healthcare, utilities, education, staple food, and other infrastructure services are too important to be left at the mercy of chrematistic interests. The issue is not whether the supply of important services should be nationalised or privatised. Balanced systems combining both public and private inputs need to be developed taking into account a locality’s circumstances, culture, and traditions. Fair redistribution of the gains and value maximised for all users is the end that should be pursued. Imbalances are introduced when the design of the system is overly chrematistic and ignores the plight of the poor, underserviced layers of population.

In public systems, chrematism leads to widespread corruption. Corruption becomes the only way the public supply systems operate. In some instances corruption becomes so entangled with culture that analysts might wrongly assume that a particular culture might be fundamentally chrematistic in itself. Especially, developing countries are vulnerable to a trap of chrematism. Individual morals are important in such circumstances as public structures rest on personal honesty and dedication. A corrupt officer can turn the whole marketing system into a corrupt system where services are poor and the rates are beyond what is considered to be fair.

If the supply of services is privatised then chrematism might lead to market exploitation. If the service is of adequate quality and the rates are fair then there should be no issue with private companies supplying public services. However, as it is often the case with developing countries, deregulation, privatization, and liberalization processes are managed for the benefit of the few. The classic example of how corporate monopolisation of life necessities can go wrong is the Cochabamba Water Protests. In 1999 the Bolivian government signed a deal with the consortium Aguas del Tunari that involved Bechtel (USA) and United Utilities (UK) as major counterparts to supply water and sanitation services to the residents of the third largest city of Bolivia, Cochabamba. The government has also passed Law 2029 giving the consortium the right over almost all water resources in the area. Aguas del Tunari started acting as a pure profit-maximising monopoly. It confiscated independent communal water systems, started installing water meters on these systems, put up the rates by 35%, and even banned rainwater collection from rooftops.

Lack of Humanism

From a normative standpoint, researchers argue that the fundamental precept is that “the marketing system should always be of service to people” and that the dictum “people first” must always be implemented, at least in the long-run (Laczniak and Murphy 2006; p.157). The deviation from this expectation is a possible signal of chrematism. Hence, one of the symptoms of chrematism in the marketing systems is the lack of genuine humanism (Varey and Pirson 2014). Often apathy toward humanism is reflected in the ways in which success is operationalised. A perturbing trend is that chrematistic systems are geared to maximise a number of different factors except human welfare. Most often the necessity of growth is over-exaggerated (Varey 2010). Discussing narrow metrics, Hill and Martin (2013) note that
As a result of this narrow and distilled thinking [excessive emphasis on exchange], marketing researchers ignore people’s heterogeneity in favor of simplistic ways of operationalizing success. As a case in point, consider common performance metrics such as market share, gross sales, and return on investment. These metrics show little, if any, concern for contribution to the wellbeing of the people and communities that are significantly affected by what marketers say and do. This focus is akin to college football combines, in which players from around the country bench press a certain weight as many times as possible and run a sprint as fast as possible, signaling their athletic prowess without ever performing the skill set necessary to win games. Such metrics take on a life of their own and are used internally and externally to reward or punish employees, raise or lower stock prices, launch or remove products from the market, and open or close plants and distribution centers, all without much deliberation on their effects on the people involved.

Laczniak and Murphy (2006) postulate that people must never be used as a means to the chrematistically motivated ends. Some might argue that sacrifices (e.g. harming stakeholders, polluting the environment, employee layoffs) are unavoidable or necessary to keep the systems afloat. Hence, the narrow metrics are the metrics of survival and growth that supposedly serve humanistic motives indirectly (Varey 2010). It is also wrongly assumed that the metrics at least serve the majority at the expense of the minority who must be sacrificed (i.e. the necessary evil). However, such reasoning is misleading due to the fact that economic welfare does not exactly equate to human welfare (Kadirov 2011). Human welfare is a more holistic measure, while economic measures (e.g. GDP, income per capita, corporate profit) are simply reductionist.

It would be wrong to assume that socialist or communist systems (or any other alternative market formations based on uniformly imposed ideals) are less chrematist. To the contrary, they are chrematistic to the bone. Lessons from the great historical experiment with central command market systems, Soviet Union, are not yet forgotten. Soviet leaders (and some current dictators) simply treated their countries as huge enterprises. All kind of resources including tens of millions of human lives (not mentioning the natural environment) were sacrificed at the altar of so called five-year plans. What mattered is the fact that these systems were capable of immense output while most of it was of substandard quality or useless. Central command systems were simply the product of grand symbolic differentiation, grand PR experiments, that were outward oriented and different to what was perceived to be “capitalist” systems. The plight of ordinary folk, paradoxically, was of no concern.

Interestingly, chrematism might be one of those common features that unites the dishumanised brutality of communist systems and the profit-driven “entrepreneurism” of the West. A case in point is Foxconn, the electronics manufacturer that produces for well-known corporations including Apple, Microsoft, Samsung, and Sony. Foxconn exhibits chrematistic ingenuity, perhaps the evil one, in co-opting Chinese experience of organising mass (mostly forced) labour and running factories with labour camp like conditions (BBC 2012). The working and living conditions, that perhaps resemble battery-caged hen factories, are so abhorrent that many employees simply commit suicide by jumping off factory buildings. The company is found to have been installing netting around buildings to discourage suicide attempts (The Telegraph 2012).

Chrematistic Marketing Systems
Chrematism is simply the product of deviant ideology. It is the result of purpose-driven indoctrination that can be summed up in the premise that a means of exchange represents true wealth. In part, the institutions that create and lend money are interested to uphold such a “myth” as the chrematist ideology guarantees larger premiums in the form of interest (Dholakia 2012). Polanyi (1944) explained the advent of self-interest based market economies as the historical process of planned, purpose-driven industrial reforms on the basis of “liberal creed”. The liberal creed involved the commoditisation of previously communal resources such as labour, money, and land. Hence, free market (laissez-faire) arrangements are not the natural state of a marketing system as it is usually presented by neo-classicists. Paradoxically, free markets are the result of purposeful particular regulation rather than deregulation.

Polanyi’s (1944) thesis is in the same vein with Kadirov and Varey’s (2011) theory of symbolic unfolding in marketing systems. Kadirov and Varey argue that new marketing systems unfold as a contrast to the existing marketing systems. Neoclassical theory has long muddied the waters via the adage that self-interest driven free markets are the natural foundation while government regulation causes deviation from this perfect state. However, Polanyi’s (1944) argument (also supported by numerous studies in information economics) is that the natural marketing systems are those that are based on oikonomia, reciprocity, and community concerns. Accordingly, imperfect free market arrangements appear to unfold from these natural bases as (de)regulative experiments. Stiglitz (2003, 2010) documents the disastrous consequences of such experiments.

Markets must symbolise deep concern for human beings. Instead of communities serving the markets, markets must serve communities (Polany 1944) or they disserve the majority to profit the already wealthy minority. Chrematistics deeply contrives the structure of the marketing system so that markets structures become geared to serve this pathologic obsession with abstract value. Macromarketing researchers studying marketing systems should take such deviations into account. This calls for a reliable macromarketing method that would help researchers to analyse chrematistics in marketing systems.

References


Reassembling Marketing Systems: An application of Actor-Network Theory to An Illegal Online Marketplace

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The empirical application of marketing systems theory presents a significant challenge to researchers. The expansive nature of macro level theory requires the analyst to include an extensive range of influences. The issue of boundary definition is frequently cited as problematic. However, this paper argues that this is not the key issue. Rather, a limitation is that the theory is not attuned to the symmetry between the human and non-human and its focus on human activities, structures, functions and outcomes limits its empirical potential. By addressing these limitations with a different approach, our understanding of how marketing systems are constructed and perpetuated is increased enhancing the explanatory power of the theory. This paper outlines an approach to the study of marketing systems that may help towards overcoming the obstacles identified, that is, Actor-Network Theory (ANT). This method encourages the researcher to trace the visible connections left by actors. This paper explores ANT and its potential usefulness to Macromarketing scholars applying it to the controversial online marketplace for drugs and other illegal goods, The Silk Road. This exploration provides an illustrative example of the benefit of re-conceptualising marketing systems as an interconnected mosaic of human and non-human actors that are continuously acting to construct a marketing system. Following from a demonstration of the usefulness of ANT as a methodology, the implications for practice and theory are discussed.

Key words: Marketing Systems, Actor Network Theory, Macromarketing, Illegal Markets

Introduction

Increasingly illegal online business practices and the proliferation of technologically enabled selling is frustrating authorities and is a deep cause of concern for our society (Duffy, 2013). The escalating rate of illegal online trade in drugs, weapons and people, the blurring of borders and governance and an increasingly sophisticated use of technology presents a challenge for policy makers, authorities, researchers and citizens alike (Forman & Block, 2006; Treadwell, 2012). Theoretically, marketing systems theory is well equipped to study the nature of online illegal marketplaces through its wide lens that encompasses market activities, governance and the subsequent impacts on the community (Phipps & Brace-Govan, 2011; Schaefer & Crane, 2005; Shultz, 2007). Marketing systems theory has provided useful insights for the study of the illegal trade of human beings (Pennington, Ball, Hampton, & Soulakova, 2009). However, the complexity of Marketing Systems theory presents a significant challenge to researchers moving from theory to praxis. The expansive nature of the theory requires the researcher to consider an extensive range of influences, for which deciding what to include and exclude is a difficult choice. The issue of boundary definition is frequently cited as problematic and indeed it is. This method does not resolve this issue, however it encourages the researcher to instead trace the visible connections left by actors rather than imposing boundaries, although of course, the research must stop somewhere. This paper argues that although boundary definition is a knotty issue, other concerns need to be addressed.
Specifically, that marketing theory is largely anthropocentric in orientation and even though it recognises the dynamic nature of marketing systems, its focus on human activities, structures, functions and outcomes limits its empirical potential to understand how marketing systems are constructed and perpetuated over time, particularly within the frame of our technologically enabled society.

This paper outlines a different approach to the study of marketing systems that may overcome the obstacles identified, that is, Actor-Network Theory (ANT). ANT is a perspective founded on three tenets, which are: that the human and non-human divide is artificial, that markets are performative and an abandonment of explanations that attribute outcomes to an inexplicable force. This paper explores ANT and its potential usefulness to Macromarketing scholars using examples throughout culminating in application of ANT to the illegal online market place “The Silk Road”. This exploration provides an illustrative example of the benefit of re-conceptualising marketing systems as an interconnected mosaic of human and non-human actors that are continuously acting to construct a marketing system. Following from a demonstration of the usefulness of ANT as a methodology, the implications for practice and theory are discussed.

Macromarketing and ANT

Marketing systems, have been conceptualised as a socially constructed method of organisation that serves to govern economic activities (Mattsson, 2003). Callon (1998), a founder and proponent of ANT theory defined the market place as a system that controls the relations between both human and non-human actors. Layton (2007) a macromarketing scholar offers a more comprehensive definition, stating that the marketing system consists of a network of individuals, groups, and/or entities linked directly or indirectly through sequential or shared participation in economic exchange that creates, assembles, transforms, and makes available assortments of products, both tangible and intangible, to meet customer demand. This explanation is founded on the premise that market actions, institutional activities and individual choices do not exist in isolation, nor may a marketing system be neatly separated from other forms of interaction. A marketing system is a performative phenomenon. That is, a marketing system is not static, it is emergent, dynamic and materially heterogenous and actors are constantly “acting” to construct the status quo.

Most simply stated, ANT is a method used to study a heterogeneous web of relations. To date this has included studies: of the construction of scientific fact (Callon, 1986; Latour and Woolgar, 1986), how economic and political control is exercised from a distance (Law, 1986), the processes of innovation (Callon, 1980, 1991), the implementation of an IT project for rural development (Andrade & Urquhart, 2010), the decline of research into the impacts of wildlife tourism in the Antarctic (Rodger, Moore, & Newsome, 2009), the process of innovation in tourism (Paget, Dimanche, & Mounet, 2010) and the rationalization of Swedish distribution of consumer goods post World War II (Mattsson, 2003). Although Actor-Network studies started out in the sociology of science and technology they have proliferated across disciplines including marketing studies. ANT is not a marketing theory, nor is it a ‘why’ theory, it does not endow the actors with attributes, what it offers is an avenue to answer ‘how’ questions through a vocabulary and a means for making sense of how social ordering is realized and stabilized (Mattson, 2003). It is relational, sociological and concerned primarily with dynamics. In other words, ANT turns the traditional definition of society on its head as it perceives society as what must be held together, not what holds us together (Latour, 1986). Subsequently, ANT’s contribution to the Marketing discipline is as a meth-
odology for the study of marketing systems; how they are assembled, ordered, held together and perhaps, how they may unravel.

Reassembling a Marketing System

A crucial point that must be emphasized from the outset of this discussion is that in spite of the misleading nature of its name, Actor-Network Theory is not a theory. It cannot explain anything. It is a methodology to study how society is ordered, or more specifically, for the purpose of this paper – how a marketing system is assembled. It aims to render fully traceable the means that allow actors to create and stabilize the status quo (Latour, 2005). A marketing system does not simply “exist” out there, it requires the efforts of heterogeneous actors to create and maintain the system that is necessary to facilitate and sustain market exchange. For example, in response to demand from customers to circumvent legal systems and purchase drugs and other illegal goods, in a discrete, untraceable way, The Silk Road website was established. The Silk Road was facilitated by the advent of Bitcoin, a digital peer-to-peer currency that uses encrypted software to establish and sustain a secure network of transactions, operating outside of the existing banking system, controlled collectively by those using the network. The Silk Road linked buyers and sellers in an eBay type marketplace of illicit trade, even allowing customers to rate and review vendors. It is these efforts that ANT is equipped to make sense of by rendering their actions fully traceable. ANT does this by “following the actors themselves” (Latour, 2005). ANT is not prescriptive; it assumes an inexplicable nature of the actor. In other words, it does not seek to explain or anticipate why an actor makes particular choices, but to slowly and painstakingly construct a visible chain of activity that has enabled a marketing system to emerge. ANT attempts to avoid political, moral or ethical judgements (McLean & Hassard, 2004). For the purpose of answering ‘how’ questions about a marketing system, this stance is advantageous.

Human/non-human divide

ANT is based on the premise that the material and non-material divide is artificial. That is, both human and non-human actors potentially have a role to play in the assembly of a marketing system. ANT highlights the agency of non-humans. Whether humans have intentionality and non-humans do not is a moot point in the ANT method (Latour, 2005), however, it is important to recognise that both may have agency. For example, when shopping at the supermarket the process involves both human and non-human actors. As one strolls the brightly lit aisles to select one's purchases, the decision to place some items not others in your trolley or basket can be argued to be made based on needs, past experiences, conversations, and material devices such as brands, weight measures, unit pricing, shelf position and packaging, to nominate just a few possible influences. Each stimulus will not effect every transaction, but they will, in differing constellations affect transactions, shaping how the shopper acts (Law, 1992). By causing another to act in a particular way these non-human objects meet the criteria to be considered an ‘actor’ in the very same way humans do (Latour, 2005). To complete the transaction within our modern context may not even involve a human, but rather an encounter with a non-human, that is a self-checkout kiosk, which may or may not be supervised by a human staff member. Even if one opts for the alternative method that includes a check out machine operated by a person, it would be impossible to complete the transaction without material devices in the form of a cash register, barcodes, currency and perhaps a plastic card rendered currency through an EFTPOS terminal.
Markets are performative

Marketing systems cannot be defined ostensively. They cannot be pointed at with your finger in the same way a cash register or a smart phone may be. Marketing systems are a social aggregate, which belies their performative nature. Effort is required to bring about their existence by an aggregate of actors and their respective relations. A marketing system is both a verb, and a noun (Law, 1992). Which means that no marketing system is ever complete or final, it is contestable and subject to reinvention and failure. The alternative viewpoint perceives a marketing system as possessing inherent properties and characteristics which analysts seek to observe, classify and catalogue the characteristics of.

ANT is a method to understand how organised action came to be, how truth claims are constructed and how incongruent goals are reconciled (or not) (Latour, 2005). The heuristic nature of ANT provides insight into the process or the attempt to construct marketing systems. The emphasis on empirical enquiry requires the researcher to follow the chain of relations among actors. Following actor’s actions through the different stages identifies how different elements are defined and associated to build and sustain the marketing system. This method is adopted rather than imposing a pre-established grid of analysis unit of study (Callon, 1986). The objective is to “explore and describe local processes of patterning, social orchestration, ordering and resistance” (Law, 1992, p. 386).

Tracing a marketing system

A marketing system only becomes visible by the traces it leaves when an association is linked between elements, which may in themselves, be in no way social in the traditional sense. Returning to the supermarket example, this can be evidenced by tracing the aggregate of human and non-humans involved in a shopper’s choice of brown sugar. It seems reasonable to suggest that a shopper may make their choice based on a comparison of the numerous varieties of brown sugar present on the shelf facilitated by the unit pricing measurement device displayed on each price ticket. Drawing on this comparison, the shopper in question chooses to place the most cost effective packet of brown sugar in their shopping trolley with the intention to purchase it. Unit pricing is not a phenomenon one would readily term social, and yet in the example outlined it has determined the action of another and played a pivotal role in a market transaction. Thus, the unit pricing displayed on the price tag in a supermarket is considered an actor as it has determined our shopper’s choice of brown sugar. However, in recognition that marketing systems are heterogeneous and in a perpetual state of creation this may not be the case in every brown sugar transaction.

A marketing system is assembled through a continual process of translation. Translation, refers to the mechanism by which a marketing system takes form and results in a situation where certain entities control others (Callon, 1986). However, before describing the translation process, it is important to articulate three more general findings outlined by Law (1992) and a fourth point from (Latour, 2005). The first concerns durability, that is some materials maintain their effects for longer than others. For example, thoughts are fleeting, however they lose their transient effect if they become embodied in inanimate materials such as text, images, laws or a code of ethics. A pivotal aspect of an ordering strategy is to materialise relations in durable materials (Law, 1992). This is not as uncomplicated as it first appears. It is possible to enact a law prohibiting the use of marijuana in Australia for example, but this is not enough alone, legislation also has a relational element, as a law requires people to abide by it, which is likely to require numerous actors to educate, enforce and sanction the
law. This relational aspect of procedures may be lost with methodologies that view a marketing system as ostensive rather than performative.

The second concern is mobility or methods of acting from a distance. ANT seeks to explore what is involved in the process and materials of communication – electronic and otherwise. That is, the avenues through which there is the potential to transmit orders that cause displacement through transformation or “immutable mobiles” (Latour, 1987). For example, The Silk Road, which linked buyers and sellers from all over the world would not have been possible without the internet, online shopping as an established mode of exchange, Bitcoin as an anonymous currency or encryption software to render the transactions “untraceable”.

The third concern is that translation is more effective if it anticipates the response of the material to be translated. Suggesting that under particular circumstances innovation can have consequences, which if anticipated may increase network robustness. The failure of this is shown by Callon (1986) in his study of three scientists, scallops and the fisherman of St Brieuc Bay. During a trip to Japan three scientists learnt ways to increase the yield of scallops. They brought this knowledge home to France and attempted to apply it to the scallops of St Brieuc Bay, a region suffering from a decline in scallop yield. Anticipating the potential gains, the scientists attempted to establish their knowledge as indispensable to the future longevity of the scallop industry. This position and new order was dependent on the cooperation of the fisherman to cease fishing and the unknowing scallops to act in a similar fashion to the Japanese scallops. Both the fisherman and the scallops, in spite of initial cooperation were ultimately disobliging which, once the shadow of doubt had been cast, led to the demise of the new system the scientists attempted to establish, returning to the previous status quo.

The fourth concern is that marketing systems are not synchronous (Latour, 2005). Every marketing system is comprised of actions that were initiated at different timeframes. For example, an Australian customer, who detailed their purchase from The Silk Road, spelt out the following steps, which occurred over a number of days if not weeks (Barratt, 2013):

- Attended a “CryptoParty” to learn how to use encryption software
- Downloaded Bitcoin-QT, the encryption software that enables one to trade in Bitcoin, which took a few days.
- Purchased Bitcoin with AUD from a seller they met at the CryptoParty
- Browsed The Silk Road for product
- Evaluated the trustworthiness of vendor by reading reviews and ratings posted by previous customers
- Contacted the vendor
- Received a reply from vendor
- Satisfied with trustworthiness decided to purchase from vendor
- Transferred bitcoin from own wallet to The Silk Road wallet
- Entered own name and address to allow purchase to be shipped, opting not to encrypt the information for further protection
- Liaised with the vendor to confirm the product specifications
- Order received
- Finalised order on The Silk Road enabling the bitcoin to be released from the Silk Road to the vendor

Without considering the time lags involved in the invention of the Internet or The Silk Road, the creation of the illegal merchandise or the birth of Bitcoin, this example demonstrates the different timeframes operating within a single transaction. It is important for the
analyst to consider the role of path dependency and the diversity of time frames operating within in a marketing system.

From the examples outlined, one can see that the translation process involves one entity defining relational aspects of another. This is a heuristic practice whereby both convergence and alignment are a possible consequence of negotiation. The process of translation may or may not involve controversy. This process may be ongoing, iterative, disorderly and disjunctive (Latour, 2005). Different parts of actor-networks become harmonious through the process of translation. ANT approaches its tasks empirically, since translation is contingent, local, and variable (Law, 1992).

**Figure 1: An analytical heuristic: The translation process**

1. Problematisation – interests and the roles of actors are defined. These are usually consistent with the initiator.

2. Interessement – emphasizes the existence of links to knit the system together – it involves convincing other actors that the interests defined by the initiators in the problematisation stage, are congruent with their own interests.

3. Enrolment – is the successful achievement of interessement. Enrolment is the realisation of the attempt to establish and align the network.

4. Mobilisation/Dissidence – mobilisation is a process whereby actors advocate for the network. Dissidence occurs when the system is displaced that is, when the process is unsuccessful.

Resistance, endurance and resilience are more easily achieved through the netting, lacing, weaving and twisting of ties that are weak by themselves and the recognition that each tie, no matter how strong, is woven out of weaker still threads (Latour, 2005).
Illustrative case: Illegal online marketplace “The Silk Road”

A cursory sketch of the rise and fall of illegal online marketplace The Silk Road through the four-stages of the translation process provides insight that allows one to observe how the interests of the actors interact and ultimately shape the development of a Marketing System.

The FBI have alleged The Silk Road was launched by 29 year-old, physics graduate, Ross William Ulbricht (alias “Dread Pirate Roberts”) in January 2011 trading until his arrest in 2013. The website subverted many legal systems worldwide by offering its users with a means to directly purchase illegal goods from the comfort and safety of their own homes. The website ideology could be described as the driver of the problematisation process. Interest occurred as the website was established as a secure, anonymous online platform. The Silk Road has been likened to Amazon and Ebay for the distribution of a range of illegal items ranging from drugs and weapons to forged doctor’s prescription pads (Erdely, 2011). Similar to Ebay, The Silk Road operated by linking vendors and buyers online, thus constituting the enrolment phase of translation. The Silk Road allowed users to rate and review vendors, who once having purchased from the site, the seller ships the items directly to their customers through the post using surreptitious packaging. The FBI believe the site constituted over 13,000 drug listings with sales totalling $1.3 billion (Duffy, 2013). The site aimed to make the purchase of its illegal wares as seamless and convenient as any other online shopping experience. The site even offering weekend and Valentines Day promotions to entice shoppers (Duffy, 2012). To shop on the site requires a degree of technical know-how as it could only be accessed via use of TOR software that protects the anonymity of the user. Credit cards were not accepted, the site exclusively using Bitcoin, a virtual currency that masks the purchasers’ identity. The website proliferated as users advocated for the network (mobilisation).

Naturally, the website did not escape the notice of authorities with the FBI describing the site as “the most sophisticated and extensive criminal marketplace on the internet today” (Duffy, 2013). When the FBI swooped in and closed down The Silk Road, trading ceased and the marketing system paused, temporarily rendered impotent, illustrating the “dissidence” stage of the translation process. The response of the system was nimble, when as little as one month after The Silk Roads closure, new websites operating in a similar fashion commenced trade filling the void opened by The Silk Roads demise (Randewich, 2013). Suggesting that perhaps The Silk Road in and of itself is not a marketing system, but is instead a manifestation or emergent practice of an online marketplace for illegal goods, which is in fact the marketing system.

Thus, the emergent practice that was The Silk Road has challenged law enforcement through the establishment of an unlawful online, global marketplace for a plethora of illicit goods and services. Through this process, The Silk Road has undermined national borders and forged new roles for the application of successful marketing processes, technological devices and infrastructure.

Discussion

ANT demystifies the creation of a marketing system by demonstrating it is the outcome of a network acting to materialise a status quo, which is not finite. Our society is largely increasing in technological sophistication, which is enabling humans to act and interact in
new and often surprising ways. The Silk Road is an illustrative example of the complex web of human and non-human relations that constitute a marketing system today. It is a manifestation of technological and entrepreneurial acumen that for a time subverted numerous legal systems and national boundaries in the pursuit of linking buyers and sellers irrespective of the criminal nature of this pursuit. The combination of traditional marketing practices and a sophisticated technological enabler resulted in an extremely profitable business venture with tragic and finite consequences for some customers (Duffy, 2013). This shift in practices cannot be ignored by the scholarly community but requires new tools to trace, explain and understand. However, in the attempt to understand a phenomenon, how far should one go in “following the actors”?

Boundary definition is not a problem unique to marketers, Jackson (2007) stated that markets have always been central to economics, yet they remain strangely ill-defined and amorphous. Two critical questions are: where to begin a study of the organization of a marketing system? And, where to exit? The literature directs one to “follow the actors”, which raises the issues of what if the events proliferate without a clear endpoint? What if the actors go to places where one is unable to follow? Where interactions have left no discernable traces? The concept of a system is unbounded in the sense that judgements are made about what is included and excluded to reach a minimum threshold to generate understanding of the social processes of the community (Shultz, Burkink, Grbac, & Renko, 2005). The precarious process of boundary selection involves two processes, that is, inclusion and exclusion. Naturally, exclusion emphasizes what is not included in the foci of the marketing system, while inclusion requires one to consider the connections that constitute the system, mindful of the paradox that they will inevitably connect with the outside world that has been excluded from the foci (Callon, 1998). Although ANT is not able to resolve the issue of boundary definition, it offers a new perspective, suggesting that the researcher focus in on the events and the “moving parts” that are determining and perpetuating those events irrespective of predetermined or existing boundaries such as national or organisational borders.

ANT as a methodology for the study of marketing systems has a number of implications. First, it moves towards resolving boundary definition issues as it no longer requires the researcher to determine boundaries, but to instead focus their efforts on tracing the connections of the marketing system, engendering greater understanding of the processes that have created and sustain the structure, functioning and outcomes. Second, the actors constitute both the human and non-human, which as demonstrated by the examples includes: technological, natural and material devices. Actors are not static or fixed, but may change and be changed through their relations with other actors. Third, recognising the performative nature of marketing systems infers that the relevant actors are continuously acting to construct and materialise the marketing system and any shift or change may fundamentally alter the nature of the marketing system. Finally, that marketing systems are a mosaic of relations, formed as a consequence of repeated relations striving to make interactions stable and predictable. The analysis of Marketing systems through the stages of translation is essential for future theory development and understanding of the mechanisms acting in the creation, organisation and change of Marketing systems.

Conclusion

Reassembling marketing systems using ANT illustrates the necessity for Macromarketing scholars confronted with increasingly complex phenomena to be attuned to the heterogeneous web of relations that create a marketing system today. As demonstrated by the ex-
amples throughout the paper, marketing scholars cannot avoid eradicating the human and non-human divide when analysing phenomenon involving the non-human (for example, technology and the environment), for a more accurate depiction and explanation of the subject matter at hand. Considering marketing systems as performative brings to focus that a marketing system is an action constituted of organisational arrangements, power relations and flows of information that are the uncertain consequences of assembling heterogeneous materials (Law, 1992). The emergence of online technology has had a profound influence on marketing practices and in the case of The Silk Road has allowed the escalation of illicit trade to a grand scale. Increased connectivity and relative ease of distribution undermines national borders mounting a palpable and significant challenge to policy makers and law enforcement agencies. Framing analysis of The Silk Road from a Marketing System perspective brings attention to the mechanisms that facilitate the linking of buyers and sellers as well as the implications for the actors involved. Adopting a performative perspective is argued to help future researchers and policy makers denaturalise the phenomena to more readily recognise the complex nature of a marketing system and the disparate and aligned goals and actions of actors that converge to allow the emergence of a marketing system. This short paper is an attempt to sketch a case study to bring to the surface the practical problems we face as national borders blur, technology increases in sophistication, presenting new opportunities for illegal activity, heralding different challenges for law enforcement. Further work in this area may assist the development of theory and policy responses to the challenge of online, illegal marketplaces.

References


Grounded Theory as a Macromarketing Methodology: 
Critical Insights from Researching the Marketing Dynamics of Fairtrade Towns.

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This paper aims to detail and justify the application and suitability of grounded theory to conduct research into two neglected macromarketing successes, Fairtrade and Fairtrade Towns. The paper outlines a comprehensive overview into the chosen processes and application of grounded theory to research the marketing dynamics of Fairtrade Towns. It presents critical insights from a qualitative research process that moves beyond micromarketing perspectives related to individual consumer behavior into commercial marketing and consumption functioning at the level of a geographical community. The insights generated in this paper demonstrate grounded theory as a highly suitable, yet underused, research approach to understand macromarketing phenomena. It suggests that using grounded theory as a research methodology can prove valuable in bringing academic rigour and confidence to emerging macromarketing themes. Grounded theory subsequently is argued as capable of producing macromarketing theory that portrays a very accurate description of the reality it sets out to represent.

Introduction: Fairtrade and Fairtrade Towns, Two Neglected Macromarketing Successes?

Fairtrade has been one of the key marketing success stories of recent decades. It progressed relatively rapidly from a fringe activity involving inferior products being marketed to highly motivated consumers, via obscure channels, on a ‘solidarity’ basis, to a key feature of the marketing offerings of global brands such as Starbucks, Nestle and Cadburys (Golding and Peattie 2005). It is also undeniably a macromarketing success story. Fairtrade strongly reflects each of Hunt’s (1981) core dimensions of macromarketing. It represents a marketing system as an entire production and consumption system in which the final appeal to the consumer is based on the way in which the product has been produced and traded, and the promise of producer communities benefitting from a ‘fair’ price for the original commodities. It demonstrates the impact and consequence of marketing systems on society, although unusually that impact more relates to society in terms of producer communities rather than the society in which consumption takes place. Through the Fairtrade standards’ provision to pay farmers a living wage, ensure investment in producer communities and protect the local environments in which production takes place, it is a form of marketing with a very strong degree of direct social benefit beyond the economic supply chain. It represents a key example of the type of micromarketing processes applied to tackle macromarketing problems described by Kotler at al. (2006). Finally, it also demonstrates the impact and consequence of society on marketing systems as growing consumer demand for fairly traded products has pushed mainstream manufacturers to adopt Fairtrade sourcing and marketing. The most obvious example of this perhaps being Starbucks succumbing to social pressure to adopt Fairtrade sourcing instead of its own Café Standards system of farm accreditation. Fairtrade also touches upon three of Layton and Grossbart’s (2006) twelve key future research challenges for macromarketing concerning, the nature and roles of marketplaces; marketing and global
development; and marketing and adaptive efficiencies of societies and regions. However, despite its macromarketing relevance and its role as a macromarketing success story, Fairtrade remains under-represented in the literature, with only two papers explicitly focused on Fairtrade published in *Journal of Macromarketing* (Beji-Becheur et al. 2008; Golding 2009).

Although the Fair Trade Movement is over 40 years old, the Fairtrade Towns initiative only began in September 2001 with the accreditation of Garstang in the UK as the world’s first Fairtrade Town. Since then the number of countries and towns involved has grown rapidly (Lamb 2008) to reach 573 accredited Fairtrade Towns by November 2013 (Fairtrade Towns 2013). Despite this rapid growth in numbers, and growing acceptance of Fair Trade generally, Fairtrade Towns’ role in promoting and developing Fairtrade consumption remain under-researched and relatively poorly understood. Fairtrade towns are also interesting from a macromarketing perspective because they represent an approach to commercial marketing and consumption that is developed at the level of a geographical community. Community based consumption is clearly of interest to macromarketers as it takes us beyond micromarketing perspectives and the narrow relationship between the producer and the individual consumer. However, such consumption and marketing (as opposed to community based social marketing, or marketing to communities of interest) again has rarely featured in the *Journal of Macromarketing*.

This study reflects a PhD research journey, which began at a time then there was no existing empirical research or data devoted to the the Fairtrade Towns movement. Most of the available information derived from event promotion and public relations campaigns from the Fairtrade Foundation and early Fairtrade Town groups. This was distributed electronically or via local or regional newspapers. An extensive literature search revealed only a limited amount of academic discussion and subsequent discourse dedicated to the subject. It was clear that the Fairtrade Towns Movement was an unsuitable subject for research using deductive methodologies, as there could be little confidence in the results of any hypothesis testing or deductions derived from such a limited knowledge base of mostly non-empirical findings.

Given the absence of pre-existing ‘rich data’ (Strauss & Corbin 1998) and empirical knowledge to work with, a Grounded Theory (GT) approach was chosen as a suitable methodology for this study. Subsequently the study critically reviewed in this paper followed the interpretivist belief that empirical knowledge from those involved held the epistemological key to understanding the Fairtrade Towns movement’s marketing dynamics. Therefore, the study concerned itself with exploring the social world of the Fairtrade Towns movement through the eyes of many of the stakeholder groups involved in its construction. This was achieved by capturing qualitative data from the ‘insiders’ social situations, views, motives, interactions, interpretations and everyday actions (Blaikie 2000). The insights generated by this research not only shed light on Fairtrade towns as a macromarketing success story, but also on GT as a highly suitable, yet underused, research approach to understand macromarketing phenomena. It is this second set of insights that this paper seeks to reflect upon (since the former insights are the focus of other papers).

**Grounded Theory: Underused in Macromarketing?**

GT, developed in 1967 by Barney Glaser and Anselm Strauss, has become one of the most widely used qualitative research methods (Strauss & Corbin 1998; Bryant & Charmaz 2007), employed across a range of academic disciplines. As emerging areas of study are afforded limited opportunity of starting from a given theoretical perspective, GT’s value comes
from its central principle of deriving theory from data that is ‘systematically collected and analysed throughout the research process’ (Strauss & Corbin, 1998. 12). Strauss & Corbin (1998) argue that because GT formulates theory directly from the research data, it offers ‘clarity of insight’ into new and only partly understood phenomena.

GT was originally developed as a specific and detailed methodology involving both an underlying philosophy and a distinct set of activities. How much of the philosophy and how many of the activities a given researcher applies, appears to vary in practice. Whilst some studies represent a ‘formal’ or more ‘textbook’ application of GT, others only adopt certain elements to inform and enrich differing types of enquiry. In relation to the field of macromarketing, GT remains a curiously under-used methodology. The under-use can be demonstrated from a search for references to the methodology in past issues of the Journal of Macromarketing. Of the eleven papers that refer to it, most do so implicitly through a reference to a GT based source when discussing phenomenological research in general, with one paper (Harker & Harker 2000) describing the GT approach as guiding the data analysis in the study. None approach the ‘formal’ application of the methodology. That this underuse is curious reflects the apparent suitability of GT for macromarketing topics. Macromarketing concerns the intersections between society and marketing, which inevitably involve complex stakeholder relationships and the need to consider many variables at the same time. This makes the type of model building and testing so popular within micromarketing consumer research less useful in such contexts. As Valor (2007) notes in relation to ethical consumption, the additional layer of complexity introduced by ethical dimensions of purchase behavior, and the tendency of quantitative studies in the field to provide contradictory results, make GT an ideal approach to understanding what is actually happening. The research reported in this paper reflects an attempt to follow GT as closely as possible to the spirit of Glaser and Strauss’s original vision, subject to circumstances and the specific procedural demands of undertaking academic PhD research.

Context to Application

GT as a methodology has not developed without controversy, particularly in relation to the analysis of data. One result of this controversy was an infamous split between the two founders of the technique (Goulding 2002). This led to two schools of GT research evolving: the original or ‘formal’ GT associated with the early work of Glaser and Strauss (1967) and further developed by Glaser (1978; 1998) and therefore often termed ‘Glaserian’ or ‘formal; and alternatively the ‘Straussian’ approach, which follows the later ideas of Strauss & Corbin (1998). These move GT away from a very exclusive focus on the data to develop more of a balance between data collection/analysis and formal theory building (Walker & Myrick 2006).

Accepted wisdom is that a researcher should choose from one of the two GT schools of thought for their research. However, more experienced researchers can recognize that the choice between a Glaserian, or Straussian approach as a false choice. Although there are technical differences in the way each form approaches the collection and coding of gathered data, as documented by Walker & Myrick (2006), many of the perceived differences appear to reflect subtle nuances of language more than substantive differences in application. A pragmatic approach to GT can allow a researcher to develop their own hybrid model that incorporate elements of both schools in order to suit the researcher’s subject, its particular challenges and other parameters (primarily time, logistics and resource limitations). Despite GT’s highly specified processes, this paper proves it can be more pragmatically adapted and ap-
plied. Such pragmatism it is argued allows the researcher to consider and choose the appropriate theoretical perspective, data collection techniques, coding paradigms and theory development mechanisms that best suit their research subject. Pragmatism and a hybrid approach also allows the researcher to cope with the constraints of limits of time, resources and access to key individuals and organisations which are inevitable in real-life research situations and make a very 'pure' and formal application of Glaserian GT difficult.

One constant perspective across the different conceptions of GT, is the necessity to view data collection and analysis as one and the same thing:

‘Both Glaser’s and Strauss’s versions of grounded theory use coding, the constant comparison, questions, theoretical sampling, and memos in the process of generating theory. Moreover, both versions adhere to the same basic research process; gather data, code, compare, categorise, theoretically sample. Develop a core category, and generate a theory.’ Walker & Myrick (2006.550)

This process formed the backbone of this research project. At the outset, the study took an ontological stance, recognising that the most appropriate way to unearth the marketing functions and dynamics of the Fairtrade Towns would be to glean detailed insights into the behavior, opinions and functions of those people engaged in the movement. It was the belief that this approach could generate data that resembled thick biographical interpretations of the lived experiences of the people actively involved (Denzin 1989; Vidich & Stanford 1998). The combined objectives and unique state of play regarding the limited epistemological development of this subject suggested a valid study would require a pluralistic nature of enquiry in order to have suitable triangulation of data. The pluralistic approach deployed, applied multiple research strategies and perspectives through ethnographical participation in a Fairtrade Town group and semi-structured interviews of participating Fairtrade Town activists from around the UK. In addition to the study drawing data from these two key research sources (over a 4 year period), it also became increasingly important to consider other serendipitous moments of data collection (Glaser 1998) and their ability to augment the study. For example during the course of this investigation the opportunity arose to spend three days in Garstang with the original founder of the Fairtrade Towns movement, which additionally provided a wealth of relevant rich data. Figure I: (Fairtrade Towns: Using Grounded Theory) illustrates the use of GT in this study and demonstrates how the methodological process acquired data from several sources, all of which were significant in considering ‘what is happening here?’ It additionally identifies the evolving process of the methodology and the different coding paradigms used at different stages of the investigation.

**Fig I: Fairtrade Towns: Using Grounded Theory**
The research followed the 'central feature' of GT, by making every effort to synchronize data analysis with data collection, thereby facilitating sequential advances in data collection and analysis at each stage of the process. This subsequently informed the study about what questions needed to be asked and to whom (Duffy et al., 2002) at the next stage of the investigation, whilst continually developing emerging concepts and theories along the way.

**Pluralistic Methods: Ethnographical Participation and Semi-structured Interviews**

GT, and its need to acquire 'rich data' that reveals participants’ views and actions (Charmaz 2006), comes with an acceptance that everything learnt in the research field can be classified as data. Such an acceptance, Glaser & Strauss (1967,161) suggest, 'extends the range of qualitative serviceable data,' offering researchers the opportunity to introduce flexi-
bility (if necessary) and to use mixed data collection methods. Attempts to follow Glaser & Strauss’s (1967) lead and extend the qualitative data available for this study influenced a pluralistic approach to the methods pursued, whilst also allowing for serendipitous opportunities to augment the study’s rigour.

Inductive qualitative researchers mostly rely on interviews and observation which are perceived as the most useful in understanding human interaction in a variety of contexts (Stern 2007). Literature dedicated to GT takes this for granted, and its guidance and conceptualization generally refers to data derived from interviews, see for example the practical ‘how to do’ publications of Strauss and Corbin (1998), Charmaz (2006) and Goulding (2002). The research for this study, following a theoretical perspective of symbolic interactionism, followed Blumer (1969.39) who suggests that the researcher who participates in the social setting being researched will ‘have greater knowledge of it:

‘The task of scientific study is to lift the veils that cover the area of group life that one proposes to study. The veils are not lifted by substituting, in whatever degree, a pre-formed image for firsthand knowledge. The veils are lifted by getting close to the area and by digging deep into it through careful study. Schemes of methodology that do not encourage or allow, betray the cardinal principals of respecting the nature of one’s empirical world.’

The research methods chosen recognised the need to get involved and capture ‘what is happening’ from biographical interpretations from those involved. The process of data collection involved four stages as detailed in Figure 1:

1. Ethnographical participation in the Carmarthenshire Fairtrade Town Group;
2. Pilot semi-structured interviews others involved in that Group
3. Semi-structured interviews of people involved at the ‘grassroots’ of the Fairtrade Towns movement
4. Semi-structured interviews and narrated tour of Garstang by the Fairtrade Towns’ Founder.

**Ethnographical Participation**

Despite the dominant research method in GT being interviews, as reflected in numerous studies and practical guides such as Strauss & Corbin (1998), and Goulding (2002), GT in fact has ethnographic roots that lie in a 1965 study of death and dying undertaken by Glaser and Strauss (Morse 2009). Ethnography for this study took its lead from Bray (2008) who suggests that the ethnographical approach to data collection attempts to understand behavior from within its naturalistic habitat, helping to interpret how people give meaning to experiences within society ‘as it is.’ Since the marketing of Fairtrade products through a Fairtrade town involving a multiplicity of stakeholders, it is difficult to fully understand without becoming involved. Over three years this study involved ethnographical participation in the Carmarthenshire Fairtrade Town Steering Group, recording its ‘life’ through participation and observation (Charmaz 2006). Participant observation, DeWalt & De Walt (2002) argue, is the main data-collection technique used in ethnographic research and requires the researcher’s involvement within the community’s natural environment over an extended period of time. During this three year period, the research process involved going ‘native’ and positioning oneself within the social process of the group. This was to view the empirical world from experience as opposed to mere observation. Therefore, just as Blumer (1969.38) posits; ‘the
empirical social world consists of ongoing group life and one has to get close to this life to know what is going on.’ This study therefore aimed to see the actions of the steering group from within. Researching people in their own space and time, Rainbow & Sullivan (1987) suggest, helps the researcher gain a close and intimate familiarity with the people involved and their functions and dynamics. Ethnographical participation in a Fairtrade Town therefore, helped to develop an understanding from within of how and why people in a Fairtrade Town construct meaning and formulate actions to promote Fairtrade consumption.

A point of capture, planning and reflection for all activities was the Steering Group meetings which were usually held bi-monthly. These meetings acted as the main source of data for the first part of this study, where a reflective journal was completed that aimed to document ‘what was happening there’ Charmaz (2006.21). These reflective journals were additionally augmented by observations and field notes taken when actively engaged in community events or other activities such as market research that the steering group organised.

Whilst it would be wrong to suggest that the field notes collected at this stage show evidence of becoming progressively focused on key analytical ideas, it should be recognised that data analysis through open coding did. Following the suggestion of Charmaz (2006.25) this study’s application of GT therefore aimed to; ‘seek data, describe observed events, answer fundamental questions about what is happening, then develop theoretical categories to understand it.’ Whilst it is recognised that this process demonstrated its suitability to the research question and the methodology, limitations of the method increasingly emerged during the three year process. Firstly, the limited times and places available in which to immerse oneself in the activity (mostly confined to steering group meetings) resulted in data that was, in essence, interpreted through one’s own lens and from one case study. The resulting indications suggested that the data struggled to claim that it always saw things ‘from the perspective of others’ (Crotty 1998.76). As Vidich & Stanford (1998.78) argue, ethnography becomes regarded as a ‘piece of writing’ and as such, it struggles to either present or to represent an ‘unfiltered record of immediate experience and an accurate portrait of the culture of the “other.”’ Secondly, the fact that data codes were unable to justify a desired state of theoretical saturation meant the research process needed to stay in the field and glean additional data taken directly from the perspective of others.

Using an ethnographical research method for this study eventually helped to develop the initial codes (both line-by-line and focused) and core categories that were used to inform the research process of stages 2 and 3 of the investigation. It enabled the research process to eliminate the potential threat of the researcher entering the interview stage with a poor understanding of participants’ (those active in the Fairtrade Town movement) frames of reference. Having participated in the movement over a period of time ensured an understanding of its cultural paradigms, language and belief systems. This was subsequently valuable to both inform the question design and analysis for the following stages of the research process. Ethnographical participation as a research method for this study not only showed its strength in being able to knit together the theoretical perspective of symbolic interactionism with the methodology of GT, but additionally acted as a means of enculturation into the Fairtrade Towns movement. Such enculturation is potentially valuable in macromarketing research which often concerns the intersections between marketers and marketing and other social institutions or social systems (e.g. religious or political) and particular groups of people (Layton and Grossbart 2006). Ethnographic involvement with such institutions or groups can pro-
vide an understanding which more arm's length or short term interactions is unlikely to pro-
vide.

The methodology therefore helped guide both the research process and hermeneutic analysis of data generated from subsequent semi-structured interviews in the later stages of the study. As Strauss & Corbin (1998) note, the best approach to designing interview questions is to let them be informed by preliminary field work.

**Semi-Structured Interviews**

The second and third phase of the research methodology used open, semi-structured interviews. The resulting codes and key areas from ethnographical participation data analysis that were identified as key to unlocking the topic, were used as a basis upon which questions were designed. The aim was to take the interviewees through a process that sought to add more depth to the data gathered from ethnographical participation. Interviews were set up to enable participants to talk freely about the relationships that existed between the individual, the steering group, the Fairtrade Foundation and their town as a ‘place.’ Semi-structured interviews allowed respondents the freedom to contextualise their own lived experiences of the marketing of their Fairtrade Town, whilst keeping them focused and steering them away from considering their personal interaction with the wider Fair Trade movement. The interviews used open-ended questions to draw as much narrative from the interviewee as possible. The questions followed the recommendations of Charmaz (2006) who suggested they must ‘explore the interviewer’s topic and fit the participant’s experience.’ The wording of each question sought to enable the interviewees to express themselves in a variety of ways, with the specific intention of allowing them to reflect upon their complete phenomenological experiences of participating in a Fairtrade Town. For example, both Charmaz (2006) and Strauss & Corbin (1998) advocate the use of questions that create an unstructured interview and suggest questions should act as general guidelines only. To achieve this, they suggest questions should begin with terms such as ‘tell me,’ or ‘what happened,’ (Strauss & Corbin 1998) ‘could you describe,’ ‘how did,’ and ‘what do you think,’ etc. (Charmaz 2006.30-31). Questions designed in this way helped to ensure that data gathered built a rich picture of the ‘participant’s views, experienced events and action’ (Charmaz 2006. 29).

Semi-structured interviews gave the research process a suitable degree of flexibility to explore and probe further discussions that were generated during the interviews. Whilst the process entailed entering the interview with a list of predetermined questions, no one interview was the same as the method allowed questions to be omitted, their order to change, and even new questions to emerge in the form of further prompts (Duffy et al., 2002). This ensured that the maximum data on specific areas identified as important when attempting to capture ‘what is happening’ in the Fairtrade Town, could be explored in more depth and was not restricted to superficial, under-saturated responses.

**Theoretical Sampling and Saturation**

GT calls for a different sampling approach to traditional qualitative research methodologies. It argues that data gathering should be driven by the evolving theory that results from constantly comparing data at each stage of collection (Draucker et al., 2008). By viewing data collection and analysis as one and the same thing, the process will tell the researcher who to interview and where to go next (Strauss & Corbin, 1998). In the spirit of letting the data talk, theoretical sampling was used, not only as a guide to the type of questions that needed to be
asked, but also to inform the researcher of who to interview next. It therefore offered an inductive sampling technique that helped the research process to demonstrate confidence in where to glean data from that was necessary to develop the emerging theory (Strauss & Corbin 1998). Warren (2002:87) identifies this as theoretical sampling carried out through the ‘snowball process’ that locates one respondent who ‘fulfils the theoretical criteria,’ and then helps the interviewer locate others. This approach led to the application of theoretical sampling through the trajectory of how the research participants informed the research sample. For example, it demonstrates the Garstang group identifying Keswick as an example of a very pro-active Fairtrade Town and recommendations during the interview stage to interview a member of this town’s steering group were made. This, as part of the theoretical sampling method was subsequently followed up. The strength of this approach lies in its ability to let the interviewee, and therefore participant in the movement, inform the research process of where to go next for the richest possible data. By using this process, the data becomes part of the sampling technique and, in the true essence of GT, helps further validate any theory derived from the data, as even the process of sampling is handed over to the participants of the Fairtrade Towns movement. Therefore, this study’s application of theoretical sampling additionally ensured that any resulting theory was grounded in the social context of the participants’ world (Blumer 1969).

The process of data collection ends when no new information is being gleaned and no new core categories, or relationships between them and their context, are emerging (Strauss & Corbin, 1998; Locke, 2001). In GT, this point is termed ‘theoretical saturation’ (Strauss & Corbin, 1998) and should inform the researcher when their field work is complete. For this study, the research process attempted to stay as true as possible to the purist principles of GT, letting the data guide the research. The process of theoretical sampling played out, perhaps not in the purist format which would have called for a much longer ethnographical timeframe and a focus that was unattainable, but in the way open questions were designed and asked. The interview therefore, generated dialogue ‘from experience’ capturing relationships between conditions, consequences, actions and interactions in the process of establishing a Fairtrade Town. This dialogue became what Denzin (1989:32) describes as ‘thick interpretations’ that provided rich biographical data that further augmented/eradicated or developed new codes and core categories upon which theory was developed. This enabled a systematic investigation of both the people and symbols that would come to represent ‘theory’ when conceptualizing the marketing functions and dynamics of the Fairtrade Towns movement.

In this study, theoretical saturation for some aspects of the data started to occur early on in the process. Just as Glaser & Strauss (1967) suggest, theoretical saturation arrived via joint collection and analysis of data. Line-by-line coding, constant comparison and free style memo writing confirmed this, with full saturation for all questions becoming evident around the eleventh interview. At this stage the research process was witnessing similar answers over and over again; answers that were also supported by data derived from the ethnographical stage of the research process. For example, the importance of schools and young people was a constant and the use of one’s own social capital and networks appeared to be a ubiquitous process in Fairtrade Towns with everybody expressing this process directly or indirectly. These forms of qualitative saturation led to what Glaser & Strauss (1967.61) interpret as an ‘empirical confidence’ in the data’s ability to fully validate, explain and conceptualize the core categories formed. Having the confidence to finish the data collection process did, however, prove to be unnerving in practice. The conventional research ‘norm’ of identifying a certain sample size necessary to give clarity to the data, and the belief that each new interview will bring up new issues to explore, combined to prevent the researcher from taking a
decision to finish. This study as a result, probably undertook three more interviews once saturation point had been reached, more due to the researcher’s insecurity than to academic necessity.

Data Process and Analysis

In the true spirit of GT, further attempts to try to stay as close to the data as possible were also demonstrated in the coding process. Despite the potential of software such as NVivo and MAXQDA to help code and analyze qualitative data, a decision was made to complete the process in person and by hand as recommended by Glaser (1978.59) who states ‘always code your own data.’ This process enabled the researcher to code data immediately after transcription reducing the possibility of forcing and fitting data into preconceived categories. Coding by hand enabled the process of data analysis to stay fluid and iterative helping to continually form, merge and discard categories and codes upon which the GT for this study was built.

Coding For Theory

The process of data analysis in GT offers an array of procedures to choose from. Despite highly specified procedural routes presented by some, a more pragmatic adaptation can be applied, as was the case for this study. Pragmatism allowed the researcher to consider and choose the appropriate coding paradigms and theory development mechanisms that was felt best suited the study.

Data analysis in GT involves a set of coding processes that begins with ‘open coding’ (Walker & Myrick 2006; Goulding, 2002). This allows concepts to be identified by breaking down data into ‘distinct properties and dimensions’ (Strauss & Corbin 1998; Goulding, 1999). For this study, open coding took the form of line-by-line coding, analyzing each line of data by asking the key GT question, ‘what is happening here?’ (Strauss & Corbin, 1998). Just as Goulding (2002.76) suggests, every line of the transcribed data was searched for ‘key words or phrases’ which gave some insight into the marketing dynamics of the Fairtrade Towns movement. This process ensured a critical perspective on the analytical process of both data collection and analysis. It also helped, as Charmaz (2006) suggests, to unleash the shackles of being too immersed in the respondents’ world so as to accept it without question. The benefits of this form of coding also helped conceptualize and classify events, acts and outcomes and the subsequent codes and categories that emerged to become the root and branch of the developed theory. As Strauss & Corbin (1998.66) argue:

‘Doing line-by-line coding through which categories, their properties, and relationships emerge automatically, takes us beyond description and puts us into a conceptual mode of analysis’

The next step followed was ‘focused coding,’ this helped ‘condense’ the data in order to be able to comprehend the data as a whole by constantly comparing experiences, actions and interpretations across all data sets collected (Charmaz 2006). Focused coding helped the research process conceptualise how previous line-by-line codes relate to each other (Strauss & Corbin 1998; Glaser 1978; Charmaz 2006). For example, focused coding demonstrated how several line-by-line codes were identified as synergistically linked to the use of individuals’ social connections as imperative to the process of lobbying as a marketing tactic. In addition to focused codes, the production of ‘memos,’ as described by Glaser (1998), played a key role in facilitating the evolving process of data collection, analysis and theory building. Memos were used to capture thoughts, facilitate contrasts and identify connections within the
data (Charmaz 2006). Such memos, created after each stage of data collection and analysis, offered the researcher the ability to transform both field notes and codes into theoretical accounts of what is going on (Montgomery & Bailey 2007). Memos therefore became the bridge between data collection, analysis and draft writing and helped to initiate data analysis and coding throughout the research process (Charmaz 2006). Combining the coding process with memos under the overarching principles of the constant comparative method of data analysis helped to provide validity in the conceptualisation process.

Pulling together all the data strands (data codes and memos) of a study helped to produce a holistic depth to the research output and facilitated the production of accurate ‘core categories.’ Glaser (1978) indicates that theory is generated around core categories and Holton (2007) indicates that their primary function is to integrate theory and ‘render it dense and saturated.’ Core categories therefore conclude the process of data analysis by generating core variables (Holton, 2007) upon which emergent GT can be inductively conceptualized with confidence (Dey 2007; Hallberg 2006). This process allowed for differing perspectives to emerge and, as new data was interpreted, it served to change, augment or even discard previously constructed codes, core categories and the subsequent conceptualised theory. The sequential nature of this study in collecting and coding different data sets iteratively produced a set of three core categories around which the generation of theory could then be built (Glaser, 1978; Strauss & Corbin 1998):

- Pressure and support
- Marketing through the pluralities of place
- Validity

The development of each of these core categories required the judgement of ‘the theorist,’ who in this case was the researcher (Dey 2007.111). This judgment was based on core categories being chosen for their credibility and ability to encapsulate the large variety and quantity of empirical data collected and analyzed during this study (Locke 2001). Therefore, each core category was conceptualized or named to represent, what Strauss & Corbin (1998.121) outline as, ‘the variations in data by grouping similar items according to some defined properties.’ The suitability and subsequent naming of each core category showed respect to the recommendations of Dey (2007) who, based on the work of Glaser (1978), suggested that core categories must be central, stable, complex, integrative, incisive, powerful and highly variable. Day’s suggestions can be seen in the conceptualisation of core categories for this study that display evidence of:

[1] Conceptualising the variations of data relationships and recurrent patterns under one statement showing complexity and variable sensitivity in saturation
[2] Being incisive when setting out the implications for developing theory
[3] Being powerful enough to analyse and draw inclusive conclusions

**Reflective Overview**

Throughout this study, GT as a methodology juxtaposed fear and confusion with clarity and confidence. GT’s fractured epistemology, conflicting applications, and its necessity for data collection and analysis to be viewed as a single activity, led to difficult decisions at the
very start of the research process. To fit the restrictive conditions of this investigation, a pragmatic hybrid approach to GT was necessary, requiring confidence that its application could provide the academic rigor necessary to defend the resulting research outputs. As the study took a sequential approach to data collection, the data gathered and systematically analyzed at each stage of the process naturally fed into the next, (see Figure I). Core categories and theoretical developments were continually constructed from a systematic, interconnected (staged) nature of enquiry until theoretical saturation was reached. Theory was therefore inductively constructed from a block-by-block (data set by data set) conceptualization of a socially constructed reality that captured the lived experiences of those actively engaged in the Fairtrade Towns movement. This paper has outlined the justification and use of GT as a valid methodology to explore an emerging theme of the marketing dynamics of the Fairtrade Towns movement. The experiences, conflicts and dilemmas experienced have highlighted a number of key issues that could prove to be relevant when considering its suitability, application and rigor within this field of research and other key spheres of macromarketing. The ethos of GT is based on the assumption that theory is inductively produced from data and as a result, when conceptualized, can portray a very accurate description of reality. This ideology and the process of coding provided the researcher with two key reassurances of the validity of the resulting theory:

1. The development of theory is embedded in the research process and can therefore be traced directly back to the data collected.
2. Theory is not presented as a personal interpretation of reality; it is socially constructed from the people and processes that have been investigated.

As this Fairtrade Towns study started from a basis of very little (if any) academic knowledge about the subject, knowing how to develop an appropriate enquiry that asked the right questions, of the right people, and reviewed the appropriate literature, was challenging. GT helped to overcome these challenges by directing the research and helping to construct appropriate questions, identifying who to interview and what bodies of literature to consult. In relation to Fairtrade towns, the stakeholders with a direct involvement in the marketing processes involved retailers, local government offices, NGO representatives, educational institutions, social enterprises, civic institutions and consumers representing exactly the type of complex multi-stakeholder context that makes macromarketing phenomena challenging to research, and that makes GT a highly suitable methodology (Valor 2007).

The methodology’s encouragement to use serendipitous moments of data collection also played its role by allowing the inclusion of key sets of data that augmented the theory developed. When researching emerging disciplines, having a clear data collection research path at the start of the process can potentially limit the investigation. GT in this case provided both direction and flexibility in data collection which helped to construct a saturated picture of what was happening. Such direction and flexibility in data collection is invaluable when conducting research into embryonic and rapidly emerging phenomena. This is certainly the case for many macromarketing topics. As Shapiro (2006) notes, macromarketing remains the primary pursuit of a relatively limited number of academics. For macromarketing scholars sufficient theory may not pre-exist to allow them to follow their micromarketing peers in building and testing models of marketing processes with any degree of confidence. GT provides a methodology through which that initial theory can be generated in a rigorous way.

Data analysis in GT is dependent upon the process of coding. The systematic application of different coding methods takes time and practice to understand and effectively apply.
However, the ability of coding to provide an analytical process that developed theory directly from data, inspired confidence in the resulting research outputs as a clear systemic path to its development could be traced back to the original data collection which ‘let the data talk.’

This GT study systematically generated theory from data that were collected directly from ethnographical participation and semi-structured interviews with people engaged within the appropriate social setting of a Fairtrade Town. The resulting process and theory developed, demonstrates the application of theoretical sensitivity in two ways. This study was classified from the start as an emerging area of research activity that had very little, if any, predetermined theory that could influence the research process or subsequent theory developed. This situation meant that even the conceptual framework for the study was itself inductively produced as part of the research methodology. Both these situations suggest that the study’s application of theoretical sensitivity was a default position from the outset. As Glaser (1978.2) posits:

‘The first step in gaining theoretical sensitivity is to enter the research setting with as few predetermined ideas as possible especially a logically deducted prior hypothesis.’

Additionally, Walker & Myrick (2006.552) suggest that Glaser’s belief that ‘sensitivitiy is attained through immersion in the data’ allows the research process to analyze data directly from ‘what the subjects themselves are saying,’ Glaser (1998.50). This study’s determination to inductively build ‘up’ theory from within the Fairtrade Towns movement is indicative of its desire to apply theoretical sensitivity in its approach. In addition, the documented application of combining data collection with data analysis to generate core concepts through the activity of open and theoretical coding also demonstrates the traceability of generated theory right back to the participants of the Fairtrade Towns movement, therefore demonstrating the generation of theory from the data itself. These reassurances are significant when researching emerging disciplines as research outputs generated under these circumstances need additional validation and demonstrable rigor to be academically accepted.

References


Marketing & psychoanalysis

Chairs: Robert Cluley & John Desmond

Session 10c – Friday 4th July, 2:00pm

Games people play with brands: Transactional analysis and the market
Mike Moleworth, Rebecca Jenkins, Georgiana Grigore

The personality continuum
Paul Albanese

Subverting and the uncanny
Alan Bradshaw, Will Large

Confronting the abject in retailscapes
Andrea Davies, Pauline Maclaran, Elisabeth Tissier-Debordes
Games People Play with Brands: Transactional Analysis and the Market

Mike Molesworth, University of Southampton, UK
Rebecca Jenkins, Bournemouth University, UK
Georgiana Grigore, Bournemouth University, UK

In this paper we consider how Transactional Analysis (TA) may contribute to our understanding of the relationships that individuals have with brands and the organisations that manage them. We suggest that TA allows for new interpretations of important concepts in branding such as loyalty, brand switching, and identity work and in doing so tells us something new about the role of brands in peoples’ lives (and actually vice-versa). We provide an overview of the key ideas contained within TA, especially the PAC model and its relationships to life-scripts and psychological ‘games’. We then consider how existing research on branding may be enriched by a TA perspective, before providing examples of specific marketplace TA games based on Berne’s (1964) original descriptions. We conclude by considering the implications of a TA reading of market relationships, including ‘good’ and ‘bad’ games for brands and consumers.

Introduction

Consumers apparently love brands. They form relationships with them, use them in identity construction, communicate with others through them and even work for them for free. Overall this is explained in branding theory as a ‘good’ thing for consumers and companies. Relationship marketing, co-constructed value, and whole brand communities form from a positive on-going symbiosis of brand and individual, or group values. Yet this stands in sharp contrast to a long tradition of recognising, understanding and treating dysfunctional interpersonal relationships, and in contrast to more critical commentary on consumerism as a whole. Why then, we might ask, would some or many of our enduring relationships with other humans often be fraught, antagonistic and psychologically manipulative (in both directions), yet our relations with producers via brands tend toward the positive, cosy and constructive (or the uni-directional manipulation of consumers by marketers)? To put it another way, is there a way to reconcile Gabriel and Lang’s (1997) popular distinctions between celebratory discourses (scripts of chooser, identity seeker, dream artist, or explorer) and more critical perspectives (the activist, victim or rebel)? We note that these ‘scripts’ already sound like the types of life-scripts proposed by Eric Berne in the 1960s, and the focus of this paper.

We are going to argue that Transactional Analysis (TA), a long-established psychoanalytic method, (at least its roots are psychoanalytic), can provide new, nuanced ways of understanding market relationships. Whilst traditionally TA is used in a therapy environment dealing with interactions (transactions) at an individual level, even early in its development Harris (1968) argued that the approach might be applied between nations, institutions, generations and collective groups and here we are accepting this extension. In terms of the market, this may relate to how organisations interact with a range of stakeholders or rather perhaps, how a range of actors such as consumers, producers, marketers, brands, products and other stakeholders interact with each other. Our focus is on brands and consumers, noting that the
brand level relationship may be regarded as the intersection of micro and macro market issues, i.e., between markets and individuals, or the relationship that is at the heart of our consumer culture.

TA describes the patterns of interaction that we learn and routinize from early childhood. From these patterns, ‘games’ and even whole life scripts emerge. These are ritualised interactions (or transactions) with roles, dramatic switches and specific intended psychological ‘payoffs’. We argue here that it is plausible that such games emerge in market interactions of all sorts because these are the only ways that many individuals can interact. Although a reasonable objection might be that there are significant differences between interacting with people and with products, brands, or organisations, this can be countered in at least two ways. First, we might note the considerable intellectual work that has gone into establishing the idea that brands have ‘personalities’ (Aaker, 1997; Aaker, Benet-Martinez and Garolera, 2001; Milas and Mlacic, 2007; Bao and Sweeney, 2009; Huang, Mitchell and Rosenaum-Elliot, 2012) and ones that involve meaningful relationships with consumers. We might also note a trajectory in marketing towards establishing such consumer/producer relationships (Morgan and Hunt, 1994; Fournier, 1998; Hess and Story, 2005; Sung and Choi, 2010). Related to this we might also consider work that highlights individuals’ ability to anthropomorphise brands (Bengtsson, 2003; Delbaere, McQuarrie and Phillips, 2011; Fournier and Alvarez, 2012; Lin and Sung, 2014). This is exactly what we might suggest allows brands to be joined into TA games. Secondly, we can note recent work that suggests that the separation of subject and object be rejected in favour of a view that agency exists in both human and non-human actors (Latour, 2005). From this perspective we might see the structured games that Berne describes assembled from all sorts of distributed agencies. In any case as a metaphor, TA may provide new explanations of common market activities, interactions, or relationships. TA may even allow apparently contradictory and irrational market behaviours to be seen as a rather more predictable pattern of ‘games’ played from Child, Parent, or Adult ego-state positions. In this paper then, we want to introduce TA as a tool for explaining brand relationships, illustrate game forms that allow for alternative explanations of established market roles and activities, and argue for the benefits of adopting this approach.

**Transactional Analysis and the market**

TA is a form of practical psychotherapy. That is, it was developed as a tool for use in counselling and as an alternative to other therapy approaches. Although now arguably considered dated (albeit with its principles embedded in more recent approaches), TA remains a coherent and useful tool for understanding structures of interactions and their psychological roots. It is of value in the analysis of market behaviours because its language is accessible and applied (it was developed specifically to be understood by those undertaking therapy), despite its complex theoretical underpinnings, and because it has potential to provide new insights (TA has hardly been applied to marketing, despite its influence elsewhere, such as pedagogy and organisational behaviour) especially given the shift in marketing thought that emphasises interactions and relationships.

TA acknowledges that relationships are often problematic and dysfunctional, yet structured and sustained by a series of games (Berne, 1964). It has also been suggested that any interaction may be based on this model, no matter what the interaction is with (Harris, 1968). This is because TA fundamentally deals with how we have come to understand how to deal with the world around us and our role within it. Therefore, we might consider it peculiar for inter-personal relationships to work one way, but for this not to be the case when it comes
to how individuals interact with the marketplace. It would be as if the market is seen to be outside the legacy problems of our psyche that are dealt with through psychoanalysis, or in TA terms, it as if the Parent and Child ego-states are ignored in academic and marketing practice discourses. It follows then, that if TA explains how individuals learn to interact, this must include how they learn to interact with brands. Such a view also seems consistent with Miller’s (2009) view that human relationships become the model for consumers’ relationships with things – including brands – and with a growing body of work that recognises the agency of things (e.g. Actor Network Theory).

A full review of TA is beyond the scope of this paper, however we want to particularly focus on how the principles of TA can be understood through what Berne (1964) describes as ‘games’. Here we need to be careful not to confuse this metaphor with established theories of play ‘proper’. For example, for Huzinga (1938) or Caillios (1958) although play deals with ‘serious’ aspects of culture and society, it remains separate and outside everyday life. In contrast, in TA ‘games’ are described as fundamental structures in everyday interactions with ‘a recurring set of transactions… with a concealed motivation; or…a series of moves with a snare, or ‘gimmick’’ (Berne, 1964, p44). Ultimately, individuals seek to get a ‘pay off’, that is, the chance to be proven right, and their life-script confirmed or progressed, through obtaining the predicted outcome that ends in largely negative feelings (Berne, 1964). Whilst not a positive emotional outcome, this payoff is nonetheless successful and potentially compelling.

For a game to be played individuals must find others who will play. This is not based on similarities but on a matching or pairing with someone whose script is complimentary. Stewart and Joines (2012) explain that it is as if people wear ‘sweatshirts’ that signal their desired game and consequently attract certain suitable ‘partners’ to play with them. Individuals also collect ‘stamps’ as they continue to play the particular game(s) they are prone to and store up negative feelings to let out or reflect on later. For example, if someone’s script calls for them to be a repeated victim, they must seek out others willing to persecute and avoid those unwilling to take this role. In this way they ensure that their victimhood is confirmed and perpetuated such that they may repeatedly declare ‘Why does this always happen to me?’ (just as their persecutors may claim ‘See what you made me do’). So, rather than similarities between self and brand, complementarity is important for the games, payoffs and stamps that dictate on-going relationships.

Other games explained by Berne (1964) have similarly every day, but emotive names such as: If it Wasn’t For You; Rapo; Now I’ve Got You, You Son of a Bitch and; Let’s You and Him Fight. To further understand the formation of these games it is worth briefly explaining the PAC model, the basis for Transactional Analysis. The ‘PAC’ model describes ego-states of Parent, Adult and Child. Further, early life establishes ‘life-scripts’ based on parental ‘injunctions’ or instructions, apparently benign advice to children that comes to define how they will live. For example, a repeated statement like, ‘you can’t drink until you grow up’ may become an ‘until’ script and indicate that to be an adult you must drink! This may also lead to the game ‘Alcoholic’. Transactional Analysis therefore posits that we have three ways of thinking, feeling, behaving and coping with the outside world; Parent, Child and Adult ego-states. These are learned. For example we contain within us the childlike responses from early life as well as our understanding of parental figures’ behaviours and Adult responses that reinforce and maintain life-scripts. Occasionally one ego-state can be predominant. In brief, the Parent ego-state revolves around nurturing, helpfulness, concern and rules, guidance, admonishing regimes and monitoring. The Child ego-state is dominated by emotional respons-
es, sentiment or manipulation; as Harris (1968) argues, the very young person has little or no vocabulary whilst internalising early events in their lives, so they rely on learned responses in relation to parental figures. The other dominant features of the Child ego-state are of dependency, seeking approval (Adapted Child), curiosity and creativity (Free Child) (Berne, 1964; Harris, 1968). Finally the Adult comes with the development of a form of self-awareness, reasoning and reflection, what Harris (1968) refers to as ‘thought concepts’. Processing and filtering of information and stimuli in order to come to a considered view that dominates the Adult.

Games are played out of habit, as a way to cope with the world. So, games meet psychological needs as they ensure what Berne (1964) calls ‘strokes’ (recognition by others), confirm and then fulfil life-scripts, and structure time in a stimulating way. Every game is a continuous process that goes through several stages. In Berne’s (1964) view these sequences are: con + gimmick (concealed motivation) = response; that leads to switch, then cross-up (when confusion, surprise or dissonance is experienced) and payoff (‘ha ha’, or ‘racket’ feeling that confirms a life-position). As already mentioned, at the beginning of the game, each player chooses a partner based on the sweatshirts they are wearing (Steward and Joines, 2012). But they are actually attracted on a psychological level by a ‘secret message’ imprinted on the back of the sweatshirt, not the one prominently ‘advertised’ on the front. The hidden message is the one they actually pick, as it allows for collection stamps and payoff, the final psychological advantage gained. For example, in Rapo a woman might have ‘I’m available’ on the front, and ‘But not to you, ha ha’ on the back and might match up with a man who looks for victimhood with a ‘Kick me’ secret message, but ‘Please don’t kick me’ on the front.

Games are played over and over, whilst stamps are cashed in for payoffs and then the script ends. The problem with games is that they are a way to avoid taking responsibility for ones insecurities, fears or weakness, to avoid intimacy, and to maintain a dysfunctional, unhealthy symbiosis or an angry reaction against it. The games reinforce the pattern by ‘discounting’ the problems and therefore by deferring responsibility for them. In this way, although we may see games as something that consumers desire of their market interactions, we may maintain a critical position towards consumer culture, now described not in terms of one-sided manipulation and exploitation, (albeit with a potential for resistance) but rather as a dysfunctional series of interactions that avoid intimacy and psychological maturity, which is perhaps ironic given the current trend towards ‘intimate’ relationship marketing.

There are also different levels of flexibility, tenacity and intensity at which games can be played (Berne, 1964). These characteristics make the games either soft or acute. In a ‘first-degree’ game, the player allows the result to be seen socially as an acceptable behaviour. A first-degree game often takes the shape of ‘past-times’ or ‘party-games’. The second-degree game brings heavier psychological load and therefore is not made public. A third-degree game is one with tragic outcome, ending in “the surgery, the courtroom or the morgue” (Berne, 1964, p57). Perhaps a limitation for brands, but also an attraction, is that they invite easy and apparently harmless (if we ignore the dark psychology of games) first degree games or pastimes, but it is also possible that we may substitute high and low involvement products with degrees of commitment to game scripts. Consumers engage with the market place and brands just as people engage in either pastimes, party-games, or occasionally more committed games.
A move from application in interpersonal relationships to broader societal structures was noted early in the development of TA. For example, Harris (1968) points out that transactions and the associated ego-states do not simply apply between individuals, but also between nations, institutions, generations and collective groups. Indeed, he argues that there is a need to apply the approach to larger problems. Similarly, Bennett (1996;1999) suggests that organisations, like people, have an ego; an inner self which comes from its values and organisational culture and affects marketing communications and customer relations. Bennett (1996) maintains that TA is a suitable means to explore the impact of culture on organisational marketing behaviour as companies may adopt ego-states in different environmental circumstances. For example, the ego-state of an organisation can be reflected in means such as: promotional messages, symbols in advertisements, selling methods, customer care, and so on (Bennett, 1996). Moreover, businesses can have life-positions (ways of relating to oneself and others) featured in their mission, core values, culture, previous experience, beliefs held by staff (Bennett, 1996) and related life scripts. Except for Bennett’s (1996) contribution, and a short paper by Hansen et al (1976) that considers ego-state congruence in advertising, we find almost no application of Transactional Analysis to marketing, in particular no elaboration of TA games, despite their centrality in accounting for relational structures.

So applying this to brands, we suggest that brands may also wear sweatshirts advertising their preferred games to match with consumers; or rather they buy prominent advertising spaces, elaborate packaging, point of sale displays, and increasingly online communities and social media to fulfil similar roles (although we note that the ‘real’ message is always hidden from these surface representations). When we look at consumer brand relationships from a TA perspective, we see that brand choice and brand relationships may not be based on similarities or congruence, but on game complementarity. We also see that certain product categories and brand encounters may be suited to playing particular games. Moreover, the analysis of games offers new ways to account for brand loyalty – one that doesn’t privilege a ‘cozy’, reciprocal relationship between consumer and brand but includes a negative one in which consumers may suffer, even complain and apparently resist, but yet never change. Thus, dysfunctional relationships can be seen as ‘good’, or as providing value because the individual gets the payoff (psychological gain) they want.

Re-evaluating brand relationship theory

Brand relationship theories tend to acknowledge the desirability of establishing strong relational ties (Ivens and Valta, 2012) between consumers and brands. Consumers are constructed as having emotional relationships with brands (Fournier, 1998; Poels and Dewitte, 2006; Maxian et al., 2012); commitment (Sung and Choi, 2010), loyalty beyond reason (Pawle and Cooper, 2006), and even love for brands similar to interpersonal love (Carroll and Ahuvia, 2006; Albert, Merunka and Valette-Florence, 2008; Batra, Ahuvia and Bagozzi, 2012; Maxian et al., 2013).

Generally such relationships are built on consistency between consumer image and brand image (e.g., Sirgy, 1982) and are ideally viewed as positive relationships. Such research constructs a rationalised positive alignment between consumer and brand and focuses on an optimistic reading of consumers as inherently loyal because of values and personalities being aligned. In effect, consumers evaluate their own characteristics and those of competing brands to decide which are most like them, and therefore those that they want to develop a relationship with. In this respect, the assumption is of Adult ego-states on both parts – a ra-
tional, reasoned perspective – and therefore a discounting of the games that can result from cross transactions of Adult, Parent and Child sought by actors in order to fulfil life-scripts.

Other research focuses on brand communities and the co-creation of value as a means to attract consumers and maintain relationships with them (e.g. Muniz and O’Guinn, 2001; Payne, Storbacka and Frow, 2008; Schau, Muniz and Arnould, 2009). This is another positive way of looking at brand level relationships, of consumers and brands ‘working together’. Again this seems very Adult. Within the branding literature there is less accounting for negative or dysfunctional relationships and usually problems in consumer brand relationships are seen as something to be avoided, or overcome. Yet problems in these relationships are noted. For example research that delves into negative brand experiences has focused on how consumers may forgive (Bauer, Heinrich, and Albrecht, 2009) or get revenge (Grégoire, Tripp and Legoux, 2009), and experiences of, for example, regret (Tsiros and Mittal, 2000). Such approaches, however, do not capture why apparently negative on-going relationships may exist, or be repeated. Nor do such approaches suggest that negative experiences may actually be the desired outcome of brand relationships. In marketing management theory, negative consumer outcomes are to be strongly avoided; in TA they may be what is actually aimed for. Our aim is therefore to contrast existing views of brand relationships with TA in order to illustrate how the approach can help us to better understand the variety of relationships that may exist between consumers and brands. To illustrate the way brand relationships tend to be understood and contrast this with a TA approach, we now want to consider a number of recent studies that take a psychological approach to brand relationships.

It has been recommended that when researchers want to understand the inner features and the attribution of human characteristics to brands, then brand-personality can be considered. For example, Huang, Mitchell & Rosenaum-Elliot (2012) ‘prove’ experimentally that consumers choose brands which reflect their personalities; brand-personality is seen as a process to create value between consumers and brands. Their paper acknowledges that there is a strong similarity and compatibility between brand-personality and consumer-personality across various products (e.g. compatibility between consumer agreeableness and brand agreeableness, consumer neuroticism and brand neuroticism), and that ‘even a “neurotic” brand may have a positive attraction so long as consumers are neurotic to some degree’ (p346). They conclude by saying that consumer and brand personalities are the same. A TA reading of especially this later point is perhaps that of matched sweatshirts. Here we would substitute games for personalities as the basis for choice, questioning the need for similarity and redefining what compatibility means.

In another study, based on an experimental design, Maxian et al. (2013) demonstrate that there is an emotional connection, in the form of attachment and love, between consumers and brand logos used in advertising. When participants were exposed to experimental stimuli (‘brands they loved and were like them’), evidence again ‘proved’ that their heart ‘skipped a beat’ (p.476). Maxian et al. (2013) argue that ‘brand love is not simply a preference; instead, it is the brand that a consumer chooses without reason. There is a connection beyond simply choosing a brand to use’ (p.470). In other words, the decision to choose and use a specific brand is exclusive to a consumer and this decision is subconsciously taken. This apparently irrational match of consumer and brand might be better explained through a TA approach where such apparently inexplicable bonds may be explained.

In another study Sung & Choi (2010) maintain that at the basis of consumer-brand relationships lay antecedents of commitment. Their work demonstrates that the greater the level
of satisfaction and investment and the less attractive alternatives are on the market, the greater the commitment towards a brand is. In other words, consumers are more attached to a brand when they believe that the value of the resources invested in the relationship could be diminished or lost if they decide to terminate a relationship with a brand. Moreover, when comparing the consumer-brand relationships with relationships of married couples which involve moral obligations, Sung and Choi (2010) point out that consumers may not have any strings attached to a brand and choose another more appealing brand which exists in the market. Again, this is a very Adult perspective typical perhaps of the Adult ego-state of the researcher. Brands are neutral in that they honestly present their attributes, and consumers compare and choose brands that are most attractive. However, from a TA perspective this work invites a much more manipulative and mischievous ‘game’ reflected in the title of the paper ‘I Won’t Leave You Although You Disappoint Me’, which might actually be the same as saying consumers are committed to disappointments that brands offer (‘I’ll stay with you as long as you keep disappointing me’). Consumers stay with brands even though the relationships are unsatisfactory and unstable and of course may get their payoff when they do eventually switch. Drawing on relationship marketing theory, the paper then seems to encourage marketers to develop brand loyalty or rewards programmes as an efficient means to consolidate behavioural investment (investing in feeling disappointed). In reality authors invite marketers to deceive consumers by drawing them into games.

Finally, Lin & Sung (2014) suggest that connections between consumers and brands can be understood by looking at ‘brand identity fusion’. This paper evokes an anthropomorphization of brands (Bengtsson, 2003) which allows for attribution of human characteristics and personalities to brands. Moreover, it explains how relationships between humans and non-human entities can be developed and how interactions with brands parallel social relationships. The authors demonstrate that when a personal self is fused with the brand, a failure on the part of the brand is ignored as it is perceived as a threat to consumers own self. Here, the customer-brand relationship is seen as a symbiotic union where highly fused individuals are hooked in perpetual psychological structures, often unsatisfactory, with a brand (Lin & Sung, 2014). And no matter what the negative experiences with or transgressions of brands are, consumers are locked in the relationship with the brand through their deep commitment and loyalty. This is implied in the title of their paper: ‘Nothing can tear us apart’, which we might reinterpret as ‘Let’s keep tearing each other apart’. Even though the paper distinguishes between brand identity fusion and brand identification, which allows for dilution of negative impact of brand transgressions, it fails to explain what lies at the basis of this union. What makes consumers stay in a dysfunctional relationship with a brand may be explained through TA.

What these studies demonstrate is that there is much work that illustrates the relational aspects of brands and consumers (although largely in positive form). TA may both add to such accounts, but also synthesise them, providing a framework that can describe a wide variety of relationships and their trajectories.

**Games consumers play with brands**

Although it may be possible, and even desirable to develop new consumer brand game descriptions such as the ones we suggest above, we now want to consider some of the established game forms that Berne (1964) identified and apply them to market contexts. In doing so we may explore issues of apparent compatibility, love, similarity and fusion, but more importantly we aim to show how games and related ego-state positions start to account
for a wide variety of behaviours without the need for an alignment of consumer and brand identity, for similarity, or even for positive outcomes. In our descriptions we attempt to adopt the style used by Berne (1964), for example, his descriptions of games and use of fictitious, typical psychological characters.

**If It Wasn’t For You**

Branding theory considers loyalty as a close alignment of values, reinforced by ‘excellent’ service. Even where a brand fails, if the bond is strong enough, consumers will forgive. Transactional Analysis suggests at least one alternative form of loyalty based on the game ‘If it wasn’t for you’. This game is often played by married couples, i.e., long term, ‘loyal’ partners. Here we outline how it is described by Berne (1964).

Mrs White complains that she would have done various activities if it wasn’t for her possessive and controlling husband, when really she is scared to try new things on her own. The psychological advantage for her is that if the husband she loves ‘forbids’ her, she never actually has to attempt the things she says that she is unable to do. So she picks someone who will be possessive so that she can talk about what she might have done, without ever having to take responsibility for trying these things. In this way she can always claim the potential to be, for example, a skilled ballroom dancer, without risk of failure (and it’s this risk that she is avoiding). Mrs White’s Child ego ends up being controlled by her husband’s Parent to avoid her Adult decisions.

For a brand to effectively allow a consumer to play this game with them they must therefore have something like the following characteristics: With a Parental voice, they must constantly advise of the ‘dangers’ of attempting something new that they don’t control; they must offer security, but ensure that the consumer can’t easily try another product, and; at the same time, they must be sufficiently attractive overall to ensure that consumers’ aren’t forced to make a break and spoil their game.

In ‘If it wasn’t for you’ we see an explanation for consumers who might sometimes complain about their chosen brand, but never change, and/or avoid more complex market decisions by sticking with just one brand. As an example we might consider Apple. Loyal Apple consumers can comment on how much they like and value new technology, but never have to explore alternative (and potentially risky) competitors. In the complex, confusing and potentially risky market for technological products Apple’s closed systems and strong Parental voice offer seductive security to many consumers’ Child ego-state. Apple as Parent ego-state also plays a good game by encouraging and nurturing the creative child, but at the same time setting very strict boundaries on what can and can’t be done. Loyalty to Apple becomes a satisfying refuge from the frightening complexity of technology.

**Rapo**

Disloyalty may also be explained by TA. For example in Rapo, Miss White signals that that she is available until a man makes a pass at her, at which point she becomes indignant. The game for her has the pleasure of both attracting men and of rejecting them. Her Child may especially enjoy his discomfort when she rejects him. In turn Mr Black in this game is likely playing ‘Kick me’ and therefore also benefits from rejection. We can consider that brands might play a version of this game and to do so they might: seduce the consumer with something special and unique (‘this is available’), but then avoid fulfilling that promise.
(‘but not to you, ha ha’). They must also gain some advantage from doing so (from the consumers’ helplessness).

As an example we might consider Sky. The company offers attractive packages in order to lure new consumers, but these are not available to existing customers, or they may require specific accompanying services that come at an additional cost. Other examples include fibre optic broadband services that are advertised as revolutionary, exciting, and worth paying a premium for, but are only available in certain areas. Or products and special offers that are available in retailers’ online catalogues that can’t be found in store or vice versa.

Here we may also see the structure for many special promotions, perhaps designed to encourage switching or trial. The brand knows that it won’t fulfill most of its promises and does this by ‘hiding’ complex terms and conditions that will prevent many consumers from actually completing the promotion. As consumers try to exploit promotions (potentially fraudulently) and brands avoid ‘paying out’, both can confirm their existing positions about each other (‘consumers are dumb/cheats’ and ‘companies always lie’).

**Now I’ve Got You, You Son-of-a-Bitch**

If some of the advice articles give to marketers suggests that ‘loyalty’ is achieved by manipulating commitment, or tricking consumers into agreements that they can’t get out of, this looks very much like a game of ‘Now I’ve got you, you son-of-a-bitch’. This game takes the form of a trap. For the instigator, the plan is to deliberately allow ‘misbehaviour’, perhaps for some time, until they may suddenly call fowl, enjoying their position of just indignation, and forcing the other player to concede that they are in the wrong. The other player may be playing ‘Why does this always happen to me?’, and the game here may end with a round of ‘Uproar’, perhaps an angry call to customer services.

We may especially see this game in a market where there is a financial obligation. Various financial institutions may encourage consumers to breach their contract, only to then take punitive action against them. For example, online billing and credit card statements may be less noticeable, causing people to miss a payment and be charged a fee as a consequence thereby ‘punished’ for their delay. Likewise, mobile phone contracts that require written notice to end; when notice has not been given in advance the contracts revert to full price and the customer is penalised. Another examples are introductory offers and free trials that require payment details upon signing up and cancellation once the free trial is over (e.g. Lovefilm; Experian), these rely on consumers ‘forgetting’ to cancel and having to pay for a service they may not want. A brand that seems to like this game is the Automobile Association (AA). The company uses various promotions and discounts to sign up members, but does so on the basis of an automatic renewal. Although they claim that this makes things easier for consumers, and ensures continuity of cover (after all they are ‘only trying to help’ and as a responsible breakdown brand this seems more than reasonable on the social level), the result is consumers finding themselves in a situation where they need to go to considerable trouble to cancel a policy, assuming they remember the renewal at all. And even if they do call to cancel there is one more chance for the AA to sell a policy.

**Let’s Pull a Fast One On Joey**

Here is an ‘underworld’, or dark game played on the margins of branding. Berne (1964, p122) describes it thus; ‘the first move is for Black to tell White that dumb-honest-
old-Joey is just waiting to be taken’.

Later on of course, White finds that Black has gained the most from their ruse. We can see how this game is played by no-win, no-fee solicitors, such as Injury Lawyers For You who invite conflict between parties. The brand asks the consumer if they have been wronged somehow, suggesting that there may be the possibility of compensation, and then promises to help. Injury Lawyers For You asserts a Nurturing Parent ego-state and appeals to the Adapted Child in the consumer. This game may appeal to consumers who play I’ll Show Them, or even Now I’ve got you, you son of a bitch, based on the desire to cause the third party (the organisation they are bringing legal action against) to concede. In line with Holt’s (2002) work, this is perhaps the consumer who takes from the market what he can get and uses the brands for his own end. More broadly then, this is suited to third party organisations that set up conflict between consumer and brand/organisation. Other examples might include brokers, mediators or discount websites such as Groupon where small businesses offering special offers have been unable to cope with demand and lost money (rather than made it) as a result.

Another variation of a brand playing this game might be Compare the market, a price comparison website which sells various insurances by offering a free toy. Here, we hear a Child voice (website) appealing to a Child (consumers): ‘don’t take insurances seriously’ even though on the social level of course price comparison is supposed to be very serious and rational. However, the game prevents consumers choosing insurance from an Adult ego-state. This can also be seen as more of a pastime than a game, because it is less intense and played by everyone (everyone, after all, has to buy insurance): the site asks consumers not to make decisions regarding your car insurances in a rational, logical way. Compare the market may also invite the related game ‘Let’s you and him fight’, where consumers enjoy the spectacle of different suitors vying for their attention. Ideally of course, after this enjoyment the consumer actually buys the insurance somewhere else. This provides an alternative explanation for narratives suggesting that brands fail to align with consumers. In this game there is little a brand can do to attract a consumer relationship because the consumer isn’t even looking for one.

Kick Me and Why Does This Always Happen To Me?

These two games go hand in hand. They are played by victims from a Child ego-state position, who must confirm that the world is out to get them, yet constantly show disbelief when it does. Unreliable, cheap or perhaps ‘flashy’ and fad brands lure consumers into this game with special offers, promotions, and/or attractive and trendy products, but ultimately let them down when they break, get damaged, or don’t perform as they should. IKEA is perhaps a good example of this. Remember, for the game to work well, the brand must not signal that it is poor quality, the ‘let down’ must seem to be a complete surprise. Hence IKEA’s strong branding as affordable, designer furniture masks the inevitable failure of its manufacturing processes. Consumers know that they are not paying for good quality, long lasting furniture, and indeed may already have direct experience of similar products, but rather than spend more money on a better crafted piece of furniture they continue to buy flat-pack. We can view this as an explanation or justification of novelty seeking – being let down by brands provides an opportunity to continually buy new objects (and new brands), to try different things (and so collect more disappointment stamps). Here is a psychological explanation for a perpetual consumer-as-victim who continues to buy things! Similarly, brands that offer cash for trading in jewellery or old mobile phones (e.g. Cash for Gold, Mazuma Mobile) and many car dealers promote a particular offer, then actually give less, such that the customer feels hard done by and gets the payoff ‘Why does this always happen to me?’.
They’ll Be Glad They Knew Me (or, What Would You Do Without Me?)

So far we have presented games that are rather dark and this might generally be so when it comes to markets, but there are examples of positive games. Berne (1964) suggests that a good game is ‘one whose social contribution outweighs the complexity of its motivations, particularly if the player has come to terms with those motivations without futility or cynicism’ (p.143).

This group of games is played by an individual seeking to gain prestige and to reassure others that they are justified in supporting, respecting or praising him/her. At a brand level, we can see this through brands creating campaigns that thank consumers, for example Procter and Gamble’s ‘Proud sponsor of Mum’s’ campaign in which they effectively say ‘see, we value Mum’s’ and ‘you made the right choice’. Another example of this is Aldi that ran a campaign revealing it to be the most popular supermarket – reassuring consumers that they made the right choice and that they are not alone in choosing the brand. The taste test based campaign that compares branded products to Aldi products also does this, telling consumers ‘look how popular our products are, aren’t you glad you can save money and still enjoy good food’. A slightly different reading or derivative of this game - What would you do without me?, is played by a number of brands. In this version, brands convey themselves to be indispensable, something consumers can’t live without and can be seen to be less about reassurance and more about demonstrating power. For instance, Google Chrome’s Julie Dean (The Cambridge Satchel Company) campaign illustrated itself to be responsible for helping small businesses to get started and then to thrive. Both Microsoft and Apple have made similar claims, again adopting a Parent ego-state and encouraging consumers to think with their Child.

Happy To Help

Another positive game is Happy to Help. This is based on an individual who helps others, but has an ulterior motive, for instance seeking thanks and prestige, making friends in order to exploit them later or making up for past bad behaviour. Those playing Happy to Help have friends and enemies, friends are of course grateful for the helpful actions and enemies try to uncover unsavoury motivations or minimise their action. It is evident from this basic description that this game can work for many brands. For example, nappy brand Pampers offered vaccinations for babies in the developing world with every pack of nappies bought. This makes the brand look good and charitable, yet the ulterior motive is to attract consumers to the brand (and away from competitors) and increase sales. On a larger scale, Supermarkets may offer to help (by saving consumers money, rewarding them with points or offers or free coffee) with the ulterior motive of attracting people into the store, convincing them to buy more than they need and ultimately make more money, whilst looking as though they have the best interests of their customers at heart.

We can further see how competitors attempt to minimise their actions and even attack their motives. For example, in its advertising, Asda continually points out that its main competitors are more expensive than they are. Waitrose points out that it price matches Tesco on branded products and tells consumers that the store is ‘loyal to them’ via several activities (free coffee every time you shop, money off shopping when you purchase a newspaper) – a rather different strategy to other reward based loyalty card schemes. Berne (1964, p.146) states that ‘as an exploitative, [Happy to Help] is the basis for a large proportion of ‘Public
Relations’ in America’. Indeed, we may see that it is a large proportion of marketing and of market behaviour more broadly. Berne (1964) regards it as a constructive commercial game that customers are glad to be involved in.

Conclusions

In our illustrations it may seem that we haven’t actually said much about brand communication, brand values, personalities, promises, ‘onions’, or ‘prisms’, and so on, the stuff of traditional branding theory. We suspect that the communication that sustains these is akin to the messages games give out at a social level. Our illustration points to the ‘real’ psychological messages brands communicate, and the subsequent games consumers play with them. Actually, our illustrations show that both consumers and brands may instigate games, both seeking to find willing human, or non-human partners. We also suggest that much marketing and academic work may assume Adult ego-states (rational and economic, with ‘switch costs’, commitment and loyalty), at least on the surface, whilst masking the wide variety of occasions where Parent and Child dominate thinking and behaviour, and it is this absence of the recognition of ego-states that produces apparently conflicting and contradictory, or irrational consumer behaviours. Overall we have suggested that TA offers new explanations for market behaviours. Rather than a view of positive relationships (that sometimes go wrong, but that might ideally always be fixed), or one-sided exploitation and manipulation, we suggest that various games allow us to account for the psychological ‘pay-offs’ that can be gained from market activities. This includes dysfunctional, and even damaging, but nevertheless compelling and therefore on-going patterns of interactions. Although these ‘pay-offs’ are most easily seen in the consumer, it is reasonable to assume that within organisations marketers have similar motives, played out through their brand strategies and responsible for the ego-states of brands themselves.

Of course academic writing is not exempt from games either. For example, we might consider the ‘parental injunctions’ given to marketers in some of the papers we reviewed, and the invitation these hold to play games when integrated with the very life-scripts that have taken individuals into such professions. For example, Sung and Choi (2010, p1070) tell marketers that:

_Brand loyalty programs such as a frequent flyer program (e.g., Jet Blue’s TrueBlue Points) and a rewards program (e.g., Citi cards’ ThankYou Points) would be an effective means to encouraging consumers’ behavioural investment, whereas creating deeper emotional connections and a sense of bonding would intensify the psychology or attitudinal dimension of consumer investment_

The purpose of marketing here is not about product quality, value or service, but convincing consumers to become psychologically attached to a brand so that when they are inevitably disappointed they remain in the relationship. This, academics instruct marketers, is a reasonable basis for relationship marketing activity. But what sort of game is this?

We also recognise a disturbing potential in the advice we _could_ give to marketers. Might it be that in recognising dysfunctional, psychologically damaging, and dramatic games, marketers might learn to play them better, and maybe even at higher degrees as a new source of competitive advantage? So that when consumers claim that they would ‘die for’, or ‘kill for’ the latest brand offering, they might actually mean that literally.
Our analysis also suggests the tantalising possibility that markets, capitalism, and our whole consumer culture at least in part exist in their current forms so that we can play out our psychological games, representing opportunity for the critiques that are more usually presented as exploitation and manipulation, but that we may now see as a little less one-sided. As third or fourth generation consumers, we may also have all learnt this from parental injunctions (from both parents and brand advertising as parental figure), just as marketers have also learnt their preferred scripts. As Barber (2007) identifies (albeit without the insight of TA), in consumption we are largely infantalised, or at least invited to use our Child rather than Adult ego-state. Finally and most importantly though, there is opportunity for a more positive aspect to the application of TA to marketing that we have hardly mentioned and that might be worth further work. This is based on the potential intended by Berne (1964) that the recognition of games should lead to reflections that transform behaviour and free individuals from oppressive scripts and a tyranny of the legacy of Parent and Child scripts.

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The integrative framework of the Personality Continuum will be presented with a focus on variations in individual patterns of consumer behavior. The Personality Continuum is divided into four qualitatively different levels of personality development that are hierarchically arranged in descending order from highest to lowest level: normal, neurotic, primitive, and psychotic (Albanese 2002, 2006). The four qualitatively different patterns of consumer behavior along the Personality Continuum are the normal consumer, the neurotic consumer, the compulsive and more extreme addictive consumer at the primitive level, and the irrational consumer at the psychotic level. The normal consumer is rational with a transitive preference ordering making consistent choices at one point in time and stable choices over time. The neurotic consumer is indecisive, ambivalent, inhibiting by feelings guilt, and racked by cognitive dissonance. The boundaries of the conception of Rational Economic Man and the equilibrium condition of the individual consumer will be delimited.

References


Subvertising and the Uncanny
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William Large, University of Gloucestershire, UK

This paper considers advertising’s subversive element defined by a productive tension concerning how the most effective ads directly engage with subversive symbolism. An example of advertising that engages with subversion is the ill-fated Levis 2011 ad that drew from Bukowski’s Laughing Heart and depicted wild sexuality and urban rioting. This ad reproduces three aspects of subversive advertising. First, it beckons the consumer to imagine him-/herself as a ‘free spirit’ by advocating authentic and bohemian ways of being. Second, such ads are post-political; they channel the consumer’s radicality away from direct political action towards lifestyle solutions by consuming products, like denim jeans. Third, advertising negates itself, or renders itself invisible, by adopting the voice of its antagonist.

We read such subversive advertising as riding a line between the symbolic universe and the real. Such advertising can only be parasitic of subversion, it must never valorise actual subversion, only flirt with symbolic aspects. Yet as advertising rides this line, risk is produced. The cancellation of the Levis ad in 2011 is an example; before the ad was launched, the London riots erupted and suddenly the depiction of rioting appeared too close to the bone. In hindsight, it is bizarre that Levis ever thought it should celebrate rioting, yet according to subvertising’s post-political logic, we speculate that they believed that there could not be a riot, that politics was over and all that was left was the symbolic imagery of rioting that they could casually harvest. In short, they depicted rioting because they could not imagine that a riot might actually take place. The term that we give to this unpleasant sensation of a collision between the real and the supposedly divested symbolic realm is the uncanny. For Freud, the uncanny is what occurs when that which we believed had been surmounted and dispelled returns unexpectedly, like the dead coming back to life. Inasmuch as subvertising must draw from the cutting edge of consumer culture, it looks to our future, an emissary who tells us what we will soon have dispelled. At such moments, advertising is at its greatest risk of exposing itself in the act of organising our symbolic universe and the affect is uncanny.
Dans le Noir looks like a themed servicescape but with a difference – you dine in complete darkness, you lock-up and leave behind your mobile phone, watch or any other light emitting devices and you are serviced by blind and partially sighted staff. Dans le Noir offers an example of transformative experience in a retail setting. Consumers are given the opportunity to understand what it is like to be blind. But, we ask, what is the transformative effect? We use Kristeva’s (1982) notion of the abject and abjection to examine consumer experiences of Dans le Noir. Our paper begins by mapping the abject and processes of abjection in Dans le Noir to show the violent embodied reactions of consumers when they are faced with less than perfect bodies (their own and the service staff). With the temporary erosion of an imaginary boundary consumers face abjection themselves, ‘meaning collapses’ and this threatens their subjectivities. Our analysis of data from consumer introspections, the restaurant website and blogs is on-going. In this paper we locate the abject in Dans le Noir to show how doing so is able to reveal the primers of our culture, and in particular the bases of exclusion and marginalisation. We argue that Dans le Noir relies on the abject and processes of abjection but we find little evidence that consumer experiences of Dans le Noir break-downs or challenges barriers and misunderstandings of the partially sighted and blind. Rather we find from our analysis that dining at Dans le Noir reaffirms the abject, making more concrete that which threatens the dining consumer’s sense of self. The transformative effect we conclude is misplaced or possibly corrupt, and we query the role and subject positions given to the partially-sighted service staff.

Reference

Marketing ethics & corporate social responsibility (with macro dimensions)

Chair: Nicky Santos

Session 11a – Friday 4th July, 4:15pm

Operationalizing the constructs of the integrative justice model: A useful tool for marketers in varied contexts
Tina M. Facca-Miess, Nicolas J.C. Santos

Less shine, more substance: Corporate social responsibility, SMEs and the Jewelry industry
Marylyn Carrigan, Carmela Bosangit, Caroline Moraes, Morven McEachern

Marketing ethics and CSR in the gambling industry: How much is enough?
June Buchanan, Greg Elliot, Lester W. Johnson

Ethical issues and pharmaceutical marketing in developing economies: A study of pharmaceutical promotion in India
Meenakshi Handa, Vinita Srivastava
Operationalizing the Constructs of the Integrative Justice Model: A Useful Tool for Marketers in Varied Contexts

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Statement of problem and relevant background

Contemporary marketers face increasingly complicated challenges when considering any given marketing environment and its social/cultural, political, economic, regulatory, and natural environmental demands. Further, Andreasen (2012) suggests that “the field has yet to adequately respond to Kotler, Levy and Zaltman’s urgings 40 years ago to broaden and encompass non-profit and social marketing” (p. 37). He suggests that such contexts are far more complex and it is the commercial application of profit maximization that is the simplified task of a marketer. In other words, the field has it backwards. This argument leads to his suggestion that marketers must “devise analytic frameworks that accommodate both social and commercial context” and that research aimed at target markets should “consider a range of behaviors as desired outcomes – not just sales – and aim to identify commonalities and differences among them.” Further, “marketing ethics and public policy arguments should comprise a range of market and social settings, not merely commercial ones” (p. 37). This research is aimed at developing a structure for operationalizing the constructs of a normative ethical framework for just marketing, namely the “Integrative Justice Model” (IJM). Operationalizing a construct involves determining the measured variables that will represent a construct and the way in which it will be measured (Hair et al., 2010). Construct validity will be assessed to understand the extent to which the measured variables actually represent the theoretical latent constructs measured with the IJM. Initially introduced in the ethics literature (Santos and Laczniak, 2009a), the IJM continues to gain traction in the marketing literature (Laczniak and Santos, 2011; Santos and Laczniak, 2009b, 2012). It is a normative ethical framework for marketing to impoverished market segments, constructed using the normative theory building process in philosophy proposed by John Bishop (2000). The IJM integrates the notion of “fairness” or “equity” in marketing transactions as developed in different strands of thought in moral philosophy and management theory. Santos and Laczniak (2009b) present the IJM in the context of marketing with impoverished populations. Five overarching principles, or elements, are proposed and can be used as a guide for marketers working with the poor. Consider the IJM elements each of which have been theoretically validated by Santos and Laczniak (2009a, 2009b, 2012) with support from Catholic Social Teaching, Kant’s Categorical Imperative, Ross’ Theory of Duties, Service Dominant Logic of Marketing, Sen’s Capability Approach, Classical Utilitarianism, Sustainability Perspective, and the Triple Bottom Line, Stakeholder Theory, and Socially Responsible Investing, among others:

Chapter 1 Authentic engagement with impoverished consumers and with non-exploitative intent
Chapter 2 Co-creation of value with customers, especially with those who are impoverished or disadvantaged

336
Chapter 3 Investment in future consumption without endangering the environment
Chapter 4 Interest representation of all stakeholders, particularly impoverished customers
Chapter 5 Focus on long-term profit management rather than on short-term profit maximization

Santos and Lacznik (2012) clarify a corporate responsibility approach to marketing at the base of the pyramid, proposing a number of decision principles for each of the five elements which serve in this research as variables to be measured. For example, regarding authentic engagement with non-exploitative intent, as well as co-creation of value, the following sample propositions apply and will be developed as mutually exclusive variables to be measured in the proposed research:

**Authentic engagement:**

1. A business firm should strive to develop trust with its customers at all levels
2. A business firm ought to develop its competitive advantage through a process of collaboration rather than focusing on eliminating competition
3. A business firm ought to take a long-term perspective that improving the quality of society and the environment is to the benefit of all

**Co-creation of value:**

- Instead of autonomously positing what constitutes value for impoverished customers, a firm ought to involve such consumers in the value creation process itself
- A business firm out to use its resources to ensure that its fairly priced offering propose what is of best economic value for its targeted impoverished customers
- A business firm should engage in a co-creation process that fosters sustained partnerships and develops mutual trust with impoverished customers that extends beyond the consumption of the product or service

**Methodology**

Primary data is being gathered from high ranking marketers and managers in both for and non-profit organizations to validate the measurement of five theoretical constructs within the IJM. The general hypothesis is that the measured variables will be statistically representative of the theoretical constructs of “just” marketing as proposed by the IJM. Additional analysis may reveal significant differences between the elements of the IJM between traditional entrepreneurs and social entrepreneurs; or for vs. nonprofit organizations.

An online survey designed in Qualtrics [IJM Survey](#) is being administered by the authors to a purposive sampling directed at yielding responses from marketers in varied types of organizations including social entrepreneurs, social businesses, non-profit organizations, multinational corporations engaged in marketing in impoverished areas, and traditional entrepreneurs. Each of the items will be measured on a Likert-type scale (e.g., 1=low agreement to 10=high agreement; low to high priority, etc.). Statistical analyses will include confirmatory factor analysis (CFA) with structural equation modeling (SEM). CFA is used to test the measurement theory of the IJM, specifying how the measured variables logically and systematically represent the theoretical constructs of the IJM. SEM combines the techniques of factor analysis and multiple regression analysis enabling the simultaneous examination of interrelated dependence relationships among measured variables and the latent constructs, as well
as between several latent constructs. A generalized additive models (GAM) will be tested to classify the probability of a firm falling into one of three categories (e.g., just, passive, or unjust) based on the measured variables of the IJM.

More specifically, a measurement model will be developed and tested to validate the structural integrity of the “social justice in marketing” concept implied by the IJM. The five key constructs and their subscales will be tested for reliability and validity. Reliability of the scales will be evidenced with Cronbach’s alpha for internal consistency, and test-retest reliability will be assessed for temporal consistency. The aforementioned CFA will facilitate assessing convergent validities (comparing the IJM elements to other measures of social justice or ethics in marketing) as well as discriminant validities. Further, CFA will enable the evaluation of model fit and perhaps suggest alternate structures for evaluating the items that load on the constructs (factors) of the IJM.

Contribution

This research will empirically validate the reliability of the IJM which can assist marketers in operationalizing the framework given evidence of its measurability and practical applicability. The work will serve as a foundation for future publications on the development of an IJM index or audit to help marketers understand the nuances of “just” marketing particularly when marketing to, for or with the poor. Further, it is not unreasonable to envision the IJM serving as a foundation for teaching marketing skills in subsistence contexts. After operationalizing the IJM, we intend to focus on metrics for evaluating implementation of the IJM and extensions of the IJM to other vulnerable and disadvantaged populations. Data collection is underway, analytical methods and tools are prepared, and results will be fully developed for presentation at the 2014 Macromarketing Conference should this extended abstract be accepted.

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Less Shine, More Substance: Corporate Social Responsibility, SMEs and the Jewellery Industry

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Macromarketing and the Jewellery Industry Context

Macromarketing has at its core the aim of how firms can “operate in the marketplace with a social conscience and achieve profits” (Peterson 2012, p.394). The high visibility of marketing activities, and the multiple stakeholder relationships that managers have to deal with, means navigating ethics and responsible practice is a major challenge for marketers (Nill and Schibrowsky 2007). Marketing has been criticised for a number of practices and the often unintentional negative consequences that emerge from the behaviour of firms operating in local and global environments (Smith, Palazzo and Bhattacharya 2010; Lee and Sirgy 2004; Laczniak and Murphy 1993). Yet few studies have examined whether small businesses (SMEs) can be a force for responsible business practice, with the operational constraints of small businesses too often overlooked (Jenkins 2009). The jewellery industry, which is a global sector characterised by SMEs, is under pressure to address complex challenges related to the social and environmental impacts of their fragmented production supply chains (Carrigan, Moraes, and McEachern 2013).

Consequently, organisations such as the British Jewellery Association, Responsible Jewellery Council and Fairtrade International are pressing the jewellery industry to improve their responsibility standards (Rainer 2013). Yet, the complexities of this business environment are evidenced, for example, by the recent shortcomings of the UN-backed Kimberley Process in ending the international trade of conflict diamonds (MacNamara 2011). Issues of responsibility may just not resonate with, or be a priority for many SMEs, particularly given the lack of salience of ethics as a consumer choice criterion in fine jewellery consumption practices (Davies, Lee and Ahonkhai 2012; Achabou and Dekhili 2013). Indeed, little is known about how UK fine jewellery SMEs navigate their business ethics complexities and tensions (Morsing and Perrini 2009) at a practice level, and which consumer-resonant ethical improvements can be implemented by this under-researched SME sector with substantial collective potential for positive global impact (Jenkins 2009; Spence, Habisch, and Schmidpeter 2005). This represents a major knowledge gap in this business and policy context.

On a global scale the number of people directly and indirectly employed by the jewellery industry is substantial; 100 million people worldwide depend upon artisanal and small-scale mining for survival, representing 90 per cent of the labour force in gold extraction (Fairtrade Foundation 2011). Therefore, while jewellery may not be an essential consumer purchase, the jewellery business is an important market (Cavaleri 2012). Also, limited understanding of responsible business practices in SMEs has been further amplified by a failure to recognise differences within SME categories and the contextual impacts found in local clusters or traditional sectors (Spence 2007). By studying one of these sectors as context (the UK fine jewellery industry), the authors address those knowledge gaps, and the paucity of
studies in the creative industry sector (Chapain et al. 2010; Carrigan, Moraes and McEachern 2013). This is important because a tailored CSR perspective for small businesses in the fine jewellery SME sector is needed.

The escalating stakeholder interest in the moral aspects of business has meant organisations are building responsible business behaviour into their marketing management practices (Maclagan 1991). At the same time, the “complexity and messiness of managerial practice” (Maclagan 1995, p.159), or what Nyberg (2008) refers to as the “morality of everyday activities” (Nyberg 2008, p.587) creates unique challenges for any business, regardless of size. While the “pragmatics of practice” must be acknowledged, as Lacziak and Murphy (2006, p. 156) note, we cannot lose sight of the fact that managers need to be “attuned keenly to these moral issues”. Companies require solutions to the challenges of managing responsible business practices on a daily basis, something that is especially difficult for those who operate across multiple national and cultural contexts (Matten and Moon 2008). This has created calls for more attention to be paid to the institutional mechanisms that influence whether organisations act in socially responsible ways or not (Campbell 2007; Doh and Guay 2006).

The suggestion is that how organisations treat their stakeholders depends on the institutions within which they operate, and that in today’s global marketplace institutions beyond the market are required to ensure that corporations are responsive to the interests of social actors beyond themselves (Scott, 2003; Carroll and Buckholtz 2000). Campbell (2007) outlines several key institutional factors: public and private regulation; the presence (or lack of) other independent organisations that monitor corporate behaviour; institutionalised norms regarding what is considered appropriate corporate behaviour, associative behaviour among corporations; and organised dialogues among corporations and their stakeholders. He argues that firms are “embedded in a broad set of political and economic institutions that affect their behaviour” including forces operating outside the corporation (Campbell 2007, p. 948). These institutional factors have been overlooked in past studies of small business and social responsibility (Soundarajan, Spence and Rees 2013), something that we address in this study.

The reduction and regulation of harm within the jewellery industry requires what Smith, Palazzo and Bhattacharya (2010, p.631) refer to as a ‘new institutional logic’ that challenges accepted behaviour while suggesting alternative points of reference. They suggest this requires that efforts down the supply chain are linked to behavioural transformation up the supply chain. If we consider the harm caused by poor labour standards in the jewellery industry, a more favourable route to their eradication is to recognize the network of stakeholder relationships that exist, and leverage those relationships to motivate change within the sector. The ‘multi-stakeholder approach’ (Hughes 2001) brings together the corporate sector, NGOs, trade unions, and national government as a formal organisation to engender more responsible business, which in turn engages those who create harm, those who are harmed, and those who regulate harm (Polonsky et al. 2003).

Research Contribution

The research reported in this study explores the potential for value creation as well as harmful outcomes linked to jewellery marketing activities, and how these harms may be addressed using the harm chain framework (Polonsky et al. 2003; Previte and Fry 2006) underpinned by institutional theory (DiMaggio and Powell 1983; Kostova et al. 2008). To gain narrative accounts of their experiences of managing the challenges of responsible business behaviour, the study draws on exploratory interviews with jewellery designers, manufacturers
and retailers situated in the Birmingham Jewellery Quarter (BJQ), an area which is home to over 500 jewellery businesses (Pollard 2004). The study delivered illustrative examples of how complex harm networks operate within and across the jewellery industry, and demonstrate the inter-relationships that exist across the different stages of the ‘harm chain’. Findings suggest that institutional forces are coalescing towards a more responsible agenda for marketing in the jewellery industry. CSR is a tool to disrupt harmful institutional norms and practices within the jewellery industry, but it requires multi-stakeholder involvement – firms (SMEs and MNEs), trade associations, non-governmental organisations and consumers - and the co-creation of new transformative business models. These efforts need support SMEs to be less short term profit oriented, and instead focus the attention of jewellery marketers on more responsible considerations. To date such multi-stakeholder solutions remain underdeveloped, and if they are to help small businesses engage with CSR, a more inclusive process is needed that gives SMEs a voice in the debate.

References


Marketing Ethics and CSR in the Gambling Industry: How Much is Enough?

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The marketing of Electronic Gaming Machines (EGMs), while commercially successful, represents an ethical challenge for which Corporate Social Responsibility (CSR) provides a potential pathway to its resolution. Evidence from research suggests that the industry and the media (and, by extension, the general public) hold widely divergent views as to what would constitute the CSR of gambling operators. In particular, beyond strict legal compliance, how much CSR is enough is largely undetermined. Establishing normative CSR and ethical practices and benchmarks for EGM operators represents remains a “work in progress”.

Introduction

Organizations involved in the gambling industry in general have a fairly poor image in the minds of a large proportion of the Australian population, although this negative image varies across countries. For example, it is not as prevalent in Nevada or Macau—both markets which arguably depend fundamentally on gambling for their economic viability. Gambling organizations are (generally) legal entities, albeit in many jurisdictions operating under strong regulatory constraints and a real question exists as to whether, or not, their marketing practices comply, or can comply, with the tenets of ethical marketing and Corporate Social Responsibility (CSR). More generally, a largely unanswered question is: how much ethics and CSR is enough? In particular, is strict legal compliance enough, especially in highly regulated markets? Further, given that the level of regulatory requirements is variable, by how much should gambling operators exceed their strict legal responsibilities in order to be considered as ethical and socially responsible? Hence the main purpose of this paper is to examine corporate social responsibility (CSR) practices in a stereotypical gambling industry in Australia, the electronic gaming machine (EGM) industry in New South Wales. We do this by first discussing CSR very broadly as it relates to the EGM industry and then describe the prevailing, and contrasting, attitudes of managers in the industry and those of the media (and by extension) the general public based on a combination of in-depth interviews with operators in the State of New South Wales (NSW) Australia and Nevada and a media analysis of the “pros and cons” of EGMs that appeared in the local press in NSW. The remainder of this paper is organized as follows. Next, we briefly discuss the CSR and marketing ethics literature particularly as it applies to gambling. We then describe the in-depth interviews that were undertaken among EGM operators in NSW, and critical discourse analysis (CDA) of EGM industry articles in the popular press in NSW. This is followed by a discussion of the results of the interviews and the CDA of newspaper articles as they specifically apply to the ethical behaviour of EGM operators in NSW. We then discuss the implications of this analysis and our suggestions for what managers can do to act ethically and for their organisations to be legitimately socially responsible. We also provide brief suggestions for further research.

Corporate Social Responsibility

Corporate social responsibility is paramount if the EGM industry and its constituent
organisations are to be considered ethical. However, the question remains, what is corporate social responsibility? Analysis of the extant literature would strongly suggest that corporate social responsibility (CSR) is fraught with a multitude of terms and definitions (Aupperle et al. 1985; Campbell 2007; Carroll 1998; de Bakker et al. 2005; Lantos 2001; McWilliams, Siegel and Wright 2006; Valor 2005). As a result, “CSR has been used as a synonym for business ethics” (McWilliams, Siegel and Wright 2006, 1). An analysis of 37 CSR definitions by Dahlsrud (2008, 1) however, found that “the existing definitions are to a large degree congruent”. A marketing ethics model developed by Hunt and Vitell (2006) differentiates between deontologists, who judge the morality of an action based on the action's adherence to rules, and teleologists, who “believe that there is one and only one basic or ultimate right-making characteristic, namely, the comparative value (nonmoral) of what is, probably will be, or is intended to be brought into being” (Hunt and Vitell, 2006, 144). A central proposition, which is widely held by advocates of CSR is that CSR is positively correlated with financial performance (Kapoor and Sandhu, 2010); in other words, CSR is good for business.

We conducted a search and found very little literature on ethics and gambling. Notable exceptions are Black and Ramsey (2003, 199), who state: “gambling can be offered and chosen in ethically acceptable ways, but that this will require a major shift in self-conception by the gambling industry” and Adams and Rossen (2006) who recognize that, while moral jeopardy may exist for entities (government, NGOs, charities, etc.) who accept funding from the gaming machine industry, the industry benefits from an enhanced public image by mitigating negative public perceptions through positively contributing to the public good. Our search also found a limited amount of literature on gambling and CSR, although Buchanan et al. ’s (2009, 81) study results found that “EGM operators both in Nevada and NSW need to implement socially responsible marketing strategies and tactics to a significantly higher degree than is currently practiced in order to enhance their reputation, decrease criticism from key stakeholders and minimise the potential threat of increased regulatory constraints”. It is clear that the issue of ethics and CSR is central to any normative evaluation of gambling and/or the development of normative prescriptions for the proper management and marketing of gambling. A major “disconnect” exists however between the generally self-satisfied view that the industry hold of itself and the prevailing, largely critical, attitudes of the general public, as reflected in media coverage. These opposing views were evident in the views held by gambling industry executives in Nevada (USA) and New South Wales (NSW), Australia, which contrasted sharply with media (press) coverage of gambling in NSW.

**Interviews**

A series (37) of one to two hour in-depth interviews was undertaken with gaming operators in NSW and Nevada. The venues ranged in size from the large „super casino“ conglomerates on the Las Vegas Strip and the large „locals” casino operators in Nevada, to the smaller not-for-profit registered clubs and privately owned „pubs“ in NSW. We use the results of interviews in NSW for this paper. The interviews covered nine topic areas. It was considered that talking directly about ethics and corporate social responsibility (CSR) might result in a defensive response by respondents. Accordingly, although the interviews did not explicitly address ethics or CSR, two of the topic areas covered „reputation“ and „social considerations“ with the latter specifically enquiring as to what policies do you have in place to minimize the risk of problem gambling? This was seen as a means of determining what ethical and CSR practices emerged implicitly through the explicit investigation of their marketing strategies.
Interviews were analysed using NVivo. As a result of textual and contextual coding, six major tree node categories were developed (CSR, EGMs, Gambling Behaviour, Marketing, Regulatory and Non-Regulatory Factors and Stakeholders), with 33 sub and 20 sub-sub categories nested under these. Table 1 highlights the main categories and associated summarised major issues resulting from the face-to-face interviews.

Table 1: Interview analysis categories and issues

<table>
<thead>
<tr>
<th>Major Nodes</th>
<th>Issue</th>
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<tr>
<td>Marketing</td>
<td>Reputation</td>
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<td>Customer Inducements</td>
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<td>Nevada</td>
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<td>NSW</td>
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<td></td>
<td>Entertainment</td>
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<td>Promotion Budget</td>
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<td>Target Market</td>
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<td>Gambling Issues</td>
<td>Problem Gambling Strategies</td>
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<td></td>
<td>Nevada</td>
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<td></td>
<td>NSW</td>
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<td></td>
<td>Issues of Behavioural Responsibility</td>
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<td></td>
<td>Problem Gambling Numbers</td>
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<td>Nevada</td>
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<td>Return to Player (RTP)</td>
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<td>Nevada</td>
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<td>NSW</td>
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<td>Volatility</td>
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<td>Technology</td>
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<td>NSW</td>
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<td>Regulatory and Non-Regulatory</td>
<td>Nevada</td>
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<td>NSW</td>
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<tr>
<td>Stakeholders</td>
<td>Epistemological (scholarly) Community</td>
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<td></td>
<td>Employees</td>
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<td>Community</td>
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<td>Customers</td>
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<td>Media</td>
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<td>NGOs</td>
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<td>Government and Regulators</td>
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<td>CSR</td>
<td>Economic</td>
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<td>Legal</td>
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<td></td>
<td>Ethical</td>
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<td></td>
<td>Philanthropy/Discretionary Spending</td>
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As can be seen in Table 1, a number of stakeholders have been identified. Gambling issues influence community, media and government perceptions of social responsibility, such as whether technological advances of EGMs with their flashing lights and seductive sounds leads to increased enticement/inducement for the player (Davidson, 2003). A number of respondents stated that their patrons preferred EGMs with higher volatility and many stated that a higher return to player (RTP) certainly adds to the appeal.
Our main finding from the interviews was that EGM operators believe that the industry operates within the community’s legal and ethical standards, and that, therefore they should be seen as operating ethically and as practising CSR. At the same time the opinions of industry executives were split between those who were generally accepting of the prevailing regulatory regimes in both Nevada and NSW and those who were critical and sceptical. While legal, governmental and social expectations of gambling vary between Nevada and New South Wales (and between Nevada and other US states), in order to be viewed as legitimate by the broader community, it is clear that EGM operators need to ensure that: (a) socially responsible programs are implemented throughout their businesses, (b) they comply with the law, and (c) they satisfy a range of stakeholder expectations (or at least come to some mutually acceptable compromises). Further, we argue that, in order to be considered socially responsible, firms are expected to act beyond conventional economic imperatives (i.e. profit maximisation) and statutory and legal requirements, by adopting ethical programs and, for example, by voluntarily donating a percentage of their profits to charitable causes or by voluntarily implementing programs which seek to identify and assist individual problem gamblers. More generally, we advocate that EGM operators adopt a “proactive” CSR stance in which CSR is regarded as an opportunity; rather than a threat.

In assessing the extent to which the gambling industry can legitimately claim that it practises (or could practise) CSR, controversy exists as to whether EGM expenditure should be viewed as part of the larger social issue of problem gambling, or whether it can be legitimately viewed as entertainment for the majority of people who enjoy EGM play without any associated addiction or resultant problems. If gambling can be seen as legitimate entertainment, then its CSR claims or aspirations may be regarded by objective observers as credible. Currently, however, the vast majority of academic literature and media articles (the latter at least in NSW) focus on issues of problem gambling. Although evidence points to the majority of EGM profits being derived from at risk and/or problem gamblers (Livingstone and Woolley 2007; Symond 2007; Productivity Commission 2010), approximately 70% of adult gamblers enjoy regular EGM play without any reported problems (Productivity Commission report 2010, p. 13). It could be argued therefore, that many adults (including of course non-regulars) can enjoy EGM play as a form of entertainment as a “night out”, similar to other forms of entertainment, such as going to a concert, show, nightclubbing etc. Because of a higher risk of addiction to EGM play than to many other forms of entertainment, however, EGM operators need to ensure that they employ socially responsible policies, processes and practices. Moreover, the interviews with industry executives clearly established that the industry strongly believes that current government regulation of the industry is more than adequate to protect society’s interests and that the industry is currently meeting all its society and community obligations and that any further restrictions would be unnecessary and unwelcome. In this sense, while the industry does not use the CSR term openly, it is clear that many within the industry would sincerely believe that the industry operates ethically and responsibly. Clearly, key issues here are, firstly, the degree of CSR and, secondly, the position of the observer.

The positive perceptions which gambling industry executives hold of their organisations contrast sharply with the largely critical view of the industry which is portrayed in the mass media (and which is presumably also widely held by the general public). These views are discussed below.

Critical Discourse Analysis (CDA) of Media Articles
Data for the study were drawn from three sources of Australian mainstream print media where the gaming industry is discussed at length, with a particular focus on electronic gaming machines (EGMs). Analysis was conducted in two separate phases. In our first stage, 306 newspaper articles were obtained from three major Australian newspapers from January 1995 to March 2010. In the first stage Leximancer was used to calculate the balance of “for” and “against” gambling articles published in the media. The second phase of analysis draws upon the theoretical approach of Critical Discourse Analysis (CDA). A mainly Foucauldian approach to CDA was adopted in this study due to Foucault’s incorporation of power relations, and historical, legal and social factors. Our content analysis provided evidence of the kind of „tug of war” that can occur between government (and in this case, including between the Federal Government and the State Governments), the media, the EGM industry and, although not directly, the citizens who play EGMs. This „tug of war” oscillates from time to time and was especially critical during 2010, although it continued through to the end of 2013. Moreover, the content analysis showed that the newspapers surveyed were generally critical of the industry’s attempts to unduly influence governments and its ability to thwart “anti-pokies” legislation, largely through the effects of its political lobbying.

Our initial content analysis (through Leximancer) generally revealed a distinctively negative balance in the Australian media reporting of the gaming industry. Our critical discourse analysis highlights the changes that have occurred historically (the gaming industry received limited negative press coverage prior to the 1999 Australian Productivity Commission Report, but the balance of editorial coverage since then been substantially negative); politically (the recent radical restrictions on EGM players espoused by the previous Labor Government; since repudiated by the incoming conservative government); and socially (the increasingly negative media reporting about the gaming industry has influenced community attitudes). By objectifying EGMs as being associated with harmful and negative effects EGMs are viewed by many in Australian society (the media, the academic community, welfare groups and many citizens) as being a „social evil”. However, while the harm caused to a certain percentage of EGM players is significant and of serious concern, the majority of EGM players enjoys the experience as a leisure/entertainment activity. Moreover, NSW EGM operators offer a legal service and operate within one of the strictest regulatory jurisdictions in the world. The industry can therefore be characterised as existing in an environment of ethical indeterminacy and ambiguity, and in which the standards required for CSR are uncertain and negotiable, depending on the position of the observer or stakeholder. In particular, crucial but unresolved questions are: can a gambling operator ever be seen to be ethical and socially responsible? Furthermore, is compliance with statutory and legal requirements sufficient for CSR (especially when such requirements are rigorous)? Somewhat surprisingly to the authors, this question does not appear to have been extensively canvassed in the CSR literature. It is universally accepted that CSR is good, and that therefore more CSR is better. There is also ample evidence that CSR is associated with improved business performance (although convincing evidence for a causal relationship is more elusive); however, these axioms are unlikely to persuade the majority of gambling industry executives. From the writers’ perspective, accepting that more CSR is better, the following recommendations are offered.

Conclusions and Recommendations

The current marketing position of gambling has been summarized by Davidson thus: “At present the gambling industry is a marketer’s dream: strong demand, still limited supply, and practically endless variations to the product. The great unanswered question is: Can the
marketing of gambling be carried on within the uncertain and unwritten constraints set by our society?” (Davidson, 2003, p.84) In answering this question, we argue that incorporating ethics and CSR into the marketing processes and practices of organizations offering potentially harmful products is vital. The following are suggested minimum standards of EGM industry marketing practice based on our research, and adopting these changes will enhance the public’s perception of the CSR of the gambling industry.

**Product:** EGMs should not contain features that are found, through evidence-based research, to be addictive. **Price:** Value for money needs to be provided, with a high return-to-player (RTP). While payout ratios are generally fixed by the NSW State government which registers EGMs, a percentage of profits should be donated to charitable causes. **Place:** A high ratio of EGMs in lower socio-economic areas should not exist (although there is anecdotal evidence that this is a growing trend in NSW). **Promotion:** EGM players who have self-excluded or are found to be vulnerable to problem gambling, should not be marketed to in a manner which is designed to increase appeal (such as special offers, etc.). Rewards for “loyalty” should not include cash or gambling credit. **People:** Staff in EGM venues should be trained to recognise patrons who appear to be over-spending. **Process:** Processes need to be implemented which identify problem gambling trends and individual problem gamblers and which are followed by active intervention in individual cases. Further, gambling institutions (clubs, casinos and pubs) should conduct CSR audits and publish results. **Physical Evidence:** Layout of EGMs should not be designed to „entrap” players by making it difficult for them to find their way out from the gambling area.

Beyond these relatively modest and incremental marketing mix constraints, we argue that EGM operators should adopt a “proactive” CSR stance in which CSR is regarded as providing opportunities (rather than threats) and where its adoption will generate an expanded customer base and a more robust and defensible public reputation for operators to safeguard better their business futures.

**Contributions of the Research**

A key finding of this study is that CSR, and its associated ethical imperatives, should be a central priority in management thinking and practice within the EGM industry if the industry is ever to achieve the widespread public legitimacy, along with the economic sustainability, to which it aspires. While many within the industry would argue that, against a history of increasing government scrutiny, that compliance with regulatory and legal restrictions and requirements is sufficient for corporate sustainability, the evidence in this paper and the widely accepted arguments of the industry critics suggest that mere legal compliance is insufficient for true CSR. At the same time, an as-yet-unanswered question for the CSR community is: beyond minimal legal compliance, how much CSR is enough? Clearly the answer will be a question of degree and will be crucially dependent on the position of the observer. At the same time, the measurement of CSR performance is by-now well established (see, for example, Abbott and Monsen 1979; Aupperle, Carroll and Hatfield 1985; McGuire, Sundgren and Schneeweis, 1988; Porter and Kramer 2006; Cochran and Wood 1984; Orlitzky, Schmidt and Rynes 2003) and thus an empirical answer to this question is not beyond the scope of research. However, while most, if not all, will agree that more CSR is better, gambling industry executives will undoubtedly respond by claiming that ever-increasing CSR will eventually threaten the economic viability of the enterprise and the industry. While this question is far from resolved, it could be argued that conventional marketing logic would suggest that the proactive CSR stance advocated in this paper represents an opportunity for astute marketers.
in the gambling industry. Just as many marketers outside the industry have recognised that adopting a more visible CSR stance represents an opportunity to differentiate the corporation (witness, for example, the prominence that many corporations are giving to CSR in their advertising and web-sites), the same logic could be applied by the gambling operators. Similarly, as many corporations have concluded, CSR has a substantial “upside” and only a “minimal” downside. In EGM gambling, the most obvious “downside” is the small number of problem gamblers (and their associated gambling spending) who will be alienated or who will switch to alternate providers. This seems a small price to pay for the increased public acceptance and moral capital (Kane 2001) that such a position would promote. The authors believe that this paper has merely posed a provocative question, but that this discussion needs to be further advanced in the CSR literature and research before the question is convincingly resolved. In particular, the measurement of gambling organisations’ CSR performance is a worthy research topic. These questions and the results of our research could also be extrapolated to other gambling jurisdictions and/or to other industries that market legal but potentially harmful products.

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Ethical Issues and Pharmaceutical Marketing in Developing Economies: A Study of Pharmaceutical Promotion in India

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High spends on unethical promotional tools to influence physician actions in developing economies where people have low access to public healthcare and medicines harms the end consumer in multiple ways. The study examines the promotional activities undertaken and the ethical issues faced by pharmaceutical marketers in India in the context of regulatory guidelines, through primary data from 44 firms accounting for 38 percent of the industry turnover. The study finds that these firms use a range of promotional tools to achieve various communication objectives. In contravention of regulatory guidelines, they continue to offer gifts and sponsor educational programmes to influence physician prescription behaviour. Marketing executives report that competitive pressures, unreasonable demands by physicians themselves and the practice of launching irrational drug combinations are some of the ethical issues they face in their work. A set of recommendations for addressing the ethical issues are included.

Introduction

For long term survival and success, business organizations need to conduct their activities in a socially responsible manner and ensure that they meet organizational objectives while protecting the welfare of consumers and society. The pharmaceutical industry in any country is a critical sector as its operations are aimed at developing and producing effective and safe drugs that alleviate disease as well as enable people to live longer and healthier lives. Society’s expectations of ethical and socially responsible conduct from the healthcare and pharmaceutical industry are therefore higher and more explicit than from other enterprises. In many developing economies where low literacy rates and per capita income are combined with inadequate public healthcare infrastructure, people have limited access to healthcare and medicines. Here the role of the private pharmaceutical and healthcare firms becomes even more critical as their capacity to do good, or otherwise, is magnified. Because it has such a significant impact on the well-being of people, the pharmaceutical industry is also the focus of much scrutiny and judgment in most countries (Sillup and Porth 2008; Parker 2007).

Pharmaceutical firms and physicians have a common focus in enhancing the quality of medical treatment. However, while the responsibility of the physician is to ensure patient welfare, the objective of the pharmaceutical firms is to maximize return on investment for its shareholders. The promotion of drugs by pharmaceutical firms impacts the pricing of drugs and their proper use along with the cost and availability of healthcare. The image of pharmaceutical companies seems to have been negatively affected, in part, because of the marketing activities undertaken by them, many of which are actually in contravention of the letter and intent of the code of conduct in place in the respective countries.
From a sale of USD 18 billion in 2012, the Indian pharmaceutical sector is expected to touch USD 45 billion by 2020 (McKinsey & Company 2013). Though India has the third largest pharmaceutical industry in the world in volume, its per capita spend on medicines at USD 4 per annum is amongst the lowest. In fact, medical expenses, of which drugs alone constitute about 50 to 80 percent, are one of the major causes of indebtedness in rural India. According to IMS Consulting Group (2013) medicines account for more than 60 percent of patients’ total out-of-pocket expenses for outpatient treatments, and 43 percent for inpatient treatments in India. Low insurance penetration makes the total cost of medicines a major burden for a majority of the population. According to the World Bank (2001), more than 40 percent of the patients admitted to hospitals in India have to borrow money or sell assets, including inherited property and farmland, to meet their medical expenses and about 25 percent of farmers are driven below the poverty line because of their medical expenses. Ironically, the majority of infectious diseases which are responsible for 45 percent of the deaths and 63 percent of the child mortality in low-income countries can be controlled with inexpensive, off-patent medicines and tools which are not available when required (WHO, 2000).

In many developed countries with more literate and aware populations, individuals and families get themselves insured or are covered by the insurance plans of their employers. In India a very large percentage of the population is not literate and is employed in the unorganized sector in agriculture and retail activities. The private sector accounts for more than 80 percent of total healthcare spending in India. The need to balance the commercial interests of pharmaceutical firms with the larger social goal of disease treatment and preventing devastating epidemics is a major challenge (Pandeya2007). The Indian pharmaceutical industry is unique in that about branded generics account for 70 to 80 percent of the retail market (McKinsey & Company 2013). According to Das and Hammer (2007) urban Indians pay an unduly high amount of money on unnecessary drugs. According to Sarkar (2004), without a clear and rational drug policy there is a distorted pattern of drug production in India with a plethora of non-essential, irrational and harmful drugs. These drugs are often sold at high prices under various brand names instead of their generic names. There is also no method for central registration of these formulations.

Literature review

Pharmaceutical Marketing

Pharmaceutical marketing can be defined as a process by which the market for pharmaceutical care is actualized. The pharmaceutical market is unique in the importance of the influence of a non-purchaser on the purchasing behaviour of the ultimate consumer (Smith, 1988). The successful innovation of pharmaceuticals requires a substantial amount of marketing support, despite concerns about the effects of these marketing efforts. Wieringa et al (2013) consider prior findings that indicate that higher marketing expenditures for a brand reduce its price elasticity of demand, which may lead to higher prices and posit that the parameters are heterogeneous across brands, and that marketing effects differ across product life cycle stages. For established brands, marketing efforts neither have a positive effect on sales, nor do they affect the price elasticity. Another viewpoint is that marketing communications are the means by which firms attempt to inform, persuade and remind consumers—directly or indirectly—about the products and brands they sell. In a sense, marketing communications represent the voice of the company and its brands; they are a means by which the firm can establish a dialogue and build relationships with consumers (Kotler et al2009). Marketing accelerates the rate of diffusion and leads to a higher baseline level of sales of new
products. In a study of top pharmaceutical companies in Bangladesh, Chowdhury et al (2012) found that promotional expenditure showed a significant effect on sales growth. Berndt (2007) observes that the effects of expenditures on pharmaceutical promotion are in need of more scholarly research. Although promotional expenditures often account for 20 percent to 30 percent of sales in the pharmaceutical industry, evidence on the competitive effects of pharmaceutical promotion is limited and inconclusive (Rizzo 1999). Bhangale (2008) has summarized the strategies to target the various customer groups employed by the Pharmaceutical firms in India (Figure 1). Typically, sales force expense comprises an estimated 15 – 20 per cent of annual sales.

Figure 1: Promotional Tools in the Pharmaceutical Industry in India (Source: Bhangale, 2008)

Pharmaceutical firms around the world spend substantial amounts on promotional activities. According to Montoya et al (2010) the U.S. pharmaceutical industry spent upwards of USD18 billion on marketing drugs in 2005 of which detailing and drug sampling activities accounted for the bulk. However, according to another estimation pharmaceutical companies in the United States spent in excess of USD 57 billion in 2004 alone to market their products (Gagnon and Lexchin 2008) which amounted to an expenditure of approximately USD 61,000 in promotion per physician. Thus the industry spent 24 percent of its sales in 2004 on promotion, versus 13 percent for research and development. According to Donohue et al (2007) approximately 10 percent of that money is spent on consumers in the United States, with television advertising taking up the bulk of expenditures. Verschoor (2007) points out that from 1997 to 2005, expenditures on direct to consumer advertising of prescription drugs in the U.S.A increased at twice the rate of the expenditures on promotion top physicians or research and development efforts.

Marketing Ethics and Pharmaceutical Promotion

From amongst all the business activities, it is marketing which has probably engendered the highest level of debate involving ethics (Murphy and Lacziak, 1981; Nantel and Weeks, 1996). According to Fraedrich and Ferrell (1992) ethics may be viewed as the study of human conduct with an emphasis on determination of right and wrong. Murphy et al (2005) view marketing ethics as the systematic study of the application of moral standards to
marketing decisions, actions and institutions. On the one hand, research on marketing ethics has taken a descriptive approach and empirically investigates the ethical dimensions of current marketing decision making and marketing practice (e.g. Marta and Singhapakd 2005; Watson 2011). Another set of writings adopts a normative approach wherein the focus is on developing and supporting a framework or guidelines to enhance ethical marketing (Laczniak 1983; Williams and Murphy 1990; Reidenbach and Robin 1990; Smith 1995). Laczniak and Murphy (2006) present a set of basic perspectives, referred to later in the paper, which are aimed at improving ethical marketing practice. Payne and Pressley (2013) point to significant principles of ethics and suggest a single code of professional conduct for marketing students, educators and practitioners.

Though consumers expect organizations to profit from marketing goods and services, they also believe that certain organizations, like those that focus on health, should prioritize communal obligations. In fact, consumers may find it morally distressing when communally-focused organizations use overtly commercial marketing strategies (Mc Graw et al, 2012). The ethical promotion of pharmaceutical products is crucial for ensuring consumer health and well-being. An expanded code of practice for pharmaceutical industry released by the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) in 2012 emphasizes the requirement of training all employees to follow the guiding principles which clearly provide a distinction between gifts, promotional aids and items of medical utility. The code prohibits company-sponsored entertainment events and offering or providing personal gifts to healthcare professionals. The Pharmaceutical Research and Manufacturers of America (PhRMA) have issued the PhRMA Code on Interactions with Healthcare Professionals to promote and support ethical pharmaceutical marketing practices. Various bodies in other countries such as the Association of the British Pharmaceutical Industry (www.abpi.org.uk), Medicines Australia (www.medicinesaustralia.com.au) and Pharmaceutical and Healthcare Association of Philippines (www.pna.org.ph) have drawn up similar codes of conduct for ethical marketing, most of which forbid companies from giving physicians enticements such as lavish gifts and free travel etc. to prescribe their products.

The Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations 2002, (MCI Code) also prescribes standards for the medical profession in India. It prohibits medical practitioners and their professional associations from accepting any gift, travel facility, hospitality, cash or monetary grant from pharmaceutical and life sciences companies. The code directs every physician to, as far as possible, prescribe drugs with generic names and that he/ she ensure that there is a rational prescription and use of drugs (www.mciindia.org). The Uniform Code of Pharmaceutical Marketing Practices for the Indian Pharmaceutical Industry (UCPMP), a voluntary code to regulate the sales and marketing practices of pharmaceutical companies in India, introduced in 2012 by the Department of Pharmaceuticals (DoP), prohibits pharmaceutical companies from extending freebies to healthcare professionals or their families. The code of pharmaceutical marketing practices advocated by the Organization of Pharmaceutical Producers of India (OPPI) aims to ensure that the promotion of all products is backed by adequate, unbiased and truthful technical data (www.indiaoppi.com). It also prohibits freebies to healthcare professionals. Further, it provides guidelines on engaging healthcare professionals in advisory capacities such as consultants and advisors and using venues for meetings and events which are conducive to the scientific or educational objectives and the purpose of such events and meetings.

There is, however, significant evidence available that despite the presence of regulatory guidelines, un ethical and irresponsible promotional practices in pharma-marketing abound
(Santoro and Gorrie 2005; Oldani 2004; Moynihan 2003; Boseley 2007; Mukherjee 2009; Anand 2011, Das 2012). Dhanaraj et al (2011) report that of the 292 claims in 102 medicinal drug advertisements in 15 Indian medical journals published in 2009 none satisfied all the WHO ethical criteria for medicinal drug promotion. Safe prescribing information on major adverse drug reactions, contraindications and warnings were provided in only 19 advertisements, while only 80 advertisements were supported with references. Waheed et al (2011) found that tangible rewards such as gifts and free samples to physicians by the pharmaceutical companies lead to prescription loyalty.

**Study Purpose**

The study uses empirical research to examine the components of the promotional mix aimed at physicians being used by pharmaceutical firms in India and identify the communication objectives that these promotional tools are employed to meet. The promotional tools used are evaluated in the context of the regulatory guidelines and code of conduct prescribed by relevant bodies in the country. Further, the major ethical issues faced by marketing executives in pharmaceutical firms are explored.

**Research Methodology**

This research is part of a larger study aimed at reviewing the promotional tools used by the pharmaceutical industry in India and examining the related issues and challenges. Primary data for this part of the study was obtained through a structured questionnaire aimed at senior and middle level marketing executives (with designations such as marketing managers/brand managers/group product managers or equivalent) in pharmaceutical firms in India. From a total of 10,563 pharmaceutical manufacturers whose names and contact details are listed in the Directory of Pharmaceutical Manufacturing Units in India available on the website of Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers (http://pharmaceuticals.gov.in/), 500 companies were selected through judgmental sampling and contacted through email or telephonically with a request to participate in the study and to obtain the details of the target respondents. The administration of the questionnaire was done online on a data collection portal, via email and telephonically. An online link for the questionnaire was created at www.surveymonkey.com. Usable responses were obtained from 54 marketing executives working in 44 pharmaceutical firms in various parts of the country. Multiple responses were received from some firms from respondents working in different divisions. These 44 firms comprise about 38 percent of the pharmaceutical industry turnover in the country. Table 1 presents the profile of the participating pharmaceutical firms.

Table 1: Profile of Participating Pharmaceutical Firms

<table>
<thead>
<tr>
<th>Nature of Company Activity (%)</th>
<th>Company classification</th>
<th>by Turnover (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>Group I (&gt; $330mn.)</td>
<td>18.8</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Group II ($25mn – 330mn.)</td>
<td>59.4</td>
</tr>
<tr>
<td>Marketing and Manufacturing</td>
<td>Group III (&lt; $25 mn.)</td>
<td>21.9</td>
</tr>
<tr>
<td>Size of Marketing Team (No. of Employees) (%)</td>
<td>Size of Sales Force (No. of Employees) (%)</td>
<td></td>
</tr>
<tr>
<td>1-10</td>
<td>33.3</td>
<td>&lt; 500</td>
</tr>
</tbody>
</table>
Study Findings

Promotional budgets

Table 2 presents the percentage share of the promotional budget being spent on various promotional tools by the pharmaceutical firms surveyed. As much as 21 percent of the total promotional budget is being used for giving gifts of various kinds, mainly to physicians. The expenditure on sponsorship of physician-related educational programmes is a close second, accounting for about 19 percent of promotional spends. It would be pertinent to mention that most marketing executives did not agree to provide information on the absolute size of their firms’ promotional budgets in value terms.

Table 2: Share of Promotional Tools in the Total Promotional Budget of Pharmaceutical Firms

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Promotional Tool</th>
<th>Share (%) of Promotional Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Offers (gifts).</td>
<td>20.71</td>
</tr>
<tr>
<td></td>
<td>Sponsorship of Educational Programs</td>
<td>19.21</td>
</tr>
<tr>
<td></td>
<td>Samples</td>
<td>12.20</td>
</tr>
<tr>
<td></td>
<td>Trade Promotion.</td>
<td>9.69</td>
</tr>
<tr>
<td></td>
<td>Patient Education.</td>
<td>8.19</td>
</tr>
<tr>
<td></td>
<td>Advertisements (Industry Journals, Trade Magazines etc.)</td>
<td>7.97</td>
</tr>
<tr>
<td>(vii)</td>
<td>Direct Mail</td>
<td>1.68</td>
</tr>
<tr>
<td>(viii)</td>
<td>Others</td>
<td>20.35</td>
</tr>
</tbody>
</table>

n= 54; Expenditure on Salaries and Commissions of Sales Force is not included on the above table.

Communication Objectives

Table 3 presents the ratings by the marketing executives surveyed regarding the effectiveness of the promotional tools used by their firms in meeting various communication objectives as per the AIETA (Awareness, Interest, Evaluation, Trial, and Adoption) model. Medical representatives and educational programmes are rated as the most effective in creating awareness about drugs and creating interest and evaluation of a drug against its alternatives. Samples are rated as the most effective in stimulating product trials. However, offers to physicians which include various types of gifts are rated as the most effective in stimulating the adoption of the product.

Table 3: Mean Rating of Effectiveness of Promotional Tools in Achieving Communication Objectives amongst Physicians

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Communication Objective</th>
<th>Creating awareness</th>
<th>Creating interest</th>
<th>Evaluating current drug</th>
<th>Stimulating product trial</th>
<th>Stimulating adoption of product</th>
</tr>
</thead>
</table>
According to the findings of the study, many marketing executives in pharmaceutical firms view the various monetary and non-monetary offers to physicians as the most potent weapons in their arsenal for influencing physician prescription behaviour.

**Ethical Issues**

Table 4 presents the responses from marketing executives on their evaluation of the firms’/own ethical behaviour. The marketing executives participating in the study do not give themselves full marks on compliance with the regulatory guidelines as indicated by the mid-value scores on all three statements.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Statement</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Our choice of promotional tools is always guided by Medical Council of India guidelines.</td>
<td>2.53</td>
<td>1.16</td>
</tr>
<tr>
<td>(ii)</td>
<td>I always adhere to IFPMA guidelines for pharmaceutical promotion.</td>
<td>2.55</td>
<td>1.18</td>
</tr>
<tr>
<td>(iii)</td>
<td>My promotional efforts are guided by OPPI guidelines for promotion.</td>
<td>2.97</td>
<td>1.16</td>
</tr>
</tbody>
</table>

Table 5 summarizes the responses of the marketing executives to an open-ended question about the major ethical challenge faced by them during product promotion. The responses were categorized on the basis of recurring themes. Almost 39 percent of respondents stated that competitors’ unethical practices such as the giving of gifts and cash as well as sponsorships to physicians put tremendous pressure on them to also follow suit. About 18 percent of respondents indicated that unreasonable demands made by the physicians themselves, is a challenge. These unreasonable demands were reported to be both monetary and non-monetary in nature, including gifts and sponsorships. In this scenario, adhering to statutory guidelines is a big challenge for these marketing executives and this was mentioned by 33 percent of them. About 10 percent of the respondents reported that having to promote irrational drug combinations introduced by their firms poses an ethical challenge to them. Com-

<table>
<thead>
<tr>
<th>Promotional Tool</th>
<th>against alternatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Medical Representative</td>
<td>2.02 2.60 2.64 2.77 2.40</td>
</tr>
<tr>
<td>(ii) Educational Programs</td>
<td>2.80 2.42 2.90 3.14 2.71</td>
</tr>
<tr>
<td>(iii) Advertisement</td>
<td>3.12 3.66 3.65 3.89 2.96</td>
</tr>
<tr>
<td>(iv) Samples</td>
<td>3.47 3.30 3.05 2.39 3.05</td>
</tr>
<tr>
<td>(v) Patient education</td>
<td>3.67 3.70 4.71 3.89 3.76</td>
</tr>
<tr>
<td>(vi) Direct mail</td>
<td>4.09 4.25 4.04 4.52 2.48</td>
</tr>
<tr>
<td>(vii) Offers</td>
<td>4.25 3.02 3.88 3.63 1.71</td>
</tr>
<tr>
<td>(viii) Trade Promotion</td>
<td>4.70 4.10 3.30 3.00 2.42</td>
</tr>
</tbody>
</table>
Combination drugs or fixed dose drug combinations (FDCs) are combinations of two or more active drugs in a single dosage form. Generally drugs should be formulated as single compounds and FDCs are advisable only when the dosage of each ingredient meets the requirement of a specific population group and when the combination has an established advantage in terms of therapeutic efficacy and safety over single compounds administered separately. Combination drugs that do not meet these criteria are termed irrational. Formulations that are illogical unnecessarily increase the cost of medication, may negatively impact treatment efficacy and add to the risk of side effects of the treatment.

Table 5: Major Ethical Issue faced by Marketing Executives

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Ethical Issue</th>
<th>% of Respondents Mentioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Competitors unethical practices (gifts, sponsorship, cash etc.)</td>
<td>38.8</td>
</tr>
<tr>
<td>(ii)</td>
<td>Non-compliance to MCI guidelines and ethical code of pharmaceutical marketing by own firm</td>
<td>32.7</td>
</tr>
<tr>
<td>(iii)</td>
<td>Unreasonable/Unethical demands by doctors</td>
<td>18.4</td>
</tr>
<tr>
<td>(iv)</td>
<td>Launch/promotion of irrational drug combinations</td>
<td>10.2</td>
</tr>
</tbody>
</table>

n = 54

Discussion and Recommendations

The study finds that despite the guidelines issued by national and international regulatory bodies, pharmaceutical firms in India are using a range of prohibited promotional methods to influence physicians’ actions. They continue to sponsor foreign trips of many physicians and shower high-value gifts like air-conditioners, cars, music systems, gold chains, etc., on obliging prescribers who then prescribe costlier drugs. This is in spite of the fact that a substantial number of the marketing executives surveyed view such activities as ethical challenges and admit that these activities are in violation of regulatory guidelines.

The findings of the study are consistent with a survey of physicians in India wherein all physicians who participated in the study report being aware of the guidelines issued by the MCI, yet as many as 69 percent of the sample admitted to be accepting gifts and sponsorships offered by the pharmaceutical firms (Handa et al 2012).

The relationship between the pharmaceutical companies and the physician is a close one due to their mutual interdependence. It initially began as an information sharing practice with the medical representatives being classified as missionary sales persons. It has evolved with time into aggressive promotional activities by pharmaceutical companies in their quest to gain market share.

There need to be more robust external and internal controls to ensure ethical compliance by pharmaceutical firms. Pharmaceutical firms in turn need to ensure that their governance as well as compliance policies and practices not only are in keeping with the regulatory requirements but also meet the highest standards of ethical conduct. It would be pertinent here to point to the set of basic perspectives recommended by Laczniaik and Murphy (2006) wherein they underline the need for marketing managers to put people first, to go beyond merely the legal requirements related to their sphere of activity, to consider the ethical aspects of the intent, means employed as well as the consequences of their marketing actions. They recommend that organizations should take specific steps to enhance the moral imagina-
tion of their marketing personnel, should specify and ensure adherence to a set of clear ethical guidelines, should adopt a stakeholder approach in decision-making which recognizes their responsibility towards various groups and should draw up a protocol aimed at facilitating ethical decision-making and practice.

There has to be realization by pharmaceutical firms that in the absence of proactive self-regulation, there is bound to be more stringent and punitive action from the government. Also, there is bound to be a backlash from the negative public opinion generated against the industry as a whole. The government on its part needs to enforce the guidelines drawn up for the pharmaceutical industry more strictly. A watchdog body comprising of various stakeholders, including consumer representatives, can be set up for this purpose. Since August 2012, the Central Board of Direct Taxes in India has clarified that pharmaceutical and allied health sector industries would not be allowed to pass off expenses pertaining to freebies given to medical practitioners and their professional associations as revenue expenditure thus making these expenditures taxable. It seems that the threat of additional taxes proved to be a more effective deterrent than ethical policing. Since August 2012, there has been a significant decline in the number of publicly acknowledged sponsorship offers by pharmaceutical companies to doctors for foreign travel (Mathews, 2013).

Steps need to be taken to discourage the launch and promotion of irrational drug combinations by pharmaceutical firms. The development and production of drug combinations should be based on scientific research. Misleading claims by pharmaceutical industry firms should be censored. Hospitals can set up their own drugs and therapeutics review committees to regulate drug prescription. Also doctors and medical students need to be trained to logically assess the various drug combinations (Gautam and Aditya, 2006).

Physicians do require continuous updating of their knowledge. The use of e-detailing and electronic media to keep physicians informed about the research and development in the field can contribute to this end and in a more cost-effective manner. The use of medical representatives to inform and educate physicians regarding their firm’s product portfolio can continue to be an effective practice. It should be made mandatory for members of the medical profession to undergo continuous medical education (CME) of a certain minimum duration every five years for re-registration. However this CME must be provided for by MCI or the various State Medical Councils. For this purpose a fund can be set up by professional associations. Pharmaceutical firms keen to contribute towards the continuous medical education (CME) of physicians can do so by giving funds through a government body like the Medical Council of India. This will help in curbing the direct influence of pharmaceutical companies on physicians.

There must be greater compliance by physicians regarding the prescription of generic drugs to patients rather than their exorbitantly priced branded counterparts. In the absence of restraint by firms, it is necessary that the discouragement comes from physicians through their refusal to prescribe exorbitantly priced brands when less expensive versions are available. The government needs to enforce more strictly on all physicians, and definitely on those in the public health care systems, to prescribe only generic drugs where possible. Hospitals can also regulate drug prescriptions by their panels of doctors along these lines. Another remedy lies in consumer education and creating the awareness that a patient often has a choice between a branded medicine and its generic version. A patient can request a doctor to prescribe a generic medicine where possible. Consumers must be made aware that generic drug production has to meet the same prescribed standards of manufacturing and in-
spection as their more expensive branded counterparts. In fact many generic drugs are made by the same companies who produce the branded versions. If patients understand that each brand of medicine has the same therapeutic effect, there will also be pressure on the physician to prescribe less expensive but equally effective medicines.

This paper draws attention to important ethical issues surrounding pharmaceutical promotions in India. Based on empirical findings it proposes a set of measures aimed at addressing these issues. There may be varying viewpoints regarding what constitutes the social responsibility of the pharmaceutical industry (Leisinger 2005; Nussbaum 2009; Sykes 1999). However, conducting their activities in a manner that meets the national and international guidelines for ethical conduct, certainly falls into the realm of essentials or ‘must dos’ for all the members of the pharmaceutical industry. Given the important role of the pharmaceutical industry in contributing to consumer health and well-being, it is crucial that pharmaceutical firms in India conduct themselves in a responsible manner and self-regulate. All evidence seems to indicate that a major course-correction by several stakeholders in the industry is overdue.

References


Marketing theory

Chairs: Michael Saren & Georgios Patsiaouras

Session 7c – Thursday 3rd July, 4:15pm

- New philosophical underpinning of macromarketing theories
  Hans Skytte

- Re-visiting evolutionary explanations of distribution and social exchange
  John Desmond

- Conceptualisations of consumer orientation in the history of marketing thought: An analysis with ethical implications
  Ann-Marie Kennedy, Gene Lacziak

Session 11c – Friday 4th July, 4:15pm

- Indifference in a culture of consumption: Boredom, apathy and the non-consuming subject
  Elizabeth Nixon

- The gap between theory and practice in social marketing: A study of positive and negative appeals in European television advertising preventing HIV & AIDS
  Beatriz Casais, Joao F. Proenca

- Speak to the leg: A post-Paralympic analysis and re-theorization of consumer-object relations
  Rikke Duus, Andrea Davies, Mike Saren
A New Philosophical Underpinning of Macromarketing Theories

Hans Skytte, Business and Social Sciences, Aarhus University

This paper proposes a new philosophical foundation for analyzing macromarketing issues, and for further development of macromarketing theory, building on the language philosophy developed by the German/British philosopher Ludwig Wittgenstein. The building blocks are a number philosophical thoughts and concepts: “language is autonomous”, “concept”, “seeing as”, “language-games”, etc. In this paper these philosophical thoughts and concepts combine so that they over time form recursive processes which spiral. These processes are taken as the philosophical foundation for researching the language and actions of the social actors in marketing systems. The unit of analysis for marketing systems and macromarketing issues is the idea in the recursive process and spiral. The introduction gives a brief overview of what is understood by macromarketing. Followed by a thorough explanation of many of Wittgenstein’s philosophical thoughts and concepts forming a new philosophical foundation for macromarketing. Lastly, the new philosophical foundation is applied to macromarketing issues.

Introduction

Macromarketing was defined for the first time in the Journal of Macromarketing by Hunt back in 1981. He proposed that the macromarketing concept is a multidimensional construct, including: “(1) marketing systems, (2) the impact and consequence of marketing systems on society, and (3) the impact and consequence of society on marketing systems” (Hunt 1981, p. 8). This definition has since, by and large, been accepted by most macromarketing scholars. The definition takes the marketing system as its unit of analysis and builds on his earlier definition of (micro) marketing in the Journal of Marketing (Hunt 1976). In his 1976 paper, Hunt stressed a micro/macro dichotomy saying that micro refers to marketing activities of individual organizations or individual consumers. Macro refers to a higher level of aggregation, usually a market, marketing systems or groups of consumers. He also proposed a positive/normative dichotomy distinguishing between what is and what ought to be. Furthermore, both micromarketing and macromarketing concepts and theories are built on propositions concerning micro economics and on the positivist, functionalist or the logical empiricist paradigm based on ontologically real, material and external phenomena, i.e. either objective or subjective perceptions of needs, threats and opportunities (Smircich and Stubbart 1985; Arndt 1985; Achrol and Kotler 2012). These paradigms have been dominating micro- and macromarketing research over the last 30 years, when researchers have conducted their investigations, with the purpose of discovering, explaining and predicting marketing phenomena including organizational and human behavior as well as aggregations hereof (Hunt 1976, 1981 and 1994; Arndt 1985; Achrol and Kotler, 2012).

Many interesting, important and significant papers have been published in the Journal of Macromarketing since its birth. The theoretical progress over the years has involved clarification of the macromarketing concept and development of many promising macromarketing theories and frameworks, among these contributors are Olsen and Granzin (1990); Kilbourne, McDonagh and Prothero (1997); Kotler, Roberto and Leisner (2006); Mittelstaedt, Kilbourne and Mittelstaedt (2006); Tadajewski and Saren (2009); Adkins and Jae (2010); and Camp-
bell, O'Driscoll and Saren (2013), just to mention a few and to stress the comprehensiveness of macromarketing. For example, Mittelstaedt et al. (2006, p. 132) suggested that the scope of macromarketing should go “beyond the market, as that term is defined by micromarketing and microeconomics, to the agora”.

Many papers in the Journal of Macromarketing have looked at a possible future direction of macromarketing. Among them are Peterson (2006); Layton and Grossbart (2006) and Layton (2008). They all suggest new phenomena of interest for macromarketing scholars to study but at the same time they all stick to the traditional paradigms. Layton (2008, p. 225) though went as far as to say “The assumptions of the standard microeconomic paradigm have long been under challenge by economists”, but he did not go as far as to suggest any new paradigm himself. However, a few papers have discussed possible new paradigmatic and methodological underpinnings of macromarketing; among them is a paper (O’Shaughnessy and O'Shaughnessy 2002), which suggested that postmodernism may be an appealing way to go for (macro)marketing, while at the same time stressing that there is a need for critical appraisal.

However, the real need for a new paradigm for micro- and macromarketing becomes obvious when we look back almost 30 years and listen to Arndt (1985, p. 20) who warned that most marketing researchers are “imprisoned by the dominant logical empirical metaphors that have drawn attention to some phenomena in the marketplace while neglecting others”. Continuing to use this traditional research orientation or philosophical underpinning for the study of micro- and macromarketing phenomena and problems, researchers will, more or less, continue to ask similar questions and will, continue to get similar answers, resulting in the development of more or less identical theories; or even in “cumulation of trivial findings” (Arndt 1985, p. 20). To move ahead towards new scientific results, Arndt (1985, p. 18) suggested that it is necessary to break free from the old paradigms and worldviews, and he proposed that social constructivism and language and text metaphors, including analyzing “leadership as language-games” (an idea originally coined by Pondy 1978, building on Wittgenstein’s language-game concept), may be new ways to go.

This paper takes up the challenge and proposes that researchers begin to use Wittgenstein’s language philosophy as the foundation for their micro- and macromarketing investigations. This proposal is put forward despite Holbrook (1996, p. 133) having said in the Journal of Macromarketing that: “One reason most of us only occasionally read the pioneering work by .. Ludvig Wittgenstein .. is that—if truth be told—most of us find it rather difficult to understand” what this estimable author is talking about. Nevertheless, this paper proposes a way of using Wittgenstein’s groundbreaking work as a new philosophical foundation for analyzing macromarketing issues and for the future development of macromarketing theory.

Using this new philosophical foundation, researchers will come to see many aspects in association with macromarketing, never comprehended before—not new facts or knowledge about the world, but—what is understood by use of words, concepts, language, etc. in relation to macromarketing issues. Wittgenstein’s philosophical thoughts and concepts are, in this paper, put together so that they over time form recursive processes which spiral. These processes and spirals are taken as the philosophical foundation for researching the language and accords actions of the social actors in marketing systems. The unit of analysis for marketing systems and macromarketing issues is the idea of recursive processes which spiral. Furthermore, this approach can be used both to analyze what is and to suggest what ought to be according to macromarketing issues and marketing systems.
The conception of language

This paper builds mainly on Wittgenstein’s (1945/2009a) conception of language as found in his book the *Philosophical Investigations*. A clear discussion and explanation, though, requires a review of two earlier conceptions of language: one proposed by Augustine (AD 397/1955) in his book *Confessions*; one proposed by Wittgenstein himself (1922/1974) in his first book *Tractatus Logico-Philosophicus* (referred to as the *Tractatus* or TLP). This review is limited to what is relevant to understanding Wittgenstein’s invocations of these two earlier conceptions when writing the *Philosophical Investigation* in which he discusses how these earlier conceptions have led many people to err and misunderstand what language is.

Augustine’s conception of language

The first person known to discuss and write about human language was Augustine (Bishop of Hippo, Italy), whose book *Confessions* dates back to AD 397. In this book, Augustine presented and discussed philosophy of language, language acquisition and communication, ideas of language that have persisted ever since (Rudolph 2005; Baker and Hacker 2009a). His conception of language, briefly stated, is that the words of our language have gained their meaning by their connection to objects in reality. This conception has for more than 1600 years been “...the gravitational field within which much...speculation on the nature of language has operated” (Baker and Hacker 2009a, p. 3). Augustine’s conception of language is the starting point for this paper’s discussion of the nature of language, and some of his main ideas and concepts—*word*, *sentence*, *word meaning*, *truth* etc. will briefly be explained and discussed in this section and referred to later on in the paper.

For Augustine (397/1955), the foundation of language was words (or verbal signs), which represent objects or things—the things themselves are not the words; (Augustine 397/1955; Rudolph 2005). A word on its own is only a sound; the sound of a word is used to indicate an object (Augustine 397/1955; Rudolph 2005). There are simple words and combined words. A simple word is the name (a verbal sound) of an object (a thing, an action, a property etc.); combined words are sentences (combinations of names) (Augustine 397/1955; Rudolph 2005; Baker and Hacker 2009a). Altogether, for Augustine, naming objects by words and describing reality by sentences (combined sounds) is the essence of language.

To recognize and know a word as a word with meaning is to comprehend its association to a particular object or class of objects (Augustine 397/1955; Rudolph 2005). To know the meaning of a word, then, requires knowing the referent of the word—an associationist-epistemological explanation (Toom 2009; Hanna 2010)—derived from the presence of the referent; that is, *to know* the referent of the word is the same as *to mean* the referent by the word.

Wittgenstein’s conception of language in the Tractatus

Wittgenstein’s first work, the *Tractatus* (Wittgenstein 1922/1974), was groundbreaking, changing the face of philosophy in the second quarter of the 20th century (Hacker 1996). Of particular impact, was Wittgenstein’s sophisticated delineation of a conception of the connection between thought, language and the world, in which logic was considered an *a priori* essence of thought, language and the world (Wittgenstein 1922/1974; Hacker 1996; Hanna 2007). He also propounded a form of analysis that was logical rather than cognitive (Wittgenstein 1922/1974; Hacker 1996). Both the delineation and the form of analysis reflect the idea
that Wittgenstein saw and developed the conception of a language as a logical calculus reflecting the essential nature of reality (Glock 1996).

In the preface to the Tractatus, Wittgenstein (1922/1974, p. 3) proclaimed that “the aim of the book is to draw a limit to thought, or rather – not to thought, but to the expression of thoughts: for in order to be able to draw a limit to thought, we should have to find both sides of the limit thinkable (i.e. we should have to be able to think what cannot be thought). It will therefore only be in language that the limit can be drawn, and what lies on the other side of the limit will simply be nonsense”.

Wittgenstein’s aim of the Tractatus was to set the limits of thought, which could be set only by describing the limits of the expression of thoughts, i.e. the limits of language—the delineation of sense and nonsense. Thus, the book set out explicit rules for defining “sense”, i.e. what is sayable because language exists to think about it, and what is “nonsense”, i.e. what is not sayable because no language exists to think about it. Wittgenstein thus made room for ineffable metaphysics, which could only be shown, not said, as it transgresses the bounds of sense. Nonsense is neither true nor false—it is in contravention of logical syntax in language (Hacker 2001; Baker and Hacker 2009a). Altogether, this particular philosophical approach put the investigation of language into focus.

The metaphysical supposition of the Tractatus was that the world has an essential nature, which can be uncovered only by logical analysis; logic (the logical forms of thought and language) represented the a priori order of the world, the order of possibilities common to thought, language and the world, i.e. the forms of all things. What is unique about this supposition is the claim that the logic of language mirrors the metaphysical properties of the world and, hence, that logical investigation reveals the essence of all things (Baker and Hacker 2009a).

Building on this supposition, Wittgenstein developed a conception of language, the main function of which was to communicate thoughts by expressing them in perceptible forms, i.e. propositions formed as sentences with sense, or concatenations of names in accordance with logical syntax. The fundamental role of this conception was to describe “states of affairs” or “facts”, i.e. saying that things are thus-and-so. This also means that propositions not only named objects but also said “how things are” (Wittgenstein 1922/1974; TLP 2.01; 3.203; 4.5; Hacker 1996). A proposition shows how things stand if it is true (TLP 4.022), and the general form of a proposition is: “This is how things stand” (TLP 4.5) i.e. a proposition is a picture of reality and a description of a “state of affairs” (TLP 4.01; 4.023).

What is most relevant about the picture theory for this paper is that a proposition (consisting of words) is both an expression of thoughts and a picture of reality as perceived by the senses and then imagined (TLP 3.1; 3.14; 4.01). Some of the words in a proposition can be names. In Wittgenstein’s philosophy names mean objects, and these objects are the meanings of the names (TLP 3.203), i.e. names connect the proposition (language) with reality.

Wittgenstein’s transition from the Tractatus to the Philosophical Investigations

After writing the Tractatus, Wittgenstein spent some years outside the academic world. Returning to the university world in 1929 to continue his research, Wittgenstein totally changed his earlier view of philosophy. His new thoughts were written down in, among other
things, the *Philosophical Remarks* (1930/1975), the *Philosophical Grammar* (1932/1980) and *The Blue and Brown Book* (1935/1969). While writing these books he developed a completely new conception of language. Later he refined and added new ideas to his conception and wrote the *Philosophical Investigations* (1945/2009a). In developing his new conception of language, he took his outset in Augustine’s conception of language and recognized “grave mistakes” in the *Tractatus.*

Wittgenstein opened his book the *Philosophical Investigations* (1945/2009a, §1) with a long quotation from the description of language found in Augustine’s book the *Confessions* (397/1955) to set up a dissociation of his own ideas from those of Augustine’s. As Wittgenstein (1945/2009a, § 1) saw it, Augustine’s description or conception of language “give us a particular picture of the essence of human language”, which can be spelled out as follows (Augustine 397/1955; Wittgenstein 1945/2009a; Glock 1996; Baker and Hacker 2009a):

1. all words are names; words name objects (and properties, actions etc.)
2. every individual word has a meaning
3. the meaning of a word is the object it stands for
4. the connection between a word and its meaning is established by an ostensive definition “This is…” by which words are connected to reality
5. names are combined to form sentences, which describe objects (reality)

According to Wittgenstein these five points illustrate Augustine’s conception of language as one that represents and describes reality by use of ostensive definitions, which provide the foundation of language. He stated that “Augustine does not mention any difference between kinds of words”; they are all people’s names or names of objects (Wittgenstein 1945/2009a, §1). In this manner, Wittgenstein saw Augustine’s conception of language as a source of much confusion and misconception, a misconception he unfortunately also had accepted when writing the *Tractatus.* However, Wittgenstein did not criticize Augustine for making mistakes; he only mentioned and discussed Augustine’s ideas to illuminate his own (Baker and Hacker 2009b).

In the same paragraph of the *Philosophical Investigations,* Wittgenstein (1945/2009a, §1) explained that, according to his new conception of language, words do not represent and describe objects or reality, neither are they connected to reality. In contrast, he stated that words can be *used* in a variety of ways and explains how a person might “operate with words”. He gave an example of a person handing a shopkeeper a note saying that he wants “five red apples”. In the phrase, the sortal noun-word “apples” identifies the object; the color-adjective “red” characterizes the object; and the number-word “five” correlates with the quantity of objects requested (Wittgenstein 1935/1969; 1945/2009a; Baker and Hacker 2009b). This example illustrates different *uses* of words: it shows how words *derive meaning in everyday use* in contrast to Augustine’s view. The greengrocer’s understanding and combination of these words drives his *reactions* in serving the customer (Wittgenstein 1935/1969; 1945/2009a; Baker and Hacker 2009b).

Both Wittgenstein and Augustine mean that the idea of language is one of communication, but according to Wittgenstein, Augustine’s notion of language is more primitive or simple than his own. He saw Augustine’s language as a kind of proto-language without any syntax (Wittgenstein 1945/2009a; Baker and Hacker 2009b).

In the *Philosophical Investigations* Wittgenstein (1945/2009a) also distanced himself from most of the ideas in the *Tractatus,* among them the general form of a proposition and the pictorial connection between a proposition and reality. As mentioned earlier, Wittgenstein
wrote in the *Tractatus* that “The general form of a proposition is: This is how things stand” (TLP 4.5). This form of a proposition was recanted in the *Philosophical Investigations* by saying “One thinks that one is tracing nature over and over again, and one is merely tracing round the frame through which we look at it” (Wittgenstein 1945/2009a, §114). In addition, Wittgenstein stressed that the problem with the general form of the proposition is that it misleads us (it also misled Wittgenstein himself when writing the *Tractatus*), it holds us captive, we can’t get outside it, for it lies in our language; a proposition like: “This is how things stand” is an illusion; it is a metaphysical use or rather a misuse of our words (Wittgenstein 1945/2009a, §115; Baker 2002; Baker and Hacker 2009b). Instead, Wittgenstein suggested that we must “bring words back from their metaphysical to their everyday use” (Wittgenstein 1945/2009a, § 116); i.e. we must abandon the common metaphysical use of language, including his own use of language in the *Tractatus*. The everyday use of words is a non-metaphysical use of words, i.e. the normal down-to-earth use that comes from the language-games in which they are used (Baker 2002). Accordingly, this everyday use of words and concepts is what we understand to be the essence of things; it could also be said that the use of words, i.e. the “depth grammar” expresses the essence of objects (Baker 2001). This is not because depth grammar reflects the essential objective nature of what is represented, but because the essence of the world is determined in grammar i.e. depth grammar tells us what kind of object anything is (Wittgenstein 1945/2009a, §§371 and 373; Baker 2001; Baker and Hacker 2009b).

Furthermore, Wittgenstein (1945/2009a, §§1 and 5) stated that the general idea of connecting the meaning of a word to an object (like Augustine and early Wittgenstein) has for hundreds of years made the understanding of language hazy or unclear by encouraging researchers and managers to ask directly about phenomena, and thus pose the wrong kind of questions when discussing language and reality (Baker and Hacker 2009a). Later Wittgenstein therefore stated: “It disperses the fog if we study the phenomena of language in primitive kinds of use in which one can clearly survey the purpose and functioning of the words” (Wittgenstein 1945/2009a, §5); meaning that focus on the use of words disperses the mental mist that seems to enshroud our ordinary use and understanding of language (Baker and Hacker 2009b). The crucial element is not to investigate directly “towards phenomena, but rather, one might say towards the ‘possibilities’ of phenomena” (Wittgenstein 1945/2009a, §90). Thus, our investigations or analyses of the world are not investigations into the nature of objects or the phenomena themselves but encompass enquiries into the kinds of statements or forms of expressions made about phenomena (Baker and Hacker 2009b).

Wittgenstein (1932/1980; 1948/1981) stressed that language and the use of language is self-contained and autonomous. He no longer saw it to be a logical calculus reflecting the essential nature of reality; instead he said that definitions of words belong to grammar, i.e. the legitimacy of words, concepts and sentences can not be verified by appeal to reality since language and grammar do not mirror the essence of the world, but determine how we see it and what we see it to be. That the use of language is self-contained and autonomous does not mean that words do not refer to physical things, colors or feelings; words can refer to a particular thing, color, etc. given that they are used for that thing in the context of a particular language-game (Schwyzer 2001). How we speak of reality and how we experience reality is possible only given a particular use of language (Schwyzer 2001), i.e. we experience reality through our language and in our language.

This transition in philosophy also involved a change in Wittgenstein’s view of data. In the *Tractatus*, Wittgenstein (1922/1974) focused on propositions, he worked with “facts” and
“states of affairs” as the ultimate data for the propositions. In the *Philosophical Investigations*, Wittgenstein focused on “language-games”, which involved no longer focusing on what the meaning of a word represents in reality. Instead, he stressed the *use* of words and talked about “meaning as use”. He used “form of life” as ultimate data, or as “the given” for language (Wittgenstein 1945/2009a; Baker and Hacker 2009a; 2009b). In that connection, one can talk of “grammatical data” which clarifies the circumstances of *use* of words and thereby terminates metaphysical illusions and misconceptions (Baker and Hacker 2009a). Finally, data can be viewed as “familiar uses of words” and “everyday uses of words” in language-games (Baker 2002; Baker and Hacker 2009a). This view of data meant that Wittgenstein no longer accepted the empirical approach directing analyses towards phenomena, nor testing hypotheses or propositions against observations of the natural world (Baker and Hacker 2009a; Baker and Hacker 2009b). He believed that our inquiries should be grammatical ones, which would clear up misunderstandings concerning our *use* of words in language, i.e. the focus concerning data must be on *talking about phenomena*, *making statements about phenomena*, not seeing right into them (Wittgenstein 1945/2009a, §90; Baker and Hacker 2009b).

The word in human language

Focusing on the philosophy of human language, Wittgenstein (1945/2009a, §108) asked the significant question: “What is a word?” He himself responded to the question, not by answering directly, but by linking the question to the analogous question, “What is a piece in chess?” According to Wittgenstein, words are inert until they are given life and significance by how a speaker or a writer *uses* them and how a hearer or a reader *understands* them (Wittgenstein 1945/2009a; Kenny 2006). A word and a chess piece are comparable because both are used according to rules: rules of language-games and rules of chess (Wittgenstein 1945/2009a; Baker and Hacker 2009c). The pieces in a chess game are only pieces until used; the king, its use and significance are determined by the rules of the game (Wittgenstein 1945/2009a, §31; Kenny 2006). Analogously, the world is not a display of objects waiting to be named by words; only in the context of a language-game and its rules can possible objects be referred to by use of words. Wittgenstein (1938/1966) suggested not concentrating on a particular word but on the occasions in which it is said and used. The possible moves in a game of chess are dependent upon knowledge of the rules. The same is true for language. However, there is also a difference: A game of chess is a closed system (with few exceptions), in which new pieces cannot be taken in during a game. A language-game is an open system (Baker and Hacker 2009c) in which new words can freely be taken in during a game or a discussion, or as Wittgenstein wrote: ‘A new word is like a fresh seed thrown on the ground of the discussion’ (Wittgenstein 1951/1998, p. 4e). So a significant question is: What words are invoked when discussing a particular subject? Because: *We agree or disagree in the words and in the language we use* (Wittgenstein 1945/2009a, §§241 and 242). Furthermore, Wittgenstein made clear that a word’s function is not to name an entity—as Augustine conceived it—but to see it as a tool in a toolbox having a variety of uses that cannot be distinguished when only considering their uniform appearance in sound and/or print (Kenny 2006; Baker and Hacker, 2009a; Wittgenstein 1945/2009a, §§11 and 23). Seeing a word as a piece in a game and a word’s function as a tool in a toolbox as well as its fundamental role in agreements is taken up again when Wittgenstein’s concepts “meaning”, “language-game” “agreement” are discussed in later sections.

Two kinds of concepts in our language
Generally, ever since Kant (1787), concepts have been recognized as a means for organizing experience and data, judging and acting, all of which make it possible to go on about our business (Kaplan 1973). But the term “concept” has had and still has different meanings and uses. Traditionally and historically, formal concepts have been defined in relation to particulars, phenomena, objects or the essence of reality, and applied to the various phenomena that fall under them by virtue of those phenomena’s possessions of necessary and sufficient characteristics. Even today, in the words of Corley and Gioia (2011, p. 12; italics added), “theory is a statement of concepts and their interrelationships that shows how and/or why a phenomenon occurs”, i.e. concepts and phenomena are closely connected, fully in line with the view of Wittgenstein's Tractatus. This encourages general management and marketing to continue its reliance on “market-sensing” (Day 2004), that is, connecting concepts to objects and phenomena through direct sense perception, as in early Wittgenstein’s picture theory.

Disassociating himself from his earlier view in the Tractatus and the general understanding of what a concept is, Wittgenstein, in his Philosophical Investigations, stressed that “[w]e do not analyse a phenomenon (for example, thinking) but a concept (for example, that of thinking), and hence the application of a word” (Wittgenstein 1945/2009a, §383) meaning that, when conducting our analyzes, we are not analyzing a phenomenon, e.g. finding out and describing what happens when one is thinking, but we are analyzing the application or the use of the concept of thinking: that is, when conducting our analyzes, we are, sometimes without realizing it, concerned with describing the use of words and concepts, as well as comparing and contrasting how these words and concepts are used (Wittgenstein 1951/1975; Hacker 1993; Glock 2009).

After this change in view, Wittgenstein wanted to focus attention, not on concepts as such, but on the circumstances in which concepts are created and used within language-games, which themselves are created within the context of forms of life. Wittgenstein stated that different educations lead to different concepts in people’s vocabularies and different uses of the concepts, which again influence and reflect our form of life: our concepts stand in the middle of our lives, they are instruments, they direct our interests, they lead us to make investigations, and they are expressions of our interests. Altogether, concepts are viewed as parts of language, and language is an instrument for particular purposes in connection to which particular concepts are invoked (Wittgenstein 1945/2009a, §§492, 569 and 570; 1951/2007, § 302; 1948/1981, §§387 and 388; Hacker 2000); thus, it could be said that when stressing the significance of language, a different form of life is more a product of nurture than of nature (Baker and Hacker 2009c).

Wittgenstein (1945/2009a) proposed two kinds of concepts: “family resemblance concepts” and “formal concepts”. The main idea behind a family resemblance concept, which embodies people’s everyday language and their language-games, is that people who take part in a language-game employ concepts without defining and circumscribing them before use. For explaining a particular family resemblance concept, Wittgenstein’s (1945/2009a, §§69, 90) example of a game can be used. After talking about, referring to and making statements about a particular game he adds: “This and similar things are called ‘games’”, meaning that the explanation of what the word game means, is given by examples and references and not by the approaches used by Augustine, early Wittgenstein, nor by Gioia (2011) or Day (2004). According to Wittgenstein, such an explanation “is not ignorance” (Wittgenstein 1945/2009a, §69), because we do not know any more ourselves, because no boundaries have been drawn. Even though no boundaries of the concept have been drawn, which means that nobody can
know the boundaries, the concept is still usable and adequate as long as it fulfils its purpose (Wittgenstein 1945/2009a, §87) and people receiving the explanation, understanding the concept and are able to use it and go on with their form of life (Baker and Hacker 2009a). By suggesting the notion of family resemblance concepts, Wittgenstein abandoned the “craving for generality” (Wittgenstein 1935/1969), i.e. general usability of concepts, as he had advocated in the Tractatus. However, Wittgenstein also acknowledged the existence of formal, sharply defined concepts, often developed in a research setting and used in theory. However, such concepts are candidates for being family resemblance concepts when used by other researchers, people in companies and people in general. Even conceptual splashes like the concept of “human needs” coined by Maslow (1943), and the concept of “organizational identity” coined by Albert and Whetten (1985), though shared by many research communities, are candidates for being family resemblance concepts. It is also possible that family resemblance concepts can be candidates for being formal and sharply defined concepts when applied to specific purposes, and boundaries can be drawn around them in particular language-games (Wittgenstein 1945/2009a, §§68 and 69) as is often done by researchers. Wittgenstein (1951/1975, § 391) stated “a concept is in its element within the language-game” and “an education quite different from ours might also be the foundation for quite different concepts” (Wittgenstein 1951/1975, § 387): every family and community may conceptualize and use its own concepts in its own way.

The meaning of meaning in Wittgenstein’s later writings

When discussing Augustine’s (397/1955) conception of language earlier in this paper, it was stated that all words are names and the meaning of a word is the object it stands for. By using this approach, Augustine connected language to things and reality, i.e. he linked the meaning of words, sentences and language to the physical world.

In the Tractatus—also mentioned earlier in this paper—Wittgenstein thought to investigate the objective essence of the world. In conjunction with that Wittgenstein developed the picture theory of language. Wittgenstein’s main message in that theory was that language consists of propositions, which are expressions of thoughts, and that thoughts were logical pictures of the perceptible reality, i.e. propositions were seen to be pictures or models of reality as it is imagined (TLP 3.5; 4.001, 4.01; Kenny 2006). All through the Tractatus, the important issue is how thoughts and language are linked or connected to reality.

By connecting names to objects, both Augustine and early Wittgenstein accepted what in philosophy of language is called referentialism, i.e. they identified linguistic meaning with reference (Hanna 2010). In the Philosophical Investigations, however, Wittgenstein explained why referentialism as used by both Augustine in the Confessions and himself in the Tractatus had to be swept aside. Already in §2 in the Philosophical Investigations Wittgenstein stated about Augustine’s approach that it is an “idea of language more primitive than ours”, and he considered it inadequate. In §40 in the Philosophical Investigations, Wittgenstein said that “[w]hen Mr. N.N. dies, one says that the bearer of the name dies, not that the meaning dies”, i.e. the meaning of the name is not the bearer of the name, and therefore Augustine’s referentialism is false.

Regarding critique of the Tractatus in the Philosophical Investigations, Wittgenstein questioned and rejected his own attempt at grasping the essence of things—the essence of objects: “simples”—via his picture theory; he thus said: “What lies behind the idea that names really signify simples” (§46) and “…what are the simple constituent parts of which
reality is composed?—What are the simple constituent parts of a chair?—The pieces of wood from which it is assembled? Or the molecules, or the atoms?—‘Simple’ means: not composite. And here the point is: in what sense ‘composite’? It makes no sense at all to speak absolutely of the ‘simple parts of a chair’.”

This means that macroscopic objects have no unique decomposition into simples or parts (Wittgenstein 1945/2009a, §§46, 47 and 48; Hanna 2007). Referring to these three paragraphs, there are no absolutely simple parts or objects, and therefore Wittgenstein considered his own picture theory to be false (Hanna 2007a). Instead, particular language-games determine the parts, simples and objects there are to be referred to. Wittgenstein left the ideas that words have meanings by virtue of associations to phenomena; instead he stated that they get meaning by virtue of definitions (in language-games) and constructed rules for their use. For example, the king (a word) in chess is explained and defined and there are rules for its use without any kind of relation to any phenomenon. By criticizing these previous approaches, Wittgenstein indirectly established his later thesis about linguistic meaning, i.e. his meaning-in-use thesis (Hanna 2010).

Already in the Blue and Brown book Wittgenstein (1969, p. 28) said that words do not have intrinsic meanings. He thus stated: “Let’s not forget that a word hasn’t got a meaning given to it, as it were, by a power independent of us”, i.e. the meaning of a word is connected to its use. He also stated that the use of a word is determined by the rules for the use of a particular word; which means that there is a distinction between “being the meaning of” and “determining the meaning of” a word (Wittgenstein 1932-35/2001). This difference refers back to the earlier stated analogy between a word and a chess piece as well as a word and a tool in a toolbox.

In the Philosophical Investigations (Wittgenstein 1945/2009a, § 43), the thesis “the meaning of a word is its use in the language” is a very significant, if not the most significant, thesis in the whole book. In full, Wittgenstein said: “For a large class of cases of the employment of the word ‘meaning’—though not for all—this word can be explained in this way: the meaning of a word is its use in the language”. “And the meaning of a name is sometimes explained by pointing to its bearer” (Wittgenstein 1945/2009a, §43).”

He thus stated—in the first sentence of §43—that words do not have intrinsic meanings, but what they mean is determined by their use, i.e. we get a use explanation of the word meaning.

About the connection between use and meaning, Wittgenstein (1945/2009b, §250) said: “Let the use teach you the meaning”. We learn the use of words—the meanings of words—in the various language-games we take part in, stressing that human beings are language-users. Altogether, later Wittgenstein viewed the meaning of a word, not as a question of reference to objects, nor as something inherent in the words or the language, but as a human linguistic (not a mental) activity—a use.

**Communication requires agreement in definitions and judgements**

According to the Tractatus (Wittgenstein 1922/1974) communication in language is built on the proposition that there is a relation between thought, language and the world, viewing language as the medium between a person and reality. Particularly, Wittgenstein stressed the importance of a correspondence or agreement with reality in the form of his pic-
ture theory and his general form of a proposition (“This is” explained in language), which were viewed as preconditions for communication. Later, Wittgenstein changed his mind, realizing that “It is in language that it’s all done” (Wittgenstein 1932/1980, p. 143). He proposed a change in the conceptions used, and stated that communication is not a question of correspondence or agreement with reality but instead a question of agreement in definitions and judgements, i.e. interpersonal agreements in language or what Baker and Hacker (2009b, p. 75) call an “intra-linguistic grammatical relationship”.

Wittgenstein considered interpersonal agreements in language as central conditions of language and communication. By this he means that to be able to communicate people must agree on their words and concepts, and their use of them. In conjunction with his revised point of view and conception, Wittgenstein (1945/2009a, §§241 and 242) focused on two central concepts viewed as criteria for communication to take place. Wittgenstein (1945/2009a, §242) thus stated: “It is not only agreement in definitions, but also (odd as it may sound) agreement in judgements that is required for communication by means of language… It is one thing to describe methods of measurement, and another to obtain and state results of measurement”.

In contrast to agreement with reality, these two kinds of agreements: agreement in definitions and agreement in judgements are part of the scaffolding from which our language operates, determining the rules for the use of words and concepts. Agreement in definitions means agreement in the explanation or definition of a word or a concept, or at least in the recognition of a correct explanation or definition (Deluty 2005; Glock 2009). The explanations or definitions of words and concepts communicating parties use in a given language-game must be mutually recognizable and acceptable. Agreement in judgements means agreement in how the explanation or definition of a word or a concept should be used, i.e. agreement in meaning (Deluty 2005; Glock 2009). Thus, each group, whether it is families, departments, companies, communities, nations, dyads or networks of these, forms its own language, the breadth and inclusiveness of which depends on the set of agreements they make. This set of agreements becomes the common property and resource of each respective group, which they are able to use in various language-games.

Neither agreement in definitions nor agreement in judgements determines what is empirically true or false; Wittgenstein (1945/2009a, §241) thus stated: “‘So you are saying that human agreement decides what is true and what is false?’ — What is true or false is what human beings say; and it is in their language that human beings agree. This is agreement not in opinions, but rather in form of life”.

A careful reading of this paragraph shows that Wittgenstein did not propose a consensus theory of truth, although it might look like that at first glance. What is essential to notice here is that the two kinds of agreements only focus on the definitions and use of words and concepts, and not on whether a group of people’s held opinions or beliefs about reality are true or false. According to Wittgenstein, phenomena and their properties exist independently of people and their agreements in definitions and judgements. In contrast, he sees the conceptual world as being dependent on people and their agreements in definitions and judgements. Due to this distinction Wittgenstein regarded the concept of truth as being dependent on people. Firstly, if there were no people, there would be no words and concepts, and thus no concept of truth; meaning that one would not be able to talk about true and false linguistic expressions (Glock 1997; 2004). Secondly, the linguistic expressions of truth and falsity: words, sentences, statements, propositions, etc. only exist in thinking and in the expression of
thoughts i.e. in what people say (Glock 1997; 2004; Wittgenstein 1945/2009a, §136). Thirdly, more precisely, it is what is said — what the expressions are used for — that is true or false, i.e. what expressions are used for in a particular language-game, according to grammar and rules, which is true or false (Wittgenstein 1932/1980; Baker and Hacker 2009b). Words like “true”, “agree”, “yes” and “no” are like all other words defined and used in particular language-games—the words belong to the game they do not fit it—the words do not set up connections between the language-game and something else outside the game (Wittgenstein 1945/2009a; Wittgenstein 1932/1980; Baker and Hacker 2009).

The process of seeing and understanding

To discuss the concept of “seeing”, this paper splits the world as such into two realities: a. a physical world, including natural objects, artifacts, human behavior, etc.; and b. a social world, which focuses on language, including written documents, etc. In general, the language people use is made up of words, concepts and sentences, any one of which can be used in a variety of conventional ways, and as such are pivotal for how people report the seeing and understanding of their organization’s context, i.e. the physical and social worlds. The physical and social worlds manifest themselves according to what people refer to in their language-games.

The concept “seeing” is shorthand for what is conventionally called the biological senses: seeing, hearing, smelling, tasting and feeling. According to Bruner (1990) the biological senses cannot be the causes of human action; they are only the conditions and the constraints for it. In connection with concepts about senses, language is used to report how social units “see” their organizational context. The issue here is not how or what created the world, but how we see the world, which we do using our senses and our human-created autonomous language.

Wittgenstein (1945/2009b, §§199, 220-222) distinguished between “seeing this” and “seeing as”. By doing that, he distanced himself from the idea that sensing or perception is aspect-perception as the empiricists do (Wittgenstein 1948/1981; Glock 1996). Seeing this (or direct seeing) can occur without any kind of understanding, and therefore it is non-conceptual—what is seen is not conceptualised in a language-game and therefore not included in language. Seeing as occurs if and when the physical world and or the social world is conceptualised in one or more language-games, and given meaning by use, and is understood and included in language and communication.

According to Wittgenstein (Wittgenstein 1945/2009a; Baker and Hacker 2009a; Baker and Hacker 2009b), the concept of understanding, or the criteria of understanding a word, concept or sentence (the physical and the social world defined in words), is not, as in various theories, viewed as a mental state or a mental process, nor as an interpretation. It is three linguistic abilities: the ability to use a word in accordance with general practice; the ability to explain the use/the meaning of a word; and the ability to respond/react appropriately to its use by others.

Ways of seeing and understanding the physical and the social world can be split up into five steps:
1. Direct seeing: seeing this
2. Understanding what is seen: seeing as
3. Seeing and understanding connections
4. Seeing and understanding recursive processes
5. Seeing and understanding how the recursive processes spiral over time

The second step requires the first step; the third step requires the second step, etc. In the first step, only our senses are used (recall that “seeing” is shorthand for all the senses). In the second step, one or more of the senses are used together with words and concepts to see and understand. In the third step, one or more of the senses are used together with words and concepts to see and understand connections (Wittgenstein 1945/2009a, §122; Wittgenstein 1945/2009b, §221). This paper adds the fourth and fifth steps, in which we use senses, words and concepts to see and understand connections, recursive processes and spirals. These uses and activities take place in language-games.

Action and reaction

According to Wittgenstein in the *Philosophical Investigations*, people’s use of words, concepts, language and accorded actions and reactions are closely related, as was not the case in Augustine’s conception of language or in the *Tractatus*. In the *Philosophical Investigations* §6, Wittgenstein referred back to the Builder A—Assistant B example presented in §2, stating: “We could imagine that the language of §2 was the whole language of A and B, even the whole language of a tribe. The children are brought up to perform these actions, to use these words as they do, and to react in this way to the words of others” (Italics added).

In the *Philosophical Investigations* §7, Wittgenstein stated: “In the practice of the use of language ([§]2) one party calls out the words, the other acts on them. However, in instruction in the language the following process will occur: the learner names the objects; that is, he utters the word when the teacher points to the stone… I shall also call the whole, consisting of language and the activities, into which it is woven, a ‘language-game’ (Italics added).

The concepts—action and reaction—are thus two of the pieces in a language-game and the connection between the use of words and actions is a question of training, teaching and learning, i.e. the use of words, concepts, and accorded actions and reactions are learned.

The activities or actions and reactions thus derive from the words, concepts and language people use. In the *Philosophical Investigations*, there are many examples of activities and actions: referring to objects, bringing building blocks, buying apples, naming, learning the meaning of a word, continuing a series, agreeing, explaining, teaching, training and learning how to continue a series, giving orders, act in a play, request, playing a game, etc. Some of these actions and reactions can be viewed as linguistic actions and some as physical actions or activities.

Language-game

Wittgenstein coined and developed the concept “language-game” to dissociate himself from what logicians, including himself in his own earlier works, understood language to be (Wittgenstein 1945/2009a). In the *Tractatus*, Wittgenstein saw language as pictures of reality. But later, in connection with the development of the language-game concept, he came to see language and “the speaking of language [as] part of an activity, or of a form of life” (Wittgenstein 1945/2009a, §23).

The first time Wittgenstein mentioned the concept “language-game” was in the *Blue and Brown Book* (1935/1969, p. 17). Here he wrote that “[L]anguage games are the forms of
language with which a child begins to make use of words. The study of language games is the study of primitive forms of language or primitive languages”. Though Wittgenstein initially thought of and imagined how children learn language, and saw the games as primitive and simple, he later developed this concept to include all kinds of language.

All the previously mentioned concepts (a word, grammar, a formal concept, a family resemblance concept, meaning, agreement, seeing, understanding, and action), developed, mentioned and discussed by Wittgenstein in his writings from 1930 and onwards, belong to, comprise and constitute the language-games played within presupposed and taken-for-granted frameworks or forms of life. Wittgenstein thus explained that it is only in relation to the game of chess and according to the rules of chess that a thing called “king” is defined and can be moved and thus be used in this-and-that way (Wittgenstein 1945/2009a, § 31). For a person to be able to play chess, the game of chess (or a language-game), i.e. the names of the pieces and the rules of the game, must first be explained (§ 31). For the new player to understand the explanation of the chess game, he must already know “what a piece in a game is” (§ 31). It is only in relation to particular language-games that there are objects and situations to be referred to at all; also only in particular language-games can agreements be obtained and accorded actions carried out.

Wittgenstein gave examples of conceived or invented language-games and discussed the concept “language-game” in several of his books. Wittgenstein wrote that it is possible to imagine that a tribe, a small linguistic group or a society may have no or few words for expressing reasons for acting in a particular way, and that another tribe may have many words, concepts or sentences for expressing reasons for acting in almost the same way (Wittgenstein 1935/1969). Thus the components of language-games, the way they are combined and used, can vary from group to group.

As an example of a language-game, Wittgenstein said about the communication between a builder A and his assistant B: “A is building with building stones: there are blocks, pillars, slabs and beams. B has to pass him the stones and to do so in the order in which A needs them. For this purpose they make use of a language consisting of the words ‘block’, ‘pillar’, ‘slab’, ‘beam’. A calls them out; B brings the stone which he has learnt to bring at such and such a call. —Conceive of this as a complete primitive language (Wittgenstein 1945/2009a, § 2)”.

A recursive spiral

Wittgenstein did not connect the various concepts he developed; he left that to the reader. In this paper—taking its starting point in the idea of following a rule—his various concepts have been connected to facilitate the development and discussion of a new way of looking at and analysing macromarketing issues. Wittgenstein’s concepts: words, concepts, meanings, agreements, seeing, understanding, actions, etc., are all pieces in language-games. In practise these concepts will form a recursive process.

In the context of a recursive process, words and concepts get their meanings from their use within the process; and by placing a group’s actions in the recursive process an action is explained by its place in the process. Thus, an accorded action is built on the words and concepts etc., used in the language-games and the recursive processes.
When focusing on a particular organization and a particular language-game, it is important to keep in mind Wittgenstein’s thesis: “The limits of my language mean the limits of my world (TLP 5.6)”. If the concept of “language” in the Tractatus is redefined to fit the conception of language in the Philosophical Investigations (Wittgenstein 1945/2009a), and the idea in this thesis is combined with the thesis: “A new word is like a fresh seed thrown on the ground of the discussion (Wittgenstein 1951/1998, p. 4e)” the limits of the organization’s worldview can be expanded.

Taking these two theses through a recursive process various pieces in the process may be changed. The inclusion of new words and concepts may mean changes in the organization’s uses and meanings of words and concepts, changes in seeing this and seeing as, and in understanding, and changes in actions. In this way the language-games and recursive processes built up within an organization create for each organization a common world in which it lives and acts—it gives the organization a form of life thereby, influencing the markets and the marketing systems in which it is included.

If a time dimension is included in the recursive process perspective, ongoing recursive processes will be mutually constitutive and spirals will be formed. If an organization includes new words and concepts the organization’s language is extended and the limits of its worldview will expand. Consequently, the recursive processes will form an upward spiral. Such a spiral can be more or less expanded or compressed. If an organization, over time, does not include new words, i.e. the organization’s language is not extended, the recursive processes will form a flat spiral. If an organization, over time, does not use new words, but only deletes old ones, the recursive processes will form a downward spiral. Such a spiral can also be more or less expanded or compressed.

**Summing up the new philosophical foundation for use in macromarketing**

Spoken and written human language (not cognition) is in focus in both the first and the second of Wittgenstein’s philosophies. Both in the Tractatus and in the Philosophical Investigations language is on center-stage—but in two very different ways.

In the Tractatus Wittgenstein stressed that the logic of language mirrors the metaphysical properties of the world, and therefore logical investigation reveals the essence of all things; telling “how things are”. Wittgenstein’s main message in the Tractatus was that language consists of propositions, which are expressions of thoughts, and which again are logical pictures of perceptible reality, i.e. propositions are pictures of reality—people see right into phenomena via their language.

Some years after writing the Tractatus, Wittgenstein recognized grave mistakes in his own proposed philosophy and conception of language, and also recognized that Augustine’s previously so broadly accepted explanation of language was too simple. Augustine had used the phrase “this is…”, as the relation between language and reality, and reality as the foundation of language. In that way the meaning of a word had become the object it stands for. Both Wittgenstein and Augustine had thus stressed the importance of a correspondence or agreement with reality.

According to Wittgenstein’s new conception of language in his book Philosophical Investigations, words do not represent and describe objects or reality, neither are they con-
nected to reality. Rather, he stated that words can be *used* in a variety of ways and explained how a person might “operate with words” when communicating. Wittgenstein now saw language as being self-contained and autonomous—people cannot see right into phenomena, they must focus on the statements used to talk about phenomena, i.e. language no longer build on *agreement with reality* but on *interpersonal agreement in language*. At the same time Wittgenstein also abandoned the old idea of craving for generality in language.

In accordance with his new language philosophy, Wittgenstein explained how he saw words and concepts. He said that words are inert until they are given life by a speaker or a writer *using* them and by a hearer or a reader *understanding* them. And he proposed two kinds of concepts: “family resemblance concepts” and “formal concepts”. A family resemblance concept has no sharp boundaries but is usable and adequate as long as it fulfils its purpose in communication. This purpose occurs when people receiving the concept, understand the concept and are able to *use it* and to *go on* with their form of life. Formal concepts are often developed in research settings and used in theory. For both kinds of concepts the focus is not on the concepts as such, but on the circumstances in which the concepts are created and used within language-games.

According to the new philosophy words and concepts do not *have meanings* by virtue of associations to phenomena; instead they *get their meanings* by virtue of their *use* in language-games.

Thus, each group or language community, whether it is families, departments, companies, communities, marketing systems, nations, dyads or networks of these, forms its own language, the breadth and inclusiveness of which depends on the *sets of interpersonal agreements* they make. These sets of agreements concerning definition and use of words and concepts become the common property and resource of each respective group, which they are able to use in various language-games.

The three concepts *seeing this*, *seeing as* and *understanding* are used by Wittgenstein in explaining the connection between individuals and the world (the physical and the social world).

Wittgenstein also connected the concepts of *action* and *reaction* to his new philosophy; he thus stated that the use of words, concepts, and accorded actions and reactions are all *learned in language-games*. There is thus a close connection between people’s language and their actions and reactions.

All the previously mentioned concepts (a word, a formal concept, a family resemblance concept, meaning, agreement, seeing, understanding, action, etc.), belong to, comprise and constitute the language-games played within presupposed and taken-for-granted frameworks or forms of life. It is thus only in relation to particular language-games that there are objects, phenomena and situations to be referred to at all. It is also only in particular language-games that agreements can be obtained and accorded actions carried out.

In this paper Wittgenstein’s various concepts have been connected to facilitate the development and discussion of a new way of looking at and analysing macromarketing issues and problems. Wittgenstein’s concepts: words, concepts, meanings, agreements, seeing, understanding, actions, etc., are all pieces in language-games. This paper proposes that in practice these concepts will form a recursive process.
In the context of a recursive process, words and concepts get their meanings from their use within the process; and by placing a group’s actions and reactions in a recursive process, an action and a reaction can be explained by their places in the process. Thus, an action or a reaction is derived from the words and concepts etc. used in a particular recursive process.

Use of the new philosophical underpinning of macromarketing

Macromarketing, as a concept, a theory and a discipline with focus on a market or marketing system, has now existed for almost 35 years. Throughout all these years, the positivist, functionalist and logical empiricist paradigm has almost exclusively comprised the philosophical underpinnings of macromarketing. However, using the new philosophical foundation proposed in this paper will challenge the old and traditional way of looking at markets and marketing systems.

The proposal in this paper is different from the ideas suggested by Mittelsteadt (2004) in the Journal of Macromarketing. He talks about identifying “market phenomena” and about looking directly into phenomena (“details the phenomenon”); furthermore he suggests that we should “learn to tap the contents of the consumer’s unconscious mind and connect with it” (Mittelsteadt 2004, p. 62). According to the new philosophical foundation in this paper, it is not possible to look into phenomena, and we cannot tap into the consumer’s “unconscious mind” but only into their language and their recursive processes. Using this new philosophy, fundamental changes in marketing would occur.

The new language philosophy could also add to the ideas of Vargo (2011, p. 126) in the Journal of Macromarketing. He says “markets need to be characterized in terms of a … generic “actor-to-actor”… orientation”. According to the new philosophy it could be added that the focus should be on the actors’ language and their recursive processes. This would give an appropriate possibility for analyzing and influencing the interactions between actors.

Layton (2008, p. 219) focuses on exchange within a marketing system’s framework and proposes that “A marketing system is a network of individuals, groups, and/or entities, linked directly or indirectly through sequential or shared participation in voluntary exchange, which jointly creates, assembles, transforms, and makes available assortments of products, services, experiences, and ideas, provided in response to customer demand.” He adds that the marketing system should be the “fundamental unit of analysis”. The new language philosophy supplements this definition by suggesting that one should not only talk about “individuals”, “groups”, and customers, but one should focus on their language, the elements in their recursive processes, and the individual actors’ interaction through their recursive processes the whole way through the various marketing systems.

As a further example, the new philosophical foundation and the new unit of analysis is applied to the paper written by Mittelstaedt et al. (2006). In that paper it is stated: “The process of theory development in macromarketing begins with a statement of three empirical foundations that emerge from a quarter-century of macromarketing scholarship: first, markets are systems; second, markets are heterogeneous; and third, the choices and actions of market actors have consequences far beyond themselves or their firms” (Mittelstaedt et al. 2006, p. 133; italics added). This paper agrees that markets or agoras are systems; markets are hetero-
geneous; and the choices and actions of market actors have consequences far beyond themselves or their firms. However, this paper takes a step further back and asks: How could the new philosophical foundation and the new unit of analysis be applied for analyzing these issues? The first two empirical foundations will be addressed in the following.

Firstly, looking at the markets as systems (Mittelstaedt et al. 2006, p. 134) it is stated that such systems are “made up of firms and their channel members, competitors, regulatory bodies, and the vagaries of consumers. Each has an impact on the others”. Applying the philosophical foundation and unit of analysis presented in this paper on the various social actors involved, all are viewed as social actors’ using autonomous language, accorded actions etc. forming recursive processes and spirals, and not as grounded on any empirical foundations. If, for example, one is interested in the social actors’ product development processes or in their promotion processes, etc. the processes in focus can be analyzed using the philosophical approach and unit of analysis developed in this paper. What one is looking for is what words, concepts, accorded actions, etc. are used when developing a new product or a new promotional event, and what kind of spiral is developed. Concerning the regulatory bodies or regulatory actors, they are also viewed as social actors going through recursive processes and spirals building on the new philosophical foundation. Analyzing these regulatory bodies, the focus is also on what words, concepts, accorded actions, etc. are used when they make decisions and what kind of spirals results. The consumers Mittelstaedt et al. (2006) refers to are also viewed as social actors having a language and conducting actions building on the new philosophical foundation. According to the consumers, the focus is not on empirically discovered needs, but on their autonomous language and accorded actions etc., i.e. what words, concepts, accorded actions, etc., are used when making choices and on what kind of spirals they develop when buying goods etc. Mittelstaedt et al. (2006, p. 134) also stated that: “Each has an impact on the others”, meaning that the focal firm, channel members, competitors, regulatory bodies, and consumers all affect or influence each other. As mentioned above, all these social actors’ use of autonomous language, accorded actions etc. form recursive processes and spirals as developed in this paper. But when it comes to “impact on the others” the new philosophical foundation particularly stresses the concepts “seeing this”, “seeing as” and “understanding”, as all being parts of the recursive process. As mentioned before, these concepts are related in a particular way: 1. direct seeing or seeing this; 2. understanding what is seen or seeing as; 3. seeing and understanding connections; 4. seeing and understanding recursive processes; 5. seeing and understanding how the recursive processes spiral over time. First after the actor (A) has been through these processes as part of its recursive process, will it conduct an accorded act. Following this act, the receiving social actor (B), will react. This accorded reaction will also be the end product of the five steps just mentioned. In this way “impact on another” is viewed according to the new philosophical foundation.

The second point made by Mittelstaedt et al. (2006) is that markets or agoras are heterogeneous. They stress that there are three antecedents to heterogeneity of markets: formal, informal and philosophical antecedents. The formal antecedent focuses on structures and flows of markets and marketing systems and say that these structures are backgrounds for inter alia, the competition, the prices and the distribution of goods in the market or the country. Applying the new philosophical foundation and the connected unit of analysis for analyzing such structures, the focus is on what words, concepts, accorded actions, etc., are resulting in the various arrangements or structures, i.e. structures are viewed as recursive processes and spirals as developed in this paper. Formal structures are produced, maintained and changed through human autonomous language as outlined in this paper. Regarding the informal antecedent, Mittelstaedt et al. (2006), emphasized cultural, ethnic, and religious factors as back-
grounds for the market systems, and for when, where and how exchanges occurs. According to the ideas presented in this paper, cultural, ethnic and religious beliefs are results of the words, concepts, accorded actions, language-games, recursive processes etc., used by the social actors holding such beliefs. Cultural, ethnic and religious beliefs are produced, maintained and changed through human autonomous language. According to the philosophical antecedents Mittelstaedt et al. (2006, p. 135) referred to fundamental beliefs as e.g. “economic liberalism” and the “philosophical predispositions of capitalism itself”. According to the new philosophical underpinnings and the connected unit of analysis developed in this paper such philosophical antecedents are results of the words, concepts, accorded actions, language-games, recursive processes etc., used by large groups of social actors (often researchers and politicians) holding such beliefs. The philosophical antecedents mentioned by Mittelstaedt et al. (2006) are thus beliefs produced, maintained and changed through human autonomous language.

**Conclusion**

This paper proposes a new philosophical foundation for analyzing macromarketing issues, and for further development and change of macromarketing theory, building on the language philosophy developed by Wittgenstein. The paper discusses Wittgenstein’s language philosophy and many of his central concepts. Furthermore, the paper combines these concepts into a recursive process, and when a time factor is included, a spiral. This recursive process and spiral is presented as being a new unit of analysis for macromarketing issues. Finally, the use of the proposed philosophical underpinning and the new unit of analysis are briefly demonstrated.

**References**


Re-visiting Evolutionary Explanations of Distribution and Social Exchange.

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This paper revisits the evolutionary explanation of marketing, a macromarketing theory first introduced by Saad & Gill (2000), in the light of claims that has been sidelined by marketing scholars (Saad, 2008). It starts by discussing the mainstream domain-specific account, where parallels are noted with cultural studies of gift-exchange and disposal of heritable possessions. There are also commonalities with behavioural economics and also some interesting differences, for instances in relation to how rational choice is operationalized. The concept of evoked culture is narrow in relation to that used by scholars in consumer research and furthermore, the argument that markets arise spontaneously, seems under theorized. In contrast, arguments from cultural group selection point towards the inherently cooperative aspect of human sociality revealed in over-imitation and the process of language acquisition and provides a potentially more convincing argument for the expansion of markets which may be regarded more favourably by marketing scholars.

Introduction

Evolution is most often used as a label in marketing discourse to discuss the supersession of primitive forms of the subject by new and higher forms (Bartels, 1965; Fullerton, 1988; Sheth & Parvitiyar; 1995 Fish, Brown & Bitner, 1995). This paper takes a different tack by discussing some of the arguments made by evolutionary biologists and psychologists in relation to questions of distribution and social exchange. This is relevant to ‘macro’ marketing in its barest sense, which relates to the meta-context for marketing practices, involving what is larger, the process in its entirety (Bartels & Jenkins, 1977). However where one might describe the emphasis in macromarketing to be generally synchronic on seeking to understand the complexities of the marketing system in the here and now, the evolutionary explanation shifts towards a diachronic perspective, to argue that is is also important to consider the role played by evolutionary processes to shape human psychology.

Before discussing the potential contribution of evolutionary theory to the understanding of marketing and consumer behaviour, I must first acknowledge the case has been outlined before, most notably by Saad & Gill (2000). Since then, despite a special issue of Psychology and Marketing devoted to the topic in 2003 and the later publication of a book by Saad (2007), the response by the marketing academy to these ideas can best be described as being lukewarm, leading him to state that marketing and consumer researchers have ‘doggedly forgotten, rejected or ignored that consumers are biological beings shaped by a common set of evolutionary forces’ (Saad, 2008). My concern is to rerevisit these explanations in order to gauge their potential usefulness for marketing.

Evolutionary theorists seek to understand firstly, why particular behaviours have evolved and secondly, the mechanisms that directly cause behaviour. ‘Why’ questions are concerned with ultimate explanations. For example, if we ask why reciprocity evolved, the answer is that this increases inclusive fitness. The proximate question, seeks to answer the ‘how’ question, concerning how reciprocity operates in day-to-day encounters. This paper
discusses two major evolutionary explanations comprising the mainstream and that offered by multilevel, or cultural group selection theory.

The mainstream explanation argues that those pre-human hominids from archaic societies who became our ancestors, survived the struggle for existence because sometime during the Pleistocene period (from 2.5 million to 11,500 years ago), they developed an innate psychology, including special modules for sharing and reciprocal exchange, which gave them an advantage over their fellow hominids. These are stored as algorithms which work as unconscious routines that are individually called up to address specific problems as they arise in the environment, very much in the way a jukebox selects a record. The alternative argument from cultural group selection and multilevel selection, is that kin selection and reciprocal altruism are insufficient to explain large-scale human cooperation. Theorists argue that natural selection also works at the group level whereby the superiority of the hominids who became our ancestors was due to the fact that they had developed cultural resources favouring cooperation over competition. They argue that this explains why individuals readily sacrifice their own lives for the sake of the group. The ‘dark’ side of group selection is that given that; “organisms are frequently adapted to prey upon and compete aggressively with other organisms, so no less can be expected of groups.” (Sober & Wilson, 2000: 264). These arguments are discussed in more detail below, starting with the mainstream position.

The Mainstream Domain-Specific Explanation

The mainstream explanation argues that three domain-specific modules operate in relation to distribution and exchange. Firstly humans are biased towards sharing with kin; secondly, we have inherited alongside other social animals a predisposition to reciprocate with others; and thirdly, the argument from costly signaling is linked to sexual selection to suggest that a reputation for sharing can act as a costly signal to attract a mate.

Kin Selection

The argument for kin selection is deceptively simple. There is a general but false belief that parents who care for their children will more successfully transmit the genes they carry to subsequent generations than those who do not (Dawkins, 1976). Hamilton (1964) who developed the concept of kin selection argued that the focus on the individual displaces attention from the proper explanation. If instead one adopts the perspective of the gene, or replicator, then those who care for close relatives at the expense of distant relatives, or non-relatives have a high chance of propagating the genes that underlie such caring. In this explanation, self-interest works at the level of the gene and not the individual. Genes are solely concerned with their propagation; “the gene cares for copies of itself” (Dawkins, 1989: 185). There is no volition, knowledge or calculating intent on the part of individuals such as parents. Calculations are made at the silent and automatic level of the gene, across numerous species where kin selection operates as a design feature that has been tested and found to be successful in relation to long-enduring adaptive problems.

Hamilton’s (1964) concept of inclusive fitness measures a person’s reproductive success not only in terms of their own progeny but also that of their kin. By behaving altruistically towards others who carry the same gene complex, for example by raising the alarm on detecting a predator, an animal incurs a cost to its own reproductive potential, but boosts the replication of the genes that underlie its altruistic behaviour in the overall number of related offspring. Whilst this may decrease the donor’s personal fitness, it increases their inclusive
fitness, which includes personal fitness added to the sum of the weighted effects of the donation on every other organism in the population. This explains why parents sacrifice their comfort to ensure that of their children and also why aunts, uncles and other kin will do so too. Breeding individuals rely on the presence of non-breeders to rear their young in a variety of species of insects, birds and mammals (Brown, 1987). Some do not reproduce at all, such as worker bees, whilst others play the role of sentinels to protect the brood from attack.

Evoked Culture

Where Dawkins develops a proximate explanation for kin selection based on “rough heuristics”, Tooby and Cosmides argue that, kin selection is one amongst, “a multitude of domain-specific, special-purpose adaptive mechanisms, organized into a coevolved, highly intricate architecture.” (Tooby & Cosmides, 1989: 31). Their explanation which they perhaps misleadingly call ‘evoked culture’, has little to do with the standard idea of culture and is definitely opposed to the ‘blank slate’ view (Pinker, 2002) that seems evident in Consumer Culture Theory, which argues that the human mind is an empty vessel into which culture is poured. Evoked culture refers to the idea that what seems to be culturally transmitted is actually genetically programmed. Using the analogy of a computer, the authors argue that caring for kin, ability to recognize faces and to read the minds of others, evolved as specialized sub-routines to solve adaptive problems (problems which recurred and which affected reproduction) during the Pleistocene period, when humans belonged to small hunter-gatherer bands. Rather than envisaging the mind as a general-purpose problem-solving machine, it is assumed that each of these routines comprises a program that is called up to respond to problems that arose at that time, whose operations are functionally integrated to produce behaviour. The authors liken the use of these domain specific modules to a jukebox. Anyone still familiar with a jukebox will know that it contains a large number of records, with a programme that specifies certain records are played under certain environmental conditions. In relation to human behaviour, all ‘jukeboxes’ in Africa will play one set of tunes whilst those in China will play a different set, because the same genetic programme will select a different tunes in different places.

Differences in attitudes and in social rules for food sharing may be evoked by environmental factors (Cosmides & Tooby, 1992). Given their interest in the Pleistocene environment, these authors are particularly interested in anthropological studies of groups who continue to live in small hunter-gatherer bands. They argue that a key module which determines whether or not we will share with others or consume individually is evoked by specific environmental cues, which operates more or less in the same way as a switch that is turned on and off (Cosmides & Tooby, 1994: 111). They draw inspiration from anthropological studies of the Ache and San to support their argument that band-wide sharing will occur when food is scarce and there is a high degree of uncertainty that an individual will be able to obtain the food they require. Alternatively they suggest that there is no benefit from sharing in situations where individuals are more certain that they can satisfy their needs, food is plentiful and there are no particular skills required (Cosmides & Tooby, 1992). Equipped with Stone-Age brains, trapped in modern skulls, they surmise whether the invocation of similar routines lead consumers today share more with others when times are hard and are accused of being narcissistic and individualistic when they are good?

Given that genes do not imprint themselves on our foreheads for evaluation by others, Dawkins argues that organisms developed rough heuristics when seeking to identify kin from
non-kin, including: “don’t have sex with members of the opposite sex you live with” (bad for replication); “share food with anything that moves in the nest in which you are sitting”; “be helpful and cooperative towards those you live with” (good for replication) (Dawkins, 1979; Porter, 1987; Lieberman, Tooby & Cosmides, 2007). That we are fooled by the operation of these heuristics in the same way as is the cuckoo’s unfortunate host by treating strangers as if they are kin, is labelled, ‘The Big Mistake hypothesis’ (Boyd & Richerson, 2005). Shepherd (1971) investigated 2,769 marriages in Israeli Kibbutzim, where non-kin groups of strangers were raised together and found there were no cases of intra-peer group marriage. Others have confirmed their expectation based on this hypothesis that genetically unrelated step-kin are perceived as kin more than are acquaintances (Burnstein et al., 1994).

Phenotype matching is linked to kin selection bias in that that resemblance in some attribute is taken as a cue to suggest resemblance in genetic makeup. Research conducted along these lines confirms that we prefer others with similar accents, facial features (Debruine, 2002; 2004) and smells (Porter & Moore, 1981) over those who are different. Similarity matching helps explain the otherwise curious finding through archival research, that there is a greater than chance relation between a person’s name and the place they live in (Louis/ St. Louis), and a person’s name and their chosen occupation, where those named Denis or Denise are disproportionately more likely to become dentists (Pelham, Mirenberg & Jones, 2002).

**Kin Selection and the Cultural Expectation to Share Freely**

From a kin selection perspective, the general thrust of sharing with those who are kin is that over billions of individual decisions the outcome should confirm Hamilton’s rule (rb - c > 0). There is a joke attributed to Woody Allen, who would take a watch from his pocket, check the time and then say “It’s an old family heirloom [pause] My grandfather sold it to me on his deathbed”. The joke works because market exchange is doubly inappropriate in this context, where a person is dying and breaks the taboo that grandparents share with their grandchildren. Imagine for a moment (perish the thought!) that a family member asks you to become a donor. In relation to the rule, different substances incur different levels of cost; for example donation of sperm or blood samples are not arduous, or life-threatening, whilst bone- marrow transplants are much more intrusive and painful and 1 in every 1500 suppliers of a kidney donors dies. It is thus perhaps surprising, in light of Hamilton’s rule, that the majority of kidney donors volunteer to give as soon as they hear of the need. Because organ transplants usually involve kin, the emotional connection between parent and child or brother and sister tends to preclude economic quantitative calculation. There are exceptions, which perhaps prove the rule. Hyde (1999) tells the story of a woman who participated in a Minnesota study of organ donation who was to receive a kidney from her daughter, but who said that she would donate the kidney if her mother bought her an expensive coat! This is what the mother said about the daughter’s behaviour:

‘She’s a very selfish girl and not very mature in many ways...She’s not used to doing things for people. She didn’t think her life should be constricted in any way..She wanted a fur coat. It really shook me up. It was unnerving. She was reluctant and unenthusiastic..She’s very calculating.’ (Hyde, 1999: 70).

The above example points up two important aspects in relation to sharing. Firstly, it is socially conventional that individuals act altruistically, as in selflessly, when it comes to family. Selflessness is not demanded by Hamilton’s equation, which is based on calculation at the level of the gene and requires that in general terms fitness rewards outweigh the costs (0.5 X
Fur Coat – loss of kidney > 0). However from the mother’s point of view and from that of the court of public opinion, the daughter should have donated her kidney freely and without reserve. From the perspective of the reproduction of the gene-complex that underlies caring, the daughter’s behaviour is understandable; she is fertile; her mother is not; there is a chance that she might die during the operation and so will fail to reproduce. Following kin selection, if everyone behaved selflessly in such situations, this might ultimately have a negative effect on inclusive fitness. Despite this our social conventions remain intact. One might imagine that if the daughter had instead asked her mother for money, this would have been even more insulting! On the other hand perhaps the mother would have treated the request for a coat differently, if the donor was a stranger?

Reciprocal Altruism

From the above, the ‘Big Mistake Hypothesis’ may partially explain why people share with strangers with whom we do not share genes. Another reason is advanced by Trivers (1971), who developed the concept of reciprocal altruism, whereby A gives B something now because A recognizes that they may need to expect B to share with them at some time in the future. This suggests that individuals will share happily with each other, if to do so yields long-run benefits to each person, that are superior to those yielded by each individual acting independently; I share something with you now on the basis that you will reciprocate at some point in the future as summed up in the adage; “I will scratch your back if you scratch mine.” A typical illustration is that it makes sense for a hunter to reciprocally share his kill with others, because in many cases the kill will be too large for him to consume himself, and given it is likely to rot quickly, the remains will be lost unless shared with others. Additionally, he may only occasionally be successful and so it makes sense for hunters to develop a tradition of reciprocal sharing. During the hard winter of 2010, I witnessed drivers who collaborated to free a lorry in front of their cars that had become stuck in snow, effectively blocking their passage. Their collaborative action makes sense for a number of reasons; it was necessary to free the lorry if their cars were to proceed; no one acting alone could have freed the lorry; finally, they each reinforced their reputation that they are people who share.

According to this explanation, reciprocity involves some form of calculation, weighing in the balance and keeping score over time; if I help you and you do not reciprocate, then I may very well be upset and annoyed by your failure and may punish you by terminating our acquaintanceship, or perhaps go further to demand that you fulfil your obligation to me. Whether one chooses to respond to them or not, the demands made by reciprocity are intuitive. It is now becoming recognized that reciprocity is a characteristic shared by humans with other social species (Palagi & Cordoni, 2009). In one experiment, where individuals could see what others received, capuchin monkeys who were offered rewards of lower value than others either ignored the reward, refused to engage in exchange, or actively spurned it by throwing it away (De Waal, 2006: 45-49). Studies suggest that reciprocity does not seem to be important with respect to close family, but becomes progressively more important as social distance is increased. Marshall Sahlins (1972) argues that a form of generalized reciprocity exists within families, whereby individual members, may seem not to keep score in the daily round of give and take, but where obligations are nonetheless felt and acted upon by the parties concerned.

Detecting Cheats
One problem is that it is easy for people to defect from reciprocating. Ultimately this can lead to a free-rider problem precipitating a race to the bottom which threatens to undo the commons (Hardin, 1968). Consider the example of a flat shared by students. They develop a rota where each is supposed to do one chore every week, such as hoovering, cooking, washing-up and cleaning, so as to maintain the common areas. However one flatmate often skips their chore, doing a poor job when they do get round to it. Lacking any form of common police, it is tempting for others to retaliate by cheating themselves.

Evolutionary theorists hypothesized that unless humans have developed some kind of means to detect potential cheats, over time, cheaters will proliferate at the expense of cooperators because they will gain the same benefits, without incurring costs. They argue that success in exchange was so important to our Stone Age ancestors, carrying such high fitness costs if it went wrong, that a domain specific module evolved to identify costs and benefits in order to spot cheats (Axelrod and Hamilton, 1964; Trivers 1971; Cosmides & Tooby,1989). Cosmides & Tooby (1989) tested this proposition using the Wason Selection Task, which is a test of formal logic. Their experiments confirmed that subjects are generally poor at formal logic, experiencing difficulty in detecting violation of abstract ‘if-then’ rules, such as the abstract problem. The task was found to be much easier when the violation was related to the specific context of the calculation of costs and benefits related to social exchange in the drinking problem. The authors found that there is no need to coach people to use this rule and that the ability is associated neither with familiarity nor logic. Detection of cheats by the Shiwiar hunter-gatherers of Amazonia is the same as that for Harvard undergraduates (Sugiyama, Tooby and Cosmides, 2002).

Saad discusses cheating in relation to cross-cultural friendships and paying restaurant bills, explaining that in Middle-Eastern culture it is common for a hotly contested dispute to arise over who should be accorded the privilege of paying the entire bill. He argues that within a stable group of friends such behaviour is based on a form of cheater detection, because on average, through time, all of the friends will end up paying roughly equivalent amounts (Saad, 2007: 120). One might argue that a similar state of affairs prevails in Irish and British pub culture, where friends are expected to stand their round of drinks, although perhaps the extent to which a person can ‘hold’ their drink is often equally, if not more important in determining a person’s prestige.

Costly Signalling

Costly signalling is a controversial, but increasingly accepted explanation (see Dawkins, 1976: x; Zahavi 1977; 1997; 2000: 255) which links sharing to reputation. Costly signalling is linked to sexual selection, through the idea that the hunter shares with others to increase his reputation and so will come to the attention of potential suitors. Reputation can only be increased in relation to what Zahavi calls honest signals, which are difficult, if not impossible to reproduce by imitation. In sharing his meat, the hunter foregoes his own benefit. Zahavi uses otherwise useless large and extravagant tail of the male peacock as an example of an honest signal. This is impossible for other peacocks to imitate and being so unwieldy and useless, demonstrates its possessor’s genetic fitness. Other honest signals include the massive bone-structure of the classic ‘he-man’ face, such as that of Arnold Schwarzenegger, where the presence of so much redundant bone is taken as the signal that its owner has good genes.
In relation to commodity exchange, money can operate as an honest signal; if I have $10,000 in the bank then I can afford to give away $5,000 and have plenty to spare, but if you only have $5000 you cannot afford to give it all away. (Iredale, van Vugt & Dunbar, 2008). If one decides to ‘splash the cash’ it is obviously important to have an audience (Low & Heinen, 1993). Women tend to pay more attention to information about a man’s wealth, status, and commitment and men tend to emphasis these traits in their signals to women (Waynforth & Dunbar, 1995).

**Discussion**

Several issues and questions arise from the above. One is the extent to which evolutionary explanations add to, or detract from anthropological explanations? On the one hand their conceptual definitions are clear and investigation is based on modelling and on experiments, which are designed for robustness and ease of replication; on the other hand, much of the richness is missing that one gains from ethnographic studies in anthropology, from which authors borrow selectively in picking and choosing material in support of this or that explanation.

The mainstream evolutionary argument is attractive to those who seek to explain today’s ‘epidemics’ of obesity as driven by our apparently insatiable demand for fats and sugars. Their argument is that although a domain-specific programme to load up on these foods was adaptive during the EEA, it no longer holds true in today’s industrial societies. Arguments related to the big mistake hypothesis contend in like manner that many of the difficulties encountered by people in a mass-market context stem from the difficulty our cognitive capacities were programmed for life in small, face-to-face settings, in seminomadic bands of 25–200 people, many of whom were close relative (Cosmides & Tooby, 2013). There are thus compelling arguments for these claims to be further explored in relation to marketing and consumer research.

In light of the above it is easier to understand why many consumer researchers have resisted the blandishments of evolutionary theory (Saad, 2008). The concept of evoked culture reduces the richness and diversity of culture to a program evoked by a particular situation and is at some remove from anthropological ideas of culture and indeed from that espoused by Consumer Culture Theory. There are fundamental ontological and epistemological differences between evolutionary psychology and this stream of consumer research. Evolutionary psychology follows the nomothetic line adopted by the ‘hard’ sciences which favours modeling and experimental designs in contrast to the hermeneutic, or idiographic stance followed by CCT researchers who employ interpretive methods. Epistemologically, CCT assumes a general-purpose intelligence, akin to a ‘blank slate’, written upon by culture (Pinker, 2003) as opposed to the massive modularity determined by genetic influence argued for by evolutionary theorists. Where the blank slate model is critiqued for ignoring evolved psychology, the evolutionary argument that a given module arises as the result of an adaptation, is critiqued on the basis that it ignores general-purpose capacities and perpetuates a form of naturalistic fallacy (Panksepp & Panksepp, 2000).

Evolutionary theory is interesting in that it decentres the human subject who is studied in relation to other social animals. It also offers a diachronic perspective on our understanding of exchange processes, by positing a subject who comes pre-programmed with the mental machinery to develop bonds of kinship and reciprocity based on gift exchange and the ability to detect free riders:
‘Needless to say, a specialized social exchange logic and associated circuits allows gains in trade to be identified by individuals, trades to be arranged, cheaters to be excluded, and hence markets to emerge spontaneously’ Cosmides & Tooby, 1994: 330).

Some might argue this to be a speculative leap too far. However it is interesting is that there is ethological evidence, not only in support of this claim, but venturing beyond it. Research amongst social animals such as capuchin monkeys, demonstrates that they share with humans a keen sense of fairness and unfairness (Brosnan & de Waal, 2003). Just as with humans, heuristics such as loss aversion and the endowment effect are observed in these species, where individuals value goods in their possession more highly than the same goods that are not (Brosnan et al., 2007). That these species readily learn the rules of simple market exchange is also suggestive that such capacities date back at least 30 million years to a common ancestor with humans (Lakshminaryanan, et al. 2008). Cosmides and Tooby’s contention that domain-specific modules for kin selection, reciprocal altruism and market pricing developed during the Pleistocene period, from around 3 million years ago to 11,000 BC, is thus conservative when viewed in this light. Such data has the potential to free up a persistent prejudice apparent in social theory in the work of Marx, Weber and others, who contrast a supposedly primitive communal system of gift exchange with market exchange, which is presumed to be modern, leading to mistaken arguments, such as that market-pricing did not operate in India in ancient times (Fuller, 1989).

From the above there are interesting parallels between evolutionary theory and behavioural economics (Ariely, 2009; Kahneman, 2011). Each theory stresses the importance of fast and frugal unconscious routines that make judgments in less than 250 milliseconds, well in advance of any conscious deliberation, even for novel stimuli (Bargh, 2007). Our decisions are guided by the operation of unconscious heuristics such as those discussed above in relation to kin selection bias. Heuristic were rational during the EEA, or Era of Evolutionary Adaptiveness (EEA) such as loss aversion, whereby we weigh losses more heavily than gains, risk aversion and the endowment effect, are argued to have developed in the ancestral environment when humans lived close to the margin, but are less well suited to life in the marketplace today. Consequently, we are cognitively biased to hold onto what we have and to weight losses more heavily than gains (Kahneman & Tversky, 1979; Ariely, Huber, & Wertenbroch, 2005).

A growing body of research suggests that the symbolic meaning of money has far-reaching implications for our behaviour. In one experiment those primed with cues associated with money exhibited heightened behaviours associated with individualism and self-reliance. In another experiment monetary primes fuelled a sense of entitlement and narcissism (Piff et al., 2013). The expectation that others can fend for themselves not only reduces helping behaviour towards others but is linked to unethical treatment (Piff et al., 2012). The rich interpret their riches as the fruit of their own efforts and blame the poor for their plight. Parents primed with financial security pursue more individualistic goals and derive less meaning from parenting (Kushlev et al., 2012). In one study the authors argued that given their straitened circumstances the poor might reasonably be expected to be less prosocial than the rich, but found the opposite to be the case (Piff et al., 2010).

The authors hypothesized that this more prosocial behaviour can be explained as the result of individuals orienting their behaviour to the welfare of others as a means to adapt to
their more hostile environments. This explanation is in line with that offered by Cosmides and Tooby (1992), that band-wide sharing should occur when resources are scarce.

Writers from an evolutionary perspective differ from behavioural economists in calling for a re-evaluation of what is meant by rationality in the light of their theory. Cosmides and Tooby (1994) critique the work of Kahneman and Tversky (1979) and Tversky and Kahneman (1991), on the basis that they mistakenly assume that rationality is exercised as a domain-general capability to process social exchange problems. Cosmides and Tooby contend that something is wrong with this explanation given even bumblebees (their italics) are capable of performing the probabilistic induction, which that humans are considered by Kahneman and Tversky as being too limited to perform. They argue that Kahneman and Tversky mistakenly assume humans should be equally proficient at using either probabilities or frequencies in solving such problems. They are unsurprised by Kahneman and Tversky’s report that humans are poor at using abstract forms of reasoning involving Bayesian probabilities to calculate the probability of a particular event. This, they suggest misses what is distinctive about human reasoning, which is that humans developed domain specific processing abilities during the EEA which are better than rational, but Bayesian probability is not one of these (T&C 1994). They explain why we are poor at Bayesian probability by arguing that our hunter-gatherer ancestors confronted a mass of detail, which they organized as frequencies of the occurrence of real events, whereas in contrast, the probability of a single event was unobservable to them, given that a single event either happens, or does not. Thus in their explanation humans are poor at estimating probabilities because the human mind did not develop to solve this kind of problem but rather responds to situations where probabilities are expressed as frequencies, where the “biases” drop out.

In support of their argument, it is well understood that human decision-making employing the representativeness and availability heuristics, as instances, is biased towards calculation of the frequency of information in the here and now. When faced with a choice between two assortments, each comprising several different items, rather than summing the individual elements of each assortment, people compute an average for each and compare this. This economical form of reasoning can seem irrational. For instance experiments show that people will pay more for a small set of high-quality foods than for the same set with lower-quality items included (Hsee, 1998), an effect that has also been found for the choices of macaque monkeys (Kralik et al., 2012)

The Role of Culture

A number of authors across the natural and social sciences argue that kin selection and reciprocal altruism are insufficient to explain large-scale human cooperation and that culture is important to understanding human development and sharing. The concept of the meme developed by Richard Dawkins (1976) acknowledges that humans are fundamentally mimetic beings. Memes are basic units of imitation that propagate themselves through human brains and behaviour by means of mimesis, as one subject imitates another. In a manner analogous to genes, memes battle with each other in the cultural struggle for survival and dominance, seeking to propagate themselves at the expense of others across the entire cultural spectrum, from science to business, music, manners, clothing and so on. Some memes, such as the trend for the Furby, are transient, while others, such as religious laws, can persist for thousands of years. Dawkins devotes much time and energy to discussing the potency of memes related to religion, such as belief in God and blind faith. He argues that in order to evolve, memes must possess three qualities: fidelity, being preserved more or less intact, even after a long chain of copies has been bade; fecundity, being able to generate more than
one copy of themselves and finally, longevity. The meme has been critiqued, by the argument that cultural transmission does not involve the replication of gene-like entities. These authors argue that if one wishes to understand why some “memes” spread more successfully than others, it is important to consider this in relation to evolved psychology. For example sweet potatoes spread throughout New Guinea during the 1700s because they:

‘have higher yields and grow at higher altitudes than yams, the previous staple. People noticed this and avidly adopted the new crop. Here we have a causal theory that links evolved psychology (people like to be well fed) with the preference of one cultural variant over another.’ (Henrich et al., 2008: 128/9).

In order to understand questions such as why some religious beliefs spread whilst others fail, or in some groups rather than others, it is argued that it is necessary to construct a fully-fledged theory of cultural evolution.

**Cultural Group Selection**

Multilevel selection is a sub specie of dual inheritance theory, which argues that genes and culture co-evolve. Several cultural group selection theorists refer to the two interchangeably. This acknowledges the role played by genetic and individual selection, but argues that the group is the defining organism (Sober & Wilson 2000). Theorists argue that this explains why individuals readily sacrifice their lives for the sake of the group. However group selection is by no means a cuddly alternative, from a moral perspective; “organisms are frequently adapted to prey upon and compete aggressively with other organisms, so no less can be expected of groups.” (ibid.: 264).

Group selection was at one time the dominant evolutionary theory. For example it was argued that herds of animals evolve to conserve their food supply over the long term. However such claims were disproved, and from the 1960s onward, group selection was displaced by the powerful arguments from kin selection and reciprocal altruism discussed above, which effectively constituted the new mainstream position. However in 1978 George Price argued that group selection could play a role as part of a multilevel explanation. As it implies, multi-level selection argues that selection takes place at different levels: between genes, between individuals and within groups. The operation of these different levels is likened to the nested matryoshka Russian dolls, with selection at each lower level, effectively undermining that above it. Selection at the individual level is undermined by that at the genetic level, because through kin selection, individuals sacrifice their personal fitness in order to increase inclusive fitness. At the next level, group solidarity is undermined because cheaters gain the benefits worked for by honest citizens cost-free, and consequently honest citizens are less fit. However groups of honest citizens are more fit than groups of cheaters. Selection between groups works to the benefit of those which are most cooperative, because each helper adds to the inclusive fitness of the group. (Price, 1978; Boyd & Richerson, 2005: 202).

This argument is captivatingly illustrated by David Sloan Wilson, based on research by William Muir. Muir was confronted with the problem of how to increase egg production by chickens. Muir tested two methods, drawing his sample in all conditions from siblings. One sample consisted of a supergroup consisting of the top layers in different groups: the second comprised the most productive group, irrespective of the production level of the individuals within it. Wilson describes how within six generations the psychopathic chickens that formed the ‘supergroup’ had pecked each other to death, whilst the other group, despite the
fact that none of its individuals were not top producers, continued to lay at a high rate. (Wilson, 2007).

While cultural group selection theorists agree to an extent with the mainstream view, that the innate mechanisms of the mind are smart, they do not accept the explanation that domain-specific modules such as kin selection and reciprocal altruism are sufficient to confront the challenges posed by the rapid environmental changes that occurred during the Holocene. Kin selection and reciprocal altruism are powerful means for creating bonds of affiliation and loyalty in small groups, which may be extended to some individuals as ‘fictive kin’, by means of the ‘big-mistake’. However that only takes the explanation so far. Paradoxically, whilst accentuating bonds of sharing within a group, bonds of kinship and reciprocity can promote conflict between groups. Loyalty between people living in a tightly knit group such as a village tends to accentuate differences between it and the adjacent village, which is just as cohesive, creating suspicion and rivalry.

While acknowledging the importance of kin selection, cultural group selection theorists argue that this perspective is hyper-individualistic in orientation, as if looking at the question from the wrong end of a telescope. They argue that mainstream theorists focus too much on individual cooperation as an efficient means for individuals to achieve their goals. In contrast, a group selectionist argument insists that humans are inherently social beings. For example Hrdy (2009) framed the ‘grandmother hypothesis’, to argue that humans are unique amongst social mammals through encouraging other adults and not just the mother, to care for their offspring.

Psychologist Michael Tomasello (2008) argues that sharing and cooperation are fundamentally linked to human language, which depends on the ability of individuals to share perspective and to create mutual understanding, shared intentionality and to recursively read the mind another person. Natural selection should favour sharing because tolerant individuals, who share food amicably, should more readily develop the joint goals and joint attention necessary for the formation of a successful group. For example, if there is a mutual understanding that the one who is successful in a hunt will share the spoils with all of the others, it does not matter who captures the prey because the food will be shared by all at the end. Most importantly, humans have the capacity to recognize the desire of others and to choose whether or not to recognize this by communicating to them by pointing or pantomiming, in ways that are comprehensible to the recipient. In relation to the recognition of the desire of others, Tomasello acknowledges his debt to Grice (1957), who observed that human communication acts have two aspects: firstly, the receiver of a communication attends to the message content and secondly, they attend to the desire of the sender, usually by engaging in eye-contact; “when I point to a tree for you, I not only want you to attend to the tree, I also want you to attend to my desire that you attend to the tree.” (Tomasello, 2008: 89). The implicit contract between us is that you will look at the tree because you trust my claim that it will be interesting and beneficial to do so, and you will subsequently provide some acknowledgement of this. Consider the example of a person whose wine glass is empty, who thinks it impolite to ask his host and instead places the empty glass in a conspicuous position; “The guest wants the host to know about the empty glass but he does not want her to know that he wants her to know this.” (2007: 90). This process of “recursive mindreading” (Tomasello 2008: 321) requires the creation of a joint intentional frame, or common ground, between communicator and receiver, whereby the former seeks help and the other is presumed to want to provide it. Furthermore, because this communicative intention is made mutually manifest, this triggers a set of processes, including not only joint expectations of cooperation, but also “actual social
norms, whose violation is unacceptable.” (Tomasello, 2008: 92). In a nutshell, if I recognize by means of some sign based on eye contact that you want me to help you or that you want something that is in my possession, then I am bound to help you.

From the perspective outlined above, a reputation for sharing is not restricted to the argument related to sexual selection discussed above (Zahavi, 1978). Rather, it is to our mutual advantage to help others and to request help in relation to joint goals. For example, if my car breaks down in front of yours, blocking your passage and also that of all of the traffic behind you, it makes sense for me to help you to move your car to the side of the road away from the flow of traffic. In such situations we may each use simple gestures such as pointing and pantomiming, which rely on the presumption that we have a common understanding of the situation. Tomasello argues that it helps to cooperate with others simply because those who gain the reputation of being a cooperative person will be offered opportunities by others, whilst those who act selfishly and competitively will be shunned by others and will thus pay a price by being excluded from attractive opportunities for mutual cooperation and gain. In this context it makes sense for those individuals who understand this to seek to enhance their reputations by public acts of helping and cooperation, if one assumes that others are observing them. Consequently a person might still offer help, for example by offering information to another, even in those situations where they do not receive any benefit.

“From a functional perspective when people start actually wanting to be helpful so as to enhance their reputation and they can count on others wanting to be helpful as well they start informing them freely”. (2008: 205).

The above chimes with primatologist Frans de Waal’s assertion that humans are obligatorily gregarious (his italics) because there never was a time when we, or our ancestors were not social. The technical definition of a person who acts as an individual who cares nothing about others and whose conduct is characterized by a rootless aimlessness and inconsistency is a sociopath. (Fiske, 1992: 400). Altruism is not simply good for those who are helped, but can have positive effects on the helper (Sloan-Wilson & Csikszentmihalyi, 2007). It is also generally acknowledged that human hunter-gatherer societies are much less hierarchical than those of apes and engage in a good deal more sharing and cooperation:

“Hunter gatherer societies are fiercely egalitarian. Meat is scrupulously shared, aspiring alpha males are put in their place; and self-seeking behaviours are censured”. (Wilson & Wilson, 2008: 389).

This points up one of the means used to ‘ratchet up’ selfish individual behaviour to the group level. If humans are inherently social, the use of ostracism and solitary confinement may be used effectively to punish those who deviate from group-norms. It is argued that religions effectively utilize these in especially powerful ways.

Religion

One explanation argues that religions develop as by-products of competition between groups to ratchet-up group solidarity, creating deep commitment, solidarity and obedience to authority, to groups that extend well beyond the narrow sphere of communal influence established by kinship and reciprocity. There is insufficient space here to consider the more detailed explanations as to how religions developed: at root this is linked to existential insecurity (Wilson, 2002; Inglehart & Norris, 2004, Atran & Henrich, 2010: 20). Religions operate
to reinforce cooperative norms. This is achieved firstly by participation in costly rituals, which lead to deep commitment to these norms. These are further incentivized by the supernatural policing of approbation and punishment (heaven vs. hell-fire). This encourages third parties to keep norm violators in line. If people believe that God will punish everyone, say by bringing a plague on all, for the misdeeds of the few who transgress the law, then everyone is responsible for keeping others in line. Authors support this argument by citing evidence that professing a world religion predicts greater fairness towards strangers (Henrich et al. 2010); unconsciously activating religious concepts leads to reduced cheating and greater generosity towards strangers (Barth & Chatrand, 1999). Although all humans understand concepts of fairness and punishment, important differences exist between cultures, based on samples which have participated in the Ultimatum Game, which is an experimental approach favoured by evolutionary researchers. The Ultimatum Game is often used as a measure of the extent to which people will punish cheats. In the game A is given a sum of real money and is then asked to decide how much to give B. A must be careful, because if B punishes A by rejecting her offer, neither will get a penny. In the alternative Dictator game A can offer B whatever she wants and B has to take it. Research findings from the USA are that those in the position of A will offer between 40% and 50% of the total, whilst offers below 30% are rejected (Henrich et al. 2010: 9). This contrasts sharply with the pattern observed in samples drawn from non-Western countries where those in the position of A typically make low offers (3 below 30% and 8 below 40%), which are not rejected by those in the position of B (Henrich et al. 2010 Table 3, page 12). Henrich and his colleagues suggest that much of the variability to be observed in the results can be explained by market integration and participation in a world religion. Samples drawn from societies with a developed market economy world religion are associated with higher offers. On this basis authors have argued that norms and institutions for exchange with strangers coevolved culturally with large-scale societies and with the development of markets. Importantly, they suggest that, at least in some instances, these norms and institutions must have evolved before large-scale sedentary populations or markets did (ibid.13).

Concluding Discussion

What, does the argument for the evolution of culture add to our understanding that is over and above the explanation offered by mainstream evolutionary theory? Although acknowledging the power of genetic and individual influences, this argues humans to be inherently social beings. Discussing the perspective advanced by Tomasello (2008) calls into question Belk’s definition of sharing as, ‘the act and process of distributing what is ours to others for their use and/or the act and process of receiving and taking something from others for our use’ (Belk 2007: 126). This is because the definition assumes the prior existence of property that is private and not commonly owned. Instead, in the context of the argument from group selection, a definition along the lines of ‘what is mine is yours’ seems more pertinent. Elsewhere Belk argues along the lines of group selection by referring to shared goods as ‘ours’ and that,’not only is ownership a communal concept in such communal societies, so too, to a large extent is the concept of self’ (Belk, 2010: 723). Tomasello proposes that joint attention started in humankind, and starts today in the human infant, whose first experiences consist of sharing, in collaborative activities with joint goals. Mutualistic collaboration thus founds the common conceptual ground necessary for truly human communication and for sharing.

Secondly, the findings reported by Henrich et al. (2010) are interesting in pointing towards the primary importance of fairness that is highly prevalent in members of market
societies, but not others, where tensions associated with rising inequality and perceived inequity are addressed as important for policy makers (Wilkinson & Pickett, 2009).

The suggestion that the expansion of markets was facilitated by the prior development of world religions, which preached tolerance towards strangers, shifts emphasis away from the notion of the selfish individual and ‘selfish’ gene towards the important role played by trust and cooperation.

Finally, evolutionary cultural theory presents us with a complex picture of a subject who is influenced by their genetic heritage to behave in particular ways, which importantly can be overridden by culture and who is, to borrow from de Waal, obligatorily gregarious; a social being, inherently predisposed towards being with others.

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Conceptualisations of Consumer Orientation in the History of Marketing Thought: An Analysis with Ethical Implications

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“The consumer is visualized as being a king...He is considered as being at the apex of the marketing system. He calls forth supplies of goods when he wants to do so, and inhibits the production of others that he does not want by means of his dollar votes, his expenditures in the market. He is king whom all enterprisers must please... (p. 87).”

--Professor William T. Kelley (1973), The Wharton School, characterizing the customer is king point-of-view.

Every profession has its grand vision. The guiding vision for most marketing professionals is consumer orientation. Of course, reality is more complex and nuanced than a single unified vision. The contribution of this analytical paper is that it uses a critical, historical method to look at the reality of consumer-centric marketing as reflected in the marketing literature. It is shown that the conception of the customer by marketers has had wide variations in marketing thought over the years. That said, customer orientation remains arguably marketing’s core aspirational objective. After conducting a succinct survey of marketing thought on this matter, a normative ethical argument is then put forward concerning why an adherence to this fragile grand vision of marketing—genuine customer orientation—is important to prudential marketing and the health of the macromarketing system.

Keywords: Marketing History, Consumer Conceptualisations, Macromarketing.

Introduction

Ask most marketing professionals what constitutes the essence of Marketing and they will inevitably mention an orientation toward the customer—that is, the consumer (and/or buyer) of their product should be the strategic focal point of operations (Kane and Kelley 1994). Consumer orientation, as we shall argue below, can be acclaimed as the grand vision of marketing. Authentic consumer concern is also what customers broadly desire and expect from marketers. Marketers themselves set this expectation and, when too many consumers perceive that they are not being well served, the effectiveness (and status quo) of the marketing system itself is questioned.

What is a grand vision? The grand vision of any Discipline is what it drives its core purpose, stated in its most essential form. For Sociology, it is a focus upon the effect of groups; for Anthropology, it is the impact of cultures. And so, for Marketing, we have consumer orientation as the presumptive driver and shaper of the exchange experience. But while grand visions are neatly idealistic and compact, reality is far more challenging. In the real world, marketers have diverse conceptions of the role of consumers in their business models. The history of marketing thought also bears out this diversity of opinion concerning
the role of consumers in aiding marketing efficiency and effectiveness. Not all views of the
customer are nurturing of the marketing concept nor predicated on solicitous consumer ori-
tentation. However, in so far as marketers profess and customers expect consumer orientation,
deviation from that grand vision can be troublesome for the well being of the marketing sys-
tem. A demonstrable lack of consumer orientation leads to a distrust of marketers as well as
the extant marketing system. Often additional regulation of marketers and markets is a com-
pen-sating result and sometimes the structure of the marketing system itself may require ad-
justment. Using the historical method to make our case for the presence of different views of
the consumer among marketing thinkers; we then sketch out an ethical argument for the con-
tinued centrality of genuine customer orientation and for a tracking of it in macromarketing
scholarship.

Marketing’s Grand Vision

A major and enduring theme that pervades marketing is to be customer oriented. This
view is embodied in core marketing ideas such as the marketing concept, relationship mar-
keting (RM) and co-creation with customers. To make this point, one might revert back to the
most seminal of all economic thinkers, Adam Smith (1776) who opined: “Consumption is the
sole end and purpose of all production; and the interests of the producer ought to be attended
to only insofar as it may be necessary for promoting that of the consumer (p.625).” And in
the marketing literature, beginning at least with McCarthy’s (1960) influential textbook,
Basic Marketing--where the consumer was depicted the target of all marketing operations--
marketing management is perceived as revolving around consumer orientation. Even the god-
father of modern management, Peter Drucker (1973), stated that the purpose of a company is
“to create a customer (p. 64).” Philip Kotler (2003), the renowned marketing guru, saw or-
ganizational planning as rooted in a focus on the consumer; Kotler writes, “By starting with
an understanding of customers, the company is in a much better position to develop appropri-
ate channels, offerings, inputs and assets (p.34).”

Such perspectives are best captured in the well-known marketing concept, first pop-
ularized by J.B. McKitternick (1957), who opined: “So the principle task of the marketing
function...is not so much to be skillful in making the customer do what suits the interest of
the business as to be skillful in conceiving...what suits the interests of consumers (p. 79).”
During all of the latter part of the 20th century, the marketing concept and its various exten-
sions such as customer relationship marketing (CRM) and co-creation were seen in market-
ing thinking as “a way of business life”—an organizational approach that embodied a grand
vision for the ideal practice of marketing (Udell and Laczniaik 1981).

While customer orientation might seem to be something germane mostly to the micro
level of business practice, because of its pervasiveness in proclaiming the centrality of the
marketing concept, it also affects the macromarketing system. In effect, the marketing con-
cept serves as an implicit social contract between marketers and the consumers in the mar-
keting system. Consumers are targeted for 100% satisfaction and are perceived to be [almost]
“always right”. When marketers are not especially consumer oriented, it raises societal ques-
tions about how effective the operation of the extant marketing system in fact might be. The
consumer movement and consumer advocacy were seen as social movements by customers to
address assorted failures by marketers (Kelley 1973).

With the evolution of greater product complexity, more internet selling and the onset
of “big data” being used for marketing purposes in the 21st century, there is ever increasing
evidence that many consumers are once again not being well served. Indeed, today’s marketers may be more oriented to consumer attributes and past actions but this information is not being used for the best interests of customers as implied by authentic consumer orientation.

Consider the following situations which are at odds with authentic consumer orientation:

- **Marketers profess that the customer is “king” but too often the consumer is treated as a “thing.”**
  - Marketers use “customer relationship management” (CRM) tools to drive away even clients who are relatively content with their exchanges (Kotler 2003). For example, some banks formulate ABC analysis to strongly discourage smaller “C” rated customers with low profit-potential ratings).
  - Marketers extract valuable consumer information from their clients (which marketers can then monetize); Data extraction occurs surreptitiously aided by oblique agreement forms and difficult to opt-out of procedures (when even theoretically available). Once in control of the customer information, too often marketers do not protect the data files adequately OR sell it to others who do not insure its safety, and do not provide redress mechanisms for incorrect information. Most of the data gathered ends up in the hands of data aggregators, who create enhanced consumer profiles. This is an outcome which most customers did not contemplate nor approve of (Laczniai and Murphy 2007).
  - Marketers exploit megatrends such as sustainability by “greenwashing” environmental product claims or exaggerating the health effects of unproven items.

- **Marketers acclaim product/service choice as a hallmark of the free market system but then they manipulate choice so that it does not serve customer interests.**
  - Cable TV and satellite TV providers have the technology to customize program delivery but buyers are saddled with bundled tiers of channels requiring them to pay for services they never use. As “live sports” generate the largest cost sector of Cable/Sat-TV bills, the customers who does not care about sports programming (think of “grandma” on her fixed income) has to bear the biggest burden;
  - In contrast, in the airline industry where many consumers desire an integrated package of airline services, operators have unbundled their offerings to the frustration of many customers—there are often separate fees for: checked bags, meals, early boarding, aisle seats, head-phones, extra-leg room and many other dimensions that are now leveraged to maximize the amount of rent extracted. In many (smaller) markets, consumers are without any choice as to which carrier to fly to particular destinations.
  - Insurance companies offer an array of choice options so convoluted for healthcare coverage or Medicare “supplemental” such that even specialized consultants admit they cannot confidently comprehend all the permutations.
• Marketers extol the free market, unfettered by regulatory interference, but then, do all in their power to create monopolies, quasi-monopolies or to secure favorable subsidies from government. The Porter “five forces model” of strategy (1991) implicitly recognizes this approach to enshrine competitive advantage.

  o For instance, utilities, casinos and local internet service providers are monopolies or quasi-monopolies with a safety net assuring at least minimal profit, even while their CEOs are handsomely paid as if they assumed a maximal risk-bearing responsibility.

  o Special operating rules apply to local businesses while “outsiders” face a much higher hurdle to assure their operating efficacy. Company lobbyists often write such “barriers to entry” regulations, protecting locals.

  o Businesses threaten to leave their State or country, moving operations elsewhere unless tax credits, public infrastructure projects helpful to the firm or governmental grants are provided. Such practices are often a zero-sum game between US states (e.g. Wisconsin and Illinois each recently “traded” firms with one another, equalizing lost/gained employment, but each individual relocation involved incremental public subsidies.) Some might describe such tactics as corporate blackmail or, at minimum, corporate welfare. Others might recall the comments of 2004 presidential candidate Sen. John Kerry (now US Secretary of State) discussing “Benedict Arnold CEOs” who off-shore jobs and stash their corporate earnings in tax havens, not paying their fair share to America for the business infrastructure that it provides.

When situations such as these occur, sometimes pervading the strategic approach of entire industries, consumers obviously are not well served; collectively as citizens, they begin to question the fairness of the marketing system; they distrust it and they are increasingly unhappy. Not surprisingly, according to the respected American Customer Satisfaction Index (2013), airlines, cable/satellite TV providers, health insurance companies and internet service providers—the industries used in the above examples—have among the lowest customer satisfaction scores among a wide array of industries. Advocates of genuine consumer orientation might expect better but, perhaps, some companies or industries simply understand consumers in a manner not consistent with marketing’s grand vision. To be sure, this possible discrepancy in views concerning the role of the customer may both explain some consumer exploitation as well as have a negative impact regarding trust in the marketing system.

Below, following some commentary on the analytical approach we try to follow, we begin to further sketch our argument by laying out various conceptions of consumer orientation in the development of marketing thought. Among the conceptualizations of consumers we find are: rational consumers, emotional consumers, as well as consumers who are seen as kings, partners, children, and sovereign beings. In so doing, we learn that some consumer conceptualizations are more compatible with consumer orientation than others but that most of them, at minimum, imply the importance of some form of consumer centrality to the marketing process.

The Research Approach

In the same manner as other scholarly work looking at the history of marketing thought (e.g., Tadajewski and Saren 2009), we first accumulated key literature that reflected various conceptualisations of the consumer. Consistent with a snowball approach (Patton
This process began by consulting “The History of Marketing Thought”, the three volume reader edited by Tadajewski and Jones (2008), as well as the “Marketing Theory”, a three volume anthology edited by Maclaren, Saren and Tadajewski (2008). Beyond those works, we reviewed the reading lists for Hollander’s famous doctoral seminar in the history of marketing thought (from Jones and Keep 2009); the classic “History of Marketing Thought” by Bartels (1976) as well as other articles reflecting on the development of marketing theory (Domegan 2010; Hubbard, Norman and Miller 2005; Jones and Shaw 2006).

These sources were used to identify the key contributors to the history of marketing thought, insofar as they were deemed to be relevant to consumer conceptualisations. Other key terms were also identified within the literature for further database searching. As has been postulated as appropriate to historical research, a critical approach was used so that apparent conflict and stabilization could be identified, and power relations might be discussed in the context of conceptualizing consumers (Tadajewski 2012). Thus we acknowledge that, as is typical for such historical research analysis, our subjectivity will influence the interpretation of history that we present in this paper. However, we hope that such analytical and critical reflection, based on the multitude of viewpoints revisited, will help uncover a shared world view (Tadajewski and Brownlie 2008). In the spirit of critical marketing scholarship, this paper does not seek to give managerial implications, but instead, focuses mainly on providing societal and ethical implications for marketers and other interested scholars based on assumptions about the consumer that have been made (Brownlie 2006).

It is important for marketing scholars and practitioners to realize the assumptions according to which they interpret their research and responsibilities (Dichter 1961). As Tadajewski (2006) relates, the history of marketing thought takes less of a linear and neat progression than one might think. In this way the various consumer conceptualizations of economic man, customer as king, partner, and child are not bound by specific times. Instead, this history of consumer conceptualisation shows a complex ebb and flow where “modern marketing’s evolution [is] a complicated and fluid process involving simultaneous dramatic change, incremental change and continuity” (Fullerton 1988, p.121).

Rational Consumers

Marketing analysis was developed originally by institutional economists (Bartels 1951; Dixon 1981). As Dixon (2002) puts it, the consumer was seen as “rational” in their decisions for purchase. The legendary Wroe Alderson (1958) looked at the consumer as a rational problem solver who calculates current and future utility of their purchases. Here is how Alderson viewed it in his famous book Marketing Behavior and Executive Action (1957): “One of the basic doctrines to be expounded here is that rational problem solving is a key aspect of consumer behavior (p.164).” According to this view, the consumer is seen to identify their needs and then decide which products and services would fulfil them most efficiently. Needs would be manifested mainly through survival or social interests (Barbon 1690; Galiani 1751; Wieser 1914).

Building on classical perspectives, Shaw (1995) speculates about the Greek philosophers’ views of marketing; he states that price is created via the value seen in that exchange by the buyer and the seller, as well as supply and demand. Value was acquired by an individual’s assessment of the good’s power to satisfy a need. Consumers would weigh the importance of their need and the good’s utility to satisfy it, and decide an appropriate good/brand and price (Menger 1871). However, persons can only make use of such goods if...
they both recognise the good as satisfying their need and are able to obtain the outcomes they
wish from the good (Menger 1917) which is where the marketer comes in. Such economic
discourse in pre-industrial society related to creating markets where consumers could pur-
chase the commodities they sought (Wheeler 1601; Menger 1871; Say 1803; McCulloch
1825). The discussion of the marketing functions focused on the merchant providing or con-
ecting the consumer with their needs (Carey 1695; Saint Jean 1649; Hume 1752), as well as
providing them with information on the goods (Menger 1871).

In the 1600s, people bought what they needed to survive but as wants were stimulated
by more sophisticated marketing techniques, both workers and merchants worked harder to
provide and purchase more than they needed (Sir James Steuart 1767). Marshall (1891) fur-
ther developed the view of the consumer as becoming more “developed” by wanting more
specialised goods. At first, the consumer was seen as a rational man who weighed up deci-
sions to make the most logical choice with the greatest economic benefits for himself. But
Marshall also saw the consumer as a human who could sometimes choose not to be rational.
Beyond economic factors, he felt the consumer could integrate future goals when making
current purchase choices (1891). He thus shapes the view that the consumer is able to grow
and become more self-aware. In doing so, the consumer realises that they do not only want
fabric for their clothes, but red fabric. They then develop more self-knowledge of who they
wish to be in society and find they now want red silk fabric. While we have presented a rather
simplistic interpretation here, Marshall does begin to extend the concept of consumer wants
to obtaining experiences that extend beyond the pure rationality of immediate choices (1891).

Satisfaction versus utility was also discussed by Austrian economists who saw the
consumer as rational, but spelled out that they wished to attain satisfaction from goods rather
than utility (V.Böhm-Bawerk 1888). A person, it was acknowledged, could be influenced by
other aspects in social systems such as family and work but this approach could put them on
the wrong track. In fact, consumers who are put off in their rational decisions by such overly
broad considerations are seen as unwise (Menger 1871).

Most conceptualisations of Marketing during this early time period support the basic
viewpoint of the consumer as rational (Shaw and Jones 2005; Bartels 1988). Even Bartels’
(1976) categorization of approaches to marketing between 1910-1920 show somewhat of a
disregard for consumers as anything other than the economic men that had already been iden-
tified as in earlier literature. Bartels (1976) writes of this era, “...analyses of the consumer
tended to explain his operation as an economic unit in the market rather than a consuming
unit in the market... (p. 14).”

Webster (1988), in discussing the development of the marketing concept, emphasises
that up to the 1950s marketing really equated with “selling” and the main product strategy
was focused on company push rather than the customer pull. Wilkie and Moore (2007) right-
ly contend that the American Marketing Association (AMA) definition of Marketing in 1935
took this transactional view, focusing on distributive functions when it defined marketing as:

“The performance of business activities that direct the flow of goods and services
from producers to consumers” (AMA 1935).

This AMA definition highlighted transactional and economic perspectives focused on
efficiency (Wilkie and Moore 2003). Marketing’s role in increasing efficiency was consid-
ered a silo function (Ryan 1935; Bucklin 1965). However, because the consumer was seen as
a rational decision maker, whose focus on utility called for lower prices, this approach seemed appropriate. In the 1940s up to the mid-1950s, the view of the consumer as a rational decision maker, weighing up the utility of their purchase, was all-encompassing. Classification schemes and product attributes were seen as the most important aspects to market study as they drove the consumer’s inevitable cost-benefit analysis of product choice (Harris 2007). During this time period, research concerning buyer decision rules point to a rational economic man having full information.

Indeed, this view of the rational man persisted into the 1950s with Alderson (1957) discussing the rational decision making process which marketers then needed to influence. Such a structured consumer decision making process is still a major component of Consumer Behavior courses and was partly reflected in the seminal Howard-Sheth model of buyer behaviour with a linear consumer decision making process as the model’s central corridor. According to this view, the marketer needs to convince a consumer that they have a problem which the marketer’s product can solve. But if consumers are perfectly rational, why must a marketer influence consumers at all? This also comes back to economics, where a consumer’s resources are scarce and so consumers must rationally prioritise their needs (Alderson 1957). One conclusion from all of the above appears certain:

**Proposition #1**: The “rational consumer” view is quite different than marketing’s espoused grand vision of consumer orientation because, according to the economic man perspective, rational consumers are perfectly capable of looking out for their own interests without any special accommodation by marketers.

**Consumer as King I: Irrational Consumers**

As the 1950s unfolded, thinking about consumers began a major sea change. Katona (1953) strongly questioned the rational man concept. He stated that to be a rational decision maker one must have (a) full information and knowledge of future conditions; (b) complete ability to execute those decisions with regard resources and access to exchange; and (c) pure competition where a single entity does not materially affect price. Instead, Katona saw consumers using partial information, having limited choice sets and building on previous experience to make decisions rather than re-evaluating every purchase decision anew. Moreover, various outside social influences may also effect decisions, but these happenings were seen as difficult to investigate (Katona 1953).

One way that was used to look at how external influences affected consumer decisions was motivation research. Motivation research, as led by Ernst Dichter and Paul Lazarsfeld in the 1930s and 1940s, evolved to uncover expressed, hidden and unconscious motives of consumer purchasing behavior. The idea here was that the consumer was psychologically multidimensional and thus needed to be carefully analyzed. Britt (1960) underscored the term ‘the consumer is king’ (p.36) when trying to emphasise that because there were so many product options for consumers, it was vital to understand the different reasons why they chose the brands as they did. Dichter opined that the marketer could not afford to view the consumer as rational. However, by detailed observation and studies of consumption, a pattern of behavior might be identified which could then be used to explain and predict consumer choices. This pattern of behavior could be adapted from thematic analysis of consumer actions and then used by marketers to target individuals (Dichter 1955).
Thus, motivation researchers found that consumer choices were not as rational and conscious as previously thought; in fact, research suggested that much of the supposed cost-benefit analysis was done only once by consumers and then re-used as a habitual script. Further, this divergent view of the consumer held that even when consumers had pre-determined choices, sometimes they did not follow their normal habits because they had free-will or maybe just wanted to act contrary to their previous experience (Britt 1960). Most of the time, decision making short cuts were used even though consumers did not get the best, most rational decision from them, but simply because it was easier. This conceptualization of consumers was very different than the “rational consumer” model. The major take-away of this approach was that motivation researchers did not think that consumers knew (or would share) their true reasoning for purchase. This is because if asked ‘why’ directly they would rationalise for the researcher and confirm an economic man motivation. Observation was used to try to combat this obstacle in motivational research (Dichter 1978). Flowing from this, it was assumed that the researcher is better equipped than the consumer at interpreting customer buying experiences and realities (Britt 1960). Another conclusion of this perspective is that the researcher is able to help the consumer uncover their actual unconscious motivations (Newman 1958). In understanding the consumers’ consumption practices, Britt saw the organization as the servant of the consumer in implementing a better understanding of the products purchased and why (1960).

**Proposition #2:** This conceptualization of the “customer as king” (described above) is also very different than a genuine consumer orientation because it was grounded in the largely instrumental notion that “to understand the consumers psychologically” allows for more efficient consumer transactions for marketers. Importantly however, this “consumer is not always rational” realization by early motivation experts also set the stage for a more refined form of “customer is king” that resulted in authentic consumer orientation.

**Consumer as King II: A Genuine Customer Focus**

Scholars such as Keith (1960) took the “customer as king” adage more literally and his thinking represents an early articulation of authentic consumer orientation; he even calls it “a marketing revolution.” Keith (1960) stated that the customer is the core of business decisions. He wrote, “...the consumer, the man or woman who buys the product, is at the absolute dead center of the business universe. Companies revolve around the consumer, not the other way around (p. 35)”. This was in clear contrast to the previous view of the customer as grateful recipient of what a business was willing to offer based on what might be uncovered through motivation research.

For some, this development of a true customer orientation was not seen as shockingly new (Borch 1958). F.J. Borch, the CEO of General Electric at the time, argued that enlightened businessmen should have been following a customer orientation from the beginning. Bosch remarked in an address to the AMA in 1957, “...we feel that marketing is a fundamental business philosophy...Under marketing, the customer becomes the fulcrum, the pivot point about which the business moves in operating for the balanced best interests of all concerned.” By doing this, business gains customer’s preferences through frontline interactions with consumers. Borch felt consumer orientation ought not have been seen as all that new because progressive marketing research for several decades looked at consumers’ product attribute
evaluations, especially those retailers who maintained ‘the consumer is king’ and that engagement with their clients was fundamental (Bartels 1976; Blackwell and Talarzak 1983).

Looking back, the 1950s can likely be seen as the genesis of consumer focus as the grand vision of marketing practice. Hollander (1986) states that the consumer orientation of the 1950s, due to changes in the economy, brought more of a real focus on customer desires because of the new product abundance in the post-World War II era. Thus, with an increase in the number of products and brands, increased consumer choice, and mass production, a genuine customer orientation became widely recognized as important (Borch 1958).

Thus, as competition and affluence increased in the 1950s, more firms focused on the customer in as much as they targeted customers who were seeking what they were capable of selling. Drucker’s view was that an organization creates their own customers (1954), and that through Marketing, firms are able to “convert latent demand into effective demand.” Levitt (1960) referred to ‘buying customers’ as he felt it was up to the marketer to form products that consumers really want. Behavioral sciences gave the marketing discipline a chance to start studying why consumers responded to marketing efforts instead of mere descriptions of who responded, which had been predominant beforehand (Myers, Massy and Greyser 1980). In the 1950s, mass production and better technology introduced goods that saved consumers time and eased their lives (Tadajewski 2006). Practitioners acknowledged that consumers were less naïve than had previously been thought, at least with regard advertising (Green 1952). And as consumers were presented with so many more product options, it dawned on marketing academics that the consumer may need to be at the center of marketing (Britt 1950) and that only describing them was much less useful than understanding them (Converse, Huegy and Mitchell 1957; Kanesh 1995). This realization became the foundation for authentic consumer orientation as the grand vision of marketing. It also spurred much more research about actual consuming behavior (Newman 1955). And, it was people such as Sidney Levy that helped researchers to see the fault in the rational economic man assumptions about buying decisions (Tadajewski 2006).

The 1985 definition of marketing from the AMA shows the dominant belief in the customer as king via consumer orientation (Wilkie and Moore 2007):

“The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives” (AMA 1985)

As McCarthy noted, firms sought to satisfy consumers while meeting their own objectives for profit (1960). In fact, in his famous textbook, McCarthy placed the customer as the “bulls-eye” for all marketing efforts with all the controllable aspects of the marketing mix revolving around the consumer. This authentic consumer orientation vision has continued to the present time. For example, the more recent articulation of Relationship Marketing (RM) can also be said to follow a consumer orientation; RM is defined as looking at long term relationships for mutual benefits and profit through exchange (Grönroos 1994). In the 1920s and 30s, customer satisfaction was emphasized only to garner repeat retail patronage (Nystrom 1936; Burtt 1938), and satisfaction was equated with a good experience in store (Moriarty 1923; Burtt 1938). With RM, customer orientation was further extended throughout the ongoing buyer-seller purchase and consumption cycle. Thus a customer’s feelings were taken into consideration within the complete selling process, if not always in the production pro-
cess. One thing to note here is that only profitable customers were considered as meriting special treatment (Tadajewski and Saren 2009). And so,

**Proposition #3:** Profitable customers are always to have their preferences met and to be treated as ‘kings’ with a genuine customer orientation (Ivey 1926; Nystrom 1936, Leigh 1921). For the next 50 years at least, customer orientation became a staple of marketing education in business schools and in this manner, it was defused to practitioners as the grand vision of marketing.

**Consumers as Persons**

Those trained in economics and marketing were not the only ones to offer a view of how the customer should be perceived. A view of the consumer as a more complex being can be seen in the work of Kyrk (1923). Kyrk (1923) wrote on the theory of consumption which was not considered by marketers at the time. As noted above, marketers focused on the utility of product as well as the efficient distribution for time and place utility specifically. They did not consider very much the use of products after purchase. As Kyrk (1923) outlined, the view of an economic, rational purchaser was far from the complicated human consumption that actually occurred. She did not agree that consumers were passive actors in the market system. In contrast to the main views of the day, Kyrk (1923) was concerned with the complete psychological process by which a person made buying choices. That process might be guided by the totality of a person and what influences their identity, including the goods used to express that identity. The non-rational consumer was begging to be explained.

This view of “consumers as people foremost” was extensively developed in the marketing literature by the previously mentioned Sidney Levy. As a psychologist, Levy had a more holistic view than previous authors with his acknowledgement of the consumer as a thinking and dynamic being, able to interpret their environment and use consumption to shape their identity (Bartels 1988). Levy was concerned with the reasons behind every purchase that went beyond necessities. The deeper meaning of products and consumer rituals were also of interest to him. He postulated that through symbolic attributions of products purchased, consumers sculpted their identities (Levy 1981).

Levy also developed the view of brand image. *Brand image*, as conceived in 1955, was created in the totality of product attributes from which the rational economic man made their cost-benefit analysis. However, Gardner and Levy (1955) extended this to look at consumers as complex persons who had non-rational aspects to their decision making as well as more utilitarian ones. Non-rational elements could include tastes, likes/dislikes, attitudes and motivations. Each aspect might not only be created by the marketer, but also by the consumer’s experiences in life and with the brand.

It is in a symbolic context that the consumer is perhaps most seen as a human person with experiences and a history as well as biases and idiosyncrasies which make them human and affects their decision making. It has always been the temptation of academics, most probably due to the nature of their funding, teaching, and publication options, to partition human experience into silos in order to study it. It is here where Levy started to turn thinking towards the totality of human experience with all of its complexities affecting behaviour, including the totality of consumer decision making (e.g. Levy 1974).
This also extended “meaning creation” from simply the meaning acquired from purchasing and using the product, to the meaning gained from the exchange process itself (Levy 1959). A more complex view of the consumer was thus offered, where the consumer was potentially a very smart user of marketing in their identity creation. Levy’s thinking also extended the domain of marketing to include social activities (Kotler and Levy 1969) as well as ancillary relationships and value, making way for the discussions of social exchange theory and social marketing (Bagozzi 1975).

Levy’s views were reflected in the famous Consumer Behavior Odyssey (see for example, Wallendorf and Belk 1989). Consumer culture theory, which grew from the Odyssey, also takes into consideration the multitude of influences on consumers and the complex nature of reality which forms the consumptive culture—shaping norms and potential behaviors within it (Arnould and Thompson 2005). The Association for Consumer Research was formed in 1970 and grew quickly. This was helped along by the establishment of the Journal of Consumer Research in 1974. Both these academic vehicles encouraged articles with no managerial implications, allowing the view of the consumer as a person to expand (Wilkie and Moore 2003). Tadajewski (2006) notes that consumer behavior was quite positivist (i.e. descriptive) until the 1980s; then the interpretivist perspective positioned consumer reality as subjective and at the holistic level of consumptive experience (Arndt 1985a, 1985b).

**Proposition #4:** It is important to note that the “consumer as person” literature in marketing thought is perfectly consistent with marketing’s grand vision of consumer orientation as its central focus. The “consumer as person” perspective appropriately broadened the human dimensions of customers that marketers needed to address as they pursued the mutually beneficial grand vision of consumer orientation and its satisfaction of buyer needs and wants.

**Consumer as Partner in Exchange**

As the conceptualisation of marketing broadened further (e.g. Kotler and Levy 1969a), the idea of marketing as a social process where exchange of value occurs started to be accepted as an important dimension of marketing theory (Kotler and Levy 1969b). The Exchange School as it was characterized by some (Shaw and Jones 2005) considers marketing as creating a forum of exchange and, understandably, focuses on influences and parties to that exchange. Exchange is expanded beyond just the exchange of goods for money, but includes the whole social process (Shaw 1955) as well as the perceived psychological value that is exchanged rather than the functional utility of a good (Kotler 1972). Considering Kotler’s conceptualisation of what conditions are needed for an exchange – i.e., two parties, each with something of value, who communicate and are able to freely decide acceptance/rejection of the exchange (1972) – we can see that this school of thought bent towards seeing the consumer as a human being with free will and substantial complexities. Consumers are seen as sentient beings who may seek idiosyncratic value from marketing exchange, and who are well able to judge that value and their acceptance of its conditions.

Bagozzi (1975) further broadens the concept of exchange from that of a transactional exchange of goods for money to various intangible aspects as well. These intangible aspects are whatever value a consumer perceives that she gains, either directly or indirectly, from an exchange situation. Bagozzi (1975) also describes the vehicle with which exchange is influ-
enced as the *media of exchange*. Power, persuasion, money and coercion all are vehicles or media of exchange. Consumers are active and conscious participants in exchange, gaining the value they need, whether it be utility or symbolic value. Bagozzi writes (at p. 39), “Exchange is the central concept of marketing, and it may serve as the foundation for that elusive ‘general theory of marketing.’”

A utility seeking individual is seen as a rational, satisfaction maximizer who has complete information on the product and its alternatives and thus, because of this rational cost-benefit analysis, is free from outside influences. A symbolic exchange implies an individual is seeking other value and meaning from the exchange than just its utility. This is only possible as consumers have enough resources to think beyond exchange for mere survival (Levy 1959). Overall Bagozzi (1975) posits that most exchanges are a mixture of both symbolic value and economic utilities. This means that the consumer may be either rational or irrational and seek both the utility and symbolic value of exchanges. This also identifies the weakness of the “rational” consumer perspective—that is, many consumers do not have all information they need and neither do they have complete freedom to do as they please owing to abundant external influences and constraints. Therefore, most consumers are in a situation where they *satisfice* rather than *optimize* buying decisions they make.

Moorman and Rust (1999) extend the value exchange perspective even further when they state that marketing organizations are offering assorted knowledge and skills to the customer to do as they please with regard their products and services. They acknowledge that marketing functions, such as price and advertising, influence customer’s perceptions of the value of the product but that this is of secondary importance. Building on this in paradigmatic fashion, the emergent services-dominant (or S-D Logic) logic outlined by Vargo and Lusch (2004) states that services are always what is being marketed across all marketing situations. According to S-D Logic, it is skills and knowledge that are co-created by consumers and marketers to generate a distinctive value proposition, which then become the firm’s competitive advantage (Vargo and Lusch 2006). Here, with the concept of *consumer co-creation*, we find a sophisticated view of the customer, not just as fickle controller of preferences but a real partner. Consumers are seen as fully participating co-creators of the market process and so, they are partly responsible for what they gain from the marketing system. In this manner, consumers become savvy and well educated partners in the marketing process.

The AMA definitions of marketing in 2004 and 2013 acknowledge this evolution when they adjust the definition of marketing from:

“An organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders” (AMA 2004), to:

“The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and society at large” (AMA 2013).

Grönroos observes that even though the 2004 definition looked at value exchange, it implies the value is given in the product by the marketer rather than co-created in the marketing process. The broader value-in-use concept, captured in the current AMA definition, can be traced to at least the 1990s (e.g. Woodruff and Gardiel 1996), and implies that customers co-create value both by using products (Grönroos 2000) and in partnership with the produc-
er/marketer by co-creating value through interactions (Normann and Ramirez 1993; Prahalad and Ramaswamy 2004). Organisations can provide value propositions but it is up to the consumer as to whether they accept those in the offered form (Grönroos 2006). Consistent with his S-D Logic Lusch (2007), supports this aspect of marketing thought with his conceptualisation of the “marketing with” era, which recognizes the central role the consumer always has within the organization as a co-creator of value.

**Proposition #5**: A great deal of current marketing thinking is about co-created value exchange where the consumer is the ultimate judge of value in the consumption process. As such, the “consumer as partner” perspective, especially as revealed by S-D Logic (Vargo & Lusch 2004; 2008), is extremely consistent with marketing’s grand vision of authentic consumer orientation as the discipline’s central narrative.

**Consumer as Child Needing Protection**

If consumers were sometimes “kings” and sometimes “partners”, it should not be surprising that some theorists also have portrayed customers as “children”. Consumers, in this conceptualisation of customer orientation, are seen as somewhat naïve and passive, unaware of what is influencing them (Wieser 1914). Housten (1986) argues that marketers have misunderstood having a customer orientation to mean that marketers should only respond to consumer’s expressed needs and wants. Instead, he argues, consumers do not know what they want all of the time, nor do they know what they will want in the future. The marketer and product designers are better suited to telling them.

Wroe Alderson’s final work ‘Men, Motives and Markets’ (1971) reflected his view that the consumer should both be looked after and helped into the marketing system to their benefit. This implies a view of marketers as consumer life guides aiding the successful use of the market system (Wooliscroft 2005). Proponents of the ‘Reconstructionist’ paradigm outlined by Arnold and Fisher (1996) felt that marketers needed to go beyond organizational goals and the consumer centred view, to consider marketing’s impact on society as a whole (Berry 1971). This view, that marketing was not set apart but rather within the fabric of society, became an often voiced theme in the 1970s (Sweeney 1972). A humanistic perspective which takes the impact of marketing on society into account was advocated by Spratlen (1970) to supplement the Marketing Systems School (Shaw and Jones 2005).

In the 1970s discussion came to the fore that consumer and seller interests were not the same (Wilkie and Moore 2003). Previously it was held that with a utility/exchange/economic viewpoint, marketers were providing a basic function which consumers needed. This matching of interests was proven by sales demand. However, with growing theory surrounding consumer motivations, attributions, and information processing, this singular view seemed incomplete, with research suggesting that consumers knew both more and less than marketers assumed.

The view of the consumer as needing to be protected then emerged with the growth in variety and amounts of consumer products. Especially with new innovations in household technology, consumers were bombarded with technical information which was unfamiliar to them (Mayer 1989) as well as new forms of advertising they were suspicious of such as the use of emotional and fear appeals (Allen 1952; Cross 2000). Wilkie and Moore (2003) also
identify that consumers did not have adequate information about the new technology and were too often dealing with poor quality products and annoyed at troublesome pricing schemes. In the 1960s, social unrest with the war in Vietnam and various political scandals spurred more thinking about social responsibility in many facets of life including marketing. The AMA also responded with a public policy arm; social issues were discussed in a special issue of the *Journal of Marketing* in 1971 (Wilkie and Moore 2003). The *Journal of Public Policy and Marketing* started in 1982 and the *Journal of Macromarketing* in 1981, each providing an academic forum for research analyzing the larger societal questions evoked by marketing practice and market systems.

In this manner the focus regarding consumer attention shifted to one of advocacy. The view that consumers were sometimes naïve and needed to be protected became important. Apart from distinct themes in the marketing literature concerning vulnerable consumers and the regulation of harmful products, there was also a shift to helping consumers make better decisions on everyday purchases. In the USA, the implicit *Consumer Bill of Rights* helped protect the naïve consumers from their own sometimes foolishness or from purchasing unsafe products sold by unscrupulous marketers (Wilkie and Moore 2003).

The Consumer Bill of Rights (1962), first articulated in a speech by then President John F. Kennedy, states that all consumers have a:

- **Right to Safety**: Consumers have the right to be protected against products and services that are hazardous to health and life.
- **Right to be Informed**: Consumers have the right to be protected against fraudulent, deceitful, or misleading advertising or other practices and to be given the facts they need to make an informed choice.
- **Right to Choose**: Consumers have the right to be assured, wherever possible, access to a variety of products and services at competitive prices. In industries where competition is not workable, government regulation is substituted to ensure quality and service at fair prices.
- **Right to be Heard**: Consumers have the right to be assured that consumer interests will receive full and sympathetic consideration in the formulation of Government policy and fair and expeditious treatment in its administrative tribunals.”

(Wilkie and Moore 2003, p. 137).

However, while Larsen and Lawson (2013) state that these consumer rights epitomise and support the view of the rational consumer, we submit that nonetheless, it is also a view of a consumer who needs protection.

Andreasen, in 1975, opined that consumers were disadvantaged due to one of three possibilities:

1. The consumer was unsophisticated or discriminated against and with little knowledge of the market.
2. The structure of the market worked against consumers, whereby some consumers lacked access to a variety of good quality products at decent prices.

3. Consumers are taken advantage of with unethical marketing practices such as unfair/unclear pricing and advertising.

Sheth et al (1988) states that as marketing shifted toward a discourse about the consumer as being taken advantage of in the 1960s and 70s, this sparked an activist school of marketing thought. In part, this view of the consumer as naïve in the ways of the marketing system shines through in long standing discussions of whether business should protect consumers from over-consumption and from the creation of unnecessary waste (e.g. Lavidge 1970). Such debates were also central in stimulating greater considerations of social marketing (e.g. Kotler and Zaltman 1971).

Proposition #6: One major upshot of the “consumer as child” stream of thinking is it does not invalidate the grand vision of consumer orientation as Marketing’s central tenet. Indeed, the “consumer as child” line of reasoning, while perhaps overstated and paternalistic, suggests that marketers often have more information and greater experience than consumers and therefore, it is part of good marketing to be authentically “oriented to the consumer”—i.e., to look out for the consumer’s best interests.

Consumer Sovereignty: a neo-liberal “rational customer” perspective

Consumer Sovereignty is yet another conceptualization of customer orientation but this one could be seen as representing a turning back toward the original “rational consumer” model. The consumer sovereignty (CS) approach stipulates a rational buyer perfectly capable of looking out for their interests. This conceptualization of customer/buyers is a new manifestation of the rational buyer perspective and, as will be argued below, is not particularly compatible with authentic consumer orientation. In its strongest forms, the CS approach to customers is the complete antithesis to authentic consumer orientation and might be seen as what some have characterized as a dangerous (to consumer welfare) neo-liberal ideology (Eckhardt, Dholakia and Varman 2012).

In Dixon’s (1992) article on consumer sovereignty, he outlines assumptions that marketers utilize to induce consumer purchasing via manipulation of marketing elements. He specifically looks at the adage ‘the consumer is king’, and explains that this approach has, ironically, helped organizations to write off their dubious behavior as consumer compatible. According to this orientation, if the consumer is truly a king—powerful, autonomous and informed—then any questionable purchases they make are “on them”. Valentin (2011) looks at the tensions between maximising customer satisfaction and shareholder value along with the injustices that can occur from that tension. He states that Relationship Marketing (RM) tried to circumvent the ideology of manipulating customers and moved to sharing more information with consumers (McKenna 1991), but that inside information was still sometimes used to exploit and manipulate customers (Loveman 2003).

In as much most organizations are first expected to create benefits for their shareholders—ahead of customers—then customers do not inherently receive the same company priority. For instance, some exploitation of consumers may occur when an organization increas-
es perceived benefits of an offering without incurring any cost (i.e. without actually changing the product) and thus, gains higher margin for shareholders (Valentin 2011).

Sirgy and Su (2000) insist that so-called consumer sovereignty implies a rational consumer that can give rise to an unfortunate Darwinian ‘survival of the fittest’ mentality regarding a marketer’s value propositions. It also exaggerates the consumer’s supposed access to goods they want, which implies the market is led by them. In this vein, Sirgy and Su (2000) discuss the claim that marketing ethics should be based on consumer sovereignty (Smith 1995). They reject the consumer sovereignty approach because they feel that it does not allow for a reasonable stakeholder orientation; they argue it is not possible to assume an important aspect of consumer sovereignty – perfect competition – due to the amount of business collaboration and oligopoly present in modern economies.

Further, for consumers to be truly sovereign, they must also have a variety of choice (Hutt 1934). Sceptics have long argued that because of reduced competition (more oligopolies), true consumer sovereignty is increasingly less likely (Duddy and Revzen 1953). Critics also have long proposed that since consumer’s wants are so varied, it is difficult for organizations to actually deliver everything each consumer wants. Instead, marketers must persuade people that their product fulfills the consumer’s want (Vaile, Grether and Cox 1952). Lack of resources and unbiased information to accurately judge persuasive arguments also stymie consumer sovereignty.

Dixon (1992) questions the assumptions of consumer sovereignty, which presumpively makes marketing a force for good as it creates wealth from the selfishness of consumers and transfers it back to society in the form of profits. Indeed, others have long acknowledged that government intervention is probably needed to fairly distribute business benefits throughout society (Mill 1848). However, even if the concept of consumer sovereignty could work, consumers do not have equal bargaining knowledge and so do not have equal weighting with sellers. Most consumers are not equal to marketers in their knowledge about products and thus, may be duped by manipulative marketing practices. From this, one reasonable conclusion is that the consumer sovereignty approach to consumer orientation can lead to marketing deceptions that are not in the best interests of buyers. As Levitt states, the consumer cannot be king since they do not know what they want (1983).

It is here that the original conception of co-creation, greatly refined by Vargo and Lusch (2008), might come into play. Co-creation is where the consumer, through choice as well as their direction of production, is both the producer and consumer of goods (Hutt 1936). But co-creation depends on the freedom and flexibility of the producers to respond to consumer wants and that flexibility may be limited by government intervention as well as profit pressures. Plus, it is also acknowledged in the philosophical literature that if the economy was completely responsive to consumers—including their “lower” hedonistic desires—this also would not be good for society. In reality, consistent social benefits cannot be achieved according to Adam Smith (1756) unless the society shares an instilled moral code, including understood rights and duties to each other. In today’s diverse business environment, there is neither widespread moral education nor ethical consensus. Until that happens, the individual is responsible for their ethical behavior and decisions and the sovereign consumer may not have the capability to make appropriate buying decisions in today’s complex marketplace.

Dickenson, Herbst and O’Shaughnessy (1986) provide a nice summary of what we have laid out in this section. They contend that sovereign consumer orientation assumes the
consumer as rational and aware of their wants and decision processes. They critique the view of the consumer as being rational and they state consumers do not always know what they want and are susceptible to persuasive arguments, meaning their perceived wants fluctuate and change. On top of this, while consumers have goals (which products help them achieve) the vehicles for that goal achievement can be influenced by marketing tricks. That is, buyers are open to persuasion regarding which products can help them achieve their goals. Further, public policy makers ought to protect and restrict consumers achieving some of their goals for their own protection or societies’ (Sorell 1994). Thus consumers can and will be irrational in that they sometimes seek to achieve goals that are harmful. This is especially true given the way consumers learn information sporadically and often without seeking it—meaning they do not possess the full information nor the discernment assumed of them by ‘rational man’ models of both past and present (Dickenson et al 1986).

It is also argued that consumer sovereignty is greatly diminished by the power of marketing to influence decision making. False promises in marketing or those claims which the consumer cannot accurately judge for themselves, need to be considered in this vein, rather than assuming the marketer is just responding to customer needs (Dickenson et al 1986). Grönroos (2006) states that marketing is more about exchange than consumer autonomy, and this exchange process best happens through co-creation of value. However, the customer’s needs and wants are becoming less important to marketers nowadays (Brown 2005). In the electronically networked society of the 21st century, consumer sovereignty takes the form of [falsely] assuming that buyers will easily be able to find the best value proposition. To this extent, genuine customer-orientation can be ignored by claiming that wronged consumers should have known better (Grönroos 2006).

Essentially marketers are selling promises of value (Kotler 1972; 1981; Calonius 1986) and consumers are asked to judge whether they are likely to get those promises from past experience (Grönroos 2006). These promises are largely shaped and advanced by marketing functions (Gummersson 1987; 2000). Promises are also created from consumers’ expectations which could be explicit, implicit or idiosyncratic and thus, difficult for marketers to keep (Ojasalo 1999). For example, some studies in the 1980s have shown that while organizations seek to deliver a consumer orientation, they simply do not have the skills to deliver it (Webster 1988).

On top of this, Arndt (1980) states that too often consumer needs are unrealistic and so, marketers deliver what they can and most consumers respond to sub-optimal choices. Such outcomes seem in contrast to genuine consumer sovereignty. In this contradiction then we can see the power play that arises and, that power typically resides with marketers. While marketers tout consumer sovereignty and purport the consumer to be their king, the intricacies of consumption and decision making can really be seen as a means to control transactions that favour the marketer. Thus Gabriel and Lang (1997) identify the rhetoric of “consumer as king” as masking the reality of the typical consumer as often being influenced and controlled. In this way consumers enter a buying cycle where they are taught they have control over marketers (Bauman 1998) but actually have to depend on marketer-created solutions to shape their self-identity (McCracken 1998; Hartley 1999; Langman 1991).

This line of criticism about marketer intentions has been quite strong in some recent literature. Denegri-Knott, Zwick and Schroeder (2006) agree in their article ‘Mapping Consumer Power’ that marketers assert leverage over consumers in their ability to create and shape meaning from marketing efforts. The illusion of free choice reiterates consumer sover-
eignty and shields marketers from charges of manipulation (Ritzer 1999). There is also a long standing literature that is suspicious of marketer manipulation (Clark 1989; Marcuse 1991; Packard 1957). By marketing being perceived as a normal and desirable part of western culture, it is able to create societal acceptance of brand driven consumption and over-consumption as a normal part of everyday life (Ozanne and Murray 1995).

The problem with the resurrected assumption of consumer sovereignty is that it assumes that power is either held by one entity or another (Hindess 1996). This does not acknowledge the specificity of what each has power over. While consumers may have power over their decisions on how to achieve a particular goal, these assessments may be based on marketer created expressions, insights and incentives so that the marketer has power over the consumer’s interpretation of what products can help them achieve their goals. In this light, Denegri-Knott et al (2006) consider a discursive power-model regarding the relationship between marketers and consumers not so much as a power-play but as co-creation of exchange and meaning in the market. Thus, if consumers rebel against marketing outcomes, then they are communicating a change in their interpretation of the environment and alerting the organization of those changing views. Ironically, such consumer objections to marketing may be the clearest indication that some consumer sovereignty actually exists.

Finally, other researchers view consumers as growingly educated about marketing tactics and, as active participants in the consumer culture, able to shift marketing outcomes to suit themselves (Firat and Dholakia 1998; Firat and Venkatesh 1995). Consumers are aware of marketers’ attempts to manipulate them. This can culminate in consumer resistance or consumer empowerment. Consumer resistance occurs when the consumer changes their view of current marketing, adapting it to their own devices. Consumer empowerment is when the consumer influences marketing practice by shifting power from marketers to consumers (Denegri-Knott et al 2006). This point is illustrated in one definition of the consumer movement as:

“...particular kinds of social movements that attempt to transform various elements of the social order surrounding consumption and marketing” (Kozinets and Handelman 2004, p. 691).

**Proposition #7:** As noted in the section lead-in, the consumer sovereignty approach might be seen as a neo-liberal return to an earlier “rational consumer” conceptualization. This view is bolstered by the debatable contention of some consumer sovereignty advocates that, among other factors, internet information and a global marketplace of products has given most buyers in developed countries all the information and options they need to consistently insure their best consumption interests. It seems to suggest that consumers are fully armed to openly and freely make their purchase choices and do not need further protections from market outcomes. This CS conceptualization, because it is predicated on marketers holding the balance of power and shaping a consumption process that constrains choice, is not in harmony with the genuine consumer orientation that is marketing’s grand vision.

**Discussion of Consumer Conceptualizations**

Summing up, there are several key lessons to be gleaned from our historical survey of the development of consumer orientation in marketing thought.
• There have been multiple conceptualizations of consumer orientation that have been developed over the years in the literature of marketing scholarship. The time periods of their popularity and advocacy, expectedly, are somewhat overlapping.

• What we characterize as “authentic consumer orientation” took hold in the mid-1950s. This perspective of dedicated consumer centeredness for marketing—as embodied in the marketing concept, relationship marketing and customer co-creation—has become the grand vision of marketing practitioners for the past 60 years. It is the narrative of most marketing educators advocate in their introductory textbooks, even if the vision is not always followed in business practice.

• The early conceptualization of the consumer as a perfectly rational economic man and the renewed popularity of the consumer sovereignty approach are not compatible with marketing’s grand narrative because they attribute a level of knowledge and autonomy to consumers that they do not usually possess.

• Manifestations of consumer orientation that look at consumers as complete persons, exchange partners and even children in need of some protection are largely compatible with authentic consumer orientation because marketers are seen to function as partners trying to help customers make good choices.

• The particular perspective of consumer orientation assumed by practitioners as they engage customers has important micro-operational and macro-systemic implications.

• The renewed popularity of the consumer sovereignty (or CS) approach is a direct challenge to marketing’s grand narrative of genuine customer orientation.

An Ethical Comment on the Consumer Sovereignty (CS) Approach

If one deconstructs the logic and literature embedded in the newly ascendant CS approach to customer orientation, it might help explain why consumers are often treated so badly, including as in the earlier discussed examples regarding airlines, cable/satellite TV, and medical insurance. Because sovereign buyers are seen as fully informed and perfectly capable of looking out for themselves in nearly any and all transactions, the CS approach does catastrophic damage to marketing’s grand narrative of authentic consumer orientation. The CS implication is that if consumers suffer dysfunction from a market exchange, this is unfortunate, but it is also the product of a transaction that the ever-sovereign consumer entered into “eyes wide open” and thus, for which the marketer is not responsible.

A major and recent case-in-point of such thinking is the US housing price bubble that triggered the financial crisis of 2007-08. Some analysts simply pinned the blame for the housing crash on greedy consumers seduced by cheap loans encouraged by the US federal government (see minority report of FCIC 2011). In contrast, Redmond (2013), consistent with the majority of the US Congressional FCIC report, lays out a much more complex set of causes for market failure and its impact on US housing prices. According to the Redmond analysis (2013), the line-up of market actors willing to exploit supposedly sovereign consumers buying houses is quite long, and their self-interest is anything but consumer friendly.

Some commentators might even argue that the CS approach masks a marketer desire to be given license to exploit consumer weakness. For example, Varey (2013) calls for a fun-
damental change in how marketers should be allowed to operate in the future. Inspired by a sociological critique of marketing (Zuboff and Maximim 2003), Varey sees too many marketers acting in an adversarial role to consumers and operating under a faux “orientation” that is a “disservice to consumers” as marketers try to take advantage of customer weaknesses. Varey (2013) quotes Zuboff and Maximim with approval (at 360) when he notes:

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

Varey sees 20th Century relationship marketing, which would exemplify the grand narrative of marketing educators, as being replaced by a 21st Century “transactional economics” that regularly uses consumers as merely a means to maximize shareholder value. In order to forestall this unfortunate megatrend of consumer disservice, institutional intervention by regulators is likely required.

**Ethical Implications of Failed Consumer Orientation**

While a failure to follow professed consumer orientation has implications for the individual firm and their customers, there are also marketing system effects. Of course, at the micro-firm level, consumers can complain, take their business elsewhere or adjust their consumption behaviors, among other strategies. But sometimes, the lack of consumer orientation is industry-wide or beyond, as shown in the earlier examples drawn from cable/satellite TV, airlines and the insurance sector, leaving individual consumers with few options. And once an extended service is purchased, such as auto lease, pay-TV contract or insurance policy, the consumer is at the mercy of the seller. When prolonged marketer-consumer friction occurs, one significant outcome is a loss in trust by consumers in the overall macromarketing system. Such declining trust can have a number of system-wide effects that are negative including:

1. Greater consumer scepticism of all marketers even those who are genuinely consumer oriented;
2. Increased regulation of industries, imposing costs on both unethical and ethical operators;
3. Significant buying restrictions on products and services that are perfectly legal;
4. Additional transaction costs for both buyers and sellers--as buyers must incur additional due diligence costs as a result of consumer disillusionment and sellers must bear increased promotional budgets to assure the integrity of promises made to customers.

To disappoint a few consumers is to be expected in complex economies but to exploit, mislead or disrespect many clients as a matter of ideology is a clear ethical problem, especially when sellers have professed a consumer orientation, which they almost always do, as part of their mission statements (Murphy 1999). Failed consumer orientation is a distinct transgression of understood ethical norms by marketers based on the marketing ethics literature.
For example, reviewing 50 years of ethics and social marketing thought, Laczniak and Murphy (2006) conclude that the number one normative ethical proposition for marketers should be: “Ethical marketing puts people first.” They write (at p. 159), “…the marketing system is primarily to be at the service of people. Hence, this proposition strongly suggests that persons, especially consumers in a marketing transaction, should never be viewed as merely a means to a profitable end.” Furthermore, Murphy, Laczniak and Wood (1997) in reviewing the corpus of marketing literature on relationship marketing (RM), conclude that the core virtue required for successful RM is trust. They observe: “Trust is widely regarded as being an essential element for exchanges moving from a transaction-base to a relationship base”(p45). Trust, they postulate, is strengthened through dialogue, collaboration and partnership with consumers. Approaches by marketers which debase customer welfare, even as marketers promise consumer orientation, erodes buyer trust including confidence in the total marketing system. In reviewing the history of corporate social responsibility in marketing, Murphy, Obersader and Laczniak (2013) affirm that integrity—the keeping of promises to consumers—is a central tenet of responsible marketing behaviour and a key to systemic trust.

Seen from the macromarketing standpoint of an implicit promise from sellers to buyers, the grand vision of consumer orientation is deeply woven into a fabric of necessary marketing trust. The AMA Code of Ethics (2004), as its second general norm, reminds marketing practitioners to “foster trust in the marketing system.” How is that general ethical principle to be accomplished? The full elaboration of the second norm for ethical marketing reads as follows:

“This means that products are appropriate for their intended and promoted use. It requires that communications about goods and services are not intentionally misleading or deceptive. It suggests building relationships that provide for the equitable adjustment and/or redress of consumer grievances. It implies striving for good faith and fair dealing so as to contribute to the efficacy of the exchange process.”

This norm sounds like a clarion endorsement of genuine consumer orientation and it applies to all marketers, in part, because wide scale failure affects the integrity of the entire exchange system.

Since macromarketing study holds the marketing system as its primary unit of analysis and seeks to understand constraints that inhibit effective market operations (Mittelstaedt, Kilbourne and Mittelstaedt 2006), we might then conclude that whether the grand narrative of the marketing discipline is being generally adhered to should be tracked and analyzed. Without doubt, trust in markets and marketers can be badly damaged. In the wake of the 2007-2008 financial meltdowns and the subsequent Great Recession, a special issue of the Harvard Business Review (Bennis and O’Toole 2009) contended that job one for American business was to restore trust. Similarly, a BusinessWeek (2009) “Special Report” during that same time period stated that “in a tough year” the rebuilding of waning consumer confidence might best be achieved by “extreme customer service”—a return to authentic customer orientation. As the housing market collapsed, employment opportunities disappeared and personal wealth shrunk, few consumers in the USA or Western Europe could contend that the professed marketing concept of customer-centeredness had protected them. Market trust, the foundation of a healthy marketing system, had been shredded.

In order to better understand broader market phenomena, macromarketing scholars appropriately study many important issues including sustainability, shifting quality-of-life,
and market development; included as well should be a regular measure of and commentary about the market system’s execution of authentic consumer orientation. Based on our demarcation of genuine consumer orientation as marketing’s grand vision, along with our compressed historical tour of various customer conceptualizations reflected in marketing thought, we challenge macromarketing scholars to include greater commentary on whether authentic consumer orientation is being followed based on the sundry market issues they research. We contend that the refinement of such an informal scorecard—a genuine consumer orientation index—will provide a helpful longitudinal indicator of whether marketing’s most universal promise to consumers—its grand vision—is being kept, and whether market trust, so essential to a healthy marketing eco-system, is waxing or waning.

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Indifference in the realm of consumption
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This presentation explores the notion of indifference in a consumer culture, how it is distinct from cognate states such as apathy and boredom, and how it can link to forms of consumer non-participation or ‘non-consumption’ (Wilk 1997 p183). In dominant discourses of consumption and the marketplace, the consuming subject is usually discursively constructed as either oppressed and enslaved, or autonomous and liberated through their consumption. Both cases imply an ever-engaged image of the consumer. Using a range of examples drawn from secondary research, I suggest that indifference can serve to represent both a particular response individuals may experience in everyday life and an alternative, logically-derived theoretical position with which to think afresh about the now somewhat less-consuming subject.

Analyses of contemporary consumer culture appear to inherit a tendency to overlook the possibility of indifference at the phenomenological level. In this presentation, I argue that considering experiences of ‘consumer’ indifference is valuable in understanding the relations between individuals and market phenomena in several respects. First, it can represent an alternative position from which to consider consumer experiences that neither celebratory nor critical accounts readily enlighten. Second, by linking it to non-participation it helps us illuminate what Wilk (1997 p183) refers to as the inevitable ‘silent partner’ of consumption, the potentially large proportion of daily life that is made up of routinized and less conscious ‘choices not to consume’. Third, the idea of consumer indifference exposes some of the foundational assumptions of cultural consumer theory by indicating the possibility that various aspects of consumption can be experienced as meaningless. Fourth, a fuller understanding of indifference may be important within scholarly discussions of increasing consumer fatigue and disenchantment in developed (post)modern consumer societies (Soper 2007, 2008, Fitchett 2002).

To delineate the nature and significance of indifference as a theoretical construct, I draw on a wide range of scholarship both within marketing and consumer research and from other disciplines. In everyday use, indifference is generally understood as an experience of a lack of feeling, interest or concern. It is a ‘felt’ experience, though rarely expressed by the individual, and a state often imputed by others to someone. It is also usually associated with some kind of inaction and with cognate ‘low arousal’ mental states such as apathy and boredom. Writing in the sphere of political science, Davis (2009 p154) defines indifference as lack of concern and thus non-action because ‘nothing seems to be awry’. In contrast, he distinguishes apathy as feeling powerless and perceiving that any action regarding an issue is futile. Boredom has received greater attention within philosophical, literary and sociological scholarship (see Goodstein 2005 for an overview) and differs to experiences of indifference in its conception as an ‘alerting phenomenon that all is not well and something must be done…boredom serves as a catalyst for action’ (Brissett and Snow 1993 p242). Since indifference has a range of meanings and conceptual relatives, I consider it against other types of emotional detachment before moving on to consider the possibilities of indifference as it relates to market-based consumption.
Whilst apathetic attitudes towards aspects of consumer society such as advertising and shopping have been noted for some time in consumer research (e.g. Reid and Brown 1996, O’Donohoe 1995), I will present further empirical examples of indifferent non-participation drawn from existing scholarship, such as the anthropological work of Gell (1986) and Miller (2008), ethnographic examinations within cultures of poverty (Hall, Winlow and Ancrum 2008, Hill 2002), Belk, Ger and Askegaard’s (2003) study of consumer desire, discussions of ethical consumption (e.g. Bradshaw, Campbell and Dunne 2013) and research such as Hel-sper and Godoy’s (2011) study of non-participation in digital technologies and Naidoo et al.’s (2014) examination of the branding of UK Higher Education. Indeed, the analysis of the different interpretations of indifference and the empirical examples testify to the moral ambivalence of indifference; whether indifference is condemned as the ‘epitome of evil’ (Sanoff 1986) or eulogized as a virtuous state of mind free from emotional disturbance as in the Greek term ataraxia (Peters 1967), whether we see it as problematic insensitivity or impressive immunity, depends to a large extent on the object of indifference and the discursive context in which it is constituted.

There is little theorisation of indifference at present. Other terms are used to represent an indifferent orientation – on the occasions when it is not simply ignored in empirical data – such as non-identification (Elsbach and Battacharya 2001), whilst Bauman (2007, and with Donskis 2013) has looked specifically at indifference as blindness. Usually indifference is discussed within ethical discourse such as Desmond’s (1998) analysis of the moral indifference of marketing practices in organizations. In this, indifference is theorised as a factor in processes of adiaphorization, the exemption of acts, practices or categories of human beings from moral obligation and evaluation. We might also consider indifference in relation to Bourdieu’s (1977) notion of doxa in its conception as an enduring state of no opinion combined with low cognizance. As an outcome of a constructed social reality, perhaps a shrug of indifference is the ultimate expression of adherence, revealing rules and norms that are simply accepted as ‘the way it is’. It seems to me that greater sensitivity to the potential for indifference in the realm of consumption, not as a psychological construct or symptom of pathology but as a lived experience, can reveal valuable insights into the social realities of inhabitants of a consumer culture.

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The Gap between Theory and Practice in Social Marketing: A Research about the use of Positive and Negative Appeals in European Television Advertising Preventing HIV/AIDS

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The paper analyses the use of positive and negative appeals in social marketing, since their effectiveness show contradictory findings. The researchers examined 375 television social advertisements preventing HIV from four European countries and found that, disagreeing several theories, positive appeals have a preponderant use, although the number of positive advertisements have cycling waves along the time. Despite not being in an equivalent proportion, advertisements tend to be created with a combination of positive and negative appeals. The study describes those forms of appeals, how they are used and combined, and discusses the influencing effect of uncertainty avoidance and cultural conservative context in the use of negative appeals, as well as the increasing dynamics of epidemics. The understanding of social marketing practices and the factors influencing them may contribute to a better theoretical debate about the effectiveness of social marketing appeals and to a decreasing gap between theory and practice.

Introduction

Social marketing has been an effective tool in the encouragement of behaviour changes - especially those that are related to public health (Evans and McCormack 2008; Gordon et al. 2006; Keller and Lehmann 2008; Stead et al. 2007). It consists of adapting commercial marketing to the promotion of social change (Andreasen 1994; Andreasen 2002; Andreasen 2003; Dann 2010). Social marketers persuade individual compliance by using message appeals in positive or negative direction, as well as in informational or emotional tonality (Brennan and Binney 2010; McKay-Nesbitt et al. 2011). As also happens in commercial marketing (Bagozzi and Gopinath and Nyer 1999; McKay-Nesbitt et al. 2011), the majority social marketing messages are in emotional tonality (Basu and Wang 2009; Block and Keller 1995; Brennan and Binney 2010; Keller 2002; Keller and Lehmann 2008; Lang and Yegiyan 2008) because of its effectiveness (Flora and Maibach 1990; Lewis et al. 2007; Vincent and Dubinsky 2005). The literature is not agreed on whether the most effective strategy is the use of positive emotional appeals or negative ones in social marketing (Block and Keller 1995; Brennan and Binney 2010; Dillard and Anderson 2004; Gardner and Wilheim 1987; Hastings and Stead and Webb 2004; Lewis et al. 2007; Lewis and Watson and White 2009; Reeves et al. 1991). Several authors resorts to negative appeals, according to the effectiveness of Protection Motivation Theory (PMT) and other theories that also highlight the advantages of fear and threat messages (Block and Keller 1995; Brennan and Binney 2010; Cauverhe et al. 2009; Charry and Demoulin 2012; Cismaru and Lavack 2007; Cismaru et al. 2008; Cismaru and Lavack and Markewich 2009; Dillard and Anderson 2004; Gallopel-Morvan et al. 2009; Hastings and Stead and Webb 2004; McKinley 2009; Vincent and Dubinsky 2005). But negative appeals may be ineffective when they are overused, and other authors consider positive appeals as an efficient alternative with several advantages (Brennan and Binney 2010;
Lewis et al. 2007; O'Keefe and Jensen 2008), especially in the case of public health (Lewis et al. 2007; Slavin and Batrouney and Murphy 2007).

The existing findings are inconsistent and contradictory, being a result of laboratory research that looked for the most effective appeals in different situations (Hastings and Stead and Webb 2004). Instead of discussing their effectiveness, the present research aims at analyzing the practice of that use in a longitudinal overview. There are few studies on the prevalence of the real use of positive or negative social marketing appeals (Hastings and Stead and Webb 2004; Slavin and Batrouney and Murphy 2007). Those that have been done are based in meta-analysis of literature or do not explain the how and why of the matter or when each appeal was used (Hastings and Stead and Webb 2004; Slavin and Batrouney and Murphy 2007). That missing information is important to expand the knowledge about the factors influencing the use of positive and negative appeals by social marketers, what may help to solve the inconsistent state of the art about their effectiveness. This research concentrates on the use of positive and negative appeals in the case of health-related social advertising because of the relevance of this tool of communication in social marketing (Griffin and O'Cass 2004; Hastings and Haywood 1991). The purpose of the paper is to find the answers to the following research questions:

**Question 1 (Q1):** What is the prevalence of positive and negative appeals in social advertising? The answer to this question may be compared with the findings in literature analysis and also may allow a reflection about a possible gap between theory and practice (Quinn et al. 2010; Silva and Silva 2012). This question also allows the understanding if appeals are used in combination as proposed in the literature (Cho and Salmon 2007; Gallopel-Morvan et al. 2009; Witte 1992; Witte and Allen 2000).

**Question 2 (Q2):** When have positive and negative appeals been used in social advertising along the time? This question allows the understanding about if positive and negative appeals are used in alternate cycling because of the overuse of both directions and the saturation caused by their weaknesses (Brennan and Binney 2010; Hastings and Stead and Webb 2004; Slavin and Batrouney and Murphy 2007).

**Question 3 (Q3):** How have positive and negative appeals been used in social advertising? With this question the researchers aspire to find the signs that those appeals take form in social advertising in order to contribute to their future identification.

**Question 4 (Q4):** Why positive and negative appeals have been used in each circumstance? The purpose of this question is to understand the possible factors connected to the use of appeals, such as cultural context of the target that influence the effectiveness of appeals in advertising (Airhihenbuwa and Obregon 2000; Chan et al. 2007; Hastings and Stead and Webb 2004; Laroche et al. 2001; Orth and Koenig and Firbasova 2007; Vincent and Dubinsky 2005), or the values of social marketing managers (Ralston et al. 2008) and the existence of different responses to social marketing appeals in different situations, following the regulatory focus theory (Henley and Donovan 1999). This question also allows to understand if the direction of appeals used fit with the dynamics of epidemics along the time (Casais and Proenca 2013b; Grassly et al. 2001).

The analysis of the literature gave rise to propositions answering the questions above, which are going to be researched in the present study. More understanding about practices may be an important contribution to social marketing theory (Quinn et al. 2010; Silva and
Silva 2012). Prior knowledge about the factors that influence the effectiveness of appeals may also influence their use in different circumstances, but social marketing practitioners often act without previous acquaintance of marketing theory. They are pragmatic, may not have read the literature on the topic and come from different technical areas such as social service, psychology, public health or education (Quinn et al. 2010; Silva and Silva 2012). In the perspective of the theory of practice (Reckwitz 2002), this study allows the understanding of the contextual logic of routines in the case of social marketing, finding unknown factors that may influence those routines.

**Literature Review**

*Positive and Negative Appeals in Social Marketing*

The first definition of social marketing was proposed by Kotler and Zaltman (1971), who considered social marketing as a tool for behaviour change in order to solve social problems (Andreasen 1994; Andreasen 2002; Andreasen 2003; Kotler and Levy 1969; Wiebe 1951), some of which were ironically caused by the influence of commercial marketing on behaviour (Hastings and Saren 2003). Social marketing consists of the adaptation of commercial marketing for the purpose of social change (Andreasen 2003; Dann 2010; Kotler and Zaltman 1971; Smith 2000) by the marketing principle of value exchange with the end goal of improving welfare and society (Andreasen 2002; Andreasen 2003; Quinn et al. 2010). It is applied in non-profit organisations and governmental sector (Buurma 2001; Donovan 2011; Shultz et al. 2012) and public health is the area in which social marketing is most commonly discussed and applied, with evidence of effectiveness (Devlin et al. 2007; Evans 2006; Evans and McCormack 2008; Gordon et al. 2006; Grier and Bryant 2005; Hastings and Haywood 1991; Lefebvre and Flora 1988; Morris and Clarkson 2009; Stead et al. 2007; Walsh et al. 1993).

In his six benchmarks for identifying social marketing, Andreasen (2002) highlights the importance of conducting attractive and motivational exchanges. Social marketing may be expressed with positive or negative appeals, according to the intention of guiding behaviours (Brennan and Binney 2010). In order to inhibit people from continuing or adopting certain unhealthy behaviours, social marketers use negative messages with threats to create viewer reactions such as fear, guilt and shame as well as a psychic discomfort that leads to a disincentive to behave in a certain way (Boudewyns and Turner and Paquin 2013; Cauberghe et al. 2009; LaTour and Rotfeld 1997; Lewis et al. 2007; Ray and Wilkie 1970). On the contrary, positive appeals aim to show the direct benefits of behaviour change, as an incentive to adopt a specific behaviour (Brennan and Binney 2010; Hastings and Stead and Webb 2004; Lewis et al. 2007; O’Keefe and Jensen 2008).

**The Persuasiveness of Negative Appeals**

Threat appeals are messages designed to scare people showing the terrible things that may happen if they do not follow the recommended message (Witte 1992). Different models have described the effectiveness of these negative appeals in social marketing, with a special focus on research in health-behaviours. Fear-drive models assert that the main factor in the effectiveness of social marketing is the use of the correct level of fear suggesting a curvilinear approach where fear can persuade up to a certain level, beyond which it becomes counterproductive (Janis 1967). This means moderate fear is needed to motivate people, but high levels of fear can boomerang. Drive models were later rejected (Cauberghe et al. 2009; Dillard and Anderson 2004; Witte 1992) because of the acceptance of health-protective behavioural theo-
ries such as the Health Belief Model, Protection Motivation Theory (PMT), the Theory of Reasoned Action and Subjective Expected Utility Theory that share the idea that perceived threat and desire to avoid the negative outcome motivate the protection (Floyd and Prentice-Dunn and Rogers 2000). Protection Motivation Theory (PMT) has been widely studied as a disease prevention model suggesting that the level of fear is an indirect cause of persuasiveness. The direct cause is our ability to perceive the severity of a threat, our perception of vulnerability and our perceived self-efficacy to change behaviours with low costs (Prentice-Dunn and Rogers 1986; Rogers 1983). Research has shown that higher levels of perceived threat, vulnerability and perceived self-efficacy to change have a significant impact on protection motivation (Floyd and Prentice-Dunn and Rogers 2000; Rogers 1983). The Extended Parallel Processing Model (EPPM) included later the explanation that the perceived efficacy of the message determines the response. Low-efficacy perceived messages may lead to rejection by fear control (Witte 1992; Witte and Allen 2000). Fear control or maladaptive coping responses are defensive reactions to fear appeals, that result in unintended consequences such as the boomerang effect (Cho and Salmon 2007; Epplright et al. 2003; Floyd and Prentice-Dunn and Rogers 2000; Gallopel-Morvan et al. 2009; Good and Abraham 2007; Hastings and Stead and Webb 2004; Ruiter and Abraham and Kok 2001; Witte and Allen 2000). To prevent this problem, PMT and EPPM suggest combining negative appeals with positive appeals. This means the message is oriented to self-efficacy for the recommended response and its benefits, combined with a warning about the dangers of maintaining the current behaviour (Gallopel-Morvan et al. 2009). This idea is also sustained by the Ordered Protection Motivation Theory (OPM), which provides adapted coping responses after threat appraisals in the sequence of advertising (Tanner and J. and Epplright 1991). This means a combination of negative and positive appeals that reduces maladaptive responses and increases adaptive protection behaviours (Epplright et al. 2003). We also see the combination use of humour with threat appeals in order to decrease the defensive response to fear and increase its effectiveness (Mukherjee and Dubé 2012; Yoon and Tinkham 2013).

Consistent with PMT and EPPM, the literature suggests a relationship between fear arousals and persuasion, which means the more fear, the more persuasion (Witte and Allen 2000). This correlation does not assume the counterproductive of too high fear levels as proposed by drive models, because of the lack of evidence (Green and Witte 2006; LaTour 2006; Witte and Allen 2000). PMT and EPPM, using fear and threat, have been widely used to help create social marketing actions and several researchers demonstrate its effectiveness for creating persuasiveness in a variety of health contexts (Biener et al. 2004; Block and Keller 1995; Brennan and Binney 2010; Cauberghe et al. 2009; Charry and Demoulin 2012; Cismaru and Lavack 2007; Cismaru et al. 2008; Cismaru and Lavack and Markewich 2009; Dickinson-Delaporte and Holmes 2011; Dillard and Anderson 2004; Epplright et al. 2003; Floyd and Prentice-Dunn and Rogers 2000; Gallopel-Morvan et al. 2009; Gore and Bracken 2005; Hastings and Stead and Webb 2004; Keller and Lehmann 2008; McKinley 2009; Vincent and Dubinsky 2005; Witte and Allen 2000). Other authors claim that fear control does not necessarily undermine the effectiveness of a threat appeal, but can also lead to its acceptance by moderating fear levels (Cauberghe et al. 2009). Others add that the alternative to negative appeals may not be the use of positives (Cox and Cox 2001). Negative appeals have been more popular than positive appeals in social marketing (Basu and Wang 2009; Cismaru and Lavack and Markewich 2009; Hastings and Stead and Webb 2004; Lewis et al. 2007; Vincent and Dubinsky 2005) as well as in political marketing (Brader 2006; Mayer 1996; Sides and Lipsitz and Grossmann 2010). Regarding Q1, we infer by literature review the preponderance of threat appeals and formulated Proposition 1 (P1):
Proposition 1 (P1) – Negative appeals are more frequent than positive appeals in social advertising.

Positive Appeals: an alternative to fear control

In 1990, findings from the Harvard School of Public Health linked positive appeals with motivation to change and social marketing effectiveness (Block and Keller 1995; Maheswaran and Meyers-Levy 1990). Positive emotional appeals are based on humour, irony, hope, the exploration of benefits, and the use of celebrities or social models, who activate the coping response (Brennan and Binney 2010; Hastings and Stead and Webb 2004; Lewis et al. 2007). Positive emotional appeals are defended by some experts, despite common criticisms about its ineffectiveness for the lack of shock messages (Hastings and Stead and Webb 2004). Although contrary to other findings (Dillard and Anderson 2004; Floyd and Prentice-Dunn and Rogers 2000; Witte and Allen 2000), more fear may not always be better, because people reach a point of saturation and thus there is a decreased likelihood of negative appeal effectiveness because of its indiscriminate overuse along the years (Brennan and Binney 2010). Positive appeals improve the sustainability of health behaviors over longer periods of time, by increasing perceptions about their benefits (Basu and Wang 2009; O'Keefe and Jensen 2008). Research on negative appeals does not reveal long-term effects (Hastings and Stead and Webb 2004). After prolonged exposure, fear-based ads become predictable, boring and may stop working with repetition (Hastings and Stead and Webb 2004). Positive appeals have the advantage of reducing stigma and discrimination associated with illness or with high-risk populations by not showing shocking images. The use of positive appeals in health-related social marketing may reduce traumatic symptoms in people who have already suffered from the diseases in cause (Lewis et al. 2007; Slavin and Batrouney and Murphy 2007). Regarding Q2, the literature takes the researchers to formulate Proposition 2:

Proposition 2 (P2) – Positive appeals have a more recent evidence and are used in cycling alternation with negative appeals.

After the characterization of positive and negative appeals in the literature, the authors and theories sustaining each of them, Q3 may be answered with Proposition 3, that is in line with OMT, proposes the combination of positive and negative appeals in the same advertising (Eppright et al. 2003; Gallopol-Morvan et al. 2009):

Proposition 3 (P3) – Both positive and negative appeals are used in different components of the same advertising.

Factors Influencing the Efficacy of Positive and Negative Appeals

A better understanding about the effectiveness of message appeals designed by social marketers to influence people has long been a research challenge (Block and Keller 1995; Janis 1967; Lewis et al. 2007; Lewis and Watson and White 2009) because conclusions are contradictory for the best direction of message appeals on persuasion – positive or negative (Block and Keller 1995; Brennan and Binney 2010; Dillard and Anderson 2004; Gardner and Wilhelm 1987; Hastings and Stead and Webb 2004; Lewis et al. 2007; Lwin and Stanaland and Chan 2010; Reeves et al. 1991) even when the cause is the same (Hastings and Stead and Webb 2004; Zhao and Pechmann 2007). Some authors suggest differentiating their use (Hen-
ley and Donovan 1999; Jones and Owen 2006), according to the situations where one direction is the most appropriate (Keller and Lehmann 2008; Self and Findley 2010).

1. Regulatory Focus Theory

The effectiveness of positive or negative appeals is related to regulatory focus theory and depends on the level of motivation, which is segmented by demographic factors, the level of efficacy of the recommended behaviour and the perceived self-efficacy to do it (Keller 2006; Keller and Lehmann 2008; Zhao and Pechmann 2007). Negative appeals are more effective with low efficacy conditions (Block and Keller 1995) and when subjects are motivated to process the message, as prevention-focused people do (Gygax et al. 2010; Hastings and Stead and Webb 2004; Keller 2006; Keller and Lehmann 2008; Maheswaran and Meyers-Levy 1990; Self and Findley 2010; Zhao and Pechmann 2007). Older females are the group most motivated and impacted by health care information (Cangelosi Jr. and Ranelli and Markham 2009; Keller and Lehmann 2008). With high-efficacy conditions, positive and negative frames are equally persuasive (Block and Keller 1995). Positive appeals are especially effective when subjects are not motivated to process the message and it is probable that a recommended behaviour will result in the desired outcome (Block and Keller 1995; Maheswaran and Meyers-Levy 1990). Those in greatest need of changing behaviours may be the most likely to exhibit fear control and be least motivated to respond with behavioural changes when exposed to health messages using negative appeals. That is why positive appeals are advised when targeting promotion-focused people, those who are likely to engage in risky unhealthy behaviours. These sensation seekers are usually young males and likely to engage in suicide attempts, drug use, alcohol use, cigarette use and sexual promiscuity (Gygax et al. 2010; Hastings and Stead and Webb 2004; Higgins 1997; Keller 2006; Keller and Lehmann 2008; Lewis et al. 2007; Self and Findley 2010).

2. Sensitivity to Context

Social marketing direction appeals should also fit with the culture of the targeted country. This is in line with findings of cross-cultural research that have concluded that the effectiveness of marketing appeals depends on the sensitivity to culture, although the effect of globalization can supersede cultural norms (Airhihenbuwa and Obregon 2000; Chan et al. 2007; Hastings and Stead and Webb 2004; Kreuter and McClure 2004; Orth and Koenig and Firbasova 2007; Vincent and Dubinsky 2005). For example, adolescents from cultures with high uncertainty avoidance (Hofstede 2001), respond more favourably to negative appeals than positives in antismoking messages (Reardon et al. 2006). Public policies developed in each country may also interfere in social marketing, because it is important for governments to seek certain political goals (Raftopoulou and Hogg 2010). As culture and politics influence current likes or dislikes, these factors also may have impact in the decision making process (Ralston et al. 2008). Negative messages are closer to conservative or authoritarian models of society, while positive messages, which do not make judgments about unhealthy behaviours, are closer to progressive policies (Green and Witte 2006; Hastings and Stead and Webb 2004). Fox (2009) analyzed health-related posters between 1920 and 1990 from Russian and Soviet Union in terms of their themes and appeals used and found the narrative of the challenges faced by the country during the twentieth century, identifying appeals to authority, to fight external enemies to health and shame appeals (Fox 2009). Both public and non-governmental organisations (NGOs) are affected on reputation by the attraction or aversion of the audience to the appeals used in sponsored ads (Hastings and Stead and Webb 2004). Negative appeals in health-related social marketing sponsored by the public sector tend to
reflect badly on the reputation of the government, and exaggerated negative consequences have been shown to result in discrediting sources (Hastings and Stead and Webb 2004). Table 1 summarizes the factors influencing the efficacy of positive and negative appeals in health-related social marketing.

**Table 1. Factors Influencing the Efficacy of Positive and Negative Appeals in Social Marketing and Findings about the Most Effective Appeals**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Most Effective Appeal</th>
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<tbody>
<tr>
<td><strong>Motivation</strong></td>
<td></td>
</tr>
<tr>
<td>Preventive-Focused People</td>
<td>High motivation to change</td>
</tr>
<tr>
<td>Promotion-Focused People</td>
<td>Low motivation to change, risk seekers</td>
</tr>
<tr>
<td>Efficacy of the recommended behaviour or self efficacy perceived</td>
<td></td>
</tr>
<tr>
<td><strong>Level of efficacy</strong></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>Positive or Negative or Combination</td>
</tr>
<tr>
<td>Low</td>
<td>Negative or Negative</td>
</tr>
<tr>
<td><strong>Culture</strong></td>
<td></td>
</tr>
<tr>
<td>High Uncertainty Avoidance</td>
<td>Positive</td>
</tr>
<tr>
<td>Conservative</td>
<td>Negative</td>
</tr>
<tr>
<td>Progressive</td>
<td>Positive</td>
</tr>
<tr>
<td><strong>Openness to Change</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Sponsor Institution</strong></td>
<td></td>
</tr>
<tr>
<td>Negative appeals reflect badly on reputation, especially of Public Sector</td>
<td></td>
</tr>
</tbody>
</table>

The literature also proposes the adaptation of social marketing policies to the evidences of the context of the related causes, as the epidemic dynamics and respective intervention needs (Casais and Proenca 2013b; Grassly et al. 2001). This means that if negative appeals are more shocking messages and positive appeals less discriminating messages, it is expected that if the cycling alternation described in P2 verifies, it should fits with epidemic dynamics, besides other situational context. Regarding Q4, we formulated the following proposition:

**Proposition 4 (P4)** – The use of positive and negative appeals fit with the theoretical evidence about the most effective appeals for each target, type of message, culture, sponsor institution and severity of epidemic dynamics.

**The Research**

The research focuses on health-related social marketing, considering the importance of this technique to public health (Evans and McCormack 2008; Gordon et al. 2006; Keller and Lehmann 2008; Stead et al. 2007). A longitudinal research on the use of positive and negative emotional appeals in health-related social marketing may identify different realities, such as different events in the history of diseases, different clinical developments, physical or social impacts and costs of change which influence in perceived self-efficacy (Keller and Lehmann 2008). That is why choosing a single unit of analysis is needed, even though the results will be confined to that context. The unit of analysis should allow the use of a high-level of threat, showing for example death consequences (Witte 1992). At the same time it should consent to the observation of unintended effects of that threat, such as illness-related stigma (Lewis et al. 2007; Slavin and Batrouney and Murphy 2007). This allows for analysis of resorts to positive alternative messages.
This paper presents a research on the use of positive and negative appeals in social advertising in a context of the marketing of a serious and discriminated disease such as HIV/AIDS infection, which is targeted at different segments with different messages (Noar et al. 2009; UNAIDS 2010), allowing research comparison according to the efficacy condition and motivation to change (Keller and Lehmann 2008). HIV also reveals contradictory results about the effectiveness of direction appeals (Campbell and Babrow 2004; Eppright et al. 2003; Green and Witte 2006; Johnson and LaTour 1991; Lwin and Stanaland and Chan 2010; Muthusamy and Levine and Weber 2009; Sampson et al. 2001; Slavin and Batrouney and Murphy 2007; Smerecnik and Ruiter 2010; Terblanche-Smit and Terblanche 2010). We focused our research on television advertisements preventing HIV/AIDS in Europe for being a region with similarities in disease prevalence and health assessment in a macro perspective, allowing the researchers to control comparisons of the perceived self-efficacy and motivation of the target (Keller and Lehmann 2008), but at the same time with a diversity of cultures and public policies (Green and Witte 2006; Hastings and Stead and Webb 2004; Hofstede 2001; House et al. 2004; Raftopoulou and Hogg 2010). Social advertising has been a popular communication tool amongst health promoters (Griffin and O'Cass 2004; Hastings and Haywood 1991), and TV advertisements have been one of the most employed and effective support in HIV/AIDS prevention (Abroms and Maibach 2008; Basu and Wang 2009; Block and Keller 1995; Griffin and O'Cass 2004; Hastings et al. 1998; Mattson and Basu 2010; Noar et al. 2009) and health-related social marketing in general (Fuhrel-Forbis and Nadorff and Snyder 2009; Self and Findley 2010). Television provides audio and visual frames, which allows for perception of a story with a wide range of verbal and non-verbal signs.

Data Collection

We collected national HIV/AIDS prevention social advertisements broadcasted on television in the European Union (EU) countries from the beginning of infection, in 1981, until the end of 2011. The advertisements had to be developed by Governments and/or Non-Governmental Organisations (NGOs), because social marketing is intrinsically linked to the promotion of social change by the action of non-profit institutions (Donovan 2011; Hastings and Angus 2011; Kotler and Roberto and Lee 2002). We did not include data only focusing on sexually transmitted infections (STIs) or contraception, unless they also mentioned HIV.

Because institutions have increasingly digitalized their audio-visual archives, even the oldest ones, and share them online on official websites, in social networks and online video sharing websites (Paek and Kim and Hove 2010; Spigel 2009), data collection was done on the internet. The internet is an accessible and convenient tool for collecting this kind of data, because of the increasing need to digitalize old media archives on the web as a backup of analogical data (Paek and Kim and Hove 2010; Spigel 2009). We found that institutions and countries have different habits of sharing social ads online but we were highly succeeded founding on the internet television advertisements from France, Germany, Portugal and Italy. There was the risk that this methodology could have yielded mainly recent data, but after contacting several institutions in the four countries, it became clear that the database could confidently be considered reliable, showing that the internet is an appropriate tool to conduct a longitudinal collection of television HIV/AIDS prevention advertisements for these countries.

The database was built via in-depth research from the 1st of January to the 30th of June 2012. This last date corresponds to when the researchers found saturation in the search process by the repeated occurrence of redundant findings (Bowen 2008). We searched for data in
the internet databases that could provide the data we were looking for: a) browsing the institutional websites and Facebook profiles of governmental institutions coordinating HIV/AIDS prevention in each EU country; b) browsing the institutional websites and Facebook profiles of NGOs members of “Aids Action Europe” in each EU country; c) searching in the popular video-sharing websites Youtube, Vimeo, Dailymotion and Google videos. d) the online media archive www.ina.fr, which is the website from the National Audiovisual Institute in France and saves all the institutional communications broadcasted on television in France; and e) the online media archive www.culturepub.fr, the website from a French television program which shows several advertisements from around the world. These two French websites that provided audiovisual advertisements online emerged from the online research of data and may explain the high prevalence of french advertisements in our database, though these kind of online media archives were not found in other countries’ research. The search terms in video sharing websites were “HIV AIDS Prevention advertisement” in English followed by the name of each EU country, also in English because of the fact it is the most important international language and this could help to find videos. Then we translated the expression to each of the twenty-three official European languages as shown in Table 2.

Table 2. Expressions Used to Search the Video-sharing Websites

<table>
<thead>
<tr>
<th>Expression Used to Search the Video-sharing Websites</th>
<th>Name of the Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) HIV AIDS Prevention advertisement + Austria; Belgium; Bulgaria; Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Ireland; Italy; Latvia; Lithuania; Luxemburg; Malta; Netherlands; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; Sweden; United Kingdom.</td>
<td></td>
</tr>
<tr>
<td>2) Expression Translated to EU Languages</td>
<td></td>
</tr>
<tr>
<td>ХИВ превенција реклама (Bulgarian); HIV AIDS reklama (Czech, Polish and Slovak); hiv-aids annoncen (Danish); HIV AIDSi ennetamise reklam (Estonian); HIV AIDS ehkäisy mainos (Finnish); Publicité de prévention du VIH aides (Spotswood et al.); HIV/AIDS-Prävention Werbung (German); διαφήμιση πρόληψη του HIV AIDS (Greek); HIV-AIDS megelözés reklám (Hungarian); VEID a chosc fógra áiseanna (Irish); HIV AIDS pubblicità (Italian); HIV AIDS profilakse reklāma (Latvian); ŽIV ir AIDS prevencijos reklama (Lithuanian); HIV-AIDS prevenzioni reklam (Maltese); HIV-AIDS-preventie advertentie (Dutch); Anúncio de Prevenção VIH SIDA (Portuguese); HIV SIDA publicitate (Romanian); HIV aidsa oglas (Slovene); Publicidad prevención VIH SIDA (Spanish); hiv aids annons (Swedish); HIV AIDS Prevention advertisement (English).</td>
<td></td>
</tr>
</tbody>
</table>

As the video-sharing websites provide suggestions for other videos connected to the search terms and/or also were seen by people who viewed the ones shown, we also followed those suggestions, resulting in a richer data collection.

The Database

We collected 539 television social advertisements on HIV/AIDS prevention from 21 EU countries, excepting Croatia which was not a member at the time of the data collection, developed by governments or/and NGOs between 1986 and 2011. We selected all the ads collected from four countries whose data was well distributed over the period of analysis, representing 69.6% of the database. The other data showed low numbers of advertisements by
country. Seven countries had less than 25 ads, mostly concentrated in a specific time period, and ten countries had less than ten ads, which would also not provide a longitudinal perspective. 375 national HIV prevention advertisements broadcasted on TV since the diagnosis of the infection in 1981 to the end of 2011 in four European countries were selected as case studies. 146 are from France (38.9%), 115 from Germany (30.7%), 76 from Portugal (20.3%) and 38 from Italy (10.1%). This is not a cross-country study, but although the four countries selected are all from the western part of Europe, and long-time members of the EU, they are politically, socioeconomically and culturally diverse. This strengthened the scope of our study because culture plays an important role in health communication both in message effectiveness and in the expectations of message design (Airhihenbuwa and Obregon 2000; Kreuter and McClure 2004; Reardon et al. 2006). The database highlights the growing proportion of social ads along the time, as shown in Figure 1 by groups of five years. That fact may be related to the reactive prevention policies to the increasing incidence of HIV epidemic (Casais and Proenca 2013b).

Figure 1. Distribution of Advertisements Collected from France, Germany, Portugal and Italy by Periods of Five Years

Data Analysis

The narratives of the social advertisements were translated from the original languages to English. This task was performed by native speakers in some cases and, in other cases, by translation professionals with extensive knowledge of the culture and environment of the countries, having had the experience of living there. Besides the translations, they were asked to point out contextual aspects of the advertisements, such as the use of famous songs, national symbols or metaphors. We noted the advertisements endorsed by celebrities. Most had the names of the celebrities subtitled. Others referred to the names in the description written in the web pages where the data were collected. When we did not recognise the celebrity, we searched for the name on the internet, and verified that the person was well-known from show business or sports. The narratives in English were transcribed into the NVivo software in order to perform content analysis. We described the characters, music, colors, non-verbal symbols and the story review of each advertisement and type of rhetoric. These notes were recorded in NVivo and served as a basis for the coding process.
3. Content Analysis

We classified and coded data according to the country and year of broadcast, the source – government, NGO or a partnership of both. We also coded the behaviour changing messages identified and the main target. For these two last cases, that implicated a subjective analysis, we used the Proportional Reduction in Loss (PRL) approach to calculate reliability of that coding, an appropriate measure for qualitative judgment data (Rust and Cooil 1994). With 4 judges - three external experts in marketing and communication and one of the researchers – we calculated the agreements between the 6 pairs of judges for the coding of a sample of twenty advertisements composed by five ads of each country. There was an interjudge agreement on 84.2% of the sample for the target coding process and 97.5% for coding behaviour change messages. This result corresponds to a PRL reliability of 0.99 and 100, respectively. We also coded the positive and negative appeals of the advertisements following the content analysis model showed in Table 3 (Casais and Proenca 2013a), which is focalized on the story concept of the ads, the verbal and non-verbal signs. The PRL reliability of that model was calculated in that study with 79.1% intercoding agreement in the classification of a sample of twenty social advertisements. This result corresponds to a PRL reliability of 0.97 concerning the 4 judges.

Table 3. Content Analysis Model to Classify Social Advertisements as Positive, Negative or a Combination of both Appeals (Casais and Proenca 2013a)

<table>
<thead>
<tr>
<th>Story Concept</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Verbal Communication (oral/written)</th>
<th>Words/Expressions used in the narrative</th>
<th>Slogan</th>
<th>Verbal Rhetoric Figures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Negative</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Positive</td>
<td></td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td>Negative</td>
<td></td>
<td>Negative</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-Verbal Communication</th>
<th>Tonality of Voice / Music</th>
<th>Colours</th>
<th>Signs in the Environment</th>
<th>Characters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Negative</td>
<td>Positive</td>
<td>Negative</td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Negative</td>
</tr>
</tbody>
</table>

456
Motivating, exciting, empathic (Dillard and Anderson 2004; Hastings and Stead and Webb 2004; Lewis et al. 2007; Lewis and Watson and White 2009)

Frightening, sad, noisy, threatening (Brennan and Binney 2010; Cauberghe et al. 2009; Dillard and Anderson 2004; Hastings and Stead and Webb 2004; Lewis et al. 2007; Lewis and Watson and White 2009)

Varied palette, blues, green, white (Aslam 2006; Kress and Leeuwen 2002; Mick 1986)

grey scale, red (Aslam 2006; Kress and Leeuwen 2002; Mick 1986)

Health, happiness, smiles, hedonism, (Dillard and Anderson 2004; Hastings and Stead and Webb 2004; Lewis et al. 2007; Lewis and Watson and White 2009)

Death, fear, guilt, shame, desperation (Brennan and Binney 2010; Cauberghe et al. 2009; Dillard and Anderson 2004; Hastings and Stead and Webb 2004)

Motivating/Confident people, social models, testimonial, public figures (Delbaere and McQuarrie and Phillips 2011; Dillard and Anderson 2004; Hastings and Stead and Webb 2004)

Worried people, Sad people, hurt or wounded people (Brennan and Binney 2010; Cauberghe et al. 2009; Dillard and Anderson 2004; Hastings and Stead and Webb 2004)

Following the recommendations for the use of the model (Casais and Proenca 2013a), the researchers coded the transcriptions or notes corresponding to positive or negative appeals in each of the 8 categories, concerning its contextual interpretation. The model assumed that the negative form of discourse had to be considered in the syntax domain to avoid incorrect results. Considering the number of references coded in each category for each appeal, the researchers classified those categories as positive or negative or even a combination of both. Categories without data were classified as “Not Applicable” – if that absence had not a semiotics meaning. The final classification of the advertisement might be positive, negative or a combination, depending on the proportion of classifications in the eight categories. A social ad was only classified as a combination of appeals if there were an equal number of categories classified as positive or negative or even a combination of both. When there were several categories classified as a combination of appeals, the number of categories classified only as positive or negative usually resolved the draw. As social advertisements might include both negative and positive appeals (Eppright et al. 2003; Gallopel-Morvan et al. 2009), the final classification of social advertisements as positive, negative or a combination of both reflect the proportion of codifications as positive and negative in the different categories of the model, considering that each category has the same importance to the classification of social ads (Casais and Proenca 2013a).

4. Descriptive Quantitative Analysis

A descriptive quantitative analysis is done comparing the use of positive and negative appeals by year of broadcast and country. In order to understand how positive and negative appeals have been used (Henley and Donovan 1999; Jones and Owen 2006), we describe the content analysis by word clouds with the most frequent words of the narratives and analyse the presence of appeals in the categories of the advertisements as well as their contribution to
the final classification of the ads. We analysed the influencing factors in each observation comparing the classification of appeals with the efficacy levels of the message response (Block and Keller 1995) and the motivation of the target, according to regulatory focus theory and demographic factors that characterise it (Gygax et al. 2010; Higgins 1997; Keller 2006; Keller and Lehmann 2008). Table 4 shows the criteria to classify messages and target audience, if it is not general population.

Table 4. Analysis of Classification of Social Ads Regarding Direction Appeals by Motivation to Change and Perceived Self-Efficacy of the Target and Message Response Perceived Efficacy.

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevention-focused people</td>
<td>Promotion-focused people</td>
</tr>
<tr>
<td>Female</td>
<td>Old people</td>
</tr>
</tbody>
</table>

A longitudinal comparison of results is as also done by type of source organisation, as suggested by Hastings (2004) and country, because of the influence of culture (Airhihenbuwa and Obregon 2000; Chan et al. 2007; Hastings and Stead and Webb 2004; Laroche et al. 2001; Orth and Koening and Firbasova 2007; Vincent and Dubinsky 2005) and public policies in direction appeal effectiveness (Cho and Salmon 2007; Raftopoulou and Hogg 2010). Results of each country are analysed by uncertainty avoidance and openness to change position (Hofstede 2001; House et al. 2004; Schwartz and Sagie 2000), because of the influence of these dimensions to the effectiveness of positive and negative appeals in health-related social marketing (Reardon et al. 2006), being a strategy to promote change (Dann 2010; Kotler and Zaltman 1971). This descriptive quantitative analysis was processed with filters and dynamics tables of Microsoft Excel and with SPSS software. We also did a correlation analysis between the use of appeals and epidemic incidence rates.

Results and Discussion

What are the most prevalent appeals in social advertising?

Positive appeals have an expressive use in social advertising preventing HIV/AIDS in France, Germany, Portugal and Italy. Table 5 shows the frequency of advertisements classified as positive, negative and combination of appeals. The high prevalence of positive appeals is evidenced in all the researched countries. Portugal is the one with more negative advertisements, although representing only 36.8% of the HIV/AIDS prevention social advertisements in that country. Results contradict the state of the art based on meta-analysis of literature that recognises the popularity of negative appeals in social marketing, contradicting also P1. Only when the proportion use of positive and negative appeals was equal social ads were classified as a combination of appeals. Otherwise, the researchers classified them with
the direction appeal more frequent. The equal combination of positive and negative appeals is residual.

Table 5. Frequency of Social Ads Classified as Negative, Positive and Combination of Appeals

<table>
<thead>
<tr>
<th>Countries</th>
<th>Combination</th>
<th>Negative</th>
<th>Positive</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>France</td>
<td>18</td>
<td>12.3</td>
<td>25</td>
<td>17.1</td>
</tr>
<tr>
<td>Germany</td>
<td>6</td>
<td>5.2</td>
<td>22</td>
<td>19.1</td>
</tr>
<tr>
<td>Italy</td>
<td>4</td>
<td>10.5</td>
<td>7</td>
<td>18.4</td>
</tr>
<tr>
<td>Portugal</td>
<td>6</td>
<td>7.9</td>
<td>28</td>
<td>36.8</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>9.1</td>
<td>82</td>
<td>21.9</td>
</tr>
</tbody>
</table>

When are positive and negative appeals used in social advertising?

We observe in Figure 2 that positive appeals have been higher prevalent along the time, with the exception of 1992 and 1993, when negative appeals were more used, and 2001, with more combination of appeals in social ads. This fact may be related with the increasing numbers of infection. We do not see a cycling alternation between positive and negative appeals as stated in P2, but a cycling increase and decrease of negative appeals, what may be related with the fragilities of each direction of appeals discussed in the literature (Brennan and Binney 2010; Hastings and Stead and Webb 2004; Slavin and Batrouney and Murphy 2007). Figure 2 shows the use of positive and negative appeals along the time in the four countries analyzed, which have a similar situation in terms of its use.

Figure 2. Classification of Appeals in Social Advertisements by Year (%)

How are positive and negative appeals used in social advertising?

The fact of the combination of positive and negative appeals in the same proportion being not highly evidenced does not mean the OPM theory is not used. Actually, positive and negative appeals may be combined but not in the same proportion. Table 6 shows the contribution of categories’ classification to the final code of ads according to the direction of appeals, and supports P3. The signs of the environment and story concept are the categories with more
equally combined appeals. The ads with combined non-verbal signs in the scenes tend to be final classified as positive appealed (82.6%), while the ads with combined story concept reflect in 45.5% of cases in a positive classification of ads and in 43.1% in a negative classification. We can see the evidence of positive coded categories that justify the prevalence of ads positive appealed. Positive verbal rhetoric and music/tonality of voice have high agreement with the final positive code of the ads. The categories with higher contribution to negative appealed ads are the music/tonality of voice and the environmental scenes, because of the importance of non-verbal signs to communicate shocking emotions (Craton and Lantos 2011; DeRosia 2008; McQuarrie and Mick 1999).

Although the results sustain P3, the social advertisements classified as positive appealed are supported by a high proportion of positive categories. 31.7% of the 259 positive advertisements were classified as positive in all the eight categories of the content analysis model and 69.9% of positive ads have a proportion of positive categories of 75% or more (six positive categories or more). 44.8% of the positive Germany social ads reflect categories positively classified in 100%, being the country with more proportion of totally positive social advertisements. Table 7 allows the identification of the level of positive appeals in positive social ads, according to the classification of the eight categories. When the categories were classified as a combination of positive and negative appeals those categories were annulled in the counting of positive and negative appeals. Final classification as combination reflected an equal counting of positive and negative appeals or all the categories as a combination. This fact explains the existence of positive advertings with 3 and 4 only categories classified as positive. However, only 10.8% of positive social advertisements were classified as positive in 3 or 4 four categories, this is 50% or less.

Table 7. Proportion of Positive Categories in Positive Social Advertisements

<table>
<thead>
<tr>
<th>Number of Categories Classified as Positive Appealed</th>
<th>Frequency (n)</th>
<th>Percent (%)</th>
<th>Cumulative Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>6</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>4</td>
<td>22</td>
<td>8.5</td>
<td>10.8</td>
</tr>
<tr>
<td>5</td>
<td>50</td>
<td>19.3</td>
<td>30.1</td>
</tr>
<tr>
<td>6</td>
<td>47</td>
<td>18.1</td>
<td>48.3</td>
</tr>
<tr>
<td>7</td>
<td>52</td>
<td>20.1</td>
<td>68.3</td>
</tr>
<tr>
<td>8</td>
<td>82</td>
<td>31.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>259</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Table 6. Classification of advertising categories as positive, negative or combination of appeals by final classification of ads

<table>
<thead>
<tr>
<th>Final Classification of Ads</th>
<th>Categories’ Classification</th>
<th>Characters N</th>
<th>Colours N</th>
<th>Environment N</th>
<th>Narrative N</th>
<th>Verbal Rhetoric N</th>
<th>Story Concept N</th>
<th>Slogan N</th>
<th>Voice Music N</th>
<th>Total Ads by Final Classification N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative Positive Combination</td>
<td>Positive</td>
<td>17</td>
<td>4.5</td>
<td>20</td>
<td>5.3</td>
<td>6</td>
<td>1.6</td>
<td>13</td>
<td>3.5</td>
<td>15</td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>221</td>
<td>58.9</td>
<td>200</td>
<td>53.3</td>
<td>175</td>
<td>46.7</td>
<td>155</td>
<td>41.3</td>
<td>242</td>
<td>64.5</td>
<td>221</td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>5.9</td>
<td>22</td>
<td>5.9</td>
<td>4</td>
<td>1.1</td>
<td>8</td>
<td>2.1</td>
<td>12</td>
<td>3.2</td>
<td>11</td>
</tr>
<tr>
<td>Negative Positive Combination</td>
<td>Negative</td>
<td>38</td>
<td>10.1</td>
<td>50</td>
<td>13.3</td>
<td>66</td>
<td>17.6</td>
<td>58</td>
<td>15.5</td>
<td>48</td>
<td>12.8</td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>5.9</td>
<td>45</td>
<td>12.0</td>
<td>46</td>
<td>12.3</td>
<td>55</td>
<td>14.7</td>
<td>3</td>
<td>0.8</td>
<td>18</td>
</tr>
<tr>
<td>Negative Positive Combination</td>
<td>Combination</td>
<td>3</td>
<td>0.8</td>
<td>12</td>
<td>3.2</td>
<td>4</td>
<td>1.1</td>
<td>6</td>
<td>1.6</td>
<td>19</td>
<td>5.1</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>1.1</td>
<td>14</td>
<td>3.7</td>
<td>38</td>
<td>10.1</td>
<td>11</td>
<td>2.9</td>
<td>14</td>
<td>3.7</td>
<td>20</td>
</tr>
<tr>
<td>Negative Positive Combination</td>
<td>Combination</td>
<td>5</td>
<td>1.3</td>
<td>11</td>
<td>2.9</td>
<td>26</td>
<td>6.9</td>
<td>14</td>
<td>3.7</td>
<td>7</td>
<td>1.9</td>
</tr>
<tr>
<td>Negative Positive Combination</td>
<td>Not Applicable</td>
<td>24</td>
<td>6.4</td>
<td>0</td>
<td>0.0</td>
<td>6</td>
<td>1.6</td>
<td>5</td>
<td>1.3</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>3.2</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>38</td>
<td>10.1</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Negative Positive Combination</td>
<td>Combination</td>
<td>2</td>
<td>0.5</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>2</td>
<td>0.5</td>
<td>0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Total | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 | 375 | 100.0 |
11.9% of advertisements do not show any narrative. The narrative is not the category with higher influence in final classification of ads, but we observe its importance in negative appeals. When the final classification of the ads were positive 21.2% of those ads had a negative narrative, as words about the disease (14.7% of total data), and 25.5% negative non-verbal signs in the environments of the scenes, as symbols or visual metaphors (12.3% of total data). In fact, 33.9% of all data were classified with negative narrative and 36.8% with negative environment, being the categories with more negative appeals. Figure 3 shows the word cloud with the most prevalent words in the narrative of advertisements analyzed. The coding process was contextual sensitive both in terms of cultural semantic and syntax (Casais and Proenca 2013a). For instance, the word “drugs” was sometimes coded as negative, when the contextual meaning was connoted with a higher risk of HIV transmission by its use, and sometimes was coded as positive when concerning therapies to AIDS treatment. Another example is the word “positive”, which can mean a positive life or HIV positive, depending on the context.

The word “AIDS” is used 176 times, representing 9% of all the words coded in the narratives of data. “HIV” represents 3.61% of all words and “Love” 3.46%. “Condom” and “Condoms” have an appearance of 3.25% and 2.53%, respectively, justified by the high frequency of ads with messages for condom use (Casais and Proenca 2013b; Noar et al. 2009). Figures 4 and 5 show the word clouds of negative and positive codes, respectively. Negative words are highly related with the name of diseases and disease risks, while positive words with the protection practices. These results corroborate the content analysis model used to classify the positive and negative appeals in social advertisements (Casais and Proenca 2013a).
Besides the high prevalence of positive appeals we also see the evidence of positive characters in social advertisements analysed (69.3% of all data). Positive appeals may be based on copy response messages, sometimes with testimonials from well known people, since...
there is evidence that celebrity notoriety, credibility and attractiveness can activate positive attitudes among a target audience if attitudes toward the endorser are positive (Amos and Holmes and Strutton 2008; Erdogan and Baker and Tagg 2001; Mowen and Brown 1981; Salmones and Dominguez and Herrero 2013; Seno and Lukas 2007; Silvera and Austad 2004; Spry and Cornwell 2011). Famous people are examples of social lifestyles (Basil and Brown 1997; Biskup and Pfister 1999; White and O'Brien 1999; Wicks and Nairn and Griffin 2007) including in the case of HIV prevention (Kalichman and Hunter 1992) and marketing managers frequently use famous people, despite the risk of a negative image or scandals sometimes targeting them (Agrawal and Kamakura 1995; Till and Shimp 1998), to show good lifestyle examples (Erdogan and Baker and Tagg 2001) or to show their misfortune as in the case of Magic Johnson, who became a successful resource for promoting sexually safe behaviours (Basil and Brown 1997; Brown and Basil 1995; Casey et al. 2003; Kalichman and Hunter 1992).

Celebrities regard their motivation to endorse HIV prevention social marketing as related to the serious nature of the infection, to the need to fight stigma and to the close relationship that some of them have with HIV/AIDS through friends or family (Casais and Proenca 2012). Celebrities believe their public image improves after promoting social change, assume that it does not have negative consequences for their public image and report positive bias toward endorsing the HIV/AIDS prevention cause (Casais and Proenca 2012). They also say that their reluctance to be the face of an HIV prevention campaign is mostly due to their unavailability and not any fear of a direct connotation with the disease (Casais and Proenca 2012). However, this study shows that social marketing have made little use of the recruitment of public figures to endorse the cause. Table 8 shows the frequency of social ads with celebrity endorsements by country over time. 18.1% of the 375 social ads had public figures as characters and only 17% were coded as positive characters (94.1% of celebrity endorsements). In fact, 4 ads with public figures were coded as negative characters or combination, because they were showing illness, sadness, worries, or celebrities with bad reputation, as the case of Hitler in a mass murder for example. 57.3% of the 68 ads with celebrity endorsements were produced in last five years of the database. Despite the sample size being wider in the last five years, representing 33.3% of total data, celebrity endorsement has been growing: 31.2% of the data produced in the researched countries between 2007 and 2011 had famous people, more than the 23.8% in the period 2002-2006, 0% in 1997-2001, 17.6% from 1992-1996 and 4% between 1987-1991. We found that although celebrities say that they are especially motivated to endorse HIV prevention social marketing activities and do not have prejudice against the disease, (Casais and Proenca 2012), the proportion of social ads endorsed by famous people in practice is small, although it has been increasing.

Table 8. Celebrity Endorsements of Social Ads by country and Year

<table>
<thead>
<tr>
<th>Year</th>
<th>France (n)</th>
<th>Germany (n)</th>
<th>Italy (n)</th>
<th>Portugal (n)</th>
<th>Total n (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td>2 (2.9)</td>
</tr>
<tr>
<td>1993</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
<td>3 (4.4)</td>
</tr>
<tr>
<td>1994</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
<td>3 (4.4)</td>
</tr>
<tr>
<td>1995</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td></td>
<td>6 (8.8)</td>
</tr>
<tr>
<td>2002</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td>2 (2.9)</td>
</tr>
<tr>
<td>2003</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td>1 (1.5)</td>
</tr>
<tr>
<td>2004</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
<td>3 (4.4)</td>
</tr>
<tr>
<td>2005</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
<td>3 (4.4)</td>
</tr>
<tr>
<td>2006</td>
<td>4</td>
<td>2</td>
<td></td>
<td></td>
<td>6 (8.8)</td>
</tr>
<tr>
<td>2007</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td>3 (4.4)</td>
</tr>
</tbody>
</table>
We can consider that the increasing trend of endorsements may be related to the growing importance of social responsibility for brands, including personal brands (Salmones and Dominguez and Herrero 2013), and reactive-prevention policies towards the incidence rates of the infection, which only started to decrease in European Union in 2009 (ECDC/WHO 2011) that might led social marketers to invite more celebrities to these campaigns. Although the positive bias that famous people declared to HIV/AIDS (Casais and Proenca 2012) the results may reflect the fact of HIV being a stigmatised disease (Castro et al. 2010).

The animation movies are also a technique used in social advertising. 15.2% of social ads analyzed use this technique. Table 9 shows its distribution by country and evidences that animation movies tend to be classified as positive (77.2% of cases).

Table 9. Social advertisements with animations by country and classification of appeals

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>Portugal</th>
<th>Total Ads with Animation</th>
<th>Total Ads and % of Animation Movies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combination</td>
<td>0.0</td>
<td>0.0</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>5.3</td>
</tr>
<tr>
<td>Negative</td>
<td>5</td>
<td>8.8</td>
<td>4</td>
<td>1</td>
<td>0.0</td>
<td>17.5</td>
</tr>
<tr>
<td>Positive</td>
<td>18</td>
<td>31.6</td>
<td>12</td>
<td>3.5</td>
<td>11</td>
<td>19.3</td>
</tr>
<tr>
<td>Total Ads with Animation</td>
<td>23</td>
<td>40.4</td>
<td>16</td>
<td>21.1</td>
<td>12</td>
<td>21.1</td>
</tr>
<tr>
<td>Total Ads and % of Animation Movies</td>
<td>143</td>
<td>16.1</td>
<td>115</td>
<td>13.9</td>
<td>38</td>
<td>15.8</td>
</tr>
</tbody>
</table>

We considered in this study as promotion-focused people men, drug users, men who have sex with other men, sex workers and young people because of their vulnerability and high risk. In this case results confirm the efficacy of positive appeals for this type of target presented in the literature (Block and Keller 1995; Maheswaran and Meyers-Levy 1990). 81.4% of the 102 social ads directed to the referred targets were classified as positive. Negative appeals are
suggested by the literature to be more appropriate to low levels of message response efficacy perceived or self efficacy perceived. In this study we considered in that type of messages anti-discrimination social ads, general ads to stop or avoid AIDS and the promotion of treatment adherence, because of the secondary effects of therapy. Out of the 117 social ads with those messages, we found that only 36.8% were negative appealed and 48.7% were negative or combined appealed. If we add the messages promoting the condom use, that might be also considered with low levels of efficacy perceived for the risk of ripping, we decrease the proportion of negative ads to 21.9% out of the 338 social advertisements and to 31% if considering also the combined advertisements. These results show that social marketers have a strong preference for positive appeals, even in situations where literature advice the use of negative appeals to increase effectiveness.

When comparing the results by source type, as suggested by Hastings (2004), we find that 69.8% of social advertisements developed by governmental institutions were classified as positive appealed. Considering the social ads developed by governments in partnership with non-governmental organisations (NGOs), the percentage increases to 70.7%. Table 10 indicates the distribution of data by classification of appeals and source institution and shows that NGOs also tend to use positive appealed advertisements, maybe in order not to stigmatize and discriminate people living with the disease.

Table 10. Classification of Social Ads by Direction Appeals and Source Institution

<table>
<thead>
<tr>
<th>Source Institution</th>
<th>Appeal Type</th>
<th>GOV.+NGO</th>
<th>Governmental</th>
<th>Non-Governmental</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>n</td>
<td>%</td>
<td>n</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Combination</td>
<td>0</td>
<td>0.0</td>
<td>18</td>
<td>4.8</td>
<td>34</td>
</tr>
<tr>
<td>Negative</td>
<td>1</td>
<td>0.3</td>
<td>56</td>
<td>14.9</td>
<td>82</td>
</tr>
<tr>
<td>Positive</td>
<td>10</td>
<td>2.7</td>
<td>171</td>
<td>45.6</td>
<td>259</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
<td>2.9</td>
<td>245</td>
<td>65.3</td>
<td>375</td>
</tr>
</tbody>
</table>

Culture influences the effectiveness of appeals in advertising (Airhihenbuwa and Obregon 2000; Chan et al. 2007; Hastings and Stead and Webb 2004; Laroche et al. 2001; Orth and Koening and Firbasova 2007; Vincent and Dubinsky 2005) and may also influence the decision making of social marketing (Fox 2009; Ralston et al. 2008). Within the countries under research, Portugal is the one with higher proportion of negative advertisements (36.8%). In fact, this is also the country with relative higher uncertainty avoidance (Hofstede 2001), what means a more conservative country according to Schwartz cultural values (2000) and less openness to change. Uncertainty avoidance dimension measures the degree to which the members of a society feel uncomfortable and threatened by ambiguity (Hofstede 2001). The analysis of openness to change dimension is relevant as a factor of direction appeal effectiveness (Reardon et al. 2006) in social marketing, which is a strategy to promote change (Dann 2010; Kotler and Zaltman 1971). In the GLOBE scale (House et al. 2004), which is more recent, this dimension is not relevant for Portugal anymore, comparing with the other countries under analysis, but 82.1% of Portuguese negative advertisements were developed until 2001, representing 44.2% of all the Portuguese analyzed data developed until that year. This fact may be related with the relative higher prevalence of AIDS and incidence rates of HIV in Portugal on that time, though we do not have reported rates for that period. The opposite occurs in Germany, which is the analyzed country with lower incidence rates but whose rates have been increasing since 2001. 81.8% of all the Germany negative ads analyzed were produced after that year, representing 22.5% of the all Germany social ads preventing HIV/AIDS.
that have been produced since that year until the end of 2011. Table 11 shows that there is a moderate positive correlation ($\rho \approx 0.4$) between increasing rates of HIV and the number of negative advertisements produced. This means that the increasing HIV incidence rates are faced with an increasing trend of negative prevention advertisements, although still in a low proportion comparing to the use of positive appeals. In fact, the appropriateness of social marketing with epidemics and contextual factors is an important research topic (Casais and Proenca 2013b; Grassly et al. 2001; Silva and Silva 2012; Wymer 2011).

Table 11. Correlation Coefficient between the Number of Germany Negative Advertisements and Germany HIV Incidence Rates in the Period 2001-2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Germany Negative Ads (n)</th>
<th>Germany HIV Incidence Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1</td>
<td>1.8</td>
</tr>
<tr>
<td>2004</td>
<td>1</td>
<td>2.7</td>
</tr>
<tr>
<td>2005</td>
<td>3</td>
<td>3.0</td>
</tr>
<tr>
<td>2007</td>
<td>2</td>
<td>3.4</td>
</tr>
<tr>
<td>2008</td>
<td>8</td>
<td>3.5</td>
</tr>
<tr>
<td>2009</td>
<td>2</td>
<td>3.5</td>
</tr>
<tr>
<td>2011</td>
<td>1</td>
<td>3.5</td>
</tr>
<tr>
<td>n=7</td>
<td>Number of Ads = 18</td>
<td>Rates per 100,000 population by year of diagnosis</td>
</tr>
</tbody>
</table>

$\rho =$ correlation coefficient 0.40


We reject P4 because the prevalence of positive appeals is not circumscribed to the circumstances where Regulatory Focus Theory is reported to be more efficient and is not restricted to governmental institutions, too. However, we observe that negative appeals may have a relationship with cultural concerns as the higher uncertainty avoidance and less openness to change in the case of Portugal before the millennium. This fact may also be related to the concerning situation of epidemic in Portugal on that time. The severity of epidemics also might influence the increasing use of negative appeals in Germany after 2001. In that point, we may accept P4.

**Conclusion and Marketing Implications**

The paper sustains that there is a gap between theory and practice in the case of positive and negative appeals in social marketing. Contradicting the popularity of threat messages for behaviour change described in the literature, this research shows the expressive use of positive appeals in the practice of social advertising. A possible reason for this result is the fact of the unit of analysis being a stigmatised disease, although serious, and the call for positive appeals being stronger in order not to accentuate social discrimination. In a longitudinal overview, the expressive use of positive appeals follows a wavy evolution, increasing and decreasing along the time, what may be related with the saturation of both appeals because of their vulnerabilities described in the theory.

The study shows that social advertisements have both positive and negative appeals in their different components, what sustains the Ordered Protection Motivation Theory (OPM),
although not in the same proportion, since the prevalence of advertisements classified as a combination of appeals are residual. Motivating verbal rhetoric, advising to behaviour change, as well as positive music or advising tonality of voice are the advertising appeals with a higher contribution to positive classification of social ads. Even though, positive appeals have a significant proportion of positive categories justifying that classification – in 69.9% of positive advertisements the proportion of positive categories is 75% or more.

With a content analysis of social ads, the research describes how positive and negative appeals take form, such as the positive words related to prevention and protection, reinforcing the magnitude of life and love. The negative words are connected to risks and disease. The narratives and the signs from the environment of the scenes are the categories with more negative appeals because of their shocking power. Some positive appeals take form of animation movies. We found that contradicting the evidences of theory that sustain the importance of coping response as positive appeals as well as the motivation of public figures to endorse social causes, celebrity endorsements are few, although increasing in recent years.

The results indicate that the use of positive appeals is not influenced by the theoretical evidences of effectiveness regarding Regulatory Focus theory or the source type of organization. Positive appeals are generalised in social advertising. However, we find that there is sensitiveness of social marketers’ choices for positive and negative appeals to cultural and epidemic context, in the case of uncertainty avoidance and openness to change cultural dimensions and the severity of diseases’ rates.

The paper gives a contribution for a more balanced position both for academics and social marketers in practice. It is important to understand theory before going into practice, but practice and the factors influencing it may conduct to theory building. The results of the study also may suggest a specificity of communicating a stigmatized disease, which require future research.

Limitations and Future Research

The present study reflects the gap between theory and practice in the use of positive and negative appeals in social marketing. The results reflect a unit of analysis chosen as being a good example for research. However, the conclusions of the paper should consider the specificities of the case, as the particular stigma and discrimination that people living with HIV/AIDS still face in society.

Future Research might analyse a wider number of countries in other globe zones in order to compare the results with other epidemic dimensions and social marketing paradigms besides social advertising on television. Future research might also analyse other themes of health-related social marketing, in order to understand if the results are confirmed or if the popularity of positive appeals is a specificity of social marketing preventing HIV/AIDS.

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Speak to the Leg: A post-Paralympic analysis and re-theorization of consumer-object relations

Rikke Duus, University of Leicester, Leicestershire, Leicester, UK
Andrea Davies, University of Leicester, Leicestershire, Leicester, UK
Mike Saren, University of Leicester, Leicestershire, Leicester, UK

This paper reviews and re-theorizes objects in consumer research with specific focus on consumer-object relations. Following Bettany and Kerrane’s (2011) argument of an ontological shift towards objects as fluid, morphing and mutable, this research adopts a posthuman analysis of consumer-object relations. The posthuman concept of human-machine hybrid also raises fundamental physiological, technical and philosophical questions about what it means to be human (Braidotti 2006; Haraway 1991). Empirical data is gathered through phenomenological interviews, diaries and autodriving with amputees with prosthetic legs. A posthuman route to analysis creates a space and language for hybrid and companion-based consumer-object relationships to emerge. Themes reveal descriptions of leg favouritism and coupling, normality and identity struggles, relationship fluidity and enabling and disabling technology. This paper provides a novel approach to investigating consumer-object relations with consequences for how objects are viewed in consumer research.

Theoretical Background

Celebrating the coupling of biology and technology, the London Paralympics saw more worldwide media reporting and visual images of prosthetics than ever before (Douglas 2012), and presented human-machine dyads into an everyday, non-science fiction context. The recent extensive exposure of the Oscar Pistorius (also known as the Blade Runner) court case transmitted live from the court room in Pretoria, South Africa, further etches prosthetics in the deeper global psyche, consciousness and popular culture (Orford 2014). Prosthetic legs have emerged as a crucial actor in the retelling of the events at the center of the court case. The proliferation of and accessibility to prosthetic body parts (e.g. prosthetic limbs, organs and skin) problematizes traditional ideas of human identity and inanimate objects as reflected in Haraway’s cyborg (1991) and companion species figurations (2003).

Presenting the findings of fieldwork from an ongoing study of individuals with prosthetic limbs, this paper seeks to discuss consumer-object relationships in consumer research building on papers that have examined individuals’ relationships with technology, objects and animals. The study explores a position from where the consumer is decentered and problematizes the view that objects are stable, passive and subordinated to the consumer. In consumer research, the consumer is typically portrayed as an all-deciding, autonomous and rational actor who uses and has ownership of objects (Simon 2003). Recent research illuminates that objects, in interactions with other entities, can be ontologically mutable, epistemic and singularized (Epp and Price 2010; Zwick and Dholakia 2006). Whilst these authors critique traditional views of the consumer subject and material object, they still maintain the distinctions between who/what is the subject and object.

However, Bettany and Kerrane (2011) emphasise that consumer research is seeing the beginning of an ontological shift from objects and consumer identities as socially constructed to a consideration of objects as fluid, morphing and mutable. This paper follows the authors’
argument that to progress our understanding of the relationships consumers form and enact with objects an approach is needed, which subdues traditional classifications of ‘subjects’ and ‘objects’. Posthumanism is used in this paper to help bring a new perspective on consumer-object relations as it allows for a collapse of the subject/object divide and an emergence of hybrid, co-emergent and impure beings (Haraway 1991; Campbell 2013). Hence, neither the subject nor the object is dominant (Bettany 2007). The few existing consumer research studies that adopt a posthuman perspective to illuminate humans’ relationships with nonhumans describe hybrid beings through a terminology of liminality (Campbell et al. 2006), figurations (Bettany and Daly 2008), co-emergence (Bettany 2007) and co-actualisation of practices (Bettany and Kerrane 2011). The posthuman perspective offers an alternative approach to actor network theory in illuminating the patterned relations between people, objects and meaning. From a posthumanist perspective there are no pre-constituted subjects, objects, kinds, races and species as these are the product of their relating (Haraway 1991). Human and nonhuman actors partake in activities that co-create the nature of the individual entity and contribute to the creation of new hybrids (Haraway, 2003). Consequently, ‘beings’ are outcomes of ‘relational becoming’ with human subjectivity extendable to other nonhuman actors.

Empirical Research Design

This paper presents initial findings from a qualitative study using phenomenological interviews, audio diaries and autodriving methods with a sample of 7 participants recruited via purposeful sampling. Participants were selected on the basis of being 18 years or older and having lived with a prosthetic limb for at least 5 years. Participants took part in two interviews, completed a diary and took photographs of their everyday life with a prosthetic for 2 weeks. These methods are chosen to capture participants’ reflective descriptions, and feelings, as well as the more immediate, incidental and mundane experiences participants’ have with their prosthetic limb. Prosthetic limb users are chosen as the sampling context as the human body is seen as a place for material interaction between the human subject and material object (Dant 2006; Lai and Dermody 2009). The proliferation of and accessibility to prosthetic body parts (e.g. prosthetic limbs, organs and skin) problematizes traditional ideas of human identity and inanimate objects as reflected in Haraway’s cyborg and companion species figurations (1991; 2003). There is also an increasing presence of handcrafted, designer and branded prosthetics further bringing this entity into the consumption space.

Initial Findings

This analysis of consumer-object relationships considers the experiences of the human and the prosthetic object. Situations described by participants are then also interrogated from the object’s perspective to illuminate how objects emerge, evolve and mutate in their interrelations with other actors, including the human. This route to analysis creates a space and language for hybrid and companion-based consumer-object relationships to emerge. Initial findings have revealed themes of leg favouritism and coupling, normality and identity struggles, relationship fluidity and enabling and disabling technology. Single-leg amputees who have more than one prosthetic leg develop leg favouritism and consequently different couplings with each of their prosthetic legs. This can create a good leg/bad leg distinction, as explained by Kevin below:

“...the one [the good leg] that I wear mostly which is the one I’ve got now, is the one that’s closer to me (...) it fits more snugly and it’s more part of me (...) you don’t want to wear something that’s not comfortable.”
The good leg is “closer to me”, “a part of me” as it “fits more snuggly”. This reflects technology as transparent-in-use inseparable from our bodies (Buchanan-Oliver and Cruz 2011). Contrarily, the bad leg is used “for all the murky jobs [around the house], things might rip, split, whatever”. The leg unable to obtain a relationship based on trust and confidence in each other, who is unable to co-create ‘normality’, is discarded, rejected and ultimately objectified. Hence, the prosthetic is not simply a passive object used as a replacement body part. When a good relationship has been built it becomes a friend, a partner and an enabler; although at times it can be a disappointment and even an enemy.

The status of good leg/bad leg is fluid and unstable and gained through internal competition between the prosthetic legs. Some prosthetic legs have undergone humanizing change (e.g. hand drawn tattoos) in an attempt to be reclaimed as a physiological body part, whereas others resist the attempted adaptation that would shift it from what it is, into a human sphere of skin, hair and muscles:

“I always try and get some decent calves on it but it’s hard the way the metal comes down, it’s very difficult on the ankle, it’s very difficult to make any shape around the ankle because of all the working parts.”

**Implications**

The implications of this research are twofold. First, the research contributes to consumer theory by problematizing the locus of agency. The prosthetic limb becomes an actor as it interacts with the user, deferring subjectivity and action from the user to the prosthetic. Hence, this research describes the ongoing negotiation of ‘being’ towards the formation of a human-material hybrid. A posthuman approach to consumer behaviour, may require scholars to consider the ontology of objects, review the nature of relationships between objects and consumers and develop new methods and theories to illuminate and articulate the intertwined nature of humans and nonhumans. Secondly, this paper provides a review of the methods used in particular focusing on ethical considerations associated with this non-trivial sample; the use of language and terminology when interacting with this set of participants, drawing on different models of disability; and the position of the researcher in this particular life-world.

This review of methods-in-use for exploring the lived experiences of individuals with a replacement body part is of relevance to the wider consumer research community as a growing field of studies look to theorize the body, embodiment and forms of human-material interactions (Lai 2013; Buchanan-Oliver et al. 2010; Holliday and Cairnie 2007). The study demonstrates how the individual and the consumer are over emphasised in consumer research (Moisander et al. 2009). Badje (2013) used actor network theory and here posthumanism offers an alternative approach to show the patterned relations between people, objects and meaning. This study also aligns with the ideas from the posthumanist literature about augmentation of the human through the scientific application and interaction with potentially liberatory (and not-so-liberatory) technologies (Buchanan-Oliver et al. 2010; Campbell et al. 2006; Giesler and Venkatesh 2005).

**References**


Neoliberalism and macromarketing

Chair: Olga Kravets & James Fitchett

Session 12a – Saturday 5th July, 8:30am

Macromarketing infrastructures (I)
James Fitchett, Olga Kravets

Neoliberal marketing is ludo-marketing: Gamification as biopolitical extraction
Adnan Selimovic, Detlev Zwick

Social marketing and neo-liberal governance
Effi Raftopoulou

The reputation economy and the aftermath of neoliberalism
Alessandro Gandini

Session 13a – Saturday 5th July, 11:00am

Macromarketing infrastructures (II)
Olga Kravets, James Fitchett

Counternarratives to delegitimation in the market
Anil Isisag

To Be or Not to Be Baltic, That is the Question: An Exploration of Post-Socialist Nationalism in Collaborative Investment Place Branding
Warren Pinto, Sylvain Charlebois, Brent McKenzie, Statia Elliot

The polymorphous nature of place branding: A comparison of Stockholm and Turin
Andrea Lucarelli, Massimo Giovannardi
Neoliberal Marketing is Ludo-marketing: Gamification as biopolitical extraction
Adnan Selimovic, York University
Detlev Zwick, York University

Nothing is safe from gamification these days. Put simply, gamification refers to a technology of behavior modification that makes use of game design concepts such as competing for points, badges, levels and other types of rewards that bestow recognition and distinction onto participants of the game. Games are used to transform how school children exercise, students learn, employees work, scientists innovate, consumers consume and patients follow doctor’s orders (Burke, 2014). Virtually unknown before 2010 gamification has become in just a few years a darling of management innovators looking for ever new ways “to radically reinvent their organizations” (Zichermann & Linder, 2013, p. xi). For proponents of gamification an annual corporate investment of several billion dollars just to get us all to play games with companies is hardly extravagant considering the purported ability of games to ‘engage customers’, ‘align employees’ and ‘drive innovation’ (see e.g. Paharia, 2013; Radoff, 2011; Zichermann & Linder, 2010).

For marketing professionals the notion of gamification represents more than a ubiquitous buzz word that attracts audiences at marketing conferences and management workshops. Gamification promises something real and concrete, a possibility for overcoming once and for all a vexing contradiction that lies at the heart of corporate marketing: how to make customers happy while subjecting them to various forms of power for the purpose of extracting more value from them than they receive in the form of products and services? And despite all the righteous critiques of corporate capitalism’s ideological mystifications, this desire is authentic. It is what marketing really wants. It would therefore be a mistake to characterize efforts to ‘gamify marketing’ as just another act of cynical customer exploitation, as some of the practice’s most compelling detractors continue to suggest (see e.g. Bogost, 2011; Chaplin, 2011). Not to be misunderstood, we recognize gamification as an ideological act. But it is not cynical ideology but ideology as a naive consciousness, of misrecognizing a distortion of social reality as social reality proper, that we detect among gamification proponents. The difference between the two is important and made explicit in Sloterdijk’s Critique of Cynical Reason (1987). Sloterdijk suggests that the dominant way ideology functions today is through cynicism. Unlike the subject of naive consciousness that remains ignorant of the distance between social reality and its manufactured facade, the cynical subject believes to recognize both the ‘real’ social reality and the ideological veil that prevents its recognition. What makes this subject cynical is “that he none the less still insists upon the mask” (Žižek 1989, p. 29). Put more drastically, cynical reason posits a subject that is fully aware of the distortions created by ideology and of its fabricated misrepresentations, and in full presence of this awareness decides to embrace, not renounce, it. From this vantage point, a cynical marketer is the one that knows very well that any marketing action or innovation is not really aimed at treating customers more fairly and equitably but that it is just another ploy to manipulate and exploit consumers; and then proceeds to device new marketing actions and innovations. To be sure, this marketer exists. It is the marketer of Weyland Industries in the Alien movie series (Slogan: “Building better worlds”) and of Fox News channel (Slogan: “Fair and balanced”). But a serious engagement with the writings of the proponents of “game-based marketing” (e.g. consultants Gabe Zichermann, Joselin Linder, Jon Radoff, etc.) and the reactions of their
followers prohibits us to dismiss this new wave of marketing innovation as one motivated by falsehoods, ruthless exploitation, and conscious misrepresentation. And most importantly, rejecting the easy hypothesis of gamification as cynical reason allows us to submit this emerging mode of marketing practice to a classic critique of ideology.

Thus, this paper draws on critical theory, including critical gaming theory, psychoanalysis and autonomist though to subject the ‘gamification of marketing’ phenomenon to an examination of its ideological function in the age of communicative capitalism (see Dean, 2010). Our discussion is situated in a broader conversation about the role of marketing in neoliberalism, or what we call here neoliberal marketing: ie, marketing as a psycho-social ‘technology of capture’ designed for the biopolitical exploitation of life, affect and desire by capital (see e.g. Arvidsson & Peitersen, 2013; Dean, 2010; Virno, 2004; Zwick & Ozalp, 2011).

In a first step, we probe critically the characteristics of game-based marketing, hailed by consultants as a superior technology of customer engagement. Interestingly, in the fast-growing literature on the topic the promised link between games and marketing is portrayed as rather straight-forward: games are fun and therefore engaging and engagement leads to loyalty (of customers and employees, for example) and loyalty leads to all kinds of good things such as higher profitability, less employee turnover, and more generally higher levels of motivation and satisfaction. Indeed, the notion of engagement emerges as a key operating principle of the game-based marketing revolution (see e.g. Paharia, 2013; Zichermann & Linder, 2013). And yet, in key writings of the gamification literature, engagement remains almost entirely untheorized despite the fact that as a psycho-social phenomenon, it enters in various ways the calculus for assessing the value of a customer. For gamification revolutionary Rajat Paharia the value of a customer to a firm cannot be reduced to a purely economic calculation (such as number of purchases and so on). The ‘true’ value lies hidden in a customer’s libidinal bond to a product. By claiming that gamification produces libidinal bonds with products, a direct link is established between game-based marketing and economic value.

Therefore in a second step, we examine theoretically the process by which marketing games attempt to constitute an “engaged” consumer subject, what kind of affective value marketing games seek to produce and finally, how games in marketing function ideologically?

Bibliography


The paper examines the role of social marketing campaigns in neoliberal governmentality. Social marketing is now considered an established sub-discipline of marketing that has significant potential for positive contribution to social and individual well-being through behavioural change (Hastings, Saren 2003; Grier, Bryant 2005). The political nature of social marketing has already been recognised in the literature (O’Shaughnessy, 1996), however, have usually prevailed concerns about its appropriateness and effectiveness (e.g. Andreasen, 1997; Hastings, 2003). This paper builds on existing debates that recognise the limitations of social marketing approaches in addressing wider social problems by focusing on individual responsibility rather than institutional, societal and cultural factors and, through the concept of "governmentality", provides a critique of social marketing in marginalising particular worldviews and sustain existing power-relations. The focus is on the ways in which social marketing campaigns "frame" citizen participation and create particular values on social issues whilst excluding others.

Overview

Social marketing relates to the use of marketing tools, techniques and rationalities for the purpose of advancing individual and common well-being. It is recognised as a useful tool, particularly for governments, that can be used to drive behaviour change, an alternative to law and education initiatives (Rothchild 1999). The potential of social marketing has been widely recognised in the literature (e.g. McKenzie-Mohr 2000; Lefebvre and Flora 1988; Grier and Bryant 2005) and the field has seen significant growth in applications in the past thirty years. On the other hand, critical perspectives on the field have primarily focused on the difficulties in application (Bloom and Novelli 1981; McAuley 2014), the use of emotion in advertising campaigns and other ethical issues (Hastings, Stead and Webb 2004) as well as the appropriateness or applicability of marketing tools and rationalities in the field of behaviour change (Peattie and Peattie, 2003; Solomon, 1989). Some writers have examined the political dimensions of social marketing (Walsh 1991, O’Shaughnessy, 1996, Szmigin et al., 2001, Raftopoulou and Hogg, 2010, (Jones, 1982). Building on this body of literature, the aim of this paper is to further explore the role of social marketing activities in neo-liberal governmentality, through a focus on the processes of "subjectification" and "subjectivication" (Milchman and Rosenberg 2009). In brief, "subjectification" involves the ways in which others are created and governed through processes of power and knowledge whilst "subjectivication" examines the ways in which individuals create themselves as subjects and govern themselves (ibid).

The paper starts off by providing an overview of the field of social marketing, followed by a discussion of the concepts of governmentality and neoliberalism that comprise the theoretical framework for the discussion. We then move on to describe the methodology for the analysis, including a description of the social marketing campaign analysed. This is followed by a discussion of the findings and directions for further research.

Social marketing: Definition and Main Features
Social marketing has been a logical development of the marketing field following the increased needs of non-business organisations for marketing services as well as the growing negative reputation of marketing (Andreasen 1994). Social marketing was initially adopted more extensively in the field of health promotion (Lefebvre, 1996; Lefebvre and Flora, 1988; Hastings and Haywood, 1994) but has later on seen an expansion in applications with a wide range of organisations and governments adopting marketing for the promotion of social issues (e.g. recycling, safe driving) (Ling et al., 1992).

Due to the fact that social marketing is a relatively new and still evolving field, there is no agreement on a single definition. One of the most widely accepted definitions of social marketing suggests that it is: "Social marketing is the adaptation of commercial marketing technologies to programs designed to influence the voluntary behaviour of target audiences to improve their personal welfare and that of the society of which they are a part". (p. 110)

One of the central features of social marketing is that it has as its primary aim the advancement of individual or 'social good' (Murphy and Bloom 1992) (Sirgy et al., 1985). Some of the remaining central features of social marketing that are relevant for the ensuing discussion include consumer orientation (MacFadyen et al., 1999; Hastings and Saren, 2003), the concept of exchange and the use of the marketing mix. A consumer orientation implies a move away from expert-led approaches to recognition of the features as well as needs of "consumers" relevant to the specific social issue. Common marketing tools like market research, segmentation, targeting and positioning are utilised in order to achieve more effective behaviour or attitude change (Grier and Bryant, 2005).

Exchange theory is central to the understanding of marketing (Bagozzi, 1975; Kotler and Zaltman, 1971) and proposes that consumers act primarily out of self-interest with the aim of achieving the greatest benefit while incurring the minimum cost (Bagozzi, 1978). Therefore, any marketing offering (including social marketing) has to offer something of value, as the latter is perceived by their target audience (Maibach, 1993). In the context of social marketing, value could comprise of any sort of incentive or disincentive (for example in the form of negative consequences) and creating an environment that invites voluntary exchange (Rothchild, 1999). ‘Exchange’ has been a bit problematic for social marketing as the costs involved in attitude and behaviour change are difficult to define and reduce (Peattie and Peattie, 2003). Social marketing activities are based on the framework of the marketing mix, as this is redefined for the non-commercial context. For example, the product is understood as the behaviour or idea promoted and the associated set of benefits (Donovan and Henley, 2003) whilst price refers to all the different types of costs to the individual that the change of behaviour involves (e.g. guilt, embarrassment, social hassle ) (Shapiro, 1973).

The main notion behind social marketing is that it can achieve voluntary change by offering alternative choices to people and making the recommended choice more appealing or advantageous to the target group. In this way, social marketing can overcome the shortcomings of predominately educational approaches to influencing public behaviour, which are mainly expert-led (Lefebvre and Flora, 1988). Social marketing takes into account the target audience’s needs and responses (Peattie and Peattie, 2003; Maibach and Holtgrave, 1995), and, arguably, creates better targeted and more effective messages (Ling et al., 1992).

Notwithstanding the benefits social marketing brings to organisations, several issues have been raised in the literature. These can be examined along three main categories: practical difficulties and limitations, theoretical limitations and broader questions of the applicabil-
ity of marketing in this context. Some of the practical difficulties and ethical issues have been summarized by Bloom and Novelli (1981). For example, the authors discuss difficulties in choosing targets (choosing the most in need versus the most likely to change) and Andreasen (2003) raises questions about the effectiveness and efficiency of segmentation techniques. Other issues raised include the use of emotion appeals (such as fear and guilt) as well as emotional branding, are often seen as problematic (Peattie and Peattie, 2003). A number of these practical problems are attributed to the direct transfer of commercial marketing ideas and tools into the social realm. This, arguably, does not give enough consideration to the different nature, scope, objectives but also sensitivities and implications of the two fields (Peattie and Peattie, 2003; Solomon, 1989). Social issues and behaviour or idea changes generally involve a great deal of complexity (Malafarina and Loken, 1993).

The issue of the applicability of commercial approaches in the public domain is discussed by Walsh (1991) who, in his examination of public sector marketing, suggests that the public and commercial sectors have distinctive characters, conditions and tasks. He suggests that the nature of the relationship between the participants in the market is different from that in public services and that exchange in the public sector is not between equal parties as it is in the market. He further argues that the use of marketing in this conceptualisation encourages a perception of citizens as consumers, which then creates an inaccurate and confusing perception of their engagement with public services. His contention is that marketing is much more than a set of techniques, as it embodies the assumption of the market and exchange, hence, its use, pushes the boundaries between the state and the market and re-shapes our understanding of citizenship. Furthermore, a marketing approach is seen to work to avoid certain ethical, moral and political problems (Peattie and Peattie, 2003; Salmon, 1989) and replaces moral rationales with market rationales (Brenkert, 2002). Through the mediated nature of marketing, conflicts are avoided as there is less involvement, less resistance and counterarguments (O'Shaughnessy, 1996).

Other writers have also associated social marketing with power issues. Jones (1982), for example, argues that the process by which one group of people seeks to cause change in other groups of people in directions preferred by themselves is essentially a political activity, involving the attempt to mobilise power and influence particular demand. MacFadyen and Hastings (2000 cited in Peattie and Peattie, 2003) also question who decides what behaviours need to change; on what basis; what means they use to achieve change; and of the accountability of their actions, while MacFadyen et al. (1999) suggest that improving citizens’ quality of life is a contested cause (also Andreasen, 1995). Taking a more extreme stance, O'Shaughnessy (1996) argues that social marketing campaigns are often run by élite, well-financed groups, such as the government itself, claiming to represent a unitary public interest. Laczniak et al (1979) also argue that social marketing has been treated with suspicion as a tool for social control, as it gives power to a group to influence public opinion in contested issues (Laczniak et al., 1979). O’Shaughnessy (1996) relates social marketing with propaganda but recognizes that propaganda is more didactic, whereas social marketing is based usually on research that defines what the audience wants and attempts to attract, convert, retain and reinforce messages. On the same topic, Fox and Kotler (1980) argue that manipulation implies hidden and unfair ends or means used in the influence process, whereas, in social marketing, a cause is marketed openly, without need to resort to distortion of facts. Due to its commercial association, social marketing’s “manipulative intent” (O'Shaughnessy, 1996: , p. 59) is more obvious, whereas, in the case of propaganda, manipulation is obscured. Social marketing is also considered to smooth or 'gloss' over issues (ibid.).
Further to this discussion, social marketing can be seen as self-serving, in the sense that there may be commercial or political interests behind social marketing campaigns (Fox and Kotler, 1980). However, social marketers often object to the notion of exchange, as it implies that the marketing organisation may receive benefits from the transaction (Buchanan et al., 1994). It is argued though that if social marketers had nothing to get back from this transaction it would be ‘patronising’ and ‘disempowering’ (Hastings and Saren, 2003).

Another criticism of social marketing focuses on the fact that social marketing efforts have been aimed, so far, at achieving individual and short-term change (Lawther et al., 1997; Wallack et al., 1993). This approach overlooks the social dimensions of many of the social and health issues targeted by social marketing activities and social marketing has not yet been used efficiently to influence wider social groups (such as policy makers, influential groups, law makers and so on) (Szmigin et al. 2011). In particular, Flora et al. (1989), argue that a number of health issues would be best targeted at a social level (rather than an individual level) as factors like public opinion, public policy, social norms and physical environment can play an important role in assisting or prohibiting change in behaviours and they argue that certain issues could be better addressed at the societal, rather than the individual level. Thus, as social marketing is too narrowly focused on individual behaviour, it can only address the information gap at an individual level and it is not suited to address the ‘power gap’ (Wallack et al., 1993), hence, it cannot work to alter the institutions that form the social system within which the individual operates. Goldberg (1995) also argues that this ‘downstream approach’ perceives the societal system as unchangeable and thus aims to achieve equilibrium rather than change. Szmigin et al. (2011) add that social marketing is, in a way, an easier alternative to governments, than legislation, when relating to issues that are difficult to legislate and O’Shaughnessy (1996) suggests that as the public are often funders of such campaigns, these cannot violate conventional norms and ideologies. This ‘victim-blaming’ approach, where the individual is held responsible instead of looking at institutional or societal factors that determine his/her behaviour (Ling et al., 1992; Faden, 1987; McLeroy et al., 1987; Brenkert, 2002) is seen to diminish the potential of social marketing to achieve broad social change (Salmon, 1989).

Finally, one of the central features of social marketing is that it has as its primary aim the advancement of individual or ‘social good’ Murphy and Bloom (1992) (Sirgy et al., 1985). However, the definitions of social and individual welfare are taken for granted and are not addressed in the social marketing literature (see Raftopoulou and Hogg 2010).

The above areas of criticism that relate to the concept of exchange, the focus on individual behaviour, the power issues and the definition of individual and social welfare through social marketing campaigns will be further discussed in this paper through Foucault’s idea of governmentality and, in particular, neoliberal governmentality. The concept is introduced in the following paragraphs, followed by analysis of the chosen campaign.

**Governmentality and neoliberalism**

Governmentality is defined by Foucault (1982) as a form of governance that gets individuals to govern themselves, through the ‘conduct of conduct’ (p. 220). Through the different mentalities and technologies of government, citizens are encouraged to regulate their behaviour and become more independent (from government), through simultaneously enabling and constraining political practice (Nyers, 2004). Following Skålén, Fellesson and Fougeré (2006), the object of government is seen by Foucault to be directed at shaping peo-
people's thoughts, action and emotions. This, however, does not necessarily involve external forms of surveillance and discipline. Rather, government involves all these regimes of truth, the taken-for-granted systems of thought and practice which create and sustain a particular morality, which, in turn, brings about self-regulation (Dean 1999). Thus, government for Foucault involves the government of others (subjectification), the ways in which individuals become subjects through power/knowledge processes, as well as the government of oneself (subjectivation), the ways in which individuals create themselves as subjects through what they believe to the truth (Milchman and Rosenberg 2009).

The neo-liberal subject is an individual who, in an autonomous manner, uses rational choice and cost benefit analyses (rather than other moral values) based primarily on market-based principles to pursue their self-interest. Neoliberalism is closely associated with this economically ‘rational’, individualistic decision-making (Hayek 1948) where 'efficiency' becomes a prominent rationale that oftentimes replaces political reasoning. In order to provide some sort of context, a broadly accepted view of neoliberalism proposes that it is a political theory which suggests that free, entrepreneurial individuals are best equipped to pursue their well-being and that the role of the state is to provide a framework that guarantees the smooth functioning of free markets (which allow individuals to pursue their well-being) (Hayek 2005). Neoliberalism tries to ensure that individuals draw upon market-based principles for all their evaluations, aiming to become entrepreneurs of themselves (Lemke 2001). Since the market is seen as a superior form of political economy, efficiency is seen as a critical condition for the allocation of limited public resources. This is also evidenced in the predominance of economic and moral discourses of individual responsibility and an essential redescriptions of the social as a form of the economic (Fairclough 2002, Peters 2001). In addition, central to neoliberalism is the notion of individual liberty and, more specifically, liberty from the state (Bevir 2011). This is closely linked to the notion of responsibility as individuals are encouraged, through neoliberal governmentality, to self-govern and assume their own responsibilities (Hindess, 2002). These features of neoliberalism have manifested themselves in numerous ways and have prompted some to argue that we live the ‘age of neoliberalism’ (Thorsen and Lie 2006). Of greater relevance to this paper are the rise of ‘New Public Management’ (Considine, 2001; Fairclough, 2002), as well as the ‘marketisation of democracy’ (Peters, 2001) that relate to the expansion of the commercial realm into the social realm. The ‘New Public Management’ is seen to refer to the shift from policy and administration to management, whereas the term ‘marketisation of democracy’ is used to refer to the infiltration of commercial practices into the realm of the political (ibid.).

Hamann (2009) has discussed what he terms “neoliberal governmentality” and argues that its main aim is “to encourage and necessitate the production of Homo economicus” (p. 37). In his analysis of Foucault’s lectures (Foucault 2007) he argues that neoliberal mentality needs to be actively maintained, supported and reproduced at all levels of society and this necessitates the formation of social mechanisms of subjectification. Hence, whilst neoliberal governmentality involves a minimization of state intervention, at the same time it involves knowledge/power regimes that create and reproduce particular social values. An analysis of neoliberal governmentality would hence have to look at the power/knowledge/subjectivity complex.

Social marketing is therefore examined as part of these shifts in the relationship between government and management. Furthermore, the paper examines the ways in which social marketing creates and supports particular regimes of truth (or worldviews) and values which, in turn, bring about self-regulation. We first describe the campaign chosen for analy-
sis and the method of analysis of the ways in which the campaign creates, reflects and reproduces particular worldviews, social identities, relations and values.

**Methodology**

The campaign that is discussed here is the Targeting Benefit Fraud campaign, a campaign run by the Department of Work and Pensions that aims to change people’s attitudes towards benefit fraud. Two different versions of the promotional website of this campaign are examined through a Critical Discourse Analytical Framework, a method of analysis mainly developed by Fairclough (1989; 1992; 2001) that focuses on the use of language and its links with issues of ideology and power.

Critical Discourse Analysis (CDA) is a form of discourse analysis, a systematic study of texts, focusing on the ways in which language features in social processes. Analysis thus focuses on discourses, ‘practices that systematically form the object of which they speak’ (Foucault, 1972). Language is seen as central to the social construction of reality and texts are perceived as an important form of social action, a medium for exercising and resisting social control, constructing social identities and reflecting social changes (Fairclough, 1995).

Discourse analysis is seen as a growing method of analysis in management in general (Alvesson, 2000), which can have significant contribution in the field of marketing and advertising (Elliott, 1996; Myers, 1994), in the exploration of areas of persuasion, ideology and conflict. As the application of discourse analysis is not limited only to written or spoken language but can extend to other forms of semiotic practice such as photographs, films, text (Fairclough, 1993) it is particularly valuable to advertising research which usually has multi-semiotic form.

CDA focuses specifically on the ways in which language is situated within relations of power and domination, on the ways in which it works ideologically and features in processes of negotiation of social identities (Hardy, 2001). It is particularly interested in the study of social issues and problems and the historical changes that take place in the social and political sphere as they are manifested in the use of language.

The framework explores these links between discourse, ideology and power along three dimensions:
- The text dimension which explores the meaning and form of a text
- The discursive practice dimension which explores the form of discursive interaction used to communicate meanings and beliefs and
- The social practice dimension which explores the discursive event within the social context (Grant, 2001)

In this case, in accordance with Fairclough (2001), textual analysis consisted of:
- Linguistic and semiotic analysis: analysis of vocabulary, grammar and structure of the text
- Interdiscursive analysis: analysis of the ways in which the text is constituted from diverse discourses
- Interactional analysis: analysis of the text as a form of interaction
- Structural analysis: analysis of the ways in which semiosis is structured within an order of discourse
Fairclough (2001) terms an order of discourse as a semiotic aspect of a social order, which is a network of practices that is structured in particular way (p. 235). Its analysis involves an analysis of the ways in which certain ways of meaning making become more salient while others become more marginal through the networking of diverse genres and discourses. Discourses are then defined as diverse representations of social life that depend on the social actors' positions while genres are the diverse ways of producing social life in a semiotic mode.

The texts are thus examined in terms of their 'texturing' effects, the ways in which they construct and represent social values, identities, relationships and worldviews. They are also analysed intertextually, in terms of the shifting articulations of genres and discourses and the ways in which these texts relate, react to, draw from and transform other texts (Fairclough, 1997). Finally the broader social context within which these texts are located is examined in order to explore the relation to the social order. Next we discuss the texts that are examined in this study and discuss some of the findings of the analysis.

**Tackling Benefit Fraud**

This campaign was launched initially in 2000 (and has been running until today) as a pilot in the north west England and aimed at raising awareness of the problem of benefit fraud, changing public attitudes towards the issue, discouraging claimants from committing benefit fraud and encouraging the public to inform the authorities of suspected benefit fraudsters. The campaign consists of TV, radio, press and poster advertisements and the websites were chosen as an initial point of analysis due to the richness in textual material but also due to an interest in the new ways of communication between a government and the public. The campaign is positioned chronologically in a period of transition in the welfare system, with the 'New Deal' initiated from 1997 onwards and the Social Security Fraud Bill voted in 1999. The welfare reforms altered significantly perceptions of the welfare state, with increased importance given to incentives to move unemployed people back to work and modification of the relevant responsibilities and rights to welfare provision (Walker and Wiseman 2003). The Social Security Fraud Bill in turn, drew attention to the efficiency of the welfare provision system and attempted to define ways and provide the tools for the government to 'de-fraud' the system. Amongst the solutions proposed to the government through research they commissioned was to test the use of advertising as a tool for changing public attitudes towards fraud (the Grabiner Report 1999).

As Fairclough (2000) suggests under New Labour there was increased attention to communication in order to get public consent and the Targeting Benefit Fraud campaign is an indication of this, but also part of the broader turn to practices that originate from the management field. These changes involve a shift in the fields of government, politics, media and the public sphere and this is manifested in the ways in which different genres are brought together and articulated in a network and they signal changes in social values and the ways in which we perceive social issues, social actors and their relationships between them. The next section presents the findings of the discourse analysis, the ways in which the two texts construct and reproduce particular versions of social processes, social values, social groups’ identities and relationships and reflects on the ways in which the above mentioned changes are manifested through the campaign material.

**Subjectification: The Identities of Benefit Fraudsters, Claimants, the Government and Citizens**

495
Initially, the focus of the analysis was on identifying the different social groups referred to in the campaign texts and exploring the ways in which their identities are constructed. The identities constructed through the campaign are: the general public, the benefit claimants, benefit cheats (or fraudsters), the Government and the Department for Work and Pensions (earlier Department for Social Security), the public and the reader (of the advertisement).

Social group identities were constructed through the texts in various ways: features of vocabulary, grammar, sentence structure, overall textual structure and interactional conventions. Also, through reference outside the text and through the fusion of diverse discourses and genres, these identities were further shaped and transformed. The reader is identified as a member of the public but also in various ways discussed later he/ she is differentiated from the general public. There are different ways in which the author refers to these social groups. The general public is for example referred to also as taxpayer, every household in Great Britain and victims (of benefit fraud). The first first two references are linked to the discourse of citizenship relates to belonging to a nation and fulfilling certain responsibilities such as taxpaying. In addition, there is reference to victims which can be linked to the discourse of crime and helps construct a victim/ wrongdoer relationship between the public and the fraudsters.

A subgroup of valid benefit claimants are the potential fraudsters, or suspicions of fraud. Fraudsters, which are part of this group, are referred to as cheats, people who are not entitled to [benefits], dishonest claimants, persistent offenders, people who get caught, prosecuted, wrong people, people who lie, cheat, steal your money/ social security, people who behave dishonestly. All these references are associated with negative values. In the second text, fraudsters are addressed also as ‘you’ through the motto of the campaign (we are on to you), while in the first text they are not addressed the second person. This signifies a shift in the campaign’s message, which initially was directed to the general public but then had messages for both the public and the fraudsters.

Benefit claimants on the other hand are referred to as people who need it [benefits] most, customers, honest benefit claimants. In this way, this group is constructed in opposition to fraudsters through entitlement, need and honesty making reference to the discourses of welfare and morality. Importantly, in the second text, they are referred to as customers, something that cues to the shift in discourses used in public services which are infiltrated by the discourse of enterprise, where citizens are replaced by citizens (Du Gay and Salamon 1992).

Distinctions between different social groups were also produced through different ways of addressing them. The Government (or the Department for Work and Pensions - DWP) are usually referred to as ‘we’, depicted therefore as the author of the text, while the reader is referred to as ‘you’ and the rest of the social groups (including benefit fraudsters and benefit claimants) as ‘they’. There are instances, however, where the Government and the DWP are referred to in the second or third person and the reader is referred to in the first person. This shift can be associated with a shift in genres, a move from the promotional genre where the use of the second person is more common to the political genre where the author is distanced through the use of third person. The section where the Government is addressed in the second person, may be thought to resemble a parliamentary discussion or even a media interview where the Government is asked to account for and justify their actions, therefore, a shift in genres again marks a shift in roles for different social groups.
There are also instances where these distinctions between different social groups are blurred, through addressing them as ‘we’ or ‘they’, which is illustrated in the above diagram through intersecting circles. For example, sentences like *effects all of us, cost us, together, we can beat the benefit cheats* create a sense of common values and interests between the Government and the reader and can be linked to the discourse of citizenship.

Another way of producing distinctions between different social groups is through different classifications of money. There is for example reference to *taxpayers’ money, your money, public money, stolen benefits, benefits they are not entitled to, and money from people that need it most.* Social groups are hence constructed through reference to entitlement, need and obligation (through paying taxes), cueing again to the discourse of citizenship which is closely linked to notions of rights and responsibilities.

Benefit fraudsters are portrayed as a social group that does not fulfil the citizen’s obligations through abuse of their rights, in opposition to the group of valid benefit claimants. The marginalisation of fraudsters from the rest of the citizens is further supported through a comparison between the money that is lost through benefit fraud and the money that could be spend for other purposes *‘our schools, hospitals or fighting crime’.* The use of money to construct these divisions is related to the managerial genre, which often makes use of monetary notions for classifications (for example between efficient and inefficient) and subsequently to justify actions and construct values (through good and bad use of money). In addition, benefit fraudsters are opposed to the group of valid benefit claimants through binary oppositions: *right money-right people, wrong money-wrong people, honest -dishonest* claimants which relate to discourses of entitlement and morality.

Other vocabulary features also shape relationships between various different groups, primarily between the author (the Government) and the reader. There is a shift from formal and technical vocabulary (special operational initiatives, set firm targets, strengthened the gateway to income support, act as a deterrent) to more informal vocabulary (*tip us off, cash his social, shopping spree, we are on to you*). Formal vocabulary is commonly used when describing the Government’s actions to tackle benefit fraud and creates a relation of power and authority over the public, claimants and fraudsters, and other related organisations (for instance local authorities). While this type of vocabulary is characteristic of the political genre, informal vocabulary is a common feature of the promotional genre.

Grammatical features also help shape different relationships between different groups. The Government and DWP are commonly actors throughout the two texts, while the public, benefit claimants and fraudsters are often recipients of these actions. Quite often, through nominalisations and nouns, the recipient of actions is unclear. For example, although the Government and DWP are regularly associated with active verbs (*put a number of tough new measures in place, put the trust back in to welfare by driving down fraud challenge public attitudes to benefit fraud*), it is unclear who these actions are directed at (in this case it can be assumed that the recipients may be benefit claimants, fraudsters and the general public). The reader is also associated with active verbs and at the same time, he/ she is never the recipient of Government’s actions, while the general public is, and, in this way, the reader is differentiated from the public. This may be attributed to the promotional nature of the text, where the reader is depicted as different and more empowered that the rest of the public. It should be noted though that there are some instances where the reader is identified with the public.
through the use of synonyms *(the public can report any suspicion of fraud - you can email us directly with your suspicions)*

The Government’s actions towards the public are downplayed through nouns and nominalisations (for instance, through using *public attitudes* instead of the public). This may be due to the promotional nature of the text, where the reader is usually placed in a privileged position. This may also justify the separation of the reader from the public, as the author may not want to associate the reader with negative attributes (such as having misconceptions about benefit fraud). These actions usually involve informing the public and in this way, changing their attitudes and beliefs. The Government thus is seen in a position of responsibility to inform the public who *need to know* that the benefits system is operating smoothly while they are pictured in a position of knowledge *(we know from research)*. This position is reinforced through the use of negative verbs *(public misconceptions)* for public attitudes and through reference to *research and evaluation* and an *independent report* that support their claims.

In addition, the Government is depicted in a position of authority towards benefit claimants and fraudsters through applying sanctions, strengthening the gateway to *Income Support* and also through the use of modal verbs when referring to claimants’ obligations in order to get Income support or *Housing Benefits*.

Finally, fraudsters are also in a power position to the public as they are portrayed as causing damage to the general public *(everyone’s expense, steal your money)* and the state in general *(cheat us, lie to us)*, actions which are associated commonly with negative values (stealing, lying). The relationship between fraudsters and society is depicted as a wrongdoer-victim relationship as benefit fraud is presented as being *not a victimless crime and affects all of us*. Thus, through a discourse of victims, benefit fraudsters are excluded from the rest of the society and depicted as delinquents.

The following section moves on from the texturing work of the text on identities and relationships to the ways in which social processes, and in particular benefit fraud, are described and constructed throughout the text.

**Constructing Benefit Fraud as a problem**

Both texts are structured as an argument that first defines benefit fraud as a problem and then suggests and justifies the solutions. Benefit fraud is depicted as a social problem on two accounts: as an immoral act towards the rest of the society and as a cost to the state. It is thus depicted as *wrong and unfair, socially unacceptable* and associated with *a crime, lying, stealing* and *behaving dishonestly*. Loseke (1999) also suggests that social problems also include constructions of moralities.

On the other hand, benefit fraud is described as cost to the society as a whole and to the individual reader *(at everyone’s expense, steals taxpayers’ money, steal your money)*, usually through presuppositions. Benefit fraud is thus described as a problem through discourses of morality and efficiency, fusing values usually associated with citizenship (such as fairness, fulfilling responsibilities, helping those in need) and values associated with the discourse of enterprise (such as using money in the best way, avoiding costs).
The author then moves on to suggest solutions to the problem. These include several governmental initiatives to protect the system through tighter control, punishment of fraudsters, informing the public but also public participation though reporting fraudsters. These solutions are presented as unique and self-evident through the use of modal verbs (the public need to know), subordinated sentences and logical connectors (that’s why we need your help).

The Government’s actions are constructed as assertive and dynamic and this is achieved through expressive vocabulary (though new measures, strong start), formal vocabulary (special operational initiatives). It is also presented as well-managed through reference to comprehensive research and evaluation, long term commitment and an effective and wide-ranging strategy. This vocabulary can also be associated with the discourse of enterprise which often refers to notions of effectiveness.

In terms of public participation, the only solution proposed through the texts is reporting a fraudster. Quite often there are euphemistic expressions (let us know, the public’s help and support, encourage honesty) to refer to reporting which has negative connotations for British culture. There is again appeal to moral values to support this argument, which are commonly related to the discourse of citizenship. Through the presupposition that the money that can be saved through reducing fraud and error could be spent for people who need it most constructs a moral argument based on the discourse of citizenship and the notion that society should care for those in need. This in terms presupposes that those in need are clearly and universally defined by claiming that benefit fraudsters are not as much in need as are pensioners and children.

Social marketing and neoliberalism

The preceding analysis examined the ways in which this social marketing campaign constructed and reproduced particular worldview/values and identities in relation to the social issue at hand. Through Critical Discourse Analysis, we explored the ways in which social marketing campaigns work as social constructions that represent the world in particular ways. This campaign for instance, was built upon the argument that benefit fraud is a problem that threatens common well-being and can be solved in particular ways. Thus, common well-being was described here through monetary terms and associated with individual well-being in order to promote specific behaviours. This association can clearly be linked to neoliberal governmentality, where the social realm is infiltrated with market rationalities. Simultaneously, we suggest that most social marketing campaigns operate through a stabilised and taken-for-granted view of well-being and propose specific ways of achieving this, while marginalising and excluding others.

In addition, we examined the ways in which such campaigns help shape social identities, construct social relations, create and sustain norms and values and represent the world in particular ways. For example, the discourse of welfare was employed to construct sets of oppositions between social groups: entitled/not entitled, in need/ not in need. Such binary oppositions work, according to Derrida (1976), through privileging one term over the other and stabilising and providing authority to the privileged terms (Willmott 1998). Meaning revolves around these divisions (Cooper 1989), thus, welfare is understood through closure in the meaning of ‘entitlement’ and ‘needs’. This closure is, however, is outcome of social struggles and conflict between social groups and sustained through power and knowledge mechanisms. This study focused in ways in which the meaning of ‘entitlement’, ‘needs’ and ‘welfare’ was taken for granted and presupposed to support particular views about benefit fraud while oth-
ers were excluded and marginalised. Dean and Melrose (1997) for example have studied attitudes and beliefs of social security claimants engaged in benefit fraud and characterise benefit fraud as a conservative form of resistance. Through such exclusions and stabilisation of meaning, discussion on the ideological and structural basis of social problems is avoided (Edelman, 1988).

The appeal to the public to report fraudsters can also be seen to point to the discourse of governance, where there is a shift in responsibility to individuals (in relation to social issues) from the state. For Fairclough (2002), governance involves a rationality that rests on continuing dialogues between the state and citizens to define common identities, interests and values to establish bases of cooperation to pursue common goals in situation of reciprocal interdependence. The discourse of governance has significant effect in representing, cementing and stimulating changes in the practices of governance.

Following from the discussion above we can already establish clear associations with neoliberal rationality. For example welfare is established in monetary terms, the discourse of enterprise is utilized to describe government whilst there is emphasis on individual responsibility (through the discourse of citizenship). More broadly, the adoption of marketing in the public domain embodies the assumption of the market and exchange. This, in turn, pushes the boundaries between the state and the market and re-shapes our understanding of citizenship since it redefines the nature of participation in public affairs (Walsh, 1991). In the case of the ‘Benefit Fraud’ campaign, the adverts construct a specific type of participation in the public sphere, i.e. reporting a fraudster, excluding all possibilities for alternative perspectives or forms of participation in the social issue promoted. As Nyers (2004) proposes, the political space is mutated in ways that dilute the traditional distinctions that define the nature of political community, the meaning of citizenship, the way states govern and the ways in which citizens govern themselves.

The ‘public sphere’ that relates to the spaces and forms of dialogue where people engage as citizens with the issues, outside the state and the market. Social marketing shapes ‘dialogue’ in contemporary politics as it restricts interaction. Furthermore, the discourse of management has become the dominant logics of organisation and have spread to a wider spectrum of organisations. Thus, the discourse of management is colonises other domains of social activity (such as welfare provision). The logic of neoliberalism assumes that monetary value is the ‘real’ the ultimate arbiter of social order. (Fairclough, 2002)

Limitations and further research

Discourse Analysis is not viewed as a value-free analysis (Potter, 1990) and does not claim to achieve an objective representation of facts (Kilduff, 1997). Therefore, although the reading of these advertisements is subject to our own cultural predispositions and understandings, its purpose was to provide an alternative reading to these texts and explore possible other interpretations. In addition, the move from the specific text to general interpretation involved making generalisations and categorisations that possibly concealed our own presumptions.

Moreover, discussion was limited, for the purposes of this paper, to the texturing work of the one text and does examine the wider social context, the ways in which this texts relate to other discursive practices of institutions and relationships between them (Alvesson, 2000). For this purpose, the study will be broadened, in order to examine other types of campaign
material, such as print and TV advertisements, explore their differences over time and across different forms of communication and relate them to other discursive practices concerned with benefit fraud, such as parliamentary and public debates, press articles, parliament bills and so on.

Analysis focused on a campaign aiming to change attitudes towards an issue with clear political significance. It would be of interest to see how other social marketing campaigns, with less clear political significance (such as breastfeeding campaigns) are connected to neoliberal governmentality. Finally, analysis here focused on the advertising element of social marketing, but it should be noted that social marketing efforts extend oftentimes beyond advertising and encompass other elements of the marketing mix.

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The Reputation Economy and the aftermath of neoliberalism

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In recent decades we have witnessed the proliferation of “creative” and “cultural” industries all over Western neoliberal economies. These are industries where economic value is generated through mechanisms that consent to monetize over knowledge, innovation and creativity at different levels, mostly consisting into service economies (DCMS 1998, 2001; Hesmondhalgh 2002; Florida, 2002; Hesmondhalgh and Pratt 2005; Pratt 2008; McKinlay and Smith 2009). Looking at the creative and cultural industries can be a useful exercise to enquire over neoliberalism and its aftermath within the transformations of capitalism propelled by the crisis and the recession. The reason for this statement lies in the emergence of what may be called a 'reputation economy', that is increasingly visible across the knowledge and creative sector as reputation emerges as the key driver for individual economic success in a context extensively made of a freelance workforce.

The knowledge economy has experienced a consistent flexibilization over the past decades, that resulted in an individualization and a fragmentation of the labour market. This led to the widespread rise of a freelance workforce. The term “freelance” refers to a form of self-organized work that is not subject to a formally stable and continuous dependent relationship with a single firm or employer (McRobbie 2002; Christopherson 2002, 2008). This contribution outlines the existence of a ‘reputation economy’ among creative professionals who make instrumental use of offline and online activity and networking to establish a reputation in the industry, which becomes essential to be marketable and recruitable as an independent professional.

The convergence towards a freelance labour market occurs in conjuncture with the implementation of digital technologies at all levels in the production of value across the knowledge industry. This outlines a renewed necessity to look at the practices of reputation construction, marketing and management as the relevance of networking is strategic to the revenues of a creative and cultural business (Blair 2001). Reputation in this context seems to acquire a renewed importance as it becomes increasingly visible and measurable across social media platforms. It configures as a 'no-longer intangible' asset that consents the building of a trust bond among business partners and collaborators who entertain transactions and working relations which are often mediated by different sorts of media, thus reducing the impact of face-to-face interaction and co-presence. Having a solid reputation becomes the factor that guarantees for the reduction of risk in the transaction.

This crosses neoliberalism in many ways. The relationship between nonstandard forms of employment and neoliberalism in the knowledge economy traces back to the implementation of practices of 'flexible accumulation' (Harvey 1989) and intersects with the rise of Richard Florida's 'creative class' (2002). A couple of decades later, the 'creative class' finds itself as a 'non-class', being largely divided between small entrepreneurs and precarious workers, startuppers and freelancers. These instances conflate into a labour market where professionals are pushed towards independent work due to the shrinking of media jobs in firms, which is only partially due to the recession and which may be to some extent considered as a structural, rather than cyclical, transformation.
More so, the evolution of working practices as a result of the diffusion of digital technologies portrays a densely interconnected environment where the social media sphere provides publicly available information over professionals and their networks of personal contacts. These become real and tangible assets of different sorts, with applications that hint at a transformation of the notion of social capital overall. On the one hand, on 'generalist' social network sites like Twitter and LinkedIn, personal connections are visible and made object of evaluation by peers, becoming the foundations for reputation assessments. One's taste and connections are displayed across social activity and 'measured' through the so-called 'social buttons' (Gerlitz and Helmond 2010) that elaborate an assessment of the marketability of a professional as a 'personal brand'. On the other hand, on 'specialist' platforms like eLance and oDesk which are marketplaces purposely addressing freelancers, the independent professional status is subject to the 'general equivalent' regulator roleplayed by Online Reputation Systems which, as in the cases of eBay and Amazon, assess the capacity of a stranger to be a reliable buyer or seller – in this case, being the provider of a professional service and, ultimately, of quality labour-power.

This contribution argues that the rise of such a 'reputation economy' is interlinked with neoliberalism and represents to some extent its natural evolution. The implementation of neoliberal policies shrank labour value and favoured freelance work models to manage cost cutting and downsizing (Christopherson 2002, 2008). This finds roots in the diffusion of a 'neoliberal order of worth' that emphasizes individual entrepreneurial success and competition in highly socialized environments. The emphasis on self-employment and culture professionals as new economic pioneers (McRobbie 2004) brought to the interiorization of such 'neoliberal values' has occurred to the extent that the precarious side connoting most freelance jobs in the creative sector finds itself invisible, given the highly attractive symbolic element at stake.

The emphasis on ideological entrepreneurship and independence is very much at stake in the creative world, for what Andrew Ross called 'the industrialization of Bohemia' (Ross 2004). There seems to be now an imperative for employees across ranks and sectors to brand themselves as self-motivated entrepreneurs or innovators. This makes the creative and cultural professionals an appropriate and rich example in order to track this 'anthropological' entrepreneurial evolution, to engage with the contemporary issues in the labour market and consequences thereof for individuals and the society.

In the present article, with the help of a series of findings empirical research and in combination with the existent literature, I will try and develop this topic. The findings originate from a research on the informal networks of knowledge independent professionals in Milan and London, consisting of 80 semi-structured interviews to individual freelancers (42 in Milan, 38 in London) aiming at exploring their personal networks of contacts and enquiring the notions of value within such networks.

**Neoliberalism and knowledge work: the reputation economy**

The connection between the idea of a 'reputation economy' and the practices and arrangements fostered by neoliberalism lies in the assumption that the 'industrialisation of bohemia' is in and of itself a neoliberal consequence. The hegemonic position of neoliberalism in the socio-economic and political context over the past decades affected both models of work organizations and cultural attitudes towards entrepreneurship and success in society.
The frenzy on outsourcing and flexibility started out in the 1980s and quickly became a trend-setter for policy makers and firms in the creative sector. Susan Christopherson (Christopherson and Storper 1989; Christopherson 2002, 2008) documented in different times and contexts the rise of a project-based scheme for employment which emphasizes the recourse to a freelance workforce on a project basis. This, in the mind of firms and employers, is a cost-saving move as freelance employment costs less and is not a permanent type of employee. More so, what is argued here is that the nature of creative tasks in the knowledge economy appropriately fits with a project-based form of employment as creative tasks change over time in relation to the requirements and rationale of each project. It has therefore become common practice to shift from a project to another and embark on a 'boundaryless careers' (Barley and Kunda 2001, 2006; Donnelly 2009).

Often, this has translated into precarious and unstable employment, both in terms of time and remuneration. Data show an increasing demand for freelance employment as a result of outsourcing which indeed did not result into higher wages to compensate for risky careers. Rather, the diffusion of such arrangements propelled a set of unbalanced dynamics in work-life relation which leverage on emotional labour (Hochschild 2001) and the dimension of 'passion' attached to this kind of work (Arvidsson et al. 2009). Gill and Pratt (2008) define this process with the term 'social factory'.

This evolution fuelled the emphasis for self employment which transformed from being a budget savvy employee decision to become a fashionable career path to pursue in the aftermath of a crisis which effectively reduced long-term employment perspective in the industry. Self-employment shows a degree of resilience to the crisis (EEOR 2010) and increasingly established as a 'necessity condition' to embark on, together with the proliferation of startups and small entrepreneurial initiatives concerning social innovation.

The notion of reputation at stake with this work arises within this context. Reputation has long been among those 'intangible assets' accounted by the economic literature as elements contributing to the valorization of an economic activity. As digitalization progresses, however, reputation becomes the aggregation of the mosaic of publicly available information upon which other base their opinions on someone or something (Marwick et al., 2010) – being increasingly measurable through proxies of affectivity as the 'social buttons' (Gerlitz and Helmond 2010) up to Online Reputation Systems (Dellarocas 2003; Bolton et al. 2004). In this regard, as the empirical findings outline, reputation operates as a measure of the value of a freelance worker, both in terms of his or her technical skills, and in terms of his or her co-operative skills. Social media in this context play a significant role as they render the public visibility of distinct freelancers as personal brands, being milieus for an activity of self-branding that has almost obligatory for such professionals. Reputation thus becomes the form of social capital across environments where social production of value is central and occurs extensively through the implementation of digital technologies in the processes of 'immaterial' labour.

"Social media are fundamental, not simply for direct advantages, I don't generally get work directly from Facebook or LinkedIn... but it's true that if I have to meet someone, I will look at the social networks. Maybe we are meeting because someone recommended you, or I met you somewhere, but social media are a portfolio and I want to know how you work. Through social media I look for information and I use them as a
shopping window’, also on my side. If I have to work with you and I can’t find you, I won’t hire you” (M., communication consultant, Milan, 24, M)

“If you want to be well known you need to write on blogs, write in magazines, these are good ways to establish yourself really fast. (...) I signed up for Linkedin six years ago and then reactivated recently, I thought it was more corporate and stuff...A lot of people contacted me from Linkedin, “do I want this job, do I want that job”... people contacted me a lot from Linkedin. You need to make yourself stand out in a way. “ (L., designer, London, 37, Male)

The combination of social media and freelance knowledge work in the creative sector brought to the affirmation of networked modes of organization which are assembled, negotiated and continuously reshaped organizational arrangements which are constructed around the role of reputation across the networks.

“It’s the 3 of us associates, and then we lean on a network of external freelancers. You know, digital technologies have changed the way we work. Up until 4 or 5 years ago you had to be in the office, now you can work at-a-distance, so we lean on collaborators that develop things externally. (...) The system works quite well, these are young guys that are very good and very much used to these new technologies, they do not need to meet us in person” (F., communication agent, Milan, 45, M)

The idea of such a ‘reputation economy’ also conveys the reconfiguration of the traditional labour theory of value within this context. The equation that remunerates the value of labour in relation to the time allowed for the performance of a task becomes a meaningless reference for freelance knowledge workers as the dimension of use-value becomes prominent in the form of social recognition and relations. Reputation as the manifestation of use-value across such networks becomes the ‘fictitious commodity’ (Jessop 2007) that regulates value creation with a direct link to the economic valorization of the labour process.

“A creative does not have a reference, like hours-work. A creative has creative references, that are completely different. Recently we have been conditioned a lot in the relationship with a client, for instance: I happen to balance these two things, one is related to the idea of a cost in terms of hours-work and another is a “creative fee” that we can locate around 80 %, sometimes 100%. This falls outside any hours-work reference. I believe the reference hour-work springs when it is more of a technical work, rather than a creative task. True creatives should not consider a kind of hours-work rate. Such a quantification is impossible, you can never know if you are going to take 20 minutes or 2 hours to do something creative” (S, copywriter, Milan, 50, Male)

The narrative of self-employment and culture professionals as new economic pioneers (McRobbie 2004) meets with the narrative of precarious work and exploitation in a seemingly inextricable contradiction that is visible in the conflicting attitudes of the freelancers studied in this work. In fact, it appears as though creative freelancing consists of a set of professions which embody the traits of bad jobs enthusiastically lived.

“The great advantage is that you work whenever you want to, maybe on a Sunday afternoon, or very early in the morning. The possibility to work in reverse trend in relation to office hours is fundamental. You can work at lunch breaks, or going to the gym when all others are closed in their offices. The disadvantage is that sometimes you
A critical look: the aftermath of neoliberalism

The radical flexibilization brought along by neoliberal policies (Harvey 1990, 2005) led to a significant hybridisation of working practices and a consistent 'socialization of the enterprise'. Freelancers in this context are 'subject leaders', being the new economic protagonists of the current developments in knowledge work and employment together with the so-called 'startppers', as hybridized forms of entrepreneurs in hybridized cultures that operate half-step between the firm and the market, part employers and part employees, having interiorized the characteristics of the market to perform them in their daily working practice through personal social networks – be them offline and online.

Within such a context, the restructuring of capitalism and labour production transforms employment relations and labour processes overall. Drawing from a Critical Management perspective, what is at stake here is the evolution of the dynamics involving work and labour, entailing knowledge, networks and socialized production. The relations of production based on skills and labour processes seem to encounter a demise in importance as what is visible across networks of freelancers is a process of 'deskilling' of highly-skilled workers, mostly graduates, in favour of a different set of arrangements that foster relations of production based on the marketization of different sorts of social capital and intangible elements. These new arrangements emerging in the aftermath of neoliberalism operate on capitalism and restructure its own nature towards a hybrid logic that integrates hierarchies and markets within embedded networks where social interaction takes the shape and practices of what Wittel labelled with the name 'network sociality' (Wittel 2001).

The crisis of the middle class, questions about labour and productivity, and the role of creative industries are deeply connected to neoliberalism and intersects the heart of the crisis of middle class in western economies. McRobbie (2002, 2004) described this movement as the marriage between counterculture and the financial economy realized throughout the narrative of self-realization. The new organizational form emerging in the knowledge economy consist of participants who autonomous and still participating to many networks, whose performance depends on connectedness and consistency in the sharing of interests. Leaving aside the numerous accounts that criticize Florida's statement on the 'creative class' (Peck 2005; Pratt 2008), a common element that creative professionals largely seem to share is a middle class background (Grugulis and Stoyanova 2011, 2012), with their 'familial welfare' supplementing for academic training, unpaid internships and free labour (Randle and Culkin 2009).

To a larger extent, the aftermath of the economic crisis suggests an evolution of the knowledge economy towards a 'freelance mode of production' where reputation, thanks to digital technologies that now make it 'visible' and potentially measurable, can and should be taken into consideration as a major factor in the transition to an economic regime able to allocate resources more efficiently than in the recent past. A long transition from the neoliberal vision to a model which profitably integrates social and cultural forms of value production centred around affect (Negri 1999) within its own structure seems to be in place. However, the demise of neoliberalism takes place exactly when its own assumptions – entrepreneurialism, individualism, flexibility – become naturally subsumed in the lives of the agents of work, triggered by the dimension of passion attached to working in a creative kind of envi-
ronment. This seems to display a shift in the attitudes towards work and employment which configures what Crouch describes as a surprising survival of the neoliberal age (Crouch 2011).

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Counternarratives to Delegitimation Efforts in the Marketplace

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With the consumer research turn to studying markets as social units of analysis (Penaloza and Venkatesh 2006), market formation and transformation have been theorized drawing upon different contexts (Giesler 2008, 2012; Humphreys 2010a, 2010b; Sandıkcı and Ger 2010; Karababa and Ger 2011). One of the main directions taken in this stream of research named market systems has been examining market formation as a process of legitimation. Accordingly, legitimation has been taken into account at both product and industry levels. In this regard, Humphreys (2010b) puts forward that legitimation of a consumption practice – and hence a whole industry - occurs via changes in semantic associations as well as in normative, cognitive, and regulatory structures. In a similar manner, Sandıkcı and Ger (2010) show that in order to legitimate a stigmatized consumption practice, a network powerful enough to challenge the dominant taste structure and to form an alternative one is necessary. Giesler (2012), on the other hand, examines market formation as a brand-mediated legitimation process and concludes that “the image of a technological innovation evolves in the course of brand image contestations among opposing groups of stakeholders through which their divergent interests are aligned and the overall network of consumer-brand bonds is transformed” (p. 63).

With its core premises being free market and deregulation, in neoliberalism, legitimation stories of consumer practices, products and industries are commonplace (Harvey 2005), and they are discussed in the consumer research literature as explicited above. On the other hand, although scant attention is paid, delegitimation stories which are contradicting with neoliberal premises in theory are also prevalent. Especially when neoliberalism joins forces with neoconservatism, neoliberal governments intervene in the market via regulatory bodies which may result in delegitimation of certain consumption practices, products and industries by hand of the governments (Harvey 2005). When there are such contradictions, different market actors join forces in order to build up common resistance narratives and practices that counter these delegitimation efforts. This study addresses one such case, and aims to identify counternarratives against delegitimation efforts and explore how these efforts are counter-vailed and resisted at the marketplace.

With this research I aim to make two contributions. First, by focusing on a case in which the conflict between neoliberal and neoconservative premises gave rise to a legitimation/delegitimation dynamic in the marketplace, I aim to highlight the broader political economic context in which discussion on market systems take place. Second, in consumer research, literature on resistance has focused mainly on individual resistance to consumption (Izberk-Bilgin 2010) with certain exceptions (for example Karababa and Ger 2011). I aim to show how a collective resistance movement that includes multiple actors is built (against the strong; de Certeau 1984) in the marketplace.

The context and methodology

The empirical context of the study is the Turkish TV series market. This is a highly structured market with common discourses and practices binding its actors. A semi-
governmental institution called RTUK (Supreme Board of Radio and Television in Turkey) inspects the market as a regulatory body. The study focuses on the particular case of Behzat Ç., a crime drama which had been broadcast on television from 2010 to 2013 for three seasons and which currently is continuing its broadcast life with motion pictures. The series have raised issues related to longstanding political and social problems of the country which is unusual for mainstream Turkish television. As such, the series had been under harsh scrutiny of RTUK and some members of the national parliament during its broadcast life on television with complaints such as misrepresentation of government officials and inappropriateness for Turkish family values. The series was subjected to disciplinary actions such as censorship and fines. In Turkey the aim of censorship is argued to be discrediting and delegitimation, not really cancelling the work of art under scrutiny (Karaca 2011). If we read the Behzat Ç. case in the same manner, we can take the actions of regulatory bodies as delegitimation efforts.

RTUK is an institution that exists with its contradictions. It was established in the very first years of Turkey’s neoliberal transformation in which the media industry was deemed to play the pioneer role (Serim 2007). However, the establishment of RTUK was conflicting with neoliberal premises of a free market. It has been used as an ideological state apparatus by the current governments to assure cultural hegemony. That said, when there are such discernible contradictions, reactions ensue including those from viewers. We can see such reactions in Behzat Ç. case as the series had a fairly strong fan base which was active on social media praising the series, sent quite a number of fan letters to the broadcasting TV channel, and even organized outdoor events to support the series against the pressure of regulatory bodies. Moreover, some members of the media, which can be considered as cultural intermediaries, declared their support for the series at various media outlets for their own purposes including political and institutional ones. These two groups of actors have collaborated with producers of the series and have constructed counternarratives against the delegitimation efforts of regulatory bodies.

In order to map out these counternarratives and the accompanying practices, data is collected from different groups of marketplace actors via interviews and observations and by consulting netnographic and archival data whenever necessary. Semi-structured depth interviews were conducted with 13 viewers during and after the broadcast life of the series on television. In addition, short comments and blogs by viewers in various social media outlets are collected. Several observations were made with fans watching the series, at fan-producer gatherings, and at outdoor events organized to support the series. Columns of various TV critics and other journalists that have written about Behzat Ç. are collected. Television programs such as talk shows and news shows that hosted Behzat Ç. cast and crew members are recorded and journalists’ interviews with them are collected. The study continues with data analysis at present.

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To Be or Not to Be Baltic, That is the Question: An Exploration of Post-Socialist Nationalism in Collaborative Investment Place Branding

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The effort to brand a nation in the modern global marketplace asserts the interplay between neoliberalism and macromarketing. In the increasingly competitive place branding market, nations may exercise contemporary strategic marketing practice to encourage greater brand awareness, such as co-branding with other and possibly competing nation brands. This paper explores and conceptualises the neoliberal process of co-branding multiple nations as a cross-border initiative, in the context of the Baltic States’ foreign direct investment branding initiatives. Estonian Investment Agency, Investment and Development Agency of Latvia, and Invest Lithuania operate as three investment promotion agencies, each with mandate to brand their nations for foreign investment attractiveness. This case study uncovers the added struggle of nationalism in nation co-branding. Subject to nationalist sentiments both neoliberal – to encourage the brand alliance opportunity – and economic – to discourage the opportunity, this paper posits using collaborative branding and the decisions thereof to explore the intersectional relationship between neoliberalism and macromarketing thought.

Theoretical Framing

Nations have emerged to be ‘imagined communities’ (Anderson, 2002), constructing national unity of self- and social relations (Billig, 1995). Promotions of the branded nation to international audiences have been present as early as 17th Century France (Olins, 2001). Marketing scholars evidence the growing imperative for countries to brand themselves in an effort to grow fledgling or rectify damaged economies (Anholt, 2007) (Kotler, Haider, & Rein, 1993). In the tourism, investment, and education sectors especially, the creation and communication of the branded nation embodies a truly strategic marketing process (Metaxas, 2010), such that the process involves defining target markets, promoting relevant attributes to targeted audiences, and outlining success measures (Iversen & Hem, 2008).

Country branding for foreign direct investment likewise embraces strategic processes (Capik, 2007). Nations develop investment promotion agencies in their quest to brand the country: nations are aware of and embrace the global competition for awareness and create nationalised organisations to inform local investment opportunities to external markets (Zanatta, Costa, & Filippov, 2006). Under these strategic processes follow government credence to marketing endeavours in a neoliberal paradigm, in hopes to gain economic utility for the state.

Adopting more nuanced approaches of nation branding ensure a further sophisticated approach to attract and keep foreign investors (Metaxas, 2010). These nuanced approaches may include working with other nations in a joint collaboration to gain greater awareness and capitalise on shared resources. Traditional product and corporate branding literature suggests
collaboration between similar brands can be developed in the form of a brand alliance. Brand alliances are powerful strategic tools used to enhance favourable attitudes towards brand combinations (Simonin & Ruth, 1998). They capitalise on brand image and brand equity transfers between the participating brands (Keller, 1993) (Washburn, Till, & Priluck, 2004). Nations can benefit from such collaboration to benefit from nation brand equity transfer, increase positive attention towards the aligned nations, and gain greater economic stability for participating countries. However, assuming nation brands are similar to product or corporation brands is a faulty assumption at best. Literature may argue nations offer dissimilar attributes, benefits, and imagery from products and corporations (Fan, 2010); however a more jarring part of the complexity of the nation product is one of articulation. Articulating national imagery within the neoliberal logic alone is marred with conflict and dissonance (Varga, 2013). Nation branding in a modern, competitive landscape exacerbates this articulation difficulty by circumventing mere monologic, reductionist slogans and logos traditionally typifying many tourism nation brands. Calls for more robust nation branding strategies encourage extending strategic marketing tools for places (Gertner, 2011) (Go & Govers, 2011).

Collaboration minimises external threats the collaborating nations face equally and maximises shared opportunities. Nations use collaboration as a tool to mitigate impending challenging confrontations in the future (Fyall, Leask, & Garrod, 2001). It can also amass greater awareness in their respective markets: a dominant goal of many investment promotion agencies. Strongly influenced by its external audiences, nation brands succumb to external validation from brand interlocutors (Aronczyk, 2013). The intense competition in the FDI sector sanctions place brands to develop branding agencies to further marketing goals. In particular, investment promotion agencies have given rise in the last decades to disseminate information about investment opportunity in the nation, contribute to overall investment climate, and mitigate prospect of market failure (Zanatta, Costa, & Filippov, 2006).

Developing nation brand alliances is not a new concept (Rao & Ruekert, 1994). There are ‘nation-packages’ that Goldman Sachs coined with nation groups such as BRIC or MINT nations (O'Neill, 2001). However, these examples are externally constructed and meant to highlight growth opportunities for Western investors. These nation-packages are not true brand alliances, but rather a characterisation of a group of nations with similar attributes. This becomes problematic due to the lack of agency these nations have in this packaging. Such categorisation can lead individual states to retroactively brand against the ‘nation-package,’ especially when the categorised nations believe the reputation does more harm than good (Akinola, 2013). Thus the role of agency is key in nation brand alliances; agency in a neoliberal paradigm emphasises the role of branded nations in market rational choice (Gershon, 2011). Nations opt into branding and branding-related decisions. The success in these branding measures reinforces the economic liberalisation philosophies (McKinnon, 1993), dictating market rationality as achievement, an implication of which is most relevant in a collaborative circumstance.

Nation brand alliances create and control purposeful messages to its selected audiences, and capitalise on brand equity spillover between the individual participants of the alliance. Evidence of these brand alliances are primarily represented among developing non-Western nations, i.e. Visegrad 4 (Baldwin, 1996), the Turkic Council (Caman & Akyurt, 2011), and the South Asian Association for Regional Cooperation (Breslin, Hughes, Phillips, & Rosamond, 2013). Such brand alliances combine established individual country brand concepts and connect associations within the alliances (Lanseng & Olsen, 2010); nation brands can benefit from collaborative efforts if their current individual brand concept is not enough
for it to achieve the economic gain it yearns. Neoliberalist interrogation of collaborative nation branding uncovers the hegemonic structures that may arise in a potential ad-hoc coalition between nations. If the assumption holds that the state as a neoliberal body exists above all, relationships with other nations are subject to market rationality, such that any international relationship operates as a neoliberal alliance (Ong, 2006). This supports the argument that in anarchic systems of autonomous rational states, nations can cooperate to build norms and institutions, and concern themselves with absolute gains, rather than relative gains to other nations. This may obfuscate the ideas of international relations via relative comparisons. Nations that classify as being ‘ill’ and require branding as a means to heal ailing economies (Kotler, Haider, & Rein, 1993) embrace ideals of collaboration to help themselves via neoliberal consequentialism.

In establishing nation brand alliances, theoretically, the nation product imperative grows more salient. Opportunities for advancing shared visions within a region and sharing resources make the decision to collaborate quite beneficial for all parties. Conversely, citizens and governance bodies within the nation – enduring bloody histories and identity threats through manifestation of colonisation and war – would be weary to opt into a collaborative effort with other nations. Such collaboration would suggest that participation in a multinational brand would mean to forgive national sovereignty of nation image (Kotler & Gertner, 2002). The unique characteristics of a nation brand as a nation product creates this additional limitation for nation product organisations to collaborate. This research suggests another driving force hindering multinational nation branding is the ideology of nationalism.

Nationalism is a driving force in creating distinct national identities in a global commodity market (Kaneva, 2012). Marketing literature proposes exploration of nationalism beyond a past-oriented and defensive paradigm (Bond, McCrone, & Brown, 2003) (Dinnie, 2004). Nationalist-driven policy often expresses the need for state protection. Much of this protection is valued by economically sovereign nations (Gilpin & Gilpin, 1987). Economically, the nations can function sustainably and nationals can live with ease. (Kotler, Haider, & Rein, 1993). Economic self-determination acts as symbolic to promote national identity, inciting pride among citizens, manifesting as self-derived nationalism (Shulman, 2000).

**Conceptual Framework**

This conceptual framework posits nationalism in geopolitical ideology and collaborative branding in corporate marketing theory in a macromarketing perspective.

**Figure 1: Conceptual Three Country Model**
Adopting nation branding as a mechanism to garner foreign direct investment success is considered here to be a function of neoliberal nationalism. Neoliberal nationalism prioritises freedom over efficiency, such that states embark on market-preserving federalism to ensure international capital mobility. Favoring economic globalisation, neoliberal sentiments encourage cross-border cooperation in order to liberalise and stabilise international financing. Moreover, neoliberal nationalism creates options which otherwise would be antithetical if derived in political inquiry; cross-border collaborations have exit options, and competing for investments can discipline nationalised organisations toward reduction of options for pursuing market-impeding forms of intervention (Harmes, 2012). Disciplining organisations in this regard can allude to stronger means of developing the state itself, especially as state as brand.

Place branding is a neoliberal nationalist-driven policy (Dzenovska, 2005). This link between modernity and the provision of nation branding via policy has strongly been argued as a mechanism of nationalism (Ashworth, 2009) (Dinnie, 2004) (Go & Govers, 2011) (Gould & Skinner, 2007) (Papadopoulos, 2004) (Skinner & Kubacki, 2007) (van Ham, 2001). Nationalism that fuels independence encourages cultural imperialism among decision makers, and thus discourages economic inequality throughout groups of nations (Milanovic, 1998) (Solt, 2011). The mode of nation promotion using neoliberal tools such as marketing (Kaneva, 2011) and branding (Jansen, 2008) provides to nations and their respective target audiences an evolved way to communicate national imagery and values (Aronczyk, 2013). Modern nations promote a sense of class, state, and growth (Greenfeld, 2004) - all attractive qualities of nation brands (Anholt, 2002) (Moilanen & Rainisto, 2009). It may appear as though neoliberalism and nationalism are adversative; however, arguments suggest branding policies are reinforced by neoliberalism in globalisation and statism with antiglobalisation and nationalism (Harmes, 2012).

In contrast to neoliberal nationalism is the function of economic nationalism. Economic nationalism suggests that the response to free trade, foreign direct investment, interdependence, and globalisation by a state are met with inherent hostility (Shulman, 2000). This hostility is met through protectionist sentiments and economic warfare, such that it encour-
Economic nationalism may extinguish collaborative efforts, but if heavily salient, can lead nations to perturb their place branding efforts. Reasons for economic nationalism to arise in a state include protection of autonomy through economic self-determination, unity through a single economic space, identity shaped by sharpened economic boundaries, and protection of cultural identity (Shulman, 2000). It may result from the gap between a nation’s inadequate capacity for collective action and acute threats to its economy overall (Snyder, 1993). The justification for avoiding collaboration or a form of integrative process with other nations lies in the ideology that nationality overrides and includes substitute criteria for alliance and antipathy (Szporluk, 1988).

The relationship between neoliberal nationalism and economic nationalism provides the antinomic discourse nations face in their livelihoods. Increased interdependence between nations to operate would only be ersatz in nature: a symbolic unity (Clift & Woll, 2012) (Shulman, 2000). In doing so, the promotion of an interdependent brand demonstrates collaboration between nations. The fear in this, however, could lead to ideology that members of the collaboration are shared members of a single state, rather than distinct individual nations. When nationalism and statism are equal, economic nationalism is stronger. Nations are hostile and resistant to any form of collaboration such that it may violate any sense of unity through a single unassisted economic space (Clift & Woll, 2012). The limitation is supported by both the organisation that brands, and the affected interlocutors of the nation brand (Aronczyk, 2013). Conversely, when nationalism is equated with globalisation, neoliberal nationalism reigns strong (Varga, 2013); nations are more willing to put the past behind them to enjoy benefits of working collaboratively, and in doing so achieve future success of each individual state. This is supported by neoliberalist consequentialism.

**Contextual Background**

Estonia, Latvia, and Lithuania are Baltic nations disadvantaged by transitioning their economies from a Soviet planned economy to an economy competing in modern freer markets. Economies transitioning to this freer marketplace must adapt to a globalised atmosphere, governed by capitalist frameworks and neoliberal policy. As the three nations enter the marketplace as itself a neoliberal transition, so must the steps they take to ensure success for economic stability. The Baltics serve as an prominent example for the post-socialist narrative, and the exploration of these nations from a branding perspective provide insight on not only the urgency of transition economies to garner modern economic success, but also use neoliberal tools new to transition economies to foster continual and beneficial foreign investment.

Transition economies differ from their developed country counterparts by demonstrating higher values of conservatism and hierarchy, while scoring lower on egalitarianism, affective autonomy, and intellectual autonomy (Schwartz & Bardi, 1997), which bleed into transition economies’ nation branding efforts (Young, 2005). This relative lack of curiosity and broadmindedness that transition economies may face are engrained in the problems of motivation found during Soviet times, tied to a principle of socialist equality (Springer & Czinkota, 1999). A modern environment characterised by high levels of uncertainty, turmoil, and new demands has created the urgency for transition economies to participate in place branding exercises (Czinkota, 1997); however, the market orientation of these nations is still in its primacy. Nations transitioning from a planned economy to a freer market economy evidence electing short-term efficiency goals instead of long-term market dominated goals.
The nature of collaborative place branding is characterised as a long-term market dominated goal (Fyall, Oakley, & Weiss, 2000) (Pasquinelli, 2013).

The Baltic States in particular have the ingredients to participate in a multinational collaborative effort to increase visibility of their brands. All three nations are actively place branding for foreign direct investment (Bevan & Estrin, 2004). The Baltic States’ plight with post-Soviet nationalism has rendered each country facing place branding processes riddled with antinomic nationalistic discourse in their ongoing transition to more modern sovereign economies (Brubaker, 2011) (Jansen, 2008) (Young, 2005). Moreover, these nations’ investment branding organisations have not created a brand alliance, suggesting the absence thereof may exhibit stronger economic nationalism than neoliberal nationalism. The recent events in Ukraine also exacerbate the issue of post-socialist narratives; a spotlight on modernising transition economies face the looming pressure of past colonial powers, intensifying the need for the Baltics to increase investor awareness whilst protecting historical, geographical, and linguistic liberties. Examining the topic from a macromarketing lens can express the micro-level mechanisms that establish the links between a post-socialist culture code embedded in collaboration and economic action (Bandelj, 2011).

**Method**

The study of these Baltic investment-branding processes will be conducted by a qualitative inductive approach, constructed by a case study methodology. Data collection uses the interview method with key stakeholders in each the Estonian, Latvian, and Lithuanian branders in the investment context. Recruited participants will be decision-makers both within each Baltic investment promotion agency, and within Baltic organisations that are impacted by the success and failures of foreign direct investment initiatives of these branding organisations. The interview method will explore the decisions made by investment promotion agencies in post-socialist economies, and the opportunities for growth using external resources and developing cross-border initiatives.

**Research Contribution**

This paper theoretically assesses the role of cross-border initiatives among a neoliberal marketplace. Upholding investment promotion agencies to strategically manage both market and nationalistic interest support the investigations within the ongoing complexity in the branding process in a neoliberal context. Macromarketing perspectives upon nation branding can explore nationalism as political will to expand reputational capital models and explore the ‘awkwardness’ of the international brand concept in a less nebulous approach (O'Shaughnessy & O'Shaughnessy, 2000). A secondary contribution of this paper looks at the role of nationalism underpinning the role of agency in neoliberal frameworks. The agency of choice for branding a country comes with the inherent risk – one that is a path of enterprise and creation of wealth, and posited to be an invaluable part of progressive environments (O'Malley, 1996). Marketing choices in a neoliberal framework suggest the quest for national promotion for external audiences not only increases market viability for investment, but also supports local indigenous economic development in an interdependent pursuit to sustain the nation (Dinnie, 2008). Exploring nationalism in this context provides the interplay of national agency in marketing decisions, and its inherent embeddedness in economic success amidst the economic rhetoric of national authority in a ‘free marketplace.’

**References**


The polymorphous nature of place branding: a comparison of Stockholm and Turin

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This study expands the growing literature on the significance of the spatial dimension in marketing by focusing on place branding understood both as a set of practices and discourses as well as a peculiar empirical field. In fact, it can not only be understood as a set of neoliberal practices (e.g. Kaneva 2011; Eisenshitz 2010) aimed to build “reputational capital” and product-place imagery within a global, marketing-oriented context of inter-place competition, but also a sui generis empirical field of research that is indeed embedded, philosophically, in a market-driven politics reflecting a neoliberal democracy where public interest does not follow anymore a traditional democratic representative logic but instead follows an hybrid rationale. This is easily recognizable in the public realm (see the New Public Management philosophy) but also in the territorial realm of cities, as a reflection of a hiatus in the traditional relation between public and private. In the process of an ongoing hybridization, the logic of the private is affecting the public, resulting in a mechanism of commodification. This hybridization process is having important implications in relation to “rights” to the city and the way different public spaces are closed, disclosed, commercialized, debated and gentrified (see Harvey 2012 and Zukin 2010). However, there are other, less structural implications that need to be taken into consideration. In fact, place branding implies that attention should not only be paid to the way a neo-liberal entrepreneurial - managerial philosophy is affecting places, but also to the interaction between the “branding” and the “spatial” dimension. This is crucial if one wants to explore in more details the way in which this hybridization process is happening in practice. Some of these implications have been discussed, for example, in relation to the problems inherent in the applicability of brand concepts to places (O’Shaughnessy and O’Shaughnessy 2000), ‘country-of-origin effect’ (Anholt 2006), globalization processes and stakeholder inclusion (Askegaard and Kjeldgaard 2007). Yet, those studies have not completely addressed the political dimension underlying these particular types of spatial ‘products’ and business processes (see Harvey 2012 and Zukin 2010). Moreover, those studies have failed to link the branding dimension to its inherent spatiality. Thus, the present study digs into this lacuna by offering a conceptualisation of the negotiated, networked, processual and performed spatial nature of place brands and branding.

This study adopts a theory building, qualitative case research approach, based on two case cases of two intrinsically different European cities that have undertaken place branding efforts: (i) Turin, the former industrial centre and nowadays “knowledge city” of Northern Italy, where a place branding project called “Experience Italy” was launched in 2011 with the aim to celebrate the 150th anniversary of Italian unification and boost the tourism appeal of the area; (ii) Stockholm, the capital of Sweden, where an official brand called Stockholm “The Capital of Scandinavia” is being developed and sustained by a sheer number of municipalities and private stakeholders with the aim to increase the attractiveness of the Stockholm region. These two branding undertakings provide thick material for a comparison based on a multi-method approach that includes in-depth interviews with key stakeholders, participant observation and archival method that relies on a thorough study of official documents. The study focuses mainly on the practices of place branding in the two cities and adopts a macro-outlook to the empirical field (i.e. paying attention to the practices and discourses performed
by different stakeholders producing branding polices rather than the practices and discourses of inhabitants). The analytical-methodological approach which informs the analysis is inspired by the contemporary debate in geography about space and sociospatial relations. In particular, the paper relies on the adoption of the “TPSN framework” proposed by Jessop, Brenner and Martin (2008), through which it is possible to identify the key dimensions of geographic phenomena, intended as complex configurations of sociospatial relations in which territories (T) places (P), scales (S) and networks (N) are viewed as mutually constitutive and intertwined dimensions.

The analysis unveils the spatial and political dynamic, processual and contested nature of (place) brands by capturing them as complex relationships among different agents, in different locations and at different scalar levels. This is done by approaching the ‘spatial’ in two ways. First, by drawing on Jones (2009), we replace topography and structure-agency dichotomies with a topological theory of space, which means that place and politics are seen as encountered, performed, and fluid. Here, the processual and practical outcomes of strategic initiatives undertaken by a wide range of forces are neither produced through structural determinism nor through a spontaneous voluntarism, but the result of a mutually transformative evolution of inherited spatial structures and emergent spatial strategies or, in other words, by a politics of autonomous space (Woodward et al 2012). Second, by drawing on Massey (2005), we assume that space is assembled though power-geometrical relationships where such relationships are political because it is impossible to negate their negotiated dimension. The political dimension in relation to space is central to Massey (2005) but different from other critical geographers (e.g. Harvey 1996, Levefvre 1997) as politics and space need to be thought together. This approach allows to emphasise politics of interrelations that are sensitive to heterogeneity of space and genuine to the openness of the future, the very condition of the political. By applying such approach to the ‘spatial’, brands and branding can be seen as creating topological connections that re-work the separation between distant places and re-shape their configurations (see the concept of brand as assemblage by Lury 2009), thus highlighting the ways in which marketing practices rearticulate and re-organize the sociospatial landscape within the contemporary society. ‘Scale’ and ‘networks’, appear to be the two key relevant dimensions that help frame place branding practices as sets of sociospatial relations, which vary depending on different scale/network articulations. Such articulations are relationly politically negotiated (see Amin 2004 and Massey 2005) forming assemblages around different practices where different actors, objects, things, geographies are at the base of the spatial configuration of the cities performed via the practices of branding. Branding, in such way, should not only be seen as a reflection of neo-liberal policies in the realm of the territorial (see Leys 2001) but also active shapers of the neo-liberal environment in which they are embedded (Farias 2011). In the case of Turin ‘scale’ acts prevalently as an interfering factor for the ‘networks’ of stakeholders sustaining the celebration of the 150th Italian anniversary. Symmetrically, in the case of Stockholm ‘networks’ operate prevalently as an interfering factor that shapes the relationships between and among different levels of the brand governance.

The main limitation of this study lies in the fact that only European destinations have been taken into consideration for the analysis. Regarding the practical implications, place managers are prompted to give due attention to the importance of socio-political dynamics that have an impact on those specific policies aimed at enabling the place branding efforts within cities and regions.
By focusing on city branding, the study provides an alternative understanding of (place) brand management as neo-liberal practices in which political and spatial dimensions need to be emphasised. Branding, in relation to places such as cities, can thus be seen as an activity implying polymorphous constructions of spatial assemblages, where power-politics is in action. This understanding can be used to enrich the most widespread conceptualizations reaffirming the polyphonic nature of cities (Kornberger 2010), organisations (Kornberger et al. 2006) and brands (Berthon et al. 2009), thus expanding a narrow meaning- and semaitics-based approach with due recognition to the importance of practices. In this view, Brands and branding as argued by Arvidsson (2005) can be seen as tool of managerial control in contemporary society, but also in relation to places brand and branding are results of historically different entanglements (Moor 2007). In such context, by endorsing a more spatial sensitive lens, the present study additionally sheds light on how branding can be thought of as a tool through which new geographies of accumulation and power actively contribute to shape and perform a multi-faceted business and market space (Massey 1994,2005).

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Harvey, D. (1996), Justice, nature and the geography of difference,


New perspectives in macromarketing research

Chair: Ben Wooliscroft

Session 3c – Wednesday 2nd July, 4:15pm

Bayesian Networks: A tool for macro-level analysis
Ahmet Ekici, Şule Onsel Ekici

Exploring scale development using Rasch modelling: The case of brand personality
Francisco Conejo, Ben Wooliscroft

Towards an ecological approach to macromarketing
Andrea Lucarelli, Massimo Giovanardi

A modest proposal towards a societal marketing approach for higher education
Ute Jamrozy, Don Eulert
Bayesian Networks: A Tool for Macro-level Analysis
Ahmet Ekici, Bilkent University, Faculty of Business Administration, Ankara, Turkey
Şule Önsel Ekici, Doğuş University, Faculty of Engineering, Istanbul, Turkey

The main objective of this paper is to give a brief introduction of the Bayesian Networks and to illustrate it using one of the major domains of macromarketing: ethics. Bayesian networks allow researchers to analyze a domain from a system perspective. It is considered one of the most powerful tools for observing system changes. The method can also deal with multiple variables at once, which can lead to efficient scenario analyses, critical for understanding how a system functions. We believe that the adaptation of this methodology by the macromarketing researchers is likely to be beneficial for the theory and practice of macromarketing.

Introduction

Macromarketing scholars have long emphasized the importance of systemic/network approaches to business activities: actions cause reactions, which cause further reactions (e.g., Mittelstaedt, Kilbourne, and Mittelstaedt, 2006). At the same time, various scholars have pointed out the lack of (and therefore the need for) appropriate tools for macromarketing analysis. Dixon (2002), for example, calls attention to the certain shortcomings of the existing work in macromarketing and to need for new methods by stating:

“The limited outlook of much current work, and the lack of coherence among the increasingly narrow threads of thought, reinforces an observation made more than a half century ago: ”The multitude of facts thus far assembled seem to add up to very little. One must conclude that something has gone wrong with the method of attack — a new and creative analysis is required”” (Alderson and Cox, 1948, p. 138). (Dixon, 2002).

Similarly, after a review of the knowledge accumulated about the marketing system over the past four decades, Layton (2006) concludes that a great deal has been done studying inputs and outcomes, but relatively little has emerged that looks at the operation of a system. Methods that the macromarketers use should allow a system/network level analysis. Moreover, around the same time, Fiske (2006) points out the need for developing methods appropriate for (network level) macromarketing analysis.

As evident from these scholars’ calls, there is a need for the use of network/system methods in macromarketing. The objective of this paper is to introduce one such method: Bayesian networks (BN). This method allows researchers to analyze a domain from a system perspective. In addition, Bayesian network (BN) method is considered one of the most powerful tools for observing system changes. The method can also deal with multiple variables at once, which can lead to efficient scenario analyses, critical for understanding how a system functions. In the following sections, we first provide brief information about the characteristics and the mechanics of the BN methodology and then illustrate it using one of the major domains of macromarketing: ethics.

BN Methodology
Bayesian networks, as one of the most commonly used probabilistic models, are especially useful in modeling uncertainty in a domain and have been applied particularly to problems that require diagnosis based on a variety of types of input data in a system of variables (Nicholson et al. 2008). It is a graphical model that efficiently encodes the joint probability distribution for a large set of variables (Heckerman 1995).

Bayesian network theory is well established, and the method has been applied with success in various domains of business and economics (Ahn and Ezawa 1997; Scuderi and Cliffton 2005; Cinicioglu et al. 2007; Fusco 2008; Jensen et al. 2009), medicine (Nicholson et al. 2008), ecology and environmental issues (Bromley et al. 2005), and transportation (Cinicioglu et al. 2012). A detailed analysis of the BN-model literature can be found in Korb and Nicholson (2011).

Advantages of BN Over Other Tools for Macro-level Analysis

There exists a growing interest for BN because of its semantic clarity and understandability, its ease of acquisition and incorporation of prior knowledge, and the ease of integration with optimal decision-making models (Friedman et al. 1997). There are many reasons for the BN method’s popularity in literature:

1. Compared to standard regression models, in which the correlation between the variables leads to multicollinearity and lack of robustness of model fitting, BNs leverage on the mutual correlation between variables to define the conditional probability distribution (Sebastiani and Perls, 2008).

2. They not only provide a clear graphical structure that most people find intuitive to understand but also make it possible to conduct flexible inference based on partial observations which allows for reasoning (Onisko, 2008).

3. BN can identify and analyze the relationships between the variables of the model not by depending on a single output variable or a predetermined assumption but rather, it uses conditional dependency relations in an interconnected system of variables (Cinicioglu et al, 2013).

4. They allow their user to engage in probabilistic analyses of much higher complexity than what would be possible through traditional approaches that mostly rely on rigid, purely arithmetic development (Biedermann et al., 2008).

5. BNs enforce explicit considerate of the logic and assumptions in making management recommendations under uncertainty (Steventon, 2008).

6. BNs provide predictions described in terms of probabilities and percents which help to conduct effective analysis included prediction and diagnostics of observed variables in a system (Anderson and Vastag, 2004). Methods for the analysis which force the selection of one or more dependent variables and limit the estimation for these variables only deteriorate both the quality of the model and also validity of the findings (Cinicioglu et al, 2012).

7. Compared to structural equation models (SEM) that attempt to model deterministic relationships between cause and effect (with error terms which are usually assumed to be independent and normally distributed), Bayesian networks seek to represent the probability
distribution of the variables in question (Clarke et al., 2013). As a result, BNs are the ideal candidates for the analysis of networks since BN uses the probabilistic dependency structure of the network, all of the variables in the model can be estimated.

(8) BN can handle non-linear relations between variables which is not possible with regression or SEM (Anderson and Vastag, 2004). BNs are undeniably more powerful than deterministic ones in the sense that they are more appropriate representations of reality (Pourret O, 2008).

(9) Performing what-if queries is easy to conduct and understand (Lauria & Duchess, 2006). Such queries may include diagnostic reasoning (i.e., reasoning “upwards” from effects to cause), predictive reasoning (i.e., reasoning “downwards” from cause to effect), or inter-causal reasoning (e.g. given two mutually exclusive causes, evidence on one of them “explains away” the other one). When used in this way, BNs can be thought of as powerful probabilistic inference engines.

(10) BNs can estimate the values of all variables in a network, while for-example structural equation models limit estimation to just dependent variables (Lauria and Duchessi, 2007). In fact, for a given network, by applying the rules of Bayesian inference, BNs can propagate the impact of changing one or more variable values on one or more of the remaining variables that comprise the network, estimating those variables’ values and providing the associated probabilities.

(11) BNs are nonparametric models; thus, no functional form or variable distribution assumptions are necessary for probabilistic inference. Results are valid for nonlinear functions and for any probability distribution of disturbances. (Blodgett and Anderson, 2000)

(12) BNs do not include latent variables; therefore, all probabilistic inference is conducted at the observed level. SEMs, however, assume that each observed measurement is caused by latent variables. Thus, prediction based on observed measurements is not possible (Blodgett and Anderson, 2000).

**Bayesian Network Structure**

A Bayesian network is a directed acyclic graph where the nodes represent variables and the directed arcs define statistical relationships (Fenton et al. 2010). The graphs are representations of joint probability distributions (Korb and Nicholson 2011). If there is a directed arc from a variable X1 to a variable X2, the arc indicates that a value taken by X2 depends on the value taken by X1, or X1 ‘influences’ X2. X1 is called the parent of X2 and X2 the child of X1. Nodes without parents are defined through their prior probability distributions. Nodes with parents are defined through conditional probability distributions. Conditional independence relationships are implicit in the directed acyclic graph: all nodes are conditionally independent of their ancestors given their parents.

Consider a BN containing n nodes, namely, X1 to Xn. A particular value in the joint distribution is represented by P(X1 = x1, X2 = x2, ..., Xn = xn). The chain rule of probability theory allows factorizing joint probabilities, as given in the following formula. By this formula, the answer that the system will give under some certain probability states can be calculated.
The structure of a BN implies that the value of a particular node is conditional only on the values of its parent nodes, so the formula becomes:

\[ P(x_1, x_2, \ldots, x_n) = \prod_i P(x_i / \text{Parents}(x_i)) \]

**The Stages of Bayesian Network Construction**

Bayesian networks are constructed in an iterative multi-stage process (Dambacher et al. 2007). In the first stage, the analyst identifies the important variables (nodes). This stage is usually based on existing literature (Mase 2008; Dogan 2012), expert consultation (Stamelos et al. 2003; Nadkarni and Shenoy 2004; Cinicioglu 2012), and/or the analyst’s experience (Lin and Haug 2008). The literature does not favor any of the mentioned variable selection methods, accepting all three as legitimate. Expert judgement can be elicited in two ways: In structured methods, concepts in the maps are defined a priori by the modelers and are imposed on the experts (Nadkarni and Shenoy, 2004). In unstructured methods, concepts emerge from the data or from the expert’s narrative.

In the second stage, the network structure must be constructed. This step includes capturing qualitative relationships between variables. There are three approaches used in the literature to build a BN (Lin and Haug 2008). The first one is ‘all human-composed,’ in which human experts provide the nodes, arcs, and conditional probabilities. As the complexity of the network increases, this process can become very demanding and time consuming. The second approach combines a ‘human-composed structure and machine-learned parameters,’ in which human experts provide the causal relationships, the network structure is designed using this information, and the parameters can be learned from the data. The third approach, used in this study, can be called an ‘all machine-learned’ approach, and the network structure can be learned from data and the parameters. The third approach is particularly useful when there is no domain expert available to provide the structure or the probabilities, when the problem is too complex to be solved entirely by hand, or when the domain expert’s time is limited. In addition, this approach considers each theoretically possible configuration of the variables (Pourret 2008). In this type of BN, because domain experts are not involved in the construction of the network model, the arcs and their directions show conditional dependency relations rather than direct causality between parent and child nodes.

After specifying the structure of the net, the next step is to quantify the relationships between connected nodes, which is done by specifying a conditional probability distribution for each node (Korb and Nicholson 2011). Initially, all possible combinations of the values of the parent nodes must be examined (called ‘instantiation’). Then, for each distinct instantiation of parent node values, the probability that the child will take each of its values must be specified.

**Illustration of the BN Method in The Context of Ethics (Bribery)**

After explaining the mechanics and the stages of the BN methodology, in this section, we aim to illustrate how it actually works in the context of bribery. Corruption and bribery
has been identified as one of the most important barriers to worldwide economic development, growth, and ultimately well-being of societies (e.g. Gray and Kaufman 1998; Hotchkiss 1998). Despite countless attempts to understand its antecedents and consequences, the problem of bribery persists. As suggested (but almost never executed) by many scholars (e.g. Argondona 2007; Cleveland et al. 2010), understanding bribery from a system perspective can be an important step toward minimizing it globally.

In this example, a host of political, legal, competitive, and other structural (e.g. market structure, crime and violence, financial system) factors in relation to bribery is investigated by BN methodology. Using the World Economic Forum (WEF) data, we delineate a “system” of bribery in business transactions. Initially, the factors that are related to “Irregular Payments and Bribes” variable were determined by a panel of business ethics experts. As a second step, a BN is developed through structural learning using the tool WinMine [Heckerman et al., 2000]. In the last step, a number of sensitivity analyses are conducted in order to help to macro marketers and the policy makers in their attempts to understand and reduce bribery activities in their countries.

Identification of Variables

In order to determine the variables that are related to “Irregular Payments and Bribes” variable, a survey has been conducted using a panel of business ethics experts. More specifically, seven academics who have expertise on business ethics were given a list of 20 concepts of the first pillar of the Global Competitiveness Index-GCI, namely “institutions” and were asked to choose the concepts that they thought were related to Irregular Payments and Bribes (IPAB) in a given country. The common characteristic of the expert panel members is that they either teach undergraduate and/or graduate levels business/marketing ethics courses and/or publish regularly in major marketing and business journals publishing business ethics papers (such as the Journal of Business Ethics, Journal of Macromarketing, and Journal of Public Policy and Marketing).

The majority of the group (6 from 7 experts) decided that the following 7 factors are related to Irregular Payments and Bribes (IPAB) in a given country:

- Diversion of public funds (DPF)
- Public trust of politicians (PTP)
- Favoritism in decisions of government officials (FDGO)
- Burden of government regulation (BGR)
- Business costs of organized crime (BCOC)
- Reliability of police services (RPS)
- Intensity of local competition (ILC)

The data related to these 8 variables are gathered from the last three years of WEF Competitiveness Reports. The countries analyzed by WEF differ slightly and the total number of countries in the last three years, that is used also in this study is 148.

Determining the Network Structure

In the second stage of the proposed methodology, so as to determine and analyze the relationships between bribery activities and other political, legal and competitive factors; a network model is constructed using BN.
In order to identify the BN from data, the data were first transformed into a form where the ratings of each variable are classified into 3 main probability states as low, middle and high each having a different width of range. The reason of the different ranges in these states is because of each variable’s having different minimum and maximum values. While doing this transformation, also called as discretizing, the difference between maximum and minimum values for each variable has been calculated and the related range has been divided to 3 intervals resulting in 3 states of the discrete version of the variable (Table 1).

Table 1. State Intervals of Variables

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversion of public funds (DPF)</td>
<td>1.5, 3.2</td>
<td>3.1</td>
<td>4.9, 6.6</td>
</tr>
<tr>
<td>Public trust of politicians (PTP)</td>
<td>1.4, 3.1</td>
<td>4.7</td>
<td>4.7, 6.4</td>
</tr>
<tr>
<td>Favoritism in decisions of government officials (FDGO)</td>
<td>1.7, 3.1</td>
<td>4.6</td>
<td>4.6, 6.0</td>
</tr>
<tr>
<td>Burden of government regulation (BGR)</td>
<td>1.9, 3.1</td>
<td>4.3</td>
<td>5.6</td>
</tr>
<tr>
<td>Business costs of organized crime (BCOC)</td>
<td>1.9, 3.5</td>
<td>5.2</td>
<td>6.9</td>
</tr>
<tr>
<td>Reliability of police services (RPS)</td>
<td>2.0, 3.5</td>
<td>5.1</td>
<td>6.7</td>
</tr>
<tr>
<td>Intensity of local competition (ILC)</td>
<td>3.1, 4.1</td>
<td>4.1</td>
<td>5.1</td>
</tr>
<tr>
<td>Irregular Payments and Bribe (IPAB)</td>
<td>4.1, 5.1</td>
<td>5.1</td>
<td>6.7</td>
</tr>
</tbody>
</table>

After determining the possible states for each variable; WinMine (Heckerman et al., 2000), a tool developed by Microsoft Research, was used to identify BN that represents the dependency relations of fundamental factors of irregular payments and bribe.

Using WinMine, the data first divided into two parts: 80% for training and the remaining 20% for testing purposes. The value for kappa, which determines the granularity of the learned network, was set to 1 which helps to obtain a dense network representing the complete dependency structure between the variables. The related BN is given in Figure 4.

![Figure 4. The BN of the system](image)

As to evaluate the accuracy of the learned BN model, the log-score value is calculated. Log-score is a quantitative criterion which evaluates how the provided model learned from the training data performs on the test set. The formula for the log score is given above where \( n \) is the number of variables and \( N \) is the number of cases in the test set.

\[
Score(x_1, \ldots, x_N) = \sum_{i=1}^{N} \log_2 p(x_i | \text{model}) / nN
\]
The provided model resulted in a log score of -0.5388, meaning on average, the log probability that each variable assigns to the given value in the test case, given the value of other variables, is 68.83%. By using WinMine, also the lift over the marginal value can be found, which is the difference between the log scores of the provided model and the marginal model. A positive difference indicates that the model outperforms the marginal model on the test set. Accordingly, the lift over marginal value obtained by the proposed model is 0.44278, meaning that the predictive capacity of the provided model is about 18.19% better than the marginal model.

Analyzing the Bayesian Network

Once a Bayesian network is constructed, it can be used to make inferences about the variables in the model (Nadkarni and Shenoy, 2004). In order to make these inferences, in the last step of the methodology, the BN that was structured in the second step was created again using the Netica software this time. By doing so, entering evidence for variables and observing the resulting changes in the system is made possible. BNs can also deal with multiple variables at a time which can lead to efficient scenario analysis (Antony, 2006).

The BN created using the Netica software and the marginal probabilities of the variables in the network can be seen in Error! Reference source not found.. The model consists of three components: a set of nodes, representing the variables of the bribery system; a set of links that represent the conditional dependence relationship between these nodes and finally a set of probabilities representing the belief that a node will be in a given state, given the states of the connecting nodes.

Figure 2. The BN of the system with the marginal probabilities of the variables

The overall results suggest that the executives around the world believe that irregular payments and bribes (IPAB) are common practice (the percentage of countries having a performance score between 2.2-3.7 is 41.2%) in the world and various structural factors are related to the bribing activities in business transactions. Similarly, favoritism in decisions of government officials (FDGO) is also a common practice with a 57.4%.

Sensitivity Analysis
After constructing BN, sensitivity analysis can be conducted by which the (parent) variables with the most explanatory power on another (child) variable are identified. The sensitivity analysis in BNs is done by calculating the “variance reduction” for each variable. Variance reduction is the expected reduction in the variance of the output variable (Q) due to the value of an input variable (F). The nodes are quantitative and have an initial distribution. When information is supplied about the state of an input node, the output node distribution may shrink towards more probable values, reducing its variance (Nash et al. 2013). In other words, variance reduction is the difference between the variance of the output node (var(Q)) and the variance of the output node given the input node (Var(Q|F)). The variable with the greatest variance reduction rate is expected to be the one to most change the beliefs of the observed variable, hence, it has the highest explanatory power over the output variable.

The analysis conducted on “Irregular payments and bribes” variable shows that the changes on the level of this variable can be mostly explained by the level of “diversion of public funds” variable (67%). In other words, it can be said that, the uncertainty on the level of IPAB for a country can be eliminated by 67% if the level of “DPF is known. “Reliability of police services” variables is the second most influencing variable on IPAB with a variance reduction of 60%.

The results of the sensitivity analysis (i.e. identifying factors that have the highest explanatory power) on each variable and percent variance reduction information are given in Table 2.

Table 2. The BN of the system

<table>
<thead>
<tr>
<th></th>
<th>Diversion of public funds</th>
<th>Public trust of politicians</th>
<th>Favoritism in decisions of government officials</th>
<th>Burden of government regulation</th>
<th>Business costs of organized crime</th>
<th>Reliability of police services</th>
<th>Intensity of local competition</th>
<th>Irregular Payments and Bribe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diversion of public funds</td>
<td>2(58.3)</td>
<td>1(66.3)</td>
<td>2(16.1)</td>
<td>2(33.8)</td>
<td>1(63.5)</td>
<td>3(26.1)</td>
<td>1(66.6)</td>
<td></td>
</tr>
<tr>
<td>Public trust of politicians</td>
<td>2(68.6)</td>
<td>3(16)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favoritism in decisions of government officials</td>
<td>3(66.9)</td>
<td>1(68.4)</td>
<td>1(24.1)</td>
<td>3(42.6)</td>
<td>3(44.5)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reliability of police services</td>
<td>2(68.4)</td>
<td>1(37.7)</td>
<td>2(32.3)</td>
<td>2(60.5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Irregular Payments and Bribe</td>
<td>1(74.2)</td>
<td>3(47.1)</td>
<td>3(52.4)</td>
<td>3(27.4)</td>
<td>2(60.6)</td>
<td>1(35.5)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The columns of the table give us the information about the most influencing variables (the influence rank along with the variance reduction percentage value) of the related variable. When the table is analyzed, it can be seen that the most important variables are “Diversion of public funds”, “Favoritism in decisions of government officials” and “Irregular Payments and Bribes”. Thus, the level of bribery systems of countries can be explained by the level of these three variables. So the politicians trying to solve the bribery problem in a country have to focus on decreasing the corruption through the diversion of public funds to companies, individuals, or groups and they have to prevent showing favoritism to well-connected firms and individuals when deciding upon policies and contracts. An increase in the performance of just these two variables can leverage the country’s performance in bribery.
Figure 3 and Figure 4 show the network’s response to increases in the levels of “Diversion of public funds” and “Favoritism in decisions of government officials”. As it can be seen from Figure 3, when the level of “Diversion of public funds” and “Favoritism in decisions of government officials” are “low”; the expected level of “Irregular payments and bribes” is also low with a probability of 72.2%. If, the levels of these two variables are improved to “medium” level, then the level of “irregular payments and bribes” becomes “medium” with a 70.9% as well as the other variables.

Figure 3. The network when the level of “diversion of public funds” and “Favoritism in decisions of government officials” are low

Figure 4. The network when the level of “diversion of public funds” and “Favoritism in decisions of government officials” are medium

Conclusion

The objective of this paper was to introduce BN methodology. We believe that the adaptation of this methodology by the macromarketing researchers is likely to be beneficial for the theory and practice of macromarketing. In this way, we may advance our understand-
ing of how certain systemic/network relationships and various domains of macromarketing work.

For illustration purposes, we took a particular domain of macromarketing: ethics and analyzed a system of bribery by a BN model that recognizes the need for investigating the phenomenon as a whole, not as separate components. In this way, each and every affecting and affected variables are considered in relation to its effect on other variables. The model results show that “diversity in public funds” as well as “favoritism in decisions of government officials” are especially important factors that must be focused on if an increase in the performance of a country is aimed. The model is valuable since it allows experts to visually investigate the dependencies between various states of variables, and thus, detect immediately what kind of a change or modification in the state of a given decision variable would lead to consequent changes in the system variables that would be influenced.

As illustrated in the above (i.e. system of bribery) example, a BN is a kind of data structure which represents the dependence relationships between variables. They give concise specification of the joint probability distribution. A BN is a directed, acyclic graph in which (1) a set of random variables makes up the nodes in the network; (2) a set of directed links or arrows connects pairs of nodes and (3) each node has a conditional probability table that quantifies the effects the parents have on the node (Korb and Nicholson, 2011).

BNs can be used in a way that promotes an improved understanding of the environmental system, leaving the decision makers to reach their own conclusions on the basis of that understanding (Cain, 2001). It supports decision makers rather than making the decision for them. Since BNs are diagrammatically based, it is relatively easy to understand the system built with them. This facilitates the communication of information to people without technical abilities so they can participate more fully in the decision making process.

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www.norsys.com/dl/Netica_Win.exe
Exploring Scale Development Using Rasch Modelling: The Case of Brand Personality

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Ben Wooliscroft, University of Otago, N.Z.

Brands are relevant to macromarketing given their socio-environmental impact. Though to address the latter, brand’s different components need to be first understood. And this requires their proper measurement. In an effort to start developing BP measures that more closely approximate measurement theory’s guidelines, this paper explores an alternative Rasch-based scaling technique. Ten new Rasch BP scales were produced, positive and negative ones for each Big Five personality dimension. The scales developed show both strengths and weaknesses. A first approximation to proper measures within the BP field, they set the stage for subsequent refinement efforts. By addressing the philosophical foundations of measurement, an area often neglected within the conventional literature; offering an alternative Rasch-based scaling technique, which may later be applied to more macro constructs; and discussing a series of methodological issues, including suggestions as to how future efforts might be improved, this paper strives to contribute towards macromarketing’s research methodology.

Introduction

Brands are relevant to macromarketing. They are marketing systems that generate value for direct and indirect participants, society, and the broader environment, through the exchange of co-created meanings (Conejo and Wooliscroft 2014). As markets become ever more symbolic, meaning, hence brands, will be increasingly important for macromarketing (Kadirov and Varey 2011).

To address brand’s socio-environmental impact, their different components need to be first understood (Conejo and Wooliscroft 2014). This paper addresses one of brands’ most important ones: their personality. Part of brands’ identity and image, brand personality (BP) helps drive consumer preference and loyalty (Aaker 1991; Kapferer 2004). Though consumer actions have important socio-environmental consequences (Mittelstaedt, Kilbourne, and Mittelstaedt 2006). Hence BP’s relation (albeit indirect) to macromarketing.

Understanding brand components requires their measurement. It is through measurement that intrinsic qualities and external interrelationships are quantified (Churchill and Iacobucci 2005). Though proper quantification requires proper measures (Michell 1997). In line with the methodological track, this paper sets out to develop a scale to measure BP. By addressing the philosophical foundations of measurement, an area often neglected within conventional marketing literature; offering an alternative Rasch-based scaling technique, which may later be applied to more macro constructs; and addressing a series of methodological issues along the way, this paper strives to contribute towards macromarketing’s research methodology.

The present effort builds on a growing Rasch tradition within macromarketing, e.g. Ganglmair-Wooliscroft and Lawson (2005), Ganglmair-Wooliscroft (2010) and Wooliscroft,
While the theoretical fundamentals remain the same, what sets this paper apart is that it offers an alternative methodology through which to apply the Rasch paradigm. The paper thus focuses on the process, without getting excessively technical. Beyond the construct used to exemplify said application, which is admittedly more micro, the method and insights offered should be of interest for the scaling a variety of macro constructs.

**Brand Personality Measurement**

Scales purporting to measure BP have been offered since the 1950s. The most referenced by far is that of Aaker (1997). Impressed by its claims of validity, reliability and generalizability, the marketing community lauded it as the definitive BP scale. Other researchers, based on Aaker’s methodology and findings, jumped on the bandwagon and developed a plethora of further scales (Azoulay and Kapferer 2003). Whereas previous (and subsequent) BP scales had limited impact, Aaker’s can certainly be credited for starting a stream of research. Though the scale has faced growing criticism. E.g. Austin et al. (2003) requested its original data set to empirically address a series of concerns. This was impossible as (p. 91) “the Aaker data are no longer in existence as the result of a massive computer failure at Stanford University”.

BP scale development rests largely on Factor Analysis (FA). While the technique may produce apparently robust scales, from a strict measurement theory perspective it does present limitations (Smith 1999; Waugh and Chapman 2005).

First and foremost, FA does not produce true measures (Bond and Fox 2007; Wright 1988; Wright 1994). It instead uncovers hierarchical item structures (Goldberg and Digman 1994; Linacre 2009c). This follows FA’s original purpose, to organize and reduce data into manageable taxonomies (Smith 1996; Thurstone 1934). Second, factors lack intrinsic order. They are but collections of statistically-related items (DeVellis 2003). While closeness to latent variables is indeed indicated, items’ location along the latent variables, essentially their measure, remains unanswered (Schumacker and Linacre 1996). Third, factors are context-dependent. They are applicable only to situations from which they were derived. They vary with respect to instruments, stimuli and samples used (Bond and Fox 2007). Finally, factors may be misleading (Steinberg and Thissen 1996). Items loading under a factor, while statistically related, are not necessarily conceptually related. This can make resulting scales incoherent (Linacre 2009b). Similarly, conceptually-related items may also end up scattered across different factors (Wright 1988). This leads factors to acquire different meanings, hence names, as evidenced by the plethora of inconsistent BP scales developed to date (Conejo 2011).

Thurstone (1974), a FA pioneer, cautioned against the technique for scaling purposes. Yet measurement theory is often neglected within social science (DeVellis 2003). Pragmatism overshadows rigor, taxonomies close enough to proper measures (Michell 1997).

**Measurement in Marketing**

The above situation stems from how social science conceptualize measurement. In marketing, measurement is generally understood as the assignment of numbers to the characteristics of objects according to specified rules (Aaker et al. 2005; Tull and Hawkins 1990; Weiers 1988). This conceptualization, based on Stevens (1946), no doubt seems scientific.
Yet it fails to recognize that not all number allocation rules lead to proper measures. This important condition is merely presumed.

Within measurement theory, the assignment of numbers to the characteristics of objects refers to coding. Though there is a big difference between coding and measuring. Measurement goes further, actually deriving quantitative latent variables from coded observations (Salzberger and Koller 2013). Proper measures, as understood in the physical sciences, are standardized quantities against which other magnitudes are compared (Michell 1997). Proper measures must thus comply with three fundamental criteria: Their units must be concatenatable, able to be added and multiplied with one another to express different magnitudes; invariant, of consistent magnitude irrespective of instrument, situation, and objects measured (Andrich 1988); and one-dimensional, referring to single variables at a time (Bond and Fox 2007). Proper measurement is thus a rigorous undertaking. It goes well beyond the mere assignment of numbers, which has little to do with the notion of quantity (Salzberger and Koller 2013).

Research Objective

Salzberger and Koller (2013) reviewed marketing’s different measurement approaches. For more in-depth discussions see also Salzberger (2009). The former concluded that from a strict measurement theory perspective conventional techniques pose limitations, as do most alternatives. Though among the latter, Rasch Modelling stands to be the most adequate, able to deliver closer approximations to proper measures as understood in the physical sciences (Salzberger and Koller 2013). Given the above, and the trend towards alternative scaling paradigms (DeVellis 2003), the objective of this research was to explore an alternative Rasch-based scale development technique towards the production of BP measures that more closely approximate measurement theory’s guidelines.

This follows suggestions that more rigorous BP scales be developed (Austin, Siguaw, and Mattila 2003; Azoulay and Kapferer 2003). Particularly through unconventional approaches (Romaniuk 2008), whose discontinuous nature is sometimes necessary for fields to advance (Ladik and Stewart 2008). Being exploratory in nature, the present research intends to make inroads towards the eventual development of fully operational BP scales.

Rasch Modelling Background

Rasch Modelling stems from its developer, Danish mathematician Georg Rasch (1901-1980) (Wright 1999). Though the technique builds on a measurement tradition dating back nearly a century (Hambleton and Swaminathan 1985). Rasch Modelling strives to apply measurement theory’s strict requirements to produce closer approximations to proper measures within the social sciences (Linaacre 2009b). It does so by avoiding the item correlation approach of conventional scaling techniques, most notably Factor Analysis. It instead applies an elegant multiplicative Poisson algorithm to establish probabilistic relationships between items’ difficulty (intensity in regards to the latent variable in question) and respondents’ ability (propensity towards said latent variable) (Wright 1999). This transforms nominal or ordinal raw scores, so common in social science, into natural logarithmic units (Andrich 1988). This new ratio data, with continuous logarithmic units, allows respondents and items to be placed along the latent variable’s intensity continuum, i.e. be measured (Meads and Bentall 2008). Mathematically,
Where the probability $P$ of respondent $n$ correctly answering item $i$, thus receiving 1 instead of 0 for it in the results matrix, is a function of the difference of that respondent’s ability, $B_n$, and the item’s difficulty, $D_i$. The dichotomous Rasch Model’s formula is thus:

$$P_{ni} = \frac{e^{(B_n-D_i)}}{1 + e^{(B_n-D_i)}},$$

where

- $P_{ni} = \text{Probability } P \text{ of respondent } n \text{ correctly answering item } i$
- $e = \text{the natural logarithmic constant } = 2.7183$
- $B_n = \text{Ability of respondent } n$
- $D_i = \text{Difficulty of item } i$

Despite being called the Rasch Model, there is actually a whole family of them (Andrich 1988). The simplest model, shown above, was put forward in 1960 (Bond and Fox 2007). It has since been extended to cover a range of testing situations, e.g. rating scales (Andrich 1978), partial credit responses (Masters 1982) and multi-faceted testing (Linaacre 1992). Though more complex, the latter extensions still follow the original model (Linaacre 2009b). Ganglmair-Wooliscroft and Lawson (2005) and Andersen and Olsen (2001) provide fuller overviews of Georg Rasch’s life. Technical discussions on the operation and merits of different Rasch models may be found in Andrich (1988), Salzberger (2009), or www.rasch.org, among others.

### Rasch Model Application

Rasch Modelling is an effective alternative to conventional scaling. While in different ways superior (Nijsten, Unaeze, and Stern 2006; Salzberger and Koller 2013), its purpose is not to outright replace mainstream approaches. The technique should instead be seen as a complement, to further improve measurement standards (Andrich 1988; Salzberger 1999).


Within macromarketing, Ganglmair-Wooliscroft and Lawson (2005) introduced Rasch Modelling as viable way to improve marketing’s measurement standards; Ganglmair-Wooliscroft (2010) used the technique to study durable good ownership patterns; and just
recently Wooliscroft, Ganglmair-Wooliscroft, and Noone (2014) used it to develop a hierarchy of ethical consumption behaviors. Within branding, and specifically BP, no empirical efforts have used Rasch Modelling.

Methodology

Scale development followed the first three stages of Churchill’s (1979) framework.

Domain Specification

Theoretical conceptualizations should be literature-based (Churchill 1979). Yet despite decades of coverage, there is still no commonly-accepted BP definition (Smit, Van Den Berge, and Franzen 2003). The literature is replete with inconsistent, contradictory and even incorrect notions (Conejo 2011). Most notable is Aaker’s (1997, p. 347), who defines BP as “... the set of human characteristics associated to a brand.” This broad, ambiguous definition refers to human features in general, not only personality. This improper conceptualization led to the incorporation of physical attributes (e.g. intelligent, good looking, rugged); demographics (e.g. young, small-town, upper class); and social evaluations (e.g. wholesome, successful, corporate). All these fall outside the realm human personality (Azoulay and Kapferer 2003; Bosnjak, Bochmann, and Hufschmidt 2007). Aaker’s (1997) scale might refer to brand image. But not to BP in a proper sense. Neither do most other BP scales, which blindly adopted Aaker’s definition and items.

Churchill (1979) suggests that if conceptual clarity is not obtained, new specifications should be advanced. BP derives from human personality (Smit, Van Den Berge, and Franzen 2003). Conceptualized properly, BP is its strict equivalent (Bosnjak, Bochmann, and Hufschmidt 2007). BP was thus re-defined as the set of human personality traits that lead brands to behave characteristically and consistently over situations and time. The proposed BP definition is consistent with psychology’s general personality definition, conceived as individual’s innate, pervasive and enduring mental characteristics, which lead to distinct patterns of behavior consistent across situations and time (Allport 1938; Cervone and Pervin 2008).

Construct Operationalization

Construct transformation from theoretical to measurable should be also literature-based (Churchill 1979; DeVellis 2003). Though given the improper domain specifications, BP scales developed to date frequently contain items outside the realm of personality, as understood by psychology. BP was therefore operationalized through personality traits taken directly from psychology using Goldberg’s (1992) 100 Markers, below.

Several reasons support using Goldberg’s Markers: The set was purposely derived to operationalize the Big Five and facilitate subsequent research (Goldberg 1992; Saucier 1994); unlike most BP scales to date, it consist of both positive and negative traits; the set is reasonably comprehensive yet practical; and its items are relatively easily understood.

Table 1: Goldberg’s (1992) 100 Personality Markers by Dimension
<table>
<thead>
<tr>
<th>Surgency</th>
<th>Agreeableness</th>
<th>Conscientious</th>
<th>Emotion Stab.</th>
<th>Intellect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
</tr>
<tr>
<td>Extraverted</td>
<td>Kind</td>
<td>Organized</td>
<td>Unenvious</td>
<td>Intellectual</td>
</tr>
<tr>
<td>Talkative</td>
<td>Cooperative</td>
<td>Systematic</td>
<td>Unemotional</td>
<td>Creative</td>
</tr>
<tr>
<td>Assertive</td>
<td>Sympathetic</td>
<td>Thorough</td>
<td>Relaxed</td>
<td>Complex</td>
</tr>
<tr>
<td>Verbal</td>
<td>Warm</td>
<td>Practical</td>
<td>Imperturbable</td>
<td>Imaginative</td>
</tr>
<tr>
<td>Energetic</td>
<td>Trustful</td>
<td>Neat</td>
<td>Unexcitable</td>
<td>Bright</td>
</tr>
<tr>
<td>Bold</td>
<td>Considerate</td>
<td>Efficient</td>
<td>Undemanding</td>
<td>Philosophical</td>
</tr>
<tr>
<td>Active</td>
<td>Pleasant</td>
<td>Careful</td>
<td>Negative</td>
<td>Artistic</td>
</tr>
<tr>
<td>Daring</td>
<td>Agreeable</td>
<td>Steady</td>
<td>Anxious</td>
<td>Deep</td>
</tr>
<tr>
<td>Vigorous</td>
<td>Helpful</td>
<td>Conscientious</td>
<td>Moody</td>
<td>Innovative</td>
</tr>
<tr>
<td>Unrestrained</td>
<td>Generous</td>
<td>Prompt</td>
<td>Temperamental</td>
<td>Introspective</td>
</tr>
<tr>
<td>Negative</td>
<td>Negative</td>
<td>Negative</td>
<td>Envious</td>
<td>Negative</td>
</tr>
<tr>
<td>Introverted</td>
<td>Cold</td>
<td>Disorganized</td>
<td>Emotional</td>
<td>Unintellectual</td>
</tr>
<tr>
<td>Shy</td>
<td>Unkind</td>
<td>Careless</td>
<td>Irritable</td>
<td>Unintelligent</td>
</tr>
<tr>
<td>Quiet</td>
<td>Unsympathetic</td>
<td>Unsystematic</td>
<td>Fretful</td>
<td>Unimaginative</td>
</tr>
<tr>
<td>Reserved</td>
<td>Distrustful</td>
<td>Inefficient</td>
<td>Jealous</td>
<td>Uncreative</td>
</tr>
<tr>
<td>Untalkative</td>
<td>Harsh</td>
<td>Undependable</td>
<td>Touchy</td>
<td>Simple</td>
</tr>
<tr>
<td>Inhibited</td>
<td>Demanding</td>
<td>Impractical</td>
<td>Nervous</td>
<td>Unsophisticated</td>
</tr>
<tr>
<td>Withdrawn</td>
<td>Rude</td>
<td>Negligent</td>
<td>Insecure</td>
<td>Unreflective</td>
</tr>
<tr>
<td>Timid</td>
<td>Selfish</td>
<td>Inconsistent</td>
<td>Fearful</td>
<td>Imperceptive</td>
</tr>
<tr>
<td>Bashful</td>
<td>Uncooperative</td>
<td>Haphazard</td>
<td>Self-pitying</td>
<td>Unquisitive</td>
</tr>
<tr>
<td>Unadventurous</td>
<td>Uncharitable</td>
<td>Sloppy</td>
<td>High strung</td>
<td>Shallow</td>
</tr>
</tbody>
</table>

**Data Collection**

Based on promising pilot results, data collection was proceeded with. Participants of a multi-day brand priming experiment each filled out a self-administered questionnaire. Items consisted mostly of checklists for being efficient, e.g. Romaniuk (2008), and providing the dichotomous data required. Respondents simply ticked-off the 100 personality traits they thought applied (or not) to each of two brands. Traits were randomized and order-inverted to reduce biases. Responses were anonymous, though age, gender and brand usage were asked for analysis purposes. Respondents answered 204 BP items (226 total), easily completed in 15-20 minutes, quite normal within personality research (Brody 1994).

To address the effects of target homogeneity, e.g. Peabody and Goldberg (1989), stimuli were refocused from multiple brands to a single polarized category. Apple and Microsoft were used for being very well-known; dissimilar (symbolic vs. utilitarian, e.g. De Chernatony and McWilliam (1990)); and potentially eliciting intense feelings, e.g. Belk and Tumbat (2005). To evoke richer associations brand logos were placed above their respective checklists. To benefit from frames of reference, e.g. Murphy, Moscardo, and Benckendorff (2007), brands were evaluated concurrently, checklists next to each another. To counter primacy or recency effects brands were also rotated.

Collection produced 418 initial respondents. Though 86 were eliminated for being anomalous: defective and duplicate surveys; incomplete, ambiguous or patterned answers; or visibly altered (e.g. intoxicated) respondents. This left 332 usable respondents, slightly above Bond and Fox’s (2007) 300 recommended upper limit. As to sample representativeness, a general, non-extreme one suffices (Andrich 1988). Compared to the sample used by e.g. Meads and Bentall (2008) to develop their Rasch Hypomanic Personality Scale, the present one is more representative in terms of composition, gender and age, thus better suited.
Measure Development

Instead of factor analysis, as suggested by Churchill (1979) and used for most BP scales, a Rasch scaling process was applied. The latter was based on the Rasch literature; the Rasch software used, Winsteps; an online scale development course; and personal communications with the facilitators, among others. Since the development sequence for all BP dimensions was identical, and results quite similar, only Surgency’s analysis is presented. Though general results for all dimensions are discussed later. In the interest of focusing on the general scaling process, stages avoid getting excessively technical.

Dimensionality Assessment:

Dimensionality is fundamental within scaling as measures must refer to single latent constructs (Salzberger, Newton, and Ewing 2014). Though personality is multi-dimensional. Its different factors refer to distinct concepts (Cervone and Pervin 2008). Data was therefore separated into five matrices, one for each Big Five dimension. This allowed dimensional data to be analyzed in isolation. However, even isolated factors need to be re-evaluated to verify that they are indeed unidimensional (Smith 1996). Separated dimensions were thus inspected.

Variance was first assessed. Rasch Modelling acknowledges that data is somewhat random, it has variance. Though three types of variance exist: Total adds up to 100%. Modelled or explained, should be as large as possible, ideally over 75%, to indicate robust model operation. The remaining unexplained variance is external, should be as small as possible, and be fairly random (Linacre 2014). For Surgency, modeled variance was merely 26.1%. Unexplained variance a large 73.9%. This suggested something fundamentally wrong with Surgency as presently structured. Instead of referring to a single variable, there seemed to be multiple constructs operating, creating excessive unexplained variance (Linacre 2009b).

To look into Surgency’s anomalous variance a Principal Component Analysis (PCA) was conducted. Residuals are the difference between observed and theoretical responses. Residuals are uncorrelated within unidimensional data. They behave rather randomly within the default dimension. Though when data is multidimensional, residuals correlate into patterns (Salzberger 2009). PCA verify dimensionality by uncovering contrasts, correlated residual clustered outside the default dimension (Linacre 2014).

Five Surgency contrasts were identified: The first, accounted for 17.8% of the unexplained variance; the remaining four for 5.4 %, 4.7%, 4.3% and 3.9%. Disproportionately strong, explaining nearly as much variance as all other contrasts combined, Contrast 1 supported the presence of a Surgency sub-dimension (Linacre 2009b).

Contrast residual loadings can be graphically represented, below. The plot’s horizontal axis refers to trait intensity in logits. Though more important is the vertical axis. It refers

<table>
<thead>
<tr>
<th>Sample</th>
<th>Size</th>
<th>Nature</th>
<th>% Female</th>
<th>Age Range</th>
<th>Age Average</th>
<th>Age Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meads &amp; Bentall (2008)</td>
<td>318</td>
<td>Undergrad Only</td>
<td>68.9</td>
<td>18-48</td>
<td>21.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Current</td>
<td>332</td>
<td>Undergrad &amp; General Public</td>
<td>51.5</td>
<td>17-67</td>
<td>26.9</td>
<td>10.97</td>
</tr>
</tbody>
</table>

Table 2: Sample Used vs. That of Meads & Bentall (2008)
As seen above, Surgency was partitioned into two distinct clusters. The first, in the upper-left corner, consisted of positive traits only, e.g. extraverted. Positive loadings indicated a direct relation with Surgency, these traits actually making up the construct. The second
cluster, in the lower right corner, consisted of negative traits only, e.g. introverted. Negative loadings indicated an inverse relation with Surgency. These traits are not part of the construct. They instead form a separate dimension that refers to a different construct (Linacre 2014). The inspection of Contrasts 2-5 residual plots confirmed the above: Though weaker and less clear, they still clustered positive and negative traits. Such splitting is consistent with e.g. Yamaguchi (1997), whose client-therapist interaction items clustered this same way.

To further look into Surgency’s contrasts, the strength of each was assessed. Smith et al. (2006) suggest that sub dimensions need to contain at least three items. Two items or less are likely the product of random noise. Surgency’s Contrast 1 was worth 4.8 units. The remaining contrasts were worth 1.5, 1.3, 1.2 and 1.1 units. This confirmed that Contrast 1 was indeed a sub dimension with at least 5 items, Surgency composed of two independent, albeit related sub dimensions (Yamaguchi 1997).

Since each sub dimension addresses a distinct construct and covers different intensities, they are better measures on their own than combined (Linacre 2009b). This agrees with DeVellis (2003), who suggests separating positive and negative items into unique scales. Because of this, Surgency was split into two separate sub-dimensions: Surgency POS (a.k.a. Extraversion) referred to outbound energy and contained positive traits only (Active, assertive, bold, daring, energetic, extraverted, talkative, unrestrained, verbal and vigorous). Surgency NEG (a.k.a. Introversion) referred to inbound energy and contained negative traits only (Bashful, inhibited, introverted, quiet, reserved, shy, timid, unadventurous, untalkative and withdrawn).

**Surgency POS and NEG Dimensionality**

Personality consists of successively specific sub-dimensions (Cervone and Pervin 2008). Surgency POS and NEG were therefore inspected. Variance, contrasts and residual plots suggested that each might contain two further sub dimensions: Surgency POS showed Extraversion items (e.g. talkative, assertive), and Activity items (energetic, vigorous). Surgency NEG showed Withdrawal items (shy, inhibited), and Reticence items (reserved, untalkative).

The sub-dimensions found are consistent with the personality literature (Cattell 1946; Deater-Deckard et al. 2009; Jang, Livesley, and Vemon 1996). Their separation would have also complied with measurement theory’s unidimensionality requirement. However, Surgency POS and NEG were kept intact for lack of empirical support: Values were too low and residual plots did not show strong enough patterns. Furthermore, the split would have left few initial items with which to work making subsequent scale development difficult, if not impossible.

**Measure Refinement**

Having established initial rough measures, their refinement was proceeded with. The Rasch Model is a theoretical ideal from which empirical data inevitably depart (Wright and Linacre 1994). Measure refinement is an iterative process that successively evaluates items. Those not adhering to suggested parameters are then culled to improve model compliance. The Winsteps software offers different statistical and graphic outputs to help determine if empirical data acceptably fit theoretical ideals.
Construct Map

Before items are evaluated a Construct Map needs to be created. In it, items are intensity-ordered to better understand the latent variable’s progressive nature. This familiarizes the researcher with the items studied and helps guide subsequent refinement (Linacre 2009b). To improve objectivity and accuracy, trait meanings were cross-referenced from three online dictionaries: Cambridge Advanced, Oxford Compact, and the default Microsoft Word one. Basic dictionaries were selected to reflect respondent’s average English level.

Surgency POS’ Construct Map confirmed the Extraversion and Activity sub-dimensions. Though also the presence of a possible third one: Assertiveness. The exercise also revealed the redundant nature of some items like daring/bold or vigorous/energetic. Their meanings quite close, even used synonymously, redundant pairs were marked for potential elimination.

Differential Test Functioning

The Rasch Model requires that measures function consistently: Item locations along the latent variable’s intensity continuum need to be the same for different respondent sub-groups (Salzberger, Newton, and Ewing 2014). Differential Test Functioning (DTF) determines whether the entire test, all items simultaneously, functions consistently (Linacre 2009b). Dimensional data was successively split according to respondent age, gender and brand usage. Sub-sample pairs were then compared, items’ intensity ideally along the unitary diagonal. For Surgency POS, all three subsamples arranged items in the same general order. However, within each sub-sample pair, about half the items were outside the 95% confidence intervals. These items function too unequally to contribute towards proper measures and must be eliminated (Linacre 2009c). Strict adherence to item elimination is ideal, and quite viable with large item pools (Salzberger, Newton, and Ewing 2014). Though in this case it would have left only a single item, verbal, to work with. This would of made it impossible to further process Surgency POS.
To at least obtain a partial result, and most importantly, gain insights for future scaling efforts, a more lenient approach was adopted: Instead of eliminating traits outside confidence intervals just once, the three DTF analyses were cross-referenced. Only traits not complying with two of the three instances were deleted. This was done in an iterative process, items not complying eliminated one at a time until acceptable model fit was achieved (Linacre 2009b). *Assertive, energetic, daring, vigorous,* and *unrestrained* were culled. *Active, bold, talkative, verbal* and *extraverted* were retained.

**Item Polarity**

The Rasch Model requires that respondent abilities align with item difficulties: Only respondents of higher ability should correctly answer more difficult items. Point Measure Correlations (PMC) indicate to what extent respondent abilities and item difficulties align on an item-by-item basis. PMC range from –1 to +1. Though critical values fluctuate, PMC should be noticeably positive, over 0.65, to indicate a strong ability-difficulty correlation. Near zero and fairly low PMC indicate weak model fit. Negative correlations contradict the direction of the latent variable (Linacre 2009b). For *Surgency POS*, Table 3 below, PMC were all noticeably positive: 0.63 (active), 0.65 (bold), 0.68 (extraverted), and 0.72 (verbal and talkative). This suggested that trait intensity and respondent allocation propensity aligned, adhering reasonably well to Rasch Model parameters.

**Item Fit**

Fit further indicates how well data conforms to Rasch parameters (Wright 1999). Different chi-square statistics are used for this purpose (Linacre 2003). A specific type used since early Rasch programs (Smith, Schumacker, and Busch 1995), and currently by Winsteps, is based on mean-squares (MNSQ). These are the average values of squared residuals, the difference between empirical values and theoretical ideals (Bond and Fox 2007).

MNSQ fit statistics range of zero to infinity with an ideal value of 1. As MNSQ exceed 1, noise, product of e.g. carelessness, enters the model. Unpredictability begins to interfere with measure development. Inversely, as MNSQ fall below 1, stochasticity decreases (Wright and Linacre 1994).

MNSQ refer to fit magnitude. However fit significance is also important. Each MNSQ has a corresponding standardized Z statistic, ZSTD. These show the probability of the MNSQ as a unit normal deviate. ZSTD correspond to the null hypothesis of empirical data fitting the model. A ZSTD value of 0 is ideal. However, when ZSTD exceed +/- 1.96, p<0.05, significance is sufficient to reject the null hypothesis. Statistically significant model misfit thus occurs when ZSTD equal or exceed +/- 2.0 (Linacre 2009b).

The relationship between fit magnitude and significance is mediated by the chi-square degrees of freedom, i.e. sample size. If sample size is small, less than 30, even large misfit is statistically insignificant. Though if sample size is large, over 300, even small misfit is significant (Bond and Fox 2007; Smith, Schumacker, and Busch 1995). *Surgency POS* contains 664 responses opposed to only 5 traits. Item ZSTD will thus be over sensitive. Because of this, misfit size (MNSQ) was paid more attention to than its significance (ZSTD).

MNSQ produce two types of fit statistics. Infit is the weighted average of squared residuals. It gives relatively more importance to well-targeted respondents/items. Infit is thus
less susceptible to the distorting effects of anomalous responses (Smith, Schumacker, and Busch 1995). In contrast, outfit is the unweighted average of squared residuals. It gives equal importance to all respondents. Outfit is thus more susceptible to anomalous responses. A relatively small number of them can unusually impact outfit (Bond and Fox 2007).

Infit might seem a better fit indicator than outfit. Though equal or more important is outfit because of its sensitivity to outliers: Whereas infit problems are difficult, if not impossible to diagnose and remedy, outfit may be improved by eliminating misfitting responses in the trait allocation and non-allocation zones. Furthermore, outfit statistic are easier to understand. They are the equivalent of conventional chi square statistics divided by their degrees of freedom (Bond and Fox 2007; Linaacre and Wright 1994).

To capitalize on their respective strengths, both infit and outfit were considered to assess fit. However, since response strings already suffer from outlier effects associated to guessing and carelessness, and following Linaacre (2009b), outfit was given more importance than infit. Though given the exploratory nature of this investigation misfitting responses were purposely retained in order to keep sample characteristics intact and findings as representative as possible.

As mentioned earlier, ZSTD should ideally approximate 0, but not exceed +/- 2.0. MNSQ should approximate 1.0. However, no single critical interval for MNSQ exists (Smith, Schumacker, and Busch 1995). Fit guidelines vary according to the characteristics of tests, items and respondents. For general purposes a 0.5 to 1.5 MNSQ interval suffices. As test importance increases, MNSQ intervals become more tightly concentrated around the 1.0 ideal. E.g., rating scales should aim for 0.6 to 1.4, multiple-choice questionnaires for 0.7 to 1.3, and high-stakes situations for 0.8 to 1.2 (Wright and Linaacre 1994). Given the fairly advanced refinement stage, fit intervals were set at 0.8 to 1.2.

**Surgency POS fit, below, was in general acceptable. All five traits were within the 0.8-1.2 MNSQ target. The only concern was active, whose outfit MNSQ of 1.19 is borderline. In terms of ZSTD, two traits were slightly beyond the +/- 2.0 target interval: talkative (–2.2 infit/–2.1 outfit), and verbal (–2.4 infit/–1.9 outfit). However, they did not warrant deletion being instances of over fit, adhering too well to the model (Linaacre 2009b).**

### Table 3: Surgency POS Fit

<table>
<thead>
<tr>
<th>ENTRY</th>
<th>MOD3</th>
<th>INFIT</th>
<th>OUTFIT</th>
<th>³PT-MEASURE ³EXACT MATCH3</th>
<th>³NUMER</th>
<th>MEAS S.E</th>
<th>MNSQ</th>
<th>ZSTD</th>
<th>MNSQ</th>
<th>ZSTD</th>
<th>CORR.</th>
<th>EXP.3 OBS% EXP.%</th>
<th>Trait</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>.12</td>
<td>.11</td>
<td>1.8</td>
<td>1.19</td>
<td>1.7²</td>
<td>.63</td>
<td>.66</td>
<td>74.0</td>
<td>77.9</td>
<td>Active</td>
<td>.89</td>
<td>³</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>.44</td>
<td>.10</td>
<td>1.4</td>
<td>1.14</td>
<td>1.9²</td>
<td>.65</td>
<td>.68</td>
<td>73.1</td>
<td>72.4</td>
<td>Bold</td>
<td>.12</td>
<td>³</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.72</td>
<td>.11</td>
<td>.7</td>
<td>1.00</td>
<td>.0²</td>
<td>.68</td>
<td>.69</td>
<td>69.3</td>
<td>71.9</td>
<td>Extravert</td>
<td>.10</td>
<td>³</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>.24</td>
<td>.11</td>
<td>.9</td>
<td>.90</td>
<td>-2.2²</td>
<td>.88</td>
<td>-2.1</td>
<td>.72</td>
<td>.69</td>
<td>Talkative</td>
<td>.70</td>
<td>³</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>.61</td>
<td>.11</td>
<td>.89</td>
<td>-2.4²</td>
<td>.88</td>
<td>-1.9²</td>
<td>.72</td>
<td>.69</td>
<td>75.3</td>
<td>71.2</td>
<td>Verbal</td>
<td>.30</td>
<td>³</td>
</tr>
<tr>
<td>MEAN</td>
<td>.00</td>
<td>.11</td>
<td>1.00</td>
<td>-.1²</td>
<td>.02</td>
<td>.1³</td>
<td>.73</td>
<td>72.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Differential Item Functioning

Differential Item Functioning (DIF) further tests measure invariance. It again divides the sample into different sub sample pairs and compares how items perform for each (Salzberger, Newton, and Ewing 2014). Though unlike DTF, DIF compares items one at a time while holding others constant (Linacre 2009b). The reason such a similar analysis was done at this stage, was to verify the operation of measures after some items had been deleted.

As before, respondents were partitioned by gender, age and brand usage. Results were again cross-referenced. Items failing two of three tests were culled. For Surgency POS, all three subsamples arranged items in the same general order, though items were at different intensities. Overall DIF was acceptable. Trait intensities for all sub sample pairs were reasonably close. Only in one out of 15 instances did a trait, active, slightly exceed Zwick et al.’s (1999) 0.64 logit difference guideline. Since no traits showed two DIF instances, all were kept.

Individual Item Functioning

Rasch Model adherence was further evaluated through individual item functioning. The differences between respondent trait allocation propensity and trait intensity produce probabilistic functions. The latter indicate how likely respondents of different abilities would on average correctly answer items. The graphic representation of these functions, below, are known as Item Characteristic Curves (ICC) (Bond and Fox 2007).

The horizontal axis, in logits, represents the difference between respondent trait allocation propensity and trait intensity. The vertical axis, in percentages, represents the trait allocation likelihood. The red logarithmic curve going from lower left to upper right represents the theoretically ideal ICC. As one moves from left to right along the curve, odds increase in favor of trait allocation. The thin blue jagged line represents trait’s empirical ICC. Each ‘x’ represents the average value of a response category (Linacre 2009b). There only being six response categories follows Surgency POS having only five traits. Respondents can attribute one to five traits (five categories) or no traits at all (sixth category). The thin grey lines above and below the theoretical ICC represent a 95% confidence interval. These are located 1.96 standard deviations vertically away from the theoretical ICC (Bond and Fox 2007).
Figure 3: Surgency POS Theoretical and Empirical ICC
Surgency POS’s empirical ICC approximate reasonably well their theoretical ideal, the jagged curves actually quite normal (Linacre 2009b). For all traits, allocation probability is directly related to the difference between respondent propensity and trait intensity. A direct relationship thus exists with respect to the latent variable. Furthermore, all empirical ICC tend to be within the 95% confidence intervals. Exceptions are extreme respondents, those assigning all or no traits. This further confirms overall model compliance. That said, not all Surgency POS traits perform equally well. E.g. active has its response categories concentrated in the upper allocation probability range, this trait more likely than average to be allocated.

**Multiple ICC**

Theoretical ICC are all identical. What varies is their horizontal position in response to their item’s relative difficulty. Items easy to answer correctly have ICC towards the left. Harder items have theirs towards the right (Bond and Fox 2007).

Multiple ICC can be simultaneously displayed. This allows to see how items operate together, as a scale. Figure 4, below, shows the theoretical and empirical ICC for Surgency POS’ five traits. As before, the horizontal axis indicates the differences between respondent propensity and trait intensity. The vertical axis indicates allocation probability. The thick solid lines are theoretical ICC. The thin jagged ones empirical ICC.

**Figure 4: Surgency POS Multiple ICC**
The five Surgency POS ICC are ordered in terms of increasing intensity along the horizontal axis. *Active*, the most frequently attributed trait and thus the least intense one, is to the far left. *Bold, talkative* and *verbal* of intermediate intensity follow. *Extraverted*, the least frequently attributed trait and thus the most intense one, is to the far right.

ICC should ideally be well and evenly spaced. Each should cover a specific ability/difficulty range. The reason being that when the vertical ICC axis is later transformed from probabilities into log odds, and ICC curves become parallel lines, each curve should cover a specific point along the measurement continuum (Wright 1999). Surgency POS ICC are somewhat evenly spaced. The only exception is *verbal*, located tightly between *talkative* and *extraverted*. Being almost on top of *extraverted* makes *verbal* problematic from a position perspective. From a conceptual perspective, *verbal* is close to *talkative*. *Verbal* should indeed be adjacent to *talkative*. However, based on the initial construct map, *verbal* is less intense than *talkative* and should thus be to the latter’s left, not its right. People are first *verbal*, then *talkative*. Though the inverse ordering is likely due to respondents understanding of these two traits, the average person more familiar with *talkative* than with *verbal*. Based on familiarity alone, *talkative* is assigned more often making it less intense than it should be, hence its anomalous position. When ICC curves are close together, some are likely redundant, able to be culled without sacrificing scale integrity (Bond and Fox 2007). Since from a position and content perspective *verbal* is problematic, the trait was deleted.

The deletion of *verbal* improved Surgency POS’ inter-curve spacing providing a clearer measure, below.

**Figure 5: Surgency POS Reduced Multiple ICC**
Measure Statistics

Eliminating verbal had other positive results: It concentrated Surgency POS statistics further around ideal values: Maximum outfit MNSQ and ZSTD decreased from borderline values of 1.19/1.9 to the more acceptable 1.03/0.4; maximum infit values decreased from 1.11/1.8 to 1.05/0.8; minimum outfit MNSQ and ZSTD increased from 0.88/-2.1 to 0.95/-0.9; and minimum infit values increased from 0.89/-2.4 to 0.95/-1.1. Improved fit was confirmed by outfit and infit MNSQ standard deviations decreasing from 0.13/0.09 to 0.03/0.03. Also by PMC range tightening and shifting upwards from 0.63/0.72 to 0.67/0.71.

Measure precision, how exact measures are, is indicated by model errors (Linacre 2009b). Surgency POS’ average error was 0.11 with a standard deviation of 0.0, indicating fairly precise measures (Linacre 2009c). Measure reliability, how reproducible measures are, ranges from 0 to 1 and refers to the attainment of consistent item hierarchies over different applications (Bond and Fox 2007). Surgency POS’ reliability was 0.97, also good. However, reliability becomes somewhat insensitive when error is small, as in this case. Separation helps resolve this by confirming measure reliability. Separation is essentially a signal-to-noise ratio. It indicates true variance opposed to error variance. Separation coefficients range from 1.0 (50% reliability) to 9.0 (99% reliability) (Linacre 2009c). Surgency POS’s intermediate real and modeled separations of 6.17 and 6.23 support, though moderate, the former high reliabilities. In sum, Surgency POS’s is a reasonably robust first effort.

Item Person Map

Surgency POS, by now a scale, can be graphically represented. Figure 6, below, shows the Surgency POS item-person map. In it, item’s difficulty and respondent’s ability are represented along the same vertical continuum. On the far left are scale intensities expressed in logarithmic units. Being an interval scale, distances between units are equal along the entire continuum, able to be concatenated (Bond and Fox 2007). To the left of the central axis are respondents. These are grouped into trait attribution categories. As before, the existence of only five respondent categories, opposed to a continuous distribution, follows having only four items. Respondents more prone than average to allocate traits are located in the top half of the graph. Those less prone are in the bottom half. To the right of the central axis are the four Surgency POS traits. More intense traits, those allocated less than average, are in the top half. Less intense traits, allocated more than average, are towards in the bottom half. The average trait intensity “M” is used as the scale’s zero point. Spread is indicated by one (S) and two (T) standard deviations.
Figure 6: Surgency POS Item-Person Map

Responses

\[
\text{EACH} \ '##' = 14. \\
\text{Each} \ '.' < 14
\]

<more>l<rare>

\[
+2 \text{ Logits} \text{.########## } +
\]

\[
+1 \text{ Logit} \text{.### } +
\]

Extraverted

Talkative

0

\[
-1 \text{ Logit} \text{.### } + \text{Active}
\]

Bold

\[
-2 \text{ Logits} \text{.### } +
\]

<less>|<frequ>
Rasch Brand Personality Measures

Following the same process and criteria as with Surgency POS, nine additional Rasch BP scales were developed. Figure 7, below, summarizes the scales’ final items and their respective intensities, in logits.

Figure 7: Rasch Brand Personality Measures

Strengths of the Rasch BP Measures Developed

The Rasch BP Scales (R-BPS) developed show both strengths and weaknesses. As for strengths, they begin to overcome the limitations of conventional BP scales. A first one is the R-BPS being closer to proper measures. Data was mathematically transformed into logarithmic scales. These approximate the fundamental requirements of proper measures: Unidimensionality, referring to single, albeit general constructs; invariance, not changing regardless of respondents, stimuli or position; and concatenation, units able to be added and multiplied with one another.

A second strength is R-BPS construct validity. Most BP scales developed to date do not refer to personality in a strict sense. Inadequate definitions and operationalizations had them incorporate physical characteristics, demographics, and socio-cultural evaluations, all
outside the realm human personality (Allport 1938; Azoulay and Kapferer 2003). In contrast, the R-BPS derive from a BP definition and operationalization consistent with the biophysical notion of personality. They thus refer to the personality of brands, and nothing else.

A third R-BPS strength is taxonomical congruence with human personality. The Big Five are personality’s fundamental dimensions, irrespective of culture, gender and age group (Cervone and Pervin 2008). Most BP scales developed to date only marginally resemble the Big Five. They mix items from multiple dimensions, some BP dimensions completely beyond the scope of human personality (Conejo 2011). Based on human personality, BP’s structure should mirror the Big Five (Geuens, Weijters, and De Wulf 2009). The R-BPS do this.

A fourth R-BPS strength is them being more balanced. Human personality consists of both positive and negative traits (Cervone and Pervin 2008). Though most BP scales developed to date consist of positive traits only (Conejo 2011). They thus provide incomplete construct measures (Geuens, Weijters, and De Wulf 2009). If BP’s complex nature is to be truly understood, appropriate instruments, contemplating both positive and negative aspects must be developed (Azoulay 2007; Stapley 1996). The R-BPS also satisfy this.

A final R-BPS strength is predictability. Measures should not only be descriptive, but also permit future estimates (Weiss and Yoes 1991). Especially personality measures, whose purpose is to forecast behaviors (Chaplin, John, and Goldberg 1988). However, BP scales produced to date are strictly descriptive. They refer only to respondent’s past performance. In contrast, the R-BPS are probabilistic. They predict future performance at both the respondent and item level (Hambleton and Swaminathan 1985).

**Weaknesses of the Rasch BP Measures Developed**

The R-BPS developed do present important limitations in regards to ideal measures. First is lack of coverage. Ideal measures span broad continuums (Andrich 1982). They should at least cover the entire response spectrum. Failure to do so leads to some responses not being measured (Bond and Fox 2007). The R-BPS only partially cover response spectra. Coverage ranges from 20% (Openness NEG) to 50% (Openness POS). Average coverage is 34%, less than half the response range. Respondents with particularly high or low trait allocation propensities are not covered. Only moderate ones, limiting scale’s use to the central allocation spectrum.

A second limitation is item spacing. Ideal measures should consist of relatively many, evenly spaced items that comprehensively cover response spectra. Measurement imprecision otherwise emerges, as values need to be estimated (Bond and Fox 2007). The R-BPS contain few items, on average only four to five each. Item spacing is also erratic, showing item clusters (Openness NEG) and gaps (Openness POS). This reduces scales’ precision.

A third limitation is item alignment. Ideal measures align items with benchmark intensities, e.g. the scale’s mid-point. This allows for practical and intuitive scales. Items should furthermore mirror responses to improve measurement precision (Linacre 2009). R-BPS items do not align with respondents nor with benchmark intensities. Items are often located between these (Surgency POS) further making measurement imprecise and non-intuitive.
A final limitation is item progression. Mental characteristics are continua (Eysenck 1965; Thurstone 1934), personality dimensions spanning a range of intensities (Eysenck 1967; McCrae and Costa 1990). Items covering continua should be cumulative from a content perspective, progressively reflecting more of the variable in question (Smith et al. 2006). The R-BPS do not have progressively-ordered items. Items of conceptually higher intensity are often positioned before lower intensity ones. E.g. Surgency POS has bold (−0.30 logits) as being less intense than talkative (+0.40 logits). This further reduces scales’ intuitiveness and practicality.

Discussion and Recommendations
The above limitations might be attributed to few final items: Additional items tend to improve scales (Bond and Fox 2007): They extend range, fill gaps, and normalize spacing, alignment and order (Linacre 2009; Smith et al. 2006). Per Salzberger and Sinkovics (2006) DIF item splits were attempted. However, increased item numbers did not resolve the above limitations. The exercise was abandoned and scales left as originally developed. More fundamental factors influencing results were thus considered.

Item Source: The R-BPS operationalized personality using Goldberg’s 100 Markers. However, these were factor-analytically derived. Only the top 20 loading items represented each factor. Item quality was thus limited by reliability maximization criteria which narrowed construct scope (Duncan 1984). To overcome this problem, large taxonomies like Saucier and Goldberg’s (1996) 435 Most Familiar traits might instead be used, or better yet, personality adjective lists like Norman’s (1967) 1,566 Traits. These should suffer less from limited intensity ranges. While comprehensive, such extensive lists are certainly impractical. Instead of developing scales for all BP dimensions at once, as presently attempted, future efforts should concentrate on single dimensions. This would take full advantage of list’s richness, keep initial trait numbers manageable, and maintain scale development efforts focused.

Scale Dimensionality: Measures must be unidimensional. Doing otherwise, covering multiple constructs with a single measure, confuses results (Bond and Fox 2007). The R-BPS in general refer to individual constructs. But they are not entirely unidimensional. They likely consist of multiple sub dimensions, each pertaining to different, more specific constructs. That R-BPS items are not ordered in terms of progressive intensity is likely caused by combined latent sub dimensions (Linacre 2009b). Future Rasch scaling efforts should thus first uncover variables’ complete taxonomies. And only then proceed to develop corresponding scales. Until dimensionality is not properly resolved, robust measures are unlikely be developed. Addressing dimensionality requires a substantial number of initial items: large enough to afford multiple dimensional splits, cull non-functioning items, and then still have a broad and densely populated scale. This further supports using large initial trait sets focused on single dimensions.

Item clarity: Goldberg’s Markers were used for being relatively understandable. Though they still included items that were somewhat obscure, e.g. imperturbable; subject to interpretation, e.g. bold, meaning confident or imprudent; and/or item pairs whose subtle differences were not that clear, e.g. verbal vs. talkative. This likely impacted item progression. A further way to improve future efforts is by using more easily understood items. Culling obscure and confusing traits might be done by cross referencing against other sources or through a preliminary research stage. Understanding can also be improved by providing a context, be it formulating items as sentences, bipolar pairs or providing definitions.
Stimuli: Product categories have personalities that emphasize particular dimensions (Alt and Griggs 1988; Venable et al. 2005). E.g. business schools are typically competent (Opoku, Abratt, and Pitt 2006) tourism destinations exciting (Murphy, Moscardo, and Benckendorff 2007), and shampoos gentle (Smit, Bronner, and Tolboom 2007). This likely impacted item progression: Technology brands might be perceived as performing and innovating. This could explain why with e.g. Surgency POS, active and bold were more attributed, hence less intense, than talkative and extraverted, arguably characteristics of secondary importance within technology. To counter this bias, future Rasch BP scaling efforts should include stimuli from a range of product categories, not only one.

Instrument: To reduce item skipping and improve data quality, checklist answer options were extended from single “yes” tick boxes to double “yes” or “no” tick boxes. Instructions then requested that respondents answer all items, irrespective if traits described the brand or not. Though these measures had an undesirable side effect: Traits, whose meaning was not clear nor applicable to the brands, were forced into the model affecting results. Future Rasch scaling efforts should certainly continue to use checklists. However, checklist answer options should include a third “don’t know/non-applicable” tick box. This will slightly increase respondent time and effort. But it will help exclude unreliable answers improving data quality.

Respondent-Item ratio: Rasch Modelling processes person and item data equally to produce measures. Components should therefore be balanced, with similar numbers of items and respondents (Bond and Fox 2007). However, the present effort used 664 responses compared to merely 10 items per scale. This dramatic imbalance likely skewed the algorithm output, and made fit indicators oversensitive (Linacre 2009). Future Rasch scaling efforts should therefore strive to balance item-response ratios. This might be done by reducing the number of responses, say to around 300, a sufficient sample to assess items appropriately (Ewing, Salzberger, and Sinkovics 2005). Also, by dramatically increasing the number of initial items, say to at least 100. This further supports using large initial trait sets focused on single dimensions.

In sum, to benefit from Rasch Modelling’s full potential, scale development should consider the technique’s particulars from the very beginning.

Closing Thoughts

This research set out to explore an alternative Rasch-based scale development technique towards the production of BP measures that more closely approximate measurement theory’s guidelines. This was accomplished. From a measurement theory perspective the scales developed are still far from ideal. However, they are a first approximation to proper measures within the field of BP and set the stage for subsequent refinement efforts.

Conceptually, a more precise BP definition was also proposed. It better aligns BP with human personality, and clearly differentiates it from other constructs. This is key if terminological order is to brought to the field of branding (Conejo and Wooliscroft 2014). Methodologically, an alternative Rasch scale development technique was tested. A series of implementation-related issues were identified and discussed. Though most importantly, suggestions as to how future efforts might be improved were provided.
Empirical results should support theory. But it might be more valuable for them to conflict, as this may elucidate important issues. The only way fields can truly develop is through the resolution of discrepancies (Linacre 2009b; Wright 1999). From this perspective, and despite the scale’s important limitations, the present effort does make contributions. They are first step in a new line of enquiry, providing foundations for further research on which to build, including its application to more macro constructs.

On a more general note, standardized measures are essential for fields to become truly quantitative (Ramsay 1975). Though the current hodgepodge of social science measures makes comparing results difficult, if not impossible (Fisher 1993). Marketing would therefore benefit from going back to the basics of measurement. Like the physical sciences, marketing should strive to develop standardized measures for its different variables of interest. This would allow local observations to be expressed in single, universally-accepted units. The ability to compare results would stimulate discussion and the systematic acquisition of knowledge. Basically, marketing’s development as a science, e.g. Bartels (1951) or Hunt (1976), among others.

Imperfect measures are certainly better than none at all. And marketing’s progress through these is undeniable. Though it might be time to take marketing to the next level. Stevens’ (1946) lax notion of measurement was the product of psychology back then lacking the theory and methods to obtain proper measures. In an effort to move forward (and gain scientific legitimacy), the field, and later social sciences in general, adopted this alternative measurement notion (Michell 1997). Though in the particular case of marketing, it has since achieved a high degree of theoretical and methodological sophistication. The field is now able to regain the rigor of proper measurement as per the physical sciences. Only adherence to tradition prevents marketing from moving in this direction (Salzberger and Koller 2013).

The pursuit of proper measurement, and the development of standardized units for its different variables of interest, constitute an interesting opportunity for macromarketing: Conventional marketing is too focused on micro aspects. That, and its mainstream mentality, make it an unlikely source of change. In contrast, macromarketing has always considered marketing from a much broader and progressive perspective. It has long contemplated neglected areas such as sustainability and marketing systems. Macromarketing therefore drives, rather than follows, marketing thought. By becoming a forum for nascent scaling techniques, macromarketing is ideally poised to start leading the way towards another neglected area: proper measurement in marketing. The field might want to consider this new direction.

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Towards an ecological approach to macromarketing

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This paper suggests an alternative route aimed to overcome the dichotomies characterizing the methodologies applied in the macromarketing literature by drawing on three prominent theoretical advancements characterizing recent human sciences. These are the "new mobilities paradigm" (e.g. Sheller and Urry, 2006), "non-representational theories" (e.g. Cadman, 2009) and "actor network theory" (e.g. Latour, 2005). These three approaches share a diachronic ontology, involving an emphasis on flux, doing, agency, process of emergence. They all also emphasize the break-down of binary concepts, the interpenetration between formerly opposite categories, and the blurring of the reality and virtuality. Departing from their common ontological understanding of the world, this paper first discusses their epistemological communalities and differences, secondly it discusses the extent to which a combination of these theoretical stances can be a fruitful contribution to take a more holistic investigation of macromarketing phenomena via particular methodologies and, finally, it discusses both its opportunities and limitations. The paper further articulates its proposal by proposing an "ecological approach" to macromarketing phenomena, which is able to capture, via an entangled methodology, among other aspects, the close interconnectedness between firms and the places in which they are operating, the performative character of business activities and the complex networks of both human and non-human actors affecting and being affected by the "global brand society" (Kornberger, 2010) today. Finally, the study sets an agenda that may guide methodologists and marketing scholars in further explorations of relational understandings of the nexus between marketing processes and society at large.

References


A Modest Proposal Towards a Societal Marketing Approach for Higher Education

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This paper provides a critical analysis of marketing international higher education. Following the idea that services marketing has established its own branch of marketing, recognizing unique characteristics that require adjusted marketing strategies, this paper suggests that higher education has unique characteristics that suggests a societal marketing with a service-dominant logic approach. Based on a literature review and case study observations, this paper highlights conceptual ideas regarding marketing international higher education.

Introduction

Over the past decades, the concepts and principles of marketing have broadened to include non-profits and sub-disciplines such as health care, tourism, and arts marketing (Kotler, 2005). In the attempt to apply commercial marketing principles, concepts and ideas to these new areas in marketing, an evolution took place. Services marketing ‘broke free’ from product marketing (Shostack, 1977). Recognizing that some of the ideas of commercial goods do not apply to services, the new branch established that services are intangible, inseparable, heterogeneous, and perishable, and therefore needed new strategies to overcome additional challenges in marketing.

Many scholars and practitioners categorize higher education under the services branch and move on with their business of marketing. A beautiful campus, reputation, and an alma mater diploma on your wall-- these all provide physical evidence of education as a product and service. This inseparability of production and consumption in higher education seems to maintain, even with non-traditional schedules and more frequent on-line distribution systems. After all, online offerings require predictable and prepared syllabi and curricula. Accreditation standards may continue to bring homogeneity of product to degree programs.

But higher education evolves in complexity and purpose. When its purpose includes molding students as contributing members of our international community, another marketing strategy is required. This strategy would require a further inclusion, assuming the truth of this proposition: Higher education not only creates a product and service for the consumer, but also satisfies a societal need.

If that’s true, then

Two questions emerge. One, is marketing in higher education sophisticated enough for the inclusion of a societal dimension, or are we as scholars only fitting our marketing models to the educational field in order to research/apply theoretical strategies. Second- or, perhaps part of the same question-- are we glossing over important differences between service and educational purposes. Ramachandran (2010) and Nicolescu (2009) argue that marketing frameworks cannot be translated or have limits of application in the higher education environment.
In reality, marketing in higher education has barely evolved from the sale-of-product orientation. While many non-profit institutions still resist calling their publicity work marketing (“quality education does not need marketing”), many for-profit institutions have hired large sales call centers to respond to inquiries after mass advertising campaigns. In economies of scale, sales efforts have increased profits, and many institutions follow the commercial selling approach. Moreover, marketing degree programs or field of study take on consumer orientation when even high-school guidance counselors provide school rankings and salary tables as most influential in the choice processes. Consumers (the students or the employer?) themselves hardly know what to expect from the marketer. After an extensive review of the literature in HE marketing, Hemsley-Brown and Oplatka (2006), express, “clearly, much research is needed to examine the notions of: ethical perceptions, personal and moral philosophies, ethical values and social responsibilities (p334)”.

Some may argue that higher education and public interest are inseparable, which calls for a societal marketing approach. This paper argues for such a societal marketing approach that evolves from a managerial product orientation of marketing higher education towards a more macro orientation. What shift of thinking in marketing of higher education considers its impact on societal development?

A Case Study

The historical development and marketing efforts of the business school in a small-scale private non-profit institution may be both typical and atypical for opportunities in educational marketing. This institution, which once served a unique diverse burgeoning group of international students, now faces increased competition for the international student market. Home of well-known faculty and an innovative approach to education, the programs at the business school of this university included strategic management, marketing, hotel management, and finance. Students came to the U.S. from all over the world, with branch campuses in the United Kingdom, Kenya, and Mexico City. Beyond discourse on innovations in strategy and management, professors discussed turbulence in social, environmental and political dimensions. Lecture and seminar rooms, filled with students from countries often at war with each other back home, confronted cultural differences and deconstructed their passionate perspectives. Students found support through their professors, advisors, and each other. New students came from word-of-mouth, not from marketing strategies.

The school itself went through times of financial challenges and mismanagement. The events of September 11, 2001, further brought passport and visa restrictions that hindered international students from accessing education in the United States. The university struggled and finally merged into its current form in 2005. Since the merger, the school experienced declining student enrollments. Although alumni of this program still remain a close group because of their transformation in international exchange, this asset was largely disregarded.

Qiang (2003) suggested that two developments are increasingly influencing the international dimension of higher education marketing; the recruitment of foreign students for institutional income and due to national economic interest, and the use of information & communication technologies. In this case, several administrations experimented with program, marketing the business school to professionals, to upgrade their credentials. A sales office, call center and an executive MBA to focus on the local market through an intensive selling approach (e.g., open houses) failed. Marketing efforts now focus on recruiting through agent involvement and partnership universities, both oriented to sell a product. While the
enrollment numbers are increasing through foreign-agent recruiting, it is questionable how sustainable this strategy and its effect on educational purpose.

Currently, some marketing efforts focus on the international/multicultural pillar of the university’s mission statement, “to be an inclusive institution committed to serving diverse populations around the world by preparing professionals to work effectively across cultural and national boundaries, by increasing the number of professionals working in underserved areas, and by understanding and responding to the needs of diverse communities.” Given that this mission broadly values service to social well-being in diverse international communities, how might international marketing of such a higher education proceed?

**A modest proposal**
The current marketing concept for higher education requires that it will fulfill and satisfy the institutional as well as the consumers’ objectives. The commercial approach recognizes the need both for an institution’s financial survival, and for the student/employer a degree that enables job success (quality assurance, a competency based education). If we can successfully communicate these benefits to the involved parties, and successfully emplace ourselves in an open market that tries to do the same things, we satisfy the basics of a consumer-oriented marketing approach.

However, a shift towards a societal marketing approach requires us to re-think education as a common good rather than solely a consumer product. For the marketing of international higher education, we therefore consider not only the university’s and the individual students’ degrees but also envision society’s multiple benefits. The word "education" is derived from the Latin ἐδúcátio (<http://en.wiktionary.org/wiki/en:educatio#Latin>); (“A breeding, a bringing up, a rearing”). Other dictionaries add “molding” to the term’s ing. Along with offering skills and training, when international education is our objective, we are raising up students to become contributing members in an international community.

Current consumer marketing strategy for higher education places education into the service (vs. goods) marketing category and proceeds with 4-P’s strategies. A paradigm shift towards a services-dominant logic (Vargo and Lusch 2008) moves marketing for higher education into the macromarketing domain. S-D logic considers services “as the application of specialized competences (operant resources, knowledge and skills) through deeds, processes, and performances for the benefit of another entity or the entity itself,” (Vargo and Lusch, 2008, 26). Rather than the exchange of product for profit, education would be viewed as a continued process of value co-creation. The S-D logic then has implications for macromarketing and societal well being “… because S-D logic can be a framework for (1) value defining and creation in society, (2) resource expansion in society, (3) fostering sustainability, and (4) informing public policy (p.34). A paradigm shift towards service dominant logic would re-introduce common, societal value to the marketing of higher education and emphasize value co-creation among stakeholders (students, employers, university, society), fostering integrity with normative implications.

Interestingly, the macromarketing field has not yet identified the marketing of higher education as an area of research focus (Shapiro et al. 2009; Wilkie and Moore 2006). There is some research on the design of marketing education (Bradshaw and Tadajewski 2011; Rosa 2012), lamenting the consumerist culture but also suggesting constructive ways to enhance and differentiate the curriculum for the international students. Rather than exporting education, international students import different cultural and social perspectives while participating in global problem solving. Implied would be an appeal for diversity within the student
body. The university would position itself as a university with a truly international mindset and engage in relationship marketing. Jiang and Carpenter (2011) include HE issues such as integration, operation, communication, resource, people, change and culture. Implied would be a multicultural openness not only in communication but in program offerings. Maringe (2005) suggests that developers come up with a curriculum, "which not only reflects the needs and wants of potential customers, but one which can also make a valid claim for inclusion and incorporation in the new educational environment" (p.576).

When we deliver education to include societal needs, it becomes more than an exchange of degree for profit, but a product that grows through institution, student, country, and global relationships. By bringing in their cultural perspectives while discussing discipline-specific materials, students co-create knowledge, shape and mold multicultural problem solving.

Marketing in our case study then becomes more than selling, advertising, public relations and sales promotion, but moves forward to include relationship marketing and issues with resonance to an international community. A societal marketing approach might even shift the focus of higher education, itself endangered when education is marketed as product for profit.

References


Quality of life

Chair: Sameer Hosany

**Session 4b – Thursday 3rd July, 8:30am**

A systematic literature review of quality of life research in marketing
*Sujit Raghunathrao Jagadale, Debiprasad Mishra*

Shopping well-being and subjective well-being: The role of shopping ill-being
*Ahmet Ekici, Dong-Jin Lee, Grace Yu, Michael Bosnjak*

Exploring Different Well-Being Scales: A New Zealand Application
*Alexandra Ganglmair-Wooliscroft*

**Session 5b – Thursday 3rd July, 11:00am**

Understanding the consumer values of self-help: Magic versus logic values
*Kaleel Rahman*

Importance of faith, national pride and the value of global brands in Turkish consumers’ assessment of their quality of life
*Özlem Sandıkcı, Ahmet Ekici, Mark Peterson, Travis Simkins*

Using commercial big data to inform social policy: Possibilities, ethics, methods and obstacles
*Andrew Smith, Leigh Sparks, James Goulding*

Emerging model of Quality-of-Life (QOL) of consumers and producers in relation to an alternative food network in Turkey
*Forrest Watson, Ahmet Ekici*

**Session 7b – Thursday 3rd July, 4:15pm**

A macromarketing perspective of the consumer issue of the future:The quality of life of the elderly, globally
*James W. Gentry, Robert A. Mittelstaedt*

Seeking Halal food in the U.S. through social media
*Yusniza Kamarulzaman, Ann Veeck, Mushtaq Luqmani, Zahir A. Quraeshi*

New Zealand underdogs: Giving all a ‘Fair Go’
*Lee Phillip McGinnis, Robert Andrew Davis, James W. Gentry, Tao Gao, Sunkyu Jun*
A Systematic Literature Review of Quality of Life Research in Marketing

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We systematically review the extant Quality of Life literature (QoL) in marketing to understand its status across implied dimensions of conceptualization and contextualization of quality of life in marketing. We further study how the concept is examined by marketing scholars and the results of such examination. We aim to build a holistic understanding of the QoL concept and research as it is applied in the field of marketing. We also attempt to raise certain critical issues; the result of this should be of use in extending research to as yet unexplored spaces.

Marketing is a dynamic process of society through which business enterprise is integrated productively with society's purposes and human values (Drucker, 1958). Building on Vargo and Lusch (2004) it could be said that marketing as a process can be dynamically conceived as the co-creation of ‘existential values’ for the various stakeholders involved. Further, borrowing from Sirgy (2001), a claim could be made that marketing is a science of positive social change. Kotler (1969) maintains the pervasiveness of marketing as a societal activity. The broadening movement untied the marketing paradigm from the narrow confines of commercial marketing to illustrate its application to a larger number of contexts in which exchange and relationship activities take place (Kotler, 2005). Kotler and Armstrong (2003) have persuasively delineated the societal dimension of the discipline; this is contained in their argument that organizations strive to deliver superior value to customers in a way that maintains or improves the customers’ and the society’s well being.

Literature

In the post industrial society concern over the quality of life has become paramount, and the public understanding of marketing has undergone change, towards an appreciation of its functions in creating and offering value (modified from, Kotler, 1972). Improving the QoL in society is seen as a tremendous business opportunity (Sirgy, 2001, p.6) as this has opened challenging avenues for the business.

The subject Quality of Life suffers from embarrassing richness of possibilities (Nussbaum and Sen, 1993, p.208). There are a number of different standpoints from which the question of what makes a person's life better, in any one of these senses, might be asked. There is, as yet, no mega theory of QoL. Numerous theories have been proposed at different points of time by diverse group of scholars posing various questions about the phenomenon of QoL. It is a dynamic and holistic concept that incorporates the material, relational and cognitive/affective dimensions of peoples’ lives (Land, et al., 2012)

QoL research in marketing is social and behavioural science research that support the concept of QoL-marketing. Mulvill (1978, p. 27) has defined marketing in relation to QoL as: ‘Marketing is a total system of business activities that plan, price, promote, and distribute wants satisfying products and services to customers so that a quality of life is delivered to consumers that is culturally and aesthetically rewarding with the least environmental costs.’
QoL research has engorged the numerous possibilities in marketing since its formal recognition in the AMA sponsored workshop entitled "Social Indicators for Marketing- New Tools for Marketing Management" during the 1971 AMA International Conference in San Francisco (Clewett and Olson 1974) and the acceptance of the QoL as a principal idea in later years. The QoL concept helped marketers and researchers transcend their traditional conceptions/boundaries of consumer well being to encompass economic, work, family, physical, leisure, social, spiritual, environmental and political well beings.

**Objectives of the research**

This paper attempts a systematic literature review of QoL research in marketing with the following objectives.

1) To understand how was the concept quality of life defined by various marketing scholars?
2) In what context the concept quality of life empirically investigated in marketing?
3) How was the concept quality of life examined by marketing scholars?
4) What were the results of the examination?
5) The paper concludes by highlighting the critical issues in QoL research in marketing

**Methodology**

Following Weed (2005) we say that systematic literature review is often contrasted with traditional literature reviews because systematic reviews are objective, replicable, systematic, comprehensive, and the process is reported in the same manner as for reporting empirical research. Klassen et al. (1998) define SLR as “a review in which there is a comprehensive search for relevant studies on a specific topic, and those identified are appraised and synthesized according to pre-determined explicit method. This review explored studies that have examined ‘QoL’ from marketing perspective. Our focus was to gain the overall meta-picture of QoL studies, as investigated empirically in marketing, so we excluded the model development and conceptual research papers from the study.

A systematic method was followed to search studies to be included in the study. The researches included in the study are identified through two way processes. Top tier marketing journals are shortlisted based on the rankings provided by Harzing (2014) and the studies in QoL are located using the ‘advanced search options’ and ‘key words’ in the available databases like Pro-Quest, J-Stor and EBSCO. Following citation pearl method, references provided in the research studies are browsed through to further locate the QoL studies in marketing. The articles shortlisted for the final study were to meet all the given specifications

I. It should be in English language
II. It must be an empirical study; all other studies than empirical are excluded from the data pool
III. It must have discussed ‘Quality of Life’ as a topical theme and
IV. It must have examined ‘Quality of Life’ studies in marketing either quantitatively or qualitatively

**Results**
Our results confirm Nussbaum and Sen’s (1993) contention that the concept quality of life suffers from embarrassing richness of possibilities. There was no unified theoretical framework or consensus to understand the concept. Most of the studies were conducted in the context of developed world. 13 studies were reported from developing world. Out of these 13, 11 were from Asia, one from south America and one from across the third world. Studies from Africa were conspicuously missing. A contextual analysis of sample also revealed that ‘quality of life’ is being applied in the various macro-contextual settings like globalization, economic policies, marketing systems etc. 71% of all the empirical articles were found to be using quantitative methodology against 23% using qualitative methodology and 2% applying mixed method. All quantitative studies were cross-sectional in nature. Most of the quantitative research reported survey as the data collection method against predominantly case study in qualitative method. Various data analysis techniques are employed where regression and factor analysis and structural equation modeling dominating the scene.

Our sample of empirical studies illustrates that quality of life is a tenable concept. It is valuable concept at an individual and societal level. Various macro-economic, macro-business and topical themes are emerging from these empirical studies in the context of which the concept quality of life was examined. The major macro-economic themes were the role of globalization, technology, investments, economic policies etc in the quality of life. The macro-business themes were the role of business and marketing systems in examining the quality of life. The topical themes which emerged from the systematic literature review were the health and tourism.

We also intend to raise the critical issued emerging from the systematic literature review. The empirical QoL research in marketing is heavily skewed towards positivist paradigm. Most of the studies are from developed nations. The collectivist societies have received disproportionately less focus in this research. The subsistence marketplace and consumer are excluded in the QoL research in marketing. We are going to argue the need for multi paradigmatic approach to understand the phenomenon of QoL in marketing, having existential and experiential values. We also argue the need of longitudinal design to examine the concept quality of life. Further, the need to include the excluded geographies and hitherto excluded subsistent consumer segments would be argued.

Limitations

We acknowledge the limitations of conducting these kinds of studies and particularly this study. This review was confined to studies published in English language top ranking marketing journals. The studies published in language other than English were not included in the study. The dissertations and non peer reviewed articles were categorically excluded. The key words used to search the researches were ‘quality of life’; the use of the words ‘consumer well being’ along with ‘quality of life’ would have yielded more quality of life studies in marketing.

Contributions

This paper contributes to the QoL research in marketing in conceptual and substantive manner. To our understanding this is the first attempt of the systematic literature review in the QoL and marketing studies. Systematic literature review shall aid in methodically fusing the ‘state’ of the QoL studies across many thematic areas in marketing. This shall help researchers understand the state of the research in marketing and QoL, the issues focused by
marketing researchers in QoL research and the gaps, if any. This paper would broaden the understanding of the QoL research in marketing and future studies can be built on the gaps uncovered in this study.

References


Shopping Well-being and Subjective Well-being: The Role of Shopping Ill-being

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Micheal Bosnjak, Free University, Italy

Background

Understanding the relationship between Shopping well-being (defined as the belief that shopping contributes to overall quality of life of oneself and one’s family producing an overall sense of well-being) and overall life satisfaction is crucial both for macromarketers/policy-makers, and retailers. However, to date, this important relationship has been understudied. Most research focus on either positive or negative consequences of shopping activities on consumers’ well-being. This research, although informative, falls short in recognizing the complex nature of the consequences of shopping activities. Our study takes a rather inclusive (and arguably more realistic) perspective and aims to investigate the simultaneous impact of positive and negative consequences of shopping activities on consumers’ evaluation of their overall life satisfaction. We develop a literature driven model to test the relationships among shopping well-being (SHWB) and shopping ill-being (SHIB) and subjective well-being (SWB) in Turkey and in UK. The results in both contexts indicate that SHWB impacts SWB. Moreover, although SHIB alone does not have an impact on SWB, it moderates the relationship between SHWB and SWB. In other words, as hypothesized, the effect of shopping well-being on subjective well-being amplifies under conditions of low than high shopping-ill being.

Positive Consequences of Shopping Experiences: Shopping Well-being

Current research indicates that shopping may contribute to the well-being of consumers by creating hedonic enjoyment and satisfaction of self-expressive needs. Specifically, marketing scholars have argued that shopping is associated with hedonic value (e.g., Arnold & Reynolds, 2003, 2012; Babin, Darden, & Griffin, 1994), excitement and delight (e.g., Oliver, Rust, & Varki, 1997; Wakefield & Baker, 1998), and enjoyment (e.g., Beatty & Ferrell, 1998). Shopping activities have been described as a form of “recreation” (e.g., Backstrom, 2006; Guiry, Magi, & Lutz, 2006), entertainment (e.g., Moss, 2007), or related to enthusiasm that creates emotional arousal and joy (e.g., Jin & Sternquist, 2004; Pooler, 2003).

In addition, research over the past decade, has demonstrated that shopping activities (i.e., shopping) may help consumers express themselves (Timothy, 2005). As a result, it is possible to argue that shopping activities are not only hedonically enjoyable but also self-expressive in that they allow the consumer to become emotionally involved with the purchase. This involvement, in turn, may serve to actualize the consumer’s potential in becoming a good mother/father, wife/husband, etc. Much of this discussion is related to shopping well-being (SHWB).

Negative Consequences of Shopping Experiences: Shopping Ill-being
Even though much research has focused on the positive consequence of shopping, other research points to the dark side of shopping. For example, research has linked shopping to compulsive behavior that adversely affect consumers’ quality of life (e.g., Hosch & Loewenstein, 199; Kwak, Zinkhan, & Crask, 2003; Mowen & Spears, 1999; Natatajaan & Goff, 1992; O’Guinn & Faber, 1989; Rindfleisch, Burroughs, & Denton, 1997; Roberts, Manolis, & Tanner, 2003; Roberts & Tanner, 2005). In addition, researchers have pointed out the negative impact of shopping when consumers perceive shopping as work and a “necessary evil” (e.g., Babin, Darden, & Griffin, 1994; Campbell, 1997; Fischer & Arnold, 1990; Sherry, McGrath, & Levy, 1993).

Focusing on the negative consequences of shopping, it is possible to imagine situations where an individual’s shopping activities result in a decrease in one’s overall life satisfaction, particularly when the individual spends too much time, energy, and money on shopping activities at the expense of other life domains. In such situations, family well-being is likely to be adversely affected. In addition, when a consumer spend too much time on shopping, other life domains (e.g. work life, leisure life, social life) are likely to be adversely affected. Much of this discussion is related to shopping ill-being. The construct of shopping ill-being has been conceptually developed (Ekici et al., 2013) but its role in consumers’ overall life satisfaction (i.e. subjective well-being) has not been demonstrated.

The Conceptual Model and Hypotheses

Shopping Well-being and Subjective Well-being

As noted, Shopping well-being is defined as the belief that shopping contributes to the overall quality of life of oneself and one’s family producing an overall sense of well-being. This concept suggests that consumers experience hedonic enjoyment and satisfaction of self-expressive needs through shopping activities. Positive affect from shopping well-being experiences are likely to spillover to other life domains including social life, family life, work life, community life, and financial life. In fact, a recent study (Sirgy et al., 2012) finds that shopping well-being does indeed contribute to life satisfaction for certain people (those who are self-expressive in shopping) and under certain conditions (when shopping leads to money savings). As such, we hypothesized that shopping well-being contributes positively to shoppers’ overall sense of well-being (i.e., subjective well-being).

H1: Subjective well-being is a positive function of shopping well-being.

Shopping Ill-being and Subjective Well-being

Shopping ill-being is defined as the degree to which consumers experience impulsive or compulsive buying in shopping through overspending time, effort, and money, Here, resources (time, money, and effort) an individual invests in shopping come at the expense of time, money, and effort required in other life domains to maintain a certain level of life satisfaction. This overspending (time, money, and effort) on shopping generally result in complaints among family members, relatives/friends, and/or people at work. These complaints, in turn, contribute to a significant amount of dissatisfaction in life domains related to family life, social life, work life, and financial life.

One such avenue for considering the relationship between shopping-ill-being and subjective well-being is that of compulsive buying (Ridgway, Kukar-Kinney, & Monroe, 2008).
Compulsive buying may result in a host of negative consequences, such as financial problems, emotional harm (e.g., negative feelings, feeling guilty), and social and relationship problems (Faber & O’Guinn, 1992). These factors may influence shopping ill-being experiences, which could lead to negative impact on subjective well-being through a bottom-up spillover effect. In other words, spending too much time shopping may detract from opportunities to engage in other activities that can enhance the sense of social well-being, family well-being, work well-being, etc. Furthermore, spending too much money on material acquisition is likely to lead to financial debt, which may take away from spending on other goods and services essential to social well-being, family well-being, work well-being, etc. As such we hypothesized that shopping ill-being negatively contributes to subjective well-being.

**H2: Subjective well-being is a negative function of shopping ill-being.**

**The Simultaneous Impact of SHWB and SHIB on SWB: The Interaction Effect**

Research in other contexts suggests that the extent to which people can effectively balance their lives is positively associated with the overall sense of well-being (i.e., subjective well-being)—that is, the less the role conflict between the various life domains (e.g. work life, family life, leisure life, and financial life) the greater the overall sense of well-being (e.g., Ayree, Fields, & Luke, 1999; Carlson, Kacmar, & Williams, 2000; Frone, Russell, & Cooper, 1992). When people experience difficulty balancing role demand stemming from various life domains, they are likely to experience low quality of life. For example, in the context of “work-family balance,” Greenhaus, Collins, and Shaw (2003) report that when individuals invest substantial time in their combined work and family roles, they are likely to experience a higher quality of life than those who spend more time in work life at the expense of family life.

When an individual spends too many resources (time, energy, and money) on shopping activities at the expense of other life domains (family, work, social, leisure, and financial), shopping well-being is likely to contribute negatively to overall sense of well-being (i.e., subjective well-being). Conversely, when an individual spends his/her resources (time, energy, and money) in shopping activities in such a way that do not conflict with the aforementioned life domains, shopping well-being is likely to contribute positively to subjective well-being. (Figure 1). In other words, we hypothesize an interaction effect between shopping well-being and shopping ill-being.

**H3: Shopping well-being is likely to contribute more to subjective well-being under conditions of low than high shopping ill-being.**

**Method**

**Sample and Data Collection**

A dyadic method was used in this study. In other words, each survey questionnaire was completed by two participants: the subject and an informant. The informant was provided with a similar version of the questionnaire with the exception that he or she was required to respond to questions about the assigned subject. The data collection took place in Turkey and in UK. The objective of collecting data in two countries was not to do cross-country comparison, but to ensure wider variability in the data capturing the model’s constructs and relationships. In each country context, the study participants (students) were asked to recruit a
family member who does most of the shopping for the family to participate in the study. The students played the role of the informant, whereas the family member played the role of the focal subject. The data collection took place in 2013.

**Measures**

The informant and focal subject questionnaires are made up of five sections. Section I includes one item for the 15 unique dimensions of SHIB shown in Table 1. Sections II and III include items representing shopping well-being and overall life satisfaction. Existing consumption happiness scales (Nicolao et al., 2009; Van Boven & Gilovich, 2003) were used to develop the shopping well-being items. Similarly, items from the Satisfaction with Life Scale (Pavot & Diener, 2008) were modified to measure subjective well-being. In addition to the measures pertaining to the central constructs of the study, Sections IV and V include a host of measures that represent covariates (or control variables). Examples of control variables include the sense of well-being in other life domains (e.g., satisfaction with work life, satisfaction with family life, satisfaction with financial life, satisfaction with social life, satisfaction with leisure life, satisfaction with residential life, etc.) and a host of other demographic variables (e.g., household income, marital status, education, gender, employment status, etc.).

**Findings and Discussion**

The data analysis (conducted using ANOVA) confirmed the main effect of SHWB on SWB (H1) as well as the interaction effect of SHIB on the relationship between SHWB and SWB (H3), but not the main effect of SHIB on SWB (H2). The results were consistent both in the case of the pooled sample of 1,351 respondents and in each country context (1,035 respondents in UK; and 316 respondents in Turkey). Please see the Appendix for details.

As noted, the relationship between SHWB and SWB had been empirically demonstrated to a limited extend (i.e. for certain people (those who are self-expressive in shopping) and under certain conditions (when shopping leads to money savings) (Sirgy et al. 2012). Our ANOVA results confirm this relationship without any restrictions.

The data analysis did not confirm the direct relationship (i.e. the main effect) between SHIB and SWB. However, this finding does not mean that shopping ill-being is not important in understanding the effect of shopping on overall life satisfaction. The confirmation of H3 clarifies the pivotal role SHIB plays in this context: Shopping ill-being interacts with shopping well-being in that the effect of shopping well-being on subjective well-being is amplified under low than high shopping ill-being conditions.

Our findings are important from multiple perspectives: We empirically demonstrated the direct link between shopping well-being and subjective well-being; we successfully measured and validated the shopping ill-being construct; and we were able to demonstrate its role in the context of consumers’ shopping experiences. These findings have implications for both micro marketers (e.g. retailers and managers of shopping malls) and for macromarketers and public policy makers.

Retailers, for example, should create shopping environments that would allow consumers to experience higher levels of shopping well-being. This can be done, for example, by providing customers with in-store guidance, employee assistance, or efficient store layout. These efforts by the retailer, in turn, may decrease the time and effort spent by customers,
thus, leading to a greater satisfaction in shopping. In addition, to reduce shopping ill-being (e.g. compulsiveness in shopping activities), policy makers may develop and enforce regulations in terms of credit card use and education programs regarding financial and time management/balancing. A comprehensive set of factors affecting shopping well-being and shopping ill-being (and therefore more comprehensive list of recommendations for improving SHWB and reducing SHIB) can be found in Lee et.al (forthcoming).

References


**Appendix: ANOVA Results**

1. **Pooled sample**

   **1) The Main Effect of Shopping Well-Being (SHWB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>SHWB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>SWB</td>
<td>4.086(.058)</td>
<td>4.462(.062)</td>
</tr>
</tbody>
</table>

   ![Graph](image)

   **2) The Main Effect of Shopping Ill-Being (SHIB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>SHIB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>SWB</td>
<td>4.210(.059)</td>
<td>4.338(.061)</td>
</tr>
</tbody>
</table>

   **3) The Interactive Effect of Shopping Well-Being (SHWB) and Shopping Ill-Being (SHIB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>IV: SHWB</th>
<th>Moderator: SHIB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
<td>F(1,1350)=</td>
</tr>
</tbody>
</table>

600
2. U.K. only

- **The Main Effect of Shopping Well-Being (SHWB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>SHWB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWB</td>
<td>Low</td>
<td>3.852(.066)</td>
</tr>
</tbody>
</table>

- **The Main Effect of Shopping Ill-Being (SHIB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>SHIB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWB</td>
<td>Low</td>
<td>3.949(.069)</td>
</tr>
</tbody>
</table>

- **The Interactive Effect of Shopping Well-Being (SHWB) and Shopping Ill-Being (SHIB) on Subjective Well-Being (SWB)**

<table>
<thead>
<tr>
<th>DV</th>
<th>IV: SHWB</th>
<th>Moderator: SHIB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWB</td>
<td>Low</td>
<td>3.701(.101)</td>
<td>4.004(.085)</td>
</tr>
</tbody>
</table>
3. Turkey only

- The Main Effect of SHWB on SWB

<table>
<thead>
<tr>
<th>DV</th>
<th>Shopping wellbeing</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>SWB</td>
<td>5.007(.092)</td>
<td>5.252(.086)</td>
</tr>
</tbody>
</table>

- The Main Effect of SHIB on SWB

<table>
<thead>
<tr>
<th>DV</th>
<th>Shopping ill-being</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>SWB</td>
<td>5.012 (.087)</td>
<td>5.247(.091)</td>
</tr>
</tbody>
</table>

- The interactive effect of shopping well-being and shopping ill-being on subjective well-being (SWB)

<table>
<thead>
<tr>
<th>DV</th>
<th>IV: SHWB</th>
<th>Moderator: SHIB</th>
<th>F-value (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWB</td>
<td>Low</td>
<td>High</td>
<td>F(1,315)</td>
</tr>
<tr>
<td>-------</td>
<td>-----------</td>
<td>-----------</td>
<td>----------</td>
</tr>
<tr>
<td>Low</td>
<td>4.745(.136)</td>
<td>5.270(.123)</td>
<td>5.315**(p&lt;.05)</td>
</tr>
<tr>
<td>High</td>
<td>5.280(.107)</td>
<td>5.224(.135)</td>
<td></td>
</tr>
</tbody>
</table>
Exploring Different Well-Being Scales: A New Zealand Application
Alexandra Ganglmair-Wooliscroft, University of Otago, Dunedin, New Zealand

Well-being and happiness are complex concepts that are operationalized using a range of approaches. This paper provides results from a survey investigating three well-being scales in New Zealand: the Personal Well-being Index (PWI), the Orientation to Happiness Scale and the Flourishing Scale. Basic psychometric characteristics of the measurement instruments are explored and results are compared to previous applications in other countries and New Zealand. It is found that PWI and the Flourishing scale are psychometrically solid measures that significantly explain Satisfaction with Life as a Whole.

Introduction

The “promotion of individual well-being … is one of the legitimate goals – perhaps the most important goal – of the modern state” (Andrews, 1974, p. 279). Well-being is one of macromarketing’s key concept and knowledge about the characteristics of measures employed to capture well-being of a population is essential for providing valid and reliable research results. This paper presents preliminary results from three different well-being measures, explores their psychometric characteristics and compares results in a New Zealand context.

Well-being and happiness are complex, multidimensional concepts and while our knowledge increases, the subject’s complexity is reflected in a struggle for consistency and difficulty to delineate concepts (Filep & Deery, 2010, Sirgy, 2012). However, Hedonism and Eudaimonism, distinct but overlapping philosophical perspectives, provide the background for a majority of research (Filip, 2012; Peterson, Park and Seligman, 2005; Silva & Caetano, 2013). Simplified, hedonism – and its current representation Hedonic Psychology (Kahneman 1999) - equates happiness to achieving a maximum amount of pleasure (Peterson, Park and Seligman, 2005; Ryan and Deci, 2001, Sirgy, 2012), while the process of living well is core to Eudaimonic theories (Ryan, Hut and Deci, 2008). These theories share an overall believe that “that people should develop what is best within themselves and then use these skills and talents in the service of greater goods” (Peterson, Park and Seligman, 2005, p.26).

There is considerable debate about the compatibility of different philosophical approaches, see for example the Journal of Positive Psychology in 2008 and 2009 (Vol 3(4) & Vol 4(3)) which includes a debate by Kashdan, Biswas-Diener, & King, Waterman, followed by several commentaries on the similarity, differences and compatibility of the two perspectives in a psychology context.

Sirgy (2012) provides a framework integrating different approaches within these seemingly different conceptual foundations. The framework is based on three philosophical underpinnings: Psychological, Prudential, and Perfectionism Happiness.

• Psychological Happiness is closely related to Hedonic Psychology (Kahneman, 1999). This approach sees well-being as the product of positive and negative
emotions that are experienced during a certain period of time (Kahneman, 1999; Sirgy, 2012)

- **Prudential Happiness** includes Life Satisfaction and cognitive SWB components as “A great majority of QOL researchers view life satisfaction as self-avowals of happiness” (Sirgy, 2012, p.13). However, the concept also encompasses elements of engagement (Peterson, et al., 2005) and the concept of Flow (Csikszentmihalyi, 1997; Nakamura & Csikszentmihalyi, 2002)

- **Perfectionism Happiness** comprises Eudaimonic approaches including Psychological Well-being (Ryff, 1989) and the Self Determination Theory (Ryan & Deci, 2001; Ryan, et al, 2008). Within this stream, researchers relate well-being “to a life that is good in all respects, including a moral life” (Sirgy, 2012, p.18).

Empirical research in psychology (and marketing) traditionally emphasized aspects of Prudential Happiness with research on Subjective Well-Being and Life Satisfaction being particularly prominent (Diener, 1984; Diener et al., 1999; Lee, et al., 2002; Pavot & Diener, 2008; Sirgy 2012; Sirgy & Lee, 2006). However, research also acknowledges that SWB covers only part of the underlying concept of happiness (Peterson, et al., 2005; Seligman, 2002; Sirgy and Wu, 2009) and scales have been developed that capture additional facets. For example, Peterson, et al. (2005) propose a scale modelled on Seligman’s (2002) authentic happiness, that touches on all three philosophical underpinnings discussed by Sirgy (2012) and Diener, et al., (2010) provide a short scale to measure psychosocial flourishing, touching on aspects included in Perfectionism Happiness and expanding the range covered within Prudential Happiness. This research will apply the Personal Wellbeing Index (PWI) (Cummins, et al, 2003), the Orientation to Happiness Scale (Peterson et al., 2005) and the Flourishing scale (Diener et al., 2010).

PWI has been developed by Cummins, et al., (2003) and is used by the International Wellbeing Group (2013; see also: http://www.deakin.edu.au/research/acqol/iwbg/). It uses the Life-Domain approach and includes seven (or eight, see the following discussion) domains that represent the first level deconstruction of Satisfaction with Life as a Whole (Lau et al. 2005). While not part of PWI itself, the index is generally preceded by a question asking respondents to rate their Satisfaction with Life as a Whole (SLAW). This question is used in the validation stage as dependent variable to investigate the relative influence of the individual life domains. The domains are semi-abstract and broad to facilitate cross-cultural application (Cummins, et al., 2003). Included domains are Satisfaction with Standard of Living, Health, Achieving in Life, Personal Relationships, Safety, Community Connectedness and Future Security (International Wellbeing Group 2013). An eight dimension, Satisfaction with Religion/Spirituality, has been considered by the group after 2006 and is included in the current research. Latest discussions among key members came to the conclusion that the eight dimension would only be included if it adds significantly to the understanding of SLAW.

Every domain is investigated using a scale from zero to 10, anchored completely dissatisfied to completely satisfied. Data is standardized into units of percentage of sample maximum, resulting in a 1-100 distribution for every question and the PWI is computed by averaging responses over the seven/eight dimensions, resulting in a scale that ranges from 0 to 100. The psychometric characteristics of the scale have been tested extensively. The PWI has been applied in a multitude of countries (see http://www.deakin.edu.au/research/acqol/index.php for information about scale translations and publications) and the author is the Primary Researcher for New Zealand.
The Orientation to Happiness Scale (OHT) investigates three different pathways to well-being and includes sub-scales on Life of Pleasure – based within Psychological Happiness, Life of Meaning – based within Perfectionism Happiness, and Life of Engagement – based within Prudential Happiness. See Table 3 for the individual questions in each sub-scale. When discussing the justification for the three sub-scales, the authors state that Life of Meaning, based on eudaimonic theories of happiness, and Life of Pleasure, based on hedonic theories of happiness, are well-established concepts. Life of Engagement, that builds strongly on Csiksentmihalyi’s (1997; Nakamura & Csikszentmihalyi, 2002) concept of flow has not been investigated in that form (Peterson, et al., 2005).

The scale has been developed and tested in the United States (Peterson et al., 2005; Peterson, Ruch, Beerman, Park, and Seligman, 2007; Schueller and Seligman, 2010), employed in Australia (Giannopoulos & Vella-Brodrick, 2011; Vella-Brodrick, Park and Peterson, 2009) and – in its original English language version – also applied in a cross-cultural context (Park, Peterson, and Ruch, 2009). Authors generally check the results using Exploratory Factor Analysis, which confirms the three-factor structure and Cronbach’s alpha (> 0.7 for all three sub-scales). An in-depth exploration of the dimensional structure in a German language application using Confirmatory Factor Analysis revealed some problems, especially regarding the A Life of Engagement factor (Ruch, Harzer, Proyer, Park and Peterson, 2010). However, as there is a strong theoretical justification for the dimensions, the authors concluded the original factor structure should be used (Ruch, et al., 2010).

The third measurement applied to investigate well-being and happiness is Diener’s et al., (2010) Flourishing scale which was developed to complement measures on SWB consists of eight items “describing important aspects of human functioning ranging from positive relationships, to feelings of competence, to having meaning and purpose in life” (Diener et al., 2010; p146). The scale has been developed and tested in the US (Diener et al., 2010) and replicated in other countries (see for example Silva and Caetano, 2013). Table 4 shows the individual questions included in the Flourishing Scale.

The scale has been designed and tested in the US (Diener et al., 2010) and replicated in a number of other countries (see for example Silva and Caetano, 2013) with good psychometric results. The original application of the scale led to a single factor solution with a Cronbach’s alpha of 0.87, factor loadings between 0.61 and 0.77 and 53% of the items’ variance explained by the factor (Diener et al., 2010). In their replication in Portugal, Silva and Caetano (2013) report a similar psychometric results (Cronbach’s alpha 0.83; 47% of variance extracted) and a Confirmatory Factor Analysis that support the one-dimensional structure of the scale.

Methodology

Data for this project was collected in 2013 using a commercially acquired online sample. Three hundred and twenty-two responses that are representative of the New Zealand population in terms of age (18 years and above) and gender were used for the analysis.

The three scales were analysed using the process suggested by the original authors.

Analysis and Results

Respondents are on average 46 years old and 53% of are female. Their average household income (before tax) is NZ$ 65,000 which is also comparable to the New Zealand population in general (see www.statistics.govt.nz). This study included one overall Life Satisfaction
question, which is typically used prior to the PWI (International Well-being Group, 2011). Using the same format than the PWI, the question asks respondents: How satisfied are you with your life as a whole. In the current survey, respondents report an average Satisfaction with Life as a Whole (SLAW) of 68.9 (Standard Deviation 20.3).

Table 3 shows results for this application of the PWI in New Zealand. An exploratory factor analysis reveals that, as expected, all individual dimensions load onto one factor and factor loadings are all above 0.7 (except for spirituality or religion 0.58). The mean value of PWI is 67.65 if spirituality or religion is included or 67.51 if it is not included and Cronbach’s alphas are 0.90 and 0.91 respectively.

Table 1: Personal Well-Being Index

<table>
<thead>
<tr>
<th>How satisfied are you with …</th>
<th>Factor Loadings</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>what you are achieving in life?</td>
<td>0.85</td>
<td>65.03</td>
</tr>
<tr>
<td>your future security?</td>
<td>0.84</td>
<td>64.72</td>
</tr>
<tr>
<td>your standard of living?</td>
<td>0.81</td>
<td>68.54</td>
</tr>
<tr>
<td>feeling part of your community?</td>
<td>0.81</td>
<td>65.65</td>
</tr>
<tr>
<td>how safe you feel?</td>
<td>0.80</td>
<td>74.91</td>
</tr>
<tr>
<td>your personal relationships?</td>
<td>0.78</td>
<td>68.82</td>
</tr>
<tr>
<td>your health?</td>
<td>0.72</td>
<td>64.88</td>
</tr>
<tr>
<td>your spirituality or religion?</td>
<td>0.58</td>
<td>68.66</td>
</tr>
</tbody>
</table>

Principal Component Analysis, EV 4.8; Variance Explained 60.1%

PWI Mean incl Spirituality: 67.65
Cronbach's alpha: 0.90 (if spirituality excluded 0.91)

PWI Mean excluding Spirituality 67.51
Cronbach's alpha: 0.91; no improvement if any deleted

As part of the PWI validation process, individual life domains are regressed onto the summary question SLAW. As shown in Table 2, 76% of SLAW is explained by Satisfaction with what you are achieving in life, the standard of living, personal relationships, health and how safe you feel (in decreasing order of importance). Satisfaction with feeling part of the community, your future security and spirituality or religion are not significant predictors of SLAW.

As spirituality or religion does not add significantly to the explanation of SLAW, and does further not alter the mean of PWI significantly, (67.65 including, 67.51 excluding; Paired Samples t-test: t = -0.98 ; sign > 0.05), PWI without spirituality or religion will be used for further analysis.

Table 2: PWI: Regression of Life Domains onto SLAW

<table>
<thead>
<tr>
<th>How satisfied are you with …</th>
<th>Unstandardized B</th>
<th>Std. Error</th>
<th>Standardized Beta</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>3.57</td>
<td>2.50</td>
<td>.15</td>
<td></td>
</tr>
<tr>
<td>what you are achieving in life?</td>
<td>.397</td>
<td>.05</td>
<td>.42</td>
<td>.00</td>
</tr>
<tr>
<td>your standard of living?</td>
<td>.25</td>
<td>.04</td>
<td>.25</td>
<td>.00</td>
</tr>
<tr>
<td>your personal relationships?</td>
<td>.15</td>
<td>.04</td>
<td>.17</td>
<td>.00</td>
</tr>
</tbody>
</table>
Results of the Orientation to Happiness scale are found in Table 3. The three factors explain 55% of the variance in the data (33% Life of Meaning, 14% Life of Pleasure, 8% Life of Engagement. All six variables conceptualised to capture the meaning dimension load only on that dimension (all values > 0.3 printed in the table) and all variables conceptualized to capture pleasure also load highest on their intended factor (although ‘I go out of my way to feel euphoric’ shows characteristics of a complex variable and also loads on a second factor (Engagement), albeit to a lower degree. When the factor Life of Engagement is investigated, two variables are rather problematic: ‘I seek out situations that challenge my skills and abilities’ and ‘In choosing what to do, I always take into account whether I can lose myself in it’ load higher onto another factor than on their intended one.

Table 3: Orientation to Happiness Scale: Results

<table>
<thead>
<tr>
<th>Component</th>
<th>Mean</th>
<th>Pleasure</th>
<th>Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meaning: I have a responsibility to make the world a better place</td>
<td>0.81</td>
<td>4.70</td>
<td></td>
</tr>
<tr>
<td>Meaning: My life has a lasting meaning</td>
<td>0.80</td>
<td>4.65</td>
<td></td>
</tr>
<tr>
<td>Meaning: What I do matters to society</td>
<td>0.78</td>
<td>4.46</td>
<td></td>
</tr>
<tr>
<td>Meaning: My life serves a higher purpose</td>
<td>0.76</td>
<td>4.47</td>
<td></td>
</tr>
<tr>
<td>Meaning: I have spent a lot of time thinking about what life means and how I fit into its big picture</td>
<td>0.71</td>
<td>4.50</td>
<td></td>
</tr>
<tr>
<td>Meaning: In choosing what to do, I always take into account whether it will benefit other people</td>
<td>0.67</td>
<td>4.75</td>
<td></td>
</tr>
</tbody>
</table>

Variance Explained: 33%; EV: 5.9; Cronbach's alpha: 0.87

Mean value for "A Life of Meaning": 4.59

<table>
<thead>
<tr>
<th>Component</th>
<th>Mean</th>
<th>Pleasure</th>
<th>Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pleasure: For me, the good life is the pleasurable life</td>
<td>0.81</td>
<td>4.78</td>
<td></td>
</tr>
<tr>
<td>Pleasure: I love to do things that excite my senses</td>
<td>0.77</td>
<td>4.91</td>
<td></td>
</tr>
<tr>
<td>Pleasure: In choosing what to do, I always take into account whether it will be pleasurable</td>
<td>0.75</td>
<td>4.58</td>
<td></td>
</tr>
<tr>
<td>Pleasure: I agree with this statement: &quot;Life is too short - eat dessert first&quot;</td>
<td>0.66</td>
<td>4.48</td>
<td></td>
</tr>
<tr>
<td>Pleasure: Life is too short to postpone the pleasures it can provide</td>
<td>0.65</td>
<td>5.08</td>
<td></td>
</tr>
<tr>
<td>Pleasure: I go out of my way to feel euphoric</td>
<td>0.65</td>
<td>0.38</td>
<td>3.73</td>
</tr>
</tbody>
</table>

Variance Explained: 14%; EV: 2.5; Cronbach's alpha: 0.84

Mean value for "A Life of Pleasure": 4.59
Engagement: I seek out situations that challenge my skills and abilities 0.44 0.32 0.36 4.85
Engagement: In choosing what to do, I always take into account whether I can lose myself in it 0.52 0.49 3.64
Engagement: Whether at work or play, I am usually "in a zone" and not conscious of myself 0.72 3.87
Engagement: I am always very absorbed in what I do 0.68 4.76
Engagement: I am rarely distracted by what is going on around me 0.61 4.03
Engagement: Regardless of what I am doing, time passes very quickly 0.45 5.12

Variance Explained: 8% ; EV: 1.4; Cronbach’s alpha: 0.69
Mean value for "A Life of Engagement": 4.39

The third scale explored during this research is Diener et al.,s (2010) eight-item Flourishing scale. All eight items clearly load onto one factor that explains 56% of the variance. Variables have a satisfactorily high factor loading ranging from 0.67 to 0.84 and Cronbach’s alpha is 0.89 (see Table 4). The mean value for Flourishing in New Zealand is 5.17 (on a scale of one to seven). Overall, the Flourishing scale provides solid psychometric results and works well in New Zealand, especially given its broad and inclusive conceptualisation.

Table 4: Results of Flourishing Scale in New Zealand

<table>
<thead>
<tr>
<th>Component</th>
<th>Loadings</th>
<th>Mean (1-7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I lead a purposeful and meaningful life</td>
<td>0.84</td>
<td>5.07</td>
</tr>
<tr>
<td>People respect me</td>
<td>0.80</td>
<td>5.07</td>
</tr>
<tr>
<td>I am optimistic about my future</td>
<td>0.80</td>
<td>5.24</td>
</tr>
<tr>
<td>I am engaged and interested in my daily activities</td>
<td>0.75</td>
<td>5.02</td>
</tr>
<tr>
<td>My social relationships are supportive and rewarding</td>
<td>0.70</td>
<td>4.94</td>
</tr>
<tr>
<td>I am competent and capable in the activities that are important to me</td>
<td>0.69</td>
<td>5.55</td>
</tr>
<tr>
<td>I am a good person and live a good life</td>
<td>0.69</td>
<td>5.37</td>
</tr>
<tr>
<td>I actively contribute to the happiness of other people</td>
<td>0.67</td>
<td>5.12</td>
</tr>
</tbody>
</table>

Variance Explained 56%, EV 4.4; Cronbach’s alpha 0.89
Mean value for Flourishing: 5.17

The final analysis explored the relationships between Well-being measures and their importance to explain SLAW. As expected, PWI correlates highly with SLAW (r = 0.85), and the latter variable is also highly correlated with Flourishing (r = 0.65). Sub-scales of Orientation to Happiness on the other hand correlate relatively weakly with SLAW (r < 0.35) (see Table 5).

Table 5: Correlations between Well-being Scales

<table>
<thead>
<tr>
<th></th>
<th>PWI mean</th>
<th>A Life of Meaning</th>
<th>A Life of Pleasure</th>
<th>A Life of Engagement</th>
<th>Flourishing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with your</td>
<td>0.85</td>
<td>0.35</td>
<td>0.32</td>
<td>0.33</td>
<td>0.65</td>
</tr>
</tbody>
</table>
Looking at scales that predict SLAW, the pattern of the results shown in Table 6 is replicated with PWI and Flourishing significantly adding to the explanation of SLAW. Seventy-three percent of SLAW is explained by the two well-being measures.

### Table 6: Regression of Well-being Scales on SLAW

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized B</th>
<th>Std. Error</th>
<th>Standardized Beta</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-4.80</td>
<td>3.91</td>
<td></td>
<td>0.22</td>
</tr>
<tr>
<td>PWI mean</td>
<td>0.86</td>
<td>0.05</td>
<td><strong>0.75</strong></td>
<td><strong>0.00</strong></td>
</tr>
<tr>
<td>Flourishing</td>
<td>4.21</td>
<td>1.13</td>
<td><strong>0.18</strong></td>
<td><strong>0.00</strong></td>
</tr>
<tr>
<td>A Life of Meaning</td>
<td>-1.16</td>
<td>0.69</td>
<td>-0.07</td>
<td>0.09</td>
</tr>
<tr>
<td>A Life of Pleasure</td>
<td>0.45</td>
<td>0.69</td>
<td>0.02</td>
<td>0.52</td>
</tr>
<tr>
<td>A Life of Engagement</td>
<td>-0.73</td>
<td>0.89</td>
<td>-0.03</td>
<td>0.41</td>
</tr>
</tbody>
</table>

Dependent Variable: Satisfaction with Life as a Whole
Method: ENTER  Adjusted R square 0.73; F 172.10; p < 0.00

### Discussion and Conclusion

This paper reports results from three well-being measures employed in New Zealand. The reported average Satisfaction with Life as a Whole (SLAW) of 68.9 is comparable to previous applications of SLAW in New Zealand: for example, in 2005, SLAW was 69.2 (Ganglmair-Wooliscroft and Lawson, 2011), in 2011 – at a time of considerable economic scepticism and after a large town in New Zealand was hit by a major earthquake – SLAW was 67.4 (Ganglmair-Wooliscroft, forthcoming).

The PWI (Cummins, et al., 2003) is also very stable over time: a mean value of 67.5 in 2013, compared to 67.4 in 2005 (Ganglmair-Wooliscroft and Lawson, 2011, 2012) and 66.3 in 2011 (Ganglmair-Wooliscroft, forthcoming). As discussed above, the 2011 survey happened during a relatively negative period in New Zealand’s psyche that might explain the somewhat lower average. Compared to results in other Western Countries, particularly Australia, the value of the PWI in New Zealand is relatively low – with averages above 75% commonly found elsewhere. However, the stability of PWI is encouraging as it supports the validity of the scale and reduces the likelihood that the low PWI in New Zealand is due to bias in the data collection. Further support for the validity of the PWI is provided as the 2005 and the 2013 application use different modes of data collection: a mail out, paper-and-pencil survey using a traditional sampling procedure, versus an online survey with a commercially acquired online panel.

The adjusted R square of 0.76 found in this survey when life-domains are regressed onto SLAW is higher than in previous applications in New Zealand (2005: 64%; 2011: 67%) and also higher than in many applications in other Western countries (Lau et al., 2005).
Shifting the focus to the Orientation to Happiness Scale (Peterson, et al., 2005), it can be seen that while the established domains of Life of Meaning and Life of Pleasure provide satisfactory results, the newly conceptualized factor Life of Engagement does not provide clear and uni-dimensional results. The same result has previously been observed in a German language application of the scale (Ruch et al., 2010). The authors of that study concluded that due to the strong conceptual underpinnings of the Orientation to Happiness Scale, the original factor structure, including the engagement factor should be retained and individual items should be used as they were conceptualised.

Additionally, engagement is heavily based on Csiksentmihayli’s (1997) idea of flow, a concept that is defined using a number of specific indicators. It is suggested that this represents a formative indicator which would further support the decision to use the variables as intended by the original authors. The mean values of the three sub-scales are very similar with 4.59 for a Life of Meaning and a Life of Pleasure and 4.39 for a Life of Engagement. Interestingly, the scales are not that strongly correlated (between 0.32 and 0.52) indicating that individual people rate the concepts differently.

Looking at the Flourishing Scale, psychometric results in New Zealand are comparable to applications in other countries (Diener et al, 2010; Silva & Caetano, 2013): 56% of variance explained by the Flourishing factor and a Cronbach’s alpha of 0.89 in New Zealand, compared to 53% & an alpha of 0.87 in the US application (Diener et al., 2010) and 47% of variance explained and an alpha of 0.83 in the Portuguese application (Silva & Caetano, 2013). Compared to the US where a mean value of 6.6 was found for Flourishing, the mean value in New Zealand (5.17) is rather low (mean in Portugal 5.4).

Correlations of the Well-being scales revealed that PWI and Flourishing correlate strongly with SLAW, while the three Orientations to Happiness Scales are less strongly related. Reflecting the conceptualisation of Flourishing including wide aspects of psychological happiness and flow (Diener et al., 2010), the scale correlates relatively strongly with a Life of Meaning (r = 0.68) and a Life of Engagement (r = 0.50). As PWI and Flourishing significantly explain SLAW, using these two scales in further analysis is an efficient and effective way of investigating wide ranging aspects of the well-being concept. Further research presented at conference to relate well-being with consumption concepts

References


Understanding the Consumer Values of Self-Help: Magic versus Logic Values

Kaleel Rahman, RMIT University, Melbourne, Australia

In this research, using a mixed-method qualitative approach, we intend to investigate the consumer values of self-help. Although self-help has been studied from a number of disciplinary perspectives (e.g., health – Ossip-Klein, 1997), the area has been largely neglected by researchers in marketing. Our research reveals that, in addition to the orthodox view that self-help involves consumers ‘helping improve themselves’, it has other values including gratification, therapeutic and spirituality. These results are presented in a 2 X 2 matrix.

In this research, self-help is confined to self-guided improvement efforts in terms of reading books, attending seminars, using audio and video products and other modern technologies such as social networking with the purpose of enhancing one’s emotional, physical, economic, and intellectual well-being. Self-help contents (books, seminars, support groups etc.) have had a consistently high rating in the recent years (Bergsma, 2010).

The general purpose of self-help content is to help increase the consumers’ awareness of themselves by helping them to re-discover their real selves. Self-help contents are a resource that consumers can use to help improve themselves by attending a self-help seminar (e.g., by Anthony Robbins or Deepak Chopra) and they will be shown how they can become a better person (Ebben, 1995).

Of particular importance is the trend that consumers spend considerable amount of money in self-help content in order to improve themselves. For example, a four-day event in April 2013 by Anthony Robbins, held in Sydney Olympic Park, was priced at $3995.00 per seat. Anecdotally, many consumers claim to benefit from consuming self-help and academic studies also appear to support these claims to an extent (Bergsma, 2010). However, many people are critical of self-help content. For example, Salerno (2004) claims that the only way to benefit from self-help is to write another self-help book or give a seminar.

In this research, we attempt to answer the following questions: what motivates consumers to seek self-help? Who consumes self-help? How do they go about it? What kinds of values do they derive from consuming self-help?

The research was conducted using a qualitative mixed-method approach with a participant-observation of a medium profile personal development seminar, six depth interviews of self-help consumers, and an analysis of online comments on various self-help materials and presentations.

As shown in Table 1, the themes emerged from this research is presented in a meaningful matrix. In terms of the values derived from self-help, some were of magical in nature indicating instant gratification and spiritual means, and others were more of logical in nature indicating rationally meaningful mechanisms to seek self-help. In terms of their location (current situation), consumers generally seek to enrich themselves to become a better person.
(e.g., to become wealthy) or neutralize themselves from their current negative situations (e.g., to relieve pain and grief). Based on the matrix, the following four themes evolved:

### Table 1. Self-Help Value Matrix

<table>
<thead>
<tr>
<th>Location</th>
<th>Enrichment</th>
<th>Gratification</th>
<th>Destination</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
<td>Consumers’ tendency to seek ways to enhance themselves from their current situation</td>
<td>[fun, play, live in the moment, energize]</td>
<td>[means to an end, systems, rules, guidelines, know-how, utility]</td>
</tr>
<tr>
<td>...</td>
<td>Neutralization</td>
<td>Consumer’s tendency to seek ways to control or neutralize their current situation</td>
<td>[prayer, spirit, sacred, divine, emotional control]</td>
</tr>
</tbody>
</table>

(a) **gratification** – this theme revolved around changing consumers’ body and mind in an instant magical fashion and it was primarily defined by concepts such as fun, play, live in the moment and being energetic. For example, in one of the participant-observation sessions, the presenter got the audience to ‘dance with a new move’ for three minutes and the members got very excited afterwards. Similarly, one interview informant said “Tony Robbins is a like a celebrity to me.. I would pay a lot of money to attend his seminar if he comes here... he’s amazing.”.

(b) **destination** – this theme centered around the orthodox view of self-help and it was primarily defined by concepts such as means to an end, systems, guidelines, rules, know-how and utility. For example, many online comments in response to a number of seminar presenters demonstrated that self-help seekers often have very clear purpose in their consumption and they often appreciated interesting systems and ideas. All of our interview informants were in agreement with this view.

(c) **spirituality** – this theme revolved around divine approaches and it was primarily defined by concepts such as prayer, spirit, sacred, divine, and emotional control. For example, four of the interview informants had strong belief in spirituality during the participant-observation semi-
nar where, for example, one of the presenters was specialized in ‘talking to dead people’ and she created live connections with died relatives of some random participants in the audience.

(d) therapeutic – this theme centered around using traditional therapies to solve consumers’ problems and it was primarily defined by techniques such as physical exercises and eating healthy foods. Responses to these types of neutralization techniques were quite evident in the online comments to such self-help materials. Five of the interview informants were drawn to self-help mainly due to therapeutic reasons. There were also a number of on-stage therapeutic sessions (e.g., flower therapy) during the participant-observation seminar.

Although it is generally believed that consumers tend to seek self-help to ‘help improve themselves’, our research shows that there are a number of dimensions to seeking self-help.

In addition to the above matrix, the presentation will paint a detailed picture of the participant-observation event, the experts who presented, the individuals who attended and the way the program was received. It will examine the way the interaction took place between the large audience of about 3000 people and the presenters, the way the audience responded, the key messages delivered and the way the messages were accepted or critiqued.

References


Importance of Faith, National Pride and the Value of Global Brands in Turkish Consumers’ Assessment of Their Quality of Life

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Ahmet Ekici, Bilkent University
Mark Peterson, University of Wyoming
Travis Simkins, University of Wyoming

Turkey is a country situated at the conjunction of Europe and Asia. Cultural life in Turkey can be characterized as a continual renegotiation of Western values emphasizing individualism and globalization with more traditional collectivist and religious values of the Islamic Middle East. The purpose of this study is to better understand the role of three important antecedents of quality of life for Turks: 1) importance of faith, 2) national pride, and 3) value of global brands. Toward this end, a model is tested using large-scale sampling of Turkish consumers and structural equation modeling. Results of the study suggest the positive influence of global brands on life satisfaction along with the negative influence of both faith and national pride on life satisfaction for Turks. Such results suggest the tensions experienced by consumers in the Turkish marketplace that might not be fully understood by marketers from multinational corporations not versed in the nuances of the Turkish marketplace.

The purpose of this study is to better understand the role of three important antecedents of quality of life for Turks: 1) importance of faith, 2) national pride, and 3) the value of global brands. Toward this end, the study employs well-established scales for measuring these three constructs along with satisfaction with life—a widely-used scale for measuring quality of life. The rest of the paper is structured as follows: we first offer background on Turkey and the Turkish marketplace. We then present the conceptual framework of our study. Next, we explain the methodological procedure and present our findings. We conclude by discussing implications as well as limitations of the study and future research directions.

Globalization

Globalization is a key aspect of the contemporary world. As global forces penetrate deeper, local consumptionscapes transform (Alden, Steenkamp, and Batra 2006; Cornwell and Drennan 2000; Costa 1996; Eckhardt and Mahi 2004; Ger and Belk 1996; van Ittersum and Wong 2010; Wilk 1995). Some argue that consumer tastes and preferences converge and become homogenized (Ritzer 1996); others emphasize fragmentation and point to the multiplicity of hybridized forms of consumption (Hannerz 1996). Consumers’ responses to globalization also vary (Batra et al 2000; Ger and Belk 1996; Holt, Quelch, and Taylor 2004; Russell and Russell 2006; Shultz, Pecotich, and Le 1994). Global brands may be perceived as higher quality and symbols of modernity, and become embraced by consumers. Alternatively, they might be seen as symbols of imperialism and threatening the local cultures. Globalization may aggravate nationalistic feelings and motivate consumers to prefer local alternatives over foreign brands.

Unfavorable evaluations of globalization may trigger different forms of anti-consumption behaviors, ranging from disruptive or even violent actions, such as the protests
during World Trade Organization or G8 meetings to expressions of general cynicism and distrust towards global brands (Cromie and Ewing 2009; Dobscha and Ozanne 2001; Klein 1999; Lee et al. 2009; Witkowski 2005). Some consumers believe that multinational companies are hegemonic forces that care for nothing but their own interests, and use their excessive power to abuse workers, manipulate consumers, and destroy local competition. These consumers can even regard avoiding brands that are hegemonic and manipulative as a “moral duty” (Lee et al. 2009, 175). Resistance to global brands can take the form of boycotting, such as the multi-country boycott of Nike over allegations of child labor abuse and inhumane sweatshop conditions (Klein 1999). Resistance can also take the form anti-branding movements, activist consumer communities that develop informally to voice dissent about corporate actions (Kozinets and Handelman 2004). Examples of anti-brand communities include anti-Starbucks (Thompson and Arsel 2004) and anti-Wal-Mart (Hollenbeck and Zinkhan 2006, 2010).

Consumers may also refuse to purchase certain brands due to their nationalistic tendencies and the associations they have with the brand’s country of origin (Hong and Wyer 1989; Papadopoulos and Heslop 1993). Research on consumer ethnocentrism reveals that some consumers have prejudice against foreign products. Ethnocentric consumers believe that purchasing imported products is wrong and unpatriotic because doing so damages the national economy (Balabanis, Diamantopoulos, Mueller, and Melewar 2001; Shimp and Sharma 1987). Accordingly, they refrain from purchasing imported goods irrespective of their country-of-origin. While the intensity and magnitude of ethnocentric tendencies change from context to context, studies indicate that highly ethnocentric consumers tend to be female, older, and less educated (Good and Huddleston 1995; Sharma, Shimp, and Shin 1995) as well as more conservative, dogmatic, and patriotic (Balabanis et al. 2001; Han 1988; Sharma et al. 1995).

Nationalism may also be related to consumer animosity, the anger consumers feel toward a specific country due to “previous or ongoing political, military, economic, or diplomatic events” (Klein 2002, 346). Angry consumers avoid buying goods produced by that country independently of judgments of product quality. Klein, Ettenson, and Morris (1998) distinguish between “war-based” and “economic-based” animosity. The former refers to hostilities between countries due to crimes and cruelties committed, such as Japan’s bombing of Pearl Harbor (Klein 2002), or the second Intifada of Palestinians against Israel’s occupation of the West Bank and Gaza (Shoham, Davidson, Klein, Ruvio 2006). The latter refers to negative feelings stemming from trading practices between countries that consumers perceive as questionable and unfair (Nijssen and Douglas 2004). Ang, Jung, Kau, Leong, Pornpitakpan and Tan (2004) further distinguish between stable versus situational animosities. Stable animosities accumulate over time and are enduring, whereas situational animosities are temporary in nature and happen in response to specific incidents.

International crises can exacerbate consumers’ hostility toward certain countries. For example, studies report that the ongoing conflicts in Iraq and Afghanistan have provoked anti-American sentiments especially among Muslim consumers around the world and have led to rejection of some iconic American brands (Amine 2008; Lee et al. 2009). In recent years in the Muslim world, several boycotts of American products served as signs of protest against US Middle East policy (Farah and Newman 2010; Fischer 2007). Similarly, the so-called Mohammed cartoons controversy caused uproar in many Muslim societies and triggered boycotting of Danish products (Jensen 2008). In some cases, anti-consumption movements against certain brands can have deep socio-historical roots. For example, the national-
The ideology of *swadeshi* informs the contemporary anti-Coke movement in India (Varman and Belk 2009). As these examples suggest, nationalist and religious ideologies can contribute to consumers’ negative feelings toward certain countries and brands, and trigger different forms of anti-consumption.

**Background on Turkey and the Turkish Marketplace**

Turkey is strategically positioned at the crossroads of Europe, the Black Sea region, and the Turkic-speaking republics of Central Asia. In the words of the Ahmet Davutoğlu, Minister of Foreign Affairs of Turkey since 2009, “It is a European country, an Asian country, a Middle Eastern country, Balkan country, Caucasian country, neighbor to Africa, Black Sea country, Caspian Sea, all these...”. Turkey is the gateway from the ancient Silk Road to new markets and today is becoming a “powerful focal point as a cultural and political intermediary as well as a regional trade center of growing importance” (S Tamer, Emin, H Hulya & Tevfik, 2003).

**The Republic of Turkey**

The Republic of Turkey is a democratic, secular, unitary, constitutional republic with a diverse cultural heritage founded in 1923 by Mustafa Kemal Atatürk (Balfour, 1964). Atatürk was a Turkish army officer in the Ottoman military, revolutionary statesman, and the first President of the Republic of Turkey. Atatürk was a military officer during World War I. Following the defeat of the Ottoman Empire in World War I, he led the Turkish national movement in the Turkish War of Independence. Having established a provisional government in Ankara, he defeated the forces sent by the Allies (Balfour, 1964). His military campaigns led to victory in the Turkish War of Independence.

Atatürk then embarked upon a program of political, economic, and cultural reforms. These sweeping political, social, cultural, and religious reforms known as Kemalism sought to transform the former Ottoman Empire into a modern, secular, and democratic nation-state (Balfour, 1964). Creating the Kemalist state relied on both idealism and coercion in equal parts. With his new policies and direction for the Republic of Turkey, Atatürk dealt Islam a double blow, embracing Western positivism while at the same time crushing ecclesiastical power (Smith, 2005).

Under Atatürk’s leadership, thousands of new schools were built, primary education was made free and compulsory, and women were given equal civil and political rights, while the burden of taxation on peasants was reduced (Lowe, 1997). These reforms helped the new state of Turkey to separate itself from its Ottoman tradition and embrace a Westernized way of life. Today, Turkey is the only secular, democratic, pro-Western country in the Islamic world (though the adjectives ‘secular,’ ‘democratic,’ and ‘pro-Western’ are still subject to debate) (Smith, 2005).

**Turkey and the EU**

Although Turkey is a founding member of NATO, has had a long history of cooperation and goodwill with the west, and has embraced the free and open market system, its foundation of Islam has clashed with its complete integration into the EU. Turkey applied for full membership into (what is now) the EU over twenty-five years ago in 1987 however, its application to the EU remains controversial for several major reasons (Chronology of turkey-eu,
2007). These reasons center on cultural and economic issues, human rights policies, and the possibility of massive out-migration.

While economic issues, human rights policies, and out-migration are concerns, the most vehement opposition from the rest of Europe to Turkey’s accession to the EU centers on issues of culture (Dixon, 2004). To illustrate, former French president Giscard d’Estaing famously said, “[Turkey’s] capital is not in Europe ... and 95 per cent of its population is outside Europe. [It has] a different culture, a different approach, and a different way of life. It is not a European country.” (Dixon, 2004). Another former French president Jacques Chirac said that Turkey will need to undergo a “major cultural revolution” to join the EU (Dixon, 2004). Even Pope Benedict XVI weighed in on Turkey, saying, “The roots that have formed Europe ... are those of Christianity. ... Turkey is founded on Islam.... Thus the entry of Turkey into the EU would be anti-historical,” (Dixon, 2004).

At the core of these beliefs about cultural differences between Turkey and Europe is the perception that Islam and liberal democracy are incompatible.

**Compatibility of Islam and Europe**

Since the events of September 11, 2001, the accession of Turkey into the EU has become symbolic of the tensions between global cooperation, and the conflict between Islam and the West. There are pro and con arguments concerning the cultural aspect of Turkey’s EU membership. Supporters argue that Turkey’s membership as a Muslim-majority country in the EU will assuage fears of a “clash of civilizations” (Yükleyen, 2009). Critics, however, believe that Turkey is a secular country, isolated, alone, and different from the rest of the Muslim world. A country, it is argued, that is incapable of bridging East and West. Critics further argue that Muslim immigrants have been unable to and can never fully integrate culturally into European countries because “Islam is inassimilable” and therefore a threat to a European identity which they view as historically based on Christianity (Yükleyen, 2009).

Dr. Samuel P. Huntington, noted political scientist, scholar, and author of the highly influential “Clash of Civilizations” writes that “the most important distinctions among people [today] are not ideological, political, or economic. They are cultural...” (Huntington, 1996). In comparing Latino immigration in the United States with Muslim immigration in Europe, Dr. Huntington argues that “whereas Latino culture and language threaten American identity, Muslim culture and religion threaten European identity” (Huntington, 1996).

Huntington’s views reflect an essentialist approach to identity and culture. As a theory, essentialism posits and advocates the existence of unchanging, objectively identifiable, inner characteristics of cultures, (i.e. that there is an ‘essence’ inherent to being “American” or “European.”) (Yükleyen, 2009). As an essentialist, Huntington believes that there is a “European” identity, built upon a distinct and unchanging core of history and culture (Yükleyen, 2009). Christianity, according to Huntington, is obviously a paramount aspect of the European identity (Huntington, 1996).

Huntington believes that Turkish inclusion in the EU would be possible if Europeans were to redefine their identity in a social and political manner. However, this, according to the essentialism point of view, would mean that “Europe will no longer mean what it historically meant.” (Yükleyen, 2009). The essentialist position appeals to stability, security, and continuity rather than change, ambiguity, and uncertainty (Huntington, 1996). Politicians and
policy-makers have traditionally favored the essentialist views in their policies as well as their rhetoric.

However, recent scholarship challenges the essentialist incompatibility between Islam and liberal democracy argument by examining how Muslim minorities actually practice Islam in Europe (Al-Azmeh, & al-ʿAzmah, 1993; Eickelman, 1982; Eickelman & Piscatori, 1996; Hefner, 2000; Kurzman, 1998; Yükleyen, 2009). For example, Islamic groups such as the Nur movement aim to contribute to the moral and spiritual life of Europe through their interpretation of civil Islam, and political Islamic groups such as Milli Görüş influence the European public sphere, and consequently reformulate their own interpretation of Islam (Yükleyen, 2009).

The majority of these individual seek a way of being Muslim while remaining at peace with European society at large. Their demands for a Euro-Muslim identity challenge the essentialist position as well as the political assertions of an inherent opposition between Europe and Islam (Yükleyen, 2009).

Essentialist definitions that position Europe and Islam as opposite and opposing entities are used in political discourses invested in preventing Turkey’s accession to EU membership. However, “Europe” and “Islam” are only meaningful terms within a particular context, where they are used for a particular purpose (Yükleyen, 2009). For politicians opposing Turkey’s EU membership, there is a clash between Islam and Europe. In light of this opposition, the development of liberal Islam may hold the key for the future of Turkey.

**Liberal Islam in Turkey**

“As Iraqi clerics jockey for influence in Baghdad and theocentric mullahs crack down on reformers in Iran, secular Turkey stands out as the bright and shining model for democratic development across the Islamic world (Smith, 2005). Bernard Lewis, noted British-American historian specializing in oriental studies who is especially famous in academic circles for his works on the history of the Ottoman Empire continues this praise for Turkey commenting that with the exception of Turkey, the record of political modernization in the region “is one of almost unrelieved failure” (Lewis, 2001). Furthermore, The Economist called Turkey “a beacon of good sense in a combustible bit of the world” (Economist, 2000).

As previously noted, the intensely secular civic nationalism invented by Atatürk, has been overall, a remarkable success. The implementation of European-style bureaucracy, a Western legal system, the emancipation of women, and a progressive national education system are Turkey’s greatest achievements and have redrawn the boundary between Europe and the Middle East (Smith, 2005). Despite all this progress, tensions still remain between secularists and Islamists, between Kurds and Turks, and between majority Sunnis and Turkey’s 10–15 million Alevi (a blanket term for a number of liberal Shiite sects), many of whom are drawn to left-wing politics (Smith, 2005). It is hoped that the development of “liberal Islam” will help soothe these tensions between these groups and help to further unify the country in its efforts for progress.

Turkish secularism was modelled on the muscular anti-clericalism of the French Revolution. In Istanbul, secularism neutralized the religious groups that were Atatürk’s only real competition. Atatürk dismantled the Caliphate, the religious institution that for 400 years had underpinned Ottoman rule and served as the nexus for global Islam. He transferred the hold-
ings of the pious foundations to the state treasury, closed Koranic, or seriat, courts, pensioned off Islamic judges, shuttered religious schools (medreses), and rolled up some sufi brother-hoods (tarikats) and dervish lodges (tekkes). Sacred tombs (turbes) and other religious sites were closed.

Technically, what is practiced in Turkey is not secularism, or the neutral separation of church and state. Rather, it is laicism (laiklik), or subordination of religion to the state. Laicism also ushered in a cult of personality (for Ataturk). Islam does not differentiate between church and state, Binnaz Toprak points out ‘Kemalism not only made that differentiation, but also reversed the order of importance between the sacred and the political realms’.

Turkish Islamists are divided over EU membership. Some view the march toward Europe as a retreat from Turkey’s Islamic heritage and an affront to Muslim values. Others see it as a path toward ‘de-Kemalisation’ and thus greater religious freedom (Smith, 2005)

Conceptual Framework

The study presents a framework to develop the empirical evaluation of antecedents for consumer quality of life in Turkey. Based on the existing literature, we introduce three constructs that we expect to be antecedents of a consumer’s quality of life. These are (1) importance of faith, (2) national pride, and (3) value of global brands.

Insert Figure 1 about here.

Importance of Faith and National Pride

At both the individual and the collective levels, values guide consumption behavior (Grunert, Grunert, and Beatty 1989; Watson, Lysonski, Gillan, and Raymore 2002). Values may relate to general concepts such as self, perception of time, and social interactions as well as specific aspects of life, such as family, love, work, and spirituality. Values help people distinguish right from wrong and choose among alternatives. The literature offers several schemes to identify value orientations in a society (Hofstede 2001; Inglehart 1997; Schwarz 1992). Overall, these schemes show that a small set of values explains patterns of decision making and accounts for the differences in behaviors across cultures. Literature also suggests that values impact not only what consumers choose but also what they refrain from consuming. For example, values such as conservatism and patriotism affect consumer ethnocentrism and animosity (Han 1988; Sharma et al. 1995). In the light of this relationship we investigate whether a relation between values and PMBR orientation exists. In identifying possible related values, we draw upon Inglehart’s (1990, 1997) world values survey (WVS).

The WVS investigates attitudes, values, and beliefs around the world. The survey covers 65 countries on six continents and contains more than 75% of the world’s population. The WVS distinguishes two key value dimensions: (1) traditional vs. secular-rational values and (2) survival vs. self-expression values. These two dimensions account for more than 70% of the cross-cultural variation in important variables including religious orientations, political priorities, and gender norms (Inglehart and Baker 2000). The traditional/secular-rational values dimension reflects the relative importance of religion in a particular society. Societies scoring high on the traditional pole place strong emphasis on family and authority. They show relatively low levels of tolerance for divorce, abortion, euthanasia, and suicide.
tend to exhibit high levels of national pride and have a nationalistic outlook. They take protectionist attitudes toward foreign trade and believe that environmental problems can be solved without the help of international organizations and agreements. Societies with secular-rational values have the opposite preferences. While pre-industrial societies score high on the traditional pole, postindustrial societies score high on the secular-rational pole.

The survival/self-expression value dimension relates to trust, tolerance, subjective well-being, political activism and self-expression. Societies high on survival values emphasize physical and economic security and feel threatened by foreigners, ethnic diversity, and homosexuality. They show intolerance for out-groups such as gays, insist on traditional gender roles, emphasize materialist values, and show relatively low levels of subjective well-being. Conversely, when survival is taken for granted, societies that score high on self-expression tend to have higher levels of tolerance and cultural acceptance. In high self-expression societies, people place emphasis on subjective well-being and quality of life and value foreign and ethnic cultures. Inglehart and Baker (2000) note that a high score on self-expression reflects a society’s transition from an industrial to a post-industrial stage.

We adapt the traditional value dimension of the WVS to focus upon the importance of faith. Additionally, we adapt survival values to focus upon insecurities citizens of countries would likely feel in a rapidly globalizing world. Previous studies show that consumer resistance can be driven by nationalism and/or religion (e.g., Askegaard and Csaba 2000; Cromie and Ewing 2009; Friedman 1999; Ger and Belk 1996; Izberk-Bilgin 2008; Klein et al 1998; Lee et al. 2009; Varman and Belk 2009); hence, we expect that importance of faith and national pride will have an impact on PMBR orientation.

Value of Global Brands

Many scholars in the 1980s discussed the advantages of globalization for both individuals and nations/societies (Huszagh, Fox, and Day 1986; Jain 1989; Levitt 1983). Initially, these scholars argued that globalization brings together people living in different nations and cultures. They further reasoned that consumers anywhere in the world would prefer products and services that satisfy their needs, provide benefits, and contribute to their well-being (Levitt 1983). Research also indicated that global brands have more of a cachet and connotes status and prestige to consumers across different countries (Kapferer 1997; Keller 1998).

However, especially over the last two decades, a rising number of scholars have investigated the negative aspects of globalization and pointed out its destructive consequences. Certain multinational corporations and their brands have become symbols of the dark side of globalization (Barber 1995; Klein 1999; Mittelman 1996; Ritzer 1996). Brands such as Nike, Starbucks, McDonald’s, and Coca Cola have repeatedly experienced boycotts, vandalism, and other expressions of consumer resistance. Hence, as both research and lived experience suggest, global brands represent status and prestige, as well as the negative outcomes of globalization. Given the variety of consumer perceptions, understanding whether a particular segment of consumers perceive global brands favorably or unfavorably is crucial for developing effective marketing strategies.

Holt, Quelch, and Taylor’s (2004) global brands study offers an analysis of consumer perceptions of global brands. The study features a survey conducted in 12 nations. The authors find that consumers associate global brands with three dimensions: (1) quality signal, (2) global myth, and (3) social responsibility. While making a purchase decision, the authors’
research suggests that consumers evaluate global brands on these three dimensions. First, consumers prefer global brands that they believe signify quality. Consumers judge the quality of a global brand based on the brand’s innovative nature, flexibility, and ability to offer good value. Second, a brand with a global myth helps consumers construct an identity, gives them a sense of belonging, and connects them with the rest of the world. Third, consumers prefer global brands that address social problems and issues such as health, education, workers right, human rights, pollution, and global warming, and as a result, contribute to well-being in a consumers country. Overall, Holt et al’s (2004) study suggests that a brand’s global dimensions have an important effect on its perceived value and influence consumer preference. The present inquiry draws upon Holt et al’s study to examine whether the value consumers attach to global brands also has an impact on their rejection orientation.

**Quality of Life**

Holt and Cameron (2010, 8) propose that conventional marketers emphasizing functional benefits and/or emotional benefits of brands limit themselves to day-to-day stewardship of existing businesses and in so doing restrict innovation possibilities for their brands. Specifically, these researchers assert that brands are often phenomenon of society, culture and politics, and not merely phenomena of the mind. In this way, some brands can have an important role to play in the interplay between marketing and society that can only be understood by viewing some brands through a macromarketing lens. Because of this, marketers and researchers should not ignore the cultural and historical context in which brands are embedded and contribute to quality of life.

According to Holt and Cameron, many brands can become cultural expressions for a particular time in the culture’s history. For example, Coca-Cola depicted African-American football star “Mean Joe” Green of the Pittsburgh Steelers with a white twelve-year-old boy in an iconic television ad of the 1970’s (Holt, 2004, 24). The boy’s gift of a cold Coca-Cola to a hobbling Green in a stadium tunnel after a game and Green’s toss of his game jersey to the boy captured the American public’s desire for racial reconciliation after many difficult decades. This ad became enormously popular in the US. In this way, Coca-Cola positioned its brand as being an important cultural expression at this time in the life of the US. In short, Coca-Cola became an instrument for a higher quality of life for many in the US because of the hopeful depiction of reduced racial tensions it used in its advertising’s cultural strategy, then.

Quality of life (a.k.a. satisfaction with life or subjective well-being) refers to “the degree to which an individual judges the overall quality of his/her life as-a-whole favorably” (Veenhoven 2001, 4). In other words, researchers regard quality of life (QOL) as the product of the overall appraisal of one’s life that includes both good and bad experiences (Eid and Larsen 2008). A well-established literature on QOL and its relations to business and management exists (for a review of various business related applications, see Sirgy 2001). From a macromarketing perspectives, studies have looked at the relationships between globalization, localization, and quality of life (e.g. Ger and Belk 1996; Kilbourne 2004; Mullen et al. 2009; Shultz, Rahtz, and Specce 2004; Sirgy et al. 2004). However, the relationship between (global/local) branding and quality of life has received little attention. A notable exception is Askegaard and Kjeldgaard (2007), in which the authors discuss the role place branding plays in improving the quality of life of local people in the context of global cultural economy. Overall, little is known about the relationships between acceptance/rejection of particular
brands and well-being at both the individual and societal levels (Bettingen and Luedicke 2009).

A stream of research on branding implies that brands may positively affect consumer well-being by helping consumers to make better informed decisions. Additionally, brands facilitate individual identity projects (Elliott and Wattanasuwan 1998) by serving (1) as symbols of taste, wealth, and belonging (Levy 1959), (2) as means of social bonding (McAlexander, Schouten, and Koening 2002), and (3) as relationship partners (Fournier 1998). However, other researchers point out the darker side of branding (Handelman 1999; Holt 2002; Klein 1999). They argue that brands may negatively affect individual and/or societal well-being as they lead to over consumption that results in the destruction of the environment and weakening of human relations (Bettingen and Luedicke 2009; Csikszentmihalyi 1999).

As a result, the extant literature suggests that brands may have an effect on consumers’ QOL; yet, the studies offer mixed results with respect to the direction of the effect. Little understanding exists about the possible effects of faith, national pride and value of global brands on consumers’ QOL. Hence, the study here examines whether and how these constructs influence ones’ QOL.

H1: A nomological network for PMBR orientation will include (1) importance of faith, (2) intensity of national pride, (3) value of global brands, and (4) quality of life.

The Study

Methods

Research Context

Turkey served as the field research setting for the current study. Similar to many developing countries, since the 1980s, Turkey has followed neo-liberal economic policies, and opened itself to the forces of globalization. All major global brands along with shopping malls and other facets of global consumer culture are now present in Turkey (Sandikci and Ger 2002). During this time, the Turkish economy has developed significantly and become the 17th largest economy in the world (World Bank 2009). Several Turkish brands compete successfully both in the domestic and foreign markets. Since the 1980s, along with the changes in the economic domain, significant transformations in the political domain have taken place.

Although Turkey is predominantly Muslim, it is a secular and democratic country. With the increasing influence of global Islamic movements, the role of Islam in the political and public life has become more visible. For example, Islamic actors such as political parties and entrepreneurs have emerged and gained power. Since the 1990s, as the Islamic actors achieved more political and economic power, secular elites and Islamic groups are more polarized. Over the years, several instances of anti-consumption behaviors targeting both global brands and brands associated with political Islam have taken place.

Item Generation
As part of the effort to evaluate a nomological network of likely antecedent constructs for consumer quality-of-life in Turkey, researchers focused on two well-established scales from the World Values Survey representing Importance of Faith and National Pride (Inglehart and Baker 2000). For the Value of Global Brands construct, researchers operationalized were developed, as well as a construct representing Quality of Life. These four constructs went through the scale development process just described. Three items identified each of the three antecedent constructs, while four items identified Quality of Life. The World Values Survey guided the development of the items representing importance of faith and intensity of national pride (Inglehart and Baker 2000). The Holt et al (2004) study provides the items for measuring the Value of Global Brands. Additionally, researchers include the construct representing overall satisfaction with life (labeled as “Quality of Life” in the model).

Psychological researchers widely employ Diener, Emmons, Larsen, and Griffin’s (1985) Satisfaction with Life Scale (SWLS) because of its consistent reliability and validity (Burroughs and Rindfleisch 2002) in studies conducted in dozens of countries (Diener and Suh 1999). Norms for a seven-point SWLS have ranged from 4.0 in China to 6.23 in Australia. Turkey and the U.S. place in the middle of countries with 5.29 and 5.77, respectively. The SWLS is a five-item measure intended to assess cognitive aspects of well-being and includes such items as “The conditions of my life are excellent,” and “I am satisfied with my life”.

**Main Study**

Existing research suggests that education may be related to anti-consumption. For example, while ethnocentric consumers tend to be less educated (Good and Huddleston 1995; Sharma et al. 1995), studies on resistive consumers tend to examine behaviors of highly-educated people (Dobscha 1998; Handelman 1999). We want to ensure that the PMBR construct is not biased because of the education level of respondents. The study here seeks to allay fears that the PMBR orientation is present primarily in one education group (for example, the lowly educated, or conversely, the highly educated). Therefore, the variable representing respondents’ highest level of education serves as the guiding variable for obtaining quota sampling with comparable percentages to the actual population of Turkey in each of the education groups of the study (TUIK 2008). As can be seen in Table 1, the percentages are very similar.

Insert Table 1 about here.

Table 1 presents the rest of the descriptive statistics for the sample. In general, the sample includes an approximate profile of Turkey across the study’s demographic variables, such as gender, marital status, and age. Females comprise 52.3 per cent of respondents. Almost three-quarters of the sample are married and 26.7 per cent of the respondents are in the 31-40 age-bracket which is the modal group. The modal value for education level is secondary education. Additionally, Table 2 presents the usage for the three focal brands of the study.

Ankara, the capital city of Turkey, served as the field site for administering the survey. Researchers contacted potential informants at various settings such as work places, schools and houses. Participation was voluntary and informants completed the questionnaire anonymously. When the person agreed to participate in the study, the researchers briefly
explained the purpose of the research and provided instructions on how to fill out questionnaire. Overall, survey procedures resulted in 329 usable questionnaires.

A set of 14 items comprises the set of items representing the four constructs (Importance of Faith, Intensity of National Pride, Value of Global Brands and Quality of Life). The researchers of the study use seven-point Likert-type scales in operationalizing the constructs of the study (1=Strongly Disagree / 7=strongly agree). Researchers employed confirmatory factor analysis using structural equation modeling prior to assessing the structural model of the study.

Results

Initial Analyses

To address the hypotheses of the study, researchers first analyzed descriptive statistics, as well as the reliabilities for the proposed constructs of the study. The set of 14 items included all the items measuring the four constructs used to better understand the nomological validity of QOL for Turkish consumers: (1) importance of faith, (2) intensity of national pride, (3) value of global brands. Table 2 illustrates the items used in the study along with the means and standard deviations of these items. Additionally, the reliabilities for the constructs of the models are presented in Table 3.

Insert Tables 2 and 3 about here.

Maximum likelihood extraction identified the multi-item constructs in the model, and assessed both the convergent, and discriminant validity of the constructs (Hair, Anderson, and Tatham 1991). This study found evidence supporting the unidimensionality of all constructs (per cent variance extracted all above .50), as well as both convergent and discriminant validity for all constructs. Importantly, no item loaded on any unintended construct. With this important foundation of evidence for the acceptable measurement of the focal constructs of the model, the researchers began modeling.

Modeling

Figure 2 depicts modeling for the Coca Cola brand. Covariance analysis using AMOS 18 was used to evaluate the factor structure of the 26 items (Bollen 1989) in a confirmatory factor analysis. The model posts a chi-square value of 635.5 with 291 df. Comparative fit indicators suggest a good fit (CFI = .90; RMSEA =.069) (Bentler 1990). Figure 3 depicts modeling for the Danone brand. This second model posts a chi-square value of 709.7 with 292 df. Comparative fit indicators suggest a good fit (CFI = .90; RMSEA =.076) (Bentler 1990). Figure 4 depicts modeling for the Cola Turka brand. This third model posts a chi-square value of 649.0 with 291 df. Comparative fit indicators suggests a good fit (CFI = .91; RMSEA =.070) (Bentler, 1990). In all, the fit indices and the confirmatory factor analyses suggest a high degree of model fit across the three brand models for PMBR. Importantly, because all the loadings for the second-order factor of PMBR in all the models are statistically significant at p = .05, there is support for H1.
Although researchers attempted to include each demographic variable in the modeling, no model with such demographic variables proved to have a statistically significant relationship at $p = .05$ with any of the constructs of the model. For this reason, the models for the study do not include any demographic variables.

Support for Hypotheses

Researchers in this study find support for the hypothesis of the study. For H1, which focused upon the proposed nomological network for QOL of Turkish consumers, importance of faith and national pride are antecedents for QOL. However, for both of these antecedents and QOL, the relationship is a negative one. Here, those regarding faith as less important score higher on PMBR orientation for Cola Turka. In sum, the study obtains support for H1 as antecedents, such as importance of faith and intensity of national pride, post statistically significant relationships at $p = .05$ with QOL. The results also revealed a significant positive relationship between value of global brands and consumers’ QOL. This stands in contrast to the evidence for a negative relationship between importance of faith and QOL, as well as national pride and QOL that the study found. The next section discusses implications of these results in detail.

Discussion

As globalization continues to push into every corner of the world, global brands will continue to encounter varying degrees of consumer acceptance and resistance. Researchers will need theories to explain phenomena related to such acceptance and resistance. This study offers a theoretically-grounded explanation for important antecedents of QOL in Turkey. The study results support a nomological network of these antecedents and QOL for Turkish consumers. The results provide evidence for a negative relationship between importance of faith and QOL, as well as between national pride and QOL. The results also provide evidence for a positive relationship between Value of Global Brands and QOL.

Overall, this research makes several contributions to the macromarketing scholarship of consumption in developing market contexts, such as Turkey. First, the study offers new insights into the relationship between religion, nationalism, globalization and quality of life. The analysis of the nomological network enables to see whether and how importance of faith, national pride, and the value of global brands influences the QOL of consumers.

While both importance of faith and national pride had negative influence on Turkish consumers’ QOL, the current study found evidence for a positive relationship between value of global brands and QOL. That is, consumers believe that consuming (not consuming) global brands in general influences their quality of life positively (negatively).

Limitations and Future Research

Because the study setting is only one country, researchers would do well to test the model in other countries. In this way, researchers could obtain a better understanding for how respondents in other countries might view the focal constructs of the study. The BRIC countries (Brazil, Russia, India and China) represent large markets where the political senti-
ments of consumers would likely influence purchases. For example, Thums Up is the national champion in the cola category in India and would serve as a suitable replacement for Cola Turka in assessing Indian consumers’ nationalistic orientation. Other countries also present interesting possibilities for future studies. For example, countries with histories of conflict with neighboring countries would provide fertile ground for research. Many consumers in China still resent Japan’s humiliating occupation of China in the 1930’s. Studies can explore to what degree Japanese brands would be subject to PMBR today. Countries with strident nationalists would also be suitable for fielding future research.

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<td>Never</td>
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<td>Sometimes</td>
<td>123</td>
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<td>Always</td>
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<th>Importance of faith</th>
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638
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<td>God is very important to me.</td>
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<td>It is most important for a child to learn obedience.</td>
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<td>p3a.3</td>
<td>It is most important for a child to learn religious faith.</td>
<td>4.60</td>
<td>2.09</td>
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<td>National pride</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>p3b.3</td>
<td>Some of the worst people are those with no respect for our flag, leaders and the normal way.</td>
<td>4.90</td>
<td>2.15</td>
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<tr>
<td>q3b.4</td>
<td>The world would be better if other countries gave our country the respect it deserves.</td>
<td>4.95</td>
<td>1.87</td>
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<tr>
<td>q3b.5</td>
<td>Globalization is moving too fast.</td>
<td>5.71</td>
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<td>Value of global brands</td>
<td></td>
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<td></td>
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<tr>
<td>q3b.8</td>
<td>Global brands signal quality to me.</td>
<td>3.76</td>
<td>2.01</td>
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<td>q3b.9</td>
<td>Global brands bring me into a community of consumers who appreciate such brands.</td>
<td>3.69</td>
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<td>q3b.10</td>
<td>Global brands should be required to give more to help to local communities where they operate.</td>
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<td>(5-point scales used)</td>
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<td>My life is close to my ideal.</td>
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<td>The conditions of my life are excellent.</td>
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<td>q2.3</td>
<td>I am satisfied with my life.</td>
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<td>1.23</td>
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<td>q2.4</td>
<td>I have gotten the important things I want in life.</td>
<td>3.08</td>
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<td>q2.5</td>
<td>If I could live my life over, I would change almost nothing.</td>
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Table 3 - Reliabilities for Constructs of the Models

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<td>National pride</td>
<td>.70</td>
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<td>Value of Global Brands</td>
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<td>Quality of Life</td>
<td>.73</td>
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</table>

Figure 1 - Conceptual Model of the Study
Figure 2 – Structural Model of the Study
Using Commercial Big Data to Inform Social Policy: Possibilities, Ethics, Methods and Obstacles
Andrew Smith, Nottingham University Business School, University of Nottingham, UK.
Leigh Sparks, Institute for Retail Studies, University of Stirling, UK.
James Goulding, Horizon Digital Economy Institute, University of Nottingham, UK.

This paper considers the potential of commercial consumer data to inform health and social policy regarding well-being. The discussion is informed by initial analysis of one person’s retail loyalty/club-card data cross-referenced with a survey (with some reference to aggregate analyses). This micro analysis of big data is framed as ‘data ethnography’, the process being informed by behavioural archaeology. The paper affirms the potential power of such data to inform policy and identifies some methodological, ethical and practical issues and various obstacles to wider application.

Introduction & Context

There is a great deal of talk about ‘Big Data’ and its potential to inform real-time marketing and more sophisticated targeting of offerings to consumers. Indeed, this process is already well advanced. Many commercial organisations have the ability to track our location and our spend and can use this information to target marketing communications to us in real-time. So we are offered items through online adverts that are informed by algorithmic analysis of our browsing behaviour or are sent sales promotions and inducements via our mobile devices (based on analysis of past behaviour). Consumer marketing has become automated and data driven. This has led to the creation of vast stores of data – so called Big Data. However, much less attention has been paid to the potential exploitation of such data for societal benefit, although there are some notable but limited exceptions (e.g. Anderson et al 2008). A number of similar studies have used small samples of such data for specific questions but they have not comprehensively addressed the overall potential of such data to inform social and health policy or the difficulties of accessing such data on an on-going basis. Anecdotal evidence suggests that the possibilities are slowly being appreciated by some policy makers, but the substantial practical and ethical challenges that need to be addressed prior to any application are yet to be fully discussed.

Health and diet are more easily measured than overall wellbeing. Healthy eating scores and basket analyses using commercial data are evident but they have not yet had major impacts on policy formulation (e.g. Anderson et al 2008). Wellbeing is a more problematic construct since it is a subjective condition, essentially an assessment of an individual’s outlook and lifestyle based on psychological interpretation. Cognitive and affective elements have been investigated but as McNulty and Fincham (2012) observe well-being results from a complex interplay of personal and contextual factors. Psychological inference from transaction data is possible but potentially very problematic, however insights into lifestyle and context are more readily achieved and there is also the option of data augmentation (combining the analysis of behaviour with a survey for example – an option we exploit here).

A fundamental question arises about the potential of big data to provide insights into well-being as well as health. This is our primary research question. This paper attempts to
explore some of the opportunities and challenges by describing the initial analysis of a small slice of big data (small rich data from big data). We examine one individual’s transaction record with their favoured grocery retailer. We call this individual ‘Mary’, although this is not a real name. We augment this with the individual’s response to a survey and some reference to the aggregate analysis of the data-set from which it is derived. The logic of this approach and the data-set from which this record was extracted are described below prior to a vignette of the individual in question. After all, wellbeing and health are constructs centred on the individual.

**Data & Method**

The individual’s data record in question was derived from a United Kingdom national retail chain with her knowledge and permission. The sample from which her record was extracted comprised of 16,333 low income customers’ grocery purchases over a six month period. The data (from the retailer’s EPOS system) links purchases to corresponding households via their loyalty scheme. The Experian Mosaic geo-demographic classification system was used to select low income consumers by identifying residents living in postcode/zip code areas which characterized the types of housing typical of the target group (i.e. Mosaic groups F35-40: “welfare borderline”, G41-43: “municipal dependency” and H44-47: “blue collar enterprise”). Only households with substantial weekly spend (by amount and number of items) were included in the overall dataset (i.e. those that shopped on a weekly basis and appeared to use this chain as their primary food store). The authors also surveyed this group with a questionnaire exploring eating behaviour in order to uncover the possibilities of cross referencing expressed intentions and attitudes and perceived behaviour with behaviour; this survey also collected demographic/household characteristic data. 1,300 valid questionnaire returns were generated (this larger data set is still being interrogated). The respondent was the primary shopper in each household. The questionnaire was incentivised with an electronic voucher. ‘Mary’ was selected as the individual occupancy household with the highest spend. Robust inferences about individual behaviour are more readily made from individual occupancy households. The subsequent analysis of Mary is therefore an example of small data from big data. Big datasets of this form are aggregate composites of many small chunks, and to understanding that aggregate whole is vastly augmented by richer analysis of the elements that make up that larger ecosystem of information.

In this paper, focussed as it is on an individual loyalty record, we treat the data as a partial or fragmented biographical record or archaeological record. Perhaps the approach adopted here is most closely associated with behavioural archaeology (Schiffer, 2010), although the term ‘data ethnography’ might be more appropriate. For us the purchases are the artefacts and the behaviour inferred is the outcome. A similar approach was adopted by Smith and Sparks (2004) but the focus of that paper was primarily the commercial potential of the data and commercial ethics of using the data. Machine learning could be leveraged to provide a related analysis over multiple records, with techniques such as associate rule mining (Agrawal 1993), graph clustering (Schaeffer 2007) or motif extraction (Rakthanmanon 2011) attempting to establish generalizable ‘rules’ or ‘patterns’ of behaviour. However, such aggregate analyses are sometimes opaque and this paper is intent on using the data for exposition. It is not our intention to establish rules of behaviour it is our intention to induce debate (our aggregate analyses is ongoing). So, an important premise upon which our methodology is based is that the power and limits of such data are best interrogated, in the first instance, through the discussion of an individual case; To this end, a variety of techniques were used to interrogate the data. Time series were generated, descriptive statistics were examined and the
raw data file was analyzed in its own right by each member of the team, the subsequent, coding, themes and inferences were then cross-referenced. Mary’s responses to the survey questions were also consulted. This element added demographic data as well. This is a crucial difference with the Smith & Sparks (2004) analysis of one loyalty card record. They did not have access to any demographic data beyond gender. This paper hopes to demonstrate that augmentation with other data-sets increases the possibilities and insights for social analysis.

**Exposition & Analysis**

From the survey we know that Mary is a female, is between 55-64, is single, lives alone and has never been married. She spends £1,088.79 during the six month surveillance period. She only ever buys from one store in the chain, a small supermarket in a high street location in a suburb of a city in the English midlands. It is an area with a mixture of housing (high and low density). Mary shops at the same time of day almost every day, around 19:15 on average on weekdays with some morning visits at weekends. She doesn’t appear to stock up, perhaps this is a financially driven habit, perhaps she shops on foot, perhaps she likes to avoid waste, perhaps she likes the social contact of the shop. Mary states that she is employed in the survey and this is supported by her shopping habits, it seems she shops at the end of her working day, although she may work nights, it seems unlikely that she would wish to take her shopping with her to work, it is more likely that she is on her way back home after her working day. It is likely that she works in the locality of elsewhere in the city. Mary is a woman of regular routine and habits. She shops at the same time, at the same shop, and buys many products consistently over the six months (e.g. one type of cheese, one variety of apples). She smokes, at least twenty a day we estimate, cigarettes account for 28% of the total spend. She seems to enjoy biscuits and isn’t honest about her level of consumption in the survey of eating habits, though her assessment of her diet overall is more accurate but still optimistic (it is moderately healthy). 6% of her spend is on fruit but she also buys more sugary food than she should. She appears to eat cold food and to cook from scratch – she states in the survey that she does cook from scratch most days – more evidence of generally honest self-effacing responses. She has at least one dog and one cat (indicated by the volume of pet food purchased there may be more). These pets are well looked after on this evidence, they are bought premium quality food. She spends £298 on pet food in the six month period (27% of the total spend). It is reasonable to assume that the dog is walked and that Mary therefore gets some moderate exercise. She does not appear to drink alcohol at home, though she gambles modest amounts on the national lottery on a regular basis with no evidence of any winnings being redeemed. Easter is not marked by any purchase of seasonal chocolate. She does not appear to be a practising Jew or Muslim given the meat products bought. The part of English city she lives in is predominantly white European.

The overall image is one of a solitary woman of routine, a cautious habitual individual, an urban dweller whose pleasure might revolve around her pets, her cigarettes and sugary snacks. There is much we do not know and much we cannot infer. She might go out to the pub every night for example, but the total lack of at home alcohol purchase suggests that this is unlikely. The purchase amounts and timings suggest she eats at home, late in the day, the portions suggest she eats alone.

Like any ethnographer or archaeologist there is much we don’t know and much we have to suppose. But like her/him we can also cross-reference this data with other sources, here we use a survey to augment the insights. This survey provided limited but illuminating data, knowing her gender and age is a huge help in terms of reading the purchase data and
constructing the vignette. We can even comment on her honesty (or disinclination to social desirability bias). We could provide more data on her locality, the weather and its effects on her purchase all cross-reference the data with various other data in the public realm. Indeed we could design algorithms to extract similar inferences from the whole data set as retailers do and cross-reference this with other person specific data not in the public realm if we could acquire it, or geo-demographic and psychographic survey data.

**Discussion of Emergent Issues**

From the above analysis, it is clear that important ethical and privacy concerns can emerge from examination of an individual datasets. However, if records such as Mary’s were analysed only as part of a much larger sample using machine learning techniques then this would be less problematic in terms of consumer privacy. Such analysis might find that smokers consistently tend to consume a higher proportion of hedonic sugary foods. Retailers and other data owners might be more readily encouraged to provide the aggregate results of such analyses to policy makers as opposed to raw data, this might be a way of allowing these kind of data to inform policy (government might even pay for these insights).

Such analyses hinge on the ability to interrogate aggregate datasets without any need to formulate predefined hypotheses or models. This represents a remarkable shift from traditional deductive analysis to “hypothesis-generating science”: if your data is big enough, if your pattern recognition and data mining techniques are clever enough, it starts to become possible to emerge models of behaviour from the data without needing to establish a priori hypotheses (Anderson 2008). This form of computational discovery is of growing relevance to the field of consumer research and, although such research has its roots in the traditional basket analysis techniques of association rule mining (Agarwal 1993), over the last decade statistical and information theoretic approaches have grown in sophistication. This is providing an opportunity for consumer analysis to graduate from relatively naive techniques such as k-means clustering, rule mining and decision trees (see Ngai 2009 for a bibliography of applications in the field), to more contemporary machine learning approaches such as time series Motif Extraction (Rakthanmanon 2011) and Deep Learning (Bengio 2013).

This growing ability to discover patterns in large, composite datasets represents a contribution to social welfare that might be more readily realised – descriptive aggregate analysis. However the real latent power of such data lies in the possibilities to nudge present behaviour or to connect identified behaviour with other data. This data is used to nudge behaviour for commercial reasons as highlighted in the introduction, it could be used to intervene to improve health and well-being. This would be automated but it would lead to the individual being targeted with communications or products that might improve health or well-being. It could also be used to predict and individual’s future behaviour or health challenges (e.g. a diet like Mary’s that might well have the potential to lead to type two diabetes). How would Mary feel about the data being used to predict this? Would she be comfortable with her physician having access to her purchase of cigarettes? If he did would she simply buy them from somewhere else? Doctors rely on our own reports of behaviour but they are often inflated to account for our ‘editing’ (e.g. Boniface and Shelton 2013).

Mary represents her diet in a more positive light in the survey that it deserves and this leads us to a related but discrete issue. Mary, like all the respondents, was informed about healthy eating via various exhibits in the questionnaire and asked to assess the household diet on a pre-tested scale. A healthy eating score was also assigned to each household based on
the purchase records. This measure was based the Healthy Eating Index (HEI) and other basket analysis based research. There was no strong statistically significant relationship between the scale and the assessment of diet based on the basket analysis for the 16,333 households in the survey. This might be one of the more stark illustrations of the power of social desirability bias – SDB - (e.g. Paulhus 1991). Moreover they emphasise the potential of such data in terms of behavioural surveillance and raise yet more serious doubts about the efficacy of self-reports of health related behaviour even when they are designed to minimise SDB or under reporting as discussed above.

The data has the potential to indicate household health orientations. Alcohol purchases provide the most salient illustration of this issue. Within the sample overall there are 50 households whose level of alcohol purchase (adjusted for the number of adults in the house) is indicative of acute alcohol dependency, bearing in mind that these purchases are probably not their entire intake of alcohol (as the data is for one store only). The potential of this data to identify people with dependency is clear. What is not so clear is the ethics of acting on this information (this issue is generic to this paper and is discussed below). The possibilities are even more sublime if the purchase data is cross-referenced with other data on the household (e.g. indebtedness, child welfare, medical records, etc).

A more difficult area is the use of the data to tackle social issues e.g. social isolation and loneliness and/or indications of general well-being. Mary might be lonely; there is no substantive evidence in the data that she entertains. She might be quite happy with her life. As she ages the purchase record might indicate that she is still alone, she could be surveyed, her inclusion in the survey prompted by her behaviour. The survey might seek to assess her wellbeing. Again there are ethical and practical issues with this. Does this represent social care or an invasion of privacy?

While there might be benefits to the individual, to society and to taxpayers in utilizing this kind of data, individuals may well object to such surveillance even if there are benefits: consent is required. Moreover the commercial data collector would have to be convinced that this was also in their long term commercial interests. It is difficult, but not impossible, to see how these issues might be reconciled for mutual benefit. There are three stakeholders in this scenario: the policy maker or health/social professional (representing society and the taxpayer), the commercial data owner and the individual. All must benefit in any system of exploitation of such data for societal benefit. If the power of these data, in social and policy terms, is accepted then the difficulties with their use for such purposes have to be acknowledged. In many jurisdictions exploitation for intervention simply wouldn’t be legal, but if the potential is realized where it is allowed then legislation might be adjusted. Even in countries where legislation would allow such intervention then the ethics of such analysis are enormously complex, and such surveillance is in danger of evoking a post-Orwellian or Foucaultian panacea of surveillance. Commercial organisations are less likely to consent to such use if it led to individual targeting, rather than the construction of aggregate knowledge across a population. Equally consumers might militate against such use. Nonetheless the potential of the data to be used in this way remains. It is more likely that the data will might be used in order to build knowledge that to actively intervene. This is ethically less problematic but still uncommon. In short, a huge resource is largely untapped.

This paper also raises a point about the use of such data in academic study. Savage and Burrows (2007) highlighted both the under-use and inherent challenges of harnessing electronic footprint data in empirical sociology. A crucial emergent point is that there are
many possibilities for analysis that academic consumer researchers (interpretive and quantitative) have not adequately confronted and embraced. Indeed, we use basic quantitative analysis in this vignette and indulge in a form of interpretation akin to interpretive analysis of text (i.e. a contingent form of interpretation). Perhaps the rigidity or expedience of some methodological divides are challenged with the study of this kind of data. New types of data need new types of analyses, new in the sense that consumer research relies on hypothetic-deductive or experimental research that seeks to measure effects or alternatively interpretation of text (interviews). Perhaps new methodologies is too bold, perhaps borrowed or adapted methods would be more accurate (e.g. behavioural archaeology), methods that are better equipped to explore these under-utilised data-sets than ‘conventional’ consumer research methods. The stark distinctions, which are often made between qualitative and quantitative investigation, are sometimes a distortion of the reality of analyzing and interpreting such data (Kincaid 1996; Smith 2002). Data augmentation using discrete but related data raises a number of methodological possibilities and challenges for the academic or policy researcher.

**Conclusion**

There are clearly many potential obstacles (legal, ethical and practical) in using such data to intervene on an individual basis. However the potential power of similar data usage is profound and it seems perverse that the commercial exploitation of the data in order to target products, service and offers is rife whilst the data’s potential to inform policy on health and wellbeing is in its infancy at best. There are fewer barriers to using the data in anonymised analyses which do not lead to intervention or individual tracking (i.e. aggregated analysis) but scant examples of such usage in any kind of systematic way. Of course even ‘anonymised’ data can be used to identify someone if cross-referenced with other data. Commercial organisations could claim a number of corporate social responsibility (CSR) contributions if they were to allow policy researchers access to anonymised data or if they provided the results of their own analysis. This is not without risks for the data owners or the consumers but the debate should at least be initiated so that developments can be informed by an a priori ethical debate.

**References**


Emerging Model of Consumers’ Quality-of-Life (QOL) with respect to an Alternative Food Network in Turkey

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Ahmet Ekici, Bilkent University, Ankara, Turkey

Background

Many consumers are dissatisfied with the predominant industrialized food system. In a “centralized exchange system,” where economic and political power are used to direct transactions in the interests of the entity in power (Layton 2007), many consumers see large agro food companies using their power in a way that does not advance societal interests. In such food marketing systems, production, processing, and distribution are on an industrial scale and seen to be controlled predominantly by transnational corporations (Witkoswki 2008, p.265). The farmer and consumer are anonymous to one another in the dominant food system (Sharp, Imerman, and Peters 2002). Products have been stripped of their social and environmental relations (Hudson and Hudson 2003).

Consumer’s well-being is harmed through the perceived high risks associated with the consumption and production of conventionally grown produce, particularly for pesticide-related risks (Williams and Hammitt 2001). Food scares such as contaminated meats leave people feeling that the food system cannot be blindly trusted (Murdoch and Miele 1999), prompting a desire to know what one is eating, and by whom and how it is made. Chemicals from pesticides and uncertainties about hormones are unsettling to many. Consumers complain of tasteless fruits and vegetables as well as questioning whether produce grown out of season and produced with uniform shapes and enlarged sizes is “natural.”

There are also consequences for communities and the environment. For example, in Turkey deregulation of urban planning during the building boom in the 2000s has led to replacement of agricultural land, sprawling expansion of cities and environmental degradation (Balaban 2012, Duran et al. 2012). The restructuring of Turkish agriculture over the last couple decades has led to “de-agrarianization and unprecedented levels of impoverishment in rural areas” (Aydin 2010, p. 150). Family farmers are not able to make a living, so they sell their lands and urbanization continues. In the two years between 2004 and 2006 over 1.3 million people left agriculture (Aydin 2010, p. 180). As local farming declines, so too does consumers’ ability to get fresh, locally grown food. We theorize that these developments in the predominant food system are likely to negatively affect consumers’ QOL.

There have been attempts to improve society’s well-being through Alternative Food Networks (AFNs) such as the organic food movement, fair trade, and Community Supported Agriculture (CSA). However, due to various reasons, these existing systems have been limited in their ability to deliver improved societal well-being. This paper reviews the advantages and drawbacks of existing AFNs, and through a case study describes a new form of AFN in Turkey that has the potential for improving the QOL of consumers. Finally, based on depth interviews conducted with consumers and the extant literature, we put forth an emerging model that depicts inductively-derived constructs and propositions that can be tested in future research.

Existing Alternative Food Networks to Improve QOL
AFNs or “short food supply chains,” are broad based terms that cover newly emerging networks of producers, consumers, and other actors that embody alternatives to the more standardized industrial mode of food supply (Murdoch, Marsden, and Banks 2000). One definition of AFNs has four components: (1) shorter distances between producers and consumers, (2) small farm size and scale and organic/holistic farming methods; (3) existence of food purchasing venues; (4) a commitment to social, economic, and environmental dimensions of food production, distribution, and consumption (Jarosz 2008). AFNs are largely the response to the alienation felt over food (Renting, Marsden, and Banks 2003). There is an effort “to reconnect food production and consumption by more direct mechanisms” (Montiel et al. 2010). The shorter supply chains enable AFNs to bypass middlemen, minimize transport distances, and do more direct marketing to consumers (Jarosz 2008).

The AFNs are enabling more connectivity between consumers and producers (Alexander and Nicholls 2005). According to Albrecht et al. (2013) a goal embedded with AFNs is “the achievement of more equitable labor relations in comparison to the industrial food system’s exploitation of human workers” (p. 154). Goodman and DuPuis (2002) argue for production and consumption not to be seen as separate spheres, but as mutually constitutive social relationships between producer and consumer. There is a “search for new mechanisms of belonging and rootedness, for which food is one of the most fundamental and existential” (Montiel et al. 2010). This paper analyzes ways consumers and producers can link together and re-embed agriculture with social and ecological information (Raynolds 2000), improving the QOL of each.

AFNs are increasing market share in developed economies and receiving attention in the academic literature. There are several different AFNs that aim to improve upon the current problems facing the consumers and producers. This study looks at organic food, fair trade, and Community Supported Agriculture (CSA) as some of the most prominent AFNs in North America and Europe, but still fledgling in Turkey. Since Turkish consumers are still buying the majority of their fruits and vegetables from open street markets (pazar), these markets are not examined because in a developing context they are not “alternative” (Bignebat, Koc, and Lemeilleur 2009). Although not mutually exclusive, the literature on organic, fair trade, and CSA will be considered, exploring the advantages as well as limitations of each.

**Organic Food**

The impetus of the organic food movement is healthy food for consumers. The organic certification stipulates how a product is produced—both in a way that is healthy for the consumer and non-harmful to the environment. “Through environmentally sound practices, organic producers and processors strive to sustain the health of the earth while providing quality food for those who inhabit it” (OCIA.org). It is clear that the emphasis here is on the producer working on behalf of the consumer.

Organic food is grown and processed without the use of synthetic chemicals, fertilizers, antibiotics, hormones, or genetically modified organisms (GMOs). Accordingly, the most important outcome that consumers hope to achieve is health for themselves or their families. Although there are many competing demands and motivations, the organic consumers’ concern least likely to be compromised is personal and family health (Lockie et al. 2002, Makatouni 2002, p. 351). Centrally, an organic certification can improve a consumers’ confidence that what he or she is eating has a minimal amount of chemical residues.

Despite the strengths, there are limitations. It is common for consumers to complain that products are labeled organic only to be sold at a higher price. Consumers are wary of the
commodification of social and ethical issues (Crane 1997). Large corporations have entered the organic market to capitalize on demand. Organic food itself is becoming another “rootless commodity” (Pollan 2006), made on industrialized farms and sold at Wal-Mart (Warner 2005). Organic food doesn’t alter the relationship between producers and consumers.

Another major limitation of organic food is that it does very little to address the important producer side of food supply. “Organic trade in many ways re-enforces the traditional subordination of Southern producers” (Raynolds 2000, p. 304). Producers will likewise benefit from a better environment, but organic food does not address labor issues or promote family farming. Additionally, organic farming can make the job of the farmer that much harder, less able to utilize the full range of pesticides and fertilizers that have increased productivity. In sum, organic food is considered here as an AFN that can improve the QOL of consumers, but mostly neglects the well-being of the producer.

**Fair Trade**

Fair trade focuses on improved living and working conditions for producers in underdeveloped countries. Whereas organic certifications verify the conditions of production, fair trade initiatives seek to transform trade relations between producers and consumers (Raynolds 2002). Small-scale farmers in the fair trade network are guaranteed a fair price and an additional premium that they are able to invest back into their community. “Connectivity” between those who grow and consume fair trade products is of fundamental importance (Alexander and Nichols 2006). Fair trade requires solidarity that goes against the individualism and price-based simplicity of the commodity-based market (Hudson and Hudson 2003).

However, there are limitations that have kept fair trade from taking off. In the academic literature there is debate about how much fair trade actually raises the QOL of producing communities (Arnould, Plastina, and Ball 2009, Nelson and Pound 2009). There is critique of the way that fair trade and related prescriptions can be based on very Western notions of “sustainable development.” As with “sustainability,” fair trade may just be another effort to try to form the world in a Western image (Morse 2008).

Fair trade in and of itself is also limited in guaranteeing any difference in the quality of the product. For example, there is no stipulation on a product being organic. Indifference toward fair trade products is a bigger challenge to overcome than price or availability (De Pelsmacker and Janssens 2007). The opportunity to benefit a producing community is appealing to some, but the lack of differentiation in product quality limits the demand for fair trade.

Although there is evidence that local food is not always more environmentally friendly (e.g. Edwards-Jones 2010), a potential drawback of fair trade is the large carbon footprint as the products are transported long distances between developing and developed countries. Domestic fair trade is another consideration, with the same value of a partnership between consumers and producers, but focused on producers closer to home (see Jaffee, Kloppenburg, and Monroy 2004). There are still issues to negotiate such as a social justice versus the personal health or environmental goals (Brown and Getz 2008).

In sum, fair trade establishes a link between consumers and producers, trying to improve the QOL for poor farmers, but the impact on the well-being of consumers and producing communities is less than certain.

**Community Supported Agriculture (CSA)**

CSA is an AFN that in many countries has served to facilitate the relationship between consumers and producers. Interested consumers purchase a share offered by a local
farmer and in return receive a box of produce each week throughout the farming season (Locaharvest.org). Benefits to the consumer include fresh produce and the opportunity to visit the farm. The producer benefits by being able to do the marketing in the offseason, receiving payment up front, and by the members sharing the risk of and unpredictable crop. A CSA share price should cover operating costs and yield a fair return to the farmer’s labor (Brown and Miller 2008).

The desire to support “the local food system” is one of the main reasons for the take-off of CSA farms and coops (Sharp, Imerman, and Peters 2002). Within the same community, consumers are able to visit farms, meet the farmers, and even join in the work. There is a countervailing market response to corporate co-optation of organic, returning to localness, “the most distinctive and inimitable asset of small organic farms” (Thompson and Coskuner-Balli 2006). In the transience of modern society and food traveling long distances, a consumer’s ability to buy food from a local farm is a way to contribute rootedness to his or her identity (Belk 1988). When consumption takes place in the same community as the production there is a natural feedback loop in place that forces people to live with the environment impact of their production and consumption decisions (Nozick 1992, p. 62 in Hudson and Hudson 2003).

However, there are limitations that arise with CSA. One is that CSA has limited reach because they tend to prosper in greenbelts of large cities (Stagl 2002). CSA requires favorable agricultural conditions as well as be close to a population with the economic means to pay more for their food than from traditional channels. Because of the seasonal dependency due to restrictions of the local growing season, CSAs can only be considered complementary to other food channels (Stagl 2002). Local, alternative food systems are not necessarily beneficial for all who participate in them (Jarosz 2008). CSA farmers may have to work harder by taking on the additional responsibilities of processing and direct marketing. According to a couple studies (cited by Brown and Miller 2008), less than half (48% and 43%) of CSA farmers felt the share price provided a fair wage.

In summary, the literature shows that organic, fair trade, and CSA offer certain strengths in improving QOL of consumers and producers, but each has significant limitations. The organic food movement may improve QOL of consumers through healthier food, but does not necessarily improve community well-being. Fair trade offers producers better terms of trade that can enhance producing communities, but the impact on consumers’ QOL is not convincing enough to prompt high demand. CSA shows promise of strengthening the connection between producers and consumers, but in an increasingly urbanized society the scope may be limited because of the need for farms to be close to consumers. This paper describes a new form of AFN that combines aspects of the previously known forms while trying to improve upon the limitations. We next explain our research approach before presenting the findings.

Methods

Our methodology for this research was to explore a case study of one AFN. We find that studying one case in depth is a good way to generate learning and propositions that can be tested with a larger number of cases (Flyvbjerg 2001). We believe that Ipek Hanim Ciftligi (IHC) is a “critical case” because it is the predominant AFN in Turkey. Due to its popularity, we believe this case is suitable for logical deductions to be made (p. 79). We had contacts within this AFN and it also gave us access to the biggest pool of informants.

The primary qualitative method that we used was the in-depth interview, ideal for collecting the kind of rich and nuanced data on the consumer experience. We conducted inter-
views with 12 consumers who are involved in IHC. Two professors at our university who are customers of IHC were our initial contacts, and we used snowballing to find informants. By necessity of the customers of IHC, the sample focuses on middle to upper-class consumers who live in the biggest cities of Turkey—Ankara and Istanbul. Ten of the informants were females, which was not surprising based on them being the main food purchasers for their families and the predominant customers of IHC. While the initial informants were very positive about IHC, later interviews included informants who had mixed feelings about IHC. These negative cases were helpful in keeping us from making misguided generalizations. In order to allow additional comparison between AFNs, we also conducted interviews with six other people who are customers of other AFNs in Turkey.

The duration of the semi-structured interviews (Mason 2002) were 60-75 minutes. We began with grand-tour questions about where informants buy their food and then how they first got involved with IHC. We used techniques such as extending and filling in the detail to probe more about informants’ experience with IHC. We picked up on the “markers” that were put down by the interviewees, and went in more depth when there was a story to tell and unexpected themes to develop (Weiss 1995). We referred to prepared questions throughout the interviews, but kept flexibility as we probed and sensed where the informant had more to say. Two of the interviews were conducted in Turkish with informants who preferred to speak Turkish, and the remaining ones were conducted in English. All of the interviews were recorded and transcribed and the transcripts reviewed by both authors.

In our data analysis we read through all of the interview transcripts and then did open coding, as recommended by Emerson, Fretz and Shaw (2011). We did this with an inductive approach, beginning with the data themselves and arriving at theoretical categories and relational propositions (Lincoln and Guba 1994). We worked to enhance the authenticity of our analysis and interpretation by beginning from the “emic” point of view. Specifically, during the open coding we looked for and flagged typologies that illuminated distinctions between varying elements in a set (Fischer and Otnes 2006), normative statements (Moisander and Valtonen 2006, p. 115), and the order in which things are said.

We then continued on to axial coding across the data, looking across the open codes. We used a constant comparative method to make comparisons across all the data, comparing between interviews and then across all interviews. We looked for themes and similarities across the data, especially related to informants’ motivation for getting involved with the AFN and reasons for satisfaction. We did iterations of selective coding at higher levels of abstraction, discovering underlying themes and possible reasons for explaining how phenomena are connected (Moisander and Valtonen, p. 111).

As way of triangulation we also reviewed IHC’s website, the weekly emails sent with the product list, and an online documentary about IHC. These were compared with the transcribed interviews. Preliminary observations of supermarkets and organic food markets, and websites related to organic food, fair trade, and various food cooperatives served as another point of comparison. Through iterative comparison between this qualitative research and literature we developed an emerging inductive model with proposed constructs and relationships.

**Emerging Model of an AFN that Improves QOL for Consumers**

The qualitative data gathered indicate potential to model an AFN that improves consumers’ QOL. Our model is based upon a bottom-up theoretical approach to QOL. This approach maintains that QOL is a “global feeling of satisfaction with one’s life, and that satisfaction is mostly determined by satisfaction with a variety of domains” (Sirgy 2001, p. 51).
Considering how important food is in one’s everyday life, it is surprising how little research there has been on food as a domain determining satisfaction with life. Grunert et al. (2007) is a notable exception in proposing a “satisfaction-with-food-related-life” scale. We explore how one’s involvement with an AFN can go beyond the “food-related-life” and impact one’s overall satisfaction with life. As will be discussed in the case study below, participation in an AFN touches on many areas of well-being.

In this section, we first provide a brief description of IHC, then introduce the components of the emerging model (Figure 1).

Description of Ipek Hanim Ciftligi (IHC)

Ipek Hanim Ciftligi (IHC) is one of the most successful of the AFNs to recently emerge in Turkey. The story as recounted by informants is that IHC was founded by a business person (Pinar Kaftancioglu, hereafter Pinar) who decided to move to some inherited land in western Turkey to live a more rural life and grow healthy food for her daughter. She began to send some food to friends in the large cities of Turkey. In order to meet the demand from their friends others they referred, Pinar began to produce more.

IHC has expanded to supply a wide variety of products (over 400) to customers who are accepted based on referrals. Most of the food is grown on her farm, but she also helps to distribute other locally and traditionally produced products. A weekly email is sent out to over 20,000 people with information about the farm and the food sector and includes a large spreadsheet with prices and descriptions of the products from which the customers can select. Orders are placed, boxes filled, and then shipped to customers in large cities using a commercial cargo company. Approximately 2,500 large boxes are sent out weekly. About 100 women are employed by IHC from a couple small villages around Ocakli, near Izmir, Turkey. IHC is not considered “local” to most of her customers as most of the boxes are shipped several hundred kilometers to Istanbul and Ankara.

Pinar outspokenly does not believe in obtaining an organic certification. Customers have a high trust in the natural and traditional ways in which the food is grown and processed. IHC maintains approximately 500,000 square meters for crops and vegetables, a 10,000 square meters vineyard, 13,000 olive trees, and 30 cows and 500 chickens.

Constructs within the Emerging Model Relating to Consumer Well-Being

Through the qualitative data analysis we identified seven key indicators that have the potential to explain consumers’ satisfaction in relation to participating in an AFN. Below we provide a basic description/definition of these seven constructs (also shown in Figure 1):

- Health Well-Being- Degree to which the consumer feels himself/herself and family is healthier when consuming food from an AFN instead of other sources.
- Social Well-Being- Extent to which consumer feels social integration, contribution, coherence, actualization, and acceptance by being a customer of an AFN.
- Environmental Well-Being- Extent to which the AFN’s alternative form of agriculture is viewed as sustainable and better for the environment.
- Community Well-Being- Extent to which being a customer of an AFN is felt to improve the lives of workers and the community.
- Product Quality- Degree to which the consumer feels the freshness, taste, and other attributes of the food from an AFN is outstanding.
• Acquisition Efficiency - Extent to which an AFN’s ordering and delivery systems are seen as convenient.
• Price Affordability - Extent to which the food from an AFN is seen as affordable and a good value.

Figure 5. Satisfaction with respect to the Alternative Food Network

Propositions

Health Well-Being

Health Well-Being: Degree to which consumer feels himself/herself and family is healthier when consuming food from an AFN instead of other sources.

Health well-being is a well-researched construct within the Quality of Life and related literatures in a variety of fields. One study found that about 60% of the explained variance in happiness scores was attributable to health satisfaction (Michalos, Zumbo, and Hubley 2000 in Sirgy 2001). In this study, we consider a specific component of health: the food that one consumes. While we are not concerned with just organic good in this paper, Michaelidou and Hassan (2008) synthesize the extant literature to show that consumers perceive organic produce as a healthier, safer, and tastier alternative to conventional foods that enhances personal well-being. According to their study, food safety concern and ethical self-identity are important predictors of attitude towards organic produce. Many consumers perceive a significant reduction in pesticide-related risks associated with substituting organically grown produce for conventionally grown produce (Williams and Hammitt 2001). These studies support the proposition that consuming food perceived to be healthier than conventional foods is thought to improve one’s health well-being.

Our qualitative research supports this literature and points to health well-being as a major influencer of satisfaction from buying from an AFN. One informant described how her motivation for starting to buy from IHC begin after her husband had bypass heart surgery.
The next year my husband had a bypass surgery. So that was the time when we started to eat healthier, to live healthier, etc. And I met a friend, we were at dinner, who has multiple sclerosis (MS) and she was treated by medicine and other things, but she had a doctor in Istanbul who believed so much that what you eat is very effective on stopping, not curing, but stopping MS. So she started to eat the things that she really believes are healthy- not containing chemicals, hormones, etc. And it really worked well. After that night the next thing I did was to get into that web page, send an email to Ipek Hanım, get the list, and start ordering (RA).

This quotation shows the way that buying healthier food from IHC improved this informant’s friend’s sense of health well-being, and also gave the informant hope for her and her husband after his health scare. When asked what issues are particularly important to her in deciding to buy from the AFN, another women replied, “I have a son, so these things must be as pure as possible for him. And also for my own health, because you know I had a bad health issue a couple years back, so that is when I really, really started to look for these type of foods” (BE).

Even if not connected to a direct health scare, respondents’ improved sense of health well-being was one of the most mentioned reasons for buying from IHC. Another respondent described her main motivation for buying from IHC in the following way:

I thought that it is more healthy, that is my concern... I know that some people are using hormones, and some pesticides which are for killing some of the things, which are harmful not just for us but for the environment as well. And so I am also thinking all of those issues. So that is my biggest motivation, to try to cook something healthy for my family (AA).

Based on the literature and qualitative research related to Health Well-Being, we put forth the following proposition:

\[ P_1: \text{The greater the Health Well-Being, the greater the consumer’s satisfaction with respect to the AFN.} \]

**Social Well-Being**

*Social Well-Being:* Extent to which the consumer feels social integration, contribution, coherence, actualization, and acceptance by being a customer of an AFN.

Satisfaction with respect to an AFN also includes a social dimension. Keyes (1998) provides the following definition: “Social well-being is the appraisal of one’s circumstance and functioning in society.” Keyes sets forth five dimensions of social well-being, grounded in classic sociological theory and current social psychological perspectives: social integration, social contribution, social coherence, social actualization, and social acceptance. We found evidence in our qualitative research that each of these increases someone’s satisfaction in being a customer of IHC.

Social integration is the evaluation of the quality of one’s relationship to society and community. Healthy individuals feel that they are a part of society. Integration is therefore the extent to which people feel they have something in common with others who constitute their social reality (Keyes 1998).

We see many examples in our research on IHC of people feeling more socially integrated as a result of being involved. Many extended families share products together and with close friends, enjoying the communal sharing. This demonstrates the way consumption takes place in social units (Schaefer and Crane 2005). It is clear from the interviews that it is important to informants to feel that they are integrated with other forward-thinking people. One informant put it this way: “...from my friend I learned about some other quite high profile people from other areas of community in Turkey, from politicians, to artists, to banking people, all sorts of people who have been buying from [Pinar]” (ZS). Another informant shared about how she likes being part of a network through her involvement with IHC. “Pinar
refers us to others. For example, a while back she recommended a detergent from a friend for an organic laundry detergent. She sent the link for it. That’s to say, she is introducing people, she started to form this kind of a network” (NT). Consumers are more satisfied when they feel socially integrated in an AFN.

1. Social contribution is the evaluation of one’s social value. It includes the belief that one is a vital member of society, with something of value to give to the world. Social contribution reflects whether, and to what degree, people feel that whatever they do in the world is valued by society and contributes to the commonwealth (Keyes 1998).

Although not an initial reason for getting involved for most informants, their sense of making a contribution to society ended up being one of the most discussed reasons for their satisfaction. By being a customer of IHC, they feel they are contributing to an improved society:

Pinar] is trying to do more and more, to enlarge this idea of trying to do traditional farming. It is not that she just wants to try to keep this as a secret to herself and be the only one who does this in Turkey. On the contrary, she is supporting other people to do other things so that the whole thing will be changed eventually. She’s got very big ideas. It isn’t for 2-3 villages or a couple of hundred people, but she really wants to make change for the farming of this country (ZS).

2. Social coherence is the perception of the quality, organization, and operation of the social world, and it includes a concern for knowing about the world. Healthier people not only care about the kind of world in which they live, but also feel that they can understand what is happening around them. Such people do not delude themselves that they live in a perfect world; they have maintained or promoted the desire to make sense of life (Keyes 1998).

One of the main sources of satisfaction from being a customer of IHC is the sense of being “in the know” about what is happening in society. In weekly emails to customers, Pinar shares information about food and agriculture in Turkey. It is remarkable how many examples were given of Pinar’s knowledge opening people’s eyes to agriculture and food related issues.

Pinar enlightened us about bread, how there is so much preservative added. I went on the internet and looked at the food additives, you can go on the internet and look too. I can see that what Pinar says is true. Now I am not buying bread from everywhere. You are understanding now why bread starts to go stale in just a day or two (DY).

This quotation reveals an element of drawing the interviewer in as well, that he or she would also know about what is happening in society.

3. Social actualization is the evaluation of the potential and the trajectory of society. This is the belief in the evolution of society and the sense that society has potential which is being realized through its institutions and citizens. Healthier people are hopeful about the condition and future of society, and they can recognize society’s potential (Keyes 1998).

Consumers feel empowered to be a part of something that resists the industrialized agro food industry. They are energized to feel like they are able to vote for an alternative system through their purchases (Shaw, Newholm, and Dickinson 2006). One male informant shared, “To support Pinar is another good motivation for buying, to support this type of initiative, I want to be in support. I am also buying from her because of this. This kind of local and small agriculture against large scale production should be supported” (NB). The quotation shows the potential she sees in society through Pinar’s efforts.

And she has started to turn these villages into like as I said, into self-sustaining, traditional farming villages. And being an academic who is coming from an HR background, that was very important to me
4. Social acceptance is the construal of society through the character and qualities of other people as a generalized category. Individuals who illustrate social acceptance trust others, think that others are capable of kindness, and believe that people can be industrious (Keyes 1998).

The degree to which informants trust Pinar will be discussed in greater detail later related to Consumer Trust in the model. Based on the discussion of these five dimensions of social well-being, we propose the following:

\[ P_2: \text{The greater the Social Well-Being, the greater the consumer's satisfaction with respect to the AFN.} \]

**Environmental Well-Being**

*Environmental Well-Being:* Extent to which an AFN's alternative form of agriculture is viewed as sustainable and better for the environment.

As Kotler (2011) points out, many of today’s consumers are adding a third dimension (to functional and emotional) of how a company meets its social responsibilities to their criteria for selecting a brand. “My conclusion is that increasing numbers of people will prefer to buy from companies that care. Companies will need to add an environmental dimension to their profile” (Kotler 2011, p. 133).

Our qualitative research showed that many people see the health of their food and the environment as very interconnected. Our informants communicated a belief that sustainability is important for them to continue to have healthy food to eat. One male informant explained his satisfaction in being part of IHC in terms of the environment in this way:

*As far as I can see, IHC is not exploiting natural resources and is living together and behaving properly with the earth. This really pleases me because the typical trend is more, more, more production, more and more consumption. In contrast to this, IHC is about honest production and consuming only what one needs. For a sustainable world this is a really important concept. I applaud this about IHC… Of course IHC is trying to find an alternative, her products are without additives, 100% natural, etc. She is telling about the terrible farming practices. She is telling about how especially in Anatolia the chemical companies providing fertilizers are so widespread. It is frightening that there is almost no production done any longer without the use of chemical fertilizer because they are giving it away for almost free. From now on we really need to form an alternative. People need to have their awareness raised. Pinar has made this her life goal. (NB)*

Based on the preceding discussing, we set forth the following proposition:

\[ P_3: \text{The greater the Environmental Well-Being, the greater the consumer’s satisfaction with respect to the AFN.} \]

**Community Well-Being**

*Community Well-Being:* Extent to which being a customer of an AFN is felt to improve the lives of workers and the community.

Community quality of life has been conceptualized through subjective indicators such as residents’ satisfaction with the community and objective indicators such as quality of education and unemployment rate (see Sirgy 2001, p. 278). Our definition of this construct goes beyond the consideration of one’s own community QOL to caring about the community quality of life where a product is produced. This relates to Sirgy and Lee’s description of quality of life organizations that do no harm to its publics (1996), including the producing community. The fair trade literature previously discussed is an example of consumers who are willing...
to pay a premium to know that the community where goods are produced is improved. This connects to Raynold’s discussion of the link between consumers and producers (2000, 2002).

Our qualitative research strongly supports Kotler’s aforementioned conclusion that “increasing numbers of people will prefer to buy from companies that care (Kotler 2011, p. 133). Customers of IHC feel that they are helping provide employment to women in the village and positively impacting a small community in a rural area. When asked why she is involved with IHC, one informant answered:

*The top one being the people who are working there are really getting involved with something wonderful, earning money and are able to spend their money as they wish. For example, of course there are people working in the kitchen, there are people working in the fields, there are people looking after their cows and other animals but there are also, for example, an old man in the village who makes wooden spoons. She puts them into her list and we order them. So that nice old man who’s making spoons from wood also can benefit from that. And she also from time to time, Pinar writes that now the girls and women living in the villages around have [an improved economic situation]. They are capable of buying or doing things that they had been dreaming of but had never been able to do. For example one of them bought a motorcycle. One of them wanted a bag so much which was expensive, she bought that. So dreams are coming true. This is the people part (RA).*

IHC has provided full-time employment for more than 100 women and increased their social and educational opportunities. A male participant shared about the impact on the community: “She supports the local people, employing them, paying for the social security, etc, so as a result we living in Istanbul can get real good stuff that we like to eat. I wish there would be many of [IHC] all around Turkey” (AT). The following informant emphasizes the importance of the connection with a woman in the village:

*I know that a woman is working for me there and she is earning money; maybe she is bringing money to her family to her son or daughter and this makes me happy. Presumably you have this same thing with supermarkets because someone is producing this product, but I have a more direct contact or I can imagine more easily. I haven’t been to the farm, but this is the impression that I have. If I want I can call her and I can just say that I want to meet the woman who is working for me (EK).*

This quotation shows the connection between community well-being and the satisfaction that someone feels through being a part of IHC.

Not all informants were as expressive of the community well-being topping their list of reasons to be involved. A couple informants were honest that this was not one of the factors that influenced their initially getting involved. Others mentioned it more as addition to other aspects:

*It’s an addition. At the end of the day I would decide on the quality of the product. But for example if one day I learned that in [the AFN] they are not treating their workers in a good way... I wouldn’t buy from them, that’s for sure. But if the quality is the same, you know, I would rather buy from the farm who has a positive impact on their society. That is something additional nice thing to have. But it is not the main decision making thing (BE).*

This is in keeping with Bird and Hughes’s (1997) second type of ethical consumer where the degree of “ethicalness” is an added bonus. This brings up the issue that community well-being is not always a motivation for joining the AFN, but the absence of harm to the community is enough to continue buying. Nevertheless, while it may not be a primary motivation for becoming a customer of AFN, we see evidence that the sense of community well-being will increase one’s satisfaction. As such, we summarize the following proposition:

*P4: The greater the Community Well-Being, the greater the consumer’s satisfaction with respect to the AFN.*

**Product Quality**
**Product Quality**: Degree to which consumer feels the freshness, taste, and other attributes of the food from an AFN is outstanding.

In referring to Product Quality, we draw on the user-based approach most used within marketing. Individual consumers have different wants and needs, and the goods that best satisfy their preferences are those that they regard as having the highest quality (Garvin 1984). There are competing definitions of quality as well as variations of perceptions (Renting, Marsden, and Banks 2003). What these customers define as *better* may differ from the majority of the population, however these consumers’ subjective sense of better freshness, taste, and other attributes is what is considered important in this construct.

Customers of IHC frequently referred to clear difference in size, shape, taste, and smell of the produce they receive. “Then I decided to order, and then after my first order I was thrilled about what she is doing really. The tastes of the tomato is different, the onion is different. I mean the product looks like the products when I was child, really, I mean that is the major thing [by which] I was affected.” (AA). The customer’s recognition of this difference in quality is important in increased satisfaction. Many informants mentioned how the size and tastes of the food they get from these farms reminds them of their childhood.

The informants were enthusiastic in describing their perception of differences in product quality when asked to compare with products they would buy from the supermarkets:

> ... when you buy 1kg of [tangerines] from [the supermarket] you get 10-12 pieces. You buy from [IHC], you get 50 pieces. I mean these are so small and with some imperfections on it. But it is real; it smells different, it tastes different. Don’t look at how they look...For example when you buy lemon, it has a very thin rind. But one teaspoon is equal to one you buy from the local store or [supermarket] (AT).

There has been a dearth of literature about the importance of food quality in one’s life satisfaction. Grunert et al. (2007) present a “satisfaction-with-food-related-life” scale in the absence of food being specifically included in most QOL of measures. Based on our qualitative research, we find it plausible that:

\[ P_5: \text{The greater the Quality of Product, the greater the consumer’s satisfaction with respect to the AFN.} \]

**Acquisition Efficiency**

**Acquisition Efficiency**: Extent to which an AFN’s ordering and delivery systems are seen as convenient.

The efficiency with which someone is able to acquire the products is proposed to impact someone’s satisfaction with respect to the AFN. This is related to the important place/distribution component of marketing. In this AFN model the food is usually traveling long distances from agriculturally suitable land to urban areas. Therefore, the convenience of the distribution becomes extremely important. Online shopping and specifically online grocery shopping (e.g. Morganosky and Cude 2000) are obviously not particular to AFNs, and therefore neither are the expectations for efficiency and convenience. When shopping online, consumers look for accurate product and pricing information, convenient and secure ordering, order tracking, reliable delivery, and accessible customer service. (Burke 2002). One informant comments on the ease of ordering food from IHC and another AFN, Yesil Vade.

> Of course the other thing is the ease of access. Both with İpek Hanım and Yesil Vade, they are easy to place an order. You can just send them an email. And their communication is good, they tell you when they sent your box or with the other, you know when it is coming. So they both have a good system about that (BE).
When shopping for frequently purchased, nondurable goods like groceries, consumers emphasized the importance of having a fast and convenient shopping experience (Burke 2002). Many of the customers we interviewed, all of whom were working professionals, mention the convenience of having the food shipped to their home. “Well, it is very speedy. I know that if I order today, I know that in 2 days it will be at my place. Well I am working, my husband is working. I ask the delivery to my mom’s house. She is always at home. I mean you know all of this is very practical for someone who is working.” (EK). However, another interviewee explained the delivery system as an obstacle because of the variability in when the cargo company may deliver.

I am trying like I said to order more regularly, more vegetables and other things. but because of this issue it is really discouraging for me. I order it and I wait for three days. And the package is coming to my home, but I wasn’t home so they sent it back to the company who is bringing it, and now we need to go there and pick it up. This is hard because I am working here full time and my husband is also working full time, so it is not easy. That was my biggest problem (AA).

When there is not someone at home or another family member to send the package to the same system is viewed as less than satisfactory. Based on the literature and interviews conducted we put forth the following proposition about the efficiency of acquisition:

\[ P_6: \text{The greater the Acquisition Efficiency, the greater the consumer’s satisfaction with respect to the AFN.} \]

**Price Affordability**

**Price Affordability:** Extent to which the food from an AFN is seen as affordable and a good value.

Price is another factor in consumer’s satisfaction and quality of life. As Sirgy (1996) emphasizes, price affordability must also be taken into consideration by QOL marketers, and not just whether it offers a “healthful” product. “According to consumer economics and consumer welfare literature, the concept of affordability is defined as the price that the consumer can pay without creating a ‘significant’ sacrifice in the ability to purchase other needed products” (Sirgy 1996, p. 251). Sirgy and Lee (1996) summarize that it is essential that the organization offers a product that is affordable to most of the target customers. From a QOL perspective, the marketing objective is not only profit, but consumer well-being and long-term profit (Sirgy 1996).

Price is also an important consideration because the AFN movement is in part a response to the notion that the price currently paid to farmers and for food may not be “fair.” This poses a challenge to AFNs that are competing against food that is produced utilizing greater economies of scale. The fair trade movement, as discussed above, is predicated on the idea of small-scale farmers in the fair trade network being guaranteed a fair price that covers their cost of productions, offers a living wage, and a premium to be invested in the development of the community (Raynolds 2002). Fair trade requires solidarity that goes against the individualism and price-based simplicity of the commodity-based market (Hudson and Hudson 2003).

Therefore part of the AFN movement is the recognition of a possible need to pay a higher price. In this sense, consumers of AFNs are purposively less price sensitive than other buyers (Arnot, Boxall, and Cash 2006). For example, in a specific empirical study about consumers’ willingness to pay for fair trade products, 10% of respondents were willing to pay the current price premium of 27% in Belgium for fair-trade label on coffee (De Pelsmacker, Driesen, and Raypd 2005). People are willing to pay more for offerings that differ in their level of environmental friendliness (Kotler 2011). One of the interviewees commented in the
following way about prices: “Well, definitely that will not make me refrain me from being a customer. Like I said, I would like to support her action in this part of Turkey, so even if it is higher prices, if it is employing women in her farm, it is a motivation for me. I prefer this to giving my money to a [supermarket] and the [large holding that owns it]” (EK).

The target consumers for AFNs in Turkey are middle to upper class. They are unlikely to have to make sacrifices of necessities in order to pay more for food from IHC. In our study, most of the interviewees acknowledged the prices were very high and said they feel fortunate to afford it. One interviewee said, “Thankfully I have the money and I can do it. But for example my sister wouldn’t buy from them, she has a baby, but for example I buy some stuff and share with her. But she would not order for herself” (BE).

When the interviewees referred to the high prices they were quick to qualify it with an understanding about why the prices must be higher. “Of course it is, I should say it is [more] expensive than the other products… But I know that it is not easy to grow something without hormones or other artificial things, so I know that you may have more drop-out compared to the things with the pesticides and other things” (AA). Another interviewee said, “And her prices were good. I mean they were slightly more expensive, but then you have to pay for the difference of course. But they’re not like hugely expensive, they’re not out of my range” (ZS). This knowledge helps to counteract the “de-valuing” of food that has taken place with industrialization of food processes (Albrecht 2013, p. 155).

Taken together, we can say that price affordability is an important factor in someone’s satisfaction with respect to the AFN. This is most straightforward for people who cannot afford the AFN products and therefore are not customers at all. However, even for those who can afford to buy from AFN, if there is still a sense that the products are overpriced and it is compromising other areas of someone’s life, we maintain that this will still compromise one’s satisfaction. Based on the above literature and qualitative data discussion, we make the following proposition:

\[ P_7: \text{The greater the Price Affordability, the greater the consumer’s satisfaction with respect to the AFN.} \]

**Trust**

*Consumer Trust:* The degree to which the consumer feels trust for the producer.

According to Moorman, Zaltman, and Deshpande (1992), trust is “The willingness to rely on an exchange partner in whom one has confidence.” They argue that trust includes both a (1) belief in an exchange partner’s trustworthiness that results from the partner’s expertise, reliability, or intentionality and (2) a behavioral intention or behavior that reflects a reliance on a partner and involves vulnerability and uncertainty on the part of the trustor. Trust emerged as a major characteristic of IHC and will be tested as a moderator in the emerging model shown in Figure 1. Trust was the key word in nearly every interview as to the reason for a consumer’s involvement with IHC. This is in keeping with affirmation by studies such as Morgan and Hunt (1994) that theorize “the presence of relationship commitment and trust is central to successful relationship marketing” (p. 22).

IHC, like in Hinrichs’ (2000) evaluation of the CSA share, is an “economic transaction suffused with trust” (p. 300). The consumer is trusting that the food received from IHC is safer and healthier than that acquired by traditional channels. “Future developments in food markets depends considerably on the differentiated capacity of food circuits to regain consumer trust and establish new institutional arrangements guaranteeing food quality in credible ways” (Renting, Marsden, and Banks 2003, p. 396). IHC is an example of a food system that
has gained customer trust with seemingly very little institutional arrangement. Most informants made a similar statement when asked about their motivation in buying: “Trust, is the main thing. I don’t know how or why I trust her, but I trust her” (AA). There are many factors that contribute to the building of this trust, some of which will be discussed briefly below.

For most consumers interviewed, the trust began when a friend whose opinion on food related topics is trusted recommended IHC. One of the informants described the recommendation in this way: “I saw it on one of my [former] students”—she is a biology teacher, and one of my best students, so I can trust, I thought that I could trust what she is saying. She was extremely happy with what she ordered from [IHC] and she posted something on her Facebook wall, and when I saw it I thought it would be worth to look at it” (AA).

Although an AFN like IHC may grow quite large, consumers seem to resonate with having the focal point of a single person. Many informants referred to Pinar more than IHC. One interviewee shared that Pinar feels “Like a friend that I have known for a very long time. I feel like that when I read her emails” (RA). The internet can help facilitate relationship and trust with someone who has never been met face-to-face (Renting, Marsden, and Banks 2003). Successful networks will “reduce the huge social distance that currently exists between producers and consumers” (Raynolds 2000, p. 299). Pinar’s social capital and outstanding communication ability minimize the social distance between IHC and its clientele (Burt 2000).

Raynolds (2002, p. 410) identified the importance for the consumer of products being embedded with the producer’s story, which we also observed in how important Pinar’s story seems to be. Many of the interviewees were eager to tell about her life story, which embodies many of their ideals. One informant said, “I learned about the origins of that story bit by bit, how she gave up everything in Istanbul and went there and she had no idea of starting such a thing, she just wanted to raise some fruits and vegetables for her child, and then it got into this” (ZS). A specific way in which her story was mentioned also points to a desire for assurance that the founder was not primarily profit motivated. Another interviewee said, “She did not start this for profit. You will understand this when I summarize her life story to you. You will understand this when I tell you her life story, how it began” (RA). This relates to the sense of interactions that are outside of typical market exchange. Several interviewees explained that Pinar doesn’t want payment up front and if any of the food is damaged to simply not pay for it. There is a perceived trust being extended from IHC, and this is reciprocated with loyalty and trust in turn.

In sum, we propose that a consumer’s trust in the producer plays a moderating role in explaining the relationships between these antecedent constructs and satisfaction of consumers with respect to the AFN.

Ps: As Consumer Trust increases, the antecedents increase and therefore the consumer’s satisfaction with respect to the AFN.

Satisfaction with respect to the AFN and Life Satisfaction

As mentioned above, our study adopts a bottom-up theoretical approach to QOL. This approach maintains that QOL is a “global feeling of satisfaction with one’s life, and that satisfaction is mostly determined by satisfaction with a variety of domains” (Sirgy 2001, p. 51). This approach is preferable for managerial and policy implications as we are proposing that this AFN model could be pursued in improving the QOL of more consumers.
We propose therefore that this global feeling of satisfaction will be determined by satisfaction with a variety of domains. The seven antecedents will impact one’s satisfaction with respect to the AFN, and this will influence one’s overall life satisfaction (Figure 1). While this is only one of many domains that determine satisfaction, we propose that it will be a significant one.

\[ P_0 \]: As the value of the seven antecedents increases, so too will the consumer’s satisfaction with respect to the AFN.

\[ P_{10} \]: A consumer’s satisfaction with respect to the AFN mediates the relationship between the seven antecedents and the consumer’s overall life satisfaction.

Conclusion and Future Research

In this paper we addressed the dissatisfaction felt by some consumers over the predominant food system and presented a review of the strengths and limitations of three existing AFNs (organic food, fair trade, and CSA) in their impact on QOL. We defined constructs that emerged through literature and qualitative research as to the antecedents to satisfaction with respect to IHC. We have presented an emerging model and propositions about how QOL can be improved with respect to an AFN.

We have several objectives for future research. First, we plan to convert our propositions into empirically testable hypotheses. Second, we plan to generate specific measurement items. The depth interviews provide an excellent starting point of how the different constructs can be measured. These measures will continue to be refined and pretested. Third, we plan to identify and study other similar AFNs in Turkey to ensure wider variability in the data capturing the model’s constructs and relationships developed through the IHC case. Fourth, we intend to conduct a survey with consumers of IHC and other AFNs. A founder of one AFN has expressed willingness for us to conduct a survey of producers and consumers.

Finally, a major intended extension of this research is to study the producer’s satisfaction with life with respect to the AFN. This will provide a well-wounded picture of how the AFNs impact not only the QOL of consumers, but also of producers. We hope that our future research will provide helpful insights into the ways that AFNs can improve QOL for consumers and producers in Turkey and beyond.

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A Macromarketing Perspective of THE Consumer Issue of the Future: The Quality of Life of the Elderly, Globally

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Robert A. Mittelstaedt, University of Nebraska-Lincoln, USA

We raise a number of concerns as to how rapidly the world is aging, and not just the developed world. Whereas there is much coverage of the forthcoming budget problems facing the developed world in terms of dealing with commitments to the elderly through programs such as Medicare, Social Security, and Medicaid in the US, there is less awareness that much of the developing world is aging at a more rapid rate and is, in fact, less prepared for handling its aging population. The paper’s purpose is not only to increase awareness of the coming problems, but also to point out specific issues that macromarketers need to devote much attention.

Introduction

This paper deals with what we (as social marketers) perceive to be THE issue in consumer marketing in the future: the quality of life of the elderly, globally. Everyone is aware that the developed world is aging; what most are unaware of is that the developing world is aging at an even faster rate (Chan 2012). For the first time in recorded history, there are more people over 60 years old on the planet than there are children under 15. The world has never been so OLD and it’s getting older rapidly.

Accompanying this major demographic change are changes in the role of the family that interact with the phenomenon of aging. The result is a shift from traditional forms of economic and social support for the elderly to public means, making the issue of the quality of life increasingly a matter of relevant public policies.

In this environment of change, most systems, including marketing ones, are not prepared for an “old culture.” It is the purpose of this paper to describe these demographic and cultural changes in both the developed and developing worlds, discuss the alternatives for economic and social support of the elderly, and finally examine the dilemmas these create for public policy and marketing systems.

Demographic and Social Changes

The Aging Population: In the last six decades, the percentage of people in the world over 60 increased from 8% to 10%. In the next two decades, it will increase to 22%, seeing an increase from 800 million people over 60 to two billion. This change in proportions is the result of two trends: longer life expectancy and lower fertility rates.

Until the 20th century, the average life expectancy globally was 30 (Williams and Krakauer 2012). Advances in medicine and public health have lengthened life expectancy in
both developed and developing nations. Between 1950-55 and 2005-10 average life expectancy in developed nations increased from 66.0 to 77.8 years; in developing nations it was even more dramatic, rising from 51.7 to 67.7 in the same time frame (Romay and Sandberg 2012). At present about two-thirds of all people over 60 live in developing countries (United Nations Population Fund and HelpAge International 2012, p. 21.)

Almost everyone is aware that the fertility rates are falling globally; what is not well known is that almost half of the world’s population lives in countries with fertility rates of 2.1 children per household or less (2.1 is the replacement rate needed to keep a country’s population stable) (Economist 2011a). Further, at this point, there is an age split between old (developed) and young (developing) as can be seen in Table 1; however, that will be changing very rapidly, with some exceptions. The median age of Sub-Saharan Africa is less than 20, while that in India is under 25. If those areas of the world can solve their education and corruption problems, their demographics may well bode well economically for the rest of this century (Economist 2011b; Zahidi 2012). However, even though the median age of Sub-Saharan Africa is expected to increase only to 26.4 in 2050), its huge projected growth will result in huge numbers of elderly.

Aging issues in Africa have received little attention due to the fact that it is so young. Fertility rates are dropping in general, but they are still as high as 7 (in Niger). The population of Africa in 2012 was 1.1 billion, but is expected to grow to 3.6 billion in 2100 (accounting for 80% of the additional people in the world). Africa will still be the youngest region of the world then (its median age is now 19.7 and expected to be 26.4 in 2050). But the number of people over 60 will grow 13 times by 2100, from 56 million

Table 1. Percentage of the Population over 65 in 2012

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>PERCENTAGE</th>
<th>COUNTRY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>5%</td>
<td>Russia</td>
<td>13%</td>
</tr>
<tr>
<td>Egypt</td>
<td>6%</td>
<td>US</td>
<td>14%</td>
</tr>
<tr>
<td>Colombia</td>
<td>6%</td>
<td>Poland</td>
<td>14%</td>
</tr>
<tr>
<td>Mexico</td>
<td>7%</td>
<td>Canada</td>
<td>15%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>7%</td>
<td>Ukraine</td>
<td>15%</td>
</tr>
<tr>
<td>Turkey</td>
<td>7%</td>
<td>UK</td>
<td>17%</td>
</tr>
<tr>
<td>Brazil</td>
<td>7%</td>
<td>France</td>
<td>18%</td>
</tr>
<tr>
<td>World Average</td>
<td>8%</td>
<td>Spain</td>
<td>18%</td>
</tr>
<tr>
<td>China</td>
<td>9%</td>
<td>Italy</td>
<td>21%</td>
</tr>
<tr>
<td>Thailand</td>
<td>10%</td>
<td>Germany</td>
<td>21%</td>
</tr>
<tr>
<td>Argentina</td>
<td>11%</td>
<td>Japan</td>
<td>25%</td>
</tr>
<tr>
<td>South Korea</td>
<td>12%</td>
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Taken from Applegate (2013, p. 20)

to 716 million (Aboderin 2012). That will create an age-quake in Sub-Saharan Africa. At present, only Japan has more than 30% of its population over 60; it is estimated that, by 2050, 64 nations will have at least that proportion of elderly in their populations (United Nations Population Fund and HelpAge International, 2012, p. 21.)

The Gender Mix: When we discuss the elderly, we are talking about predominantly female populations. The majority of people over 60 are female: India 55%, China 59%, Europe 63-
66%, Korea 70%, Russia 76%. And the relative proportion of the population that is female increases when older age groups are considered. In general, female life expectancy is closer to that of males in the developing world, as the lower status of women there results in problems with nutrition and lack of access to health care (Zahidi 2012).

The Changing Role of Family: Family is a topic central to aging, as most of the world has a history of the elderly being taken care of by family. Traditionally multi-generational families lived together, or in close proximity, providing both economic livelihood and social support for their elderly members. However, the fraying of family ties is likely to create serious threats to the quality of life of the elderly globally.

Globally about 60% of people over 60 live with younger family members; about 40% live “on their own.” However, in developed countries, 74% of men and 70% of women over 60 live by themselves or with their spouse (only.) By contrast, in developing countries, 29% of men and 27% of women over 60 live alone or only with spouses. These differences are the result of a number of trends.

For example, Belk (2000) observed that that many new elite in Zimbabwe had broken with the custom of sharing with the extended family. Richmond and Gestrin (1998) discussed the traditional system of social security (in the true sense of the word), noting that it provided refuge for the disabled and mentally ill, and redistributed resources where they are needed, but also that it had drawbacks as it served as a disincentive to capital accumulation and personal achievement. They also noted another force; the Pentecostal Church had grown rapidly, preaching the protestant ethic and spirit of capitalism (the gospel of wealth and prosperity). Further, they made it easier to ignore extended family needs by making their members renounce all relationships with family members who were not members of the church. Thus, the loosening of extended family ties is much more common there than ever before.

As in much of the developing world, China represents an instructive case study. As a society it has traditionally relied on family support to take care of the elderly. The Confucian dictum is “while your parents are alive, you should not travel far afield.” However, a “4-2-1” family structure has developed, with the one child expected to take care of two parents and possibly help with grandparents as well. Such expectations are infeasible for many young people. Further, with only one child to spoil, parents and grandparents have done that well in the last three decades. As a result, many young Chinese adults no longer see filial piety responsibilities as obligatory. With government attempts to urbanize rural residents (with limited success), and the presence of jobs for the newly educated young people in urban areas, parents are finding their children to be increasingly far afield.

Immigration: One factor that affects the relative proportions of young and old in any society is immigration. Roughly 3% of the world’s population lives in a country other than their birth country. Of those approximately 210 million people, it is estimated that about 5% are political refugees; the vast majority have moved, either temporarily or permanently, to find economic opportunity.

Put differently, most immigrants are working-age people. Obviously this increases the proportion of older people in the country or area experiencing out migration and increases the proportion of working age people in the country or area that receives the immigrants. In general, developed countries attract net in-migration and developing nations experience net out-migration, with even higher rates of out-migration from poorer countries. Jamaica, with
a per capita GDP near the world median, has a population of 2.3 million, with approximately 900,000 Jamaicans living in the United States, Canada and Great Britain. The Philippines, with a per capita GDP about half the world median, had 10% of its population living abroad in 2002. Of these, almost 80% were women (Episcopal Commission, 2003). The developed countries are the destinations of most of this immigration; thus, the proportion of elderly in the United States’ population would be increasing even faster if it were not for migration.

Historically most of those who immigrate are men. However that condition has been changing and it is now estimated that about half of all immigrants are women. And, like male immigrants, they are mostly of working age.

The phenomenon called urbanization is, in effect, intra-country migration. It usually occurs for the same reason, as immigrants seek economic opportunity, and in most countries involves as many women as men. Urbanization not only depletes rural populations but leaves rural areas with a higher proportion of older residents. Urbanization contributes to the decline of the traditional role of family in an economic sense but, perhaps more importantly, reduces the number of younger women who would care for the elderly.

With longer life expectancy and reduced fertility rates, the world’s population is aging in both developed and developing nations. Immigration, whether among or within nations, exacerbates the effects of aging for many nations and especially within nations that are experiencing rapid urbanization. Further, demographic changes are putting increased pressure on the traditional family as a source of support, both economically and socially, for the elderly.

**Effects of Changes on the Quality of Life of the Elderly**

The paper’s title indicates that the paper argues that the quality of life of the elderly is the most important issue facing consumer research in the future. Obviously some terms need to be defined. One is “elderly,” which has traditionally been defined as being older than a certain age. Most generally this age is the “normal” retirement age, but this varies from country to country. However, most UN and WHO data bases use a cut off of 60 before one is elderly. This will be discussed later in the paper but, for the present, it should be noted that interpreting research conducted in different societies should take the possibilities of different definitions into account.

**Quality of Life**: “Quality of life” (QOL) is another term that is defined, both conceptually and operationally, in a vast number of ways. Farquhar (1995) noted that the term is used in a wide variety of disciplines including sociology, psychology, medical and nursing science, economics, philosophy, history, and geography, as well as marketing. As one can imagine, the varying definitions of QOL will put more relative emphasis on elements that associate most closely with the discipline’s foci: health in medical and nursing science, social relations in sociology, mental acuity in psychology, etc. (Farquhar 1995; Gabriel and Bowling 2004). In marketing, while there is lip service to health, much more emphasis is placed on consumer well-being and the nature of the interactions with the marketplace.

The domains and facets for measuring QOL specified by the WHO (1997) add some clarity: physical health, psychological (body image, self-esteem), level of independence (mobility, dependence on pharmaceuticals and medical aids), social relationships, environment (financial resources, infrastructure, home environment, access to quality health care), and spirituality.
In short, almost all definitions of QOL are multidimensional and, in this section, QOL is seen as consisting of three interrelated dimensions: economic well-being, physical health, and one’s place in the social order.

**Economic Effects:** A population consisting of proportionately more elderly and fewer people of working age presents at least two major issues. First, regardless of how the society chooses to provide income for the elderly, the simple fact is that there are fewer workers to support those who are not in the labor force. Second, generally, older people have less money to spend and that which they have is spent on different goods and services than those of working age. This affects markets and the nature of working people’s jobs.

To begin with the effects on the incomes of the elderly, most developed countries rely heavily on defined-benefit pension plans that are essentially pay-as-you-go systems. For example, current payments for Social Security and Medicaid/Medicare by those in the workforce in the US essentially pay the promised benefits to current elderly plus assorted others who qualify for support. This system works only as long as you have many more paying into it than receiving transfers from it. While those of us in North America hear a great deal of discussion about problems with entitlements (Social Security, Medicaid, Medicare, etc.), especially during election years, the US and Canada are not facing the budget problems facing much of the developed world (and parts of the developing world). As Table 2 reflects, the US and Canada would seem to be in far better shape than countries such as Italy, France, Brazil, and Japan.

Nonetheless, the current focus on deficit reduction in the developed world has put great pressure on existing pension plans for millions of workers and threatens social security and health care schemes (Daniels 2012). One plus is that fertility rates in developed countries are dropping faster than the elderly are becoming more numerous, thus draining economies less to pay for younger dependents.

<table>
<thead>
<tr>
<th>Table 2. Pension Commitments in Assorted Countries</th>
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<tr>
<td>Country</td>
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</tr>
<tr>
<td>Italy</td>
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<tr>
<td>Brazil</td>
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<td>France</td>
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<td>Germany</td>
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<td>Japan</td>
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<td>US</td>
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<tr>
<td>UK</td>
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<tr>
<td>Canada</td>
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</tbody>
</table>

Taken from the *Economist* (2012a)

One country that we might not expect to be on this pension problem list is Brazil, which is quite youthful. As one economist in Brazil noted, its pension program is absolutely the most generous in the world (*Economist* 2011a). Italy has three times as many as people over 60, but Brazil pays almost the same percentage of GDP in pensions despite having only 10 pensioners for every 100 15-65 year olds. As of 2012, government workers were making no contributions but pensions ($2150/month) were replacing 75% of average income. The
issue is exacerbated by a very flexible retirement policy which allows workers to retire after about 35 years of contributions. Thus the average retirement age is 54 for men and 52 for women, with one-tenth of 45-year-olds receiving pensions. Very few elderly are below the poverty line, whereas one-third of Brazilian children are (Economist 2011a).

Not unexpectedly, the Brazilian government is trying to chop the pension program somewhat. Payroll taxes are 32% of gross salary as of 2012. If nothing is done to the pension program by 2050, the tax rate would need to be 86% (Economist 2011a). Clearly Brazil must make changes while it is still a relatively “young” country.

China is another country facing serious problems in funding pensions. The one-child policy has helped reduce the fertility rate greatly to its 2010 level of 1.56, far below that of the US (2.08, which is essentially the replacement level mentioned earlier). Prior to implementation of the one-child policy, the fertility rate had dropped from 5.8 in 1970 to 2.7 in 1978. It is estimated that the one-child policy has prevented about 400 million births (Bailey, Ruddy, and Shcukina 2012).

At the same time, China’s rapid economic growth has spurred major increases in longevity. The median age in China is expected to catch that of the US in 2020 and that of Europe in 2030. In fact, Chan (2012) noted that China’s situation is converging to that of Japan’s. The number of people over 60 in China will more than double from 181 million in 2010 to 390 million in 2025 (or about 1/3 of the people in the world over 65 then) (Economist 2012c).

The Chinese government foresaw problems with the traditional form of social care for the elderly and started a pension program in 2000. Bloom, Jimenez, and Rosenberg (2012) note that 21% of Chinese are covered by pension funds, compared to over 83% in the OECD countries. The government’s goal is for its people to retire on 60% of their final wage; now the average monthly pension payout in urban areas is 1500 yuan ($110), while rural pensions can be as low as 55 yuan. Forty million retired civil servants, teachers, and state employed doctors receive pensions of about 90% of their final wage (with most making no contribution before retirement). The pension for non-government employees is about 40% of salary.

The expected shortfall in 2013 is 18.3 trillion yuan, or about 150% of GDP (Economist 2012c; Roberts 2012). In urban areas, it is likely that retirement ages will need to be increased about five years from the current levels of 60 for men, 55 for white-collar women, and 50 for blue-collar women. The pension discussion is basically only appropriate for the 50% of the Chinese population who live in urban areas. As one rural elderly Chinese woman noted, “retirement” is an unused word in the countryside (Economist 2012c). Surveys indicate that 93% of Chinese oppose raising the retirement ages (Roberts 2012).

A second implication of a population with relatively more elderly people involves the consequences of changing patterns of consumption. With less money to spend, increasing age produces declines both in absolute dollar terms and as a proportion of income, as can be seen in Table 3. Compared to the average for all households, the expenditures of those aged 65-74 are, on average, 88.8%, and those of the 75 and older group are only 63.8%. As might be expected with lower incomes, their expenditures in all categories are lower, in dollar terms – with two exceptions. First, the 65-74 age group spends, in dollars, 51.5% more on health care. The comparable figure for the 75 and older group is 33.5%. Given that most U. S. citizens over 64 are covered by Medicare, these numbers appear to greatly understimate the medi-
cal costs of an aging population. Second, even with lower incomes the 65-74 age group contributes 46.3% more in cash donations to charities; the comparable figure for the 75 and older group is 27.8%.

Spending on health care by the elderly is especially significant; as a population ages proportionately more and more will be spent on health care. We know that medical costs increase rapidly with age, especially as the individual approaches death. Bloom, Borsch-Supan et al. (2012, p. 79) report that “it is estimated that between 10% and 12% of total US healthcare expenditures are for care at the end of life, much of it in the final 30 days before death, with perhaps most of it representing little or no real potential for medical benefit, comfort or informed choice.” In the OECD countries, the over 65 age group accounts for an estimated 40 to 50% of all health care spending and their per capita care costs are three to five times those under 65. The flip side of this is that, as Schau et al. (2009) point out so clearly, there are often many years of consumption by the elderly prior to that near death stage. Needs for food, drink, apparel, transportation, entertainment, and many other product categories diminish with increasing age.

**Table 3. Consumer Expenditures in US, by Age**

<table>
<thead>
<tr>
<th>AGE CATEGORY</th>
<th>Total Expenditures</th>
<th>Percentages of Expenditures Spent on</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Food at Home</td>
</tr>
<tr>
<td>All ages</td>
<td>$49,705</td>
<td>13.0</td>
</tr>
<tr>
<td>Under 25</td>
<td>$29,912</td>
<td>14.6</td>
</tr>
<tr>
<td>25-34</td>
<td>$48,097</td>
<td>12.9</td>
</tr>
<tr>
<td>35-44</td>
<td>$57,271</td>
<td>13.6</td>
</tr>
<tr>
<td>45-54</td>
<td>$58,050</td>
<td>12.8</td>
</tr>
<tr>
<td>55-64</td>
<td>$53,616</td>
<td>12.2</td>
</tr>
<tr>
<td>65-74</td>
<td>$44,646</td>
<td>13.0</td>
</tr>
<tr>
<td>75 and older</td>
<td>$32,688</td>
<td>13.5</td>
</tr>
</tbody>
</table>


**Consumer Expenditures in US, by Age (Cong')**

<table>
<thead>
<tr>
<th>AGE CATEGORY</th>
<th>Total Expenditures</th>
<th>Percentages of Expenditures Spent on</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Fruits/ Veggies</td>
</tr>
<tr>
<td>All ages</td>
<td>$49,705</td>
<td>1.4</td>
</tr>
<tr>
<td>Under 25</td>
<td>$29,912</td>
<td>1.4</td>
</tr>
<tr>
<td>25-34</td>
<td>$48,097</td>
<td>1.3</td>
</tr>
<tr>
<td>35-44</td>
<td>$57,271</td>
<td>1.5</td>
</tr>
<tr>
<td>45-54</td>
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<td>1.4</td>
</tr>
<tr>
<td>55-64</td>
<td>$53,616</td>
<td>1.4</td>
</tr>
<tr>
<td>65-74</td>
<td>$44,646</td>
<td>1.6</td>
</tr>
<tr>
<td>75 and older</td>
<td>$32,688</td>
<td>1.9</td>
</tr>
</tbody>
</table>

The effect of all of these shifts are felt by all industries; there is a relative increase in the need for care-giving workers, many of whom are relatively low-paid, and a relative decrease for workers in the production and delivery of other goods and services. Other, less obvious, effects include the fact that television watching is a major source of entertainment for the elderly as those over 50 make up the largest share of the TV watching population (Economist 2013a).

Immigration, Remittances, and Social Effects: When people of working age relocate to another country or to a different part of their home country, it is generally for economic betterment. Some move with the intention of returning, some move to stay, and some move to prepare the way for other family members. But no matter what their intentions may be, almost all will feel an obligation to send money “home” (Gentry and Mittelstaedt 2012). Internationally these remittances rival direct foreign investment as a source of income to many developing nations. And, more to the point, unlike foreign investment, remittances are direct payments to family members, often elderly members, and an important source of income.

However, money is no substitute for the care given by family members or community friends. When the immigrants are women, the traditional care givers, the effects are especially acute. Magnified by the deaths of young women from HIV/AIDS, as in many developing countries, the effects can be dramatic. For example, Upton (2003) describes the situation in Botswana. Historically “fostering” was not uncommon with a daughter sending her children to her mother to provide household assistance and other tasks. This arrangement provided both children and older women with structures of support. “Today, however, with increasing deaths due to the HIV/AIDS epidemic, greater numbers of children are living with and being supported by women relatives. The fosterage system remains in place but it is being stretched to the limit” (p. 316).

Note, however, that there may be a positive element to fostering; in addition to the providing companionship and assistance with daily tasks to the elder care givers, the fostering system gives older people a positive role in their society. Being responsible for a child or children may help an older person “remain young.”

Public Policy Dilemmas

The combination of proportionally more elderly and fewer working age persons in the population and the reduction of family and small community support systems for the elderly – often magnified by immigration - are changing the context of the quality of life of seniors. What was once a family matter is now the province of impersonal agencies – the government, charities, and the market place. This section discusses the dilemmas this presents for public policy; the following section will discuss those posed to the market and, especially, marketing scholars.

Dilemma 1: Can Individual and Family Support Systems Be Preserved?

In a society of landowning farmers and self-employed tradesmen and artisans, some individuals have been able to accumulate capital to support themselves in retirement. In a society where most people are urban dwelling employees or self-employed providers of personal services, this form of retirement seems less likely. But, of course, economics may be overcome by cultural attitudes and capital accumulated for retirement through saving and investing.
Saving and Investing for Retirement: Given that the US is the most individualistic country in the world, one might expect that Americans would save for their own retirements, but the 2009 Retirement Confidence Survey by the Employee Benefit Research Institute showed that 53% have total savings less than $25,000, excluding their home value and any defined benefit plans. Of those more than 55 years of age, 29% have less than $10,000 in retirement savings (Ellen, Weiner, and Fitzgerald 2012). It is estimated that 50% of American households are at risk of being unable to maintain their standard of living in retirement (McHugh et al. 2013). To counter this situation some countries are beginning to force (or nudge) workers to save more for retirement. In 1993, Australia passed a law that makes retirement savings mandatory and the accounts cannot be touched until retirement. In 2012, the UK started requiring employers to start automatically enrolling most employees in pension plans. In 2006, the US started encouraging companies to require employees to opt out (instead of opting in) of 401(k) accounts (McHugh et al. 2013).

The view that one should take care of oneself during retirement has traction globally. For example, in four of the six East Asian countries (Singapore, Hong Kong, Taiwan, and South Korea) included in the Jackson, Howe, and Peter (2012) study, the modal response to “Who, ideally, should be most responsible for providing income to retired people?” was retirees themselves (through their own savings). In Malaysia, that response was nearly as high as the modal response there (the government). In China, however, only 9% responded that retirees themselves should be responsible. Apparently the logic behind the relatively high pensions paid to retired civil servants was the supposed tradeoff between low salaries while in the work force but reasonable funding during retirement. It should be noted that the percentages for the four possible responses (retirees themselves, government, former employer, and grown children) summed to well over 100%. One likely explanation is that many believed that they had contributed to their retirement through government or employee programs, and those contributions also constituted “saving” for their own retirements.

Preserving the Tradition of Family Care: On July 1, 2013, the Chinese government introduced a law requiring children to visit or keep in touch with elderly parents. The same day a court ruled that a daughter had to visit her 77-year old mother and to help her financially, in a lawsuit in which the mom sued the daughter. The daughter is now required to visit her mother once every two months and on at least two national holidays a year (Economist 2013b; Russo 2013). It appears that traditional “social security” relations are indeed fraying.

Legally enforced responsibility for the elderly is not limited to China. Laws in 20 states in the US require family members, for the most part adult children, to support their financially needy relatives, which can include elderly parents who no longer have an income or disabled adult children who are unable to support themselves (Russo 2013). Most of these laws, which were among the original laws of the states, have not been in active use since the Great Depression. In fact, most states repealed them in the 1950s to 1970s when the elderly started receiving reasonable Social Security and Medicare transfers. However, recent lawsuits in Pennsylvania and South Dakota have been won by needy parents suing their adult children (Russo 2013).

In the end, saving and investing for one’s own retirement makes one’s retirement income subject to the risks of the market. This fact may account for the relative lack of political support for proposals to “privatize” the US Social Security system. As for family support, one may question how realistic that is in a modern, urbanized, service-oriented society in which a large proportion of both men and women are employed outside the home.
Dilemma 2: Should Working Life Be Extended?

Raising the Retirement Age: One of the major economic problems with an aging population is produced by the increasing proportion of retired workers compared to those of working age. A frequently suggested policy change is to raise retirement levels, which Cuba, France, Germany, Greece, Spain, and the UK have done and Japan and China are considering very seriously. The U.S. has been raising gradually the age at which one can qualify for full Social Security benefits; for anyone born before 1947 that age is now 66. The “retirement age” has increased such that those who were born in 1947 or later will not qualify for full benefits until they reach 67. Retirement age changes primarily apply to the developed world, as people in the rural areas of the developing world generally work until they can no longer do so and then are dependent on their children or on remittances.

To the extent the “retirement age” is affected by pension qualifications, raising the retirement age is a matter of public policy and, hence, a political issue. As the recent French experience demonstrates, this may not be an easy thing to accomplish; in the end, raising the retirement age may be a significant “selling” task and marketers may become involved.

Encouraging a Longer Working Life. Recent Gallup polling shows that the age at which people expect to retire has been increasing over the past several decades (Harter and Agrawal, 2014). While some respondents feel they are forced by economic circumstances to work past the normal retirement age, others choose to work because they enjoy what they are doing. This means that another possible policy change is to rethink business practices, encouraging older people to work even if it is part-time. Early portrayals of the elderly in media used a lens of decline and diminished value, emphasizing the burdens of being old (Milner et al. 2012). As Schau et al. (2009) note, the thought decades ago was that one “retired to die.” But, as they make even clearer, the elderly, especially in the developed world, frequently have many more productive years after retirement.

Further, numerous authors have discussed benefits associated with keeping the elderly in the workforce. Cirillo (2013) notes that the elderly now exercise twice as much as the previous generation. Biggs, Carnstansen, and Hogan (2012) note that older adults’ social capital has been overlooked. They have accrued knowledge and experience, institutional memory, understanding of the ways things interact with each other, and the ability to put single events in wider perspective. Carstansen and Ford (2012) suggested that, in many areas of expertise, practice compensates well for declines in processing efficiency and that the old can generate more effective solutions in emotionally-charged situations. Biggs et al. (2012) state that meta-analyses of existing literature comparing older and younger workers show very little evidence for declines in productivity or performance with increasing age. One possible disadvantage to having more elderly in the workforce is that it might limit opportunities for advancement for younger employees. However, Biggs et al. (2012) state that there is little evidence that younger generations resent the continued workforce participation of older adults.

In spite of all the positive benefits, a substantial proportion of people retire at, or before, the normal retirement age. For example, the U.S. Social Security system contains a financial incentive to delay retirement. Under current law, it is possible to begin drawing benefits at age 62, with the amount is frozen at 80% of the recipient’s full benefit, now available at age 66. By delaying the start of benefits from age 66 until age 70, a recipient can increase his/her benefits by about 8% per year, an increase of about a third over those taken at
age 66. In spite of this incentive, in 2012, 41% of men and 47% of women began drawing benefits at age 62, while only 1% of men and 2% of women delayed taking benefits until age 70 (Bernard, 2013).

In the end, the larger dilemma for public policy is “How can older workers be retained in the work force? Should there be a single retirement age for everyone? And, if not, what responsibility does society have to provide some sort of safety net for those who opt to retire before others and, eventually, need a safety net?”

Dilemma 3: Can Individual Autonomy Be Preserved?

No doubt most elderly people would prefer to live in their own homes or other familiar circumstances as long as they can. Public policies to encourage that include “homestead exemptions” for property taxes, and such programs as Meals-on-Wheels and Visiting Nurses. However, there are economies of scale in the provision of many services, especially medical; if the elderly lived in “homes,” these services could be delivered much more efficiently.

However great the efficiencies of gathering the elderly into places where care can be provided more efficiently, the sheer numbers make this a daunting task. For example, it has been projected that Germany’s elderly population will need twice the current level of nursing home personnel by 2050, and an additional 800,000 beds (de Pommereau 2013). Add to that caregivers in Germany have a bad reputation (de Pommereau 2013), the quality of life for German elderly appears likely to face problems in the future.

Nursing homes are a growth area in China, though in their infancy. China has about 38,000 institutions, with 2.7 million beds for the elderly. This covers about 1.6% of the population over 60; the developed world has beds for about 8% of those over 60 (Balfour and Kahn 2012).

About 20% of Chinese rest homes are non-government owned, with some sponsored by Christian donors who require residents to convert (or at least be open to converting). The government has not changed greatly its orientation toward religious groups, but it is also very aware of the growing needs of its society and its inability to meet them. One example is Hangzhou City Christian Nursing Home which opened in 2006 with 500 beds, with it taking four years to fill them. In 2012, it has 1400 beds and a waiting list over 1000. It receives a local government subsidy of $1600 (10,000 yuan) for each bed (Economist 2012d).

Finally, at what seems like one extreme case of taking the economies of scale approach, some countries are sending some of their elderly to another country to achieve even lower costs. For example, German elderly are beginning to be exported to nursing homes outside Germany that are far less expensive. Over 7000 Germans live in retirement homes in Hungary, 3000 in the Czech Republic, and 600 in Slovakia. There are no figures for Greece, Spain, Ukraine, Thailand, and the Philippines which are reputed to be the main destinations (Haarhoff 2013).

Dilemma 4: Should Immigration Be Encouraged?

While the phenomenon of immigration exacerbates the effects of an aging population in the society from which people emigrate, it has the effect of mitigating the problem in the society to which people immigrate. Not only are immigrants most often of working age but,
in many cases, they are among the more educated of their respective populations. For example, about 40% of all immigrants in Germany are college educated, compared to about 20% of the total German population (Spiegel Online International 2013).

In general people have emigrated from developing to developed nations and some, if not most, developed nations have instituted policies to attract not only educated and skilled immigrants, but also entrepreneurs. And while these efforts may counteract the effects of an aging population, there are conflicting goals that most immigration policy makers must take into account. One such goal is maintaining a haven for refugees. Another is keeping families together by giving priority to immigrants’ family members. Finally, there is the issue of the assimilation of immigrants. For example, several countries, Germany and France among them, have required immigrants to learn their respective languages. Similar proposals for an English requirement for immigrants to the US have been made.

By contrast, encouraging the elderly to emigrate also shifts the nature of the population mix; the country that “exports” its older citizens becomes “younger.” In a sense the US allows the elderly to emigrate and maybe even encourage it to a degree; it is possible to live in another country and still receive Social Security benefits, although not Medicare. Some countries, Belize for example, actively advertise to attract US retirees. Of course, while this may reduce the numbers of elderly in the US, it does not have the same economic effect as attracting younger, working age immigrants. And, in the end, it negates the existence of any social support the elderly may receive from family and familiar community ties.

Challenges for Marketers

Most systems, including marketing ones, are not prepared for an “old culture.” As mentioned earlier, at the start of the 20th Century the average life expectancy globally was 30; at the end of the Century it was more than twice that (Williams and Krakauer 2012). Over ten years ago, the Economist (2002) noted that, despite obvious aging and the role of Baby Boomers in the economy, business remained largely obsessed with youth; it does not appear that much has changed since then. Carstensen and Ford (2012) noted that the world is still immersed in cultures for lives half as long as the ones people are living and stated that “not only are cultures youth-oriented in the popular sense of favoring the young, but physical and social environments and institutions are quite literally built by and for young people”(p. 12). Milner, Van Norman, and Milner (2012) assert that 95% of ads target those 35 or younger. They blame this on the youth of those in the advertising industry, stating that 95% of those employed in the industry in the UK are under 50. The cultural shock of dealing with a very old consumer market in most of the world (with exceptions such as India, the Middle East, and Sub-Saharan Africa) will require major adjustments.

Challenge 1: Different Products for the Elderly

A basic but critical issue facing marketers is to determine when to market directly to the elderly and when to market to third parties such as paid and unpaid caregivers and institutions. The Schau et al. (2009) paper provides insights as to the young old, and Barnhart and Penaloza (2013) provide much insight into caregiver relationships. But the young old of the future will offer a new target market, the “elderly innovator” (formerly an oxymoron). Given the role that Baby Boomers have played in economies globally, there will be much attention paid to the young old in terms of new product development. Traditional outlets for the elderly (drug stores and home health care equipment stores) will most likely not want to stock new
products until demand has been firmly established. For the old elderly, many new products will no doubt benefit caregivers (by reducing anxiety) rather than the elderly themselves. Consider Wanderguard, a system sold to nursing homes that puts a bracelet on patients’ wrists so that an alarm sounds should they try to leave the facility. Given the issues faced with Alzheimer patients wandering, this system is far more humane than the alternative of strapping patients into chairs and is no doubt much appreciated by the patients’ loved ones. Another new product soon to be introduced is a system that monitors the elderly person’s vital signs at night and generates a text message or phone call to loved ones should there be a problem. It is far more likely that caregivers will find this product attractive than will the elderly themselves.

A change is needed in terms of corporate culture in new product development. Given the relatively young age of the IT and engineering employees in the area, a focus on products for youth is understandable. However, the number of elderly will create markets that have never received much attention, and visionary CEOs will need to shift the orientations of their employees.

Challenge 2: Communicating with the Elderly:

Portrayals of the elderly need to be more honest. Years ago they were quite negative, but in recent years the portrayals seen by old people are far more positive (Lamb and Gentry 2013). Whether those positive portrayals are also seen by younger target markets is questionable, but they should be. Japanese advertising has become more sensitive to the self-esteem of the elderly. It is projected that more elderly diapers will be sold there in 2020 than baby ones. Thus, carefully positioning such potentially embarrassing offerings is necessary. The US car industry has made some miscues in dealing with the elderly; consider Buick promoting one of its models as being the “last car you will ever need.” Or, consider Oldsmobile, which was well positioned in the elderly market but got greedy with its “It’s not your father’s Oldsmobile.” Those fathers quit buying them and now the brand is gone.

While we have Betty White, Jessica Fletcher, and Miss Marple as very visible heroines, elderly women are less likely to appear in advertisements than are men according to content analyses (Lamb and Gentry 2013). Marketers would appear to be missing the “old” boat. By contrast, there are also criticisms that current portrayals of the elderly are too positive, reinforcing natural tendencies of aging individuals to experience age denial (Lamb and Gentry 2013). Extreme examples are products and services designed to improve one’s physical appearance so that the elderly can try to look as young as they wish to feel.

Challenge 3: Adjusting to Differences in the Behavior of the Elderly:

Given that the US and Canada are younger than Japan and Europe, we have the advantage of watching marketers elsewhere adjust positionings for the growing elderly market. Already we read that Japanese department stores have increased font size in their signage, hired older sales clerks, lowered shelves for easier access, provided seating in stores for those not actively shopping but there with someone who is, and assured that the offerings in the food courts have many traditional, non-exotic options. It has been a wise marketer who pays attention to global markets, but such awareness is going to be extremely worthwhile as other cultures become very old before those of the US and Canada do.
While personal consumption may diminish, purchasing for others often increases, especially for grandchildren and great-grandchildren (see Table 4). The huge generational gap between the elderly and their youngest relatives does not diminish their desire to provide meaningful gifts. Unfortunately for the elderly, their understanding of children’s lifestyles and their ability to physically shop for gifts fitting those lifestyles does diminish with age. Marketers can greatly facilitate the process of purchasing meaningful, memorable gifts for young relatives, allowing them to avoid giving more crass gifts such as money or gift cards.

**Table 4. Dollars Spent on Gift Apparel**

<table>
<thead>
<tr>
<th></th>
<th>Under 65</th>
<th>65 and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel</td>
<td>$204</td>
<td>$209</td>
</tr>
<tr>
<td>Males 2-15</td>
<td>$51</td>
<td>$61</td>
</tr>
<tr>
<td>Females 2-15</td>
<td>$73</td>
<td>$94</td>
</tr>
<tr>
<td>Kids &lt;2</td>
<td>$25</td>
<td>$12</td>
</tr>
</tbody>
</table>


### Challenges for Marketing Scholars

Like marketers, marketing scholars have tended to focus on their research efforts on non-elderly and non-poor consumers, “mainstream” products and, to a certain extent, goods rather than services. This section discusses some of the exceptions to these generalizations and challenges to those scholars who would participate in what we believe is the coming importance, not to say dominance, of this issue. While it would be presumptive to suggest specific research topics, we hope to outline some of the basic issues that could and should be addressed.

**Challenge 1: Appropriate Definitions and Measures**

George Moschis was the first in marketing to build a stream of research on older consumers; his operationalizations often were such that those as young as 50 were considered elderly. There is probably no way to ever settle on a particular age, in years, as the starting point of “elderly,” but increasing life spans strongly suggest that the all-too-frequent use of the catch-all “65 and over” category on most questionnaires is working against our understanding of many issues involving the elderly.

In spite of the fine and useful research stream that exists around the term “Quality of Life,” further attention to definitions of this term is warranted. Escuder-Mollon’s (2013) overview of QOL research across disciplines notes that the phrase is associated with constructs such as life satisfaction, well-being, a good life, being healthy, being happy, or having plenty of money. [And, the associations of the last construct (money) with the other constructs generally have been found to be weak, once there is enough to cover a basic level of needs.]

Escuber-Mollon (2013) notes there are two general types of measurement approaches: using subjective measures and or using objective measures, and further observes that recent research has emphasized subjective measures more. Subjective measures allow the investigation of what individuals themselves see as contributing to their well-being, as opposed to having someone else (the researcher or government officials) decide what is important in terms of making one happy. The strength of this general approach is that, as noted above, there are
many public policy issues that affect the QOL of the elderly and knowing how people respond to particular policies is important. On the other hand, the use of subjective measures with elderly respondents has limitations such as getting responses from the old old and the commonly observed limited scope of the studies, especially from a geographical perspective. The broad, multidimensional nature of this framework is appealing and is quite consistent with most measures discussed in the macromarketing literature (whether using objective measures (Hill and Dhanda 1999; Martin and Hill 2012) or subjective measures (Farquhar 1995; Gabriel and Bowling 2004; Hall 1976; Peterson 2006).

Much of the empirical work in macromarketing has relied on objective measures, in part because of the desire to have a global scope (Hill and Dhanda 1999). In fact, Sirgy and Samli (1995) listed the development of measures of QOL as one of the most common topics in QOL research in macromarketing. These objective measures need large secondary data bases in order to conduct investigations, and researchers are limited in terms of the variables available to use. Apparently gender data are available, as Hill and Dhanda (1999) investigated differences in the quality of lives of the two sexes using the UN’s Human Development Index with its three basic dimensions [longevity (life expectancy), knowledge (literacy rates and school enrollment levels), and standard of living (real gross GDP per capita)]. Though the majority of elderly globally are female, the only mention of age was in the paper’s last sentence calling for needed research.

Challenge 2: Health Issues

In marketing, while there is lip service to health, much more emphasis is placed on consumer well-being and the nature of the interactions with the marketplace. So while the marketing literature on QOL is extensive, there are relatively few pieces focusing on health concerns (with exceptions such as Brennan, Eagle, and Rice 2010; Meadows and Sirgy 2008; Rahtz and Szykman 2008). Yet, when one considers the elderly context, health care costs are increasing rapidly whereas consumption in other domains is decreasing. Understanding the causes and, especially, the effects of this phenomenon on the well-being of the elderly and on society is essential.

Challenge 3: Financially Restricted Consumers

The mainstream marketing discipline has not dealt systematically with issues facing financially restricted consumers. Hill and Martin (Forthcoming) note that only one article in the Journal of Marketing in the last 35 years has dealt with impoverished people and their consumption. Further, they note that the marketing discipline as a whole has focused on the top 15% of the world (in economic terms) and disregarded the vast majority of the world’s inhabitants. There have been exceptions, going back to the “poor pay more” trickle in the 1960s. Among the richer pieces dealing with the poor or the Bottom of the Pyramid (when a global perspective is taken) include Ger and Belk (1996), Hill (1991, 2002, 2008), Hill and Martin (Forthcoming), Hill and Rapp (2009), Hill and Stamey (1990), and Martin and Hill (2012). Insightful as this work and numerous others are in terms of poverty issues, there has been virtually no coverage in consumer research of the elderly poor in any of them. There are countries where the “old may have more” (in a few cases more than the average citizen and, more commonly, than households with children), but in most countries we see a disproportionate percent of the elderly below the poverty line.

Challenge 4: Family Issues
Family is a topic central to aging, as most of the world has a history of the elderly being taken care of by family. As discussed earlier in the paper, the fraying of family ties is likely to create serious threats to the quality of life of the elderly globally. While family is a topic investigated within a large number of disciplines, including Marketing, there are many “holes.” Consumer research has been faulted (Commuri and Gentry 2000) for its focus on “happy families,” given the nature of the sample recruiting processes used to generate participants (from church groups and parent-teacher organizations). There has been relatively little consumer research covering purchasing in more dysfunctional families and even less in elderly households. Within consumer research, Webster and Rice (1996) found that, upon retirement, a shift in power favoring women occurs but only in cases where the incomes of the couples were significantly unequal before retirement. On the other hand, in sociology, Gottman (1979) observed the phenomenon of a “gender switch” occurring in later life, which he explained as a decline in gender differences. Casual observation at any US supermarket would find many elderly male shoppers.

Challenge 5: The “Taboo Topic” – Mortality

Given that death is a topic which marketing (and Western society in general) regards as a taboo topic for conversation (Gentry et al. 1995a, 1995b), marketing scholars have provided little insight as to how to improve one’s quality of life at the near-death stage. Marketers might investigate how they can facilitate “death with dignity.” This point has been raised previously by Brennan, Eagle, and Rice (2010), Layton and Grossbart (2006), and Lee and Sirgy (2004), but there has been little evidence that it took root.

Finally, as noted earlier, aging ends in death, which has received almost no attention in the Marketing literature. Just as it is hoped that the Barnhart and Penaloza (2013) article stimulates much future research on the elderly, we hope that the forthcoming book Death, Culture, and Consumer Behavior edited by Susan Dobscha will help reduce the “death avoidance” perspective held by marketers outside the funeral industry. Death is largely seen by the medical industry as a failure, which can at times be a barrier to death with dignity. Hospices will hopefully be a growth industry and will share their expertise in the context of death with dignity with others. Marketers are not lacking when it comes to creativity, but creatives have not focused on dying. Offerings such as the reef balls housing the remains of consumers that the firm Eternal Reefs then places on the ocean floor to mimic reef formations give purpose to those elderly concerned with sustainability (Baker 2013). For instance, one of Baker’s (2013) informants who had pre-planned the reef ball experience found it to provide a bit of immortality, as her body will be used to build up life and make an impact even after she is gone.

Another example of how this desire for immortality can be dealt with is the “grandparent” life insurance policy offered by Woodman Insurance. When the grandparent passes, money is not transferred to the grandchild at that time, but rather at momentous times in the life of the grandchild such as a wedding or a college graduation. The grandparent would have loved being present in person at such times, but the presence will be felt with the money transfer coming from the insurance policy. Such an offering allows the dying individual to feel better about his/her legacy.

Conclusions
The world – developed and developing nations – is aging; their populations contain an increasing proportion of older people. The decline of the family and close community ties are converting the question of the quality of life of the elderly into issues seeking answers in public policy and the market place. Consumer marketing needs to wake up and acknowledge the aging of the globe. We have largely ignored elderly markets for some time, and that has to change. Are we prepared?

References


Romay, Carol and Inger Sandberg (2012), *Inequality Watch*, Norwegian People’s Aid.


To explore the role of social media in connecting and mediating religious communities and markets, we conduct a netnographic study of the search for halal food in the U.S. We find that social media websites can serve as important tools for overcoming obstacles to finding and verifying halal food sources, including barriers of physical access, authenticity, and quality. At a macro level, social media platforms have the potential to moderate the relationship between religion, the market, and consumption in a number of important ways, such as providing a venue for dialogues related to standards of commitment and faithfulness, serving as a community-based arbiter of standards, supporting identity constructions, and helping to overcome the marginalization associated with minority populations.

The relationship between religion and the market is important to understand as globalization increases and the nation-state loses influence on markets in comparison to other institutions including religious institutions (Kale 2004; Mittelstaedt 2002). In particular, transnational religion-based consumer practices can exert a strong influence in the evolution of the market and vice-versa (Izberk-Bilgin 2012; Sandikci and Ger 2010). Web-based communities play an increasingly important role in nurturing transnational consumer practices (Cayla and Eckhardt 2008; Kozinets, Hemetsberger, and Schau 2008), including religion-related consumption practices. To explore these issues, we use the search for halal food in the U.S. as a focal point to investigate the role of social media in connecting and mediating religious communities and markets, with implications for the effect of these negotiations on quality of life and religious commitment.

The growth of Muslim residents in the U.S. (Pew Research Center 2011), combined with a growing Muslim tourist market (Jafari and Scott 2014), has led to an increasing demand in the U.S. for halal food. Halal food—i.e. food that is permissible under Islamic Sharia—not only has religious associations, but is often perceived to be healthier, tastier, and more hygienic by Muslims (Regenstein, Chaudry, and Regenstein 2003). In large U.S. cities, such as New York City and Chicago, and areas with large concentrations of Muslims, such as Dearborn, Michigan, halal food is relatively accessible, but in other places, obtaining halal food can be a challenge. Even in places in the U.S. where halal food can be easily purchased, regulation of halal standards is not uniform, and, since halal is a credenec product attribute (Bonne and Verbeke 2008; Grunert 2002), assurance of halal standards can be shrouded in uncertainty. Increasingly long and complex logistic chains make it difficult to ascertain the “purity” of the food (Tieman et al. 2013), leading to widespread concern that large proportions of the meat and poultry sold as halal have not been prepared properly, violating people’s trust and religious beliefs (Regenstein, Chaudry, and Regenstein 2003). Altogether, a number of factors can make procuring halal food a challenge in the U.S.

The growth of demand for halal food worldwide (Robinson 2013) has led to a number of studies investigating the consumption of halal food in non-Islam nations. Studies in the
U.K. (Ahmed 2008) and Belgium (Bonn and Verbeke 2008) show that Muslims prefer buying halal meat from a Muslim vendor to buying from a supermarket for reasons of confidence. Ahmed (2008) confirms that the most important qualities in evaluating halal meat are authenticity and trust. A study in France emphasizes the diversity of attitudes of Muslim consumers toward halal meat consumption, labeling the four types of consumers as “indifferent,” “concerned,” “confident,” and “Islam idealist” (Bonne et al. 2007). The importance of the role of social norms, in addition to attitudinal variables, for the prediction of the intention of the purchase of halal meat means that Ajzen and Fishbein’s (1977) theory of planned behavior effectively models halal food purchase, at least with two European samples (Alam and Sayuti 2011; Bonne et al. 2007). As a whole, these studies point to a nonuniformity in attitudes of Muslim populations toward purchasing and evaluating halal foods and a difficulty in ensuring halal sources and standards in geographic regions that are not majority Muslim.

The objective of this research is to explore how social media platforms are being used by consumers to overcome barriers to obtaining halal foods. While other studies have examined the use of social media websites by Muslims (Al-Mutawa 2013; Mishra and Seeman 2010), our investigation focuses on the use of social media tools to elicit information on halal food in the U.S. Our netnographic study (Kozinets 2002, 2010) analyzes consumer-to-consumer comments from identified relevant websites. Altogether, six websites were analyzed: The Islamic Food and Nutrition Council of America [INFANCA], Muslim Consumer Group for Food Products USA and Canada), Yelp, dine-halal.com, zabihah.com, and halalapalooza.com. We adopt Bartholomew’s (2012) model in collecting, measuring and analyzing the data from the selected social media websites. The model of communication in social media is based on four types of activities: exposure (degree of exposure to content and message), engagement (degree of interactions with the content), influence (level of influence of the target), and actions (types of actions target taken) (Bartholomew 2010; Drula 2012).

Just as Muslims are not a monolithic group (Ahmed 2008; Jafari and Suerdem 2012), halal food seekers are not using the internet for monolithic reasons. We found at least five distinct groups of users accessing websites, each with different levels of experience and rationale guiding their searches. These include Muslim Americans who are permanent residents of the nation, transient Muslim visitors in the U.S. for an extended period of time, Muslim tourists on short visits, relatively recent converts to Islam, and non-Muslim hosts who need tips on accessing halal food for Muslim guests. We identified three major barriers to accessing halal food that social media sites help to overcome: supply sources, questions of authenticity, and questions of quality. In addition, we classified a number of types of information that social media provides for consumers to navigate the line between “purism” and “pragmatism” (Fischer 2008) in the market for halal food.

The findings hint at broader issues related to how social media websites may intercede in the intersection of religion, markets, and consumption. Our results show that the emergence of social media platforms appears to provide a valuable new tool for people searching for and evaluating halal food. On a macro level, this tool has the potential to moderate the relationship between religion and the market in a number of ways. For example, there is evidence that the internet may not only serve to provide a source of information for those seeking knowledge about halal food, but also play a role in increasing the visibility and appeal of halal food, and, by extension, of Islamic guidelines and practices. In addition, the ongoing dialogue among consumers with a diversity of allegiances to standards of halal suggests that social media has the potential to play a role in altering standards for consumers of what is acceptable to eat, and, concordantly, what it means to be faithful (Mittelstaedt 2002).
Another important role for social media is to function as a community-based arbitrator of standards. Just as other web communities have sometimes served to regulate corporations and act as whistle blowers (Kozinets, Hemetsberger, and Schau 2008), the opportunity and threat provided by the public evaluation of halal authenticity could lead retailers to tighten their standards, or, alternatively, abandon pretenses of offering halal food altogether (e.g. McDonald’s in Dearborn, Michigan [Warikoo 2013]). Further, these developing web communities may serve a vital role in allowing identity construction (Sandicksi and Ger 2010) and overcoming the “marginalization” that may be associated with being a minority populations (El-Bassiouny 2014). At the same time, while dialogue on the internet can reinforce Muslim identity, it might also lead to fragmentation of communities by serving to cement different factions of Islamic consumers (Sandicksi and Ger 2010). In summary, as the case of seeking halal food in the U.S. via the internet demonstrates, social media tools have the potential to profoundly alter the synchronic relationship between religion, the market, and consumption.

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New Zealand Underdogs: Giving All a ‘Fair Go’

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New Zealand is an island nation with fewer than 5 million inhabitants with its closest neighbor being Australia, which might also be its main rival. It is a country that has a relatively high GDP per capita but low overall economic output. Despite its insularity and relatively small impact in the world marketplace, it is a country full of national pride and a world-class rugby team. Its natural beauty is second-to-none, and now perhaps the world envy when it comes to movie productions. In this study, we examine whether an underdog mentality exists and to what extent. Survey results among New Zealand sports fans indicate that nostalgia proneness, balance maintenance, and need for uniqueness strongly relate with underdog orientation.

Introduction

The study of underdogs and the underdog effect has gained recent popularity, both in academic studies and popular literature. Usually, the draw to such studies is the intrigue consumers have with underdogs despite their seemingly losing ways (McGinnis and Gentry 2009). However, research turns this concept on its head and shows that underdogs garner and gain support because of their persistence in the face of overwhelming odds (Kim et al. 2008; McGinnis and Gentry 2009; Paharia, Keinan, Avery, and Schor 2011). This then gives people a more socially acceptable reason to show their affection and provide support. Popular literature shows how underdogs gain advantage through their weaknesses due to overcompensation (Gladwell 2013), while in another case underdog support can go awry in what Prell (2011) calls underdogma, where supporting underdogs can be detrimental.

Notions of feeling like an underdog appear to be quite strong among consumers (McGinnis and Gentry 2009), at least in countries such as the United States and in some cases cross culturally where data have been collected (Paharia, et al. 2011). One reason for supporting the underdog appears to be rooted in anti-consumption behavior (Chatzidakis and Lee 2013; Zavestoski 2002), where rooting against the top dog leads one to support underdogs (McGinnis and Gentry 2009). One of the factors that appears to give rise to underdog support is individuality (McGinnis and Gentry 2009), where feelings of uniqueness appear to be quite strong (Ariely and Levav 2000), perhaps due to the country’s extraordinarily high individualism (Geert.hofstede.com 2014). For the most part, however, the underdog phenomenon appears to be studied at the individual rather than societal level, and here we are considering the society and its reasonably united response to competition despite its make-up of diverse subcultures.

In this study, we examine New Zealand, a country that for all intents and purposes should have an underdog orientation, due in large part to the ability to succeed despite its inherent challenges. It is a country that is severely geographically disadvantaged. Its closest neighbor is Australia some 2,500 miles away, while the Pacific islands are roughly the same
distance (teara.govt.nz 2014). Beyond that, its other closest neighbors of size and magnitude are in Southeast Asia, while the mainland United States is well over 6,000 miles. Despite this challenge, it has become one of the world’s most sought after tourist destination spots (entraveller.com 2014), with a distinct and meaningful brand (Morgan, Pritchard, and Piggott 2002). Being arguably one of the world’s most beautiful countries, it also has become a destination for movie producers as well, with the *Hobbit’s Trilogy*, *The Lord of the Rings Trilogy*, and *The Chronicles of Narnia* listed as just a few of the movies made there (newzealand.com 2014). More recently, New Zealand was put back onto the stage in January 2014 when an unknown 17 year-old girl called Lorde won two Grammy Awards for Best Song and Best Pop Solo Performance from the likes of Bruno Mars and Justin Timberlake.

Despite its remoteness, New Zealand’s inhabitants are diverse, coming from around the globe, with a mixture of Europeans and native South Pacific Islanders (the Maori). Fewer than 5 million people reside there. Its countryside, while awe inspiring and unique, is relatively small and rugged, especially in the south island. New Zealand’s two islands comprise an area of 103,738 sq miles (268,680 km²) or roughly the size of Colorado, Japan, or the British Isles (whitireia.ac.nz 2014). A country rich in natural resources, it has not rested on its laurels. New Zealand’s GDP in 2012 was approximately $131 billion and GDP per capita was $29,500, making it the world’s 64th largest economy yet 48th largest per capita. The country has successfully moved from an agrarian based economy to a competitive global free market economy (CIA.gov 2014). New Zealand has had somewhat of an isolationistic history where self-reliance and self-sufficiency has been a constant calling card, but globalization movements now appear the norm and political alliances with other democratic leaning countries a necessity for defense purposes (act.org.nz 2014).

Lawson and his co-authors’ research stream (Ganglmair-Wooliscroft and Lawson 2005, 2006, 2009; Lawson 2006; Lawson and Todd 2002) on lifestyles in New Zealand has related Quality of Life (or Subjective Well Being, which he and his co-authors equate to it; i.e., Ganglmair-Wooliscroft and Lawson 2011) to lifestyles. Ganglmair-Wooliscroft and Lawson (2011) note that income and social class have not been found to be strongly linked to perceived Quality of Life and happiness, while they found that lifestyles are. We are investigating one particular aspect of lifestyle (sports enthusiasm). More specifically, we are investigating the specific context of New Zealand in terms of sports participation globally, asserting that the country of five million people sees itself as an underdog, adding to its passion for its sports participation.

We examine those factors that we anticipate are associated with underdog orientation as a reflective model (Bagozzi and Yi, 2012). These are factors that are not necessarily unique to New Zealand but we anticipate will be salient there nonetheless: nostalgia proneness, balance maintenance, and need for uniqueness. As a country known for its adherence and respect for tradition and individualism (hofstede.com 2014), and providing its residents a “fair go” regardless of culture or ethnicity (Human Rights Commission 2014), we anticipate that the associations we selected should be significant. Authors (working paper) examined these same constructs in their study, but instead of showing their relationships to underdog affection—the dispositional propensity to show affection for those who are disadvantaged—we investigate one’s underdog orientation as the focal construct. Basically, we present the underdog phenomenon as an idea that one’s self-perception should align with their behavior in order to maintain internal consistency (Heider 1958).
In the next section, we make the argument that New Zealanders or “Kiwis,” as they are also known, will have underdog orientations in the context of sports, where international activities are extremely popular, due in large part to the underdog phenomenon. Then we propose our hypotheses, which include three associations. Following this we will address our method and results and end with a discussion of our findings and present future directions.

The New Zealand Underdog

New Zealand’s underdog orientation may be salient in several domains, but perhaps no more recognized than in the context of sports, where 2005 research data in that country indicate that well over half of its residents agree that not enough emphasis is placed on sports (Ganglmair-Wooliscroft and Lawson 2011). As further evidence of sport enthusiasm, more recently smart phone data consumption doubled when Emirates Team New Zealand and Oracle Team USA sailed against each other at the America’s Cup (newzealandherald.com 2014), with in excess of 80% of fans in the “5 demographic group,” a highly sought after segment in New Zealand, watching the final race between Emirates Team New Zealand and Oracle Team USA (tvnz.co.nz 2013). The match, as reviewed, pitted the underdog New Zealanders against the mighty power of the United States. According to Grant Dalton, the Head of Emirates Team New Zealand, “They [New Zealanders) enjoy watching these boats, and the David-Goliath thing, little New Zealand versus the might of America, the superpower, they like that” (Wilson 2013). Massey University (of New Zealand) sports psychology professor Gary Hermansson indicates this underdog phenomenon is part of the New Zealand fabric and helps the different teams perform.

It's part of our identity as a nation – we're a small country, our identity is tied up in our sport and we do very, very well at it on all scales. The difficulty is that when the pressure goes on, and expectations are high from us as a nation, then a shift goes from a desire to perform well into a fear of failing, and when that happens then tension crops up, mind and body get out of alignment, little errors crop in and we start struggling around that kind of thing (Satherley 2013).

Perhaps no other sport exemplifies New Zealand’s tenacity to overcome disadvantage and is more popular there than rugby, especially in terms of television viewership and the All Blacks (Ford 2012). One of reasons why rugby is so important and popular is that it reflects New Zealand’s unique culture, and the haka, the pregame ritual chant performed by the players, is part of that culture, which is comprised of the Pakeha, the Maori and the Pacific Islanders (Murray 2000). The All Blacks rugby team won the World Cup hosted on their home soil in 2011 and continues to be dominant in global competition in the Rugby Union. The All Blacks, while rugged and tough, embrace the underdog role in New Zealand and are symbolic of New Zealand’s national identity.

A lesser league, but growing in popularity is the Rugby League, which involves teams primarily from Australia. New Zealand’s national team based in Auckland is called the Warriors and they represent the only team outside of Australia. Other national teams of note include the Black Caps, which participate in cricket. New Zealand is one of only ten teams that play test match cricket. New Zealand’s entry in the soccer world (football) is called the All Whites, which has had only marginal success (lovenewzealand.net.nz 2014). Netball, for women, is also a relatively popular sport in New Zealand. Its national team is called the Silver Ferns. New Zealand also participates in basketball, and its national team is called the Tall Blacks. Thus, sports largely reflect New Zealand’s British heritage, as these are activities that
are primarily played in the Commonwealth of Nations (lovenewzealand.net.nz 2014). In sum, New Zealand is far from afraid of international competition, despite long travel distances and its limited population.

Hypotheses

Underdog Orientation

Those who have an underdog orientation inherently know that the proverbial deck is stacked against them, and so while they may not grumble or complain about their lot in life (McGinnis and Gentry 2009), they are quite aware of their situation. Underdog orientation is “defined as the extent to which one feels he or she is an underdog in life’s pursuits, measured in the context of everyday life and not in any specific context such as sports, business, or career” (Authors, working paper). In sum, those with an underdog orientation are aware of their disadvantage, whether they relish it, fight against it, or dwell upon it.

Nostalgia Proneness

Authors (working paper) found that nostalgia proneness leads to commerce underdog affection, which means that feelings of yesteryear drive one to have feelings for underdog entities in business. Nostalgia is defined as a general preference for objects from the past, which can include people, things, fashion, or other things common and fashionable (Holbrook and Schindler 1991). People who are prone to be nostalgic have a special tender spot in their hearts (Holbrook 1993) and therefore, we contend, will be empathetic to underdogs and even have an underdog orientation.

Drawing on the connection between nostalgia and underdog orientation, we argue that one who waxes nostalgic has a similar longing to one who has an underdog orientation. In either case, one lives in a state where things could be better, where the actual self and the ideal self are discordant. According to self-discrepancy theory, those who feel the discrepancy between these two states feel emotional discomfort and feel the need to reduce this gap (Higgins 1987). The presence of this discrepancy results in depression, while the absence produces feelings of being happy and satisfied. In the case of the nostalgia, people wish for or feel they had a better life at times in the past, although in the case of underdog orientation, people perceive themselves as being less than some ideal and will strive to get better in order to reduce self-discrepancy.

We anticipate that nostalgia will be associated with one’s underdog orientation because of similar emotional underpinnings. Those who are nostalgic long for the past and often feel that things were better in earlier times. In addition, McGinnis and Gentry (2009) find that nostalgia is a driver of underdog support. This leaves their current situations being less than satisfactory, creating feelings of inadequacy. As a whole, we believe there is a general tendency for humans who have “made it,” such as in the case of people in New Zealand, to look back very favourably upon the days of struggle, when they felt like underdogs but are proud of their current situations. Not only are people in New Zealand likely to exhibit strong orientations to the past due to their adherence to history and tradition (geert.hofstede 2014), especially in the context of sports, but that this orientation will be associated with their underdog orientation. Given New Zealand’s history of struggle and having to prove themselves in the face of overwhelming odds (Walker 1990), the people there should not only feel nostalgia but
also this nostalgia, replete with underdoggedness, should be associated with underdog orientation.

**H1:** Nostalgia proneness relates to underdog orientation.

**Balance Maintenance**

Balance maintenance is a construct that emerged from the McGinnis and Gentry (2009) study. It is defined as “the extent to which people desire to hold the powers in society in check, such that no entity in society (i.e., government, business, or individual) has too much power” (Authors working paper). People will often overrule their own self-interests in the name of fairness in the marketplace (Kahneman, Knetsch, and Thaler 1986) and maintaining fairness and equity are motives for underdog support (Vandello et al. 2007). We contend that an inherent desire to maintain fairness should be related to one’s underdog orientation due to the salience and awareness of inequality. We contend, too, that knowledge of inequities in the broader sphere creates deficiencies that one experiences in his or her own world.

**H2:** Balance maintenance relates to underdog orientation.

**Need for Uniqueness**

One’s need for uniqueness may also relate positively with underdog orientation. We contend that the need for uniqueness may relate to underdog orientation. We contend that one who has the need to be unique and stand apart from the crowd (but not necessarily above) is aware of himself or herself as being an individual as opposed to being part of a collective where individual identity is assuaged, often discouraged, and assimilated into the crowd. The New Zealand history of self-reliance closely resembles the horizontal individualism (Triandis and Gelfand, 1998), which allows for freedom to do one’s own thing and be unique.

Furthermore, those with an underdog identity often have a “me-against-the-world” mentality, where they are aware that the odds are stacked against them due to some type of disadvantage, whether it is physical, monetary, human, or some other kind of resource. In our current sample in New Zealand, we expect a high degree of uniqueness, due to the country’s high individualism, insularity, and highly differentiated brand personality as a country (Morgan, Pritchard, and Piggott 2002). One’s desire to be unique should relate to underdog orientation, as the underdog-orientated personality, is one in which people generally feel different from others. Therefore, we hypothesize the following:

**H3:** Need for uniqueness relates to underdog orientation.

**Method**

The scales for this model were either taken from the literature and modified for our context or operationalized based on previous work. Balance maintenance was operationalized based on the interpretive work from McGinnis and Gentry (2009), while nostalgia proneness and the need for uniqueness were adapted from Holbrook (1993) and Tian and McKenzie (2001), respectively. The underdog orientation scale was taken from Authors (working paper). These scales were all pre-tested among college students at a Midwestern university in the United States.
Each construct was represented by multiple scale items and measured on a 7-point Likert-type scale where 1 is “Strongly Disagree” and 7 is “Strongly Agree.” All scale items are shown in Table 1. The questionnaire was designed with the data collection method in mind. That is, it was purposefully designed to be suitable for street intercept, face-to-face interviews. Throughout the whole questionnaire, a seven-point scale was used to measure the constructs of interest (1 = “Strongly Disagree”, 7 = “Strongly Agree”).

Approximately 500 consumers responded face-to-face to a questionnaire. All consumers who walked past the interviewers were considered to be potential respondents (Davis and Lang 2011). The interviewers were rotated around four locations in Auckland (New Zealand). Every potential respondent was asked to participate so they had an equal chance to complete the survey. Those that agreed to participate were asked to respond to a structured questionnaire. Over 90% of the people agreed to participate. Respondents were screened with a question: Do you watch or listen to sport (e.g., sports club, home, the internet, smartphone)? This question established that respondents were qualified to take part in the survey. Following data cleaning, the survey yielded 494 usable responses. The characteristics of the sample are generally consistent with the national population statistics (stats.govt.nz 2014).

Table 1. Questionnaire Items (New Zealand)

<table>
<thead>
<tr>
<th>SCREEN QUESTION: Do you watch or listen to sport (e.g., sports club, home, the internet, smartphone)?</th>
<th>Mean Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underdog Orientation</td>
<td>Item Construct</td>
</tr>
<tr>
<td>I identify with those who have to try harder to succeed.</td>
<td>4.57 4.46 UO1</td>
</tr>
<tr>
<td>When I see an underdog in society, I generally see myself.</td>
<td>4.36 UO3</td>
</tr>
<tr>
<td>I see myself as an underdog in many of life’s pursuits.</td>
<td>4.46 UO4</td>
</tr>
<tr>
<td>Balance Maintenance</td>
<td>Item Construct</td>
</tr>
<tr>
<td>I believe that those in power should have limits on their influence.</td>
<td>5.27 5.56 BM2</td>
</tr>
<tr>
<td>Monopolies of any sort have a negative impact on society’s welfare.</td>
<td>5.68 BM3</td>
</tr>
<tr>
<td>We need to make sure that the 'little guy' can compete.</td>
<td>5.74 BM4</td>
</tr>
<tr>
<td>Nostalgia Proneness</td>
<td>Item Construct</td>
</tr>
<tr>
<td>The old brands are better than the new ones.</td>
<td>3.89 3.97 NP2</td>
</tr>
<tr>
<td>The restaurants we had when I was growing up were better than the ones we have today.</td>
<td>4.04 NP3</td>
</tr>
<tr>
<td>The retail stores of yesteryear seemed to serve my needs better than today’s retail stores.</td>
<td>3.98 NP4</td>
</tr>
<tr>
<td>Need for Uniqueness</td>
<td>Item Construct</td>
</tr>
<tr>
<td>I often try to avoid products or brands that I know are bought by the general population.</td>
<td>3.89 4.03 NU2</td>
</tr>
<tr>
<td>As a rule, I dislike products or brands that are customarily purchased by everyone.</td>
<td>4.06 NU3</td>
</tr>
<tr>
<td>When a style of clothing I own becomes too commonplace, I usually quit wearing it.</td>
<td>4.14 NU4</td>
</tr>
</tbody>
</table>
The analysis had two stages (Davis and Lang 2011). The first stage was to conduct confirmatory factor analysis (CFA) followed by a structural equations modeling (SEM) (see Table 2). The process was to conduct separate measurement models for each latent variable and then to create the structural model. Before data analysis was started, initial data screening was carried out for missing values and outliers, and the normality of the dataset was tested, resulting in the sample size of 494. In our analysis, we utilized a combination of Microsoft Excel 2007 software, PASW Statistics 19 and Analysis of Moment Structures (AMOS 19) (Arbuckle 2010) for structural equation modeling (SEM).

The validity of the constructs was tested using confirmatory factor analysis (CFA) that combined all constructs concurrently (Davis and Lang 2011). Maximum likelihood estimation (MLE) was used to fit the models. Construct refinement was enabled by an analysis of covariance residuals and modification indices, and exclusion of items until the goodness-of-fit was achieved. Following Baumgartner and Homburg (1996), the following measures were used to assess the model fit: Goodness-of-Fit Indices, chi-squared (X2), the comparative fit index (CFI) and normalized fit index (NFI). The root mean square errors of approximation (RMSEA) was also calculated for the overall model. Finally, the standardized root mean squared residual (SRMR) as described by Hu and Bentler (1995) was computed (see Table 2).

### Table 2. CFA and SEM Goodness of Fit (GOF)

<table>
<thead>
<tr>
<th>Model</th>
<th>N</th>
<th>X2</th>
<th>d.f.</th>
<th>CMIN/DF</th>
<th>NFI</th>
<th>CFI</th>
<th>TLI</th>
<th>GFI</th>
<th>RMSEA</th>
<th>SRMR</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFA</td>
<td>495</td>
<td>54.033</td>
<td>48</td>
<td>1.126</td>
<td>0.958</td>
<td>0.995</td>
<td>0.993</td>
<td>0.982</td>
<td>0.016</td>
<td>0.0299</td>
</tr>
<tr>
<td>SEM</td>
<td>495</td>
<td>98.780</td>
<td>51</td>
<td>1.937</td>
<td>0.923</td>
<td>0.961</td>
<td>0.949</td>
<td>0.967</td>
<td>0.044</td>
<td>0.0521</td>
</tr>
</tbody>
</table>

CFA=Confirmatory Factor Analysis, SEM=Structural Equation Model, CMIN/DF=Chi-squared/degrees of freedom ratio, $p=$significance $<$0.001, NFI=Normed Fit Index, GFI=Goodness of Fit, TLI=Tucker Lewis Index, CFI=Comparative Fit Index, RMSEA=Root-Mean-Square Error of Approximation, SRMR=Standardized Root-Mean-Squared Residual.

The final measurement models show a reasonably good fit and most of the fit indices are above or close to the required minimum threshold levels. The ratios of minimum discrepancy to degree of freedom (chi-square/d.f. ratio) fulfilled the suggested threshold of less than 5 or, preferably, less than 2 (Bentler 1990). The GFI indices are above the threshold of 0.90 (Hair et al. 1998), and the CFIs are close to 1 (Bentler 1990) for every construct. Composite reliability is an indicator of the shared variance among the set of observed variables used as indicators of a latent construct (Bacon 1995). For all constructs, Cronbach alphas were above 0.63 (Nunnally 1978). Moreover, the average variance extracted (AVE) values ranged from 0.37 to 0.71, reflecting the average communality for each latent factor, and are used to establish convergent validity (Chin 1998; Fornell and Larcker 1981; Höck and Ringle 2006). For the second stage structural equations modeling, our results also showed adequate model fit across or measures (GFI, CFI, TLI, RMSEA, SRMR, X2/DF) for all our model variations (Baumgartner and Homburg 1996; Hair et al. 2009). That is, the NFI, CFI, TLI, and GFI were above acceptable levels (>0.90), while the RMSE and SRMR were also below the acceptable levels of (.08).

### Results

All three of our hypotheses held. H1 holding (H1: parameter estimate = 0.741; $p < .001$) indicates that nostalgia is indeed related to underdog orientation. H2 and H3 were also
significant (H2: parameter = .498; p < .001; H3: parameter estimate = .903; p < .001). This indicates that both balance maintenance and need for uniqueness are indeed associated with one’s underdog orientation, as predicted (see Table 3).

Table 3. Structural Equation Model Hypotheses

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Construct</th>
<th>Standardized Regression</th>
<th>Estimate</th>
<th>Critical Ratio</th>
<th>Sig. (p)</th>
<th>Accept</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Nostalgia Proneness + Underdog Orientation</td>
<td>0.559</td>
<td>0.741</td>
<td>6.829</td>
<td>&lt;0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H2</td>
<td>Balance Maintenance + Underdog Orientation</td>
<td>0.590</td>
<td>0.498</td>
<td>6.515</td>
<td>&lt;0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H3</td>
<td>Need For Uniqueness + Underdog Orientation</td>
<td>0.548</td>
<td>0.903</td>
<td>7.045</td>
<td>&lt;0.000</td>
<td>Accept</td>
</tr>
</tbody>
</table>

Discussion

All three proposed associations contributed to one’s underdog orientation, indicating that feelings of nostalgia, uniqueness, and balance maintenance are all important when trying to understand underdog feelings, at least in the context of New Zealand. Although other associations have been considered in previous studies in regard to the underdog construct (Authors working paper; McGinnis and Gentry 2009), the goal now should be to investigate additional model variables, moderators, mediators, and other storytelling variables and test them across different countries. For example, one’s underdog orientation has been shown to be an important predictor for shopping at locally owned mom-and-pop stores (Authors working paper). The underdog effect has shown to drive people to support the underdog in various pursuits (Kim et al. 2008), while underdog biographies in brands often lead to increased purchase intentions, real choice, and brand loyalty (Paharia et al. 2011). In this study, we did not connect underdog orientation to an outcome variable, but there appear to be many options going forward, such as team and athlete preferences, ethnocentric shopping behavior, media usage, and other domains where underdog orientations might be salient.

The mean underdog orientation was 4.46 (on a seven-point scale) indicating that more people in our sample do indeed identify with being an underdog. We expected that given the conditions provided in this study people in New Zealand would indeed identify themselves as being underdogs, perhaps more so than people in the United States, but this was not the case. In a US sample (Authors working paper), looking at a comparable measure, the mean was slightly higher at 4.57. In South Korea (among a sample of MBA students no less), the underdog orientation mean was 4.41, indicating that among the sample countries where we collected data, underdog orientation is quite similar (see Table 4).

Table 4. Questionnaire Items and Means for USA and South Korea

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean USA</th>
<th>S. Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underdog Orientation</td>
<td>5.50</td>
<td>6.04</td>
</tr>
<tr>
<td>I identify with those who have to try harder to succeed.</td>
<td>4.57</td>
<td>4.41</td>
</tr>
</tbody>
</table>
When I see an underdog in society, I generally see myself.

<table>
<thead>
<tr>
<th>Balance Maintenance</th>
<th>I believe that those in power should have limits on their influence.</th>
<th>5.05</th>
<th>4.86</th>
<th>5.19</th>
<th>4.73</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monopolies of any sort have a negative impact on society’s welfare.</td>
<td>4.46</td>
<td></td>
<td>4.78</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We need to make sure that the 'little guy' can compete.</td>
<td>5.74</td>
<td></td>
<td>4.23</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nostalgia Proneness</th>
<th>The old brands are better than the new ones.</th>
<th>3.91</th>
<th>4.67</th>
<th>4.23</th>
<th>3.63</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The restaurants we had when I was growing up were better than the ones we have today.</td>
<td>4.04</td>
<td></td>
<td>3.16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The retail stores of yesteryear seemed to serve my needs better than today’s retail stores.</td>
<td>4.26</td>
<td></td>
<td>3.49</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Need for Uniqueness</th>
<th>I often try to avoid products or brands that I know are bought by the general population.</th>
<th>3.27</th>
<th>3.15</th>
<th>3.46</th>
<th>3.49</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As a rule, I dislike products or brands that are customarily purchased by everyone.</td>
<td>3.03</td>
<td></td>
<td>3.65</td>
<td></td>
</tr>
<tr>
<td></td>
<td>When a style of clothing I own becomes too commonplace, I usually quit wearing it.</td>
<td>3.16</td>
<td></td>
<td>3.36</td>
<td></td>
</tr>
</tbody>
</table>

Of all the constructs in our New Zealand model, balance maintenance was the highest at 5.56 (on a seven point scale), which was over 1.50 higher than nostalgia (3.97) and need for uniqueness (4.03). This may indicate that New Zealand is a country that believes in the equality of its people, which certainly resonates with the “fair go” mentality and the diversity of its population. In fact, the balance maintenance measure for New Zealand was even higher than it was in the United States (4.86) and South Korea (4.73). In the Korean sample balance maintenance had the strongest relative influence on underdog orientation, which may reflect Koreans' perceptions between haves and have-nots that has been intensified through the rapid economic development.

The need for uniqueness was also considerably higher in New Zealand than it was in the US (3.15), which is somewhat puzzling given the high individualism score in the US (geert.hofestede 2014). New Zealand’s need for uniqueness was also higher than it was in South Korea (3.49). Unlike the Korean sample, though, the need for uniqueness appears to have a stronger association with underdog orientation for the New Zealand sample, which might be indicative of South Korea’s collectivist culture. Nostalgia proneness was the highest in the US at 4.67; South Korea’s was 3.63, placing New Zealand’s in the middle. The US placing higher on nostalgia may indicate that it is a country not only longing for the past but also a country that perhaps feels overwhelmed by modern commerce, where chains, mega retail stores, and other branding devices do not necessarily facilitate emotional connections.
In the Authors’ (working paper) study on underdog motives, strong support was found to indicate that those who carry underdog affection (as opposed to orientation) heavily support locally owned stores or mom-and-pops. Perhaps this study could measure similar outcomes, focusing more on New Zealand stores and businesses compared to multi-national businesses. This could augment what we know in terms of country-of-origin effects and local firm patronage (Noble, Griffith, and Adjei 2006; Runyan and Droge 2008; Thompson and Arsel 2004). We may find, for example, that countries could overcome negative country-of-origin effects (where country perception negatively impacts product perceptions) if it were positioned as underdog, at least in the short-term, in order to demonstrate to potential buyers a drive to overcome product deficiencies.

Future studies should address outcome variables that might be associated and drive underdog orientation, especially those occurring at the macro level. These might include tourism preferences as well as country of origin preferences. As previously mentioned, New Zealand is a prime tourism destination and much of its economy is in some way tied to tourism exports, comprising approximately nine percent of its GDP and nearly the same percentage of jobs (tianz.org.nz 2014). While the successful 100% Pure New Zealand campaign positioned the country as a unique destination where one could ‘come now, do more, come back’ (Morgan, et al. 2002), it might prove beneficial, for example, to position New Zealand as the “little country that not only could but could do more (with less).” This type of communication, which somewhat resonates with the more for less value proposition (Kotler and Armstrong 2013), not only communicates New Zealand’s vibrant country and culture but demonstrates to the world the value of being an underdog, where persistence and pride pay dividends to those willing to take the chance on a relatively faraway destination. It communicates a willingness to try harder to make people want to revisit, a primary goal of the Pure New Zealand campaign (Morgan et al. 2002).

Several aspects of New Zealand’s culture might lead to its underdog status. We might anticipate, too, that even though the All Blacks are a major success, the factor behind consumption would be from those inherently feeling like underdogs, as even underdogs probably want to feel supreme and have a chance to bask-in-the-reflected glory (Cialdini et al. 1976) of their most famous team. The All Blacks rugby team, while a global powerhouse and a team expected to win nearly every contest (Napier 2013), may still be viewed with an underdog “us-against-the-world” mentality by its fans. In addition, we might expect that the overriding reason for sports fans of New Zealand to tune into sports was to satiate their underdog desires in their underdog orientations. This is also due to the fact that notions of underdog are highly salient in a sports context (McGinnis and Gentry 2009).

Success in the sporting domain may have long-lasting effects in other domains. We argue that South Korea’s hosting of the 1988 Olympics and its subsequent co-hosting of the World Cup have done much to open South Korea to the world (and vice versa). Further, its success in the latter provided its people with tremendous patriotic pride, which we argue has contributed to the growth that its economy has seen in world markets. The Economist (2014) discusses Libya’s recent win at the African Nations’ Soccer Championship in South Africa. Although it occurred in the lesser of the continent’s soccer championships (this one excludes Africans who play in foreign football leagues), the victory seemingly united the Libyan people, at least in the short run. Like the South Korean soccer success and Kiwi yachting success, the self-worth of the Libyan people increased greatly due to an underdog performance, providing hope in many domains other than sport.
In sum, sports in society should not be relegated to a backseat in terms of its importance and impact on society’s collective well being. Sports represent a marketing system (see Layton 2007) in which fans, players, and teams are linked to create symbiotic exchanges, where these exchanges create value to all involved in the network. For the fans, sports can provide an avenue to demonstrate country pride and even enhance quality of life to often mundane and rote existences. Sports, we argue, provides concrete avenues through which a country’s identity can manifest itself and give its network of participants a reason for being. Though not compared to non-sports fans, the results of this study indicate the strong linkages sports fans maintain between feeling like an underdog, nostalgia, balance maintenance, and uniqueness. Future studies should include non-sports fans as well in order to make such comparisons.

References


Authors (working paper), “Motivational Bases for Consumers’ Underdog Affection in Commerce.”


Revisiting macromarketing management: Is the view worth the trip?

21st century macromarketing management—more on the building blocks
Chair: Stanley J. Shapiro

Session 12b – Saturday 5th July, 8:30am

- Macromarketing & social marketing: From tunes to symphonies
  Christine Donegan

- Aldersonian macromarketing management?
  Ben Wooliscroft

- Managerial macromarketing
  Mark Peterson

- Revisiting marketing as constructive engagement: Linking policies and managerial practices
  Cliff Shultz

Macromarketing management: Additional perspectives and critiques
Chair: Christine Domegan

Session 13b – Saturday 5th July, 11am

- Reconstructing macromarketing management: The progress(?) to date
  Stanley J. Shapiro

- Social business & macromarketing: A commentary
  Michael Baker

- On the (near) impossibility of managing a macromarketing system
  Roger Layton

- Macromarketing management: A critical marketing perspective
  Shona Bettany
Social Marketing: From Tunes To Symphonies
Christine T. Domegan, National University of Ireland, Galway, Ireland.

Introduction

“Beethoven's Fifth Symphony opens with a dramatic flourish, the famous four note-motif, short-short-short-long, which provides the theme for the first movement. As it weaves in and out, the tune is picked up by different instruments with ‘pithy imitations tumbling over each other with such rhythmic regularity that they appear to form a single, flowing melody’. With echoes of the theme drifting through the third and fourth movements, the symphony merges into a coherent whole.

A key element of Beethoven’s genius was his capacity to see the bigger picture, to combine notes, melodies and instruments in a way that enhances the value of individual contributions. In fact, in its creation of a whole greater than the sum of its parts, his symphony defies the laws of physics and in the process changed the world” (Hastings and Domegan, 2014, p.x).

Social Marketing is about moving ahead together to create social change, symphonies from tunes. Its about thinking big and embracing the individual and collective determinants of exchange and wellbeing; the need for co-ordinated approaches to social change; and the benefits of long term, strategic, critical thinking. It argues that, being social individuals who live in mutually dependent groups, behaviour change is inextricably linked to societal change.

The need for social change becomes even more apparent when we move from small decisions about shopping and to large scale problems with multiple stakeholders such as obesity, antimicrobial resistance, sustainable marine ecosystems or global warming. These sorts of problem are not only complex, but typically conflicted because differing interests have to be accommodated. The fishing industry will have one perspective, Greenpeace another and retailers’ a third—with politicians caught in the middle trying to please multiple constituencies whilst also hoping to get re-elected. These problems become so intractable they are sometimes termed ‘wicked’ and the temptation is to ignore them. It is much easier and more pleasant to focus on simpler actions — eating 5 fruit and veg a day, giving up smoking. In effect, a bit of command and control here and silos of actors and knowledge there.

By bringing on board a variety of public, private and third sector stakeholders, we create an atmosphere in which ideas can be introduced and developed in a democratic and holistic way, must be sufficiently robust to manage and meet the requirements of multiple stakeholders. With various stakeholders interacting at different levels, and aspects of exchange reflecting the interdependency of social systems, contexts, content and actors, Social Marketing therefore demands greater co-ordinated networks beyond command and control.

Co-ordinated Networks
Social Marketing, drawing upon the social cognitive and social ecological theories embraces ‘I’ and ‘We’ mode exchanges co-ordinated across four levels: micro, group, macro and planet level. Figure 1

**Figure 1: Social Marketing and Co-ordinated Value Co-creations**

<table>
<thead>
<tr>
<th>Change</th>
<th>Micro level (individual)</th>
<th>Group level (group/community/organisation)</th>
<th>Macro level (society/nation)</th>
<th>Planet level (global)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>Behaviour change</td>
<td>Changes in norms/Administrative change</td>
<td>Policy change</td>
<td>Policy change</td>
</tr>
<tr>
<td>Example:</td>
<td>Attendance at stop-smoking clinic</td>
<td>Removal of tobacco advertising from outside a school</td>
<td>Banning of all forms of tobacco marketing in the UK or EU</td>
<td>Banning of all forms of tobacco marketing and in all countries</td>
</tr>
<tr>
<td>Long-term</td>
<td>Lifestyle change</td>
<td>Organisational change</td>
<td>‘Socio-cultural evolution’</td>
<td>‘Socio-cultural evolution across societies’</td>
</tr>
<tr>
<td>Example:</td>
<td>Smoking cessation</td>
<td>Deter retailers from selling cigarettes to minors.</td>
<td>Eradication of all tobacco-related disease in the UK or EU</td>
<td>Eradication of all tobacco-related disease in the world</td>
</tr>
</tbody>
</table>


In this sense, Social Marketing ensures effective collaboration of community leaders, corporate sector, and media as gatekeepers of public opinion, connect people in the circulation of ideas and experience, thereby extending relationships across boundaries and groups. A collaborative design to empower social change facilitates the shift from authoritative and competitive problem describing to solution seeking (Roberts, 2000; Lefebvre, 2013, 2014; Hastings & Domegan, 2014). Such collaboration aims to allow multiple stakeholders from various sectors and settings to simultaneously work together, as different networks have varying opinions and experiences that reflect diverse social systems, contexts, content and actors underlying social change. A collaborative design ensures individuals are no longer “objects of social marketing projects” (Brenkert, 2002, p.21) but as Lefebvre (2013, p.8) notes, groups to be reached out to and engaged in “scoping the possible causes of and solutions to problems and not just to pre-test options with these groups and individuals.”

One potential collaborative design for moving ahead is found in Collective Intelligence (CI), a group methodology, capable of embracing diverse networks, conflicting relationships and up, mid and downstream communities (Warfield 1976; 2002; 2006). Specifically, an exploratory application of Warfield’s CI, as part of an EU funded ‘Sea for Society project’, (FP7/2007-2013). Formative research was undertaken with stakeholders in eight countries, who, through consultations, identified barriers to and solutions for change.
In a CI 2 day session, knowledgeable marine ecosystem stakeholders (1) generate and clarify ideas, (2) vote, rank, and select ideas for structuring, (3) structure ideas using CI software, (4) discuss visualisation map from group thinking with the group and amend where relevant and (5) evaluate collaborative discourse to further understand the group reasoning. The findings reveal barriers to a sustainable marine ecosystem and importantly, how stakeholders perceive these barriers to be interrelated and connected. The findings also identify the options considered by stakeholders as most feasible and impactful actions for a sustainable marine ecosystem.

The consultations resulted in 774 barrier statements grouped, in a meta-analysis into 38 barrier categories and 12 higher-order barrier themes to a sustainable marine ecosystem and 653 options to overcome these barriers. These barriers, in Figure 2, provide an EU-level depiction of stakeholders’ view of barriers to the development of a sustainable marine ecosystem. The 12 higher-order barrier themes are arranged from highest to lowest influence, computed from a series of barrier scores (position, antecedent, succedent, activity, net SA and influence scores) and are shown in Figure 2, an EU Multistage Influence Map of barriers to a sustainable marine ecosystem.

Figure 2: Sea for Society Multistage EU Influence Map of Stakeholder Barrier Themes

The EU Influence Map of Stakeholder Barrier Themes in Figure 2 should be read from left to right, with the themes on the left having more overall aggravating influence to a sustainable marine ecosystem than barrier themes on the right. This means the Attitudes and Awareness barrier theme, stage one, exerts the highest level of overall influence to a sustainable marine ecosystem. Attitudes and Awareness according to stakeholders is about “unfounded attitudes and lack of awareness of marine issues”. The second highest level of overall influence comes from the Governance & Strategy barrier theme together with the Knowledge barrier theme. Governance & Strategy is seen by stakeholders as “responsible institutional framework strategies, policy and research for marine ecosystems” while Knowledge is about “inadequate scientific and general public knowledge.” The stage six barrier themes of Environmental Concerns, “negative marine environment management” and Sectorial Issues, “the disconnect between sector and marine issues” differ from the previous barrier themes and stages (Table 1), as they have influence, but its at the lowest level for a sustainable marine ecosystem.
### Table 1: Higher-Order Barrier Theme Definitions

<table>
<thead>
<tr>
<th>Theme</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes and Awareness</td>
<td>Unfounded attitudes and lack of awareness of marine issues.</td>
</tr>
<tr>
<td>Governance and Strategy</td>
<td>Responsible institutional framework strategies, policy and research for marine ecosystems.</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Inadequate scientific and general public knowledge.</td>
</tr>
<tr>
<td>Economics</td>
<td>Prioritisation of short-term economic thinking.</td>
</tr>
<tr>
<td>Conflict and Change</td>
<td>Conflicts of interest with a reluctance to change.</td>
</tr>
<tr>
<td>Social Ecological System</td>
<td>Long-term holistic and sustainable vision making.</td>
</tr>
<tr>
<td>Spatial Planning and Infrastructure</td>
<td>Inadequate sustainable environment development and planning.</td>
</tr>
<tr>
<td>Politics and Legislation</td>
<td>Unsuitable and/or restrictive politics and legislation.</td>
</tr>
<tr>
<td>Public Engagement</td>
<td>Involvement, communication and engagement are poor.</td>
</tr>
<tr>
<td>Openness</td>
<td>Misrepresentations of marine truths.</td>
</tr>
<tr>
<td>Environmental Concerns</td>
<td>Negative marine environment management.</td>
</tr>
<tr>
<td>Sectorial Issues</td>
<td>There is a disconnect between sector and marine issues.</td>
</tr>
</tbody>
</table>

The EU Influence Map of Stakeholder Barrier Themes suggests that actions taken in relation to barriers themes on the left is more likely to have a stronger impact on the overall system of barriers. In addition, such actions could relieve some of the pressure that currently exists on the barriers that are contained within themes on the right side of the map, making it more likely that actions designed to address these barriers will be successful. Thus, initiatives taken to address barriers in the Attitudes and Awareness theme, that is to tackle “unfounded attitudes and lack of awareness of marine issues” could have substantial impact on developing a more sustainable marine ecosystem, and could enhance the possibility of successful actions impacting barriers in themes that lie further to the right in the map, such as Environmental Concerns. In other words, if actions focuses, first and foremost, on Attitudes and Awareness, a ripple effect could be felt throughout the system, making it somewhat easier to take actions tailored to themes such as Sectorial Issues, as well as other themes that are on the right side of the map.

Figure 2 hints to the value of tapping into a macro view of change because the rich understanding possible derives from the synergies of intelligence, expertise and lived experiences of all involved. Richness also derives from working together to develop holistic understandings of the problem, addressing problem complexity and seeking a set of options matched to the complexity of the social issue. A collaborative approach of this nature (Layton, 2011) encourages dialogical interaction (Ballantyne & Varey, 2006); intentional inclusion, mutual framing, collaborative learning and extended active participation between multiple networks within and across many societal levels, to scale up new shared values for a sustainable marine ecosystem.

For any large scale change to happen, Social Marketing potentially could expand joint behavioural change agendas beyond the client and organisation to networks of stakeholders. In this way, and propelled by network and relationship management, Social Marketing strate-
gies can genuinely start to address broad challenges of societal change. Above all, it could provide the necessary complexity and sophistication we need to tackle the great multifactorial problems facing society if humankind is to move from tunes to symphonies.

Conclusion

To follow in Beethoven’s footsteps and create a whole that is greater than the sum of its parts—a full-bodied ‘symphony’ rather than a flimsy ‘tune’—social marketing must ensure co-ordinated, harmonised, constructive engagement and critical action.

References


Aldersonian Macromarketing Management?

Ben Wooliscroft, University of Otago, New Zealand

Is there such a thing as Aldersonian macromarketing? Was Wroe Alderson a macromarketer? Would he be now? This paper addresses these questions in terms of the dominant social paradigm of Alderson’s time and now.

Introduction

Was Wroe Alderson a macromarketer? Was he a macromarketing manager? He was unquestionably aware of the concept of macromarketing, mentioning it in his 1957 book. He was also clearly a managerial marketer/consultant/theorist. This paper discusses the nature of macro/micro marketing management in Alderson’s day and today.

It is important not to set up a straw man when putting forward a contrasting argument. It is all too easy to make a convincing argument when arguing against an artificial construct. This paper contrasts macromarketing management with (micro)marketing management. It is also important to situate a historical argument in its time. Was Alderson a macromarketing manager in the 1950s and 60s? Would he be considered one now? The answers are quite different.

On Micromarketing then and now

(Micro)marketing – or managerial marketing – is a very different concept in the mid twentieth century and since the 1990s. The marketing discipline of most of the twentieth century concerned itself with business success, customer needs and satisfaction and efficient. The business mantra of the 1990s and beyond, including mainstream marketing, is profit, profit and profit. Outsourcing, downsizing, right sizing and a host of other weasel words have been used to disguise the singular focus on profit.

The rise of the buyer behavior school of marketing thought, in parallel with managerial marketing, deals almost entirely with generating sales (Sheth, Gardner and Garrett, 1988). Buyer behavior research in the 1960s was largely concerned with why consumers purchase, and how to trigger more purchases. With an excess of production capacity over demand, it was necessary to stimulate demand to keep the American economy buoyant (Reeves, 2000). Consumer behavior studies have remained focused on purchases and the competition for customers (Lawson, 2010; Wells, 1993). The quality of life dimension of consumption and important consumption decisions have been almost entirely absent from the leading consumer research journal (Wells, 1993). There has even been a recent call to repopulate marketing and consumer behavior with people (Wooliscroft, 2013).

Kilbourne and colleagues work on the dominant social paradigm (e.g. 1997, 2001, 2002) highlights the economic focus of business and society. The neo-liberal agenda has monetized the world (Sandal, M 2000) and become the focus of all behavior including marketing. Monetization has gone so far that suggestions to own, in the financial sense, endangered species regularly appear.
Among the many critics of modern business are Naomi Klein and J. K. Galbraith. In her heavily branded and promoted work, Klein (2000, 2002) lambasts branding and outsourcing, particularly the outsourcing of externalities. Galbraith (2004) highlights a change in the focus of business from being (good) members of society to a singular focus on extraction of money, often not for the shareholders, but for the management of firms. Recently, Holbrook (2013) has reflected on business education, with a focus on the MBA, in his Journal of Macromarketing paper titled “The Greedy Bastard's Guide to Business”.

Business today is not what it once was. Large corporate pay taxes rarely, reluctantly or at very reduced rates (Duhigg and Kocienieski, 2012). They either seek to depress wages locally, or employ workers in far away companies at very low wages to maximize profits, a long way from Henry Ford paying his workers enough to buy his product. To undertake good work, or good decisions, a business/financial case for CSR (Weber, 2008) and/or sustainability (Salzmann, Ionescu-Somers and Steger, 2005) is required before it can be considered. Don’t do anything unless you get more profit. The vast majority of modern multinational corporations are a long way from the good citizen that contributes to their community through paying their share.

Modern (micro)marketing is well removed from a macromarketing view of market phenomena and how the actors in that system should behave.

On Macromarketing and Alderson

Was Alderson a macromarketer, or does his research and writing fit within the definitions of macromarketing (see Table 1)? His theories clearly deal with important issues and go well beyond simple exchanges. Alderson deals with a system of interconnected firms and family units. He explicitly seeks to improve the market system for the benefit of society. Schultz’s definition of macromarketing is satisfied.

Through his systems perspective and focus on the interconnected nature of firms and families Alderson also satisfies the requirements of Hunt’s definition of macromarketing.

Fisk’s provisioning technology is directly addressed by Alderson’s transvection analysis – a macro level analysis of the channel of production and distribution, with the goal of improving the efficiency of that system. The extension of buyer behavior to hedonomics, the study of consumption and associated pleasure/gain, along with concepts like the potency of assortment, demonstrate Alderson’s concerns about quality of life and their relationship to markets and marketing. Alderson’s conceptualization of markets, as places of information exchange aiming to match heterogeneous demand and supply, is a rich theory of markets allocating resources, including recognizing the inefficiencies of information exchanges. The stated goal at the beginning of Alderson’s 1957 Marketing Behavior and Executive Action is to improve the system, to reduce the negative effects or efficiencies of the marketing system. Alderson clearly satisfies Fisk’s definition of a macromarketer.

Potency of assortment is a key Aldersonian concept, a concept that transcends the offerings of one company and considers the interactions of all the goods, or potential goods, in a family’s control. How do the products the family has access to interact to provide value in use. The study of interactions within the system of goods is clearly a macromarketing approach.
Table 1. Definitions of Macromarketing

| “Macromarketing literally deals with big/important issues, beyond comparatively simple exchanges between buyers and sellers, or even relationships between companies and customers. In a more interconnected world of markets, marketers, and their stakeholders, macromarketing is an important mechanism to study both opportunities and shortcomings of marketing, and both its intended positive effects and unintended deleterious effects. This suggests macromarketing includes an optimistic perspective; that it seeks functional mechanisms to enhance marketing processes, to the benefit of the largest number of stakeholders, the world over.” (Shultz) |
| “…macromarketing is a multidimensional construct, (which) refers to the study of (1) marketing systems, (2) the impact and consequence of marketing systems on society, and (3) the impact and consequence of society on marketing systems” (Hunt 1981, p. 8) |
| Fisk (1981) added that (macro)marketing should be viewed as social process, as (1) a life-support system provisioning technology, with concerns about (2) quality and quantity of life-goals served by marketing, 2 (3) a technology for mobilizing and allocating resources and (4) is concerned about the consequences of marketing — the spillover effects of marketing — for those who may not seek or be aware of the intended or unintended activities of marketers (pp. 3, 4, 5) |

Did Alderson consider himself a macromarketer? The answer is almost certainly no. Alderson predates the advent of macromarketing as an identified group of scholars. There is no question that Alderson sought a theory of marketing/markets (macromarketing) in which to situate theory in marketing (micromarketing). His 1957 text, Marketing Behavior and Executive Action, is explicitly laid out in that format.

Alderson has certainly had an impact on Macromarketing scholarship, his name appears 167 times in the references, or titles of articles, in the first 34 volumes of the Journal of Macromarketing. He is one of the founding fathers of the macromarketing way of thinking.

Alderson, and other systems thinkers, looked for relationships and to establish how the system worked (Alderson, 1957b). They sought to describe systems and understand the relationships through observations of the systems. The complexity of the systems made measurement a secondary goal, after a thorough understanding of the system is achieved. Alderson’s theories come from the point of view of someone outside of the firm looking in, seeking to satisfy the goals of the firm and society (Shapiro, 2003). This may, in part, be explained by Alderson’s consulting and government research work considering business and society from outside, while looking for efficiency gains.

Functionalism, and systems research, focuses on wholes and looking at systems and interactions. Measurement was less important than observing and understanding the interactions in the system under study and its relationship to its environment. Alderson was not concerned with the reductionist scientific measurement of things (often associated with micro marketing management), which he could observe to be true. He was not particularly interested in statistics and would rather look at a spreadsheet of data to divine its underlying relation-
There is no question that Alderson was in many ways a macromarketing manager himself. He would openly charge consulting clients more so that fundamental questions could be addressed alongside the specific question of the client – seeking to improve the system (Halbert, 2003). He was also explicitly concerned with economic development (South America particularly) and societal well-being as part of his research and consulting business.

**Conclusion: Now and Then**

I would like to think that Alderson would be a modern macromarketer. He was an (enlightened) micromarketer of his time, living in a time before Reagan, Thatcher, et al. – along with their soothsayers in the economics and finance departments - introduced the neoliberal agenda that has dominated the last twenty plus years. That is not to suggest that profit was unimportant to Alderson, it was just not the only thing. Markets were to efficiently satisfy the heterogeneous demand and supply present in society.

The final question, on which we can only speculate, is would mainstream marketing have looked different had Alderson’s approach survived his death? The home of Aldersonian marketing thought has been macromarketing, it is time it went wider.

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While some macromarketing scholars have debated the prospect of a managerially-relevant application of macro concepts for micro firms, the field now has a textbook for teaching this very thing. Focused on sustainable enterprise, this pedagogical tool uses scholarship from macromarketing to undergird a conceptual structure for business leaders to more effectively integrate stakeholder concerns in firm decision making. While longtime macromarketing observer Shelby Hunt has called for more such pedagogical tools, the publication of this tool suggests that discussion of managerial macromarketing will take on an evaluative dimension in the future, as opposed to a prospective aspect as in previous years.

Businesses can benefit by taking a more holistic approach to the marketplace. Using such a holistic approach would reflect important knowledge developed over the last three decades in the field of macromarketing. Over this time, accomplished scholars have contributed meaningfully to understanding the role of marketing in society by taking a systems view. Traditional macromarketing topics have included quality of life, ethics, the environment, marketing systems, marketing history, and poor countries. A macromarketing lens can explain the dynamism of contemporary markets, as well as how and why businesses are becoming more mindful of the environment, and more mindful of poor consumers around the world.

Today, business persons are increasingly seeking answers about how to approach new complexities of the marketplace that macromarketers have studied over the years. The SAGE Publications book I have authored—Sustainable Enterprise: A Macromarketing Approach—is intended to help business persons develop marketing strategies for the marketplace by tapping into the wisdom accrued by macromarketing scholars. In this way, the book is about managerial macromarketing—macromarketing for sustainable enterprise.

Important questions posed and answered in the book include:

5. How do firms use sustainability concepts to navigate their firms in global business today?
6. Why do markets change?
7. How can firms conduct business profitably with the environment in mind?
8. How can firms conduct business profitably with poor consumers in mind?

While attending the 2005 Macromarketing Conference in May in St. Petersburg, Florida I was stunned when one of the panelists at the final session of the conference gave a simple response to the question: “What is the future of marketing?” This panelist, Cliff Shultz who was then the editor of the Journal of Macromarketing confidently asserted “the future of marketing is macromarketing”.

Macromarketing – taking a systems view of the interplay between marketing and society—had a rich history of scholarship with such accomplished scholars as Shelby Hunt, and Bill Wilkie contributing meaningfully to understanding the role of marketing in society. However, to my mind, macromarketers up to that time appeared to be satisfied with scholarship alone and had little interest in the practical aspects of market success for businesses. So when Cliff made his assertion, it struck me as a deep paradox – how could the ivory tower move to the mainstream of marketing practice? Yet, I instinctively knew he was right. Since
then, business persons have increasingly sought answers for how to approach new complexities of the marketplace that macromarketers have studies over the years.

In 2009 and 2010, I taught a new marketing and society course to MBA students at the University of Wyoming. Unlike other schools, ALL of the students had to take the course because it was required. This experience proved uniquely valuable, because with all students in the course many doubts and reservations about “going green” were expressed by students. These students instinctively knew that profits had to be made for businesses to continue operations and many sustainability-related issues about including stakeholders in planning and being mindful of equity issues did not come with explanations about how the bottom line would be affected. At the time, no books existed to address this issue of how to operate in the marketplace with a social conscience and achieve profits. I wrote *Sustainable Enterprise: A Macromarketing Approach* to help business persons, teachers and students better understand how this can be done.
Revisiting Marketing as Constructive Engagement: Linking Policies and Managerial Practices

Clifford J. Shultz, II, Loyola University Chicago, USA

Policies that initiate or support responsible micromarketing institutions and practices can be some of the most important catalysts to socioeconomic development and sustainable peace and prosperity, particularly in distressed or devastated political economies. Such policies and the accordant positive marketing forces might be considered a form of constructive engagement. The consideration of constructive engagement, including the idea that managerial marketing can be complementary to macromarketing, is gaining currency among some macromarketers, and is explored in this presentation. The author discusses some evolving successful cases from fieldwork in developing, devastated, transitioning and/or recovering economies.

This presentation is organized in response to a thoughtful invitation from Stan Shapiro, and the need to explore the important contributions that business enterprises and their management can make to marketing systems, especially marketing systems that are distressed, dysfunctional and/or developing economies. Ironically, macromarketing often is considered to be non-managerial, perhaps even hostile to management and business. Marketing management however profoundly affects – or has the potential to affect – the well-being of marketing systems, sometimes positively and sometimes negatively. Its study therefore would seem to be of keen interest to macromarketers, with hopes to affect best practices that in turn enhance individual quality-of-life and sustainable societal well-being in marketing systems. This idea was not lost on some of the early thought-leaders of macromarketing (e.g., Zif 1980) and is regaining currency among current macromarketers (e.g., Peterson 2013; Shapiro WIP). The purpose of this presentation therefore is to revisit marketing as constructive engagement, which requires policy change and effective marketing management in dysfunctional or sub-optimally performing marketing systems (Shultz 2007). Those systems could be developing/transitioning/recovering countries, regions, trade blocs and/or communities.

Constructive engagement is the deliberate and coordinated effort by adversaries to find win-win outcomes through trade, foreign direct investment, and/or academic and cultural exchanges; this effort typically occurs or could occur between governments of conflicting states (e.g., the US and Iran), but the underlying logic can apply to any adversarial groups seeking to optimize outcomes in extant or would-be marketing systems (e.g., Forcese 2002). Responsible business development and management – and employment generation, wealth creation, tax revenue, GDP growth, reinvestment in human resources and enterprises, poverty reduction, and multiplier effects therefrom and subsequent improvements to social justice and quality-of-life (QOL) – are integral to ensuring that the engagement is indeed constructive (Shultz 2007).

This presentation will revisit extant models and extend working models and cases to illustrate factors that drive engagement, factors that predict constructive engagement, and factors – including responsible businesses and their management -- that are likely to sustain constructive engagement, again where measures ultimately include improvements to QOL, and a just and sustainable marketing system at national, regional and/or community levels.
Examples from active research streams in various developing economies, including Africa, the Balkans, Middle East and/or developing Asia will be used to make key points.

References


Reconstructing Macromarketing Management: The Progress (?) to Date

Stanley J. Shapiro, Simon Fraser University, Vancouver, BC, Canada

The brief note that follows: a) includes the abstract of a paper presented at the 2013 Macromarketing Conference that argued in favor of the possible resurrection of the concept of macromarketing management; b) also reproduces the track description designed to further explore the current relevance or lack thereof, of macromarketing management that appeared in this Conference’s Call for Papers; and c) calls attention to some of the most pertinent issues and concerns raised by those who reviewed either the original version of the paper presented at the 2013 Conference or the first revision of that paper.

At last year’s 2013 Macromarketing Conference Christine Domegan and I presented a paper entitled “Reconstructing Macromarketing Management: The Building Blocks”. The impetus behind that paper was my exposure to the work of Christine and her graduate students during an October 2012 visit to the National University of Ireland-Galway. Much of that work focused on the management problems involved in effective social/public interest marketing. One thing led to another and we decided jointly to explore what the now in large part forgotten concept of macromarketing management might currently have to contribute in this regard were that concept to be resurrected and reconstructed. The relevant abstract of the paper we prepared for that 2013 Conference appears directly below.

What follows is an interim report on an effort to see whether intellectual developments over the last third of a century have provided the concepts and perspectives necessary for a reformulation and updating of Zif’s (1980) original discussion of macromarketing management. The paper’s point of departure is Zif’s initial position and the very limited macromarketing literature that directly responded to his 1980 Journal of Marketing article. It is then argued that one preceding but currently underutilized marketing area of thought, Alderson’s concept of the organized behavior system (Alderson 1957, 1965), and three more recent ones: (1) 1980s writings on the political economy of marketing and on the “parallel political marketplace” (Hutt, Mokwa and Shapiro 1986); (2) Peterson’s discussion of “Sustainable Enterprise” (2013); and (3) relationship marketing (Marquez and Domegan, 2011) all have something important to contribute to a reformulation of macromarketing management though such a reformulation remains a “work in progress” (Domegan and Shapiro, 2013, p.365)

I can’t speak for Christine but, as far as I was concerned, the preparation and presentation of our 2013 paper was just the first step in the possible resurrection, or not, of macromarketing management. That being so, I proposed and Alan Bradshaw kindly agreed that there should be a Macromarketing Management track at the 2014 Macromarketing Conference. The somewhat unique description of that track as it appeared in the 2014 Macromarketing Conference Call for Papers read as follows:

Revisiting Macromarketing Management: Is the View Worth the Trip?

After more then two decades of conceptual neglect of macromarketing management, Domegan and Shapiro, in a paper presented at the 2013 Macromarketing Conference, discussed key building blocks that might be used to enrich and enhance that construct. But while
the intellectual components they identified all apparently had something important to contribute to a reformulation of macromarketing management, the reformulation process itself, Domegan and Shapiro concluded, remained “a work in process”.

But is there really that much to be gained by re-exploring macromarketing management? If so, how do the concepts Domegan and Shapiro identified and, quite possibly, other pieces from a macromarketing management Lego set actually fit together? Papers exploring that issue are obviously welcomed submissions to this track. Welcome also, however, are papers arguing macromarketing management as a concept may no longer have any current relevance.

Some might maintain that such new areas as Social Business as redefined by Michael Baker, Humanistic Management, and Corporate Social Responsibility provide far more useful managerial tools for achieving societal objectives. But this “newer thinking” also has its critics and their views are welcomed as well. In short, a full range of opinions and perspectives are invited to this intellectual “festschrift” on macromarketing management.

The “festschrift” in question, defined this time as honoring, or rather deciding whether or not to honor, a concept rather than a person, is now taking place. Christine and I are confident that all six of our “outside” invited participants will, both individually and collectively, contribute very significantly to the further assessment of the macromarketing management concept. But first, it seems appropriate to call attention to some questions, issues, and concerns raised by others who have previously reviewed either our original paper or its first revision. This is done in summary (and paraphrased) form with, because of time limitations, only some of the most important issues that were raised being mentioned at this time.

1 It is assumed in the paper, rather than proven, that there is indeed such a thing as macromarketing management. It could be argued, in response, that the concept rightfully never caught on because it has always lacked any real relevance or validity. What can be said to refute such an argument? If any thing, then say it.

2 To the extent that managers have a role to play in trying to alleviate the problems caused by “negative externalities, these are unlikely to be macromarketing managers but rather other types of macro managers from the corporate, governmental or not-for-profit sectors.

3 Merely dumping theoretical building blocks in an intellectual heap rather than actually building some thing with them leaves much to be desired. Why were these blocks chosen and not others both from marketing and related disciplines? Do they really fit together? If so, how?

4 Where does Alderson fit into all of this? Isn’t his organized behavior system, whether applied to household or firm, a micro concept? For that matter, to what extent, if any, was Alderson a closet macromarketer? Are you guilty of reading things into his work?

5 Why start with Zif? A contemporary exploration of macromarketing management might better be built around Peterson’s concept of “managerial macromarketing”? Such an approach should then also draw upon the relevant literature not only from marketing but from other managerial disciplines as well.
As a co-author of the original paper, I find all of the above to be highly relevant questions and observations. Whether we agree or disagree with the positions taken, they must all be dealt with, in one form or another, in future revisions of our paper. Also to be dealt with, of course, are the issues raised in the other presentations made at these two 2014 Macromarketing Conference sessions on Macromarketing Management. Only after all this is done will we know whether or not the resulting view of that concept, resurrected to the extent which then seems appropriate, was indeed worth all the time and intellectual effort involved.

References


“Social Business and Macromarketing Management: a commentary.”

Michael Baker, Strathclyde University, Scotland

“Clearly, macro-marketers have an important and valuable contribution to make that goes beyond the notion of transformational marketing. My concern is that its proponents may only be preaching to the converted when the challenge is to integrate it into mainstream marketing theory and practice by emphasising the importance of macro-environmental factors in strategic decision-making.” This is the statement with which I end this brief commentary. Why I feel this way is spelled out in the preceding paragraphs.

I am very much in favour of defining important subfields within the domain of marketing but I am concerned that over emphasis on Macromarketing may be counter-productive and result in unintended consequences. More specifically, if social and welfare issues come to be seen as ‘detached’ from mainstream marketing theory and practice with its emphasis on organisations and individuals (like microeconomics), then, like taxes, they may come to be perceived as ‘optional’ and avoided if possible, especially if they run against the selfish self-interest of the individual. And, where you polarise issues, opposing factions emerge resulting in conflict between them. That said, the topics and issues central to Macromarketing are also central to my conceptualisation of social business.

Only recently have I become an active proponent of ‘social business’. Unlike Saul’s epiphany on the road to Damascus, this was not the result of a sudden revelation but a growing recognition that what I considered to be the defining principles of marketing were not recognised by many practitioners, or apparent in the (selfish) behaviour of many individuals. The challenge then is to persuade people that ‘social business is good business’. To do so I propose to summarise my own understanding of the marketing discipline and the reasons why I consider that it, associated with capitalism and the operation of free markets, offers the best solution for improving welfare and standards of living for all of the world’s people. Next, I will outline my perception of Macromarketing and, finally, I will seek to justify I consider it to be an integral subfield of marketing and not separate from it in the way that Macro and Micro economics have become sub-disciplines of their parent discipline of Economics.

What is marketing?

It is widely recognised that civilisation, as we know it today, owes its origins to the creation of markets. While exchange of surpluses undoubtedly preceded the establishment of markets this was intrinsically less efficient because of the time and effort that had to be expended in establishing contact with others offering things that you wanted, who were willing to exchange these for your own surplus. And, equally as important, the transaction needed to be seen as mutually beneficial. Both parties needed to be satisfied with their side of the bargain and experience an increase in their overall satisfaction as a result of it.

Clearly, the striking of such bargains will be facilitated if there is a known and agreed place where persons wishing to exchange surpluses can establish contact. This place is a market. To begin with markets will only service a small catchment area but, over time, their existence will make it worthwhile for intermediaries and merchants to source supplies of
goods and services not available locally and bring them to the established market. By doing so variety and choice (increased welfare) will result, as will trade stimulated between social communities enjoying different resource advantages.

This process, and the systems and institutions associated with it, is marketing. Like Economics, Marketing is recognised as an academic discipline, taught at both the undergraduate and postgraduate level in established universities, and the subject of extensive research and scholarship. Given that much of its theory is derived from the discipline of Economics it is unsurprising that scholars have chosen to distinguish between general fields within their discipline dependent upon whether the focus is on individual (micro) or aggregate (macro) behaviour and institutions. But, while the general fields of Macroeconomics and Microeconomics are universally accepted, the same distinction does not apply to the discipline of marketing. In my view there is a subfield identified as Macromarketing and there is Marketing. The descriptor Micromarketing also exists but this only emerged around 1990 with technological developments in data capture and analysis which enabled sellers to identify and target specific individuals as opposed to clusters or groupings of individuals, usually recognised as ‘market segments’. Accordingly, I would regard this as being a subfield like Macromarketing and comparable to other subfields such as consumer behaviour, marketing communications, retailing, social marketing et cetera.

The question “What is Marketing?” Is one that I have addressed frequently since the publication of my first textbook in 1971 right through to the present day when I am preparing the opening chapter for the 7th edition of The Marketing Book, which has this title. As the objective of the chapter is to give an overview of the discipline, much of the content consists of a chronological narrative describing the historical evolution of marketing practice and institutions. Prior to the birth of the Industrial Revolution in mid-18th century Britain, productivity was low, choice was limited and interaction between buyer and seller was usually direct. Technological innovation and mechanisation stimulated the development of the ‘factory system’ and the division of labour. As a result of the latter the combination of complex skills involved in craft production were disaggregated making it possible for unskilled workers quickly to learn a simple task. As described by Adam Smith in his example of pin making, by ‘de-skilling’ the process productivity increased enormously. And, to cope with this huge increase in output, modern marketing methods began to evolve in parallel with advances in transportation and communication.

Initially, manufacturing, tended to be concentrated in locations that enjoyed some form of natural advantage in terms of access to raw materials, energy and labour. Funding the necessary plant and equipment, together with the working capital requirements, encouraged the formation of joint stock companies through public subscription and this has become the distinguishing feature of modern capitalism. Establishment of factories also created a need for professional management and a separation between stockholders who owned the company and principally concerned with the return on their investment, and personnel responsible for the direction and conduct of the business to optimise its profitability. Concentration of production also led to a physical and psychological separation between stockholders who owned the company and its customers. Because of the huge volume of output, manufacturers had to look beyond their local market for customers. This was in sharp contrast to the conditions prevailing under traditional craft industry, where the producer would be in close if not direct contact with the intended customer, and so able to tailor their output to match their needs exactly. Mass production requires standardisation, which means that the supplier has to create outputs that offer the best match for the needs of a sufficient number of customers to enable them to sell profitably.
It is this requirement that created the need for consumer research, market segmentation, targeting and positioning as a means to develop the most effective marketing mix. This became the distinguishing features of modern marketing and what is known as the ‘marketing management school of thought’.

It is instructive that in the discipline of Economics where the interaction of supply and demand, resulting in competition between suppliers in free markets was distinguished as belonging to the study of micro-economics, no such distinction occurred in the discipline of Marketing. Indeed, in the 1960s when considerable attention was focused on theory in marketing, together with the need to make it more rigorous and ‘scientific’, the main distinction within the discipline was between industrial marketing and consumer marketing. It is also instructive that, as noted earlier, use of the term ‘micro-marketing’ only began to appear when technological innovation and invention of the worldwide web and the Internet made it possible for prospective suppliers to establish direct contact with potential customers in much the same way as had been possible pre-industrialisation.

A possible explanation of the reason why economists felt the need to differentiate between the Micro and macro aspects of their subjects was that they distinguished two distinct audiences looking for advice about how best to solve the central economic problem of “maximising satisfaction through the utilisation of scarce resources”. At the micro level decision-makers are concerned with issues of competition in terms of supply and demand within defined end-use markets in accordance with the macro environmental conditions that govern their conduct. Simplistically, managers identify these by the mnemonic PESTL standing for Political, Economic, Sociological, Technological and Legal. By contrast, macro economists are concerned primarily with aggregate production and consumption and with policy decisions that determine the form and nature of these macro environmental conditions within which firms compete with one another. On this basis it would seem reasonable to argue that marketers incorporate their understanding and interpretation of the macro environmental factors when formulating marketing strategy. In other words, as an applied discipline marketing synthesises both micro and macro dimensions into an integrated functional response.

It should also be recognised that while small, independent nations (economies) will regulate the conduct of organisations within their economies, the size and scale of many multinational corporations will be larger than that of smaller countries where they do business in conformity with their laws. However, I am not aware that such multinational corporations actively differentiate between macro and micro issues as both are combined in their analysis and decision-making.

So what is ‘macromarketing’?

According to its website “The Macromarketing Society’s aim is to encourage, facilitate and help disseminate all things related to macromarketing. By virtue of our focus, we believe that certain propositions deeply matter and their manifestations affect everyone, worldwide. For example,

1. Markets, marketing and society are connected into a networked system that shapes economic outcomes as well as global human welfare now and well into the future;
2. The nature and structure of market operations are decisive; free, competitive markets have many seminal advantages but constraints and controls are often necessary and these can take many forms;
3. The discipline of Marketing is central to the provisioning of society’s needs via its focus on the co-creation of value propositions and the facilitation of exchange;
4. The nature of the macromarketing system shapes quality-of-life, stakeholder well-being, environmental sustainability and general societal flourishing;
5. Political ideologies, normative ethics, technology and cultural factors are embedded at all levels of the marketing system.

The above points capture a multitude of critical issues, indeed inherent macromarketing issues, and they deserve careful study and analysis.”

Personally, I subscribe to all these propositions without feeling the need to identify a separate macro-marketing system as defined in point four. I have also attempted to incorporate them in both my research and teaching. However, on reflection, my failure to openly recognise the existence of Macromarketing is probably due to the fact that throughout my career I have felt that creating divisions within marketing may create the development of a silo mentality in which proponents of different schools of thought emphasise differences rather than similarities between the proposed subdivisions.

As someone with six years practical experience of selling steel products to organisational buyers in the 1960s it was automatically assumed that I belonged to the Industrial Marketing school which was considered to be different from the Marketing Management school which was primarily concerned with the marketing of consumer goods. Personally, while I accepted the contextual differences in the need to adapt practice to take account of these, I could see no great benefit in ignoring ideas, insights and practices associated with the marketing of consumer goods. Accordingly, when it was suggested that I needed to do doctoral research if I was serious about a career as marketing academic, I decided to explore the existence of corporate personality and its potential for predicting the behaviour of organisations in much the same way that the individual personality was factored into consumer marketing decisions. To oversee my research I asked Ray Corey and Tom Robertson to sit on my thesis committee. At that time Ray was the doyen of the Industrial Marketing school and favoured a case study/grounded theory approach to research. Tom (now the Dean of the Wharton School) was a new Assistant Professor specialising in consumer behaviour and a proponent of large-scale survey research. I learned a great deal from both these men who often disagreed strongly with each other about my efforts at what I suppose would now be identified as a hybrid or mixed research design. Fortunately, the Chair of my Thesis Committee, Jesse Markham, was a very distinguished Harvard economist who specialised in competition and anti-trust regulation and eschewed unnecessary distinctions between macro and micro approaches and endorsed the use of mixed methods in research.

A decade later I had become the Dean of Strathclyde Business School and was interrogated closely by our new Principal (a chemist) for whom the whole field of business studies was terra incognito. “Why”, he asked me, “doesn’t the Business School offer any classes in Ethics?” My instinctive and immediate response was that I felt ethical principles were incorporated into and pervaded all our research and teaching and that to recognise Ethics as a separate subject might give the impression that ethical behaviour was some kind of bolt on extra. Thirty years on I now accept that some principles learned by my generation may not have been emphasised so strongly in the education of later generations so that there is now a need to stress the importance of ethical behaviour and social responsibility.
More recently, I have resisted calls to reinvent capitalism - Capitalism 2 - on the grounds that its original conceptualisation by Adam Smith had assumed that the operation of free markets would work to the mutual advantage of both sellers and buyers whose behaviour would be guided by ethical principles. As the author of *The Theory of Moral Sentiments* (1759), Smith obviously felt no need to rehearse the arguments contained in it in his later work *The Wealth of Nations* (1776). Regrettably, this is no longer the case and many critics are merely rehearsing second-hand opinions without ever having consulted both, or indeed either, of the original sources. But, as Santayana so cogently observed “Those who forget history are bound to repeat it”. This being the case, it has become necessary to include subjects like history and ethics into the business school curriculum to remind ourselves that the central economic problem is the one we are all trying to solve, namely “the maximisation of satisfaction through the utilisation of scarce resources”.

**And social business?**

As noted, the decision to launch a new Journal of *Social Business* was not the result of a Damascene conversion but the result of a growing realisation that some of my unstated assumptions no longer enjoyed the near universal acceptance I believed they had. While I was not so naïve as to think that people were not sometimes motivated by selfish self-interest, I considered that in free, democratic countries with market economies, regulation and the rule of law would encourage citizens to accept that their welfare would be increased if they’ did unto others as they would be done by’ – the Golden Rule. In other words, the pursuit of enlightened self-interest leading to win-win outcomes and mutual satisfaction which I consider to be the essence of social business.

The main impetus for the current concern with social business occurred in 1987 when the United Nations published a report of the World Commission on Environment and Development, *Our Common Future*, usually referred to as the Brundtland report after its chairperson. The report contains a comprehensive analysis of global concerns together with an agenda for future action as reflected in the following quotation:

"The satisfaction of human needs and aspirations is the major objective of development. Sustainable development requires meeting the basic needs of all and extending to all the opportunity to satisfy their aspirations for a better life. To achieve this it will be necessary to satisfy a number of critical objectives including:

- reviving growth;
- changing the quality of growth;
- meeting essential needs for jobs, food, energy, water, and sanitation;
- ensuring a sustainable level of population;
- conserving and enhancing the resource base;
- reorienting technology and managing risk; and
- merging environment and economics in decision making.

*Brundtland Report 1987*
In my opinion, the marketing discipline has a major and transformational contribution to make in at least three ways. First, it has the potential for raising public awareness of the issues and possible solutions and only if people become aware of these can they take an interest. In turn, marketing has the capacity to move individuals beyond interest to playing an active part by modifying their behaviour. Clearly, if marketing communications are effective in motivating people to ‘buy into’ the purchasing of goods and services the same principles and practices should be effective in encouraging behavioural change?

So, to answer the question what is “Social Business?”, even a cursory review of literature indicates that interest in it has grown in many academic disciplines and business practices, including, inter-alia, the following topics:

- Corporate social responsibility
  - Sustainability
- Education
  - Transformational marketing
- Entrepreneurship
  - Green marketing
- Environmentalism and climate change
  - Marketing for NPOs
- Foreign Aid and investment –Trade vs Aid
  - Social marketing
- Globalisation
  - Volunteer and charitable organisations
- Innovation –social and technological
- Micro-credit and microfinance
  - Well-being

As a consequence of this widespread interest, efforts tend to be fragmented due to the multi-disciplinary approach followed in which each discipline seeks to modify alternative explanations in terms of its own interpretation. The problem with ‘task specialisation” of this kind is that, whereas it might encourage increased productivity, it can also stifle creativity and encourage the development of a ‘silo mentality’. In light of this we believe that what is required is an inter-disciplinary methodology in which each shares its understanding of the problem to be solved and then collaborate to agree a shared solution of the problem to be solved.

Clearly, macro-marketers have an important and valuable contribution to make that goes beyond the notion of transformational marketing. My concern is that its proponents may only be preaching to the converted when the challenge is to integrate it into mainstream marketing theory and practice by emphasising the importance of macro-environmental factors in strategic decision-making.
On the (near) Impossibility of Managing a Macromarketing System.

Roger A. Layton, University of New South Wales, Australia

This note argues that the (near) impossibility of managing a macromarketing system needs to be understood by policy makers and their advisers. It cites four examples from the management of micro, meso and macro projects to illustrate the difficulties inherent in managing complex social systems such as marketing systems. These examples are drawn from social marketing, development projects in Africa, orderly marketing in Australian wool and the recent experiences of Cuban socialist development. It concludes with suggestions that might enhance the likelihood of success in a managed intervention.

Introduction

Once upon a time, managing meant command and control. A little later, Peter Drucker persuaded us that it meant leadership, marketing and innovation. And then as a networked world began to take shape, Paul Kleindorfer, Jerry Wind (2009) and others suggested that network management was replacing the firm-centric view of management and that the older concepts would begin to lose relevance. In their view the emphasis was shifting to highlight self-organization, open innovation, building and sharing value amongst all participants, competition between networks, and a focus on effectiveness rather than efficiency. Recently Thaler and Sunstein (2008) suggested that often the best we can do is to nudge or shape a networked system in ways that are likely to enhance overall performance.

When it comes to managing a macromarketing system which (if any) of these ways of thinking about management is most likely to apply? The answer I suspect is that it is only in rare cases that anything like the command and control approach will be appropriate, and that for the most part it is the Kleindorfer and Wind sense of network management and the Thaler and Sunstein emphasis on nudge, and on choice architecture, that are most likely to work. And this is not quite what macromarketing system managers usually have in mind!

For many of us our interests have centered on intervention in marketing systems – micro, meso and macro – that would help to achieve outcomes deemed to be desirable. Often these interventions have a limited scope or focus, perhaps hoping to shift social attitudes through more effective communication, or proposing regulation or self-imposed limits to otherwise freely chosen actions, or introducing new products or services that are felt to be in the best interests of the community, or in countless other ways. These options are often strongly supported by relevant theory. Why then do they so often go wrong or fail to deliver? It seems to me that the answer may lie in a failure to adequately take into account the macromarketing systems, including focal, adjacent and embedded systems, in which the proposed interventions would take effect. Often it is an example of what the development economist William Easterly (2013) has called the tyranny of experts.

The challenge posed by macromarketing systems

The set of marketing systems in which an intervention is intended to take effect are not simple situations where a proposed change will shift one equilibrium to another that is
more desirable. Rather, each marketing system – the system of immediate interest (the focal system), adjacent systems which interact with the focal system, and those systems at higher and lower levels of aggregation in which the focal system is embedded – are complex, adaptive self-organizing social systems, exhibiting dynamic non-linear feedback, strong path dependence, where each system responds to or anticipates change in each other and to change in each of the system environments. If the intervention is like a stone cast into a pond, it is the splash that follows and the ripples that spread, that determine the ultimate outcomes – and these effects will often be unpredictable and to an extent unmanageable in traditional terms.

If it is intended to nudge, shape or otherwise edge a marketing system in a desired direction, it is essential that we understand and work with the why and how of marketing system formation, growth and adaptation. Putting to one side for the moment the impacts of external, often random events, at least four interacting sets of social processes are involved in the growth of a marketing system – the co-evolution of beliefs, behaviors and institutional practices, essential to maintaining the ability of a marketing system to adapt to and, often, anticipate external and internal change; these in turn inform and inspire the social mechanisms in human communities that regularly lead to cooperation, economic exchange, self-organization and system transition; generating the strategic action fields that emerge amongst the individuals and groups participating in the social mechanisms, identifying incumbent, challenger and internal control roles and underpinning the exercise of political, economic and soft power; and the assortments, settings, logics, flows, structures, functions and governance outcomes that emerge from the underlying social processes and characterize a focal marketing system. Each of these four sets of social processes rests on a common human endowment, including attributes such as self-interest, empathy, anticipation, and social skills. It is the existence of this common human endowment, a product of long human evolution, which suggests that the emergence of marketing systems is something that occurs in almost all human communities.

Any intervention, planned or unplanned, in a focal marketing system, will potentially impact on all four sets of social processes. A social marketing initiative, a major new product or service, a looming sustainability crisis or barrier, will each begin a series of ever-widening, interacting evolutionary changes in beliefs and behaviors as individuals and groups think through and respond to implications of the change. The social mechanisms leading to shared understandings and patterns of cooperation may be affected; new or modified assortments of goods, services, experiences and ideas may be offered, leading to role shifts and network changes in the structure of a marketing system. Existing power structures amongst the people or groups who comprise a marketing system may change, perhaps improving or worsening the standing of incumbents and challengers, or the effectiveness of internal governance provisions. As these shifts take place, system self-organization may generate new, emergent patterns that in turn lead to shifts in the practices or institutions accepted as norms or guidelines in the workings of exchange. Sometimes, behavioral norms, institutional rules, and infrastructures, large and small, will be impacted and will in turn impact the changes occurring in focal and adjacent systems. Beliefs, behaviors and practices mutate as a result of learning, copying, invention or innovation. These will be tested by system participants for fitness, and if successful, diffused amongst community members. And so, the focal marketing system, where the initial intervention occurred, will, over time, change in assortments offered and available, in exchange logics, settings and behaviors, in structural flows, in networks and in governance. It will also change as institutions and infrastructure changes to say nothing of major external events such as tsunami, earthquake or global crises. Often, of course, none of this might happen and the intervention will fade into obscurity. However, something like the-
se shifts will often take place as a result of an intervention, many of which will be unplanned or unexpected. It is the inherent complexity of these shifts that renders management, in any formal sense, nearly impossible.

Some examples

The discussion to this point has been at an abstract level, imbued perhaps with an air of unreality as the possibilities have been explored. Could the kinds of event chains just noted actually happen? Four examples may help to dispel some of this unreality, chosen to illustrate the diversity of issues and outcomes that macromarketing system managers may confront. The first comes from Western Australia and is concerned with a social marketing initiative designed to promote positive mental health (Donovan, James and Jalleh 2007); the second comes from tropical Africa and focuses on the supply of insecticide treated bed nets to households in the hope of reducing the incidence of malarial diseases (Easterly 2006); the third comes from Australia, but could easily come from Canada and other major primary producers, and focuses on the orderly marketing schemes designed to impose some control on price and supply (Massy 2011); and the fourth comes from the contemporary experience of Cuba as it tries to rethink and redesign the macromarketing systems that underlie its planned economy (Frank 2013).

In late 2005, the West Australia Government launched a social marketing program designed to promote positive mental health in local communities (Donovan, James and Jalleh 2007). Based on extensive community research, and an awareness of the growing importance of being pro-active in mental health, the program had three target audiences – individuals and families, who were encouraged to become more aware of the importance of a positive approach to mental health; community organizations, clubs, volunteer organizations, social groups and the like, encouraged to form active networks built around the theme of supporting positive mental health; and local media who were encouraged to highlight the significance of the work of the participating local groups and the initiatives that were underway. A budget was established for each of six trial communities, to be spent on local publicity, advertising, and merchandise resources jointly branded with the A-B-C logo and that of a local organization. Project Officers were located in each community, both to manage publicity and to help local organizations with fund raising through grants and other activities.

The project was judged to be a success. A the end of the first 12 months, 4 press advertisements had appeared each month in each of the trial townships, 124 campaign related press articles had appeared in local newspapers, 59 partnerships had been established, and 115 co-branded community events and activities had taken place (Jalleh et al 2007). In 2014, a website (www.actbelongcommit.org.au) had been established and the program had taken root in many more townships across Western Australia and had moved interstate as well. Looked at from the viewpoint of the four interacting social systems, each played a part. Beliefs, behaviors and practices had co-evolved as the program in each township got under way; key social mechanisms were triggered in the creation of shared understandings, cooperative action and communication, in the exchange of benefits and costs involved in action and commitment, in the diffusion within and between townships, and in the emergence of self-organized networks; in each community, individuals and groups contributed to the creation of action fields, where incumbents such as local organizations and their leaders joined forces under the A-B-C banner to promote awareness of the benefits of a positive approach to mental health and to organize events encouraging commitment; and in terms of a social marketing system, assortments based on ever widening sets of experiences were attracting new custom-
ers, settings and logics impacting benefit delivery were widening, new roles were forming, networks deepening and flows of information, risk and finance, were all in play. Could things have gone wrong? It was entirely possible that the processes of co-evolution of beliefs, behaviors and practise could have failed to take root, or the social mechanisms needed to underpin the transformation could have failed to engage, or the politics of incumbent leaders led to disengagement, or the marketing system structure and functions failed to find a lasting form.

Turning to the second example, the possibility that bed nets might serve as an important cure for poverty was raised at the World Economic Forum in Davos in 2005 and attracted immediate attention from Bill Clinton to Bono, with Sharon Stone jumping to her feet to pledge a million dollars (Easterly 2006; 13). The attraction was simple and direct – insecticide treated bed nets would not only significantly reduce the incidence of malaria for the children sleeping under the net but also reduce the incidence of mosquitos for everyone else. This was not the first time it had been tried but there were problems, one of which was that the ITN’s were not always used as donors had hoped, other options including fishing nets and wedding veils.

What would an efficient and effective marketing system for bed nets look like? The answers that were tried included distribution through a public health system (China, Vietnam) where the nets were given for free and households had to buy the insecticide; another approach was to distribute nets to mothers through antenatal clinics (Malawi, Tanzania, Eritrea), sometimes free and sometimes heavily subsidised; and occasionally (Tanzania) relying largely on the private sector in the belief that people would have different needs and that required setting up a working supply chain linking manufacturers to end-users. (Heierli and Lengeler 2008). Private sector participation was obviously important but unreliable in that in some localities there was demand but no supply, in others nets were available but the prices were too high, and in others retailers were interested but with competition from the public sector where free or subsidised nets were on offer, the margins were too thin. And then there was the emergence of black or informal markets to complicate matters.

The study by Heierli and Lengeler (2008) in Tanzania suggests an important part of the answer. It involved the creation of a comprehensive marketing system coordinated by the National Malaria Control Program, which linked four manufacturers and 6400 retail outlets providing bundled polyester nets to meet a demand driven by bed net vouchers distributed to pregnant women and those involved in vaccination campaigns. The voucher system was highly but not fully subsidised, a tradeoff that helped to overcome the problems of distribution, leaving this to the commercial sector and also stimulating the development of manufacturers. The result was that nearly three million nets were distributed in 2007. It was a result of a bottom-up perspective on the formation of a marketing system.

The intervention initially considered was framed by the question - should bed nets be provided free or with some minimal cost to the user? While an important issue, it soon became clear that the intervention, to be successful, should take on the much wider set of concerns linked with the formation and growth of a marketing system. While the immediate issues of concern arose from the structure and function of a focal marketing system, issues such as the choice of assortments to be offered and available, settings, exchange logics, roles to be filled, networks created and sustained, governance and the functioning flows of ownership, possession, money, risk and information, were all involved, and the resolution of each of these issues in a local market setting depended on external factors such as ethnicity, cul-
ture and living standards for each potential participant, the workings of social mechanisms such as shared understandings, cooperation and communication (formal and informal), the growth of specialization, scale effects, and the emergent of self-organized structures or patterns. It also depended very much on the workings of the strategic action fields associated with the focal system and with adjacent systems, where local power, process and politics played critical roles in making things happen. In situations such as this, a top-down planned solution was unlikely to capture the sensitivities needed for the formation and growth of a marketing system; something like a bottom-up approach, of the kind adopted in Tanzania, was much more appropriate.

The third example highlights attempts to establish and maintain fixed limits to the workings of a marketing system, the marketing of the Australian wool crop. After the collapse of the Korean War wool boom in the early 1950s, Massy (2011) noted wool growers were divided, with some seeing a political solution as the only option, fearing the “greedy middlemen” with the customer becoming the enemy. The other group of free-market graziers rejected statutory intervention, and were supported by the international wool trade who feared the risks of the social agrarian policies emerging in other farm and industry sectors. By 1970 woolgrowers faced a cost-price squeeze with prices having fallen to one quarter of the levels of the boom years of 1953/4. Orderly wool marketing was seen to be the answer. In 1965 after a referendum the Australian Wool Marketing Authority was formed, and a reserve price scheme introduced together with a grower levy of 3% to cover marketing, finance and R&D. Given the strong political commitment to orderly marketing schemes covering many areas of agriculture over many years, this was not a surprising outcome. The changes necessary to modernise the Australian wool industry in keeping with the reserve price scheme and an intensive promotional campaign were far reaching – processes and technologies, systems, methodologies and personnel – and would be driven more by political pressures than commercial imperatives. Wool was not seen by those in control as a “specialist industrial fibre needed daily by processors” but as an agricultural product to be “unloaded to a global market at harvest time.”

As time passed with some poor seasons, low prices and a high dollar, pressure grew for a stronger intervention. In 1970 compulsory acquisition of the national wool clip was introduced, controlled by the Australian Wool Commission, the body that was already administering the reserve price scheme. A conservative minimum reserve price was set at 250c per kilo, finance was provided by the Government and soon a sizable stockpile of wool bales began to accumulate. By 1981 the floor price had jumped to 410 cents and the AWC believed that the market was committed to a long term higher level of price and that technical developments accompanied by intensive promotion would provide the needed support. In the late 1980s a speculative euphoria took over, reserve price levels were climbing, promotion was working wonders, woolgrowers were doing well, and the national flock was increasing by leaps and bounds. In 1988 the reserve price was set at 870 cents per kilo and it seemed that 1000 cents was likely. Then in 1990 the world began to collapse. As Massy noted, “record production, reduced demand, and sliding market share, plus a lagged effect, due to high prices, could make matters even worse than they already were.” (p 213) By June 1990, the floor price had been dropped to 700 cents, causing significant write down losses in the downstream businesses, and “buyers were still sitting on their hands”. The stock pile had grown to 3.7 million bales and government budgetary pressures were growing with the AWC borrowing up to $100 million per week. The AWC then moved to lift the grower levy to 25% and later to 30%, and restricted the volume of wool that growers could sell by 18%. Slaughtering up to 50 million sheep was possible. By January 1991 this absurd situation came to a head,
the stockpile had reached 4.77 million bales, and the AWC accrued debt stood at $2.8 billion. By 21 February the reserve price scheme was dead, free market operations would commence immediately, and a start would be made on the disposal of the stockpile. This outcome was a disaster for the Australian wool industry and for the global wool community.

The chequered history of Australian wool marketing illustrates the difficulties inherent in the micro management of a macromarketing system. The problems experienced were compounded by the technological and market changes taking place in the cotton and synthetic markets where high wool prices led to a substitution of synthetics or cotton for wool triggering further improvements in related technologies and in the design and utilization of textile blends. The early 1980’s also saw the formation of a commodity price bubble effect in the wool market. Together these external effects and the internal dynamic of the micro-managed Australian wool market brought the system undone.

In this example, the four social processes can also be seen at work or, perhaps better, not at work as perhaps they should have been. Evolutionary innovation was discouraged inhibiting the ability of the wool marketing system to respond to change as it should. The social mechanisms that generated shared understandings, cooperative effort, specialization and scale, as well as the possibilities of self-organized structures and patterns forming were inhibited by a strong historical commitment to orderly marketing principles and by the exercise of over-arching control by the AWC. It was the third of the social systems, strategic action fields, however, that played the dominant role in shaping the details of the marketing system that formed. Incumbent industry leaders and politicians were closely linked with each other through multiple ties, internal governance units were formed to exercise detailed controls at farm and auction levels, and challengers were few and far between, at least initially. The dominance of the action field in the processes leading to marketing system formation and growth, led ultimately to a dysfunctional macromarketing system.

In some respects the development of the Cuban macromarketing systems over the last 50 years had much in common with attempts to impose orderly marketing schemes in many primary producer markets. Following the revolution led by Fidel Castro in 1959-60, overthrowing the Battista dictatorship, many Cubans fled to the USA. Those that remained were caught up in a revolutionary society inspired by the communist ideals of equality of income and free access to the essentials of life, including food, housing, education and health. It was intended to be a society where everything was owned by the state and everyone was employed by the state; where economic planning was centralized and detailed; and one where the USA which had placed an immediate embargo on Cuban trade was seen as an implacable antagonist, blamed for many if not all of the difficulties encountered by the Cuban economy.

Fifty years later, under the leadership of a new President, Raúl Castro (Fidel’s brother), Cuba began to inch away from the communist ideals. Over the intervening years much had happened to change the initial revolutionary drive (Frank 2013). The Soviet bloc had collapsed, taking much of the economic support that Cuba had enjoyed; the prices of food and fuel ahd increased, sometimes markedly, and the price of nickel had fallen. In mid-2008, hurricanes Gustav and Ike swept the island, and the Lehman Brothers collapse threatened the global finance system. Recovery from these events was slow, the bureaucracy was cumbersome, innovation was thwarted by the deadening hand of the planned economy, corruption was rife as individuals sought to work partially within and often outside the rules of the system, food production was low with majority of supplies imported, external debt was increas-
ing, young people were leaving professions to seek a better life, often in the informal econ-
omy, and social justice concerns were mounting.

In this situation (Frank 2013), Raúl Castro, beginning in 2009 introduced a series of
measures designed to free up sections of the economy while preserving the essentials ele-
ments of a socialist state. These steps included the letting go of some 500,000 state employ-
ees (at the time 85% of the workforce were state employees), reducing unemployment ben-
efits so that individuals were encouraged to seek work in the private sector, increasing signifi-
cantly the licensing of small retail services (eg renting rooms and verandahs, opening in-
house restaurants, providing barber and beauty parlor services, repair services etc), changing
tax structures for the emerging small businesses while ensuring that they contributed to social
needs, allowing farmers leased access to the fallow but fertile land owned by the state, and
opening stalls alongside roads for the farmers to sell surplus produce. In mid-2011, Castro
opened the 6th Communist Party Congress and announcing that planning was paramount, not
the market and that the socialist system needed some repair. He wanted change in the way
state enterprise were managed, moving from an administered system to one guided by eco-
nomic and financial considerations; an ending to the dual currency system where old pesos
competed with the hard currency pesos that came in with remittances and tourist expendi-
tures; further administrative decentralization to cities and provinces, urging that they become
self-sufficient in food; a further expansion of non-state activities and reductions in benefits
such as food rationing. A little later, the laws relating to car and home ownership were re-
laxed, making it possible for cars and homes to be sold without waiting for years for the nec-
essary approvals, and the laws governing internal migration were also relaxed allowing peo-
ple to move to the capitals if they wished. And in 2014, international joint ventures with state
enterprise became possible.

Looked at from a political point of view these changes were highly significant and did
address many of the outstanding concerns. However, looked at from a macromarketing sys-
tems point of view there were major difficulties. In part these stem from Raúl Castro’s de-
determination to preserve the essence of socialism by maintaining a planned rather than a mar-
et based approach to economic activity, and preserving equality and justice. While private
enterprise in farming, retailing, services and other small business is encouraged, the state in
one way or another continues to control a significant portion of the supplies on which these
small businesses depend. Decentralization and a drive for local self-sufficiency has helped,
but in practice (Frank 2013) local officials are reluctant to let go controls over a large part of
the local economy from which they have benefited in power and often corruption. The net
effect for many small businesses is a continuing uncertainty of adequate supplies – impacting
retailers who might wish to change an offered assortment but run afoul of planners who are
unwilling or unable to provide a timely response, or service providers that rely on supplies of
materials and parts to be available, or farmers who are unable to respond to a drive for local
self-sufficiency as seeds, fertilizer, and other essentials are unavailable from a state distribu-
tion system. Adding to the problems, many small businesses face heavily marked up prices
for their inputs, and a range of taxes on income generated, all stemming from a fear that the
operators may do too well and be a little less unequal.

A critical consequence is that the small businesses that are intended to lead the chan-
ges that lie ahead have a very limited capacity to provide a quick innovative response to the
opportunities and threats that unfold over time. The co-evolution of beliefs, behaviors and
practices is an essential driver of the spontaneity and innovation that underpins marketing
system dynamics. By retaining control over distribution at all levels the state severely limits
this critical ability of a macromarketing system. Time will tell whether this level of control can be maintained, or whether it will have to be relinquished, with all the implications this will have for a socialist planning model.

Conclusion

 Is the management of a macromarketing system or systems a near impossibility as suggested? If management is thought of as something akin to command and control then the complexity of the social systems and the embedded networks is such that effective management in this sense is very unlikely. If however, the marketing systems under consideration are purposeful (Layton 2011) then the Kleindorfer and Wind approach of network management is a real possibility. It is the unorganized, emergent and structured marketing systems that pose the real challenges – and these are those that we face most of the time in working in social marketing, economic development and aid projects, and in the pursuit of economic or environmental policy outcomes. Here the Thaler and Sunstein approach is likely to be more successful, embracing concepts of nudge through a reshaping of incentives and disincentives, through the provision of appropriate choice architecture, through the opening up of unconsidered options and in many other ways.

References


Becoming a monstrous body: possible non/intentional feminist interventions into marketing’s non/institutions

Shona Bettany, University of Westminster, UK

“It is hard to climb when you are holding on to both ends of a pole, simultaneously or alternatively” (Donna Haraway, 1991,188)

This discussion asks the question, how do we imagine living change in the face of the theoretical shift away from intentionality, and the very necessary critique of neo-liberalism, a dual manoeuvre that at once disperses the agency of the individual, and challenges the notion of the power of personal responsibility and choice. Drawing on feminist concepts, the argument is made that the ability to negotiate the tricky micro-macro binary underpinning much of the discussion around political action and critique perhaps holds the key to developing a progressive interventions into marketing and consumer research.

References

Sustainability, markets & marketing

Chairs: Andreas Chatzidakis, Laura J. Spence, Andrew Crane & Caroline Moraes

Session 6b – Thursday 3rd July, 2:00pm

Investigating a sustainable market orientation in SME strategy management
Robert Mitchell, Ben Wooliscroft, James Higham

Marketing and regional integration for food security in the Arab world
Mohsen A. Bagnied, Mark Speece

Sustainability innovations: Shifting from the dominant social paradigm
Rachael E. Budowle, Terri L. Rittenburg, John D. Mittelstaedt, Robert A. Mittelstaedt

Channel-based determinants and phase-focused traits in the adoption process of a sustainable development strategy for the Hog industry in Québec
Joanne Labrecque, Bertrand Dulude, Sylvain Charlebois

Differences in sustainable tourism communication on social media within a cross-cultural context
Wided Batat, Sonja Prentović

Session 8b – Friday 4th July, 8:30am

The poor consumer facing sustainable development stakes in Africa: The case of Mali
Sanata Diabaté, Wided Batat

Emergence of sustainable markets: Relations among different actors of the fashion system
Zeynep Ozdamar Ertekin, Deniz Atik, Jeff B. Murray

Simplifying sustainably during a crisis
Cathy McGouran

Session 9b – Friday 4th July, 11:00am

Disney as environmental steward? That’s Just Goofy: A critical examination of the relationship between magic, sustainability and corporate practice
Catherine A. Coleman, Ellen Moore

Unveiling everyday reflexivity tactics in a sustainable community
Katherine Casey, Maria Lichrou, Lisa O’Malley

Exploring the role of modern Confucian values for promoting sustainable consumption in China
Amy Yau, Iain Davies

Modeling the adoption of car sharing
Marius Claudy, Mark Peterson, Travis Simkins
Session 10b – Friday 4th July, 2:00pm

Responsibility attribution and consumer behaviour in the light of a Bangladesh factory collapse
Tina Müller, Wencke Gwozdz, Lucia A. Reisch

Fairtrade towns: Ethical consumers as architects of a ‘new’ branded place
Anthony Samuel

A practice theory approach to sustainability issues in fine jewelry consumption
Caroline Moraes, Marylyn Carrigan, Carmela Bosangit, Michelle McGrath

Re-appropriating immaterial value: A manifesto for the new rural economy
Adam Arvidsson, Gennaro Fonatanrosa, Alex Giordano, Eugenia Laghezza, Francesco Martuciello, Agostino Ritano, Michele Sica

Session 11b – Friday 4th July, 4:15pm

The role of fashion vs. style orientation on sustainable fashion consumption
Wencke Gwozdz, Shipra Gupta, Jim Gentry

Emerging water marketing systems: The consequences of commercial water trading on sustainable practices and consumption
Georgios Patsiaouras, Michael Saren, James Fitchett
Investigating a Sustainable Market Orientation in SME Strategy Management

Robert Mitchell
Ben Wooliscroft
James Higham

Concern about adverse environmental and social impacts of growth oriented business strategies is stimulating interest in the application of sustainability principles in management. This paper critically examines the potential for integrating market orientation with a sustainability orientation offering a new model to drive strategy. It reports on the first investigation of a sustainable market orientation (SMO) model in a business context. The conceptual model is compared with the strategies of two competing firms operating in one of the most important sectors of the New Zealand economy, tourism. Empirical research provides rich data supporting SMO’s potential value in coordinating corporate marketing, operational and strategy management. It identifies synergies that occur through a sustainability orientation and the need for management training in sustainability management. Opportunities for further research are discussed.

Key words: Strategy; sustainable market orientation; tourism; New Zealand.

Introduction

There is a growing conviction amongst academics that applying sustainability principles corrects the dominance of short term economic management in government and business strategy (Dylick & Hockerts 2002; Gladwin Kennelly & Krause 1995; Ikerd 2005; Ophuls 1977; Rainey 2006). Scientific and voter concerns, including continued population growth, resource depletion, environmental degradation and human induced climate change, are exacerbated by the drive for market-based economic growth. International debate on the topic resulted in the conceptualisation of sustainable development (SD) in the Brundtland Report, and global policies recommending better long term management of global resources and society (UNO 1987; 1992). In turn, the application of sustainable development in government policy has encouraged the development of normative parameters for sustainability grounded strategy management (Rainey 2006; Schneider & Meins 2012), and marketing (Belz & Peattie 2009). Prominent marketing and macromarketing authorities also emphasise the relevance of environmental and social responsibility and stakeholder relationship management in corporate management (Alderson 1957; Domegan & Shaprio 2013; van Dam & Apeldoorn 1996; Zif 1980).

The transition to sustainability oriented management is handicapped by the conventional management fixation on operational efficiency and profit maximisation (Collins Roper & Lawrence 2010; Meadowcroft 2009; Yanarella & Levine 2008) and an undue emphasis on corporate environmental values in marketing (Ramus & Montiel 2005). Using a sustainable market orientation (SMO) management model that integrates market orientation and sustainability offers a channel to overcome these issues (Mitchell, Wooliscroft, & Higham, 2010). In the absence of international standards, the frame also provides for possible integration with globally recognised sustainability performance measures such as those promoted by the Global Reporting Initiative (GRI 2011). This paper reports on the first empirical investiga-
tion of the value of applying a sustainable market orientation (SMO) in a business context. The research provides insights into how managers can utilise sustainability concepts to enhance organisational short term performance and long term resilience.

**Marketing and Sustainability in Corporate Strategy**

Sustainability has gained credibility as a paradigm for organisational management (Ehrenfeld 2004; Gladwin et al. 1995; Hart 1995). Its acceptance is justified because of the paradigm’s roots in the environmental sciences (Holling 1973), endorsement from the United Nations’ Brundtland Commission (UNO 1987) and wide ranging political discussion about its application in environmental, business and societal management (UNO 1992; 2002; 2012). Sustainable development (SD) has gained greater acceptance as knowledge has accumulated about the impact of human activity on global ecosystems (Stern 2006). There is a substantive internal logic in combining key SD elements of environmental integrity, social responsibility and economic prosperity for business and political management (Daly 1990; Jackson 2009; Zadek 2006). The theoretical value of applying sustainability principles in business is reinforced by the conceptual integration of market orientation and sustainable development as a tool for strategy management (Mitchell et al., 2010).

The SMO model (Figure 1) combines MO (market-oriented intelligence gathering: integration of intelligence in the development, management and promotion of competitive and profitable services) (Narver & Slater 1990), with SD-oriented management (balancing economic, social and environmental elements with stakeholder equity and intergenerational management). Measuring and effectively managing sustainability-based throughputs and outputs and structured organisational learning are critical for long term competitiveness, performance and long term organisational resilience (Baker & Sinkula 1999; Pfeffer & Salancik 1978).

Company strategy and performance can be reshaped to address expectations of consumers of sustainability oriented business management and the reality of emerging government sustainability policies (Yanarella & Levine, 2008). Ideally, marketing grounded in sustainability should minimise adverse environmental impacts by combining marketing channel and resource lifecycle management. Sustainable marketing should be economically competitive while environmentally and socially responsible in responding to customer needs (Belz & Peattie 2009; Fuller 1999). Balanced application of sustainability principles in business strategy management will strengthen trust and commitment between the firms and their key stakeholders yielding short term operational and market benefits. In the long term, stakeholder relationship synergies will stimulate further innovation and competitiveness and value generation for both firms and their key stakeholders. The strategic value of SMO in business management is reinforced by prominent academic authorities in a range of domains: The finite environmental parameters of business activity (Kotler 2011); Integration of market orientation and sustainability in institutional management (Hult 2011); Alignment of resource based theory with a sustainability management (Hunt 2012); and Confirming the importance of corporate social responsibility in sustainability management (Ortlizsky Siegel & Waldman 2011).

**Sustainability Management Models**

There have been various approaches used to develop models for business sustainability management: triple bottom line accounting (Elkington 1994); economic value adding
creation of international standards such as ISO 9000 total quality management, ISO14000 for environmental management and ISO 26000 for corporate social responsibility. In addition there has been the development of indicators for voluntary performance reporting use by corporate managers (GRI 2011). Others emphasise the need to expand beyond the current pre-occupation with environmental efficiency and achieve balanced integration of environmental, social and economic performance indicators coupled with government agreement on minimum operational and reporting standards that are suitable for both large corporations and small or medium businesses (Bansal 2002; Epstein 2008; van Dam & Apeldoorn 1996).

Insert Figure 1. here:

**Figure 1. Conceptualisation of Sustainable Market Orientation**

After the conceptualization of SMO (Figure 1) (Mitchell Wooliscroft & Higham 2010), empirical investigation is required to evaluate its value in business management. This study reports on exploratory research that assesses the relevance of the SMO model in facilitating a transition from a conventional economics centred business model to a corporate sustainability orientation that produces measurable benefits to salient, societal stakeholders.

**Research Objective, Methodology and Context,**

Qualitative case studies were used because of their suitability for theory testing (Eisenhardt, 1989). Stakeholders in two small and medium firms (SMEs) in the economically important New Zealand tourism industry were purposively selected for investigation. Data for inductive and deductive analysis was generated from 43 stakeholder interviews (Table 1). Stakeholder selection was guided by salience to firm operations (Mitchell, Agle, & Wood, 1997). Interviews were conducted in Te Anau, Milford Sound, Queenstown, Dunedin, Christchurch and Wellington. These explored stakeholder perceptions of sustainability (Sangle & Babu 2007), the place of sustainability in business strategy (Rainey, 2006), and the significance sustainability in relation to firm market orientation (Kohli & Jaworski, 1990). Interviews varied from 10-150 minutes in length (average 75 minutes). Written notes were taken for all interviews, supplemented by voice recordings and transcriptions. Content analysis of the interview data utilised established case study guidelines (Glaser & Strauss 1967; Yin 2009). To assure validity, key interview data was compared with information provided by an environmental scan. Important secondary sources included: reports on attempts to reach international agreement on sustainability based business management, international criteria for organisational sustainability performance management and company reporting, national and regional tourism strategies national and regional tourism strategies, government sustainability policy, national and regional tourism strategies conservation and national park management policies, relevant legislation, government company records and media reports on activities of the two case firms.

Insert Table 1. here.

**Table 1. Corporate Stakeholders. List of Interviewees.**

The New Zealand tourism sector was selected as the research domain because of the importance of sustainability in nature based tourism management (Buckley 2012; Sharpley 2000; Swarbrooke 1999). The country’s national tourism strategy claims to be sustainability-oriented, with an objective of seeking financial growth founded on customer satisfaction, protecting the physical environment and supporting communities (Tourism New Zealand,
New Zealand’s tourism largely relies on attracting international visitors to enjoy the beauty of unspoiled national parks and the industry is vital to national economic growth. It generates 10% of the national export income contributing $22.4 billion NZD annually to the New Zealand economy (Statistics New Zealand 2010).

SMO model evaluation drew on stakeholder perceptions of the strategic management of two prominent firms competing to attract international tourists to the globally recognized Fiordland National Park (FNP) in the SW New Zealand World Heritage Area (UNESCO, 2012). Real Journeys and Southern Discoveries are both family owned companies not listed on the stock market, with their headquarters in Te Anau (the regional centre; population 3,000). Real Journeys was founded in 1954. Southern Discoveries was established by the government’s Tourist Hotel Corporation fifty years ago to manage cruises on Milford Sound. In 2008, it was acquired by the Dunedin based Skeggs family.

Research Findings

Analysis of interview data from internal and external stakeholders demonstrates partial alignment of firm strategy with the conceptual model. It also revealed the model’s potential value and identified a number of management implications. SMO Alignment and non-alignment of the two companies is summarised in Table 2.

Table 2. Alignment of Corporate Strategy with the SMO Model

Environmental Orientation

Environmental alignment with SMO was found in both firms. Commitment to environmental responsibility in both firms is confirmed by the local tourism organisation manager:

*Both Real Journeys and Southern Discoveries have invested in a lot of environmental programmes, and I’d say that for both... [their environmental commitment is] very high.... I believe that both companies reinvest in the local environment because they see themselves as long-term players.*

Sound environmental management with long term planning horizons facilitates approval of new tourism ventures in the national park and helps assure continuity of government permits (or concessions) for tourism operations. Concession regulations limiting tourist activity are designed to balance protection environmental integrity at the national park, provide private sector services for tourist enjoyment of park attributes, and generate revenue for government from the tourism industry. A Real Journeys board member confirmed that environmental management expertise is a condition for business continuity and a requirement for gaining government approval for new business permits. While the concession system gives consumers an assurance of quality environmental management, the strict requirements give incumbent concession holders protection from full market competition. Southern Discoveries’ General Manager emphasises the importance of meeting government and market stakeholder expectations of a responsible corporate environmental orientation and his confidence in the company’s current approach:
We are operating in a pristine environment and we have to be seen to operate under proper operational procedures...We probably work in the most regulated marine environment in New Zealand...We have got DoC, we have got the Southland District Council breathing down our necks; we have rules left, right and center. I am happy to work within those rules,... I want my kids when they take their children to Milford, and...the grandeur will still be the same and has not been buggered up by some short term, ill-thought out objective.

An environmental orientation is applied to the evaluation of new products and services, marketing promotion and customer delivery. Both firms use conventional advertising supplemented by the internet and electronic media to underline their company’s environmental credentials and promote their waste recycling policies to their customers. According to Real Journeys’ CEO, demonstrating environmental stewardship is especially important for attracting long haul travellers from Asia, Europe and North America.

Environmental philanthropy is also employed as soft marketing to reinforce the credibility of both companies in the market and the community. Real Journeys has a company funded environmental trust to help community projects, while Southern Discoveries provides funding for biodiversity protection in Milford Sound. DoC staff is regularly given free transport on company vessels. In addition, employees at both firms are encouraged to work on community conservation projects.

Their firm environmental orientation is supported by the use of an environmental management system (EMS). Both companies have opted to use the tourism industry’s optional Enviromark quality accreditation or EMS programme. They have been assessed as operating at silver level proficiency (the second tier in a five-tier scale). Even with this modest commitment, the two firms benefit from networking with other Enviromark members. Enviromark membership provides the companies with information about more effective modes of environmental management. It also provides a vital communications channel that gives the firms a better understanding of government, regulatory, community and market environmental expectations. This focus on a voluntary environmental management however fails to meet developing international business standards, consumer and voter expectations for comprehensive sustainability oriented management.

**Social Orientation**

It is strategic for enterprises embedded in regional social and economic systems to use social intelligence and to be proactive in management of social stakeholder relationships. The research found that it is a strategic goal of both firms is to develop and cultivate trust-based relationships with key stakeholders to help improve and sustain company performance. The CEOs, operations and marketing managers confirm that priority is given to cultivating productive relationships with salient stakeholders; employees, government regulators, marketing supply chain members, customers and the local community. Social stakeholders agree that it is critical for company success is the loyalty of local employees, the confidence of local regulators and politicians. Compliance with government standards and maintenance of good relationships with regulators and the local community provides the tourism firms with continuity of existing concessions.

Shareholders and managers agree that company stakeholder trust supports economic strategy by helping to assure company access to essential business resources, acquire busi-
ness intelligence, attract and retain quality staff, and maintain market competitiveness, and
develop new business opportunities Active stakeholder relationship management is the respon-
sibility of senior staff. Both firms are committed to good citizenship and utilise market
oriented social networking. Real Journeys’ social orientation is long-term, well-structured
and well-resourced. Guiding principles are described by a senior manager:

*There is a strong commitment to communities where our operations are based. This
builds community relationships and trust. Sponsorships also help build staff loyalty.
To me it is all about being respected by all stakeholders. How do you operate? Are
you responsible? Are you logical? Are you approachable? Are you nice people to do
business with?*

In contrast, Southern Discoveries’ General Manager emphasises building trust-based rela-
tionships with regulators, notably the Department of Conservation (DoC), to inform company
operational management:

*Our leverage with DoC is being seen as a sustainable player. DoC has realized that we are a
lot more honest and passionate about the environment... I have made a very conscious effort
to engage with them over the last three years. Now they have started sharing confidences
with us... I am reciprocating... and regard them as colleagues.*

In the larger company, Real Journeys, staff specialisation provides capacity for struc-
tured HR management while relationships with external actors are more intuitive and have
evolved over time. Southern Discoveries is more focussed on social relationships that foster
economic viability, competitiveness and profitability. Fewer resources are dedicated to ex-
paning the scope of social intelligence or managing stakeholder trust, but this is changing.
Southern Discoveries is increasingly using social relationship management as its significance
is better understood. Productive relationships with industry partners facilitate intelligence
gathering, integrated operational management, service delivery, market innovation and prof-
itability. Both firms are active within the national tourism industry body, the Tourism Indu-
try Association of New Zealand, which is valuable for government lobbying and garnering
industry intelligence. A positive company reputation with external stakeholders may also
assist development of new business opportunities (Mahon & Wartick, 2003). Corporate busi-
ness success coupled with a history of commitment to local communities assists corporate
resilience and growth. As an example Real Journeys’ CEO explained how his firm has been
invited to establish a nature based tourism operation in another region within New Zealand,
because of its commercial success and community credibility in Southland. In another illus-
tration, Southern Discoveries’ General Manager reported that their involvement in the Envi-
romark tourism environmental company audit process has led to a new local tourism partner-
ship opportunity.

Both firms are competitive at seeking community trust to encourage word-of-mouth
publicity. Confidence amongst local accommodation providers and retailers brings added
endorsements of company offerings to visitors, especially independent travellers. Social phi-
lanthropy is also used by the firms to help employees’ families as well as the wider commu-
nity. Real Journeys’ social orientation is longer standing and well structured, and includes
environmental sponsorship, funding assistance for the Te Anau Community Hall and scholar-
ships for Te Anau and Wakatipu secondary school students. Southern Discoveries’ social
orientation is more focussed on stimulating company profitability. An example is SDs offer
of low priced cruises for Te Anau residents to publicise their investment in a Milford history and environment centre.

External stakeholders explain how a proactive firm environmental and social orientation can influence their support for individual businesses. For example, the International Union for the Conservation of Nature (IUCN) representative criticised tourism firms that argued for unlimited growth of international tourism that threatened the intrinsic national park values and at the same time conflicted with the enjoyment of the national park by local communities and recreation groups. These values held by market and latent market stakeholders differ from the views of firm shareholders and managers. For instance, the General Manager of Southern Discoveries contended that tourism numbers had decreased with the global financial crisis, although they agreed that remedial action would be necessary if studies demonstrated that increasing tourist numbers adversely affected the national park. With the return of increasing international tourism in 2012-13, both firms have maintained their investments in Fiordland, but there has been investment in non-national park tourism to achieve business growth. Real Journeys has purchased the Cardrona ski field and a sheep station near Queenstown while rival Southern Discoveries now also offers Queenstown lake cruises and visits to another sheep station (Chandler 2014; NZN 2014).

**Economic Orientation**

Real Journeys and Southern Discoveries have different trajectories for economic growth. Real Journeys’ management interviews show a commitment to gradual long-term company asset and profit growth while Southern Discoveries has a more aggressive economic growth trajectory, to match or surpass the performance of its main competitor, Real Journeys, and to recoup the substantial cost of their recent entry into the tourism industry. As noted earlier, the economic performance of both firms relies on the competitiveness and efficient management of long term national park tourism concessions and the long term loyalty of their employees and to a lesser degree the support of the local communities in Te Anau and Milford Sound. Generation of shareholder value from the international tourism market is a priority at both firms. Company management and shareholders state that without consistent profits, their businesses cannot make commitments to holistic sustainability oriented business strategies. At the same time, management in both firms state that demonstrating sustainable practices has an important place in firm marketing strategies. Real Journeys’ Marketing General Manager explains their approach:

> We are totally committed (to sustainability) for...economic, but also...ethical reasons. The connection with marketing strategy is not that obvious. We use very beautiful images, so that means you have to have an unmodified (operating) environment... Because we work in very small communities...it is really important that the communities are healthy in just the same way the environment is; and economically you are healthy.

Strategic management in the firms thus conforms with resource advantage theory (Barney 1991; Hunt & Derozier 2004). Both companies recognise the competitive importance of securing and maintaining government concessions to use rare, publicly owned and well-managed national park resources. Restricted competition created by the concession system, and natural resource management provided by DOC increase the prospect of long term profitability in a turbulent market. Variety in market offerings to meet the range of tourist expectations is important part in being competitive, and to assure continuing custom if
blizzards, avalanches and landslides and flooding affect access to Milford Sound. Real Journeys has a more diverse range of market offerings, although recent initiatives by Southern Discoveries are addressing this imbalance by expanding the range of attractions at Milford Sound. Southern Discoveries’ General Manager explains how the firm’s entrepreneurship has focussed on Milford Sound:

We own the pub and the cafe, we own the underwater observatory and we have got the vessels... So we offer a product where we go for a cruise and a BBQ and it includes the Discovery Centre (an underwater observatory). Our competitors can’t replicate that. We have been smart about what we have been doing.

Integration

Convergence of the three core elements in SMO strategy management is evident in both Real Journeys and Southern Discoveries, but in both cases, primacy is given to economic performance that satisfies shareholder expectations. This is supported by data from the regional economic development agency, found that 52% of regional businesses felt that sustainability was important to company branding (Southland, 2008. Environmental responsibility is a second priority (to meet government regulatory and tourism market expectations) and social responsibility is a third order priority (seeking to address a blend of societal and market expectations). In line with MO theory, intelligence gathering, operational management, promotions and business development in both firms is closely coordinated. Consistent with sustainability management principles, integration of environmental, social and economic orientations is evident in firm stakeholder relationship management and promotion. Moreover there is a progression towards the formal application of sustainability management in Real Journeys. The company’s CEO explains how this is occurring:

Sustainability is well embedded in the company culture. There is no formal company values statement but there are guiding principles. The environment is a key element in marketing... (and) environmental responsibility is part of operations management...The company, as a responsible operator, delivers on customer expectations and does not oversell.

Importantly, the approach of Real Journeys” CEO is supported internally by shareholders and company employees and admired by community stakeholders. The chair of the Te Anau Community Board perceived the company’s integrated management in this way:

Real Journeys are a class act. They are a very professional company. They walk the talk and do a lot of community work. It is all about social consciousness as well. If you are looking at sustainability they do a lot of things, behind the scenes integration and balancing economic environmental and ecological elements of strategy.

Pro-active management to achieve positive stakeholder relationships is evident in both firms. Market and community trust helps attract quality staff to underpin an effective product and service delivery. Long-term employee and community confidence is encouraged through corporate philanthropy of local community conservation, recreational and educational projects. Corporate investment contributes to the company’s community credibility, corporate marketing and business development. Staff involvement in community environmental and conservation projects supports corporate marketing and tour delivery. Southern Discoveries’ partnership with the government regulator, DoC, is actively promoted to the tourism market.
The value of relationships that combine publicly recognised environmental care, foster stakeholder confidence, market competitiveness and profitability, are recognised by Southern Discoveries’ General Manager:

We recently sponsored the Fiordland Conservation Trust and DoC. They have a program for pest eradication in Sinbad Gully (Milford Sound). We have done that because we want to help the environment but, at the end of the day, we are also doing it because it is going to give us a marketing edge.

The local community board member also identifies how Southern Discoveries can use sustainability and environmental responsibility as competitive strengths:

Because we are living in a world where ecotourism is becoming a good option for people, they will try and tap into that ecological and perhaps look at the sustainability options and promote them.

However, stakeholder support for Southern Discoveries is not universal. Other community representatives see inconsistencies in the firms’ environmental management, for instance, a Maori tribal representative criticizes the generation of greenhouse gases by tourism operators using long haul aircraft and buses to transport visitors to Milford Sound.

Performance assessment involves informal utilisation of SD principles. This is in stark contrast to the close tracking of market and economic performance by the management and shareholders of both firms. Conventional economic criteria are used notably return on assets, web-based and conventional sales, company market share, cost containment, profit per customer and profit growth. Long term strategy management is also geared to maximising economic returns from the firms’ national park tourism concessions. As an exemplar, Southern Discoveries’ General Manager outlines his firm’s approach:

I measure my yield on a weekly basis... We do a sales review every day... So we can look at the customer mix and of how (it) happens... We run a draft profit and loss report once a week, and the KPI (Key Performance Indicator) report comes out once a month. I and my top four or five people in the company would know on a daily basis how we are sitting.

Sustainability performance indicators however, are not used nor is any implementation of them planned, by either firm. Environmental performance is measured against company operating and industry standards, to help improve efficiency, meet regulatory requirements and underpin firm market credibility. Both firms voluntarily use the Enviromark environmental management system (Enviromark, 2011) endorsed by the New Zealand Tourism industry. Firm social responsibility performance is measured using executive assessments of the company’s social responsibility and good citizenship and a managerial readiness to accept staff feedback. Neither firm has formal frameworks to measure SD oriented social value delivery or firm reputation assessments from other key external stakeholders, particularly recent customers and target markets, market supply chain members, market competitors, regulators, politicians, local community representatives and non-governmental organisations. Instead the firms utilise formal and informal stakeholder networking for company intelligence gathering including social stakeholder intelligence. As well as the capacity to apply social intelligence in form strategy, there is a need for a comprehensive range of company contacts, and execu-
tive relationship building capabilities for successful social intelligence. The scope of networking is confirmed by the CEO of Real Journeys:

*We have a lot of contacts. We keep closely in touch with the market place (and) what our passengers, the staff, the local community and trade suppliers think.*

Organisational learning is central to market orientation, performance improvement (Baker & Sinkula 1999; Slater & Narver 1995) and also long term sustainability management (Bleischwitz 2007; GRI 2011). The two tourism firms indicate however, that sustainability oriented organisational learning is not yet included in formal strategic planning or review processes of either company. Thus, SMO-related learning is largely informal. Instead, firm processes focus on separate environmental social and economic learning rather than integrated sustainability oriented learning. Process management concentrates on ensuring competitive responses to environmental and market intelligence, effective responses to market opportunities and customer needs, as well as meeting emerging political, regulatory, industry, and local community expectations. Management and staff at both companies have regular strategy reviews to assess market conditions, competitiveness performance and improvement potential as expected in the SMO model. Southern Discoveries’ Operations Manager explains how staff engagement contributes to strategy:

*Once or twice a year we meet outside the managers’ meetings... (This) allows people the opportunity to look outside the box for opportunities... Being in Milford, it is very easy to get tunnel vision. The meetings give opportunities to voice opinions; and they are developed and grown... It stimulates and motivates you, and the company benefits.*

Leadership is critical for strategy formation organisational learning. And sustainability oriented transition management (DTI, 2003). There is sustainability oriented management for junior staff at both firms, sponsored by Venture Southland and the Ministry of Tourism. Sustainability oriented leadership was identified in Real Journeys but not in Southern Discoveries. Both internal and external stakeholders of Real Journeys recognise the CEO’s desire to embed sustainability in the company’s corporate strategy. Southern Discoveries’ General Manager in contrast, has no commitment to formal implementation of sustainability in company strategy, but is aware of the rising market and public expectations for sustainable company governance as this statement illustrates:

*I have got my head around sustainability management. I have found (it) a very interesting process. Profit people and the planet are compatible. Ten to fifteen years ago a business would have said no (but today it is different). It is up to us all to look after the planet... look after each other... it is a new ethos.*

His expanding knowledge of sustainability management is in turn informing micromanagement change within the firm and moderating the dominance of economics. External stakeholder expectations and company intelligence are important stimuli for organisational learning in the two firms. Current firm intelligence gathering has potential for integration and application using SD criteria to foster stakeholder cooperation, encourage performance synergies, competitive innovation and value generation. Real Journeys is admired by external stakeholders for its effective stakeholder networking. Seeking to emulate their success, Southern Discoveries is increasing its capabilities and this competitiveness is being recognised by industry government and community stakeholders. Comprehensive monitoring of sales and operational performance described by managers at both companies provides other
opportunities for organisational learning. As Real Journeys’ Operations Manager explains, the firm uses formal surveys of customers and employees to improve company market competitiveness though effective capital investment:

*We constantly feed changes into our planning template and flesh it out over a six year period. We will use it a lot in our forward planning. It is about capacity utilization, and making decisions around capital investments over twenty years.*

Cooperative, sustainability grounded organizational learning can also occur through government regulation. For instance both Real Journeys and the regulatory agency (Department of Conservation) have gained from more stringent concession conditions ensuring wastewater treatment protects the sensitive environment in the remote Doubtful Sound. Installation of the plant as allowed the expansion of company operations while DoC’s regulating staff also benefit by sharing use of the improved waste water service.

**Discussion**

Research into the strategies of Real Journeys and Southern Discoveries confirms the usefulness of the SMO model to moderate the economic dominance through the application of core sustainability principles in business management. In both cases, SMO model elements align with company strategy management though there are different degrees of commitment. There is an informal percolation of sustainability principles into the strategic management of both firms but diffusion is slowed by a perception amongst business shareholders and senior management that sustainability based management is not a viable foundation for business profit and economic growth. Indeed, sustainability based management is only seen as being viable after businesses are profitable. This contrasts with academic views that integrated sustainability management has the potential to enhance business performance and stimulate long term value adding synergies (Gladwin et al. 1995; Ikerd 2005; Mitchell Wooliscroft & Higham 2010a; Rainey 2006; Wheeler et al. 2003). The variability in support for sustainability oriented management is consistent with an earlier New Zealand SME study (Collins et al. 2010), but contrasts with the growing acceptance of a sustainability by large corporations (UNO 2013) and the vision of the New Zealand tourism industry to embed sustainability oriented principles in sector management (Tourism New Zealand 2007).

Both case study firms’ reliance on conventional market economics and an environmental management system as a proxy for sustainability management shows that the firm strategies fail to fully align with SMO on two grounds: sustainability management theory, international agreements on sustainable development management, global guidelines for sustainable tourism and the NZ tourism sector strategy objectives. In the first instance, there is informal management and shareholder recognition of the growing importance of sustainability in corporate management, but this has not yet resulted in formal integration of SD principles and internationally recognised performance indicators in strategy management. Secondly, there is inconsistency between the sustainability objectives formally promoted by the global and New Zealand tourism industries and the practices adopted by the two case businesses. Confusingly, the New Zealand tourism industry has a stated aim of promoting sustainable business practices, yet its promotion of voluntary compliance with the Enviromark EMS and ISO 14000 performance criteria emphasise environmental efficiency, rather than holistic sustainability management advocated by the UN World Tourism Organisation (UNWTO 1995; WTTC WTO & Council 1995). Nor does Enviromark auditing incorporate social performance measures consistent with holistic sustainability management (Castka & Balzarova 2008; Wheeler Colbert & Freeman 2003), or global sustainability per-
formance indicators (GRI 2011). Normatively, the New Zealand tourism industry and the two case firms could adopt universal sustainability performance indicators such as those developed by the European Union using criteria developed by the Global Reporting Initiative (European Union 2013). These have the potential to be integrated with the SMO management model and would provide New Zealand Tourism managers with internationally credible metrics for holistic sustainability management and reporting. Further, the research highlights the opportunity for businesses to accept a strategic imperative to address increasing citizen expectations of a more sustainability oriented business management supported by developing national regulatory regimes (Globescan/SustainAbility 2012) and best practice (EU 2009; OECD 2006; UNO 2013). Locally these expectations were confirmed by a business survey that found that 52% of regional businesses believed that sustainability was important to company branding but only 65% are formally engaged in a sustainability oriented management (Southland 2008).

Strategy integration utilising an SMO presents opportunities for businesses to develop more competitive products and services based on sustainable management criteria but this would require organisation wide commitment to global sustainable tourism guidelines (WTTC et al. 1995), and a comprehensive commitment to sustainability objectives in the New Zealand national tourism industry strategy (Tourism New Zealand 2007) and sustainability grounded central government and local government policies (Ministry for the Environment 2003). Ideally these measures would also address intergenerational tourism management expected in the Conservation and National Parks Acts (NZ Parliament 1980; 1987). The research findings therefore agree with predictions in marketing and macro marketing literature that government regulation is an antecedent to the diffusion of sustainability management in businesses (Sheth & Parvatiyar 1995; van Dam & Apeldoorn 1996). For managers, the study also emphasizes the business imperative to understand and adapt to emerging government sustainability grounded policy and regulations.

Importantly, diffusion of sustainability oriented management is restricted by variations in staff knowledge. Informal acquisition of sustainability based knowledge by senior management in the two firms contrasts with the formalised sustainability training restricted to lower ranking staff that and sponsored by the tourism industry and the regional economic development unit. It also contrasts markedly with the knowledge of sustainability oriented management evident amongst public sector professionals working in economic, tourism, and conservation management. To counter this, the study identified the need for a structured knowledge of sustainability principles and organisational performance within senior and middle management. Industry and public sector professional views reinforced the prescriptions from academic literature on the need for uniform staff sustainability knowledge to underpin a company SMO (Haugh & Talwar 2010; Rainey 2006). Literature also indicates that organisational learning should be systems oriented to ensure firm strategy is well aligned with its operating context (Crossan Lane & White 1999). Complementing existing market and economically oriented reviews with social and environmental strategy evaluation using a structured SMO frame should enhance the firm’s capabilities for addressing long term stakeholder expectations.

By regularly assessing and addressing key stakeholder expectations for business sustainability oriented management; notably relationships with customers, government regulator and community expectations would improve stakeholder confidence, trust and commitment (Mahon & Wartick 2003; Morgan & Hunt 1994) and facilitate synergies that improve firm long run market competitiveness and performance (Buysse & Verbeke 2003; Payne
Ballantyne & Christopher 2005; Rainey 2006). Accordingly, the findings support the normative prescription by macromarketing authorities for the integration of social and environmental economic systems in organisational management (Domegan & Shapiro 2013).

The sustainability alignment of the case study firms conforms with characteristics described by Zadek (2006); ie that there is an emerging managerial awareness that sustainability is a strategic issue to be considered and progressively embedded in organisation strategy. This prediction of a gradual transition to sustainability oriented management conforms with recommendations of the Global Reporting Initiative (GRI 2011), but contrast with broad prescriptions found in normative literature proposals (Belz & Peattie 2012; Rainey 2006).

Limitations of this exploratory research are that it was conducted in a single cultural and industrial context. Replication and comparative studies examining support for the SMO model should be undertaken in companies of different sizes, operating in different business sectors and cultures to further understand the potential to integrate SD and marketing theory. The study also indicates opportunities for further empirical research to expand the understanding of SMO amongst managers, regulators and academics. Recent academic debate about sustainability oriented marketing offers complementary avenues for research, for example the evolution of sustainability in marketing (Chabowski Mena & Gonzalez Padron 2011); alternative sustainability marketing strategies (Belz & Schmidt-Riediger 2010; Hult 2011); sustainability in supply chain management (Closs Spier & Meacham 2011); consumer perspectives of sustainability oriented marketing (Kilbourne & Carlson 2008; Sheth Sethia & Srinivas 2011); and the place of marketing ethics and economic values in political and corporate management (Sandel 2012; Stiglitz Sen & Fitoussi 2010; Varey 2012).

Conclusion

The paper reports on empirical research into the usefulness of a Sustainable Market Orientation as a theoretically informed framework for corporate strategy management. Case study research involving two family owned SMEs in the New Zealand tourism sector provides evidence of the strategic value of formally integrating conventional corporate strategy with sustainable development principles. While the research did not discover formalised holistic sustainability management in either firm, the value of sustainability principles in strategy planning and marketing, together with use of the six key elements of the SMO model in strategy management were confirmed. Though the study involving Real Journeys and Southern Discoveries identified likelihood of variability in SME commitment to the sustainability management principles, it identified ways in which SMO could improve organisational effectiveness. In particular there are potential synergies from combining environmental with social stakeholder relationships management with firm market.

The theoretical value of the research is a confirmation of the value of strategy management integrating market orientation and sustainable development concepts (Mitchell Wooliscroft & Higham 2010b). The findings confirm a process of transformation from informal or ad hoc use of sustainability concepts to a more structured sustainability business management in the lead firm potential for emulation by management of the market entrant. Although this research focussed on the sustainability orientation of two competing firms operating in the New Zealand tourism sector, this empirical study of strategy alignment with a conceptual model of SMO provides a basis for replication studies in other industries and other community contexts, as well as hypothesis development.
References


National Parks Act (1980).


Investigating the Potential of a Sustainable Market Orientation in SME Strategy Management

Figure 1. Conceptualisation of Sustainable Market Orientation

Table 1. Corporate Stakeholders. List of Interviewees

<table>
<thead>
<tr>
<th>Stakeholder Identification, Interview Location</th>
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</thead>
<tbody>
<tr>
<td>Real Journeys, Te Anau</td>
<td>Board Member</td>
</tr>
<tr>
<td>Chief Executive Officer</td>
<td>Operations Manager</td>
</tr>
<tr>
<td>Position</td>
<td>Company/Department</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>---------------------------------------------------------</td>
</tr>
<tr>
<td>Marketing Manager</td>
<td>Real Journeys Queenstown</td>
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<tr>
<td>New Zealand customer</td>
<td></td>
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<tr>
<td>International customer</td>
<td></td>
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<tr>
<td>Board Chairman</td>
<td>Southern Discoveries, Dunedin</td>
</tr>
<tr>
<td>General Manager</td>
<td>Southern Discoveries, Te Anau</td>
</tr>
<tr>
<td>Southern Discoveries, Milford Sound</td>
<td>Operations Manager</td>
</tr>
<tr>
<td>New Zealand customer</td>
<td>Southern Discoveries, Queenstown</td>
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<tr>
<td>International customer</td>
<td>Marketing Manager</td>
</tr>
<tr>
<td>Department of Conservation (DOC) Head Office, Wellington</td>
<td></td>
</tr>
<tr>
<td>Deputy Director, General</td>
<td>DOC Office, Christchurch</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>Commercial Business Portfolio Manager</td>
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<tr>
<td>Marketing Manager</td>
<td>DOC Southland Regional Office, Invercargill</td>
</tr>
<tr>
<td>DOC Area Office, Te Anau</td>
<td>Southland Community Relations Manager</td>
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<tr>
<td>Area Manager</td>
<td></td>
</tr>
<tr>
<td>Community Relations Manager</td>
<td></td>
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<tr>
<td>New Zealand visitor</td>
<td></td>
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<tr>
<td>International visitor</td>
<td></td>
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<tr>
<td>Department of Tourism, Wellington</td>
<td>Policy Manager</td>
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<td>Policy Advisor</td>
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<tr>
<td>Ministry of Economic Development, Wellington</td>
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<td>Policy Manager</td>
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<tr>
<td>National Party, Invercargill</td>
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<tr>
<td>Member of Parliament</td>
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<td>Labour Party, Dunedin</td>
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<tr>
<td>Member of Parliament</td>
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<tr>
<td>Green Party, Wellington</td>
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<td>Member of Parliament 1.</td>
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<tr>
<td>Member of Parliament 2.</td>
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<tr>
<td>Former Parliamentary Commissioner for the Environment, Wellington</td>
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<tr>
<td>Consultant</td>
<td></td>
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<tr>
<td>Ngai Tahu Tourism, Christchurch</td>
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<tr>
<td>Marketing Development Manager</td>
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<tr>
<td>Tourism Industry Association, Wellington</td>
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<tr>
<td>Advocacy Manager</td>
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<tr>
<td>Destination Fiordland, Te Anau</td>
<td></td>
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<tr>
<td>Manager</td>
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</tbody>
</table>
Table 2. Real Journeys and Southern Discoveries. Alignment of Corporate Strategy with the SMO Model

<table>
<thead>
<tr>
<th>Strategy Alignment with SMO</th>
<th>Non Alignment Value generation planned and managed through economic management.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Journeys. Objective to embed sustainability in strategy and management in the market leading firm.</td>
<td>Dominance of shareholder expectations of profit and growth.</td>
</tr>
<tr>
<td>Southern Discoveries. Emerging awareness of sustainability based management in the newly purchased Shareholder and managerial awareness of sustainability theory.</td>
<td>Short term strategy management.</td>
</tr>
<tr>
<td>Staffs of both firms recognize the benefits of sustainability based corporate strategy management notably: better risk management, resource access, market intelligence employee and community reputation. company.</td>
<td>Asset-based intergenerational planning.</td>
</tr>
<tr>
<td>Strategy implementation in identifiable economic environmental and social elements.</td>
<td>Limited commitment to broader stakeholder equity.</td>
</tr>
<tr>
<td>Identifiable outcomes from integration of economic, environmental and social elements.</td>
<td>No formal incorporation of sustainability in company strategy planning or implementation.</td>
</tr>
<tr>
<td>Sustainability training for staff by tourism industry.</td>
<td>Shareholder, senior management perception that sustainability oriented management is only possible after achieving profitability; rather than being a source of superior company performance.</td>
</tr>
<tr>
<td>Extensive economic, market performance measures.</td>
<td>Perception that an EMS is an SMO.</td>
</tr>
<tr>
<td>Environmental management system.</td>
<td>Informal assessments of social and customer perceptions of performance.</td>
</tr>
<tr>
<td>External auditing.</td>
<td>No balance of three primary elements in SMO management.</td>
</tr>
<tr>
<td></td>
<td>No company sustainability performance indicators or alignment with recognised sustainability management frameworks.</td>
</tr>
<tr>
<td></td>
<td>No public reporting of firm sustainability objectives or performance.</td>
</tr>
<tr>
<td></td>
<td>No formal framework for sustainability management.</td>
</tr>
</tbody>
</table>

Venture Southland, Invercargill
General Manager Enterprise & Strategy
Project Coordinator
Tourism Marketing Manager
Southland District Council, Invercargill
Mayor
Te Anau Community Board
Board Member
Ngai Tahu, Invercargill
Tribal Elder
Tribal Manager
Federated Mountain Clubs of NZ, Invercargill
National Executive Member
International Union for the Conservation of Nature (IUCN), Wanaka
NZ Vice President
| **Market, government and community expectations.**  
Managerial sustainability awareness as a potential platform for organizational learning.  
CEO leadership recognised as source of firm sustainability strategy management.  
Tourism industry funded sustainability training of staff.  
Structured strategy reviews involve board, management, and staff.  
External intelligence from key stakeholders facilitated by networking, surveys. | grounded organizational learning.  
Sustainability training limited to junior levels of staff. Discontinued after end of the industry funded initiative. |
The Middle East / North Africa (MENA) region faces serious food insecurity, with an increasing gap between food production and consumption. One key problem is ineffective marketing systems connecting production (or productive potential) to consumption on a regional scale. Using resource advantage theory from macromarketing, we make a case that the agribusiness industry would be highly competitive with economic integration of Egypt/Sudan with the Arab Gulf countries. Individually, both areas have several critical disadvantages, but as a bloc, they could be highly competitive, especially within their own region competing with outsiders. Integration within MENA, of course, has been discussed for decades. Often, it has been more of a political concept than economic, and implementation has been elusive. Marketing can help tie things together for more viable economic integration.

Introduction

With rapidly growing population approaching 400 million, the Arab World faces severe shortages of water and arable land, together with a lack of regional resource coordination and appropriate technology applications. According to most analyses, the region faces serious food insecurity and the gap between production and consumption of food is widening. The Middle East / North Africa (MENA) region currently imports almost 50 percent of its food needs, by far the largest dependence on imported food of any region in the world (WB January 2013). In the Gulf Cooperation Council (GCC) countries, dependence on imported food is about 70 percent, and up to 90 percent in some countries (Alpen Capital 2013). Food imports in the Gulf alone are forecast to rise to $53.1 billion by 2020 (EIU 2010).

Many important factors contribute to this pattern, but one major issue is ineffective marketing systems connecting production (or potential for production) with consumption on a regional scale. This became increasingly apparent throughout the world as the concept of ‘food security’ evolved from an early focus mainly on production. Based on the definition from the World Food Summit in 1996, the Food & Agriculture Organization of the United Nations says “Food security exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life” (FAO 2003, p. 29). It is widely recognized that the “four pillars of food security are availability, access, utilization, and stability” (Ecker & Breisinger 2012, p. 3).

Clearly these ‘pillars’ require attention to marketing; at the very least, many observers recognize that marketing infrastructure and supply chain logistics need major improvements and upgrading (e.g., Lampietti et al 2011). The importance of marketing systems for food products has long been recognized (e.g., Myers et al 2010; Unnevehr et al 2010). However, countries with agricultural potential that could help close this gap lack many resources necessary to make much progress at improving marketing systems, or even agricultural production.
itself. Even Egypt and Sudan, which arguably should be very strong in agriculture, were only about two-thirds self-sufficient in cereal grains by the late 2000s (FAO 2013b; UNDP-POGAR 2013). Countries with sufficient capital, technology, and logistics capability lack the agricultural resources.

Meanwhile, food imports mainly come from countries outside the MENA region. These sources may become increasingly unreliable, with quotas and export restrictions at times of shortages and reduced reserves in supplier countries. GCC countries have been very active in using their capital surpluses to buy agricultural land around the world for more assured supplies. In recent years, however, the potential political cost of too much such investment is becoming apparent. Often, such foreign investment is viewed as ‘land grab’ (EIU 2010; Cotula et al 2009; WB 2010).

Nevertheless, all the elements needed to alleviate the food security problem in the Arab region are available, but they are not coordinated, and thus, at present, do not contribute much to solving the problem. Egypt and Sudan, the main areas of food production, are somewhat distant from important markets, and lack coordination to optimally supply dispersed multi-segment demand. The GCC, the main area with ample financial and energy resources to substantially upgrade agriculture, lacks productive capacity. From both the supply and demand side, inefficiency and waste are rampant in the region.

This study will propose a framework to improve food security in the Arab region. We focus particularly on Egypt and Sudan, which have potential for mass agricultural production, and the Gulf, which has ample capital and energy, as well as high-spending power on the demand side. The basic idea is not new, but we approach it using macromarketing concepts, looking at the problem from supply chain and distribution channels perspectives. Markets are region-wide, but are strongly segmented, and fragmented. Market information must feed into production decisions, as well as into decisions about technology and management measures needed to improve production, all with a view toward serving multiple consumption segments dispersed across a wide geographic area.

**Resource advantage**

We adapt the resource-advantage framework (e.g., Hunt 2007, 2011) to examine the case for economic integration between Egypt, Sudan, and the GCC. “Resource-advantage theory maintains that economic growth is produced by the process of vigorous R-A competition” (Hunt 2011, p. 14). Firms scramble to gain advantage in particular market segments through use of tangible and intangible resources they have available. Various resources have differential value, depending on their quality and how they are used, and the value seen by the customer depends on market segment. Resources also have different costs, so both effectiveness and efficiency are important. So is innovation, because finding new or improved ways of using resources can change the value customers see, and change the cost structures of employing the resources.

The R-A framework works on the firm level, but Hunt (e.g., 2011, p. 12) notes that part of it is adapted from comparative advantage in international trade theory. The firm’s resources give comparative advantage, disadvantage, or parity, depending on how well they deploy resources and resulting market position. This firm-level process, however, is embedded in the broader environment. Ellis and Pecotich (2002), drawing on Porter (1990), argue
that it is the national-level competitive advantage conditions which provide the environment supporting firm efforts to build competitive advantage. Hunt shows societal resources, societal institutions, competitors-suppliers, consumers, and public policy as key aspects of this broader environment (e.g., Hunt 2011, Figure 1, p. 10; also Hunt 2007, p. 278).

Here, we translate the R-A framework back to the national level and look at how Egypt, Sudan, and the GCC, operating as an integrated region, would have strong competitive advantage on the world stage. Hunt (2007, 2011) lists a number of key resources, which we have adapted slightly to fit the context of agriculture / agribusiness at the country level. These include:

- natural resources (e.g., land, water, energy, minerals, climate)
- capital resources (e.g., financial assets, liquidity, and reserves)
- physical infrastructure (e.g., roads, transportation and storage facilities, utilities, ports)
- human resources (e.g., skilled labor)
- entrepreneurship (e.g., management with strategic planning knowledge and experience)
- technology (e.g., state of the art know-how, and research capability)
- institutional (e.g., industry structures, organizations, supply chain, channels of distribution)
- legal infrastructure (e.g., agriculture regulations; land ownership laws, pricing, subsidies and tax laws; business, trade, environmental, anti-trust, safety, quality control, consumer protection and marketing laws and regulations).

Brief assessments of international competitiveness on each of these resources are summarized in the following table. Noted references contain much of the data on which our assessments are based, but cannot be complete in this short summary. Note that on natural resources, and on human resources, we had to divide the categories into two types (non-energy vs. energy, and agricultural labor vs. managerial, respectively).

Simple inspection of this table shows that Egypt / Sudan have some competitive advantage in four of these elements, parity in one, and disadvantage in five. The GCC countries have some advantage in four elements, parity in two, and disadvantage in four. But on nearly every element where Egypt / Sudan are weak, the GCC is strong, and where the GCC is weak, Egypt / Sudan are strong. Furthermore, on a few elements, an influx of GCC resources could potentially shift disadvantages in Egypt / Sudan to strengths. Observers might quibble with a few details of our assessment, but the overall pattern is clear – these two separate parts of the Arab world lack the ability to escape food insecurity on their own, but as an integrated bloc, they would be very strong. In each case where one side is at a disadvantage, the other side shows advantage (usually) or parity.

Table 1: Resources compared for Egypt / Sudan and the GCC

<table>
<thead>
<tr>
<th>Egypt &amp; Sudan</th>
<th>GCC countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>non-energy natural resources: advantage</strong></td>
<td><strong>non-energy resources: strong disadvantage</strong></td>
</tr>
<tr>
<td>Abundant land, plentiful water, but some political risk from claims by upstream countries. Most agricultural land can be very productive, but needed capital and technology to fully exploit this is scarce.</td>
<td>Very limited arable land and water resources. Heavy investment in modern irrigation methods and technology by Saudi Arabia has been successful, but at a very high cost. (FAO 2013a)</td>
</tr>
<tr>
<td><strong>energy resources: parity</strong></td>
<td><strong>energy resources: strong advantage</strong></td>
</tr>
<tr>
<td>moderate levels of energy resources at mod-</td>
<td>very rich in both oil and gas, far in excess of</td>
</tr>
</tbody>
</table>
**Current Prices**

Prices, but these barely meet current demand. Additional capital and technology needed to expand output for future needs.

**Capital: Strong Disadvantage**

Substantial government budget deficits, and weak inward FDI. Large government budget surplus in most countries, and substantial inward FDI. GCC as a whole is one of the main energy-exporting regions of the world. (BP 2013)

**Physical Infrastructure: Disadvantage**

Both countries rank low on infrastructure, notably logistics capability. Many GCC countries rank high by world standards on infrastructure, and specifically on logistics.

**Human Resources (Agricultural): Advantage**

Skilled labor for agriculture (and industries such as food processing) is abundant and cheap. Cereal crop yields are highest in the Arab world.

**Human Resources (Managerial): Advantage**

Abundant managerial & technical talent, although much of it works outside the country.

**Entrepreneurship: Advantage**

Egypt has a high rate of self-employment (42%) compared to most Arab countries. This is because of a poor economy, but it indicates a large pool of experience operating small business. The home-grown private equity/venture capital industry is the largest in MENA, accounting for 39% of committed capital in 2007 in the Arab region.

**Capital: Strong Advantage**

Strong disadvantage

Weak inward FDI. Substantial government budget deficits, and weak inward FDI. (UNCTAD 2012; AMF 2013; IMF 2013)

**Physical Infrastructure: Advantage**

All countries rank high by world standards on infrastructure, and specifically on logistics.

**Human Resources (Agricultural): Strong Disadvantage**

Shortage of skilled labor, most is imported. Saudi Arabia has high yields, but its agriculture is very costly and water intensive.

**Human Resources (Managerial): Disadvantage**

Domestic supply of managerial & technical talent is insufficient. GCC countries rely on talent from outside, including from Egypt.

**Entrepreneurship: Disadvantage**

Many GCC countries essentially guarantee jobs for citizens, so entrepreneurship is weak, except among expats. Kuwait may be among the most extreme – nearly 80% of employed citizens had public sector jobs. Expats, almost 83% of the labor force, were mostly private sector. (Ismail 2009; NBK 2012; UNDP-POGAR 2013)
Table 1: Resources compared for Egypt / Sudan and the GCC (continued)

<table>
<thead>
<tr>
<th>Egypt &amp; Sudan</th>
<th>GCC countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>agricultural technology: disadvantage</strong></td>
<td>GCC countries, especially Saudi Arabia, has advanced agricultural technology, although shortage of land and water prevent it from being applied large-scale. (FAO 2013a, 2013b)</td>
</tr>
<tr>
<td>Both countries have agricultural research capability, but up-to-date agricultural technology is scarce because of capital shortage, although there is sufficient skill to use it if technology can be acquired.</td>
<td></td>
</tr>
<tr>
<td><strong>institutions supporting ag.: disadvantage</strong></td>
<td><strong>institutions supporting agriculture: parity</strong></td>
</tr>
<tr>
<td>Good agricultural research capabilities (as noted), but poor extension services to move innovations to farmers, and poor development of supply chain and distribution channels.</td>
<td>strong on supply side, but small scale has limited impact for supply chain or distribution. (UNDP 2011; Alpen 2013; WEF 2013; FAO 2013a)</td>
</tr>
<tr>
<td><strong>legal infrastructure: disadvantage</strong></td>
<td><strong>legal infrastructure: parity</strong></td>
</tr>
<tr>
<td>legal systems are weak, including property rights. This may be problematic as reforms move toward a more open market economy. (WEF 2013)</td>
<td>legal systems are stronger, including property rights. However, since production under integration would not mostly be here, this is not a major advantage.</td>
</tr>
</tbody>
</table>

**Economic Integration for improved food security in the Arab region**

Economic integration is now a must for economic advancement and prosperity in the MENA region. Free flow of goods, services, capital, and labor in an integrated region increases productivity of resources as each resource will move freely to where it is needed most, and thus will gain the highest return. This can enhance to total availability of goods and services in the integrated region. But this, of course, is not a new concept. Despite much talk about economic integration for many decades, the Arab region has not really implemented much from the various integration frameworks, and current discussion continues to point out the need for deeper integration (e.g., Rouis and Tabor 2012; WB 2012a). Often, the talk seems more about political positioning than economic implementation; for example, while MENA countries have generally reduced tariffs, they have constructed an impressive set of non-tariff barriers to negate most benefits from tariff reduction (e.g., Péridy and Ghoneim 2013).

The abundant financial resources from the Gulf States, in particular, can be utilized in Egypt / Sudan to advance agricultural technology, land reclamation, scientific research, and for upgrading physical infrastructure and supply chains. These resources can be applied to the fertile land and water resources in the Nile valley in raising food production with the aid of abundant affordable skilled human resources in that region. Obviously low cost energy from the Gulf Region can be used in mechanization of agricultural production, food processing, packaging production, and transportation and storage, which will make such operations more efficient and competitive. All these resources complement each other, but in isolation they contribute little to food security.

The major requirements of full economic union include the following key points. Of course, realizing all of them is a much larger step than is likely to be taken immediately. The first four points mainly concern trade and FDI issues, and are more feasible in the short term.
The latter four require more comprehensive integration, and are likely to take some time, even given the political will to pursue deeper integration.

- free flow of goods and services inside the two integrated regions.
- free flow of capital.
- common standards.
- common external tariff.
- common agriculture policy.
- common monetary and fiscal policy.
- common currency.
- free flow of labor and management.

Based on the Resource Advantage theory, if the region were to implement most of these points, it would enjoy fairly strong competitive advantage, particularly relative to more distant production centers. Likely, the common external tariff would not even need to be maintained in the long run, after the agribusiness industry has some time to develop under conditions of stronger integration. Economic integration between these two regions could be expected to increase food production significantly. If efficient marketing is added to the mix (as implied by several of the key resources in Table 1), many shortage areas will disappear, imports from outside this integrated area will significantly decrease, and many food products will be available for export.

The Role of Marketing

Marketing can and should play a leading role in developing the agriculture industry in the Arab world and in building stronger economic integration in the region. Effective marketing can enhance the quantity and quality of all agricultural resources, it can guide both production and consumption of food products, and it can provide for an efficient pricing and distribution of food products. Critically, marketing is necessary to make the bullet points immediately above work, and to pull together the two sides in Table 1, so that through integration, broader regional advantage can be built out of numerous disadvantages faced by the two separate regions. Politically motivated integration has not worked very well (e.g., Rouis & Tabor 2012; WB 2012b), not least because it does not really offer very tangible benefits to most people. Economic integration does offer substantial benefits to much of the population, and marketing helps provide the glue to hold the integrated parts together.

For example, in the market economies in the Arab region, marketing activities influence both production and consumption of food products, although some degree of government market intervention distorted markets for a long time, especially in the Egypt / Sudan part of the region (e.g., compare Speece & Gillard-Byers 1987; and WB 2009; Elgali & Mustafa 2012). Agricultural inputs and production output must move around – the sources of key inputs, and much demand for the output is in other parts of the region than where production is concentrated. Handling this requires marketing. Looking just at two of the resources in Table 1, a substantial part of physical infrastructure and institutions supporting agriculture are about marketing – both the logistics and institutional aspects of supply chains and distribution channels (WB2012b; Alpen 2013; WEF 2013; FAO 2013a).

Supply chain logistics must be upgraded to connect the capital, energy, and demand in the GCC with the land and water in Egypt and Sudan. This is not merely about moving agricultural products from port to port; transportation, storage, and handling from the farm to the
port, and distribution to consumers on the other end, also need substantial upgrading. It also includes shifting some of the value-added in food processing to low-wage, labor abundant areas such as Egypt and Sudan, and away from high-wage, labor-short GCC areas. These sorts of issues certainly require technology inputs, institutional reform, finance, etc., but success in any reforms needs marketing guidance to ensure that production is well coordinated with demand.

Technology itself can be regarded as a farm input, but exactly what technology is needed must be determined by the farmers. In other words, agricultural R&D needs to be managed essentially as a new product development process in marketing, where customer (farmer) voice is fully integrated into NPD (as in, e.g., Fuchs & Schreier 2011; Filieri 2013). Lack of ‘co-creation’ in developing innovations the farmer is supposed to adopt has plagued agricultural research for decades. Decades ago, observers already noted that “agricultural research has produced new so-called "improved" technologies which often turned out to be irrelevant to the farmer” (Winch 1984, p. 5). Today, different observers still see the same need for more extensive involvement of small-farmers themselves in the research process. Tittonell et al (2012), for example, call for action research with ‘co-innovation’.

Marketing research and marketing information systems are needed to conduct feasibility studies, linking information about demand to production of food products, and then about demand on the production side for inputs. Before production, producers need to know about market demand for each product in terms of quantity and quality desired by consumers. Currently, farmers produce many crops in quantities, varieties, and qualities not needed by customers, which wastes agriculture resources. In most Arab markets, customers end up purchasing food imported from outside the region and leave many domestic food products to rot. The information must be current and available to farmers, channel members, and suppliers. Market information is often poor for small farmers in the main production areas, both for agricultural output that the farmer must sell, and for agricultural inputs (including innovations) that the farmer may wish to consume. For example, extension services have been neglected in dryland farming areas of Sudan for decades, so farmers have little opportunity to learn of new technology and techniques. (e.g., compare Speece 1985; WB 2009; WFP 2009).

Social marketing can be used on the demand side, especially for, among other things, fighting waste. A substantial amount of food is wasted through the inefficient logistics noted above, but on the consumption side, people in the richer societies of the Gulf often waste a lot, also (e.g., Aljamal and Bagnied 2012). Social marketing about food consumption can also be used in promoting healthy eating habits, and in promoting social values in the consumption and dispersion of foods, together with environmental protection, which goes to important issues even beyond food security.

Conclusions

This brief discussion has only begun to scratch the surface of how marketing practice is deeply interwoven into actual use of Hunt’s Resource Advantage Theory. Examining the problem in much more depth would show even more scope for a wide range of the marketing implementation tools. Nevertheless, the limited discussion possible here already shows clearly that marketing is fundamental to making RA theory work if we want to build competitive advantage in agricultural industries to foster food security in the MENA region. No single country or sub-region is likely to have an advantage. However, different sub-regions have
complementary sets of advantages and disadvantages, and integrating them could produce very strong competitiveness.

The theory works. It can be used effectively to demonstrate that as a region, Egypt / Sudan and the Gulf could have strong competitive advantage in agricultural industries. Combining these two parts of the Arab world cancels out a number of disadvantages that each part separately shows in Hunt’s resources (adapted slightly to this context). The value of these resources will be enhanced and better utilized if coordinated with resources available in other Arab countries. This can be done with regional economic integration. The Nile Valley (Egypt and the Sudan), and the Arab Gulf Countries were used as an example, but the basic ideal is likely to hold even more broadly in the Arab world.

But actually implementing RA theory requires marketing tools. Integration has been tried many times and not gotten very far in the Arab world, probably because it was based on political decisions, without much real economic impact. Marketing is at the level of individual companies. The governments cannot really integrate the economies, they can only set out the conditions so that countless companies operate regionally to connect production and consumption more efficiently across the two sub-regions, and direct resources to use the advantages in the integrated region.

The lack of food security in the Arab World can be tackled from both the supply side and the demand side. A good deal of what marketing needs to do is connect supply and demand (just standard introductory marketing stuff), and this paper has mainly outlined this, although a more complete discussion could develop the role of marketing much more broadly. With economic integration and effective marketing, food supply and food distribution in the Arab region have the potential to increase significantly in both volume, and value. If this concept is applied to 22 Arab countries, it could be expected that the food security problem in region would be greatly alleviated, if not eliminated. Of course, the positive impact of regional economic integration and of effective marketing in the region will go far more than just solving the food security problem.

References


Sustainability Innovations: Shifting from the Dominant Social Paradigm

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Profligate consumption and continuous growth engendered by the Dominant Social Paradigm (DSP) cannot support environmental sustainability. Rather, a shift in paradigm is required to effectively move toward some state of sustainability. Such a shift necessitates transformation of institutions and marketing systems through new mechanisms. Based in a classic understanding of innovation as a new idea or practice requiring adoption, we propose that this paradigm shift must be achieved through sustainability innovations. In particular, a paradigm shift would require change among multiple actors in the marketing system to achieve institutional transformation; that is, producers and policy-makers must make adaptations that enable consumers to adopt sustainability innovations through both reduced and redirected consumption in order to steer toward a paradigm shift. These innovations are necessary if sustainability is to ever move beyond megatrend to a new dominant social paradigm.

Sustainability is commonly understood as meeting the needs of the present without compromising the ability of future generations to meet their own needs, with an emphasis placed on the environment (World Commission on Environment and Development 1987). In the marketing literature we know, sustainability problems are fundamentally problems of consumption (Stern 2000). As we exist in a world of finite resources, initiatives designed to achieve or increase sustainability require that consumption be redirected for improved environmental impact, or that the aggregate amount of consumption be reduced (Kilbourne and Mittelstaedt 2011). Sustainable energy initiatives, for example, require a redirection of emphasis away from traditional sources to energy sources not dependent on fossil fuels, and toward practices that reduce energy use and greenhouse gas emissions.

Profligate consumption and continuous growth that impede upon sustainability are, however, essential to the Dominant Social Paradigm (DSP). Social paradigms are lenses through which societies and cultures interpret the world; dominant social paradigms provide legitimation of institutions controlled by dominant classes of individuals (Kilbourne, McDonagh, and Prothero 1997; Mittelstaedt and Kilbourne 2011). In Western societies, the DSP is based in technological, economic, political, anthropocentric, and competitive dimensions that have enabled and legitimized increasingly greater levels of unsustainable consumption. Sustainability, existing as megatrend, has been described as fitting within, or fundamentally in conflict with, the DSP as it currently operates (Mittelstaedt, Shultz, Kilbourne, and Peterson 2014). This paper presents a conceptual framework for enabling a paradigm shift from the DSP to sustainability through sustainability innovations, based in a developmental – versus a critical – perspective (Mittelstaedt et al. 2014).

Advocating for a paradigm shift to sustainability from the DSP through environmental awareness has largely been ineffective, as a paradigm shift is unlikely to result from simply presenting an alternative argument (Kuhn 1962). Currently, sustainability may be con-
ceived of as an alternative argument, a megatrend existing within the DSP, in that it is complex, has extensive impact, and is reflective of the historic context (Mittelstaedt et al. 2014). Paradigm shift to sustainability would require moving beyond sustainability as megatrend, necessitating the transformation of institutions and marketing systems implicit in the DSP (Kilbourne and Mittelstaedt 2011). A critical perspective would suggest that we must completely overturn and abandon the DSP in order to engage in a paradigm shift for sustainability. This paper instead adopts a developmental perspective, suggesting that we may work within the DSP and use marketing system mechanisms to achieve paradigm shift (Mittelstaedt et al. 2014). Such a paradigm shift would utilize the mechanisms of the DSP in order to ultimately reach a new worldview rooted in sustainability (Kuhn 1962).

Paradigm shift from a developmental perspective requires transformation of institutions through the implementation of new or differently employed mechanisms rooted in an existing marketing system. The implementation of new mechanisms necessary to transform the institutions in the DSP calls to mind the classic definition of an innovation: an idea or practice that is perceived as new by those who adopt it (Rogers 2010). Recently, Mittelstaedt and Mittelstaedt (2011) presented a conceptual model of sustainable energy initiatives as innovations. The model employs a 2x2 matrix, with the well-known diffusion of innovation “S curve” situated on the horizontal axis to present a simplified continuum of adoption on the part of the consumer. The also well-known “experience curve” (Henderson 1984) is situated on the vertical axis to include a simplified continuum of adaptation on the part of the producer, manager, or policy maker. Innovation takes place when at least one actor makes a change, represented in three out of four quadrants created by the matrix; when no actors engage in any changes through adaptation or adoption, innovation does not take place (Mittelstaedt and Mittelstaedt 2011).

Innovations for sustainability—regarding energy and greenhouse emissions directly or other issues of sustainable consumption—may, of course, be conceptualized through this matrix. We propose that quadrants 2 and 3, in which only consumers and only producers, managers, or policy makers, respectively, must make changes constitute innovation based in sustainability as megatrend. Quadrant 4, however, constitutes innovation for sustainability as paradigm shift.

As we know from diffusion of innovations research, people adopt innovations more quickly if they perceive those innovations as compatible with their current lifestyles. The innovation characteristics of relative advantage, compatibility, trialability, and observability generally result in more rapid adoption, while complexity will slow down adoption (Rogers 2010). The major changes required by all actors in the marketing system for paradigm shift may seem counterintuitive to what we know about complexity and innovation. If major change is required (or perceived to be required) in order to adopt an innovation, resistance to innovation (Ram 1987; Rittenburg and Murdock 1992) may occur, sometimes resulting in non-adoption (Yapa and Mayfield 1978). Consumers’ incremental changes to redirect or reduce energy consumption, such as through the use of compact fluorescent light bulbs, provide an illustration of this point. Shifting from the DSP to a paradigm of sustainability may appear daunting, particularly to those who do not see in their day-to-day lives why this change is critical. Marketing system mechanisms have the potential to be quite effective at facilitating such fundamental changes for a variety of actors, particularly if actors are resistant, as would be the case for actors rooted in the DSP. The macromarketing perspective suggests that marketing systems are interdependent; quadrant 4 presents the most potential to realize such
changes, as multiple, interdependent actors may enable other actors in paradigm shift (Mittelstaedt 2006).

**Table 1. Sustainability Innovations and Paradigms**

<table>
<thead>
<tr>
<th>Change in Production</th>
<th>Little or no change in behavior by final consumers/users</th>
<th>Substantial change in behavior by final consumers/users for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little change from existing production methods and technology</td>
<td>1. No innovation Profligacy DSP</td>
<td>2. Innovation Adoption Sustainability as megatrend DSP</td>
</tr>
<tr>
<td>Substantial change from existing production methods and technology for sustainability</td>
<td>3. Innovation Adaptation Sustainability as megatrend DSP</td>
<td>4. Innovation Adaptation + Adoption Paradigm shift</td>
</tr>
</tbody>
</table>

When all actors in the marketing system make changes for sustainability through adaptation or adoption, directly addressing the institutions of the DSP through innovation, transformation of institutions based in the DSP may take place. Adaptation on the part of producers, managers, and policymakers that engenders adoption on the part of the consumer may be particularly effective at enabling such transformation. If not total paradigm shift from the DSP to sustainability, such transformative innovations bring us closer to a paradigm shift. Owing to the urgency of our global environmental challenges, innovations which enable an expedient move from quadrant 1 to quadrant 4 are ideal and of the utmost importance (IPCC 2013). Examples of sustainability innovations as megatrend and paradigm shift at varying levels of analysis along with plans for future research will be presented.

In summary, building on Mittelstaedt and Mittelstaedt’s (2011) matrix, we plan to examine what paradigm shift means for actors in the marketing system. We believe the developmental perspective provides a realistic approach to change, allowing marketers to do what they do best in ushering in paradigm shift to bring us closer to a sustainable future.

**References**


Channel-Based Determinants and Phase-Focused Traits in the Adoption Process of a Sustainable Development Strategy for the Hog Industry in Canada

Sylvain Charlebois, College of Management and Economics, University of Guelph

The current study examines the use of sustainability as strategic cornerstone for a marketing channel in a mature market, particularly in the hog industry in the Canadian Province of Quebec. Due to the growing attention to sustainability, and the international trend towards agricultural trades and stakeholder involvement in food, there is a need for a system-based approach in the field of food systems sustainability. First, we begin with positioning our approach in marketing channels and sustainable distribution practices literature. Then, a framework for our analysis is presented. A total of twelve (12) semi-structured individual interviews were conducted amongst marketing managers working for different organizations within the Quebec hog marketing channel, covering both ends of the hog and pork continuum. Last, findings and limitations to our study are presented, complimented by recommendations for future scholarly, practice and policy research.

Keywords: Hog marketing channel, sustainability, product differentiation, environmental responsibility.

Introduction

For over a century, the customer, the customer's customer and the consumer have functioned as vital parts of a system recognized as a primary marketing concept (Svensson, 2005), which was to satisfy consumer needs while optimizing the marketing schemes of an enterprise. However, scholars and practitioners continue to overlook how an entire system, however effective, can fail to respond to transient consumer needs.

The tastes of today’s food consumer can rapidly evolve, and many marketing channel members seek to understand the key current trends related to food purchases, and their implications for business strategies (Closs, Speier, and Meacham 2011). Some studies suggest consumers are increasingly conscious of their impact on natural resources; as a result, they now carefully monitor corporations’ decisions regarding environment-related matters (Huang, Ming-hui, and Rust 2011; Hanss, Daniel, and Gisela Böhm 2012). Indeed, Hill and Hyun-Hwa (2012) argue that consumer decisions are progressively more influenced by how corporations address environmental and socio-economic dimensions regarding the production of food. Consequently, Firms are increasingly concerned with showcasing their efforts to sustain, and even to improve natural resources to potential buyers, in order to appeal to their greater sense of humanity (Kjærnes 2012). Genuine sustainable practices have the potential to enhance consumers’ confidence in a firm’s assertions of being “green friendly”, while presenting the positive efforts of a particular distribution channel in terms of economic, environmental and social growth (Bhaskaran, Suku, et al. 2006; Danciu 2013).

To our knowledge, no study has been conducted to evaluate the use of sustainability as strategic cornerstone for a marketing channel in a mature market, particularly in the hog industry. Many studies have been conducted in a context of emerging markets (Connelly,
Ketchen and Slater 2011); however, very few studies addressed the issue in an established economic environment.

A marketing channel’s approach to assessing an industry’s performance is not new. Hinrichs and Welsh (2003) compared sustainable practices in livestock, but did not expand their analysis to a study of both ends of the food continuum. Perez et al. (2009) reviewed main factors and attributes that can be found along the pork supply chain, which were deemed relevant to the quality perceived by the consumer.

This study is related to the hog channel in the Canadian Province of Quebec. This exploratory study attempts to determine if a strategic focus on sustainable development for a marketing channel would be successful in creating a value-added proposition for consumers, as well as helping the channel to differentiate itself in a mature market. Essentially, the primary purpose of the study is to better understand whether hog channel members see sustainability as a strategic pillar. From a theoretical standpoint, this study intends to revisit the literature in the field of sustainable production systems and appreciate if markets recognize any value in these proposed practices.

Foundational research issues for this study include an evaluation of how feasible is it for the Quebec hog channel to embrace the notion of sustainability as an important strategic thrust for economic growth. From a market channel’s perspective, this study will also question whether consumers in a mature market could distinguish a food product supplied by a marketing channel committed to sustainability from a product that has not made the same commitment.

Due to the growing attention to sustainability, and to the international trend towards agricultural trades and stakeholder involvement in food, there is a need for a system-based approach in the field of food systems sustainability. We start with positioning our approach in marketing channels and sustainable distribution practices literature. A framework for our analysis is presented. In the section that follows we present our approach to evaluating sustainability perception of the hog industry in the Province of Quebec. We then present our findings and limitations of our study. In the last section we draw conclusions on the usefulness of our approach for research, practice and policy.

**Food Marketing Channels**

Channels are recognized as a complex phenomenon encountered in an advanced economy (Charlebois, Tamila and Labrecque 2007). They are elaborate economic, political, and social systems involving numerous decision stakeholders who share the common objective of satisfying consumer needs. As such, complementary competencies across the channel is essential (Paswan, Blankson and Guzman 2011). Indeed, Harmsen and Jensen (2004) assert that an efficient relationship with suppliers, the ability to adapt quickly to market changes, as well as the capacity to create a trusting environment between partners of a marketing channel are necessary features for success. Marketing organisation suggests that not only channels can adapt to current changes, but can also function as change-initiating forces in the development process (Mallen 1996).

In fact, it has been stated that marketing channels should be regarded as a single entity (Alderson, 1965). Partnerships within channels allow for the potential enhancement of product and industry images, as well as creating additional value for consumers (Fearne, 1998). It
also argued that such partnerships also offer improved market access, more efficient communication between members, higher profit margins and greater barriers to entry (Grewal, Dharwadkar and Reynolds 2009). Fearne (1998) also suggests that well-managed partnerships are usually better equipped to face international competition, as well as consumers’ newfound concern for the environment.

In the agri-food sector, economic pressures have prioritized the development of partnerships and vertical integration between members of the value chain (Fearne 1998; Quinn & Murray 1995; Reynolds et al. 2009). Currently, the food distribution channel in Canada is focused on leading distributors who compete vigorously by offering innovative products and packaging at the lowest possible price (Gereffi 1994; Kumar 1996; Taylor 2006; Reynolds et al. 2009). These distributors function as “channel captains”, setting standards and planning the chain’s global strategy (Marques Vieira & Traill 2008).

With the current structure of the marketing channel, food distributors are in a potentially influential position to establish a fair system, and to influence other chain members and purchasing decisions of consumers to promote respect for the environment, and to be health oriented (Hingley, 2004; Jones et al. 2008). Hence, distributors can influence their suppliers to adopt specific environmental standards, such as those promoted by sustainable development, to meet consumer demands. Conversely, if distributors do not believe in the benefits upheld by their suppliers, the adoption of new standards in the industry will be much harder to institute (Bashkaran et al. 2006).

If distributors enjoy a position of influence in the food industry, processors are significantly more vulnerable. They cannot create brand loyalty with distributors, since the latter can easily replace one product with another on the store shelf (Taylor 2006). Alternatively, distributors have to maintain sustainable relationships with their suppliers in order to secure a constant supply of innovative and high quality products (Fearne 1998). The needs of distributors make them slightly more dependent on their relationship with their various suppliers.

For producers, the level of influence in the value chain is often minimal (Taylor 2006). Broderick, Wright, and Kristiansen (2011) studied how producers can design producer-driven channels without producing any conclusive results. It is still very important for producers to contribute to the value-added and differentiation of the chain by offering high quality products at competitive prices that are in demand (Fearne 1998). As a result, there is a growing trend in the food industry to create partnerships between distributors, processors and producers, as chain members realize that partnership is the only sustainable form of organization in order to ensure long-term success (Fearne 1998; Taylor 2006). Indeed, it has been noted by Kuwornu, John, Kuiper, and Pennings (2009) that food supply chains have become increasingly integrated as consumer demand surges. This shift has occurred over the past few decades.

With this evolution, a system dominated by the open-market has now been fundamentally influenced by vertical coordination through the use of contract-supply arrangements between primary producers, food processors and retailers. These mechanisms have become significantly important in the food sector in light of several food safety and integrity crises in recent years (Leat and Revoredo-Gih 2013). There has been an increase of public pressure for transparency, traceability and due diligence throughout the agri-food supply chain, which has compelled channel members to change how they interact with markets. Responsiveness to triggering events due to natural disasters or human-induced events, which can potentially
destabilize food systems, is key to sound marketing channels management (Ye and Pang 2011). To that end, support systems designed to share information must be decidedly efficient amongst channel members. Selecting the appropriate technique and technology to facilitate information sharing forms the basis of this premise. (Matopoulos et al. 2007).

One essential element must be present in order to become successful in the marketplace. Trust, or the extent to which one believes that others will not act to exploit their vulnerabilities, should prevail between the various chain members in order to develop lasting strategic alliances (Noteboom 2002; Morrow et al. 2004). An interaction of other elements, such as power and dependence, has been also identified in the literature as playing an influential role in a companies’ commitment to collaborate and trust one other (Matopoulos, A., et al. 2007). Trust can also reduce uncertainty among members of the chain (Marques, Vieira and Traill 2008).

Increased channel coordination may lead to better demand management (Taylor 2006). Historically, demand management is an activity that has been recognized as being supported by only one channel member. An increased focus on integration has challenged the assumptions upholding this arrangement. A balanced approached between supply and demand chain management is desirable when marketing channels seek to simultaneously prioritize market access and supply chain efficiencies (Hilletofth 2011). Supply chain management, which offers a cost-led approach to marketing, is distinct from the broader perspective of demand chain management. It has been recognized that agriculture has a long tradition of being commodity-driven, with a focus on technological process, high volume, and quality consistency (Vereecke and Muylle 2006). Agriculture and food, particularly the hog industry in the Northern Hemisphere, are considered mature industries where potential for growth is very limited. Such an environment has generated a multitude of consolidating measures within commodity-driven sectors that has given a few corporations the balance of power. As world food economies offer more value-added products at affordable prices for Western-based consumers, the food industry in developed countries is compelled to institute competencies that are market connected and relevant. As markets become increasingly fragmented due to consumer preferences, some marketing approaches can be tailored to specific markets or segments, which would make mass-marketing almost obsolete (Charlebois 2008).

Most relevant to this study is the work of Paswan, Blankson, and Guzman (2011) on relationalism marketing. The concept of relationalism in marketing channels is defined as the extent to which relational norms guide the interactions between channel members (Black and Peeples 2005). The authors suggest that aggressive marketing and price leadership strategies are positively correlated with the level of relationalism in the context of marketing channels. Product specialization, on the other hand, is seen as negatively associated with the level of relationalism in marketing channels. From a theoretical standpoint, this would mean that developing close relationships with marketing channel partners may work very well if the intent is to adopt a price leadership position within the marketplace, since all involved would enjoy long term benefits. This would be consistent with the hog industry’s dominant paradigm. It would not be the case for cases in which a product-focused strategy is preferred, since long term benefits would be rendered obsolete. Such a strategy would represent a significant departure from traditional marketing practices in high mature, commodity-driven industries (Weitz and Wang 2004).

The concept of time dependency should also be considered. The perceived competitive environment in agrifood, for example, may alter the way market channel members man-
age their time and relationship dependencies (Svensson 2002). Time dependence, more specifically, weighs particularly in agriculture production sequences and on the perishable nature that is inherent to the sector.

**Sustainable development**

The main role of a marketing channel is to offer an assortment of options that meets market demands (Alderson 1965; Layton 2009). As consumers become increasingly aware of the impact of consumption on the environment (Laroche et al. 2001; Layton 2007), some have argued that it is important to plan production with minimal waste production in order to manage global resources responsibly. This optimization of production and the reduction of losses work in concert with myriad other ideas to form the concept of sustainable development, which focuses simultaneously on environmental, social and economic growth (Boron & Murray 2004; Kates et al. 2005). The imperative of sustainable practices in food has to some extent emerged as a “new world order” in terms of responding to consumer preferences in mature markets. Most importantly, sustainability is now recognized as a major concern for modern marketers, since marketing strategies and activities are inextricably linked to our marketing system’s natural environment that sustains all life globally (Crittenden et al. 2011).

The idea of sustainable development resonates reasonably well with the aspirations of global consumers, regardless of ideological values. However, in the Northern Hemisphere, discussions on sustainable solutions related to food systems have become increasingly rhetorical and thus has generated skepticism to different degrees (Nkamnebe 2011). Consequently, unlike in emerging markets, discussions on the topic of sustainable development in mature markets have created divisions within marketing channels arising from the diversity of opinion among players. Each channel member has differing perceptions of the concept, which can create idiosyncratic sets of regulatory rubrics for each channel dimensions.

When looking at marketing channels, the concept of sustainability emerges in many different methods. In primary production, for example, the adoption of sustainable practices has created two main paths connecting farmers to consumers. The first is the full absorption of organic farming into the existing economic system, and the second is the development of organic farming in a radically contrasting direction to conventional farming (Dantsis, Loumou and Giourga 2009). Crittenden et al. (2011) argue that implementing a market-oriented sustainability strategy is necessary, and it involves first identifying the sustainability issues that are most important for not only for one industry, but for an entire economic sector. The reality of regional issues should also be a part of any consideration of sustainable practices. To complement this research, Sheth, Sethia and Srinivas (2011) presented a framework outlining a customer-centric approach to sustainability. At the center of this theoretical approach is the concept of mindful consumption, which serves as a critical mediating factor in the translation of marketing actions into clear and measurable system-based outcomes.

Although the idea was introduced in the early 1970s and several definitions of sustainable development exist, the most commonly used is unquestionably the one issued by the World Commission on Environment and Development (WCED) in 1987. It defines sustainable development as growth that meets present needs without compromising the ability of future generations to meet their own needs (Payne & Raiborn 2001; Aiking & de Boer 2004; Kates et al. 2005). In 1995, the Earth Council has stated that development must be just, viable and appropriate for the economy, society and the environment. Subsequently, Kilbourne et al. (1997) adapted that definition to the field of consumption. Kilbourne et al (1997) posit that
no matter the role of consumption and related quality of life, development should be duplicated in future generations for an indefinite period of time.

“Sustainability” has become an abstruse and politically charged term, yet it is defined in general as consumption that can continue indefinitely without the degradation of natural, physical, human, and intellectual capital. In 2002, the World Summit on Sustainable Development in South Africa offered a new definition of the concept: sustainable development as a collective responsibility to advance and strengthen the interdependent and mutually reinforcing pillars of societies – economic development, social development and environmental protection – at local, regional, national and global levels (see Kates et al. 2005).

More and more consumers analyze the decisions of firms regarding environmental matters, and these decisions influence the purchase of products (Laroche et al. 2001; Bashkaran et al. 2006). Bashkaran et al. (2006) point out that in the past, several organizations have published statements in relation to their environmental concerns with little to no follow-through, and consumers have consequently become increasingly doubtful regarding such claims (Aiking & de Boer 2004; Bashkaran et al. 2006).

It has been suggested that the adoption of a sustainable development based strategy can potentially respond to consumer demands in terms of good environmental practices adopted by firms, and can create a more positive image of the organization (McEachern & McClean 2002; Carlson et al. 1996; Morris et al. 1995; Reynolds et al. 2009). However, Bashkaran et al. (2006) argue that product prices issued from a marketing channel that respects the principles of sustainable development will be higher, which will bring an additional pressure on demand. Consumers will only accept to pay these higher prices if they believe that the benefits of obtaining a product that respects the environment outweigh the disadvantages (Laroche et al. 2001).

Therefore, it is important to understand that the introduction of products respectful of the environment might not resonate as quickly as might be hoped. The higher price level and consumers’ lack of confidence in organizations’ allegations will likely create a weaker market penetration rate. In order to address these concerns, it is necessary for the marketing channel to clearly demonstrate its claims to consumers during the promotional campaign, as well as to partner with a governmental organization to restore credible consumer confidence (Bashkaran et al. 2006; Lindgreen 2003; McEachern & McClean 2002).

Figure 1

As part of this exploratory study, Figure 1 represents a model which suggests steps for a marketing channel to adopt sustainable development as a strategic focus. The process starts with an openness to adopt a new vision for the sector. A channel member would have an active database of past actions that functions within the present, thereby giving shape to an actor's thoughts, perceptions, and actions. Bourdieu (1977) called this the concept of habitus. Habitus is dispositions and schemas that are implicit behavioral patterns linked to regular duties. This does not imply that these unconscious schemas are undisputable. They can be altered since they may be open channel members’ will to innovate, create and challenge established heuristics. A channel may also be prone to be more open when a channel is predisposed to expand its cultural and social capital (Carolan 2005).
Awareness, on the other hand, influences our way of thinking when defining food systems, and is necessary to accommodate sustainable production systems (Olesen, Groen and Gjerde 2000). Jordan, Bawden and Bergmann (2008) alluded to the notion of epistemic awareness in sustainable development. It highlights the epistemic differences among contrasting views of sustainable agriculture. This could apply to a food system coping with ideological differences linked to sustainable production and processing. This could also include activities which could build awareness regarding sustainable development, inside and outside the marketing channel. Social marketing campaigns are diverse, ranging from ecolabeling to awareness campaigns, some of which include complete boycotts of certain species or products. Awareness campaigns can perhaps be independent of certification and ecolabeling processes. The goals of awareness campaigns are to educate and encourage behaviours which could support sustainable development at varying levels.

Fostering engagement amongst channel members is one of the predominant themes emanating from the adoption process. Participants would describe their deliberate efforts to join a movement based on sustainability as a reflection of their growing concern about access to healthy food and the desire to support sustainable food systems (Finan 2010). Channel engagement foregrounds the complex interrelationships between food production and food consumption, a relationship that occurs within the overarching context of sustainable development in agrifood. The framework suggests that a sustainable food system is one in which channel members and consumers participate directly in the operation and governance of multiple components of the food system in ways that reaches beyond simple market transactions. Participating members of a food system would feel more engaged if they felt that their influence is far reaching, authentic, and would lead to an increased influence of consumption viewpoint (Kloppenburg et al. 2000).

For finding solutions to processes that impede sustainable development in the context of marketing channels, emphasis is given to collaborative, inter- and trans-disciplinary problem-solving approaches. In order to deal with challenges faced by codependent food communities, a collaborative approach is required so a better understanding of systemic constraints and conditions of food communities can be fostered (Ahmad, Soskolne and Ahmed 2012). In the planning process, the need for scanning the environment has been found to influence food systems success (Stewart, May, & Kalia 2008). Research also supports the importance of local community engagement in the strategic planning phase for sustainable success (Nadim and Lussier 2010).

A commitment to implementing strategies for sustainable practices which differentiate organization and the market channel will impact all members in its sphere of influence. During the implementation phase, Neill and Lee (2001) suggest that, even if a value appropriation would occur, caution should be taken in the promotion of specific technologies or practices as panaceas. Trial and error can provide valuable insights into the factors that may condition the success of these and other low-input sustainable agrifood practices. Diversity of ideas is an essential element of sustainability in the implementation phase.

Following the implementation phase, proper monitoring mechanisms are necessary to assess how success of the strategy. Establishing collaboration and commitment across the marketing channel can be intensive and financially consuming, which would make it challenging to sustain for a long period of time. Bhaskaran et al (2006) state that the costs and demands of implementing control and monitoring regimes for sustainable products are often substantially greater than for comparable products that do not make such claims. Monitoring
is critical since it helps to identify opportunities and threats facing the firm and the channel. A marketing opportunity is an area of buyer need and interest in which there is high probability that a firm can profitably satisfy that need. An environmental threat is a challenge posed by an unfavorable trend or development that leads, in absence of defensive marketing action, to deterioration of sales or profits. A clear benchmark should be established that will serve as the foundation for evaluating and monitoring the system’s ability to deliver sustainable goods to markets. Third-party auditing and assessment of the channel is often preferred to facilitate the exposure of malpractices, thereby enhancing transparency as well as empowering channel members (Kagira, Kimani and Githii 2012).

Finally, the last phase to close the continuous loop of the adoption process is feedback. The adoption process cannot be fully efficient without properly communicating how the process is working for the market channel (Vogt and Kaiser 2008). The governance for food and agriculture will further exacerbate inequalities in health, social welfare, and ecological conditions within marketing channels when sustainable practices are implemented (Dantsis, Loumou and Giourga 2009). Without a systemic voice or feedback loop that is greater than the act of marketing or selling, there is no guarantee that the global agrifood system will be structured in ways that are socially and ecologically just (Konefal et al. 2005). Continual sharing of information between members is vital to allow for transparency to be more evident and palpable, so inequalities are immediately recognized and addressed.

Methodology

The paper has its origin in a research literature review, the main aim of which was to analyse the complexity of the pork production sector from a marketing channel perspective. This study was conducted using a qualitative approach in order to understand the relationship between channel members and management practices on sustainability, and the supporting mechanism for the participation of members in a collaborative system. Most of the assessment was designed to measure perceptions on the future of sustainability for the industry as a whole.

For this study, the hog industry located in the Canadian Province of Quebec has been chosen for several reasons. First, the reduction in trade barriers between nations has enhanced global competition, allowing for other countries to emerge as legitimate contenders in the global marketplace. In addition, of late the hog sector in Quebec has had to cope with increasing grain and fuel prices, and a much stronger domestic currency. Due to a shifting macro-economic landscape, the hog sector has been compelled to redefine how it markets pork. Most importantly, however, changes have led consumers to perceive a commodity-based food product in a different light. Therefore, the timing of this study was not trivial. During the month of March 2013, twelve (12) semi-structured individual interviews were conducted amongst marketing managers working for different organizations within the Quebec hog marketing channel. The organizations chosen vary depending on the size, level of integration, and involvement in the industry, to create a sample that adequately represents the industry. For the purpose of this research, three (3) primary producers, one (1) veterinarian, three (3) licenced abattoirs, one (1) food processor, one (1) distributor, one (1) independent retailer and two (2) types of food service facility, one from a franchise system and the other from a high-end restaurant were questioned regarding the current state of the industry, as well as the impact of sustainable development on their strategic plans.
The approach follows the method outlined in Eisenhardt (1989) and Stake (1995) and is consistent with the view expressed in Yin (2003) concerning the importance of choice of typical cases within a given system. Organizations included in this study are certainly typical from a philosophical standpoint, and structure and business operations are representative of the mix to be found within the Quebec hog and pork sector. Therefore, this approach could be to a certain degree generalized with certain methodological reservations.

The data collection and analysis were concurrent. The data was analyzed using the content analysis method. An intensive analysis and careful integration into the examination, interpretation, and comparison of data from both interviews and observations were used to conceptualize the data and identify patterns. By applying the proposed conceptual model, the analysis led to the identification of the categories and the refinement of the components of the categories and the sub-categories for each adoption process phases.

An interview protocol was developed to standardise the questions across the channel. Interviewers enquired about product qualities and attributes that customers are seeking through the Quebec hog marketing channel; the skills, experience and personal attributes required by all members to manage the adoption process of sustainable development, the formal and informal mechanisms that maintain consumer trust in such a promise, and the impact of value adding and consumer-driven marketing on the channel. The interviews took one to two hours to conduct, and were tape-recorded and transcribed. Internal validation was achieved by sending the interview transcripts to the managers in order to verify the accuracy of the information gathered during the meetings. All interviewed members checked and provided comments, which refers to the provision of feedback to the study participants regarding the data, and the researchers’ findings and interpretations was used. Participants confirmed that the core category and sub-categories of data were consistent with their experiences.

Findings

From a practical standpoint, the Canadian hog and pork industry is currently facing strong competition from several fronts: the United States and South America, a population with increasingly sophisticated demands, a strong Canadian dollar and a significant increase in input costs, particularly in respect to oil and corn. To be able to meet this competition, and in order to prosper in an uncertain marketplace, marketing channel believes that it must reduce its production costs, increase product awareness in the domestic market and promote cooperation among industry members.

Although managers demonstrate confidence in the quality of Canadian products, the image of a commodity meat available at low prices appears to interfere with the growth of the sector (see Table 1). Consumers are increasingly concerned about their health and the state of the environment. According to the leaders interviewed, price and quality are still the main decision criteria for purchasing meat, but consumers have added new demands to this list in recent years. Indeed, the table of nutrient values, country of origin, environmentally friendly practices, animal welfare and an interesting offer of ready-to-eat meals have all become hot topics. Our results suggest that consumers today demand more from businesses, but are not necessarily willing to pay an additional amount for such requests.

Table 1
When it comes to sustainable development and the hog industry, the economic and environmental aspects seem to be well understood by members of the industry. On the other hand, the social aspect of sustainability is not mentioned frequently and is often not a part of the leaders’ main concerns. Nevertheless, members of the industry agree that sustainable development affects the Quebec hog value chain, and will remain a topic of interest in the coming years.

Discussion

Current studies seem to suggest that dichotomous relations remain within the marketing channel. Producers expect more support from outside the channel than other members, based on the polity of the channel environment (Alderson 1965; Hingley 2004; Jones et al. 2008). This reality would likely affect many aspects of a channel-wide strategy. Dependency seems to have influenced how they perceive their role in nurturing a strategy based on sustainable development. Producers agreed that transparency is critical for a successful change in terms of how the channel focuses on sustainability, but the level of support for such a change varied between channel members (Leat and Revoredo-Giha 2013). The more directly members’ relationship were to the consumer, the more likely they were to consider transparency as critical to a successful strategy. The motivation to respond to consumer needs also varied in the same manner.

In our analysis, there appeared to be an imbalance of opinion between supply and demand chain management (Charlebois, 2008; Hilletofth 2011). In other words, some members, mostly producer-connected members, were more concerned about supply-driven factors. Members in retailing and in the food service sector, however, seemed to be more concerned about consumer anxieties. These observations were not surprising, as they are consistent with past studies in the field (Balkau and Sonnemann 2010). Low levels of relationalism amongst Members, as described by Black and Peeples (2005), and Paswan, Blankson, and Guzman (2011), were also detected. Given that a product-focused strategy would be preferable when supporting a successful strategy based on sustainability, such an outcome would be desirable. During interviews, we failed to detect any level of channel-wide trust, which is critical for sustainable development in the hog industry (Noteboom 2002; Morrow et al. 2004; Marques, Vieira and Traill 2008). Most members have expressed concerns about time-dependency as well (Svensson 2002).

Implementation of such a strategy seems to depend on available tools used by individual companies to support a sustainable development strategy in the Quebec hog industry. Members taking our survey believed that audits, product specification, certification and other tools may also rely on complementary regulation by governments to give them additional market strength. To some extent, then, the premise that a new strategy with a focus on sustainable development can build strong, formal partnerships within the channel enjoys strong support. However, employing such a strategy would not unproblematic. Most members involved in the survey also believe such a strategy would increase pressures on resource management within the marketing channel. Some have recognized that channel members have more power, and some would wish to control the process, thereby reducing the commitment of other partners (Fearne 1998).

Managerial Implications
The principal point of interest that makes this case worthy of study and of potential application to future business modeling is how sustainability and sustainable development is perceived throughout various marketing channels. The Quebec hog industry faces strong competition from several countries that are able to offer a similar product at a lower cost. The mature market consists of a limited number of producers interested in offering a product on the market at the lowest possible price. With the 2008 economic recession still fresh in the minds of consumers, price awareness has become an ongoing concern. It has created an additional pressure on the marketing channel to increase its efficiency in order to reduce overall production costs.

The current system is focused on distributors who dictate the price level and the nature of the assortment of products offered to consumers. To counteract this obsession with obtaining the lowest price possible, the Quebec hog value chain should move towards value-added activities and product differentiation. This change of direction would relieve pressure from the value chain to constantly reduce production costs.

There are numerous differentiation and value-adding techniques. Since sustainable development is currently an important topic in the agro-food business, it is a potential avenue to consider. As consumers become increasingly concerned about global environmental issues, the hog industry should promote its efforts in sustainable development as soon as possible, if they wish to secure a first-mover advantage in the food industry. Before undertaking this change, it is important for channel members to fully understand the concept’s various angles before advertising it to the general public. The environmental, economic and social aspects must all be present to create a consistent image of the industry. Channel member awareness and education must become a short-term goal for provincial marketing boards.

Once channel members fully understand the intricacies of the concept, the industry will be better equipped to introduce sustainable development to the population. It must promote the advantages of local procurement by focusing on a clear and accurate labelling system, and explain the benefits of purchasing a regional product. Consumers must understand that it is not difficult to buy locally-raised meat products, and that each purchase decision generates a positive impact on the well-being of the local and national industry. By using strategic positioning that highlights the sustainable development efforts of the Quebec hog industry, it is therefore possible to address the environmental concerns of consumers in order to differentiate and enhance the product’s image on the domestic market.

Of course, other types of business organization, or commodity groups may learn from this engaged and trust-based approach towards consumers. This study does not suggest that findings presented are transferrable to other agricultural sectors, but some principles related to sustainable development could be juxtaposed to a certain extent. Without further research in this area, however, we cannot infer any definitive conclusions.

**Limits and future research**

This research is mainly concerned with the Quebec hog industry. External validity has not been achieved with the current research. In addition, a lack of distributor availability to answer the interview questions limits researchers’ capacity to extrapolate results to all retailers. Meetings with other food distributors would be required to verify the accuracy of results. Although this study is exploratory in nature, several appealing research avenues emerge. First, the research focuses primarily on members of the distribution network, but does not
consider the consumers’ point of view. It would be fruitful to study the impact of sustainable development on the perceived product quality by measuring consumers’ intent to purchase. In addition, although this research focuses exclusively on the Quebec market, it would be productive to determine if this research could be applied to another Canadian province or country’s hog industry. Finally, it would be interesting to see if the concept could be used in a non-consumable goods industry. This new research could examine the effects of sustainable development on a product that the consumer does not need to ingest in order to appreciate the benefits.

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Figure 1:
Adoption Process of Sustainable Development within Food Marketing Channels: From Openness to Feedback

Table 1:
Channel-Based Determinants, Phase-Focused Observed Traits
<table>
<thead>
<tr>
<th>Sustainability-</th>
<th>Overarching</th>
<th>Awareness</th>
<th>Engagement</th>
<th>Planning</th>
<th>Implementation</th>
<th>Monitoring</th>
<th>Feedback</th>
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<tr>
<td>Specific, Internally-Focused Observations</td>
<td>Recognizable behavioral patterns (Bourdieu, 1977)</td>
<td>Display of industry-specific understanding and epistemic awareness (Olesen, Green and Gjerde, 2000; Jordan, Bowden and Bergmann, 2008)</td>
<td>Expression of legitimacy and personal beliefs of senior management beyond own role in marketing channel (Bloomsburg et al., 2000; Finan, 2010)</td>
<td>Layout of communication plan to share principles, collaborative, inter- and trans-disciplinary problem-solving approaches (Ahmad, Sokolins and Ahmed, 2012)</td>
<td>- Intent to launch environmental scan (Stewart, May &amp; Kalia, 2008)</td>
<td>- Value appropriation by all channel members (Neill and Lee, 2001)</td>
<td>- Benchmark marketing channel performance with other sector industry (Bhaskaran et al., 2006)</td>
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<td></td>
<td>Predisposed to expand cultural and social capital (Carolan, 2005)</td>
<td>Will to cooperate and trust members (Boron &amp; Murray 2004; Barnes et al., 2005)</td>
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<td>Market need recognition (Sheh, Senthia and Sirivivas, 2011)</td>
<td>Ability to understand new marketing trends and context related to sustainability (Ahmad, Sokolins and Ahmed, 2012)</td>
<td>Looking for methods to better communicate with other channel members and monitor industry (Noteboom, 2002; Morrow et al., 2004).</td>
<td></td>
<td>Will to assess markets and respond to consumer demands in terms of good environmental practices (McEachern and McClain 2002; Carlson et al. 1996; Morris et al. 1995; Reynolds et al. 2009)</td>
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<td></td>
<td>- Active market-based analysis (Crittenden et al., 2011)</td>
<td>- Ability to understand new marketing trends and context related to sustainability (Ahmad, Sokolins and Ahmed, 2012)</td>
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<td>Relevant Actions Detected</td>
<td>Build partnerships with common agendas in marketing channel</td>
<td>Plan to audit and to support other channel members</td>
<td>- Define work team among channel members and other stakeholders to be embraced by mission statements, values and business plans of the value chain</td>
<td>- Conduct cost benefit analysis - Define specific objectives for channel - Establish performance indicator (KPIs) for channel - Set accountability benchmarks and roles of each member</td>
<td>Communicate to all channel members regularly with the support of governance structure</td>
<td>Plan data collection and synthesis - Design KPIs assessment - Organize regular meetings amongst channel leaders - Provide information to marketing channel - Will to readjust objectives and actions accordingly - Communicate results and reporting so make data readily</td>
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<td>- Build partnerships with common agendas in marketing channel</td>
<td>- Establishment of timetables and objectives for sustainable development strategy</td>
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<td>- Plan to audit and to support other channel members</td>
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Differences in Sustainable Tourism Communication on Social Media within a Cross-Cultural Context

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Sonja Prentović, University Lyon 2, COACTIS - Research Center in Management, Lyon, France

Sustainable tourism communication on social media is an important issue in today’s Western consumer societies. Although marketers and stakeholders focus on the promotion of responsible tourism practices, the communication policy on sustainability and engaged consumer behaviour differs among tourism markets and cultures. Present academic works in marketing, consumer research and tourism have shown less attention to sustainable tourism discourse in on-line tourism videos posted on video-sharing websites in a cross-cultural context. This research aims to explore the differences in tourism professionals’ communication policy towards sustainable tourism through video content shared on social media. This comparative study tends to discuss how the online communication policy varies among tourism markets according to three European cultural contexts: UK, France and Serbia. The applied visual method revealed two main approaches related to sustainable tourism communication on social media: (1) environment-oriented and (2) community-oriented.

The academic community has become concerned with sustainable tourism in the last two decades, especially since the release of Brundtland report by the World Commission on Environment and Development in 1987 and the adoption of the Agenda 21 on The Rio Summit in 1992. Even though the environmental issue has been dominant in sustainability, the research on sustainable tourism has been also concerned with the economic and socio-cultural impacts of tourism on local community and environment. Current academic works in tourism refer to the complexity of sustainable tourism and the varied explanations (Higgins-Desbiolles 2010; Swarbrook 1999) resulting in different definitions and policies (Baumgartner 2012). The organisations at global (World Tourism Organization - UNWTO) as well as at European level (European Commission) providing a comprehensive framework for sustainable tourism organization and management approach its definition in the same way. Researchers have discussed sustainable tourism within different geographical settings (tourism destinations) in developed and developing countries. Therefore, the managerial issue and related marketing policy should be taken into account in sustainable tourism development (Swarbook, 1999). The sustainable tourism communication policy is worthy of consideration in case of single tourism destination and different socio-cultural contexts. This has been related to emerging global consumption trends such as responsible and engaged consumers (Goodwin and Francis 2003; Lee, Jan, and Yan 2013) who are active users of digital media, especially video-sharing content on social media. The examples of sustainable tourism initiatives refer to varied approach linked to the communication policy such as highlighting the environment (France and UK) and the sustainable means of transportation (the case of the UK and Britain tourism agency - VisitBritain) or underling the involvement of local communities in tourism (the case of Serbia and MGD Achievement Fund and Serbian Government). Consumer and tourism researchers have shown their interests in analysing video content shared on-line as they are strongly related to consumers’ daily lives (Campbell et al. 2011). Recent works in tourism have been focused on how these video contents mediate tourist ex-
Researches on sustainable tourism have been focused on the problems of certain destinations and their sustainable tourism development. These works either from marketing and consumer research or tourism perspective have paid less attention to sustainable tourism communication through video content posted on social media through a cross-cultural approach. Indeed, socio-cultural contexts and their national tourism markets should be seen and analysed as influencing factors over sustainable tourism communication. This research aims to explore how sustainable tourism discourse on video media varies among tourism markets in the European context (UK, France and Serbia). The countries are chosen according to the researchers’ relationships with the three contexts and the variety of tourism markets within a wider European framework for sustainable tourism combining leading (UK and France) and developing (Serbia) tourism destinations. The visual method (Belk and Kozinets 2005), rarely applied in tourism research (Rakić and Chambers 2012), has been used in this study to analyse the video content in the three countries. A trilingual research involving three languages - “sustainable tourism UK” (English), “tourisme durable France” (French) and “održivi turizam Srbija” (Serbian) - has been conducted on official online tourism ads (NTOs, organisations, tourism industry) from UK, France, and Serbia that are available on three video sharing websites (YouTube, Vimeo, Dailymotion). Fifteen videos on sustainable tourism have been analysed choosing five representative videos per country. Visual data were analysed by applying intra- and inter-textual analysis based on the framework previously adapted for sustainable tourism. The data analysis have been organized according to the following categories: 1) describing the dominant issues of online sustainable tourism content, 2) providing critical analysis of sustainable tourism discourses (Caruana, Crane, and Fitchett 2008) relating to each tourism market and established tourism policies, 3) discussing the communicated responsible tourist behaviour in each context in order of enabling its further research on these marketplaces and 4) discussing sustainable tourism discourse on social media in terms of the role of tourism professionals.

The results of this research delineate sustainable tourism online communication that varies among the three countries and is influenced by their socio-cultural contexts. The online tourism video contents on social media are influenced by applied tourism policies and shaped by the national tourism marketplaces. The results show that UK and French online sustainable tourism discourse dispose of similarities, while Serbian discourse is quite different. Unlike Serbian videos being related to tourism product promotion, UK and French context dispose of tourism commercials with a tourist-centric approach.

The visual method helped us recognising two main approaches to online sustainable tourism communication on social media: (1) environment-oriented and (2) community-oriented. The first approach, applied in UK and French videos, focuses on environmental issues of sustainable tourism. These tourism videos emphasize nature-based destinations from different geographic settings such as mountains, rivers, lakes and seaside, but urban and rural ones are not neglected. The experiences of the nature through eco-friendly outdoor activities and of the rural and urban settings both provided through the small groups’ visits. The sustainable means of transport are highlighted in UK tourism videos, while French ones are more focused on social contacts between tourists and local people. The second approach, applied in Serbian videos, underlines the dominant socio-cultural issues of sustainable tourism focusing on the impacts of tourism development on the local community. These videos are focused on rural landscapes, the use of local culture (music, dances, food, etc.) and the
involvement of local producers/craftsmen in order to ensure tourism development and socio-economic benefit for the community. However, environmental concerns such as preserved nature (mountain and hilly landscapes, woods, rivers) are not neglected in the Serbian context. The differences among online sustainable tourism discourses are shaped by (1) the level of tourism marketplace characteristics and development, (2) the governments’ initiatives in tourism (e.g. environment protection (UK and France), use of train as alternative means of transport (UK), use of agricultural and local tourism products (Serbia), rural tourism (Serbia), etc.) and (3) by specific characteristics of tourism offer as social contacts between tourists and local people (France), etc. The UK and France sustainable tourism discourses, as tourist-centric, recognize and induce directly responsible tourist behaviour thought activities and experiences in comparison to Serbian discourse paying less attention to communicate sustainable tourism related offer through tourists’ experiences. This research tends to contribute to the research on sustainable tourism promotion having been insufficiently explored through the social media use, and to the public policy in promotion sustainable tourism values and offers in different cultures and related tourism market spaces. Further research on this topic should focus more on the differences in the communication policy of different stakeholders (travel agencies, hotels, local tourist organisations, etc.) on sustainable tourism and the way tourist behaves responsibly in each cultural context.

References


The Poor Consumer Facing Sustainable Development Stakes in Mali
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This study introduces the results of an inquiry led for three months on poor consumers, NGO and institutions on the issues of sustainable development in Mali. It offers an overview on consumption habits of poor consumers and gives lighting on modes of action of NGOs and institutions in their struggle against poverty. The results show that the intersector partnerships bring concrete answers to the needs of the poorest populations in Mali.

Since drastic financial events of 2008, many analyses highlight the important social decline in Europe and in North America. Unemployment rates increase, bankruptcies of the persons and household, company closures, increase in prices of raw materials and of products of consumption, call the poverty on the agenda in the media and governments. This crisis that has severely hit countries in North America and Europe also had a huge impact on the increase of poverty in sub-Saharan Africa including Mali. In 2011, according to the World Bank, the crisis has laid millions of people into poverty and hunger. The sudden tightening of credit and the slowdown in growth has probably reduced government revenues and the ability to invest to achieve the goals of education, health and gender equality. Thus, a study of the African Development Bank (ADB) in 2013 shows that the poverty rate increased from 41.7% in 2011 to 42.7% in 2012 due to triple food crisis, political and security. The extent of poverty, led governments, non-governmental organizations, but especially businesses, for which the poor represents a potential market to seriously address this issue.

Poverty, whether objective or subjective, begins to generate interest in marketing. Poverty is a complex and a multidimensional concept. The existence of approaches to social exclusion in developed countries, those related to human poverty and those by guilt in developing countries show that poverty can no longer be regarded as a mere lack of monetary resources; this is what defines the multidimensional phenomenon. Even if the different definitions given to the poverty concept are articulated around an objective conception (observation estimated around income) and subjective (living conditions), other ways to define poverty exist, and do not consists in studying living conditions or the level of income of a household or a person, but in the analysis of links between the poor and the rest of the society. According to this constructivist approach: the poor people are what society says as poor. In his book “The Poor”, Georges Simmel was the first one to propose this relational definition of the poverty. For Simmel the poor is described as a person receiving social assistance; so poverty sociology is linked to social programs and the “welfare state”. The recent works of (Duvoux 2009) in France and those of (Paugam 2005) follow the same logic, since they are interested in social security beneficiaries. In 2005, Paugam offers a typology of poverty contemporary
forms, namely the integrated poverty (generational and associated with a specific group) and objective poverty (part of the population in extreme poverty that disqualifies (concerning person living on the margins of consumer society. In its historical evolution, the notion of the poverty was very often conceptualized around notion of “poverty culture” (Lewis 1959). Lewis defined the concept of "poverty culture" as a group of norms and attitudes that have the effect of locking up individuals in what, at the origin was formed in response of unfavourable external circumstances and perpetuated by transmitting from generation to generation (Duvoux 2010). Although poverty has been subject of numerous debates especially in the academic world, many theoretical approaches also emerged in the fight against extreme poverty that affects billions of people worldwide.

The increase in the number of poor people in the world has led companies to focus more on this market. In the field of marketing, two main approaches have emerged since 2000 in order to fight against poverty, the bottom of pyramid (BoP) and the Transformative Consumer Research (TCR)” approach. If both approaches brought identical findings on poor consumer (individual vulnerability), the solutions they propose are different (Gorge and Özçağlar-Toulouse 2013). “Bottom of the Pyramid” embodies the four billion people living in extreme poverty at the base of the global pyramid; more than half of humanity lives with few dollars a day and does not consume much (Ethicity 2012). The BoP approach comes from the work of Prahalad and Hart in 2002; it draws the conclusion that poor people represent a significant potential market that company must engage with this population in the fight against inequality by creating market. In this approach, Prahalad (2004) designs the poor as enterprising people whom can implement projects to overcome poverty and integrate the market. Firms are therefore in the middle of this reflexion (Arnould and Mohr 2005; Weidner, Rosa and Viswanathan 2010), because they have to create resources from the bottom of the pyramid. This approach called “BoP 1.0” has been a subject of several critics. These authors especially criticized his unethical character because it does not consider the real needs of consumers (Karamchandani, Kubzansky and Lalwani 2011; Weidner, Rosa and Viswanathan 2010).

These interrogations related to “BOP 1.0” led Hart (2008) to revisit the first approach by proposing the “BOP 2.0”. BOP revisited convinces however more, focusing on the integration of beneficiaries in the value chain: in-depth dialogue with poor consumers, radical innovation approaches to co-creation of markets with local communities including through Non-Governmental Organizations (NGOs). “BOP 2.0” encouraged the cooperation between the different stakeholders. BoP becomes the ultimate step of the social responsibility of firms. According to Hart (2008) one of the big challenges of BoP is “Green Leap”.

The objective of BoP is to be accessible to the biggest number of people, to people coming out of frugality, and to allow too many persons as possible to consume more, and better. The idea of sustainability is therefore the great unknown of the BoP (Ethicity 2012). Stuart Hart believes that the key to “green leap” is in technology. Due to human impact, all existing systems of the planet are already in decline and this impact does not seem ready to fade between exponential increase of the world population and policies against poverty (including BoP), which aim to grow wealth and therefore consumption. Without the “green leap”, the system is unsustainable. Its only adjustment variable is changing production technologies and recycling. According to Hart, the only way to achieve “green leap” would come especially from a capacity to invent business models around technology. This idea is developed by (Albert and Werhane 2014). These authors believe that technology is essential to
support many people in achieving a better life; it is therefore critical to efforts to strengthen the capacity of the planet.

Along with "BoP 1.0" another approach that converges with “BoP 2” emerges, the Transformative Consumer Research (TCR). The TCR approach arises from the works of Mick in 2006. This approach is based on the will of a growing number of researchers on the well-being of consumers (Mick et al 2011). TCR is based on the observation that poverty is linked to the system of the markets of goods and services. The idea developed in the TCR is that companies have to act as stakeholders with the poor people and have to revise their objectives to achieve the well-being of the consumer, a priority. It must be an actor among many others (Gorge and Özçağlar-Toulouse 2013). In their recent book entitled “Global Poverty Alleviation: a Case Book”, Albert and Werhane (2014) develop the thesis that “moral imagination, systems thinking, and deep dialogue were important ingredients for addressing poverty alleviation” (p.16). The author’s reply is that “Moral imagination involves understanding the context of a situation, looking beyond one’s preconceived biases and assumptions, imagining and care-fully evaluating new possibilities and then acting”. This reasoning joins the ideas developed in the “BoP 2.0” as well as in the TCR approach.

In this study, we approach the case of Mali, a country where a great majority of the population lives with less than 2 dollars a day. It can thus constitute an appreciated ground, in particular for the firms that wish to dash into the “poverty business”. The object of this study is to understand the consumption habits of poor people in Mali and to analyze the intervention policies of NGOs and institutions with this population to estimate their efficiency. In order to answer our research question, the methodology followed two steps. In the first phase, we conducted a qualitative study based on in-depth interviews (McCraken 1988) with poor consumers who live under the poverty line of the UNO which means 1 dollar a day. For the recruitment of the respondents, we used our personal contacts in rural areas who put us in connection with people living in difficult conditions. In fact, according to the data from UNICEF in 2012, 57.6% of people living below the poverty line are in rural areas and 25.5% in urban areas. The interviews were conducted with twelve men (small farmers), and eight women (among whom six housewives and two coming just to integrate a feminine association of microcredit) aged between 28 and 60 years old in their home. The second phase of our empirical study consisted in leading an investigation with the persons in charge of NGOs and institutions (government representative in our zones of investigation). We contacted twelve responsibles of NGOs and five institutions. NGOs were selected according to the relevance of their politics (policy) of struggle against poverty and their partnerships with the bodies granting microcredits to the poor people. All NGOs selected had a direct or indirect connection with companies offering products or services for disadvantaged populations. The methodological approach adopted was semi directive based on face to face interviews with our informants. The interviews lasted 45 minutes to 60 minutes and had for objective to estimate programs of help and raising sensitization of the actors such as NGO, firms, institutions to bring poor consumers to sustainable and responsible consumption practices. The interviews have been registered then transcribed entirely on IT support system in order to make a textual analysis by means of the software Sphinx Lexica (Thiery-Seror 2000).

Our study on poor consumers shows that consumer habits are confidentially connected to their financial situations. According our informant’s narratives, most declare to choose their products only on the basis of their price. The majority of them declare spending their budget mainly in food. The males interviewed being small farmers, find very high the
cost of food products sold in markets. This follows the analysis made by Altwitt and Donley (2010). These authors define the poor as people in situation of big disadvantage in terms of consumption, not only compared to the other consumers, because not only their resources are low, but also they pay a higher price that the others to access to the marketplace (Caplovitz 1968). Indeed, the poor people lives generally in distant places and are obliged to take transportation to reach the points of sale “discount” (Talukdar 2008). The people we interviewed mentioned that they have never been to school, and their lack of skills regarding home economics brings them to an expensive consumption. They do not have economic resources, cultural, or intellectuals that an average consumer naturally has to understand and benefit at best from laws of the consumption (Lazarus 2006; Hill 1991). In this study, we were interested in two categories of women: the housewives and active women who work. The first category has no professional activity, take care of house, and manage to make their living and feed their family. To have a little money, some of them, developed skills as the transformation of the walnuts of shea-tree in shea butter. They declare making it with what is at hand. They assert that the sale of these products brings back to them 50 to 100 FCFA, (1 euro = 655 FCFA) a day, just of what, to feed the family. The second category is composed of women who are members of microcredit associations. They are in a situation of extreme poverty and saw their improved living conditions since they work in such an association. They spend half of their budgets on food and they manage the rest of their resources to save, serve thereafter for their little pleasures, and for the educational expenses of their children.

The results of the second part of this study show that NGOs surveyed believe that the best way to fight against poverty is through cross-sector and intersectorial partnerships. The intersectorial partnerships bring concrete answers to the needs for the poorest populations. The examples are many and enthrusting. In Mali, nearly a child on five does not reach the age of 5 years further to minor illnesses such as diarrheic, malaria or the pneumonia and the consequences are aggravated by the malnutrition (Ministry of Health of Mali 2013). Though, the country has a network of structures of health of closeness which mesh all the territory and possess skills and sufficient resources to take care of these children. In this regard, the association “Pesinet” enjoys a partnership with the Ministry of Health of Mali, which helps to create a bond of trust between communities and public health structures, by proposing in particular a regular medical follow-up thanks to house calls and to the data transmission to the doctors by telephone (or computing via Internet), as well as a health insurance at a reduced price. This is the proof that the development of communication technologies and Internet can be an effective way to fight against the poverty (Hart 2008), with the close collaboration between firms and various stakeholders, because the firm by making a commitment in an initiative of responsibility allows to transform the constraint into opportunity (Palt 2010; Hart 2008).

Furthermore, our research highlighted the fact that in the context of their actions against poverty in Mali, NGOs and institutions concentrated their efforts mainly on women, in particular through the creation of microcredit associations to encourage the feminine entrepreneurship because the people we interviewed believed that the improvement of family life does necessarily involve women. As mentioned in the quote by one NGO representative “these ladies are involved in all our programs and they follow the rule the instructions which we give them regarding sanitation, education child health, they help us more than men….”. Our results suggest that two alternatives might be relevant for NGOs and institutions in their political against poverty. The first one can be to incite the poor people to buy and to consume local products that is “Buy in “(Albertand Werhane on 2014). In their partnership, NGOs, institutions and companies must enhance shared value especially by making these products
accessible to all including to the poorest. The second will be to propose poor consumers educational training programs to help them to develop their skills (Albert and Werhane on 2014; Georges and Özçaglar-Toulouse 2013). In front of the scale of the economic, social and environmental challenges, governments and international organizations are not the only ones involved. NGOs, local communities, civil society, but also companies must undertake actions in favour of sustainable development and a more responsible economy. To accelerate the progress in the fight against poverty, the involvement of all these parties and their energies is essential. It is also important to ensure that these actors will work together in the most coherent manner possible, taking advantage of complementarities and the added value of each. The next stage of this research will be to question firms about their intervention policies towards poor people to estimate their efficiency. It will be also interesting to study in depth the various partnerships between firms and NGOs as sponsorship, product sharing, etc.

**References**


Appendices

Appendix A: extract of questions asked to poor consumers

What are the criteria determining in your choices of consumption?

According to you, what roles and institutions play in the improvement of your way of living?

do you Maintain actions(shares) to go out of the poverty?

do you Have particular skills?

What do you think of the education of the children?

What do you think of the development of the means of communication as the telephony?

According to you what are the various action items to improve your way of living?
Appendix B: Extracts of questions asked to NGO

How could you summarize your mission in your zones of intervention?

Can you tell us about the state of the poverty and its evolution since the beginning of your mission?

Do have you a particular goal for your mission?

What are your various fields of intervention?

Can you summarize us, your role in the environmental protection, economic development and struggle against poverty?

What relations do you maintain with the companies which propose the products and services for the poor?

What are your relations with institutions?

According to you, what are the ways to fight effectively against the extreme poverty?
Emergence of Sustainable Markets: Interactions among Different Actors of the Fashion System

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There has been increasing awareness of the impact of fashion consumption and production on both people and the environment. Movements both on the producer and consumer side highlight the growing interest in a more sustainable fashion system. It is important to examine interactions among markets and society to produce more sustainable markets that consider human welfare, quality-of-life, and environmental sustainability. The purpose of this study is to understand how sustainable markets emerge within the context of fashion system. A market system dynamics approach is used to explore the driving actors behind emergence of a sustainable fashion market and their roles in this market formation. Ethnography, with emphasis on participant observation and interaction, is being used as a research method. Both slow fashion and fast fashion actor networks are studied as context and different actors of the fashion system are included in the study to provide a more comprehensive perspective of market formation. Our preliminary findings show that the emergence of a sustainable fashion market is driven by criticisms and consequences of fast fashion and market change is more likely to occur with involvement and support of different actors.

Historically and theoretically fashion has referred particularly to clothing and personal adornment, which have been recognized as effective tools for constructing one’s desired appearance (Davis 1992). At the end of the 18th century, two critical events changed the production and consumption of clothing items. Democracy removed social hierarchy and class distinctions, so people have become free to dress as they pleased. Moreover, the opening of the first factories in the 1810’s and mass production enabled the production of attractive cheap clothing (Scott 2005). By the 2nd half of the 20th century, mass-produced, ready-to-wear clothing started to become available to everyone (Wilson 2003). Consumption of the textiles increased as a result of wider variety of goods at low prices, higher disposable incomes, and fewer social restrictions (Scott 2005). Clothing, which was once regarded as a higher-priced good that is made to last for a long time, to be mended and altered, and to be chosen carefully, has become a disposable item, with little attention being paid to its quality and craftsmanship (Cline 2012).

There are negative economic, societal and environmental consequences of this permanent and ubiquitous fashion consumption (Biehl-Missal 2013). The fashion industry, especially clothing production and consumption, has been criticized for the exploitation of both consumers and workers, damaging the ecosystem and the environment, contributing to depletion of natural resources, and increasing textile waste (Wilson 1985; McRobbie 1997; Beard 2008; Fletcher 2008; Morgan and Birtwistle 2009). The unsustainable conditions of production and their social and ecological consequences are often over shadowed by advertising and “must have” styles in fashion industry (Cline 2012). Fast fashion retailers exploit and fulfill this desire to buy new clothes by constantly providing new offerings, by rapid change, and by
enabling immediate gratification of continually evolving temporary identities (Joy et al. 2012).

Over the last thirty years, there has been growing awareness of the impact of fashion consumption and production on both people and the environment (Beard 2008), and there have been calls to re-design the current unsustainable fashion practice (Fletcher 2007; Clark 2008; Cataldi et al. 2010). Movements both on the producer and consumer side highlight the growing interest in a more sustainable fashion system. Even in the field of fashion, whose key feature is rapid and continual changing of styles to create product obsolescence (Dardis 1974; Wilson 1985), sustainability ideals and efforts can be encouraged by marketplace actors. It is important to examine interactions among markets and society to produce more sustainable markets that consider human welfare, quality-of-life, and environmental sustainability. The purpose of this study is to understand how sustainable markets emerge within the context of fashion system. Rather than pursuing a dichotomous view of emergence of markets -through consumer practice or through institutional structures – a market system dynamics approach is used, as the study of market system dynamics and actor-network theory help us to understand the influence of multiple actors on the dynamic behavior of markets as social systems (Giesler 2003).

According to actor-network theory, a market can be conceptualized as an actor-network, which is constantly emergent in the relations among actors and the translations (Martin and Schouten 2014). We aim to explore the driving actors behind emergence of a sustainable fashion market and their roles in this market formation; the dynamics that mobilize actors to seek market change; the conditions in which the fast fashion actor-network is subject to major translations; and the motivations, barriers, and conflicts that affect the desired change. Furthermore, earlier approaches to Market System Dynamics often talk about one actor network and how they mobilize. We aim to contribute to Market System Dynamics literature and actor network theory by having a more macro perspective through questioning how actor networks are a spinoff of existing actor networks.

In analyzing this market system and emergence of new markets, both slow fashion and fast fashion actor networks are studied as context and different actors of the fashion system are included in the study. Ethnography, with emphasis on participant observation and interaction, is being used as a research method. Extended participation by one of the researchers, who works in fast fashion industry, helps to examine relations among different actors and their roles, practices, and discourses in creation of a sustainable fashion movement. Interviews are being carried out with different actors, especially on the institutional side. Secondary data such as news, blogs, and various online sources on sustainability and slow fashion movement are also being used to support the findings.

Former models of market development are based on the relative importance of firms versus consumers (Martin and Schouten 2014). Most of the recent studies have examined consumers’ role in market formation (i.e. Thompson and Coskuner-Balli 2007; Giesler 2008; Sandikci and Ger 2010; Martin and Schouten 2014). In most of these studies, consumers resist prevailing market logics and refuse to contribute to the profits of mainstream marketers, which Scaraboto and Fischer (2013) define as large, high-profile corporations with strong
name brands. Resistance to prevailing market logics is not a prerequisite for market emergence (Martin and Schouten 2014). Scaraboto and Fischer (2013) study “frustrated fatshionistas” who seek to expand, not reject the logics of an existing market in order to fulfill their desires to wear designer clothing. Martin and Schouten’s (2014) study of new market formation within the motorcycle industry, develops a model of consumption-driven market emergence in harmony with existing market offerings.

The creation of new markets is a complex process. It is not only firm or consumer-driven. New markets can emerge through the collaborative efforts of consumer evangelists and entrepreneurial actors (Thompson and Coskuner-Balli 2007). It is a cultural, political, and social process, acknowledging the importance of different stakeholders (Humphreys 2010). Therefore, we aim to provide a more comprehensive perspective of market formation and benefit from institutional theory to understand how different actors within the field of fashion contribute to the market change. Our preliminary findings show that the emergence of slow fashion market is driven by criticisms and consequences of fast fashion. Conflicts within existing fast fashion actor-network and critiques emerging from it, lead to emergence of a new actor network creating a new market. The new market has emerged from and exists along the existing fast fashion market.

It is still not clear whether the slow fashion movement will eventually challenge the global dominance of fast fashion system, as there are considerable barriers to mobilization of a sustainable fashion system. We do not intend to answer whether slow fashion actor-network will replace fast fashion. Our focus is to give a theoretical explanation of how new markets emerge, evolve and change over time. Change is beginning to happen at both institutional and consumer levels. However, emergence of slow fashion is not initiated by consumer effort. It results from market system dynamics, criticisms and consequences of fast fashion. Market change dynamics is more likely to occur with involvement and support of different actors. (McRobbie 1997; Cataldi et al. 2010), as market creation requires collective action of and investment from several types of interested actors, including consumers (Struben and Lee 2012).

References


Simplifying Sustainably during a Crisis
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Introduction

Consumption is a key component of consumer research and research in the broad area of sustainable consumption has been on-going for many years (Kilbourne, 1998; Kilbourne, McDonagh and Prothero, 1997), but unsustainable consumption practices continue to thrive in the developed world. Prior research has been conducted that attempts to characterize and define the green and sustainable consumer but little attention has been paid to understanding the motivations and behaviours of those choosing to reduce their levels of consumption (Prothero et al 2011).

The primary purpose of this paper is to explore the experience of reduced consumption, as an expression of a lifestyle choice known as voluntary simplicity, under the backdrop of a global financial crisis. Voluntary simplicity is a movement that has emerged as a reaction against what is perceived to be excessive and unsustainable consumption in modern society, and has gained some attention in the literature (Rudmin and Kilbourne, 1996; Shaw and Newholm, 2002; Zavestoski, 2002; Craig-Lees and Hill, 2002; Doherty and Etzioni, 2003; Etzioni, 2004; Cherrier, 2008). Some individuals are rejecting or severely limiting their consumption activities in an attempt to escape the market (Craig-Lees and Hill, 2002; Doherty and Etzioni, 2003; Etzioni, 2004), with the hope of emancipating themselves from the constraints of consumption and the homogenising effects of markets (Arnould, 2007; Kozinets, 2002), at a time when the role of markets in everyday life is significant (Arnould, 2007; Baudrillard, 1998; de Certeau, 1984).

From the mid 1990’s to 2008, the Irish economy experienced an unprecedented boom known globally as the Celtic Tiger. Then, a cataclysmic global recession hit and in September 2008, Ireland became the first economy of the Eurozone to enter recession (Regan et al., 2009). The economy imploded and Ireland and its people were heavily impacted by this crisis. They went from a nation of revellers to a debt-ridden people in a very short space of time. This is the context in which the research study took place. The aim was to explore the impact intentional non-consumption has on consumer practices, and the resulting consumption experiences and meanings attached to the actions of participants, and how this process can be described and analysed in the context of the voluntary simplicity literature. The study explores the effects and consequences of limiting consumption, for a period of time on a number of research participants. The author is striving to explore participants’ thoughts, feelings and beliefs regarding the denial of their consumerist desires, and considering this in relation to sustainability and the voluntary simplicity literature.

Method

Eight participants (including one of the researchers), from Dublin, Ireland were recruited for this research. They agreed to engage in intentional non-consumption, by only buying what they considered to be necessities for the duration of the study (two months to one year. Recognising that simplifying is contextual (Andrews, 1997), each participant defined
her own parameters with regard to what she would deem necessary. Participants were asked to limit their expenditure on material goods to only what was essential to them.

The research consisted of a number of in-depth, unstructured, phenomenological interviews and autoethnographic journal entries. The purpose of the interviews was to allow the researcher to gain an in-depth understanding of another person’s experiences. This is also a key feature of autoethnography, which was used by the author to understand her own experiences. In this way, the methodologies complimented one another (Ballard, 2009).

Findings

The analysis revealed that participants experienced both positive and negative aspects of voluntary simplicity and consequently produced two primary themes:

The Feel Good Simplifier: Some features of the process engendered a feel-good factor among the participants as they successfully navigated through a lifestyle of downshifting. In addition, some became more creative in their methods of acquiring items they wanted, while circumventing traditional consumption institutions.

The Anxious Simplifier: Conversely, some elements of the process triggered a sense of anxiety and unease among the participants. In particular, the area of self-concept and body image came under scrutiny as the women attempted to cope with reduced consumption regarding their hair, weight management and beauty routines.

Conclusions

The conclusions highlight that although voluntary simplicity is associated with a belief that reducing and maintaining a low level of consumption and eliminating superfluous possessions and activities should enable a person to live a less stressful life, reduce anxiety and exist in a state of happiness (Elgin & Mitchell, 2003; Johnston, 2003), some participants found their self-concept challenged and some felt the impression they were presenting to the outside world was under threat.

The participants in this study then contravene some of the core tenets of voluntary simplicity, in that the reduction of consumption and associated activities in some situations caused more anxiety and not less. This has interesting implications for sustainability because encouraging people to consume less may not be an effective means for promoting more sustainable consumption (Connolly & Prothero, 2008).

Results also run contrary to the writings of the most influential critics of consumer culture. Each of these examples serves to show how not being able to consume left the participants feeling uneasy. Belk (1985) and Richins and Dawson (1992) describe this as asceticism – self-denial of sources of satisfaction – that can lead to negative consequences. In addition, Elgin (1981) suggests that voluntary simplicity is not about denying oneself but about living more consciously. Participants were certainly more considered with their expenditure and purchases, but simultaneously experienced feelings of denial and unease, which is not the purpose of voluntary simplicity, as currently defined in the literature.

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Disney as Environmental Steward? That’s Just Goofy: A Critical Examination of the Relationship Between Magic, Sustainability and Corporate Practice

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Against the backdrop of cultural imperialism and global paradigms of sustainability, this research critically examines core messages about consumption and sustainability as they relate to representations of magic in Disney’s green messaging. The Walt Disney Company, one of the largest media conglomerates in the world, is uniquely poised to export messages of sustainability globally. Through an Althusserian symptomatic reading of Disney corporate and promotional materials, we argue that Disney’s marketing strategies rely on (corporately engineered) magic to commodify the natural environment, intensify fetishism, and obscure Disney’s significant contribution to environmental degradation. Magic, crafted in this way through marketing practices, obscures the myriad troubles facing contemporary global society, including the challenge of “green consumption,” and thus serves to reconcile the paradox of consumption and sustainability for consumers.

“Re-Imagineering” Sustainability: Disney as Environmental Steward

In 2009, Disney announced an ambitious program to reduce their global environmental footprint, including a long-term goal of zero net direct greenhouse gas emissions. Setting a 2006 baseline, these goals included 50% reduction of emissions by 2012. Yet while the corporation reported its achievement of this 2012 goal through its purchase of “carbon offsets,” Disney’s environmental footprint actually increased significantly with the introduction of two new cruise ships—the Disney Dream (which alone increased the company’s total emissions by 15%), and the Disney Fantasy (The Walt Disney Company Citizenship Targets 2012, p. 8; The Walt Disney Company, “Performance: Environmental Stewardship,” 2013). More recently, Disney has re-introduced—or “re-imagined”—the Disney Magic cruise ship, originally built in 1998 (the Disney Wonder, which entered service in 1999, is the other ship in their fleet of four). Disney’s rhetoric belies their practices, a contradiction underscored by the fact that the Disney brand pivots on consumer investment in Disney “magic” as it is communicated in its advertising and corporate messaging and disseminated through its synergistic network of media outlets.

Magic, it seems, is at the heart of Disney’s discourses about its role as a responsible corporate citizen: a study by the Reputation Institute (2013) ranks The Walt Disney Company with the highest public perception as a corporate citizen for its support of good causes and its protection of the environment (see also Smith 2013). Yet as Kasper Ulf Nielsen, executive partner of the Reputation Institute suggests of Disney’s enviable reputation, “The question to ask is, how much of that perception is based on action from The Walt Disney Company versus the positive effect from its magic universe of characters? It’s hard to imagine Mickey Mouse not supporting good causes, and Lightning McQueen not having a fuel efficient engine” (Smith 2013, p. 3).
In this paper, we respond to broad scholarly recognition that Disney, a powerful monopoly and purveyor of American culture, should be subject to sustained critical examination of its economic and cultural practices. Specifically, Brockus (2004, p. 210) argues, “As a powerful media conglomerate with profound cultural linkages, Disney must be subject to sustained public critique and sharp focus on its profit-driven nature. The company’s role in production should be neither marginalized nor minimized by the desire of the American public to exist in a world ‘where magic lives’.”

This research examines the critical nexus of magic and sustainability through the lens of Disney’s green messaging. We argue that the “magic” of Disney’s brand provides a critical site of examination to address market discourses of sustainability in the context of the “power and the prevailing political economy in which we exist” (Prothero and Fitchett 2000, p. 53). Against the backdrop of cultural imperialism and global paradigms of sustainability, this research critically examines core messages about consumption and sustainability as they relate to representations of magic through the lens of a symptomatic reading as defined by Althusser and Balibar (2009). Specifically, we perform a “double reading” on two key Disney texts, including: 1) website marketing materials for its four cruise ships and 2) the company’s Corporate Social Responsibility Reports, Citizenship Target Reports, and Citizenship Performance Summary Reports. Analysis of the Disney cruise line material includes the marketing videos, commercials, and slide shows associated with the promotion of Disney’s fleet, with particular focus on the Disney Dream and Disney Fantasy. Assessment of the Disney reports includes those produced from 2009 (when Disney first defined its sustainability goals) to 2013. As part of the double reading defined by Althusser and Balibar (2009), the texts are first examined for their manifest message, including the way in which the concept of magic is woven into representations of nature; the second, “symptomatic” reading elucidates the latent meaning behind those representations to understand the ideological implications relating to magic, consumption, and sustainability. The goal of a double reading is to identify the problematic: “Every imaginary (ideological) posing of a problem…. carries in it a determinate problematic, which defines both the possibility and the form of the posing of this problem. This problematic recurs as its mirror-image in the solution given to this problem by virtue of the mirror action peculiar to the ideological imagination” (Althusser and Balibar 2009, p. 116). The problematic finds ideological significance in key omissions, or “lacunae,” in a text, recognizing that what media producers choose to omit is just as important as what they choose to include (Althusser and Balibar, p. 76; Storey 2012). Thus, the symptomatic reading as used in this study reveals Disney’s core strategies in “solving” environmental problems for its audiences through its careful use of magic.

Commercial Use of Magic

According to Miles (2013), defining “magic” serves a rhetorical purpose for those who construct its meaning and is an exercise of power. Magic, as a topic of study, is important insofar as it has been described as “a system for comprehending the entire world” (Bailey 2006, p. 1). Yet, as “a profoundly unstable category” (Baily 2006, p. 2), it defies definition and instead scholars have turned to studying it in cultural and historical context. Magic is often used as a differentiating mechanism for otherwise similar concepts and practices, often as an exercise of power to delineate “socially and culturally acceptable actions” (Baily 2006, p. 9). Bailey (2006, p. 14), for example, argues, “A defining feature of Western culture at least since the Enlightenment of the eighteenth century and to some degree since the Reformation of the sixteenth has been ‘disenchantment’—the rejection, at least by authorita-
tive elites, of many forms of magic, occult properties, or spiritual activity, or anything (including even elements of official religion) that might be dismissed as superstition.”

Yet, as Raymond Williams (1980) has argued, the problem with contemporary culture may be that we “enchant” consumer products to fulfill social and personal meanings of community, relationship and status that are in many ways otherwise lost to us in contemporary life. Modern advertising—and broadly marketing—is one of the most potent devices of enchantment. The problem, then, is not that we are too materialistic, but rather that we are not materialistic enough (Williams 1980???). Magic is a requisite of contemporary consumer culture and restores a sense of meaning and connectedness where it has been lost (St. James, Handelman and Taylor 2011; Baudrillard 1998).

Disney’s “Dreams” and “Fantasy” about Sustainability

As Arnould, Price and Otnes (1999, p. 33) note, “Recourse to magic is a universal strategy for trying to resolve intractable social problems.” In this research, we argue that Disney’s employment of magic through fantastical imagery serves to “solve” environmental problems by effectively obscuring the material impact of its practices. This practice is not new: as originally used by Disney, magic was a way to help Americans temporarily escape from the double threats of loss and change in 1950s postwar period. In the 21st century, the practice has continued as Disney obscures the myriad new troubles facing human societies: Giroux writes that the conglomerate – through its cultural products – hides “the overwhelming power of multinational corporations, the exploitation of workers, militarization, a lack of health care… to name only a few of the world’s problems” (88). As a result, magic, however rich and meaningful in other contexts (e.g., St. James, Handelman and Taylor 2011; Arnould, Price and Otnes 1999), is used by Disney as a formula to provide “packaged innocence” for its audiences (Gitlin, 2001, p. 196, in Brockus, 2004). The paradox is that as Disney sells “innocence” through its cultural texts it actually corrupts it: as Giroux (2010) notes, Disney “taints” the innocence of the audience by encouraging them to “inadvertently collude(e) in processes that further… the world’s problems,” including environmental destruction (88). According to Wasko (2001, p. 118), “The fantasy and escapist themes are stressed in the emphasis on magic, for example, the magic kingdom. But this is not a world of fantasy or magic run amok. Fantasy is carefully controlled, and little is left to the imagination.” As a result, it is possible to think of not packaged “innocence” but “ignorance” that is being peddled by Disney through its use of magic. This recognition is particularly important when considering Disney’s introduction of its two new cruise ships - Disney Fantasy and the Disney Dream.

Paradigms and Paradoxes of Sustainable Consumption

Marketing and communication scholars have long questioned whether corporate messages of sustainability are commensurate with actual practices in consumption-driven global economies. In examining the implications of consumption and sustainability, researchers have articulated a need for cultural, discursive, or paradigmatic shifts for change to be affected (e.g., Assadourian 2010; Dolan 2002; Prothero and Fitchett 2000; Prothero, McDonagh, and Dobscha 2010; Kilbourne, McDonagh, and Prothero 1997; Schaefer and Crane 2005). For example, Prothero and Fitchett (2000) propose a green commodity discourse, through which commodity is redefined as “discourse” that can be employed to promote green issues in substantial, non-superficial ways. Prothero, McDonagh and Dobscha (2010) extend this discussion of green commodity discourse, suggesting that is inevitable and growing, but not necessarily positive. For instance, the authors discuss the dominant environmental paradigm
(DEP) effect, whereby environmental issues are seen through the lens of the dominant social paradigm (DSP), “whereby political, economic, and technological institutions put constraints on global environmental change” (Prothero, McDonagh and Dobscha 2010, p. 149). While the authors are pointing to potential “tectonic shifts” such as the global economic downturn, policy initiatives aimed at addressed environmental issues, and the recalibration of many companies to invest in sustainability, we turn in this paper to a cautionary tale that suggests the possibility that with increasingly dire news about pollution and environmental degradation, corporations find refuge, as Disney has always done, in the promotion of “magic” to conceal the fact that they (and we) continue to be a part of the problem even as we profess identities embedded in care for the environment.

**Magic and Sustainability**

As presented in The Walt Disney Company’s most recent Citizenship Summary Report (2012, p. 50), “Current scientific conclusions indicate that reductions in greenhouse gas emissions are required to avert accelerated climate change…. These challenges demand fundamental changes in the way society, including business, uses natural resources.” Clearly, Disney’s reports are reasoned documents that make a clear link between the dangers of consumption of resources and the environment. The problematic emerges when Disney attempts to promote itself to the consumer because it has to obscure the harm it does to the environment.

However, preliminary findings suggest that Disney’s “magic” may intensify fetishism in a global marketplace. To understand this, we draw from production fetishism and fetishism of the consumer as articulated by Appadurai (1990, p. 309) that gives an account of global advertising as “the key technology for the world-wide dissemination of a plethora of creative, and culturally well-chosen, ideas of consumer agency. These images of agency are increasingly distortions of a world of merchandising so subtle that the consumer is consistently helped to believe that he or she is an actor, where in fact he or she is at best a chooser.” For example, One Disney image promoting a cruise to Castaway Cay (an island owned by Disney) on its “Dream” ship provides a clear instantiation of the Althusserian problematic. In the photo, a diverse group of people wearing bathing suits either stands or kneels in shallow turquoise waters while white sand shimmers beneath them. Most of them are smiling, with the source of their happiness visible just below the surface of the water: a manta ray. One girl wearing a “Minnie” bathing suit watches, captivated. A smiling Disney employee bends over the group. Looming behind this bright and colorful scene is the docked “Dream,” which is set against the blue waters and sky. The overall message is clear: the environment on Disney’s island is thriving, and Disney is its responsible and careful steward. A more interesting message emerges with the consideration of the problematic, for the visual association between an untainted environment and Disney’s brand conceals the significant environmental harm caused by commercial cruises – including discharge of “bilge” water (containing oil and other contaminants), solid waste, and “graywater” (EPA, 2014), as well as the fact that the fuel efficiency of cruise ships is not measured in miles per gallon but gallons per mile. Thus, the “magic” of discovery that Disney presents in this image serves not only to package the environment as a commodity for its audience but also obscures the corporation’s significant role in environmental degradation.

Disney’s efforts to present itself as “green” are, in part, a reaction to public concern about the environment. As a result, Disney’s marketing strategies present a particular problematic that suggests magic as an answer to reconciling the paradox of consumption and sus-
tainability before consumers can pose the question. As Disney helped Americans forget the woes of postwar American, similarly magic permits a postmodern escape from the hard realities of contemporary global issues.

References


Unveiling Everyday Reflexivity Tactics in a Sustainable Community

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Environmental, financial and social instability have positioned consumption at the heart of sustainability debates. Consumer-citizens are called upon to recognise that their decisions have social, ethical, environmental and political implications. Consumers are becoming increasingly aware of the products which they purchase and the politics behind them. However, much discussion on sustainability relies on model of the rational consumer and overlooks the role of social relations. This has lead to a preoccupation with transforming individual decision making but the need for a cultural transformation has received less attention. Through Multimodal Critical Discourse Analysis (MCDA), we examine how socially embedded sustainable consumers negotiate everyday consumption in the context of an ecovillage. Specifically, we focus on ‘reflexive’ tactics that members of the ecovillage employ in the enactment of sustainable discourses. These offer insights into how consumers integrate macro level discourses into everyday consumption practices and reframe the meaning of consumption.

Linking Sustainability Discourse and Lived Experience

To be able to thrive in the 21st century we will need to rebuild our social, economic and environmental systems, localise our communities and most importantly, we will have to learn to do all this together. (The Village)

In recent decades, consumption has become a core concept in discussions of sustainability. Academic and policy discourses call consumers to recognise that their decisions have environmental and ethical implications. Attempts to address environmental concerns through individuals’ consumption can be traced to the green movements that emerged in the western world in the late 1960s and 70s (Connolly and Prothero 2008). However, the term ‘sustainable consumption’ entered the international policy lexicon in 1992 at the Rio Summit, where 179 heads of State adopted Agenda 21, the action plan for achieving sustainable development (Seyfang 2005). Ever since, ‘Consumption’, along with ‘production’ and ‘population’ are seen as among the main causes of global environmental change (Hobson 2002). Consumer choices are seen to hold potential for transforming the marketplace into a site for ethical and political action (Micheletti 2003). This places individuals as social actors who have key roles to play in making sustainable development work (Hobson 2002). As such, sustainable consumption brings together macro concerns about the environmental impacts of aggregate consumption levels and individual consumer behaviour (Schaefer and Crane 2005).

Considerations of sustainable consumption tend to rely on a rationalist, information processing view of consumption (Dolan 2002, Schaefer and Crane 2005). This places the individual consumer at the heart of the cause and the solution of the ecological problem. The individual consumer thus carries the burden and responsibility of sustainability through the exercise of consumer choice. This is in line with the prevailing neo-liberal idea of consumer sovereignty in the free market economy. In simple terms, ‘[i]f individuals care about the en-
vironment, it will be translated into preferences that are expressed through acts of consumption (Hobson 2002:100). Consumers’ sustainable choices will generate demand for sustainable products and services to which producers and marketers will respond. As a result, much research and policy have focused on changing values and attitudes towards sustainable consumption choices (Schaefer and Crane 2005, Holt, 2010). Consequently, environmental initiatives are preoccupied with overcoming the ‘attitude-behaviour gap’ and the inclusion of environmental criteria in individual consumer decision making. The individual consumer strategy thus hopes to achieve sustainability through aggregate behaviour of many individual consumers, rather than as a process of cultural transformation. In so doing, it focuses primarily on individual preferences and leaves the dominant social paradigm (Kilbourne et al. 1997) – driven by the capitalist logic of continuous exponential growth, free markets, self interest, and hyperconsumption – largely unchallenged.

The problem with this approach is that it fails to notice the fact that individual consumer behaviour emerges through dynamic cultural and social processes and as such is embedded in social relations (Dolan 2002). Consumers’ values, attitudes and behaviours develop within particular socio-cultural contexts. As Dolan notes, ‘[o]nce we see consumer practices as social practices embedded in social relations, we open up to the complexity and possibility of moving toward consuming more sustainably’ (2002:176). This involves understanding the socio-cultural contexts in which consumption is embedded and made meaningful. Halkier (1999) also discusses the problems of the individual consumer strategy to form a meaningful collective experience and be part of public debate and action. To be achieved, sustainability in this respect requires a socio-cultural transformation through ‘alternative means of self-realisation and cultural forms that are not merely individualistic’ (Dolan 2002). Sustainability thus requires community and collective action; social contexts in which sustainable consumption is shared and made meaningful.

We wish to contribute to this dialogue through an exploration of reflexive consumer tactics in an ecovillage. This research is the product of a larger project concerning the manner in which the members of an eco-village participate in a number of politically orientated discourses, engage with the surrounding area’s inhabitants and mobilise others to participate politically. Through Multimodal Critical Discourse Analysis (MCDA), the paper explores how, on a daily basis, these socially embedded sustainable consumers negotiate everyday consumption. The ecovillage is thus a site of community and collective action in which sustainable consumption is shared and made meaningful. Much of the current literature concerning sustainable communities addresses technological and material aspects. There is however, an emergent body of research which focuses on the sociological aspects of living in an ecovillage (Cunningham and Wearing 2013; Miller and Bentley 2012; Nathan 2012) or being a ‘leader of sustainability’. This rich and diverse research stream spans a number of disciplines including psychology (Copeland 2013), computer science (Woodruff, Hasbrouck, and Augustin 2008) and marketing (Moisander and Pesonen 2002). Intentional communities such as ecovillages, are built around the concept of sustainable living and reveal motivations pertaining to a wish to connect with other like-minded individuals, a space in which to deviate from the accepted social mode, to live as moral agents, share concern for the environment and to reconcile with their sense of identity as environmental citizens (Moisander and Pesonen 2002; Kirby 2003).

Focussing on three reflexive tactics which the members employ in the enactment of sustainable discourses offers insight into consumption practices in sustainable communities and reveals how these consumers integrate macro level discourses into micro level everyday
practices. Our use of ‘reflexive tactics’ relies on notions of reflexivity developed within theories of reflexive modernity. Drawing on Giddens (1991) and Beck (1992), Connoly and Prothero (2008) explore how consumers engage with sustainability at the everyday level and negotiate self-identity. In this light, reflexivity involves the building and rebuilding of a coherent sense of identity. Reflexivity is thus as a process that has the potential to transform one’s life and as such can be liberating and empowering. Our use of ‘reflexive tactics’ therefore refers to individual and collective tactics that ecovillage members use to transform everyday consumption practices and encourage engagement with sustainable consumption. In this light, we reveal how for these consumers abstract discourse on sustainability becomes integrated into everyday consumption practices.

Research Context and Methodology

The research context is Cloughjordan ecovillage in Ireland (figure 1). Situated in county Tipperary, the village is designed as a ‘model of sustainable living’ (The Village). It promotes a way of life that is ‘healthy, satisfying and socially-rich while minimising ecological impacts’ (The Village). Features of the ecovillage include a permaculture landscape design, low energy homes, a renewable energy centre, several civic spaces, woodland gardens, a community farm, a green enterprise centre, and an educational centre. At present the ecovillage comprises of 53 sustainable homes however there is planning permission for a further 132 units. Many of its members have a dialectical relationship with academic research, both engaging with and contributing to relevant literature streams. The ecovillage is ‘owned’ by all of its members; they are shareholders in a company called Sustainable Projects Ireland Limited (SPIL) trading as ‘The Village’. SPIL, a registered educational charity, is limited by guarantee and bound by articles of association which ensures that it acts as a cooperative. The Village promotes itself as a highly democratic organisation which engages in consensus decision making. In addition, the members have subscribed to the paradigm of self-organisation and therefore share all the responsibilities associated with the ecovillage (Village). Politically orientated consumption discourses feature heavily in the ecovillage. As such, talks with members of the ecovillage often revolve around ‘community’, ‘anti consumption’ and ‘collective action’. Such talk is deeply embedded in the community and the ecovillage’s ‘ecological charter’ specifically asks that its members comply with a set of sustainable consumption practices (for example the charter addresses issues such as water conservation and it recommends that energy efficient appliances be installed).

Over the last number of years, much of our cooperative spirit and sense of community has been lost. Western-style capitalism can weaken social capital—the ‘glue’ that holds our communities together- to the extent that it promotes competition and individualism as the ultimate goal, at the expense of cooperation and community. The Cloughjordan Ecovillage, under the banner building sustainable community, is a people-led attempt to reinvigorate some of the most important concepts of community and collective action. It is a recognition that we urgently need to take an evolutionary leap in the way we do things and to design systems from the bottom up in ways that fit this planet’s carrying capacity, and we need to do this together, as communities. With this in mind, sustainable communities are not merely just about ‘sustaining’ the quality of our lives- they are about improving them... (The Village)

The ecovillage can thus be seen as a form of political consumerism. Political consumerism emerges as a liminal space between private and public spaces. Understood as a social movement, political consumerism views routine consumption as a surface of mobilisation for
broader, overtly political agendas (Clarke et al. 2007). Both Balsiger (2010) and Holzer (2006) instil political consumerism with transformative abilities. They argue that it blurs boundaries between the political and the economic (Holzer, 5 2006), the public and the private, and between the collective and the individual (Balsiger 2010, 312). This is due to the fact that it “combines the rationalities of two subsystems, politics and the economy” (Holzer 2006, 405) and it forces acts of consumption once private into the public sphere (Balsiger 2010, 312). Political consumerism positions consumption alongside other forms of political participation such as protesting, voting and petitioning. It thus specifically includes certain types of protests (Littler 2011: 30), symbolic actions (Pellizzoni 2012) and ‘discursive political consumerism’, which is the ‘use of communication (discursive strategies) to target the market actors’ (Boström et al 2004: 16), or more broadly ‘discursive political consumerism concerns the use of symbols and signifying practices...to communicate information and values on politics in the marketplace’ (Micheletti et al 2004: 266).

The research adopted a social constructionist ethnographic approach that combined six phenomenological interviews and four periods of participant observation (observation is on-going). Once access was obtained via the community appointed gatekeeper the interviews were organised through a combination of purposive sampling and snowball sampling. Autoethnographic field note extracts were used in order to encourage critical and sociological thought and to foster critical reflexivity (Denzin 2003: 206). Additional data sources include several forms of documentation related to the ecovillage including its website, internal documentation, photographs and informal conversations with members of the ecovillage and volunteers on its community farm. The rich ethnographic data was analysed with the use of MCDA. Critical Discourse Analysis (CDA) ‘combines micro- and macro-levels of analysis to expose the ideological workings of language’ (Benwell 2006: 9). Gee defines discourse as ‘ways of combining and integrating language, actions, interactions, ways of thinking, believing, valuing and using various symbols, tools and objects to enact a particular sort of socially recognisable identity’ (Gee 2005: 21). Discourse expresses, reproduces and enacts ideology (Van Dijk 2006). In this case the sustainability discourse is perceived as one of several discourses which serve the wider ideological agenda of political consumerism. The official organisational discourse around sustainability centres on resilience and is closely intertwined with ‘community’.

... Sustainability is a fantastic aspiration it can help to assess what works and what doesn’t from an environmental, economic and social point of view. However the word is now so misused and misleading it is beginning to mean noth-
ing. Sustainability is inherently static. It presumes there is a point at which we can maintain ourselves and the world, and once we find the right combination of behaviour and technology that allows us some measure of stability, we have to stay there. For these uncertain times we need a new approach ... We, and our communities need to be more than simply sustainable, we need to be regenerative and build the capacity not only to absorb shocks, like the current financial crises or changing weather patterns, but to evolve with them. In a word, we need to be resilient. If sustainability is about survival, resilience is about being able to overcome the unexpected, to adapt and to thrive. The building of local resilience will help us weather the storms that are fast approaching ... Because the possibility of abrupt breakdown in our vital social, economic and environmental systems is rising fast we need to find ways to accelerate building the resilience of our local communities. (The Village)

CDA focuses on the use of language. However, people are likely to experience discourses outside of language. MCDA recognises that ‘discourses are communicated through different kinds of semiotic resources, different modes, and realised through different genres (Machin 2013: 347). MCDA thus grants access to visual meaning, both image and materials can be used to convey ideas, attitudes and identities (Machin 2013: 350). As such, it is grounded in social semiotics, which is the study of ‘socially situated sign processes’ (Iedema 2003, 32) and is therefore suited to this contextually embedded research. Furthermore, MCDA helps us understand how dominant discourses have been ‘communicated, naturalised, and legitimised beyond the linguistic level’ (Machin 2013: 347). ‘Our sign-systems...play a major part in ‘the social construction of reality’ and that realities cannot be separated from the sign-systems in which they are experienced’ (Chandler 2007: 16). Therefore special attention was given to the language, images and objects used by the members. The analysis revealed reflexive tactics at an individual and a collective level that engage members of the ecovillage as well as others with sustainability and reframe consumption.

**Reflexive Tactics Unveiled**

The analysis reveals how members of the ecovillage employ tactics that encourage reflexivity and reflection by themselves and others. These tactics un-silence production, consumption and disposition processes and in so doing, the members reframe the meaning of consumption and problematise the cycle of production, acquisition, consumption and disposition. Furthermore, these tactics confront invisible everyday consumption and disposition behaviours and render them visible to members and others.

**Reframing the Meaning of Consumption**

Public discussions around production, acquisition, consumption and disposition practices foster sustainable consumption as a shared experience and encourage reflection among the members on their consumption. These discussions are ‘storyworthy’ (Johnstone 2008) because they are implicated in the emergence of counter discourses to prevailing romantic and hedonistic consumption discourses (Autio, Heiskanen, and Heinonen 2009), thus reframing the meaning of consumption. In this way the members not only educate each other, but problematise the relationships between production, consumption and disposition in ways that contest the dominant social paradigm driven by the ideology of consumption (Kilbourne et al. 1997). Noreen tells how members have ‘made [her] more aware of [her] buying’, reiterating that reflection and debate are part of all consumption processes in the ecovillage. Members pay homage to the importance of the everyday. ‘Everyday life is connected with the social
space where people take part in creating and reproducing meaning by attempting to knit together the different roles and experiences of life’ (Halkier 2001: 27).

I’m learning a bit more, some of the members have made me more aware of my buying, say domestic stuff. I suppose I would have done it myself before, cleaners, I would have used very little anyway. But to use organic ones. Also the paints we used outside and inside were natural paints and because I’m in the ethos of, and that’s ethical, people will say ‘was you floor, did it come from sustainably managed forests?’ (Noreen)

The problematisation of everyday consumption, such as cleaning products, is routine in this community, as consumption is employed to enact the discourses in which they are embedded. Members are conscientious of the conditions of production; through their consumption they actively engage with the relationship between production and consumption. The following participant discusses acquisition, consumption and disposition within the ecovillage and reveals a kind of normative reflexivity invoked within the community.

It does grate with me to spend the sort of money you could spend on new furniture and some of it not as good quality as old stuff. One of the people at the eco-village, who has sadly since left, but she and her husband, circulated around on our electronic discussion board round about what the most environmentally friendly furniture to buy, where would they to buy environmentally friendly furniture. Various people came in with suggestions about which shops had forest stewardship certified timber and certified wood, this went backwards and forwards and then one person said ‘buy antiques’ and then another ‘just second hand’. Whatever the environmental impact is it has already happened with that stuff anyway, so you’re not adding to it and arguably if you save it, in the case of an antique it probably isn’t going to go into a landfill but this suite probably would have. So I’m giving it an extra lease of life. You obviously don’t keep it out of the landfill forever perhaps. (Thomas)

‘Big ticket’ purchases, such as furniture offer a means by which one differentiates oneself and act as a guide for other members of a social category and as a result are often the subject of contemplation. The excerpt demonstrates Thomas’ and the community’s discourse position, which is environmentally friendly production, consumption and dispostion. The discourse position is ‘the ideological position from which the subjects… participate in and evaluate discourse’ (Meyer and Wodak 2009: 49). The narrative introduces a debate around ‘sustainable furniture’, not an ambiguous concept in itself but confused by the added requirement that it must be ‘the most environmentally friendly’ furniture. Autio, Heiskanen, and Heinonen (2009) note that discourses, such as this, are continuously reshaped through dialogue and debate, such as this. Furniture, as a ‘big ticket’ purchase often requires that potential buyers seek information from local ‘experts’ (Brown and Laurier 2014: 38). In this case the members of the discussion are actively engaging in discussion (Brown and Laurier 2014). Interestingly the concept of ‘sustainable’ goes beyond sustainable forests and production methods to incorporate the ‘environmental impact’ of the options discussed. As such, the reuse of the product (not just spatially but also temporally) becomes a salient theme in the discussions and influences Thomas’ decision. This challenges the traditional linear nature of the circle of consumption (Hetherington 2004, 159) and the meaning of acquisition is re-framed; new products take on undesirable meaning whilst discarded objects become desirable as they are associated with notions giving ‘new life’. Other noteworthy aspects of this extract
include the way in which second-hand goods are made more meaningful (in this context) whilst antiques (more valuable in general society) are denigrated.

**Confronting Everyday Practices**

This section examines two tactics that confront ordinary, inconspicuous (Shove and Warde 1997, Halkier 2009) consumption behaviours that are largely routinised and as such, invisible. The first tactic invokes reflexivity in terms of disposition behaviour. The members of the ecovillage are fervent recyclers, they dispose of food waste in an ‘anything goes’ compost heap (which is later used on their farm) and they leave unwanted goods in a shed for collection by anyone who needs a stroller or an easel. ‘Ecological strategies’ (reduced consumption, repairing goods and second hand consumption) are commonly employed by sustainable communities in order to reduce waste (Bekin et al 2007). However, despite these measures some waste is still disposed via the local landfill. This is highly problematic for the ecovillage community, because the ever expanding landfill waste is at the heart of the ecological problem (de Coverly et al. 2008). The reflexive tactic presented here employs a physical artefact (a rock) and serves the reduction of waste by confronting routinised behaviours that lead to landfill waste. Figure 2 shows the deliberate placement of a black rock on the top of an indoor bin in the kitchen area of a member’s house. It is important to note that albeit a residence, the house is open to guests and as such not strictly a private space.

**Figure 2. An image depicting the bin.**

The rock forces whoever is about to use the bin to lift the rock and thus use physical effort to complete an action that normally does not require much effort or thought. This is implicated in the resignification an ordinary domestic object; the bin. The bin takes on new meaning, and is transformed from an object that serves the convenient and quick disposal of waste into an object that invokes confrontation with one’s waste. de Coverly et al. (2008) focus on disposition and waste management practices through the idea of the social avoidance of waste. They expose the systemic waste collection processes that work to ensure elimination of public manifestations of waste. This silencing process, they further argue, is an essential part of the social dominant paradigm (Kilbourne et al. 1997), which fosters overconsumption. Processes that make waste invisible relieve us from thinking about the conse-
quences of our overconsumption. For instance, participants in their paper considered waste as an inevitable consequence of overconsumption; however, they displayed a tacit acceptance of this undesirable situation. In the case of the ecovillage the reflexive tactic described above is used to trigger the exact opposite, to confront this tacit acceptance. In this context, this is a meaningful way through which our experience with waste becomes un-silenced. Furthermore, the social dominant paradigm of continuous growth and hyperconsumption – that produces excessive waste- is confronted at the everyday level.

The second tactic invokes reflexivity in relation to energy consumption. As an organisation the ecovillage has addressed this issue through sustainable construction; the on-site buildings are near zero-energy. However individual everyday electricity consumption is inscribed in less reflexive consumption practices (Halkier 2001). Utilities in particular pose a problem for many sustainable consumers; electricity is not a ‘choice’, it is a necessity. In addition it is invisible and is not consumed as a product in itself, instead it serves to facilitate other activities, such for example laundry, cooking, and reading (Vliet et al 2005: 14). As can be seen in figure 3, the tactic employs the visual representation of an oilrig with the word ‘oil’ incorporated in the picture stencilled around the light switches in the communal area of the hostel. The image represents the complex multistage process through which electricity becomes available for consumption simplified into a stencil around the light switch. The image is evaluative; mid-way across the bottom of the light switch a large drop entitled ‘oil’ escapes the pipeline, emissions rise from two points of the depicted rig and one is reminded of the polluting qualities of oil and of the context in which this representation exists. How the signmaker choses to represent the object or entity in question arises ‘out of the cultural, social and psychological history of the sign-maker, and is focused by the specific context in which the signmaker produces the sign’ (Kress and Leeuwen 2006, 7). Therefore, in the context of the ecovillage the sign could be perceived as another mode of discursive and ideological enactment.

This representation can be seen to carry both literal and metaphorical meanings. Oil is used primarily in the production of electricity. However, the fact that the artwork is entirely unrealistic indicates use of metaphor, the transportation of ‘understanding from one conceptual domain to another’ (Machin and Mayr 2012: 165), in this case the ‘source domain’ is the pictorial representation of an oil rig. The ‘target domain’ is the sustainability discourse which pervades the community. The construction of the sign is the product of a ‘double metaphoric process in which analogy is the constitutive principle’ (Kress and Leeuwen 2006, 8). The rig depicts the oil being pumped from the sea, it is analogy for the whole process this is the initial analogy. The fact that the image surrounds the light switch is the second analogical step, without which the sign would lose its core meaning, in this step production is linked to electricity consumption (if understood linearly electricity does not appear until the end, despite the fact that the switch is in the centre of image). Perhaps the most striking visual element of this image is the colour use, black gloss is clearly iconic (Danesi 2004: 27), it visually resembles oil, it captures a certain ‘oiliness’, and contrasted with a white background thereby creating an eye-catching image. The choice of material represents oil; the image itself however, signifies a journey, from the ocean floor, via a rig, to the switch. Despite the implications it highlights, the image is not threatening at a semiotic level, there are few sharp edges associated with unpleasant sensations (Danesi 2004: 75) and the image itself is almost playful in its composition.

Figure 3. The image surrounding the light switch
This representation can be seen to carry both literal and metaphorical meanings. Oil is used primarily in the production of electricity. However, the fact that the artwork is entirely unrealistic indicates use of metaphor, the transportation of ‘understanding from one conceptual domain to another’ (Machin and Mayr 2012: 165), in this case the ‘source domain’ is the pictorial representation of an oil rig. The ‘target domain’ is the sustainability discourse which pervades the community. The construction of the sign is the product of a ‘double metaphoric process in which analogy is the constitutive principle’ (Kress and Leeuwen 2006, 8). The rig depicts the oil being pumped from the sea, it is analogy for the whole process this is the initial analogy. The fact that the image surrounds the light switch is the second analogical step, without which the sign would lose its core meaning, in this step production is linked to electricity consumption (if understood linearly electricity does not appear until the end, despite the fact that the switch is in the centre of image). Perhaps the most striking visual element of this image is the colour use, black gloss is clearly iconic (Danesi 2004: 27), it visually resembles oil, it captures a certain ‘oiliness’, and contrasted with a white background thereby creating an eye-catching image. The choice of material represents oil; the image itself however, signifies a journey, from the ocean floor, via a rig, to the switch. Despite the implications it highlights, the image is not threatening at a semiotic level, there are few sharp edges associated with unpleasant sensations (Danesi 2004: 75) and the image itself is almost playful in its composition.

Furthermore, the paint demarcates the switch. Light switches are typically designed to become a part of the room, they are not features. In making the switch stand out the image invokes reflection on the role that the object plays in everyday life. It is worth noting that the photo in figure 3 is typical of all of the light switches in the communal areas in the eco-hostel. This is a public space and therefore the use of the oilrig representation on the light switches is a tactic that targets visitors, intended not only to curb electricity consumption but to engage visitors to the village with the discourse of sustainability. If energy conservation alone had been the intention motion sensors could have been installed to turn off the lights when appropriate; however motions sensors would have not communicated meaning.

Oh yeah that's all part and parcel of, I mean I would see that again because we would be very much in the public eye profile in that a lot of strangers would be
coming down here that I would be doing as much as I can to promote the core philosophies that the village would be in favour of like, you know, awareness protection of the ecology and the rest of it. (Chris)

Furthermore, ‘[s]emiotic resources can be used to both create meaning but also to avoid certain kinds of commitments’ (Machin 2013, 350). This sign does not impede usage of the lights, it does not reprimand the user but it highlights the consequences of using the light. This tactic therefore renders visible the consequences of electricity consumption. By making it visible, it engages people with, in Chris’ words the ‘core philosophies’ of the community which are linked to sustainability. This tactic therefore also un-silences the process of electricity production and problematises its use, in this case, through visualising the switch and creating a visual reminder of the process through which electricity is made readily available.

Conclusion

Much of the literature on sustainability views consumption as a rational decision making process. As a result, efforts for sustainable change have focused on the individual consumer as the cause and solution to the problem. The problem with this approach is that it fails to notice the fact that individual consumer behaviour emerges through dynamic cultural and social processes and as such is embedded in social relations. Consumers’ values, attitudes and behaviours develop within particular socio-cultural contexts. Transformation towards sustainability requires an understanding of the socio-cultural contexts in which consumption is embedded and made meaningful. Reflexive communities and collective action are therefore critical in considerations of sustainability because they create social spaces in which sustainable consumption is shared and made meaningful. Jackson and Michaelis (2003) discuss the notion of ‘reflexive communities’ as communities that have an evolving story about themselves. Furthermore, they see discourse and narrative critical to reflexivity as they provide a bridge between collective culture and the individual. By focusing on reflexive tactics employed by members of the ecovillage, this research reveals how these consumers engage in a reflective way with the sustainability discourse at the everyday level. Through these tactics members of the ecovillage challenge the social dominant paradigm, reframe the meaning of consumption, problematise the cycle of production, acquisition, consumption and disposition and un-silence routine everyday practices. Reframing the consumption meaning is integral not only in transforming their own and others’ consumption practices but also in engendering an alternative ideological agenda.

As part of a reflexive community, ecovillage members are both reflective consumers and helpful informants in their active engagement with sustainable consumption. At a discursive level reflexive consumption tactics allow members to live at the everyday level the counter discourses to which they espouse and to allow space for their ideological positions to be enacted in their social sphere. The social embeddedness of this sort of reflexive consumption allows consumers to resignify objects with meanings which counter those in the mainstream market. Consumption play a trilateral role in society; it reproduces larger cultural and social frameworks, it is shaped by social forms and processes and finally it ‘participates in the constitution of society’ (Askegaard and Linnet 2011: 396). The ecovillage is borne of ideologically engorged consumption practices and as such is a context in which most consumption is rendered conspicuous. Ideology is ‘lived’ through social norms, becomes manifest and concrete (Askegaard and Linnet 2011: 396), it is in these behaviours that these consumers become collective activists and contest the social dominant paradigm.
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Exploring the Role of Modern Confucian Values for Promoting Sustainable Consumption in China

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Iain Davies, University of Bath

This paper explores the modern renegotiations of traditional Confucian values (TCV) and ethics resonating with the young generation of Chinese consumers. It examines the extent this may influence the prospect of sustainable consumption in China. Through 43 in-depth interpretive interviews, the study finds that generational change is evident, with growing individualism despite filial piety remaining in place. Both elements of face (mianzi and lien) remain fundamental. There is a continuance of moderation in China, but this does not refute the notions of rampant materialism in public consumption. The implications of this mix of Modern Confucian Values (MVC) and cynicism in times of crisis are discussed. It contributes by considering the changes in values and how this affects the take up of sustainable consumption. It also contributes by looking at how cynicism is a hindering process of adopting a sustainable consumption lifestyle and how it manifests on various levels.

Introduction

The field of sustainable consumption has received increased attention over recent decades with the realisation that those in the developed world are living beyond the means of our planet (Creyer and Ross 1997; Harrison, et al. 2005; Hendarwan 2002; Freestone and McGoldrick, 2008; Sen and Bhattacharya 2001). However this is also becoming true for many newly emerged economies such as China where consumers are adopting a more consumerist lifestyle, with seemingly little exploration of the negative effects caused as a result (Devinney et al., 2010; Martinsons et al., 1996). China is the second largest economy in the world, but at the price of having the world's worst environmental standards (Wang and Duce, 2010), and has been labelled as the “smelliest, dirtiest, most ecologically unsound place in the world” (Martinsons et al., 1997:278). China is reaching a tipping-point of using an unsustainable level of resources, driven by rapid economic growth and mass-consumption (Anderlini, 2010). This goes hand-in-hand with an increase in disposable income and higher standards of living for many in Chinese society (Starmass, 2011) and shifts more Chinese consumers into the socio-demographic middle class, ironically most associated with sustainable consumption behaviour (Harrison et al., 2008). All of this makes China an especially pertinent context in which to study sustainability in consumption.

This paper aims to address the scarcity of research on sustainability in Asia, (Chan et al., 2008; Woods and Lamond, 2011) and specifically China (Piron, 2006). To date research in this field typically retest Western scales of ethicality (Chan et al., 1998; 2008; Zhao and Xu, 2013) or responses to corporate social responsibility (Ramaswamy and Yeung, 2009; Tian et al. 2011) amongst Chinese consumers at the expense of sensitivity to the local cultural traditions (Piron, 2006; Wang and Lin, 2009). Thus viewing sustainability in the western-dominant hegemonic discourse, rather than from the ideology of those involved in the marketplace context. This sentiment has been reflected in the work dealing with sustainability in China (e.g. Piron et al., 2006; Chan et al., 2008) as well as mainstream consumer research.
(Arnould and Thompson, 2005; Belk, 1988; Kozinets, 2002), in which they have highlighted the potential misunderstandings and the ramifications of excluding cultural dimensions from the study of consumption habits. This danger is only heightened in a country as culturally distant from a Western culture as China.

This paper therefore takes an ethnocentric view, by looking from the perspective of the Chinese consumer, their position as consumers and their cultural contexts in which behavioural patterns have formed and manifested, which in turn contributes to the socio-historical programming of their consumer lifestyle (Arnould and Thompson, 2005). This research therefore addresses the scarcity of qualitative cultural studies in Chinese sustainability consumption, with the aim of providing a more culturally sensitive backdrop for future research into Chinese sustainable consumption.

**Conceptual framework**

**Cultural Values and Sustainable Consumption**

Sustainable consumption is an underdeveloped specialism of business and marketing ethics (Auger et al., 2003) with most research focusing on bad rather than good ethics; on customer dishonesty and unethical behaviour rather than on the potential of sustainable behaviour; consumer idealism and responsibility (Brinkmann & Peattie, 2008). Schaefer and Crane (2005) and Brinkmann and Peattie (2008) both highlight that most of the sustainable consumption literature is limited to rational, psychological models of consumer behaviour and advocate the need to harness a more radical, holistic approach to exploring sustainable consumption. Amongst others, Foxall (1993) and Fukukawa (2003) criticize rational cognition approaches for isolating consumers from wider socio-cultural context of consumption, leaving an often limited and overly sanitized body of theory around sustainable consumption that lacks practical significance and explanatory power.

Globalisation brings together consumers and businesses from around the world and an individual’s culture has a profound effect on how they interpret ethics (Pitta et al, 1999). As Belk et al (2005) assert, to study ethical choices without explicitly considering cultural context is not realistic. Therefore we see a compelling need to acknowledge that different regional/cultural values will dramatically effect what information is considered relevant in making sustainable consumption decisions. However this is an area almost entirely explored from a Western moral perspective, with little exploration of what ethical or sustainable consumption means to the rest of the world.

There is a need to acknowledge relative differences in ethical dilemmas and mind-sets from a different cultures, because an individual’s culture affects his/her ethical perspectives and decision-making (e.g. Ferrell and Gresham, 1985; Hunt and Vitell, 1986). Phau and Kea (2007:64) assert “certain values, ethical behaviours or moral principles considered to be conducive to the economic development for one country may not be for another”. Thus, understanding the relationship between culture and ethics is seen as vital in order to better understand consumers and for managers to operate effectively and efficiently in the global market. Deng et al. (2006) purport that understanding sustainable consumption is directly related to the concept of culture. “What life is and what life should be has set the standards for what is right and what is wrong, what is good and what is bad, what one can be and what one could be” (Christie et al., 2003:264). These become unconscious or subconsciously accepted as ‘right’ and ‘correct’ by people who identify themselves as members of society (Leung and
The notion that different populations with specific social practices and cultural traits are likely to hold different values towards nature and the environment is therefore asserted by many (e.g. Bartels, 1967; Singhapadki et al., 2001). Ethicality is ingrained into the traditional values, attitudes and beliefs of a given society, thus culture is recognized as a powerful force shaping consumers attitudes (Huang et al., 2006) and to varying degrees mould the person’s behavioural patterns. Huang et al. (2006) suggests that sustainable consumption relates concepts of shared ideals, values, assumption about life, and goal directed activities. Therefore different populations with diverse social practices and cultural traits are likely to hold different values or attitudes towards sustainability (Bartels, 1967; Singhapadki et al., 2001). Meaning data collection vehicles on sustainable consumption from a non-Chinese cultural perspective are highly circumspect and information aimed at increasing sustainable consumption is often unreliable when extrapolated from “Western” viewpoints.

**Consumption and Cultural Values**

Culture is widely accepted by theorists as one of the underlying determinants of consumer behaviour (e.g. Kotler, 1972; Boyd and Massey, 1972). Increasingly as more research is undertaken, culture is seen to have a monumental influence on the values and lifestyle of individuals. Thus culture is ever changing in order to reflect the movement as well as to maintain harmony within the society. Due to this connection/dynamism, individuals psychological construct change, and therefore, their consumption patterns (Triandis, 1989). With this in mind, a need for cultural understanding of consumption and the effect of change is pertinent. Most Chinese cultural research has been conducted in the organizational environment (managerial style e.g. Ralston, 1999) looking at business ethical values, (e.g. Lam, 2003; Ip, 2009) or business relationships (e.g. Hwang et al., 2009, Fan, 2002). Some research has been undertaken regarding Chinese consumptions and Confucian values, for example how Chinese Confucian values affect the consumption patterns of pirated CDs (Wan et al. 2009), travel and tourism (Mok and DeFrankco, 2000), gift giving (Qian et al., 2007; Yau et al, 2009), luxury consumption (Wong and Ahuvia, 1998), and compulsive buying (Jiang et al, 2009). Through these studies there emerges a new stream of research suggesting changes in the dominant Traditional Confucian Values (TVC) which have dominated Chinese behavior for thousands of years (e.g. Wang and Lin, 2009) to what we term in this paper Modern Confucian Values (MCV).

**Traditional Chinese Confucian Values**

Traditional Chinese cultural values are based on notions of interpersonal relationship and social orientation. These values are highly influenced by the work of Confucius (Fan, 2000; Yau, 1988; Wang and Lin, 2009). Thus this study uses the term ‘Traditional Confucian Values’ (TCVs) to account for this. Woods and Lamond (2011) outline six TCVs prerequisite for being “human” which is outlined in the table below (Table 1).
Table 1. Traditional Confucian Values as identified by Woods and Lamond (2011)

<table>
<thead>
<tr>
<th>Traditional Confucian Values</th>
<th>Definition</th>
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<tbody>
<tr>
<td><strong>Benevolence (ren)</strong></td>
<td>The most vital in Confucian philosophy and means to “love your people” and that one loves his people and helps others to take their stand in that he himself wishes to take his stand (Lin and Ho, 2009).</td>
</tr>
<tr>
<td><strong>Righteousness (Yi)</strong></td>
<td>The opposite term of the word ‘profit (li)’ or ‘gain (Lin and Ho, 2009).</td>
</tr>
<tr>
<td><strong>Ritual propriety (Li)</strong></td>
<td>To follow the ancient rituals and sacrifices that were a part of life in the time of Confucius, however, to broaden the idea, it includes the importance of following the social norms of polite conduct when interacting with others (Woods &amp; Lamond, 2011), which was believed to build self-regulation (Cheng, 2004).</td>
</tr>
<tr>
<td><strong>Wisdom (Zhi)</strong></td>
<td>The learning and the ability to perceive situations accurately and make correct judgments (Romar, 2002), wherein it is part of self-regulation.</td>
</tr>
<tr>
<td><strong>Trustworthiness (Xin)</strong></td>
<td>Loyalty to moral principles and to ritual and social rules. In addition to that, it also refers to loyalty to one’s superiors in hierarchical relationships; however, the emphasis is on standing by one’s word, or being a dependable support for others (Woods and Lamond, 2011).</td>
</tr>
<tr>
<td><strong>Filial Piety (Xiao)</strong></td>
<td>To serve and obey parents and re-spect ancestors with all of one’s capacity (Zhang, 2000) and serves as foundational among virtues of human relationships (Yao, 2000).</td>
</tr>
</tbody>
</table>

The values in various literatures are defined with nuanced meaning and of varying importance. For instance, Fan (2000) provided a list of 71 values within 8 broad categories. However, the ones most related to this consumption study are referred to (Table 2). An emphasis needs to be placed on the two facets of Face (Mianzi and Lien). They are a well-researched notion within Chinese business ethics research (Ang and Leong, 2000), and is a major principle in understanding Chinese consumption practices. If we focus on Lien (the moral face), it builds on the notion that Chinese people have an ‘oriental’ worldview drawing on a collectivist orientation and deep concern for how others perceive their personal integrity and virtue as a member of this collectivist society (Ip, 2003; Jenkins, 2002; Piron, 2006). The collectivist orientation of Chinese culture has been defined as consistent with support for CSR activities (Ramaswamy and Yeung, 2009; Tian et al. 2011) and the Chinese consumers’ social sensitivity and “other-orientation” (Bao et al., 2003; Li and Su, 2007; Yau, 1988) leads to a desire to avoid ethical conflicts (Gabrenya and Hwang, 1996; Yau, 1988). This is theorised to direct consumption behaviour and attitudes towards the environment such as the Cambridge sustainability research digest’s (2007) assessment that 83-86% of Chinese citizens are willing to take action / pay more or pay higher taxes to ensure the restoration of the environment. However, Yeung (1998) found that social sensitivity means the majority of Chinese are unwilling to take active roles in environmental protection where it conflicts with personal freedom, physical effort, expression of opinions or influencing others is involved. Similarly others have suggested the material face (Mianzi) counteract this
and support a culture of CD piracy (Wan et al., 2009) or counterfeit good consumption (Chan et al., 1998) and an appetite for luxury products and named brands regardless of other (potentially unsustainable) credentials (Tse, 1996; Wong and Ahuvia, 1998). Bao et al. (2003) go as far as to suggest that the array of traditional values limit the openness of Chinese consumers to new products, which invariably would include any attempts to launch sustainable brand variants of habitual consumption products.

Table 2. Relevant Confucian Values discussed in literature

<table>
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<tr>
<th>Important Values</th>
<th>Details</th>
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<tbody>
<tr>
<td>Self-regulation</td>
<td>Directs the degree of moral self-control, which is the key to most of the values and within that, social consciousness, face and moderation directs this self-control (Kindle, 1985).</td>
</tr>
<tr>
<td>Face (Mianzi)</td>
<td>Mianzi is the embodiment of prestige, achieved through success in life and ostentatious acts (Ang and Leong, 2000; Ho, 1976; Hu, 1944) also known as ‘materialistic face’ (Durvasala and Lysonski, 2010).</td>
</tr>
<tr>
<td>Face (Lien)</td>
<td>Lien is society’s confidence in the integrity of the individual’s moral character (Ho, 1976), which is also seen as the ‘moral face’ (Durvasala and Lysonski, 2010). This moral control leads to the process of governing one’s behaviour towards the self-cultivation and refinement of one’s character (Tu, 1998).</td>
</tr>
<tr>
<td>Man Nature Orientation/relationship to Nature</td>
<td>Non-duality of humanity and cosmos and concern for harmony rather than conflict (Vachon, 1983), Tao (the way), relates to fatalism/karma and harmony between man and nature.</td>
</tr>
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</table>

Many early researchers attribute the low engagement with sustainable behaviour to be caused by lack of education surrounding sustainable consumption (Martinsons et al., 1996; Yam-Tam and Chan, 1998; Yeung, 1998). On the other hand, more recent research support the assertion that TCV might actually hinder the growth of sustainable consumption even in the event of high information availability (Wan et al., 2009; Wang and Lin, 2009). Others even suggest that TCV are actually in decline in the face of the “Westernisation” of China and are becoming less relevant (Li, 2006; Wei and Pan, 1999).

Even though values are relatively stable within contexts, several recent studies found that ethical perspectives of Mainland Chinese now reflect a mixed influence of Confucian values and an emerging market ethic (Erdener, 1998; Redfern and Crawford, 2004). Unlike the older generations of Chinese that were subjugated to the ideals of communism under the Marxist dictum “from each according to his ability, to each according to his needs”, the new generation has been allowed to embrace modernity (Durvasala and Lysonski, 2010). Wang and Lin (2009) provide a seminal review of the changing nature of traditional values and we will not replicate that discussion here. However, we can point to a number of areas such as a growing tendency toward individualism (McEwen et al., 2006), materialism (Swanson, 1995), and hedonistic consumption (Wang et al., 2000), which are starting to reshape the Traditional Confucian Values (TCV) to a new Modern Confucian Value (MCV) set.
Wang and Lin (2009) promote the thesis that Western influence has reshaped TCV, but they dispute this is a Westernisation of Chinese culture. They suggest that there is clear demarcation between the new young Chinese and their forbearers, but that “Chinese consumers express individualism (materialism and hedonism) in their own way” (Wang and Lin, 2009: 406). They may appear on the surface to be replicating a Western consumption pattern, but the roots for why they are doing so, what it means to them, and how it is enacted will be uniquely Chinese. In fact, Pan (1990) notes that, even when the modern Chinese society feels the full impact of Western culture, many individuals still immerse in their own pride of national culture. Durvasala and Lysonski (2010) assert that Confucianism is viewed as a philosophy that can persist as a countervailing force to the social and ecological degradation and rampant materialism instilled in modern Chinese life. Understanding these Modern Confucian Values (MCV) and how it inter-relates with consumers views on sustainability and sustainable consumption is therefore the most important starting-point in developing an understanding of the future for sustainable consumption in China. This MCV may go some way to explaining why existing research on sustainable consumption in China tends to over-estimate the reality of consumer behaviour towards sustainable consumption, but also point towards the fruitful areas for its future development. This paper therefore aims to address the question of what Modern Confucian Values are, and how they relate to consumers perceptions of sustainability in consumption.

Methods

Taking into consideration China’s past political and social ramifications that may impact consumption lifestyles, young (20-26 years old) Mainland Chinese consumers served as the sample, rather than sampling from commonly used and more developed cities, such as Singapore, Hong Kong, etc. The young, generation Y were chosen in order to gain insight into consumer urbanites studying in the UK, suggesting the participants to be relatively wealthy, and to be the future trendsetters in China. 43 interviews were conducted in tandem with the extensive literature review as part of an iterative, inductive and interactional process with simultaneous analysis, and emergent interpretation (Goulding, 2005). In the interview guide, many sustainable practices and the purchasing of ethical products were considered, these were open, thus allowing them to go into depth as to which category interested them most. These were based loosely around the behaviour of their parents, in contrast to how they view their lifestyle, the changing nature of the Chinese society, topics of recycling, buying from ethical sources, reusing, and reducing consumption. Tools borrowed from grounded theory (Glaser and Strauss, 1967; Spiggle 1994) were used to explore and interpret the data. Phenomenological analysis through co-axial thematic coding (Dittmar and Drury, 2000) provided a framework to guide the process of transcribing, coding and mapping, which bought out the following findings.

Findings

The purpose of the research was to explore the role of cultural ethics in the future positioning of sustainable consumption in China. Part of this process involves reconceptualising TCV in line with the modern changes that have been impacting upon Chinese young, affluent consumers. Firstly, we explore the interplay between the emergence of materialism and individualism with the TCV and how this forms a new type of TCV-Modernity hybrid. Secondly, we explore the respondents’ opinions of sustainable consumption with the managerial implications to suggest how this can be managed in practice.
The Reshaping of Dominant Traditional Cultural Values

Many changes were discussed with respondents and values that were once integral to the Chinese lifestyle have been increasingly dismissed or interpretations of values have evolved to encapsulate more individualised life experiences fuelled by newfound opportunities. As seen in the data, young individuals in China are very aware and knowledgeable about traditional values, but suggest they are not a part of their generation.

Generation Change

One of the clearest findings from our data was that Chinese values and society have fundamentally changed in the last 20 years. The modern young Chinese separate themselves both culturally and socially from their parents, pointing out a myriad of fundamental shifts in values around consumption.

“The Chinese used to be honest but nowadays it’s how to make money and how to make profits. The situation is not very good.” (JY)

“In the older generation, they think [that because] something makes them feel full or makes them feel warm it is enough. They don’t care about the kind of clothes and they don’t care about the fashion. But now people just want to be more fashionable so they are buying products even though some of them do not work or they stop wearing them just because they think “Ok, at that time it is fashion, so they bought them.” But about 1 month later, these clothes are not in fashion and they just bin them.” (KW)

“We focus on what we like, focus on our own interests. We are braver than our parents. We know how to pursue our own dream. And for our parents, maybe they consider a lot of things. They neglected their own interest, their own dream. Maybe their life was stable but lacked excitement. They do not want to challenge a lot. This change can be related to the change of the whole world. I mean, because of the internet, I can talk with you, and I can see more people and I have more chances to meet different kinds of people and visit different kind of places.” (AG)

The change in culture is most pronounced when respondents progressed to talking about money, and the implications of the marketization of China.

“Some people are really rich and they hold 80% of all the finance in the whole country and others are quite poor and they start to spend their money. In the last twenty years, people have changed a lot, like their daily lives. People have started buying things that they want and not what they need anymore. It is like they really have no sense in the whole of China. Especially the rich people buy things as if they are crazy”. (AZ)

“Chinese people are afraid of some complexity, what could happen, so they tend to save the money in the bank. They do not like to invest and they like to have money in their hands. That is the feeling especially...I think the old generation like my parents and my parents’ parents, they do not like to invest”. (QL)
“My father thinks that making money is not very easy and he does not agree with spending a lot of money. But it is not good. But my mother thinks that it is okay because young people always like to show off to others so just buy [goods]”. (RJ)

We see here; and repeatedly throughout the data, that the traditional values of frugality and saving are fundamentally undermined in the young Chinese. We see them replaced with a mass-consumerist, materialism common in developed Western markets. However the change in modern Chinese consumption patterns strongly ties back to the role of family and parents in the young adult’s decision making. Most respondents still referred to their consumption in relation to the implications for the family, rather than solely in relation to themselves and their identity development. Most pronounced of all however was the assumption that even in their 20’s and 30’s it was still a parent’s job to fund the child’s excessive consumption.

“I am their only child. Although, my parents think my consumption is a little high but they will afford it.” (QL)

“Our parents always worked so hard. They were not afraid of very hard and difficult things, it has changed a lot. Our generation is not very responsible I think. Because my mother always thinks that I am not very responsible. People among the youth buy car by borrowing the money from the bank and it’s my mother’s generation that pays off. They have credit now but they still want their parents to pay off”. (YY)

We see respondents mentioning aspects of familial piety, being hardworking, following traditional rituals, along with saving and not wasting money, whilst in the same breath discussing excess, overspending and unnecessary consumption. What we therefore find is not the emergence of a Western approach to postmodernity but a blend of the traditional with the modern.

The two most common themes following this pattern are the need to follow filial piety in an environment of individualism and aspects of moderation and face with growing values of materialism.

**Filial Piety and Individualism**

Filial piety is still very strong. As many of the quotes above suggest family, and family perspectives on consumption habits, represents a very strong influence on young Chinese consumers. This is far more than what we would find for instance in a Western culture (where peer group would probably fill the same social space).

“I think previous generations gave more thought about family, country, the company they worked for and I think we of course consider our family, but we consider less about the company that we work for”. (SP)

“A lot of customers are influenced by their friends and family. If they say a product is good and ask you to try, you will try. You believe your family or friends much more than a stranger” (SH)
"I would say I am a traditional girl, which is a girl who really respects her parents’ opinion. I mean, when I have some views different from my parents, I would not argue with them. I will communicate with them and we will have a common understanding on certain issue after communication. But my parents are open-minded compared with other parents. They know how to respect my own choice. They know they should focus on my own interest” (AG)

However this value is in itself not a barrier to changing consumption habits. The rise of mass-consumerism and the development of a greater individualism in China have been attributed to the on-going consequences of the one child policy. This is often termed ‘China’s little emperors syndrome’, or ‘4-2-1 syndrome’, denoting the amount of love the child receives, i.e., 4 grandparents and 2 parents for each child (Jun, 2000).

"Yeah, they will remind me, especially my daddy. They would say, "Do not spend a lot of money and save it." He always reminds me of that. But I just forget that when I go shopping. Then as usual I go shopping buy clothes and buy everything I want and my parents say, "Okay, if you like it, then buy it". (CZ)

"Now, I am already 23 and I do not have a job and my parents will afford my living cost for every month. They will give me money. I do not know about whether your parents provide that but one of my German friend told me when he was 18, his parents did not give him any money and he would go out to have one or two part time jobs to earn money. But in China, if you do not have a job although you are 30 or 40, your parents will give you money’. (AZ)

"My colleague said there are so many people among the youth that buy car by borrowing the money from the bank. And it was my mother’s generation that pays off...Yeah. They have credit now. But they still want their parents to it pay off”. (YA)

"We do not look at many festivals in the old ages and take them so seriously. I think the society is developing and everyday is so fast. We do not have extra energy to take do everything. And we think we can contact our families by internet, by phone, properly and very conveniently. So, we do not look at a family party as something important”. (YY)

We find that despite family playing a pivotal role in influencing the type of consumption, it has little influence on the volume of consumption. We therefore find that young people in China sought to primarily satisfy their independent dreams, regardless of whether contrasting views are made by family members. Ritual propriety was spoken about in terms of people in China not having enough time to fulfil these age-old traditions, however the modernisation of technology enable them to contact relatives at ease, which is the main purpose to these festivals, and therefore a diminishing of the importance and implications of these age old customs.

**Face, Moderation and Materialism**

Both elements of face (Mianzi and Lien) are deemed important and remain integral in Chinese society. The respondents illustrate the continuance of the notion of moderation in

851
China in many aspects of daily life, but this does not refute the notions of rampant materialism. The distinction lies in the possibility of gaining Mianzi through luxury purchases and conspicuous display of being at a higher social level, whereas moderation lies in the mundane consumption, essentially the private consumption where there is less need to gain Mianzi, and by avoiding overconsumption cannot lose Lien.

“They just buy nice cars, luxury things to show off, they just care about that. Just because they have money”. (JY)

“If someone wants to find a boyfriend, a Chinese, the first thing she thought isn’t I love him or not, I think they will put it in the end. The first thing, most girl will think about this by rich or not, smart of not, how about this family, then so on, the last thing is I like him or not. She isn’t wrong sometimes. You need some material, material first then love”. (SH)

“If someone is earning 1000 Yuan a month, they will say they earn 2000 Yuan. If they can’t afford an iPhone, maybe they will borrow from friends and parents so they can show that they are better than you and they have a good life”. (MQ)

Today Mianzi is not bestowed upon them through, what was traditionally seen as “ostentatious” acts, but prestige and success are brought to the consumer merely by having the latest iPhone. However we see through the interviews that most respondents consider that ostentatious materialistic desires (Mianzi) e.g. buying nice cars, luxury goods etc. are frequently associated with being in contrast to one’s moral standing (Lien). There is therefore a line to tread for young Chinese between putting forward a good face through materialism (Mianzi), and maintaining good moral standing through people’s confidence in their integrity (Lien).

Obviously Mianzi supports the development of materialism and materialism has provided a very obvious physical manifestation of Mianzi. This has in many ways replaced the traditional need for ostentations acts with ostentatious consumption. However Lien moderates the consumption to the conspicuous and luxury market so that drivers of Lien such as frugality and moderation in “private” consumption can offset the costs of ostentatious consumption in public. There is also therefore space for sustainable consumption in this interplay:

“If ethical products were developed as a status product, it would work. If you advertise ethical product as a sign of being well educated, I want to say yes, I am well educated, I am a person who’s different with others, I can realise something which other people can’t totally. If you do some advertising to the whole society, people think yes, they will be better than others, different to lower class people, this can to be a way to encourage ethical consumption”. (RD)

In this way sustainable consumption can conform to both Mianzi and Lien, it is conspicuous yet morally reaffirming. However once again this is potentially imparting inappropriate westernised views of virtuosity.

Modern Chinese Values and Sustainable Consumption

What we see in the data is therefore not a Westernisation of Chinese consumption habits but an embracing of post-modernity with a Chinese Values underpinning. Our interest
however for this paper was in whether the values of today young Chinese provide opportunity for a growth in sustainable consumption. We find it is the interplay between face and filial piety alongside materialism and individuality where the success or failure of sustainable consumption is likely to play out.

For a start the interpretation of what is sustainable is clearly very different in a modern Chinese culture than we would potentially view it in the west. One of the most enlightening quotes was from LZ where she stated:

“Yes, I read something that most of the clothing is made in the poor area in China, I think about these poor conditions. Yes, so every time when I buy clothes, I will wash it before I wear it for the first time” (LZ).

In response to the media exposure of sweatshop labour we don’t find revulsion but pragmatism regarding personal interaction with the product. This interpretation of labour rights was a very clearly an area in which Chinese consumers simply do not see a moral issue:

“I heard about this, they have to do this, businesses cannot afford great working conditions, China is a developing country, people are still willing to work in these terrible conditions, better than having no job”. (CA)

“China has a big, big, huge, huge population. I heard of a story of a Chinese software company. The workers work for 13 hours without sleeping. And I think the main reason is that China has huge population. And may be 50% of people do not have a good education. They can only go to some manufacturing job, go to the factories and to some this kind of job is easy and they do not need you to think about it, they just need you to do it”. (QA)

Old clothes, I just throw them. I don’t like to give them to charity because if you give clothes to charity they would give clothes to the poor countries. They just ruin the industry there. If they do not give clothes to the poor countries, people there still have job opportunity to produce clothes by themselves. But you give them free product and you do not have to produce them anymore and they lose their jobs and everything goes worse. So I do not give them to charity. (SP)

“They may not pay extra for ethical goods, people will just laugh and think you’re stupid, why did you pay more for that”. (JY)

However the interpretation of more environmental sustainability initiatives was different yet again:

“Everyone brings their own bags to go shopping, but it is because there’s a one Yuan charge for a plastic bag”. (LZ)

“My mum, I don’t think she got the same standard to protect the environment and recycle, just that she can earn money, she never throw the empty bottle in the rubbish, because that is like throwing money away”. (SA)
“People will recycle food or they are not wasting the food by eating the same meal again. Sometimes the vegetables will become mouldy, they will still eat it...people don’t think it’s a way to protect the environment when they eat mouldy food, in China they don’t think it’s an ethical thing to do, just habit”. (ZI)

Again this is not a Westernised interpretation. Chinese consumers already have habits very conducive to sustainable consumption, but not on moral or ethical grounds, but again pragmatic real life reasoning.

The area of recycling appears to strike a strong resonance between traditional approaches to consumption and modern approaches.

“More people are now recycling actually the government is promoting ethical behaviours of Chinese people, the government want us to recycle, save more water, use less paper, through some advertising.” (SY)

“I considered recycling. Sometimes people consider recycling. They just know we should recycle.” (SH)

“Health is one factor, but environmental too. My family thinks the environment is really important, they have a habit of recycling everything, papers, bottles, they like to buy natural things from open market, sometimes they go to supermarket but they try to find organic things. It starts because of personal reasons, like being cost conscious; now I know being a vegetarian will help the environment, protect the animals. The plants don’t need a lot of artificial things like animals, it will be harmful to the animals, so it’s not environmental, animals are one of the members to the environment, we need to respect that”. (YY)

Most respondents to some extent discussed the rise of recycling within Chinese society. However as the richer end of society our respondents thought it their place to recycle – but not necessarily buy recycled items themselves.

“I don’t want to use recycled, the first thing that comes to me is that it is not really clean”. (LL)

However the biggest stumbling block for sustainable consumption is inherent levels of distrust Chinese people have for corporate activity. This leads us onto the next section, which looks at the evident cynicism surrounding sustainability.

**Cynicism**

The study found the changing and maintenances of specific Chinese values leads to various levels of cynicism within the society, creating adversity to sustainable consumption.

**Levels of Cynicism**

When discussing the reality and feasibility of sustainable consumption practices, the focus the respondents drew from was not regarding the consumer side e.g. the demand of sustainable consumption, attitude etc., but rather their perception of business activity. There
is substantial evidence of high degrees of cynicism surrounding sustainable consumption. It is a dominant deterring factor when purchasing organic or eco-friendly products in China. Even if the Chinese are ready and want to pay extra for organic food, they are still unsure whether it is indeed organic due to poor labeling or mistrust in companies due to exposed scandals in China. This is not specifically due to their ethical claims but due to loss of credibility to deliver on their basic product promise of providing safe products to the public. This has developed and inherently caused consumers to be wary of companies being what seems to be “over-delivering” and “over-ethical” when such negligent company behaviour on a basic level can exist. Three levels of cynicism consequently leads to hindrances in product purchasing can be seen at the; product level, organisation level and a societal level.

**Product Level**

The respondents perceive that Chinese consumers are ready to join the sustainability movement. This can be seen most readily due to health concerns of food safety in China, rather than wanting better working conditions or, “sustainability” as we may define it in the West. They suggest that the labelling of the food can be dishonest, which they have associated with previous shopping experiences (e.g. expiry dates) which they think is of huge concern, thus if the companies are willing to deliberately, or accidently mislabel, there is a huge potential for the products to be wrongly upgraded with more “ethical” and/or “sustainable” labels. Chinese consumers have sufficient knowledge about sustainability issues but they seem unable to embrace sustainable consumption practice, as there is no perceived ability to identify the sustainable from the harmful products.

“The standard of organic from the point of consumer is hard to control, from the individual difference, you can't know if it is organic or not. So people would like to pay more for organic food, but from my point of view, I am still concerned, is it really organic or not”. (SS)

“Some businessmen, in order to make more money they put a lot of chemical things in these goods so it leaves mess in here. Such as the quality of the bridge, the quality of the boat, and you know that the Hangzhou bridge built in 1995 broke down 2 days ago, they won’t even accept the blame”. (JY)

“Sometimes I buy organic but don’t know if it’s really organic or not. People are just so interested in themselves and making money, they don’t care. We have food scares, like milk scandal, fake eggs and medicine. You don’t know what is true or not”. (LT).

Chinese consumers have sufficient mistrust in the products themselves that sustainability claims are viewed with deep suspicion.

**Organisational Level**

The most pervasive aspect to constraining sustainable consumption is the respondents’ tainted view of business as conducted by greedy people; from large multinational corporations (MNC’s) to independent mom and pop stores they tar everyone with the same brush. They consider that if large MNC’s are willing to risk and sacrifice their worldwide reputation and integrity with inflated claims, then smaller businesses have even less to lose.
“Carrefour and also Walmart, very big super brand have very good reputation in the whole world wide, this year, they have been punished twice, they have relabeled some food which already expired the valid date and sell it as normal price. Another buy 2 get 1, they charge as normal when you get to the till...These two brands, they have a strong willingness to protect their brand, their reputation for them is very important, but they still make mistake, but how about some small brands, there is no much more strong part to observe their activity behind it, so sometimes they may still make mistake intentionally or unintentionally”. (ZX)

“Now, big brands has been revealed like the food is not safe, even they say it's good, it's safe, now I feel Chinese people don’t trust much on any kind of brands! First thing was the big milk brand, Sanlu, it was a really well-known good old brand. Finally people found very harmful stuff overdosed in the milk and then more and more brands have this issue. Sanlu this brand was too much, too significant, incredible, people were raised by this milk... Every Chinese know that if you ask the name. There's distrust from scandals, distrust in ethical labeling like Chinese biggest sausage brand revealed this year, they put some harmful thing just to reduce the cost. It's an interesting situation, when Sanlu happened, overseas products, even if they have to pay a higher price, they do that, they believe anything other than Chinese brands, it's funny”. (QA)

In addition, many respondents bring the discussion back to the baby milk powder scandal associated with the brand Sanlu in 2008, which still has many repercussions today. The mainland Chinese are flocking over to neighbouring countries i.e. Hong Kong to bulk buy milk powder, causing more tensions between the two regions and placing restrictions on how many the consumers can purchase and take back home. This scandal has led to a dramatic distrust in Chinese brands.

Societal Level

The Chinese consumer’s cynicism is ingrained. Their attitudes and lack of confidence towards the sustainability of products is hampered by their mistrust of Chinese society as a whole. These were driven by negative experiences, exposed scandals and the general crime and reported in China. In contrast, the respondents were a lot more trusting of European standards.

“Er I think because we have got a big society, more complicated, the life is more complicated than here, generally, people in [the UK] are quite nice and honest. The culture is like that, but In China, probably a lot like the advertisement are not true! People can and will suspect everything. So many things, someday your wallet will be stolen by someone. Sometimes you bought medical pills, you think it will be good for your health because the advertisements say its good da da da, but they probably pour some powder or flour inside. No don’t want to believe it, suspect everything”. (LL)

“Actually, if Fair Trade was in China, I would doubt the system will really work for Chinese or Indian farmers, but in the UK, I kind of trust the Fair Trade logo, I don’t really doubt doing ethical things here because they are
more honest, haha. Not only talking about Fair Trade logo, but in China, there’s no very formal organisation to do it and I will doubt. I pay more, but the money is not really helping the people, maybe someone else is taking it”.

(SY)

These various levels of cynical attitudes may overlap and can be seen as a dominant factor in determining their involvement in ethical consumption, since it is ingrained in the consumer's mind-set through previous knowledge. It can be seen as a factor considered prior to other considerations such as price, convenience, choice, etc. and it is evidenced how integral they are how they permeate the attitudes of Chinese consumers, and thus the potential of ethical consumption within China.

Discussion

It is evident that the Chinese consumers now reflect a mixed influence of traditional Confucian values and an emerging market ethic as found by Redfern and Crawford (2004). During times of social and economic changes, Chinese cultural value systems have recently undergone phenomenal transformation (Shively and Shively, 1972; Yau, 1988). In the data, there was little evidence of the “oriental world-view” (Chan and Lau 2000; Jenkins, 2002; Ip, 2003), highlighting the possible exaggerated influences that Confucian values bestow. Despite the changes, Yang’s (1979) findings implicated that some of the traditional Chinese values were still held by young Chinese (Yang, 1979; Yau 1988). Although these findings were found over twenty to thirty years ago, a closer look at recent changes finds that these values e.g. filial piety, moderation, face still permeate Chinese lifestyles. However, the prominence of materialism and individualism, influenced by the prevailing force of face, suggests how convincing and dominant modern consumerist ideologies are; a few decades of economic reforms is superseding 2000 years of Chinese moral doctrine.

There is evidence of rampant materialism amongst the middle-upper class of Chinese consumer, which is often seen to be at odds with sustainable consumption, however Harrison et al (2005) suggests wealthier consumers can realize the desire to consume ethically once their primary needs have been met. Another point is that the adoption of individualism is increasing. This implies that these values will undergo more crucial changes, where their philosophies of ethics will be attained from many avenues that may possibly diverge away from traditional values. With this in mind, the Chinese youth who readily embrace some Western values would possibly be more attuned to comprehend values and ethics that are permeating the West that still have yet to reach the mass concern in China, such as certain human rights issues, democracy, or in the context of consumption; fair trade, sweatshop labour and eco-friendly products. In regards to their frugality/moderation value on more everyday consumption behaviour, we already evidenced the actions of sustainable consumption on the basis of wanting less waste and saving money, however this may not be attributed as consuming sustainably by the consumers in context.

The influence of cynicism played an unexpectedly large factor that clouded the social norms and hindered the attitudes of ethical consumption intention, and in turn behaviour, as modelled by Fishbein and Ajzen (1975). More recent research has defined it as a disillusionment resulting from the failure of specific institutions in contemporary society to meet the high expectations presented by modern day life and the one relating to Machiavellianism, cynicism has been portrayed as a belief that others are deceitful, self-serving, untrustworthy, and malevolent (e.g. Christie and Geis, 1970). Wrightsman (1992) proposed that cynicism
demonstrates the basic philosophy about human nature, the opposite of idealism, a general attitudes that one cannot depend on other people to be trustworthy and sincere. There has been some, albeit limited attention regarding ethical scepticism from consumers in Western developed countries. (E.g. Carrigan and Attalla, 2001; Helm, 2004). When regarding disbelief with ethical/ sustainable consumption, most research focuses on the concept of scepticism and sceptical consumer behaviour. However this is only one element of cynicism, effectively the disbelief element of this construct, which does not encompasses the perception of deliberate manipulation, or the negative affect of cynicism (Helm, 2004).

Having a closer look, and from contrasting the concept of Western scepticism, it seems there is a marked distinction between the scepticism in consumers’ attitudes potentially holding back sustainable consumption and the Chinese cynicism that plays out in Chinese societies. Firstly scepticism is more about the consumer being doubtful or not being easily convinced. Western consumers would have a more sceptical view; sceptical that their individual contribution or collective action would make any meaningful difference in alleviating environmental and social problems. However, in the data, the Chinese consumers never doubted their own actions of contributing or it being meaningful. Their attitude towards sustainable consumption practices were embedded in negativity, being cynical, and believing that people are motivated purely out of self-interest; being distrustful of human sincerity and integrity, which is where most of the data seems to be drawing upon. Being cynical is drawn, not just on ethical claims of products, but attributed wider with the cynic nature deriving from the credibility of companies and the perceived dubious behaviour of the society within China in general. Chinese consumers say they care, and the Chinese consumers express attitudes that are willing to act upon consuming ethically but they also have contrasting concerns, not regarding “will this really matter?” but rather “is this legitimate”. With that being said, the issue of cynicism (rather than scepticism) in ethical consumption is under researched and most definitely deserve research attention in future research.

Our research also suggests that young, affluent Chinese consumers increases in materialism and individualism contribute to the participant’s cynicism in the trustworthiness of the product and company ethical claims. The cynical behaviour of Chinese consumers results from individuals within businesses revealing individual expressions and gratification of own needs that are considered a threat to the collective society (Winfield 2000) that needs to be tendered to if they are going to improve their image and promote sustainability.

Conclusion, managerial implication and limitations

In conclusion, through 43 interviews the study finds that generational change is very apparent. The data shows growing individualism despite strong filial piety remaining in place. Both elements of face (mianzi and lien) are deemed important and remain fundamental in Chinese society. There is a continuance of the notion of moderation in China in many aspects of daily life, but this does not refute the notions of rampant materialism in consumption concerning the public sphere. On that account, it seems order and chaos is not contradictory, each value holding a place, and fulfilling its purpose of consumer’s life goals. Regardless of the seemingly contrasting values, the evident values each have managerial implications for those wanting to promote sustainable consumption in China.

The implications of this intermingling of Modern Confucian Values (MVC) for sustainable consumption in the times of crisis concern how these values can be harnessed for the promotion of sustainable consumption. Since filial piety is strong; the younger generation are
still looking upon their parents and elders for information. Sustainability marketers, practitioners and social policy makers cannot assume that the younger generation is the main target for new product information and promotions of behavioural change. This is due to the opportunity for the reception and transferring of information and social behaviour from the older to the younger generation can still gain traction. On the other side, reverse socialisation, in which the younger generation teaches and pushes for a change towards their elders can be harnessed due to the existing tight knit bond. The adoption of individualism is increasing and the philosophy of global ideals and ethics from other avenues cannot be undermined. Knowing this, it highlights the fundamental role that Western education has on the impact of setting the foundations of critical knowledge and sustainable consumption education. Thus Western education should hold a responsibility in supporting this knowledge transfer to increase extensive consideration of certain ethics. The concepts of face, both mianzi and lien play critical roles in Chinese rationales of consumption. Marketers and policymakers should emphasise social consciousness and losing one’s mianzi through unsustainable consumption behaviour. This can be utilised together with the provision of social avenues to conspicuously recycle or buy environmentally friendly products to develop their lien, especially in high visibility public areas. Conspicuous sustainable consumption could promote individual lien by advocating sustainable behaviour as indicative of wealth, education and righteous character.

By tapping into the frugality value, financial incentives in policies or social practice may result in immediate action amongst frugal consumers, eradicating the need for the slow process of nudging consumers to develop the appropriate ethical attitude and intentions. Through developing more systematic incentives for action, it can then build into habitual behaviour where they may later act ethically regardless of monetary enticement. Despite, the maintenance of values concerning moderation and frugality, we see materialism in public arenas of consumption. The study recommends that marketers need to evoke the appeal of being an ethical consumer by highlighting emotions of self-gratification and status, promoted with unusual environmentally conscious products and conspicuous luxury packaging. The overall association of ethical induced consumption behaviour should align with actions belonging to consumers amongst societies “finest”, the “Chinese ethical self-actualiser” who is at the top of the achievement ladder; achieved and acquired everything else that people are now trying to attain.

With regards to the cynical attitudes towards the sustainability movement, there is greater trust in international firms and their claims thus there is need to harness consumer’s belief in ethical behavior by exhibiting rigorous and transparent international sustainability standards and trademarks. In addition, firms need to demonstrate reputable and philanthropic activity with high profile evidence to offset existing business malpractice in the domestic marketplace. The study supports Chan (1999), who proposed that the government along with businesses should act accordingly to strengthen the image of environmental purchasing; by avoiding exaggerated claims, improving the quality of products and establishing clear ethical guidelines. Only then would Chinese consumers consider utilising ethical consumption for self-actualisation purposes.

The paper contributes by addressing the gap of considering the renegotiations of traditional Confucian values taking place in modern China and how this affects the prospect of sustainable consumption. In addition, this paper contributes by looking at how scepticism is a hindering process of adopting a sustainable consumption lifestyle in China and how it manifests on various levels. Its purpose was to fill a predominately-unexplored domain and covered the issues broadly, and thus the limitation lies in covering the breadth of the issue and
may limit the comprehension of complex phenomena. Further research could delve into specific measures and variables concerning the Chinese values and the issue of cynicism within sustainability.

References


Modeling the Adoption of Car Sharing

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Car sharing has been defined as a form of access-based consumption, as consumers enjoy the temporary benefits of a vehicle, without transfer of ownership. In this way, car sharing addresses consumers’ mobility needs, while reducing the societal and environmental impacts of current travel practices. Because of the recent growth of car sharing, the consumer behavior aspects of car sharing are just beginning to be researched. This study employs Behavioral Reasoning Theory to advance understanding of the cognitive processes that drive adoption of car sharing services in consumer markets. Drawing on a sample comprised of adopters and non-adopters in Dublin Ireland, results of path analysis suggest that important aspects of Behavioral Reasoning Theory apply to car-sharing behavior. Importantly, both social influence and attitude toward car sharing have direct influence on consumers’ decision to adopt car sharing. The study closes by discussing implications for marketing managers and researchers.

Introduction

The private car, despite its numerous benefits, is largely responsible for many environmental and social problems faced in the world today. Automobile usage is a principle source of air and noise pollution, and related infrastructure like highways and parking spaces dramatically impact urban landscapes (Union of Concerned Scientists, 2013). Further, traffic congestion is now a serious problem and research reports that consumers in the U.S. spend about 14.5 million hours every day stuck in traffic (Morgan, 2013). In 2012, the Texas Transportation Institute estimated that travelers in 68 urban areas spent more than $72 billion, or about $755 annually per driver per year, in lost time and wasted fuel (Morgan, 2013). In response to these problems, numerous efforts have been made to encourage consumers to drive their cars less, or switch to alternative modes of travel like bicycling or public transportation (Katzev, 2003; Shaheen & Cohen, 2008).

More recently, city planners and automobile companies have increasingly been promoting car sharing as an alternative to private car ownership. Originating in Switzerland and Germany over 30 years ago, car sharing has only recently made significant inroads into mainstream markets. Today, car sharing services exist in about 1,100 cities, in 27 countries on five continents (Shaheen & Cohen, 2012).

While there is a body of literature on descriptive aspects of car sharing, little is known about how consumers cognitively process a decision about adopting car-sharing behavior. Unlike traditional buying behavior, car sharing has been conceptualized as a form of “collaborative” or “access-based” consumption, as it involves sharing a good or service, instead of transferring ownership. This study employs Behavioral Reasoning Theory (BRT) and empirically tests a model of consumers’ cognitive processing of car-sharing behavior (Westaby 2010). Of note, this study evaluates the relative influence of several antecedents, including values, reasons, and global motives (i.e. attitudes and subjective norms) on consumers’ decision to adopt or reject car sharing services. By advancing researchers’ understanding of key
determinants of car sharing adoption behavior, this study highlights and discusses important implications for managers and researchers alike.

First, the study provides a brief history of car sharing. Next, the study provides a summary of previous research about car sharing and discusses how researchers have conceptualized car sharing in the consumer behavior literature. The study then proposes a theoretical model based on Behavioral Reasoning Theory of consumers’ adoption decision for car sharing. The study then presents the empirical testing of this model and a discussion of these results. Implications of the results for managers and researchers close the study.

Background

Car sharing

Car sharing’s appeal to consumers lies in gaining the benefits of private vehicle use without the costs and responsibilities of vehicle ownership. Car sharing services occupy a market that fills a gap between individual car ownership, public transportation, and traditional car rental companies (Shaheen, Sperling, & Wagner, 1999). Customers typically pay a registration fee, a monthly fee and/or a usage fee based on the duration the trip and the distance travelled in order to use a car sharing service. Car sharing is typically meant to be used for short-term (minutes or hours) trips. For longer trips, individuals are more likely to use public transport, flights or more traditional car rental services.

The practice of car sharing is a quintessential access-based consumption activity. Access-based consumption is defined as “transactions that may be market mediated in which no transfer of ownership takes place” (Bardhi & Eckhardt, 2012). With car sharing, the consumer is acquiring access and consumption time for a vehicle by paying a price for the use of that vehicle (Bardhi & Eckhardt, 2012).

Car sharing has also been labelled as a form of sustainable transportation, as it reduces resource inputs and waste outputs, and thus lessens the adverse impacts of current transportation practices (Bruun, Preston, Schiller & Litman, 2010). In other words, car sharing offers an efficient way of meeting individual and public needs for mobility, while reducing the societal and environmental impacts of current travel practices (Bruun et al., 2010).

One of the earliest experiments with car sharing can be traced back to a cooperative known as “Sefage” (Selbstfahrergemeinschaft), which began offering its services in Zurich, Switzerland in 1948 (Harms & Truffer, 1998). This early service was mainly motivated by economic factors. Individuals who simply could not afford to purchase a car shared one with other individuals in the cooperative. In the following decades, similar car sharing experiments like “Witkar” in the Netherlands, or “Green Cars” in the U.K. were attempted all over Europe. Most of these ceased operations because of lack of funding, limited infrastructure, or no governmental support (Britton, 1999; Cousins, 2000; Strid, 2000).

However, with advances in smartphone technology, social networks, and other peer-to-peer solutions car sharing has moved from a highly localized niche service to one that is widely accepted in metropolitan areas around the globe. Car sharing has expanded from Central Europe into North America, Asia, Africa, and Australia. As of October 2012, car sharing services could be found and utilized in approximately 1,100 cities in 27 countries on five
continents with an estimated 1,788,000 members sharing over 43,550 vehicles worldwide (Shaheen & Cohen, 2012).

Today, the two largest markets for car sharing are North America (which accounts for 51 per cent of the global market), and Europe (which constitutes 39 per cent of the global market) (Shaheen & Cohen, 2012). By the end of November 2012, Zipcar was the world’s leading provider of car-sharing services with an estimated 767,000 members and more than 11,000 shared vehicles deployed throughout the North America and Europe (Zipcar, 2012) Car2go is the second-largest provider of car sharing services with operations in 17 cities worldwide serving more than 275,000 customers (Steinberg & Vlasic, 2013).

**Services, technology, and innovations**

There are three types of car sharing services offered to consumers today (Shaheen et al., 2009; Truffer, 2003). First, *private car sharing* enables consumers to share their vehicle with others who do not have, but are in need of the use of a vehicle. In this practice, the participating car owner offers their vehicle for a fixed price and makes information about the availability and location of the car available to potential users. Customers search for and reserve cars listed on a commercial website, and payment takes place via a third party service provider. Reservations for this type of service can also be made through smart phones and applications such as getaround.com and whipcar.com.

Second, *private car-pooling* features individuals or groups sharing a car to travel from one location to another (e.g. Carpooling.com). Car owners and passengers register on a website where the owner posts details regarding upcoming destinations for travel and when the owner will be traveling. The owner also advertises the price of passage along with his contact information on the website. The passenger then contacts the car owner via phone, email, or text to make the final arrangements. Private car pooling via smartphone offers a convenient ride-sharing option for a wide range of individuals in diverse situations and circumstances. This service is similar in ways to a traditional taxi service with the exception that it takes place between private parties.

Third, *commercial car sharing* is the most common car sharing concept and service offered today. Service providers operate physical locations for pick-up and drop-off of the cars, as well as online websites (e.g. Zipcar). Customers register, reserve, and pay for services at a website and are then sent a chip or identification card that allows them to use the available vehicles in the fleet. Vehicles must be picked up and dropped off at predetermined locations conveniently located throughout their coverage area. Car2go, DriveNow, or Multicity are a few companies that provide car sharing with flexible drop-off points. Companies strategically position available vehicles throughout their market, and customers locate these cars via the internet or smartphone applications. Once the customer arrives at the vehicle, the person can unlock and drive the car to their desired location. The car is then left for the next user. The cost of this service is typically based on the time of usage (minutes/hours) and distance travelled. Once the user has parked and locked a car, payment is debited from the customer’s account and a receipt is sent via email.

Commercial car sharing is by far the fastest growing form of car sharing, and is the most relevant context for the focus of this study. As previously mentioned, commercial car sharing services are available and becoming more readily available worldwide. New commercial service-providers like Paris’ Autolib’ are regularly entering and shaping a burgeoning
marketplace for car sharing. Furthermore, traditional car rental companies have also entered this market by introducing their own car sharing services. These include Hertz on Demand, Enterprise “CarShare” by Enterprise Rent-A-Car, “Avis On Location” by Avis, and “Uhaul Car Share” by U-Haul. Not to be left behind, car manufacturers have also introduced their own car sharing services, including VW’s “Quicar”, the aforementioned Daimler’s “car2go”, and BMW’s “DriveNow”. Additionally, according to Navigant Consulting, global car sharing services revenue will approach US$1 billion in 2013 and grow to $6.2 billion by 2020, with over 12 million members participating worldwide (Navigant Research, 2013).

Previous research on car sharing

There is a body of literature on car sharing dating back to its inception in the early 1940’s, but it is mostly descriptive reporting such aspects of car sharing such as usage rates and numbers of providers. Car sharing is a widely discussed topic in a variety of disciplines ranging from environmental science to marketing. Early research on car sharing focused predominantly on government sponsored feasibility studies (Katzev, 2003).

Later this focus shifted towards consumers, and studies began to explore consumers’ mobility behavior, individual ownership rates, and the factors that encouraged car sharing (Steiniger, Vogl, & Zettl, 1996, Klintman, 1998). The main goal of this research was to understand determinants of switching from car ownership to car sharing and the resultant impact on lifestyle. For example, research found that early car sharing programs were offered as a supplement to but not an alternative to traditional car ownership due to the limited number of options and services available at that time (Shaheen et al., 1999). More recent findings suggest that car sharing is still mostly utilized for off-peak period travel or on weekends, in times of poor transit service, or high traffic congestion, and that the majority of trips cover short distances and correspondingly brief amounts of time (Costain et al., 2012).

Other studies have evaluated the characteristics of consumers involved in car-sharing (Prettenthaler & Steininger, 1999). For example, studies found that early car sharing programs were most successful in areas with 1) a high concentration of individuals between the ages of 21 and 39, 2) a high proportion of residents utilizing public transportation, 3) a large number of renters, and single-person households or non-family households, and 4) individuals that consider themselves to be social activists, frugal, and socially or environmentally conscious (Andrew & Douma, 2006; Burkhardt & Millard-Ball, 2006).

However, researchers did predict that with increased services and coverage along with advances in technology, car sharing on a broad scale would be feasible as an option for wider target groups. For example, Schuster (2005) and Andrew and Douma (2006) estimated the potential of car sharing, and how the development of technology could help make car sharing a more viable option in the marketplace. Other researchers explored some of the economic influences and impact of car sharing and found that car sharing increased average traveling speeds, deceased the average distance traveled per trip, as well as decreased fuel consumption, traffic accidents, and vehicle emissions (Fellows & Pitfeld, 2000; Bruun et al., 2010).

With increasing popularity and international growth of car sharing services, researchers have begun to investigate different models of car sharing, their distinct characteristics, and how individual firms are shaping the competitive landscape (Firnkorn & Müller, 2011; Hampshire & Sinha, 2011; Glotz-Richter, 2012). Further, researchers have become more interested in the effects of car sharing, and the accompanying changes that take place in the
society, economy and the natural environment (Duncan, 2011; Sioui, Morency, & Trépanier, 2013). Findings suggest that car sharing reduces 1) environmental pollution, 2) transportation costs, 3) the number of private vehicles on the road, and 4) the static land consumption because of fewer vehicles needing to operate in a given coverage area (Firnkorn & Müller, 2011; Hampshire & Sinha, 2011). Furthermore, car sharing reduces the carbon footprint of transportation by shifting consumers out of their ingrained habits of driving every day to using alternative modes of transportation. A smaller carbon footprint also results from better emission standards for car-sharing fleets, and from the life-cycle savings of not producing as many cars (Glotz-Richter, 2012). Additionally, car sharing can provide an economically-efficient travel-option for those with limited vehicle needs, and can work well for households that do not need a vehicle for full time commuting (Duncan, 2011).

More recently, studies have begun to investigate specific aspects of users’ car-sharing behavior. For example, researchers have been interested in 1) how consumers’ attitudes towards the environment or safety, 2) the frequency of car usage, or 3) the range of vehicle choices available to consumers influence their car-sharing behavior (Zhou, 2012; Costain, Ardon, & Habib, 2012). Other studies have focused on consumers’ prime motivations to participate in car sharing. For example, Schaefer (2012) found that besides the utilitarian motives of value-seeking or convenience, affective or symbolic lifestyle motives as well as altruistic environmental motives influence consumers’ acceptance and usage of car sharing. Other motives to participate in car sharing include 1) access to a desired product at a lower cost, 2) decreased liability, 3) approval by peer groups, 4) rebellion against traditional marketing structures, or 5) simply an interest in supporting sustainable or pro-social behavior (Lamberton & Rose, 2012; Catulli, Lindley, Reed, Green, Hyseni, & Kiri, 2013).

However, car sharing by its very nature is different from car ownership. Accordingly, researchers have not succeeded in transferring traditional car-buying conceptualizations to car sharing behavior. As a result, little is known about consumers’ cognitive processing of car-sharing behavior, and about the antecedents that might influence adoption of such services. In the following section, the study takes a closer look at the conceptualization of car sharing in the consumer behavior literature.

Consumer Behavior Perspectives of Car Sharing

Collaborative consumption

Car sharing has been conceptualized as a form of collaborative consumption. Felson and Spaeth (1978) first defined collaborative consumption as an act in which one or more persons consume economic goods or services in the process of engaging in joint activities with one or more others. Examples of collaborative consumption include living with a roommate, using a laundromat, as well as car sharing. More recent definitions of collaborative consumption build on the concept of individuals enjoying the benefits of ownership with reduced personal burden and costs, and also include the fact that collaborative consumption lowers the overall negative impact on the environment (Botsman & Rogers, 2010a).

Collaborative consumption is an alternative to traditional forms of buying and ownership based on the premise that access to goods and services is more important than personal ownership (Botsman & Rogers, 2010b; Sacks, 2011). There are many practical benefits to participating in collaborative consumption. Car sharing has lower fixed costs than private vehicle ownership, thereby allowing individuals to decrease their expenses and potentially
generate additional income from underutilized assets (Litman, 2000; Economist, 2013). Moreover, collaborative consumers can try out new products or services with a decreased amount of risk and at a significantly reduced cost (Botsman & Rogers, 2010a).

In addition to having access to a myriad of products and services that may have previously been unavailable, consumers also profit from the social benefits of collaborative consumption. For example, allowing someone to benefit from driving an unused or underutilized vehicle can be a satisfying and fulfilling experience for all parties involved. Such behaviors also expand individual’s networks and allow them to meet new consumers and potentially form friendships (Friedman, 2013; Botsman & Rogers, 2010b).

Further, collaborative consumption is likely to have positive impacts on consumers’ environment, as goods and services are consumed more economically (Botsman & Rogers, 2010a). For example, the CEO of Zipcar recently argued that one automobile used in car sharing can replace 15-20 personal automobile (Kilcrease, 2011).

**Sharing**

Sharing has always been an important element of human behavior, whether it took place in the earliest human societies where families survived by hunting and farming together, or in more recent times, where consumers now share numerous products and services (Belk, 2010). Specifically, there has been a broad range of structural changes in society, including a shift from markets to networks and from ownership to access (Rifkin, 2000). As a result of the economic turmoil of the past few years, many consumers have chosen to rent or to participate in access based consumption activities like car sharing rather than purchase those goods for themselves (Albinsson & Perera, 2012). This trend has often been discussed by the media and has been widely labelled as “the sharing economy” (Friedman, 2013). Such sharing was hailed as one of the top ten ideas that will change the world (Kaufman, 2012; Walsh 2011). As Joe Kraus, a partner at Google Ventures, noted in an interview with Forbes Magazine, “The sharing economy is a real trend.” (Kaufman, 2012).

Many entrepreneurs have already developed new business models and formed successful companies based on principles of sharing and collaborative consumption (Kaufman, 2012). In addition to the car sharing companies like Zipcar and Car2go, companies like Airbnb, Landshare, SpaceOut, and MeeMeep (to name a few) are high-profile examples of businesses that are growing and transforming the marketplace. These companies are buoyed by technological advances in ITC, social networks, GPS, mobile technologies and cloud-computing. None of these technologies would not have been considered financially feasible even a few years ago (Kaufman, 2012). More importantly, technology will continue to create new options to aggregate supply and demand in inexpensive and efficient ways, which has helped sharing and collaborative consumption to become an on-going trend (Economist, 2013). For example, Airbnb or Zipcar combine the idea of collaborative consumption with an innovative business model to provide their products and services to their consumers. Even established auto manufacturers, such as BMW and Mercedes-Benz, have started collaborative consumption ventures like car sharing in response to consumer demand (Botsman & Rogers, 2010b).

For these reasons, collaborative consumption is a powerful force that not only alters business models, but also changes consumer behavior (Geron, 2013). Among many collaborative consumption endeavors today, consumers can take part in programs to 1) share cell
phone minutes, 2) pool frequent-flyer-miles or 3) participate in car or bike sharing (Lamber-ton & Rose 2012). Another trend that is directly related to collaborative consumption is that of “voluntary simplicity”.

**Voluntary simplicity**

Many different terminologies including “compassionate approach to life”, “dedicated poverty”, and “simple living” have been presented in the literature to describe what is now popularly termed ‘voluntary simplicity’ (Shaw & Moraes; 2009). Numerous terms exist to describe the varying degrees to which this life style is embraced. However, these terms all refer to a lifestyle that minimizes consumption and the pursuit of wealth and material goods. Individuals choose voluntary simplicity in order to attain a simpler but more meaningful life.

Individuals’ motivations towards living a life of voluntary simplicity vary greatly. Motivations may focus on the prudent and frugal use of resources for the achievement of long-term consumption goals, and may have little to do with societal and environmental issues such as those advocated by the low consumption and anti-consumption movement (Shaw & Moraes, 2009). But individuals choosing voluntary simplicity can also be motivated by other concerns such as religion, or their own physical and mental well-being (Craig-Lees & Hill, 2002). For example, U.S.-wide online survey by Huneke (2005) found that “voluntary simplifiers” attribute importance to principles such as responsibility, family life, friendship and generosity.

Further, voluntary simplifiers may reduce or modify their consumption, and/or decide to not at all consume certain products and services. The decision whether and what to consume is a highly personal decision made by each individual (Arnould, 2007). These decisions can be influenced by consumers questioning the need to utilize certain products or services, or may arise from a more general questioning of practices and processes of consumption, in general.

Voluntary simplicity has similarity to the notions of collaborative consumption and sharing, because consumers who decide to give up ownership of certain products still have the need for the service these products provided. For example, voluntary simplifiers might decide against owning a car or a washing machine. However, they still have the need for mobility and clean laundry. In this instance, access-based consumption options like car-sharing or laundromats provide viable alternatives to ownership and allow consumers to simplify their life while they fulfill their needs and wants.

Despite the rise in collaborative consumption, empirical studies related to consumers’ cognitive processing of collaborative-consumption behavior are just now being fielded. As a result, little is known about consumers’ cognitive processing of collaborative-based goods and services. This study seeks to explain important aspects of consumers’ mental processing of adopting car-sharing behavior. In order to do so, the study employs Behavioral Reasoning Theory (Westaby 2005) to investigate the influence of personal values, reasoning, as well as global motives (i.e. attitudes and subjective norms) in consumers’ car-sharing behavior.

Behavioral Reasoning Theory has proven to provide a valuable framework for explaining various behaviors from leadership decision making (Westaby, Lee and Probst 2010) to the adoption of renewable energies (Claudy, Peterson, O’Driscoll 2013). According to BRT, consumers’ behaviors are influenced by global motives like attitudes and subjective
norms, reasons, as well as their personal values (Westaby 2005). Comparative studies have shown that Behavioral Reasoning Theory explained variance in consumers’ intentions over and above that of traditional models like the theory of reasoned action (Westaby et al. 2010; Westaby 2005). In this way, BRT offers a comprehensive understanding of consumers’ cognitive processing of car-sharing behavior much needed by researchers, as well as by marketers of car-sharing and users of car-sharing services.

**Conceptual Framework**

*The model*

The current study employs Behavioral Reasoning Theory (BRT) to develop a multi-step model of the psychological processing of consumers’ decision to engage in car sharing behavior. BRT differs from traditional theories because of its extension by context-specific reasons towards behavior (Westaby, 2005). It states that consumers’ behaviors are not only influenced by global motives like attitudes, but also by context-specific factors that consumers use to explain and justify their anticipated behavior (Westaby, 2005). These factors can be used to distinguish between reasons for and against performing certain behaviors.

Figure 1 presents a visual representation of the key relationships in Behavioral Reasoning Theory. In general, BRT proposes that car-sharing behavior can be predicted by global motives like attitudes and subjective norms (H1). However, unlike traditional models, BRT hypothesizes that reasons (both for and against) adoption of car sharing behavior (H4) effect global motives “because they help individuals justify and defend their actions, which promotes and protects their self-worth” (Westaby, 2005). Additionally, reasons are expected

![Conceptual Model of the Study](image)

Source: Adapted from Westaby (2005)

to directly influence the adoption of car sharing behavior beyond that explained by global motives (H3). Yet, reasoning does not occur in isolation and is expected to be influenced by
consumers’ deep-rooted values (H5 and H6). The following discusses these premises in greater depths.

**Global motives (attitudes) → Behavior**

Behavioral Reasoning Theory posits that attitudes are a key antecedent of consumers’ adoption intentions. That is, the higher (lower) consumers’ attitudes towards car sharing, the higher (lower) the likelihood consumers will form an intention and eventually engage in car sharing. Westaby (2005) classifies attitude as a global construct, because an attitude is a broad concept with predictive validity across a wide range of behavioral contexts. In consumer behavior, attitudes are evaluative in nature and are clearly one of the most significant predictors of behavior (Ajzen, 2002). This is true in the context of car sharing. In accordance with BRT, researchers of this study propose the following hypothesis:

\[ H_1 = \text{Consumers’ attitudes (i.e. global motives) will positively influence the adoption of car sharing.} \]

**Global motives (subjective norms) → Behavior**

Although subjective norms are typically thought of as the perceived social pressures to engage or not to engage in a certain behavior, in the context of this study, subjective norms refer more specifically to the individual’s perception of significant other’s influence on their adoption of the car sharing behavior. Furthermore, BRT classifies subjective norms as a global motive for behavior and proposes that such a global motive are strong predictors of behavior (Ajzen, 1991; Ajzen, 2001; Westaby, 2005).

Research suggests that global motives are robust measures, which are regularly applied in consumer research because of their strong predictive validity (Ajzen, 2001). Although the relationship between subjective norms and behavior is not always perfect, findings suggest that the more (less) consumers perceive practices such as car sharing to be the expected norm, the more (less) likely they are to actually adopt and engage in that behavior (Ajzen, 2001). In the current study, car sharing behavior serves as the terminal dependent variable. In accordance with BRT, researchers of this study propose the following hypothesis:

\[ H_2 = \text{Subjective norms (i.e. global motives) will positively influence the adoption of car sharing.} \]

**Reasons → Behavior**

The key distinction between Behavioral Reasoning Theory and related theories clearly lies in the inclusion of context-specific reasons as predictors of behavioral decisions (Westaby, 2005). Reasons are generally defined “as the specific subjective factors consumers use to explain their anticipated behavior” and serve as an important predictor of global motives (i.e. attitudes) and intentions” (Westaby, 2005). Reasons are theorized to consist of two broad sub-dimensions, including reasons for and reasons against behavior.

The reasoning concept in BRT relates to several other psychological concepts such as sense making (e.g. Thomas, Clark, & Gioia, 1993), psychological coherence (e.g. Nowak, Vallacher, Tesser, & Wojciech, 2000) or functional theorizing (e.g. Snyder, 1992). All these suggest that consumers use reasoning to support the acceptability of decision alternatives, to
defend and justify their actions and to pursue particular goals. For example, consumers would be expected to search for the strongest set of reasons to justify and defend an anticipated purchase decision. Specifically, in high-involvement decision contexts like car sharing, consumers would be likely to search for reasons that help resolve cognitive dissonance and make a purchasing decision with confidence (Westaby, Probst, & Lee, 2010).

Westaby (2005) argues that reasons influence behavior both directly and indirectly via global motives. The direct impact often results from consumers’ attempt to simplify decision making by using cognitive short cuts or heuristics (e.g. Tversky & Kahneman, 1974). Consumers may not think through their global motives, but act on the basis of a critical reason that is relevant to the adoption context. For example, consumers might hold very positive attitudes towards car sharing, but might still decide against adoption because of a critical reason like safety. Consequently, researchers of this study propose the following hypothesis in two parts:

H₃a = Consumers’ reasons for car sharing will positively influence their adoption of car sharing; and

H₃b = Consumers’ reasons against the adoption of car sharing behavior will negatively influence their adoption of car sharing.

Reasons → Global motives

BRT hypothesizes that reasons serve as important antecedents of global motives, such as attitudes toward the behavior, subjective norms, and perceived control (Westaby, 2005). Theoretically, this is in line with the theory of explanation-based decision making (Pennington & Hastie, 1988) and reasons theory (Westaby, 2005). These theories generally hypothesize that consumers form favorable evaluations toward a given alternative when they have strong reasons that support and justify the alternative (Westaby, 2005). Like attitudes and values, consumers’ reasoning can also be viewed from a macro-perspective in the sense that “when accounting for their decisions, individuals choose from a repertoire of available social, public, and cultural narratives or discourse” (Chazidakis & Lee, 2013). In other words, consumers’ reasons for and against car sharing are expected to influence their subjective norms and attitudes toward car sharing. In line with BRT, reasons should influence adoption intentions directly. Accordingly, researchers of this study propose the following hypothesis in four parts:

H₄a = Consumers’ reasons for car sharing will positively influence their subjective norms towards car-sharing adoption; and

H₄b = Consumers’ reasons for car sharing will positively influence their attitude towards car-sharing adoption; and

H₄c = Consumers’ reasons against car-sharing will negatively influence their subjective norms towards car-sharing adoption; and

H₄d = Consumers’ reasons against car-sharing will negatively influence their attitude toward car-sharing adoption.

Values → Global motives

According to BRT, values are also expected to have direct effects on global motives, without full mediation through reasons (Westaby, 2005). This suggests that reasons may not be fully accessed and activated in some situations and conditions. Furthermore, reasons differ from values, which have been widely utilized as antecedents of global motives in previous
frameworks like the theory of planned behavior (Ajzen, 1991). The key difference is that reasons are context-specific cognitions, which are directly connected to a behavioral explanation. Values, on the other hand, are more broadly construed and are not restricted to the context of the behavioral explanation (Westaby & Braithwaite, 2003). Accordingly, researchers of this study propose the following hypothesis in four parts:

\[ H_{5a, \& c} = \text{Consumers’ values will (positively/negatively) influence their subjective norms; and} \]

\[ H_{5b, \& d} = \text{Consumers’ values will (positively/negatively) influence their attitude toward car sharing.} \]

**Values \rightarrow Reasons**

BRT further proposes that reasoning does not happen independently from consumers’ values. Frameworks like the value-belief-norm theory (Schwartz, 1977) have long shown that consumers often activate cognitive processes like values, which serve as an important precursor to the reasons that consumers use to justify their behavior (Westaby, 2005). That is, consumers’ processing of value information directly affects the reasoning for their anticipated behavior.

In innovation studies, researchers have also argued that products will be adopted more rapidly when consumers perceive them as compatible or in line with their personal values (e.g. García, Bardhi, & Friedrich, 2007; Karahanna, 2006; Kleijnen, Lee, & Wetzels, 2009). For example, genetically modified organisms (GMO) used in food often conflict with consumers’ beliefs and values. As a result, consumers associate adverse health and environmental impacts with foods using GMOs (Klerck & Sweeney, 2007). However, in societies where GMO food is broadly in line with the values of consumers, reported reasons for purchasing GMO foods generally outweigh reasons against purchasing, and consequently adoption rates are high. Accordingly, researchers of this study propose the following hypothesis in four parts:

\[ H_{6a, \& c} = \text{Consumers’ values will (positively/negatively) influence their reasons for car sharing; and} \]

\[ H_{6b, \& d} = \text{Consumers’ values will (positively/negatively) influence their reasons against adoption of car sharing.} \]

Table 1 presents the hypotheses of the study.

**TABLE 1**

Hypotheses of the Study

\[ H_1 = \text{Consumers’ attitudes (i.e. global motives) will positively influence the adoption of car-sharing.} \]

\[ H_2 = \text{Subjective norms (i.e. global motives) will positively influence the adoption of car-sharing.} \]

\[ H_{3a} = \text{Consumers’ reasons for car sharing behavior will positively influence their adoption of car-sharing.} \]
H₃b = Consumers’ reasons against the adoption of car sharing behavior will negatively influence their adoption of car sharing.

H₄a = Consumers’ reasons for car sharing behavior will positively influence their subjective norms towards adopting car sharing.

H₄b = Consumers’ reasons for car sharing behavior will positively influence their attitude towards adopting car sharing.

H₄c = Consumers’ reasons against car sharing behavior will negatively influence their subjective norms toward adopting car sharing.

H₄d = Consumers’ reasons against car sharing will negatively influence their attitude toward adopting car sharing.

H₅a, & c = Consumers’ values will (positively/negatively) influence their subjective norms.

H₅b & d = Consumers’ values will (positively/negatively) influence their attitude toward car sharing.

H₆a, & c = Consumers’ values will (positively/negatively) influence their reasons for car sharing.

H₆b & d = Consumers’ values will (positively/negatively) influence their reasons against the adoption of car-sharing.

Methods

Context of the study

The research presented in this study was conducted with consumers in Dublin, Ireland. Car sharing began in Ireland in 1996 as part of a research study with universities from Germany, the UK and the Netherlands (Lightfoot, 1997). In this study a model called “pay as you drive” (PAYDC) was tested in the urban area of Dublin. The goal of the study was to implement an established car sharing program into the Dublin market. In 2008, the first private enterprise (i.e. GoCar) entered the car sharing business, and is currently the main provider of car-sharing services in the cities of Dublin and Cork. GoCar currently has 20 service stations in Dublin and Cork where customers have access to the vehicles in the GoCar fleet ("Press release: Gocar," 2013). GoCar plans to increase the number of cars in its fleet by an additional 200 vehicles by the end of this year ("Press release: Gocar," 2013).

Sample

Data were collected via a web-survey, which was sent to students and (academic and non-academic) staff via the University’s internal server. Researchers then employed post-hoc sample balancing so the quotas for gender and age would align more closely with those of the Irish population in a final sample with at least a moderately-sized group of those actively
engaged in car sharing. A moderately-sized group of car sharers would then provide enough variance in the dichotomously-scaled car-sharing variable to more likely identify influences on the terminal construct of the model—car sharing.

Researchers designed the sampling of the study to represent those who would have access to car-sharing services. Table 2 presents descriptive statistics about the sample. In the final sample, 29 per cent reported the focal behavior of car sharing. Accordingly, the sample of this study consists of 100 individuals of whom 50 were male and 50 were female. The ages of the participants ranged from <19 to >66, with the majority of the individuals falling in the 20-35 year old range (50%).

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**Gender**
- Male 50
- Female 50

**Currently Using Any Form of Car Sharing Service**
- Yes 29
- No 71

**Procedure & measures**

As suggested by BRT, data were collected in two phases (Westaby 2005). First, researchers conducted qualitative research in order to identify context-specific reasons for and against car sharing. In this study, researchers elicited salient reasons by way of a focus group with eight students and members of staff at a major Irish University. The group consisted of an equal number of men and woman, different age groups, and consumers with different socio-demographic and cultural backgrounds. Participants were encouraged to discuss the positive and negative aspects of car sharing services. During the conduct of the focus group, it became apparent consumers had adopted car sharing because it was more convenient and less costly than owning or renting a car. Further, consumers named availability as a main reason against using car sharing. While consumers mentioned many reasons for adopting car-sharing behavior, this study only included the most salient reasons (and the most frequently given reasons) for and against adopting car-sharing services.
In a second step, the two most salient reasons for (i.e. convenience) and against (i.e. availability) car sharing were translated into items. The full measurement instrument is presented in Table 3. The global constructs attitudes and subjective norms were assessed via measures regularly used in behavioral studies (Fishbein and Ajzen 1975; Westaby et al. 2010). Further, values in this study reflected consumers’ conformity and stimulation (e.g. Schwartz 2006). These two values lie on the opposite spectrum of the orthogonal dimensions of Schwartz’s universal value theory. Stimulation reflects general openness to change for consumers. It is logical to expect that individuals who seek excitement, novelty and challenges in life are more likely to adopt innovative services like car sharing. On the other end of the spectrum lies conservation. It is logical to expect consumers scoring higher on the conformity scale to follow socially imposed expectations more closely, and therefore to be less likely to try new modes of transportation. Finally, the dependent variable was consumers’ car sharing behavior, which was measured via a dichotomous variable that reflected whether or not consumers had signed up to a car sharing scheme.

Data Analysis

Modeling

Because of this study’s intention to model a sequence of relationships simultaneously, path analysis was chosen to model the proposed sequence of relationships because of its ability to render powerful results using relatively modest sample sizes. The multi-item constructs with three items posted high levels in unidimensionality analysis (Gerbing & Anderson, 1988). In this case, the percent variance extracted using the maximum likelihood method resulted in healthy factors with levels above .50. For example, reasons for car sharing posted 72 per cent variance explained, and reasons against car sharing posted 58 per cent variance explained. Because of this strong evidence for these unidimensional factors, along with the healthy correlations for the two-item constructs, item parcels were used to represent each construct in the path analysis. Table 4 presents the Pearson product-moment correlations among these item parcels.

Path analysis using structural equation modeling was then used to evaluate the proposed model of car sharing behavior using path analysis (Bollen, 1989). Here, the exogenous variables were the values of stimulation and conformity. Structural equation modeling minimizes a fit function between the actual covariance matrix and a covariance matrix implied by the estimated parameters from a series of structural equations for the path analysis model. The empirical testing of the model with 14 degrees of freedom posted a Chi-square value of 12.1 with all associated goodness of fit and incremental fit indices suggesting a good fit for the model. Researchers then undertook tests for mediation in the model, as well as tests for attenuation (to examine if stronger relationships in the model might be attenuating weaker relationships in the model).

TABLE 3
Descriptive Statistics for the Items of the Study
To better understand the role of constructs in the model that are proposed to be mediators, the researchers conducted a series of tests for mediation as prescribed by Baron and Kenny (1986). These tests compare a model featuring an unmediated relationship with a model with a mediated relationship. For example, to evaluate the mediating role of attitude toward car sharing between reasons for car sharing and car sharing behavior, the fully-mediated model (chi-square = 11.5, df = 14) and the partially-mediated final model of the study (chi-square = 11.5, df = 12) had no statistically significant difference at p = .05.

**TABLE 4**

Pearson Product Moment Correlations of Item Parcels in Path Analysis

* = statistically significant at p = .05

<table>
<thead>
<tr>
<th>Values</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stimulation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I like surprises and I am always looking for new things to do.</td>
<td>3.76</td>
<td>1.04</td>
<td>-0.61</td>
<td>-0.08</td>
</tr>
<tr>
<td>I look for adventures and like to take risks.</td>
<td>3.49</td>
<td>1.12</td>
<td>-0.19</td>
<td>-0.86</td>
</tr>
<tr>
<td><strong>Conformity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I believe that consumers should do what they are told.</td>
<td>2.64</td>
<td>1.10</td>
<td>0.39</td>
<td>-0.52</td>
</tr>
<tr>
<td>It is important to me to always behave properly.</td>
<td>3.53</td>
<td>0.97</td>
<td>-0.43</td>
<td>-0.31</td>
</tr>
<tr>
<td><strong>Reasons</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reasons For</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Because I do not have to worry about the typical things that come with owning a car (i.e. maintenance, theft, damage etc.).</td>
<td>3.31</td>
<td>1.40</td>
<td>-0.37</td>
<td>-1.11</td>
</tr>
<tr>
<td>Because it is more convenient than getting a rental car.</td>
<td>3.29</td>
<td>1.51</td>
<td>-0.38</td>
<td>-1.31</td>
</tr>
<tr>
<td>Because it is more convenient than owning a car.</td>
<td>2.84</td>
<td>1.35</td>
<td>0.15</td>
<td>-1.18</td>
</tr>
<tr>
<td>Reasons Against</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Because I would be restricted to certain distances.</td>
<td>3.54</td>
<td>1.25</td>
<td>-0.67</td>
<td>-0.60</td>
</tr>
<tr>
<td>Because I would be worried that no car is available when I actually need one.</td>
<td>3.78</td>
<td>1.18</td>
<td>-0.93</td>
<td>0.11</td>
</tr>
<tr>
<td>Because I cannot make a reservation upfront.</td>
<td>3.27</td>
<td>1.31</td>
<td>-0.42</td>
<td>-0.90</td>
</tr>
<tr>
<td><strong>Global Motives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Attitude</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generally speaking, car sharing services are a great idea.</td>
<td>4.06</td>
<td>0.96</td>
<td>-0.89</td>
<td>0.22</td>
</tr>
<tr>
<td>Car sharing services offer a lot of benefits.</td>
<td>4.12</td>
<td>0.86</td>
<td>-0.83</td>
<td>0.66</td>
</tr>
<tr>
<td><strong>Subjective Norms</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The consumers in my life whose opinion I value most would encourage me to use car sharing services.</td>
<td>2.93</td>
<td>1.21</td>
<td>0.21</td>
<td>-0.85</td>
</tr>
<tr>
<td>Consumers important to me think I should use car sharing services.</td>
<td>2.69</td>
<td>1.31</td>
<td>0.44</td>
<td>-0.85</td>
</tr>
</tbody>
</table>

**Test for mediation**

To better understand the role of constructs in the model that are proposed to be mediators, the researchers conducted a series of tests for mediation as prescribed by Baron and Kenny (1986). These tests compare a model featuring an unmediated relationship with a model with a mediated relationship. For example, to evaluate the mediating role of attitude toward car sharing between reasons for car sharing and car sharing behavior, the fully-mediated model (chi-square = 11.5, df = 14) and the partially-mediated final model of the study (chi-square = 11.5, df = 12) had no statistically significant difference at p = .05.

**TABLE 4**

Pearson Product Moment Correlations of Item Parcels in Path Analysis

* = statistically significant at p = .05
However, another model without any mediating role for either subjective norms or attitude toward car sharing had a markedly higher chi-square statistic (47.7, df = 15). Together, such comparisons across these three models suggest that the working model of the study to this point represented the best model based on fit and parsimony.

Test for Attenuation in the Model

To evaluate the model’s robustness, researchers re-estimated the model with the following three post-hoc modifications. First, researchers dropped the Car Sharing Behavior construct from a revised model and evaluated path estimates between Reasons For Car Sharing and Attitude, as well as between Reasons Against Car Sharing and Attitude. No differences were noted between these focal path estimates across the two versions of the model. Second, researchers returned to the original model and removed Attitude from the model to see what the path estimates were between Reasons For Car Sharing and Car Sharing Behavior as well as between Reasons Against Car Sharing and Car Sharing Behavior, as well as Subjective Norms and Car Sharing Behavior. Again, no differences were noted between these focal path estimates across the two versions of the model. Third, researchers returned to the original model and removed Subjective Norms from the model to see what the path estimates were between Reasons For Car Sharing and Car Sharing Behavior as well as between Reasons Against Car Sharing and Car Sharing Behavior, as well as Attitude and Car Sharing Behavior.

In this third test, researchers noticed a difference between the two models as the link between Attitude and Car Sharing Behavior posted a statistically significant (at p = .05) unstandardized path of .08 when Subjective Norms was removed from the model. This gave evidence for an attenuation effect in which the stronger relationship between Subjective Norms and Car Sharing Behavior attenuated the relationship between Attitude and Car Sharing Behavior. Therefore, researchers revised the principal model of the study by fixing the Attitude-Car Sharing Behavior link to be .08, so that this linkage would not be crowded out of the final model. When the path analysis was redone with this feature, the final model posted a chi-square value of 18.0 with 14 degrees of freedom. This final model posted a comparative fit index (CFI) of .96, a Tucker-Lewis Index of .92, and a Root Mean Squared Error of Approximation of .053. All of these indices suggested the final model fit well and that no linkages in the model were attenuated by stronger relationships in the model.

Results
Figure 2 depicts the final model of the study. Of the six hypotheses originally proposed in this study, four hypothesis were fully (H1, H2) and partially supported (H4, H5), while two hypotheses were not supported by the data (H3 and H6). The data suggested that subjective norms and attitude had the strongest direct influence on Car Sharing Behavior each with standardized path coefficients of .31 and .30, respectively. This finding suggested the effect that friends and social relations have on the adoption of car sharing behavior. Likewise, Attitude toward Car Sharing has a similar influence on consumers’ car sharing behavior—once an attenuation effect is addressed. Without addressing this attenuation effect, an apparent attitude-behavior gap would have been part of the model (Claudy et al. 2013). However, with the proper diagnostic testing for an attenuation effect in the model, the attitude-behavior linkage was included in the final model of the study.

Reasons, on the other hand, influence car sharing behavior only indirectly via Subjective Norms and Attitude. For example, findings suggest that the influence of consumers’ reasons for car sharing (H4a = .38; p < .05) is mediated by consumers’ subjective norms. In other words, consumers have reasons for (against) car sharing that positively (negatively) reinforce what important others have been saying to respondents about car sharing. Further, both reasons for (H4b = .51; p < .05) and reasons against (H4d = -.23; p < .05) car sharing have positive and negative influences on consumers’ attitudes, respectively. In other words, consumers have reasons for (against) car sharing that positively (negatively) reinforce respondents’ attitude about car sharing.

**FIGURE 2**
Significant Paths in the Model

![Diagram](image)

Finally, findings suggest that both stimulation (H5a = .16; p < .01), and conformity (H5c = .24; p < .01) values influence consumers’ subjective norms. In regard to conformity, findings suggest that consumers’ conformity positively influence subjective norms. The positive influence of stimulation values on consumers’ global motives would come about in the following way. Persons who are looking (not looking) for excitement and novelty in life would be recognized by friends and associates pursuing (not pursuing) lively activities that would help satisfy their desire for excitement and novelty in life. Accordingly, these persons
would be more (less) likely to report that their friends and associates recommend car sharing as a new form of consumer behavior that would fit their more (less) adventurous pursuits in the marketplace. This study finds no evidence for the direct influence of these values on attitudes, but does find evidence for the positive relationship between these values and subjective norms related to the recommendations of important persons in the lives of the respondents regarding car sharing.

Overall, the findings of this study suggest that subjective norms and attitude toward car sharing serve important mediating roles between values and behavior, as well as between reasons and behavior. This appears fitting because consumers would not have much history of using an innovative service, such as car sharing. Accordingly, consumers’ friends and consumers’ attitudes would be important influences in consumers’ moves to adopt car sharing.

Discussion of findings

The findings presented in this study hold important implications for managers and researchers alike. The objective of this study was to develop understanding of consumers’ cognitive processing of car sharing, and to identity the relative influence of values, global motives and reasoning in consumers’ adoption decisions.

Car sharing has been conceptualized as a form of access-based consumption, where consumers’ have temporary access to cars instead of owning them (Botsman and Rogers, 2010a). Consumers’ thus share (and partly compete for) access for a good or service with other individuals, and consume it collaboratively. The literature has argued that consumers’ who adopt car sharing services do not experience ownership, and thus avoid identification with the accessed object. More importantly, consumers’ relationship with car sharing was found to be of a utilitarian nature (as opposed to ego-expressive), and often guided my social norms (Bardhi and Eckhardt, 2012).

In the context of this study, subjective norms and attitude toward car sharing had the strongest influence on consumers’ car-sharing adoption. The subjective norms – behavior linkage is valuable for researchers to recognize and appreciate as they develop theory to explain car sharing behavior. This finding suggests that actual adoption of a sustainable activity, like car sharing, has much to do with how individuals perceive and interpret others’ expectations of their performance of or participation in those particular behaviors. The results of the study suggest that peer influence has a direct influence on car sharing. This finding resonates with the collaborative consumption ethos of “dependency” found in urban settings (Mahfouda 2013). Similarly, attitude shows itself to be similarly influential on consumers’ adoption of a novel behavior in the marketplace.

Further, the findings of this study suggest that subjective norms mediates the effects of values (i.e. stimulation and conformity) on adoption of car sharing behavior. Values are abstract, desirable goals that consumers strive to attain. In this way, values influence beliefs of what others might think about engaging in a behavior like car sharing. In other words, consumers tend to adopt (not adopt) car sharing because as it fits (does not fit) their values in that it is novel and different, which they believe is also desirable among their close social relations. Taking this view, one can better understand the crucial role subjective norms plays in the psychological processing of car sharing behavior. For example, social marketers and policymakers can leverage this knowledge to create more effective communication
campaigns. Ads that include themes of stimulation (the fun and excitement of using yet another new car in the car sharing pool) could be included in ads featuring friends having a great time using car sharing or others expressing a liking and enthusiasm for car sharing.

However, subjective norms also mediate the influence of reasons for car sharing. BRT hypothesizes that reasons serve as important antecedents of global motives like subjective norms. In this study, consumers who have strong reasons for using car sharing services are also more likely to think that other consumers think they should do it, mainly “because the other consumers would recognise the strong reasons underlying the behavior” (Westaby, Lee, and Probst 2010, p.483). In this way, providing strong reasons for car sharing will ultimately (positively) influence consumers’ judgments about other consumers’ perceptions, as well as their own attitudes. In particular, findings show that “less-effort” reasons for the adoption of car sharing had a significant effect on individuals subjective norms. Again, marketers could clearly focus on highlighting the benefits of car sharing services by, for example, contrasting the high costs and hassle of owning a car against the convenience and low-costs of using car sharing.

Finally, this study finds support for the direct influence of attitudes on consumers’ decision to adopt car sharing. Because of an attenuation effect noticed in a previous version of the model, researchers ensured that the attitude-behavior linkage did not become another example of the attitude-behavior gap noted in recent studies in the context of sustainable consumption behavior (Claudy et al.,2013). In other words, consumers’ attitude toward car sharing serves an important mediating role in the decision to adopt car-sharing behavior. With subjective norms and attitude included in the model, a more complete understanding for car sharing behavior can be understood by researchers. In sum, the supported hypotheses and the partially-supported hypotheses form a series of linkages in a model of psychological processing that provides researchers knowledge about the nomological network related to car sharing behavior.

Managerial Implications

First, consumers have good reasons for and against using car-sharing services. These influence consumers’ attitudes towards car sharing. Marketing should thus continue to highlight the benefits of car sharing, as well as helping to address consumers’ concerns about future incidents of unanticipated scarcity of cars in a car-sharing program. This can be done by providing better solutions such as booking in advance that might use smart-phone technology. Additionally, location services via GPS and other technologies could be developed more to readily identify the location of available cars in a car-sharing program. Happily, these functional benefits will likely soon be integrated into car-sharing service systems. With improved systems to streamline the experience of car sharing, more consumers will likely find car sharing to be more convenient and therefore more relevant to their current choice for transportation. In such an environment, the social influences reinforcing car-sharing behavior would be likely to become stronger and more influential for a wider segment of consumers.

Second, subjective norms in the form of the encouragement and recommendation for car sharing from those most important to the consumers of the study represent the strongest direct influence on car-sharing behavior in the model of the study. This finding reinforces the social aspect of car sharing. Carsharing, as a form of collaborative consumption, is inherently social. Not surprisingly, the social influence of others manifests itself as the
strongest influence on car-sharing behavior in the model. Car sharing is now widely accepted in many markets, and might have established itself even as a “cooler”, “hipper” alternative to owning cars among many young urbanites. Marketers of car-sharing services would do well to continue highlighting the social element of car sharing, such as facebook groups, social media, car-sharing parties, and the attractiveness of using car sharing on dates.

The results of this study suggest that social marketers and policymakers intending to increase car sharing behavior should place greater emphasis on the influence of societal norms and positive peer pressure in the psychological processing of the decision to engage in car sharing behavior. Accordingly, social marketers and policymakers could develop advertising campaigns depicting social aspects of car sharing experience. Social media platforms like facebook, Twitter or Pinterest would be a particularly useful medium for encouraging car sharing because of the endemically social aspect of viewing each others’ photos and messages. Contests on Facebook for “most fun car sharing story” or “how car sharing saved me” are examples of the kind of communication campaigns to promote car sharing that could be done using the medium of Facebook. Additionally, car sharing interest groups could be formed on Facebook.

From a marketing perspective, marketers do not need to compete in these systems on cost alone (Lamberton & Rose, 2012). Instead of focusing on cost, marketers can consider the interdependence that exists between the sharing partners and their usage of the object (e.g. the car), and thereby tailor their marketing strategy and communications to target and change the level of perceived product scarcity risk. By targeting product scarcity risk, marketers can positively affect the propensity to participate in access based consumption activities like car sharing (Lamberton & Rose, 2012).

By taking into account the specific cost and utility factors marketers can affect the propensity to participate in access-based consumption activities like car sharing. Consistent with rational models, lowering the costs and increasing the benefits of activities like car sharing will likely increase the tendency of individuals to participate in such programs (Lamberton & Rose, 2012).

The future for firms targeting access-based consumption appears to be bright. Reasons for such a promising future include: 1) the adoption of new innovations to boost effectiveness of access-based systems, 2) the support consumers now extend to environmentally-friendly and sustainable business practices, 3) improved techniques of communication between supplier and customers leading to improved learning relationships, 4) the development of new markets and marketing opportunities where none existed previously, and 5) the increased customer-retention and market-share protection offered by access-based consumption (Catulli et al., 2013; Katzev, 2003; Shaheen & Cohen, 2008).

Limitations and Further Research

While this study has contributed to the understanding of the psychological processing of car-sharing adoption, some limitations of the current study can be addressed in future research. First, researchers in this study obtained the sample from one urban area. However, the composition of the sample corresponded to the adult population of the city of interest (i.e. Dublin, Ireland) on important demographic dimensions such as gender and age. Because of this quota sampling, researchers believe that results of this study will be generally supported in future research using respondents from another city or cities.
The sample of this study included a significant number of adopters, which allowed researchers to test the influence of psychological antecedents on consumers’ behavior, instead of intentions or attitudes, which are regularly used as a proxy in consumer research. However, future studies could test the cognitive processing of car-sharing behavior for a sample that would include suburbanites in addition to urban dwellers.

Secondly, BRT argues that salient values provide abstract motivations for consumers’ reasons, and their behaviors. This study only tested the influence of two values that were most relevant for car sharing. However, future research could further investigate the effect of other values and beliefs on consumers’ reasoning and global construct.

Finally, future research could investigate which reference groups (e.g. friends, family, neighbors etc.) exert the strongest normative pressure on consumers’ decision to adopt car sharing. This way, researchers could provide richer texture about the social influences in consumers’ cognitive processing of collaborative consumption practices like car sharing, providing further insight for managers and researchers.

Conclusion

This study set out to develop understanding of the cognitive processing of car sharing behavior. Using Behavioral Reasoning Theory as a framework, the findings presented in this study suggest that both subjective norms and attitude toward car sharing mediate the relationship between values and car sharing behavior, as well as between reasons and car sharing behavior.

Findings suggest that consumers who are open (less open) to change and value (devalue) novelty and excitement are more likely to adopt (not adopt) car sharing. More importantly, consumers’ believe that important others share the same values and therefore approve of them adopting (not adopting) car sharing. Additionally, attitude toward car sharing was found to have a positive influence on car-sharing behavior. In sum, results suggest that both social influence and attitude toward car sharing hold crucial mediating roles in the cognitive processing of car-sharing behavior.

References


Responsibility Attribution and Consumer Behaviour in the Light of the Bangladesh Factory Collapse

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The current fashion system is highly unsustainable, as continuous overproduction and over-consumption is contributing to environmental as well as social degradation. The aim of the study is to investigate the relationship between consumers’ perceived responsibility for the non-sustainability of the fashion industry, diffusion of responsibility between different actors, label knowledge and use, perceived external barriers and environmental apparel consumption. Theoretically, we combine the Motivation-Opportunity-Ability-Model with norm activation theory. We use a representative sample of young Swedish consumers for our analysis. Findings show that perceived personal responsibility as well as label knowledge and use enhance environmental apparel consumption. The small but significant negative effect of perceived responsibility diffusion on environmental apparel consumption indicates that responsibilities between relevant actors might have to be delegated more explicitly than it happens today.

Introduction

The fashion industry operates on anything but sustainable grounds. The high uses of water, chemicals and other resources as well as unfair working conditions and unacceptably unsafe work sites have long been critiqued. The Bangladeshi factory fire that happened in late 2012 and the factory collapse at the beginning of 2013 where more than thousand factory workers died are recent examples. Media worldwide reported these tragedies and fashion retailers finally signed – after years of rejection – an international code of conduct to improve safety standards in the production countries. To date, it is widely unknown whether and how fashion consumers reacted on these events beyond some critical blogs and short-lived switches to non-affected fashion brands. However, in order to achieve a more sustainable fashion system, all actors – fashion producers, retailers, policy-makers, the media, NGOs and consumers – are called to take on their share of responsibility. The focus of this paper is: In the context of the Bangladesh factory collapse, we first investigate how far consumers perceive personal responsibility as regards the unsustainability of the fashion industry and to what extent consumers assign responsibility to different actors involved. Secondly, we explore how the perceived responsibility and perceived responsibility diffusion as well as perceived barriers, label knowledge and label use influence sustainable fashion consumption behaviour.

Background: Textile Production in Bangladesh

The prevalent fast fashion system is characterized by tremendous overproduction, caused by ever changing trends, low prices, planned obsolescence and high volumes of waste. At the same time, the production of clothing consumes vast resources and is highly environmentally and socially unsustainable. Fashion production requires extensive use of energy, water, pesticide and other hazardous chemicals which harm the environment and impair the health of labourers at the manufacturing facilities (Lynch 2009; Greenpeace 2011).
Moreover, social sustainability is jeopardized by current fashion production systems that are widely characterized by child labour, low wages, long working hours, unsafe work places and precarious employment conditions characterise the unsociable working conditions for a large group of workers in the fashion industry (Allwood et al. 2006; Connell 2010).

Bangladesh is the world's second-largest producer of textiles after China. Its gross domestic product is rapidly growing, mainly due to the textile industry. However, Bangladesh also is an exemplary model of the downside of fast fashion. Investments need to be made in order to live up to the challenges of overcrowding and fast expanding cities as well as to offer employees a safe working environment (Fowler 2010). So far, little of the profits made within the textile industry have been invested in improving infrastructure and safety. Necessary changes are much needed, but complicated due to a complex network of large companies often subcontracting smaller companies (Bearnot 2013). This system increases availability and enables the manufacturers to deliver changes quickly – as fast fashion demands today. It is also able to significantly reduce prices, yet this is often realised through unsafe and unsustainable practices. The Rana Plaza factory collapse in April 2013 revealed these conditions in an inconceivable and tragic way and brought them into international media discussion and to the consumer’s awareness.

Even though various initiatives have been initialised following the Rana Plaza factory collapse, there is still a long way to go before we see a sustainable fashion industry. The most direct way to create a reliable and sustainable production system is by implementing environmental as well as ethical standards to reduce the impact of the fashion industry on nature and humans. Thereby consumers can also take on their share of responsibility – if they demand sustainable fashion, the process of change can be accelerated.

Theoretical approach and aim of the study

Sustainable consumption is often discussed from a “drivers and barriers” perspective, whereas the question of potential barriers and drivers for sustainable consumption behaviour is highly complex (Kollmuss and Agyeman 2002). As previous research has shown, there is often a gap between consumers’ attitude or intention to consume in a sustainable way and their actual purchase behaviour (Devinney, Auger and Eckhardt 2010; Carrigan and Attalla, 2001). Therefore internal as well as external factors influencing behaviour need to be taken into consideration in order to form a holistic perspective and facilitate behaviour change (Clark, Kotchen and Moore 2003). In our theoretical framework we integrate two well-established models to explain consumer behaviour: the Motivation-Opportunity-Ability-Behaviour model (MOAB) (Thøgersen 2010; MacInnis 1991) and the norm activation theory (Schwartz 1970).

According to the MOAB model, motivation, ability and opportunity play a crucial role for behaviour change. While the model has mostly been used to analyse environmentally friendly behaviour such as recycling or use of public transport (Thøgersen 2009; Thøgersen 1994), it can well be applied to social and ethical factors as well. In both cases, it helps explain attitude-behaviour inconsistencies (Olander and Thøgersen 1995).

Important factors of motivation are environmental concern, internalised norms and self-efficacy (Thøgersen 2010). In our study we build on Schwartz’s norm activation theory and include attribution of responsibility as an internalised norm. We investigate whether consumers’ choices are influenced by how far they perceive themselves as responsible for the
unsustainability of the current fashion system and the extent they assign responsibility to other relevant actors.

Besides motivation, the MOAB model focuses on opportunity and ability as factors influencing consumer behaviour. As regards opportunity, we focus on as the availability, affordability, and accessibility (Reisch 1998) of sustainable product alternatives for the individual consumer. As regards ability, we look at internal resources and personal characteristics such as sufficient time, money and consumer competence, in particular knowledge and use of sustainable fashion labels.

We contribute to the literature by 1) investigating the effects of perceived responsibility and responsibility diffusion on sustainable consumer choices and by 2) exploring the influence of perceived barriers as well as label knowledge and use on consumer behaviour.

**Consumer purchase behaviour and responsibility**

The way towards sustainable fashion consumption raises the question about who takes responsibility for the transformation towards more sustainable consumption patterns. For sure, the consumer is potentially a strong force, creating a respective demand for socially and ecologically sound products. If consumers voice such a demand, sustainable products and services potentially will find their way from niche to mass market and could be established as competitive alternatives.

Thereby, sustainable purchase behaviour can be understood as a form of pro-social behaviour, because it benefits other consumers and creates individual costs rather than direct individual benefits for the consumer (Eisenberg and Miller 1987; De Groot and Steg 2009). Amongst others, social as well as personal norms are predictive for pro-social behaviour. According to Schwartz’s (1970) norm-activation theory, personal norms influence behaviour if an individual is a) aware of the potential consequences of his or her behaviour (awareness of consequences) and b) accepts a certain responsibility for these consequences (attribution of responsibility). Both factors contribute to an individual’s realisation of a situation as moral choice. If awareness of consequences and attribution of responsibility increase, behaviour is more likely to be in line with existing moral norms (Van Liere and Dunlap 1978). Whereas the norm-activation theory was originally developed in the context of pro-social intentions and behaviour, it also has frequently been applied to environmental behaviour research (Milfont, Sibley and Duckitt 2010). For example, if individuals are aware of the consequences of their behaviour, those accepting personal responsibility are less likely to burn waste in their yard (Van Liere and Dunlap 1978), less likely to litter (Heberlein 1972), and more likely to accept energy-saving measures or a car disadvantaging transport pricing policy (De Groot and Steg 2009). Against this backdrop, it is hypothesised:

H1: Perceived consumer responsibility has a positive influence on sustainable fashion consumption.

**Responsibility diffusion and non-behaviour**

Getting on top of the mammoth task of transforming consumption patterns towards more sustainability cannot be done only by consumers themselves (Belz and Bilharz 2007). Even if consumers take on the responsibility of the consequences of their purchase behaviour, it is still questionable if they are actually able to fulfil this expectation considering the com-
plex supply chains and manufacturing methods in the fashion industry. Policy-makers, retailers, manufacturers, media, NGOs and consumers are involved alike. Based on the different roles and responsibilities of the many actors along the value chain of fashion production and consumption, a shared but actor-specific responsibility will be needed to successfully transform the system.

However, from shared responsibility it takes only a few steps to diffusion of responsibility, which is one of the main reasons for not taking action (Belz and Bilharz 2007). There is consistent evidence that the presence of others or the feeling of being part of a group inhibits pro-social behaviour. The so-called bystander apathy effect is a well-established phenomenon in social psychology and has been demonstrated in various classical studies (Darley and Latane 1968; Latane and Darley 1968). Individuals who face situations requiring pro-social behaviour respond slower and are less likely to respond at all if they are aware of other individuals present in the same situation. One possible explanation is the diffusion of responsibility. In the presence of others, an individual no longer feels solely responsible for the action. The potential costs of non-intervention are shared, leading to non-intervention becoming more likely (Chekroud and Brauer 2002). Research has shown that the bystander apathy effect is not only restricted to emergency situations, but can be found within different settings such as hypothetical contributions to charity or volunteering to help out with an experiment (Garcia et al. 2002; Wiesenthal, Austrom and Silverman 1983). Thereby a diminished personal sense of accountability and responsibility does not necessarily depend on the physical presence of others. The mere notion of a group leads to the same effects – pro-social behaviour decreases with increasing numbers of others imagined (Garcia et al. 2002). It is therefore hypothesised:

H2: Responsibility diffusion amongst different actors has a negative influence on sustainable fashion consumption.

**Internal and external factors influencing consumer behaviour**

Even if consumers are aware of the consequences of their behaviour and assign responsibility for their actions to themselves, the costs for taking action and changing behaviours are important. As a consumer’s motivation is a necessary, yet not a sufficient condition to show a certain type of behaviour, environmental factors need to be taken into account. If the behaviour becomes too complicated, time consuming or costly, it is less likely that consumers will engage in it (Sunstein 2013; Connell 2010). When assigning responsibility for transforming the fashion industry towards more sustainability to the consumer, it needs to be ensured that there are actual sustainable product alternatives and that the consumer is aware of those. It is hypothesised that:

H3a: Label knowledge and label use mediate the influence of perceived consumer responsibility on sustainable fashion consumption.

H3b: Perceived barriers mediate the influence of responsibility diffusion on sustainable fashion consumption.

**Data and Methodology**

**Sample and Design**
A large-scale, representative survey was conducted among young consumers in Sweden in 2013. The data collection was carried out by GfK Sweden shortly after the Rana Plaza factory collapse, during May and June 2013. It resulted in an overall sample size of 1,011 participants with an age between 16 and 30 (x = 24.27). The sample is representative within the given age group by sex, age, education and region. The survey addressed aspects of general fashion consumption with regard to purchase, maintenance and disposal and aspects of sustainable fashion. At the end of the questionnaire, respondents were asked about their awareness of the Bangladesh factory collapse and to whom they ascribe responsibility.

Measures

**Personal responsibility attribution and responsibility diffusion.** Participants were asked to indicate whom they consider to be responsible for the non-sustainability of the fashion industry. For this purpose they were primed with the question ‘Did you hear/read anything about the recent textile factory disaster in Bangladesh where a major clothing site, used by mostly European fashion brands, burned down due to unsafe conditions and more than 1,100 employees were killed?’ Afterwards they rated the grade of responsibility for policy makers, consumers in western countries, fashion retailers, manufactures in production countries and others, answering the question ‘In the following, please indicate on a scale from 1 to 5 (1 being least responsible and 5 being most responsible) whom you consider responsible for the malaise of the fashion industry (i.e. the non-sustainability)’.

Perceived personal responsibility is assessed with the rating for the category, consumers in western countries. For calculating responsibility diffusion we first dichotomized the five variables of responsibility attribution (policy makers, consumers in western countries, fashion retailers, manufactures in production countries and others). Second we summed the score of the five binary variables. Thus, responsibility diffusion varies from 5 to 10, whereas 10 means complete responsibility diffusion.

**Sustainable Consumption.** Actual purchase behaviour is measured by the ‘Environmental Apparel Consumption’ scale (Kim & Damhorst, 1998). On seven items participants rate on a 5-point scale from ‘never’ to ‘always’ how frequently they consider environmental impact when buying clothes.

**Ability.** Label knowledge and label use are one facet of consumer ability. They were assessed for the EU Flower Label, Bra Miljöval, GOTS, Nordic Swan and Oeko-tex Standard 100. Answer categories ranged from 1 ‘never seen’ to 4 ‘seen and know what it means’ and from 1 ‘consider never’ to 5 ‘consider always’. For every label, a product term label knowledge and label use (label knowledge x label use) is calculated.

**Opportunity.** One of the main barriers consumers face in an effort to purchase in an environmentally friendly way is the choice of attractive sustainable alternatives (Connell, 2010). Perceived availability, accessibility and affordability of sustainable clothing alternatives are an important situational factor to facilitate actual environmental apparel consumption. We used the original scale “Perceived ability to promote ethical trade” (Uusitalo & Oksanen, 2004) which measures the respondents’ perception of sustainable product alternatives and barriers on a 5-point scale from ‘completely disagree’ to ‘completely agree’.

Data analysis
We employ structural equation modelling (SEM, with IBM SPSS AMOS 20.0) to explore the relationships between perceived consumer responsibility, responsibility diffusion, label knowledge and label use, perceived barriers and environmental apparel consumption.

The measurement model is a confirmatory analytic model that has been fitted as a basis for the following structural equation analysis. The latent variables label knowledge x label use (Nordic and international), perceived barriers and environmental apparel consumption were measured through multiple items. The factor analysis showed that label knowledge x label use consists of two latent constructs – the group of Nordic labels Bra Miljöval and Nordic Swan and the international labels EU Flower Label, GOTS and Oeko-tex. All factor loadings are significant and substantial (Table 1). Perceived consumer responsibility and responsibility diffusion are included in the model as observed variables. The measurement model fits the data with $\chi^2(176) = 658.82$, NFI = .912, CFI = .934, RMSEA = .052 (90% confidence interval = [0.048, 0.056]), $R^2 = 0.37$.

**Table 1. Measurement model (standardized estimates)**

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimate</th>
<th>S.E.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental Apparel Consumption</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buy clothes with low impact or no dye processing.</td>
<td>.797</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buy clothes with environmentally friendly labelling or packaging techniques.</td>
<td>.820</td>
<td>.036</td>
<td>.001</td>
</tr>
<tr>
<td>Buy clothes made from recycled material.</td>
<td>.777</td>
<td>.037</td>
<td>.001</td>
</tr>
<tr>
<td>Buy clothing made from organically grown natural fibres.</td>
<td>.815</td>
<td>.038</td>
<td>.001</td>
</tr>
<tr>
<td>Avoid clothes products because of environmental concerns.</td>
<td>.638</td>
<td>.045</td>
<td>.001</td>
</tr>
<tr>
<td>Purposely select fabrics that require cooler washing temperature, shorter drying time, or less ironing.</td>
<td>.563</td>
<td>.045</td>
<td>.001</td>
</tr>
<tr>
<td>Buy second-hand clothes.</td>
<td>.473</td>
<td>.050</td>
<td>.001</td>
</tr>
<tr>
<td><strong>Perceived Barriers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable clothing products are available in few stores.</td>
<td>.872</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There are not enough sustainable clothing product alternatives.</td>
<td>.770</td>
<td>.045</td>
<td>.001</td>
</tr>
<tr>
<td>Sustainable clothing choices are expensive.</td>
<td>.509</td>
<td>.039</td>
<td>.001</td>
</tr>
<tr>
<td>Information gathering about sustainability is difficult.</td>
<td>.477</td>
<td>.039</td>
<td>.001</td>
</tr>
<tr>
<td><strong>Label Nordic</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nordic Swan</td>
<td>.902</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bra Miljöval</td>
<td>.914</td>
<td>.039</td>
<td>.001</td>
</tr>
<tr>
<td><strong>Label International</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EU Flower Label</td>
<td>.713</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOTS</td>
<td>.579</td>
<td>.053</td>
<td>.001</td>
</tr>
<tr>
<td>Oeko-tex Standard 100</td>
<td>.654</td>
<td>.073</td>
<td>.001</td>
</tr>
</tbody>
</table>
In the structural model, environmental apparel consumption is predicted with perceived consumer responsibility, responsibility diffusion, label knowledge x label use of Nordic and international labels and perceived barriers for environmental apparel consumption. As hypothesised we expected consumer responsibility to positively affect and responsibility diffusion to negatively affect environmental apparel consumption. Consumer responsibility and responsibility diffusion furthermore should predict label knowledge and use of Nordic and international labels as well as perceived barriers for environmental apparel consumption. Finally, label knowledge and use and perceived barriers are presumed to predict environmental apparel consumption. We control for age, sex and income.

Results

As asked about their awareness of the recent textile factory disaster in Bangladesh, 61.4% of the consumers state that they have heard about the incident. On average consumers ascribe responsibility for the unsustainability of the fashion industry to themselves with \( x = 3.32 \) (SD = 1.1, Range = 1-5) and divide responsibility among different actors with \( x = 7.14 \) (SD = 1.24, Range = 5-10). Perceived barriers for environmental apparel consumption are reported with \( x = 14.24 \) (SD = 2.97, Range = 4-20). The two groups of labels differ in their degree of familiarity and use, with Nordic labels (\( x = 13.01 \), SD = 5.76, Range = 0-24) more well-known and used than international labels (\( x = 5.69 \), SD = 6.55, Range = 0-36). Environmental apparel consumption is reported rather low (\( x = 15.35 \), SD = 5.17, Range = 7-35). Figure 1 presents the results of the structural model with standardised estimates. Bold arrows show effects on a \( p < 0.001 \) significance level.

Figure 1 Structural equation model (standardized estimates)

Note: Model fit: \( \chi^2(176) = 658.82, \text{NFI} = .912, \text{CFI} = .934, \text{RMSEA} = .052 \) (90% confidence interval = [0.048, 0.056]);
The structural model (Table 2) provides evidence for a direct positive affect of perceived consumer responsibility on environmental apparel consumption ($\beta = .175$, $p < 0.001$), which confirms hypothesis H1. Furthermore it has a positive affect on Nordic label knowledge x label use ($\beta = .174$, $p < 0.001$) and international label knowledge x label use ($\beta = .113$, $p = 0.009$) but no significant influence on perceived barriers.

For impact of responsibility diffusion, the standardized path coefficients (Table 2) show a small but significant direct negative effect of responsibility diffusion on environmental apparel consumption ($\beta = -0.074$, $p < 0.05$), which is in line with hypothesis H2. It has a positive effect on Nordic label knowledge x label use ($\beta = .16$, $p < 0.001$) and international label knowledge x label use ($\beta = .098$, $p = 0.023$). Furthermore it has a positive effect on perceived barriers ($\beta = .265$, $p < 0.001$).

The two types of labels vary in their degree of familiarity, whereby Nordic labels Bra Miljöval ($x = 3.18$) and Nordic Swan ($x = 3.31$) are more well known than the more apparel specific and international labels Oeko-tex Standard 100 ($x = 1.87$), EU Flower ($x = 1.75$) and GOTS ($x = 1.44$). Nordic label knowledge x label use has a positive affect on environmental apparel consumption ($\beta = .205$, $p < 0.001$), as well as international label knowledge x label use ($\beta = .415$, $p < 0.001$). Perceived barriers have a positive affect on environmental apparel consumption ($\beta = .205$, $p < 0.05$).

In order to investigate the indirect effect of perceived consumer responsibility via the two different groups of labels and of responsibility diffusion via perceived barriers, a mediation analysis is conducted (Table 3). The bias-corrected confidence intervals bootstrap method in AMOS has been used. Bootstrapping revealed that the indirect effect of consumer responsibility via Nordic label knowledge x use on environmental apparel consumption is significant ($a \times b = 0.03$, $p < .01$). These results indicate that besides its direct effect, perceived consumer responsibility has a positive impact on environmental apparel consumption via Nordic label knowledge x label use, which is partially in line with H3a. The direct effect of perceived consumer responsibility remains significant if the two different groups of labels are excluded from the model. Furthermore the indirect effect of responsibility diffusion via perceived barriers on environmental apparel consumption is positive and significant ($a \times b = 0.023$, $p < .05$). Yet the direct negative effect of responsibility diffusion on environmental apparel consumption is no longer significant when perceived barriers are excluded from the model. Therefore consumers that perceive more barriers also tend to assign responsibility to various stakeholders and they are more likely to show environmental apparel consumption. After correction for these associations it is revealed that the association between responsibility diffusion and environmental apparel consumption is actually negative once perceived barriers are controlled. Furthermore the relation between perceived barriers and environmental apparel consumption is weaker if responsibility diffusion is not controlled for. These results are in line with Hypothesis 3b.

Table 2 Structural model (standardized regression weights)

<table>
<thead>
<tr>
<th>Path</th>
<th>Estimate</th>
<th>S.E</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Label Nordic --- Consumer responsibility</td>
<td>.174</td>
<td>.090</td>
<td>***</td>
</tr>
<tr>
<td>Label International --- Consumer responsibility</td>
<td>.113</td>
<td>.074</td>
<td>.009</td>
</tr>
<tr>
<td>Label Nordic --- Responsibility diffusion</td>
<td>.160</td>
<td>.079</td>
<td>***</td>
</tr>
</tbody>
</table>
Table 3 Mediation analysis (standardized estimates)

<table>
<thead>
<tr>
<th>Path</th>
<th>Estimate</th>
<th>S.E.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Label International &lt;--- Responsibility diffusion</td>
<td>.098</td>
<td>.066</td>
<td>.023</td>
</tr>
<tr>
<td>Perceived Barriers &lt;--- Responsibility diffusion</td>
<td>.265</td>
<td>.026</td>
<td>***</td>
</tr>
<tr>
<td>En. Apparel Consumption &lt;--- Perceived Barriers</td>
<td>.085</td>
<td>.028</td>
<td>.012</td>
</tr>
<tr>
<td>En. Apparel Consumption &lt;--- Label International</td>
<td>.415</td>
<td>.018</td>
<td>***</td>
</tr>
<tr>
<td>En. Apparel Consumption &lt;--- Label Nordic</td>
<td>.205</td>
<td>.011</td>
<td>***</td>
</tr>
<tr>
<td>En. Apparel Consumption &lt;--- Consumer responsibility</td>
<td>.175</td>
<td>.022</td>
<td>***</td>
</tr>
<tr>
<td>En. Apparel Consumption &lt;--- Responsibility diffusion</td>
<td>-.074</td>
<td>.020</td>
<td>.031</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .01, *** p < .001

Discussion

Five main actors influence private fashion consumption: fashion producers, retailers, governments, media and consumers themselves. Consumers are, at least partially, responsible for the consequences of their consumption choices, i.e., the size of their contribution to resource use and pollution. However, their lifestyles are often less sustainable than desired by their own collective long-term interest and by society. Furthermore, they cannot be held responsible for a change towards sustainable fashion patterns on their own. The current study therefore aims to investigate the relationship between perceived consumer responsibility, perceived responsibility diffusion, perceived barriers, label knowledge and label use and how they are related to environmental apparel consumption.

The results of a large-scale survey among young Swedish consumers show that the ascription of personal responsibility of consumers has a significant positive influence on environmental apparel consumption. Moreover label knowledge and label use have a strong influence on environmental apparel consumption. Analysis showed that a differentiation between the more general Nordic labels Bra Miljöval and Nordic Swan and the more fashion context specific and international labels EU Flower Label, GOTS and Oeko-tex needs to be
made. The latter have an even stronger influence on environmental apparel consumption, yet are by far less well known than the Nordic labels. Perceived barriers for ethical trade are positively related to environmental apparel consumption, which is surprising to some extent. Possibly, increased environmental apparel consumption is accompanied by a rising awareness of potential difficulties and hassles. This again supports that consumers cannot fulfill the change towards more sustainable fashion consumption on their own. Still, the small but significant negative effect of responsibility attribution on environmental apparel consumption when controlling for perceived barriers shows that simple agreement on shared responsibility seems to be insufficient.

Even though results in this study do not put forward a strong case for the obstructive impact of responsibility diffusion on sustainable consumption, the significant connection should encourage reflections on the usefulness of scattering the responsibility for sustainable consumption among various stakeholders. One solution might be to clarify exactly and define who is responsible for each step in the consumption process. As we did not measure responsibility diffusion on a separate scale, but operationalised it with the sum score of ratings of different stakeholders’ responsibility as an indicator for diffusion, the information we obtained might not be exhaustive. Further research might look at more detailed measures and ways of responsibility diffusion. For example, an empirical answer to the question of whom do consumers consider responsible for what, and for what do they take personal responsibility, would be helpful for meeting the above mentioned goal of assigning particular responsibilities.

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Fairtrade Towns: Ethical consumers as architects of a ‘new’ branded place.

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The following paper presents unique empirical insights into a new form of place branding. A place constructed from ethical consumers promoting and increasing the consumption of Fairtrade within their ‘container spaces’. This place carries the brand ‘Fairtrade Town’, and the UK now boasts 573 of them. Despite such prominence very little academic research and conceptual thinking has been presented on Fairtrade Towns, leaving this emerging field ripe for investigation and inductive research. Following a two year period of participative ethnographical research spent within a town on its journey to become a Fairtrade Town, this paper builds typography of a Fairtrade Town. A typography drawn directly from the actions of those responsible for its construction. Thus it empirically speaks of a different type of place branding. One built from embedding the principles and practices of ethical consumption into the very fabric of one’s place.

Introducing Fair Trade

Much of the extant literature dedicated to Fair Trade questions the limitations of neoliberal trade and neo-classical economics, suggesting this prevailing trading system to be profoundly unjust to commodity producers from developing nations (Jaffee 2007; Barrientos et al., 2007; Golding & Peattie 2005). Just as Osterhaus (2006.45) reminds us:

‘The international trading system favours the most cost effective production, and thus, low prices. Today’s prices, however, do not reveal the whole truth because they do not internalize social, cultural, economic and environmental costs that actually occur. If these costs are passed on to the environment or the society and not incorporated into the price, they are borne by the weakest elements in the chain; the producers, workers and the environment.’

It is these debilitating functions and outcomes that the Fair Trade Movement seeks to address (Golding & Peattie 2005; Walton 2010). Fair Trade thus presents a trading paradigm shift that allows producers from the developing world to trade through a system that aims to be direct, socially just and environmentally responsible (Jaffee 2007; Nicholls & Opal 2005; Wills 2006; Golding & Peattie 2005). Primarily the Fair Trade System attempts this by providing producers with a fair and stable price for their commodities (Ranson 2006; Young & Utting 2005; Jaffee 2007; Wills 2006). A price that considers the true ‘full cost’ of production, and is more often than not set higher than the free market would normally dictate (Ranson 2006; Jaffee 2007; Nicholls & Opal 2005). However, the Fair Trade movement is reported to be much more than a fair price guarantee for developing nation producers. For example Golding & Peattie (2005) and Osterhaus (2006) describe Fair Trade as a trading system that understands and supplies economic security, social welfare and environmental knowledge to producer communities normally exploited through the practices of free trade. Thus Fair Trade is presented as a trading practice able to contribute to international development (Tallontire 2000; Osterhaus 2006).

The success of Fair Trade however is ultimately dependent upon Northern consumers’ and their willingness to integrate altruistic, ethical and international development principles
into their consumer decision making process (Hira & Ferrie 2006; Low & Davenport 2006; Moore 2004; Tallontire 2000). Thus to increase the impact of Fair Trade the movement needs to develop and grow substantial numbers of ethical consumers willing to purchase, consume and champion Fair Trade products wherever and whenever they can (Golding & Peattie 2005; Jaffee 2007; De Pelsmacker & Janssens 2007). Indications from many academics, industrialists and economic analysts suggest that without the ‘proactive’ and dynamic Fair Trade consumer, the reported success and rapid rise in Fair Trade consumption would never have been achieved (Nicholls & Opal 2005; Doherty & Tranchell 2007). Lyno (2006) also argues that the Fair Trade movement has relied upon, not just consumer interest and demand, but also on the willingness of retailers to supply Fair Trade products. Both increasing the demand and supply of Fair Trade products is therefore accepted as a key function in driving the Fair Trade Movement forward (Low & Davenport 2005; 2006; 2007; 2009; Doherty & Tranchell 2007; Golding 2009).

Significantly therefore a shift in the management and marketing of Fair Trade occurred in 1997, witnessing the movement leaving its ‘marginal beginnings behind’ (Gendon et al., 2009). In order for Fair Trade to have a significant effect on producer communities in developing nations it was realised that scale and volume had to be dramatically increased (Gendon et al., 2009). Certification and branding were seen as a key enabler to increase consumer awareness and influence stores to stock Fair Trade goods (Wills 2006; Davis 2009). Subsequently, this took the Fair Trade Movement into labelling and branding. The roots of this new ‘mainstreaming’ strategy can (Doherty et al., 2012), be traced back to 1997, when Oxfam, Tradecraft, Christian Aid, New Consumer, The World Development Movement and the Catholic Overseas Development Agency (CAFOD) united with the common aim of improving trade justice by establishing the Fairtrade Foundation. In conjunction with the internationally formed Fair Trade Labelling Organization (FLO) the Fairtrade Foundation went on to develop the now widely recognised Fairtrade certification trademark and logo (Nicholas & Opal 2006; Wills 2006). The Fairtrade trademark and logo is now monitored and awarded by the Fairtrade Foundation who licenses it to over 3,000 products (Fairtrade Products 2009) in the UK alone. The Fairtrade logo and trademark has subsequently been credited with significant success in providing consumers and organisations wishing to buy or supply Fair Trade with that all important reassurance of development aims and consumer quality being validated (Nicholls & Opal 2006). The Fairtrade label is subsequently respected for its ability to provide authenticating and simplifying communication that appeases the time poverty of the new choice burden consumer. The success and continued growth of Fair Trade is therefore argued to stem from the ethos of brand management (Davis 2009) developing consumer appeal for Fairtrade through the use of a semiotic language used and understood by the contemporary consumer (Kline 2000).

The Fairtrade Town

In 2001 it was to the Fair Trade certification and branding process that Bruce Crowther, the founder of the Fairtrade Towns movement, turned. He proposed the possibility of a place, as opposed to a product, being audited and certified with the Fairtrade trademark and logo. The vision being that, a town can be a place where significant Fairtrade awareness raising activities happen and levels of supply and demand for Fairtrade products reaches a high and predetermined level. Once these goals are achieved Crowther argued for that a town to be officially certified by the Fairtrade Foundation and thus branded as a Fairtrade Town. At this point, it is important to note the use of ‘Fairtrade’ (one word) as opposed to ‘Fair Trade’ (two words). One of the key stipulations laid down by the Fairtrade Foundation to
become a Fairtrade Town is that all promotion and lobbying must be centred on products that carry the Fairtrade certification trademark (Around 2006; Talpin 2009). The short but dynamic history of Fairtrade Towns is presented by Lamb (2008) who traces its roots back to the year 2001, framing the Fairtrade Towns movement as an inspired case of community activism. Such activism Malpass et al., (2007) and Barnett et al., (2011) argue mobilised a diversity of ‘ordinary people’, civic authority and a plethora of various organisations to actively promote Fairtrade consumption in their own ‘back yard’. 

Crowther is additionally credited with identifying a further link between Fairtrade and the spaces and places of consumption (Malpass et al., 2007; Low and Davenport 2007) based on the understanding that consumption could also be viewed from a position of place and not just the act of the individual consumer. The collective consumption of organisations and groups was therefore understood able to additionally make a significant contribution to a place’s commitment to the Fair Trade agenda. Fairtrade Towns subsequently, have been identified for their ability to influence and change groups’ and organisations’ consumption habits. Functions Barnett et al., (2011.162) determine as ‘initiatives aimed at transforming infrastructures of collective consumption.’ Alexander & Nicholls (2006) also suggest that Fairtrade Towns demonstrate an understanding and respect for the social connections that create an authentic place (Mansvelt, 2005). A place subsequently, Lamb (2008) describes as having Fairtrade ‘woven into the fabric’ of everyday life. Barnett et al., (2011.180) further articulate this by suggesting:

‘The fair trade movement mobilizes existing, geographically embedded social networks with the purpose of sustaining a vision of alternative economic and political possibilities, networks rooted in local church communities or in localities where local business, fair trade activism and willing customers collude to generate a thriving fair trade ‘scene.’

Low and Davenport (2007) suggest that the Fairtrade Towns movement has adopted the principle that towns and cities can become ethical places as a result of a community’s commitment to Fairtrade consumption. Weaving Fairtrade into the fabric of a place (Lamb 2008) is therefore viewed as ‘the’ function of all Fairtrade Towns (Low & Davenport 2007).

Garstang’s branding itself the first Fairtrade Town originally challenged the marketing and campaigning paradigm being pursued by the Fairtrade Foundation. It set them challenges regarding how a place could be credibly certified with the same trademark and equitable auditing process that products have gone through. How to achieve this without damaging the equity of the Fairtrade label became a focal point of early conflicting thought. Crowther accepted the key concerns of the Fairtrade Foundation that were set out in two personal letters to him. These concerns were primarily related to the ability for a place to keep campaign momentum going and to also increase awareness and improving the supply and demand for Fairtrade products in that locality. Agreements were therefore set in place with Crowther and the Fairtrade Foundation that a place’s ability to raise local awareness and availability of Fairtrade in that particular locality (Lamb 2008), would formulate the basis of the criteria to be met to become a certified Fairtrade Town. From this significant event, goals that merited the award (Around 2006) to become a Fairtrade Town were set, allowing other places to emulate the process (Alexander & Nicholls 2006).

September 2001 witnessed the Fairtrade Foundation launch the Fairtrade Towns initiative, and in November of the same year, Harriet Lamb, the Director of the Fairtrade Foundation, declared Garstang a Fairtrade Town (Garstang Fairtrade history 2009). From humble
beginnings the number of accredited Fairtrade Towns by 2007 had reached well over two hundred (Nicholls & Opal 2005; Allen 2007). Over a short period of time, it has experienced rapid growth and the number of accredited Fairtrade Towns in the UK registered by the Fairtrade Foundation in November 2013 stood at 573 (Fairtrade Towns 2013). Each of these towns adheres to, and is audited by the Fairtrade Foundation upon, the following requirements:

1. The local council must pass a resolution supporting Fairtrade, and serve Fairtrade coffee and tea at its meetings and in offices and canteens.
2. A range of Fairtrade products must be readily available in the towns’ or city’s shops and served in local cafés and catering establishments (targets are set in relation to population).
3. Fairtrade products must be used by a number of local work places (estate agents, hairdressers etc) and community organisations (churches, schools etc).
4. The council must attract popular support for the campaign.
5. A local Fairtrade steering group must be convened to ensure continued commitment to Fairtrade status. (Fairtrade Towns 2008)

This process has enabled the Fairtrade Foundation to produce a set of standardised ‘quality attributes’, that make it possible for them to assess, evaluate and certify the claims of a place in relation to their commitment to Fairtrade promotion and consumption (Lamb 2008). Alexander & Nicholls (2006) suggest that the goals and activities of a Fairtrade Town demonstrates an enactment of ‘geographical spaces’ into the Fairtrade Foundation’s trademarks ‘network of meaning’. This, they argue, has helped ‘place’ Fairtrade consumption into the civic, civil, micro and meso spaces of a town. Nicholls & Opal (2005) suggest that Fairtrade Town status is achieved through marketing communications involving local, place specific initiatives and citizens’ word-of-mouth. By focusing on ‘place’ marketing Nicholls & Opal (2005) and Barnett et al., (2011) recognize that a Fairtrade Town clearly emerges as an effective, proactive politicized ‘marketing network’ that links an evolving number of actors (using actor network theory) such as products, producers, spaces, audits, and certification to produce a new kind of branded place (Latour 2005).

The literature reviewed demonstrates that Fairtrade’s strategy of labelling and third party certification has unquestionably helped to take Fairtrade from the margins of consumer society and alternative markets into the mainstream arena. However, what is of paramount interest to this study of Fairtrade Towns is Hutchens’ (2009.82) suggestion that states: ‘Until the certification system emerged, consumers had not been effectively enrolled and were undervalued and unrecognised as a ‘huge force’ for social change’ Hutchens’ work considers the greater systemic potential for the Fairtrade label stretching its utility beyond instilling value in consumer goods, and applying it to place. Just like Fairtrade products, third party certification and labelling is the process that has been established to ensure places can now be ‘fairly’ branded as a Fairtrade Town.

Methodology

Fairtrade Towns despite rapid growth still remain an unspecified, under-researched and undefined social entity. This presents an unusual situation as it could be argued that it is very rare to find a movement that has developed and spread so rapidly yet still remains so fundamentally under researched - a situation that this paper hopes in part to begin to redress. The absence of pre-existing ‘rich data’ (Strauss & Corbin 1998), empirical knowledge and
established understandings of Fairtrade Towns to work from, meant that data collection and analysis for this paper needed a methodological approach that followed an interpretive theoretical perspective. Following Crotty (1998) and Blaikie (2000.115) this paper takes an interpretive nature of enquiry aimed at understand and explain the ‘social world’ as experienced by ‘its members.’ This paper therefore followed the belief that empirical knowledge from those involved held the epistemological key to understanding and conceptualising a Fairtrade Town. As such this paper became concerned with exploring the social world of Fairtrade Towns as seen through the eyes of those involved in its construction. This was achieved by capturing qualitative data from the ‘insiders’ social situations, views, motives, interactions, interpretations and everyday actions (Blaikie 2000). Consequently, the qualitative research methodology of Grounded Theory appeared to be the most obvious methodological approach for this study because of its generally acknowledged suitability for researching new and emerging phenomena (Samuel 2011; Goulding 1999), and its established ability to inductively produce theory directly from qualitative data (Strauss & Corbin 1998).

The study recognises a Fairtrade Town as an ‘abstract object’ (Blumer 1969.10). Abstract objects, Blumer argues, can be anything that humans can refer to, and as such, can range from philosophical doctrines to ideas such as justice and compassion. In the case of this paper the abstract object in question is a new type of branded place, a Fairtrade Town. By viewing The Fairtrade Town as an object it becomes possible to discover ‘from within’ how participants see, describe and act accordingly while engaged in the social activities that come to represent what is a Fairtrade Town. To capture such data this paper subscribed to a theoretical perspective used to gather data from as near as possible to the ‘standpoint of those studied’ Denzin (1978.99). Just as Crotty (1998) suggests, this paper therefore put ourselves in the place of those studied. Setting a research goal ‘to understand the complex world of lived experience from the point of view of those who live it’ Schwandt (1994.118). This papers findings are therefore based upon a rich mosaic of data collected from ‘within’ discovering the process by which towns become branded as Fairtrade Towns. Following the lead of Blumer (1969. 39) the study’s methodology and methods used aimed to ‘lift the veils that cover the area of group life that one proposes to study’ by getting as close as possible to the lived experience of those involved. This meant that the methods used to gather rich data needed to ensure active engagement in the area under study to capture the lived experiences described and reflected upon by those involved. Research findings for this paper are subsequently built from ethnographical participation in a Fairtrade Town, as research activity for this paper ‘put oneself in the place of others’ (Crotty 1998.76). Over a three years period the study involved ethnographical participation in a Fairtrade Town steering group, ‘recording the life’ of the Fairtrade Town steering group through participation and observation in the situation (Charmaz 2006). During this period, the research process involved going ‘native’ and positioning oneself within the social process of the group. This has enabled this paper to present new insights into the empirical world of ‘place branding’, constructed from experience, as opposed to mere observation. Ethnographical participation in a Fairtrade Town just as Rainbow & Sullivan (1987) suggest, helped develop an understanding from within. An understanding of the social meanings and function ascribed to a place branded a Fairtrade Town.

Findings

Participants in Fairtrade Towns this paper argue view place as a social construct, facilitating ethical consumers to promote Fairtrade. The branding of place as a Fairtrade Town, this paper subsequently argues takes on a multiple of functions and meanings, moving it far
beyond the marketing norms associated with place branding. Fairtrade Towns therefore emerge from an interdisciplinary understanding of place branding, that Skinner (2010), found confusing. This research adds further to the confusion Skinner (2010) talks of when reviewing place marketing and branding. The branded Fairtrade Town this paper argues expands our understanding of place branding beyond Kavaratzis (2005) five strands of place marketing. Therefore a Fairtrade Town requires us to reconsider a new form of place branding, one that is not shared by place of origin, destination, nations, culture / entertainment or city branding (Skinner 2010; Kavaratzis 2005; Fisher & Brockerhoff 2008).

The branding of a Fairtrade Town this paper therefore suggest derives from an organically galvanised place-based network consisting of a diverse set of people and places who have united to educate, promote and lobby citizens and organisations within their sphere of influence to supply and consume Fairtrade products (Alexander & Nicholls 2006; Low & Davenport 2005; Davies 2008; Hutchens 2009).

Fairtrade Towns therefore emerge from this study as a place where ethical consumption is orchestrated through individuals, local councils, NGOs, Civil society organisations, public/private sector organisations and education establishments. Utilising and uniting the physical and social fabric of a town (organisations, local authority government etc) to orchestrate Fairtrade purchasing and consumption activities this paper argue indicates that place branding of a Fairtrade Town is best viewed from the disciplines of geography, places and spaces of consumption (Mansvelt 2005; Mansvelt 2008; Styhre & Engberg 2003; Barnett et al. 2005; Goodman et al. 2010; Miller et al., 1998) and conceptualisations of a new branded world (Kline 2000). As Goodman et al. (2010.13) remind us:

Space and place are not merely the stage on, or containers in which, we act out our social and material lives, but rather are actively negotiated, created and changed through all manner of relationships. And, as we... argue, consumption is one of the key relationalities actively constructing and changing spaces and places which in turn recursively affect consumption practices

From this study Fairtrade Towns emerge as a place brand viewed through two different place-based lenses. Firstly, Fairtrade Town activities are viewed as existing and functioning from what Amin (2004.33) distinguishes as a mainstream view of place. A place of 'container spaces' that are made up of 'territorial entities: local economic systems, regimes of regulation, a place called home.' This paper argues, it is from within this 'mainstream' view of place that Fairtrade Town’s micro and meso level activities function. However, significance is also given to an understanding that a Fairtrade Town only exist because consumers embrace an understanding of 'place' viewed through the 'spatiality of globalisation' Amin (2002.385). This understanding sees consumer’s in Fairtrade Towns value the ability of their purchase and consumption habits to ‘act at a distance’ and show a social responsibility for distant others. Fairtrade Towns’ remit to increase Fairtrade awareness and consumption this paper argues is tantamount to restructuring the scale of a places social relations. In a Fairtrade Town social relations are recognised for their ability to be stretched over time and space so that places of consumption and places of production are viewed in a relational value chain that extends over long distances making the social constructs of a Fairtrade Town, at once ‘local’ and ‘global’ (Amin 2002; Gereffi et al., 2005; Whatmore & Thorne 1997). The providence of brand ‘Fairtrade Towns’ this paper therefore argue is based on a places ability to drive community social and civic engagement that encourages consumers to connect to both
local and distant places through actively promoting the ethos and consumption of Fairtrade products (Nicholls & Alexander & Nicholls 2006).

All Fairtrade Towns carry the place name they represent, for example, Carmarthenshire Fairtrade Steering Group, Garstang; the World’s First Fairtrade Town and Cardiff; the World’s first Fairtrade Capital City. Place names contextualised in the discourse of this study emerge to represent existing surroundings and settings of social interactions. The study’s qualitative nature of enquiry, like Barnett et al., (2011) and Hutchens (2009), identified that participants recognised the marketing of Fairtrade as being embedded in the physical and symbolic interactions of the ‘everyday routines’ that exist in the established private and public places they live, work and socialise in. Fairtrade Towns are therefore branded because the existing social dynamics of a place is being used to develop opportunities to increase Fairtrade consumption from within what ethical consumers determine as ‘their place.’ Data from this study further contextualises the role of place in the marketing dynamic of Fairtrade Towns by comparing it to, what Massey (2007.184) describes as ‘an arena for action to change the global.’ The place of a Fairtrade Town in this study is argued to exist in an infrastructure of unique pluralities that transform lived experiences and interactions into opportunities to promote and consume Fairtrade. Just as Barnett et al.’s (2011) research suggests, Fairtrade Towns in this study demonstrate themselves as an arena of consumer action. The prevailing dynamic of the Fairtrade Towns movement is therefore recognised by participants for its attempts to converge their place to the plight of developing world producer communities through the bonds of Fairtrade consumption. The central role of embracing and promoting ethical consumption to create a Fairtrade Town therefore appear to share Hankinson’s (2009.460) call for place branding to ‘extend beyond a focus on creation of image to an understanding of the execution of the promised experience’.

The place-based dynamics active in creating a Fairtrade Towns demonstrates an understanding of the ‘spatiality of globalisation’ (Amin 2002) as their activities are understood to stretch and deepen social relations across space and time (between producer and consumer) through day-to-day activities (Fairtrade consumption) that influence events on the other side of the world. Central to the perceived success of this ‘convergence’ is participants’ recognition that lived experiences within a particular place can be used to contextualise and create dynamic marketing functions from everyday life that exist in the private micro and public meso level places that socially construct a Fairtrade Town. Place branding is subsequently, understood from the private micro and public meso places active in promoting and consuming Fairtrade products.

The Functional branding of a Fairtrade Town is recognised by participants for its ability to link Fair Trade ideology and the work of the Fairtrade Foundation to the ‘day-to-day changes’ that can be made at a ‘local level’ to increase the understanding and consumption of Fairtrade. This recognition suggests that Fairtrade Towns play a significant role in influencing ‘placements of practice’ Amin (2002.391) to develop social interactions in particular places for the purpose of promoting and consuming Fairtrade products. Narratives that emerged from the data represent a belief that Fairtrade Towns have become ‘instigators of action,’ connecting the macro level ideology and certified products of the Fairtrade Foundation with the micro and meso day-to-day life that exists within the social confines of ‘place.’ These findings build a strong case for viewing the branding of a Fairtrade Town as the result of actor network theory and support the work of Nicholls & Opal (2005) and Alexander & Nicholls (2006) who suggest that geographical spaces at a community and civic level have become interwoven into Fairtrade marketing. Further recognition was also afforded to
Fairtrade Towns taking responsibility for increasing ‘awareness,’ ‘knowledge’ and ‘consumption’ of Fairtrade in a town’s ‘own back yard.’ Fairtrade Town brand activity is therefore recognised as manifesting itself in creating, developing and deploying marketing functions and dynamics aimed at achieving greater awareness, knowledge and consumption of Fairtrade within a given place name. Consequently, it is the dynamism of ‘local people’ in place understanding and connecting their ‘place’ to Fairtrade promotion and consumption that emerges as the context upon which a Fairtrade Town are branded.

Fairtrade Town branding is thought to have enabled conditions that have resulted in a change of context for some of the physical artifacts and specific spaces of many townscapes. Road signs, flower beds, poster and banner displays and Fairtrade flags flying from various organisations are all inferred to have become effective media for promoting and sponsoring both the Fairtrade Town and its objective of increasing Fairtrade consumption.

Some Fairtrade Towns ‘proudly’ present their Fairtrade branding on road signs that greet travellers at the entrances of towns, cities and villages across the UK. These signs now carry a further statement that indicates that it is a Fairtrade Town people are entering. Indications suggest that it is not an uncommon sight to see many Fairtrade Towns demonstrate their commitment to the movement by displaying it on road signs, usually preserved to identify a given location and its history. Flags, banners and even flower beds in the design of the Fairtrade label are referred to as a common branding sight in many Fairtrade Towns indicate the role of a branded Fairtrade Town to act as visually reminder of a town’s commitment to Fairtrade. These findings support the suggestion of Barnett et al., (2011.191) and it is clear that participants view the display of the Fairtrade logo in their town’s landscapes and signs as ‘a symbolic re-evaluation of the campaign and its success to residents and visitors.’ Despite such commandeered displays of civic pride being expressed through different media to promote Fairtrade, Kline (2000.35) pens a precautionary note reminding us that this can be taken too far and disapprovingly conceptualises the process as ‘the Branding of the Cityscape.’ However, the prevailing sense of social justice associated with Fairtrade appears to help avoid the pitfalls described by Kline (2000) and therefore the aforementioned media of landscape appears to act as a symbolic visualisation of the connection a place has to Fairtrade consumption. Additionally, the branded Fairtrade landscape is believed to act as a visual cue aimed at applying civic pressure to increase people and place conformity to Fairtrade consumption through ‘place belonging’ (Barnett et al., 2011.189).

Pertinent to this study therefore is the fact that Fairtrade Towns have offered places the ability to be empowered to promote the consumption of Fairtrade as best suits the dynamics and social constructs of one’s place. The dynamics of Fairtrade Town place branding presented in this paper indicate a number of unique processes and functions of place branding affording ethical consumption to becoming embodied in the social construct of a town. Fairtrade Towns’ understanding and practical application of a marketing dynamic that is conceptualised as ‘embodied in place’ has benefited from a local entrepreneurial dynamic (Hutchens, 2009) to develop social, physical and knowledge-based resources, along with a visual presence well beyond the access and scope of mainstream marketing consultancies and other commercial organisations.

Fairtrade Town’s branding dynamic emerges from this paper as uniquely utilising the ‘container spaces’ of the place people call home (Amin 2004) to expand the role of individual ethical consumer into acts of place based consumption choices. These acts witness Fairtrade Towns marketing functions using place branding to proactively partake in ethical
consumption. In essence this affords us to consider place branding just as Aitken & Campelo (2011.914), as a process best undertaken from understanding ‘interactions and relationships between people and their place’. Despite sharing Anholt (2004) suggestion that place branding is built upon and contributes to the economic and socio-political development of a town, this study has led to new ‘conceptual renderings’ (Charmaz 2006), of place branding, viewed as a unique dynamic that expands established understandings of place branding and the role of place in the marketing mix. Fairtrade Town place branding emerges as a number of associated private and public ‘container spaces’ (Amin 2002), used to promote and develop Fairtrade consumption. Subsequently, the paper presents a theory that a Fairtrade Town is branded through a number of sequences and dimensions that exist in a town’s ‘container spaces’ to encourage ethical consumption. Fairtrade Towns as such are empirically interpreted as areas where the social processes (Creswell 2004; Tuan 1997), of Fairtrade promotion and consumption represents a place’s brand meaning that executes a promised experience Hankinson (2009), to those who occupy its spaces. IE Fairtrade products are available to purchase and become a normative choice for ‘in place’ consumers and Fairtrade promotion is visible within the confines of one’s place.

Fairtrade Towns are therefore suggested to demonstrate an ability to identify spaces and places that have not been previously recognised for their potential to function as a marketing dynamic. Based on empirical research, place branding is subsequently understood to demonstrate a capability to enact everyday social processes that exist in the spaces and places of Fairtrade Towns into unique marketing dynamics. These dynamics are capable of effectively developing Fairtrade promotion and consumption however possible. Fairtrade Towns are therefore empirically presented as a branded place where people, products, spaces and places are networked around a number of ‘unique to place’ activities that prove capable of developing a capacity and desire to promote and consume Fairtrade products. These findings presents new interpretations, empirical depth and practical application to Atkien & Campelo’s (2011.913) suggestion that ‘the influence of local culture and enhancement of community identity, therefore, are of fundamental importance when attempting to define, represent, and understand the managerial aspects of a place brand’.

The branded Fairtrade Town subsequently takes strength from having a strong foundation built from ‘place belonging’ to influence individuals, organisations and the consumer behavior of ‘entire towns’ to favor Fairtrade consumption. This paper subsequently theorize a Fairtrade Town as a branded place that has enabled the transition of promoting sustainable/ethical consumption to individual consumers into a dynamic that expand our understanding of ethical consumption as displayed through an embodiment of collective institutional and civic consumption. Fairtrade Towns are subsequently, empirically argued to have contributed to the transformation of social relations within place, developing a place branding from ‘consumer collectives formed around brands through social relations based on identity and affinity’ Aitken & Campelo (2013.916). Such transformations are argued to resonate in place itself being used as a marketing dynamic as it interweaves situated people (consumers and producers), artifacts, codes and organisations into a ‘particular tapestry of connections’ (Whatmore & Thorne 1997) that enables territorial entities of local economic systems, regimes of regulation and private homes to recognise their global reach and ability to ‘act at a distance’ (Whatmore & Thorne 1997). Fairtrade Towns are therefore suggested to have successfully enabled the transition of ethical/sustainable consumerism from individual interactions within space to become architects of a validated branded place, a Fairtrade Town. This study subsequently presents new conceptualisations of place branded as viewed through the lens of ethical consumption and the Fairtrade Towns movement. Empirically, it has therefore
discovered, interpreted, contextualised and conceptualised Fairtrade Towns’ actions of fusing together consumption, people, place and responsibility to embed a place(ing) of responsibility (Samuel & Emanuel 2012) for ‘distant others’ by promoting and developing individual, collective, institutional and civic Fairtrade consumption in ‘our town.’

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A Practice Theory Approach to Sustainability Issues in Fine Jewellery Consumption

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Millions of people are employed by the global jewellery industry and some countries’ entire economic wellbeing depends on this trade. Yet, the systemic responsibility and sustainability issues linked to this industry are frequently overlooked by consumers. This paper explores whether and how UK fine jewellery consumers consider sustainability issues in high-involvement luxury purchases using a practice theory approach. Interpretive findings suggest that if sustainability considerations are to become part of fine jewellery purchasing practices, they must first be embedded in the social and material organisation of trading and consumption spaces and places. This, in turn, is in line with the creation of responsible consumption niche markets that are so fundamental to the increased (yet contentious) expansion of neoliberal consumer capitalism (Littler 2009). This study is the first to extend the application of theories of practice to luxury consumption.

Introduction

In response to sustainability concerns many studies suggest a substantial role for consumer behaviour change (Rettie, Burchell, and Riley 2012), despite the questions surrounding shifting responsibility for environmental reform toward consumers (Connolly and Prothero 2008). Indeed, much research on green and ethical consumption focuses on rational approaches to ethical decision-making (Shaw, Shiu, and Clarke 2000), segmenting green and ethical consumers (see Rettie, Burchell, and Riley 2012), measuring green markets (The Co-operative 2012) and explaining the gap between consumers’ pro-sustainability attitudes and their actual behaviours (Boulstridge and Carrigan 2000; Carrington, Neville, and Whitwell 2014; Chatzidakis, Hibbert, and Smith 2007). Also, much sustainability and ethical consumption research explores low-involvement product categories (Davies, Lee, and Ahonkhai 2012). However, issues of sustainability impact all product categories (Achabou and Dekhili 2013) and consumers consider ethical criteria in ways that vary across different product categories (Carrington, Neville, and Whitwell 2014). This research addresses such knowledge gaps, as it explores whether and how UK consumers consider sustainability issues in purchases of high-involvement luxury products such as fine jewellery. This is also the first study to extend the application of practice theories to the context of high-involvement purchases.

Theory

Practice theories emphasise the influence of social norms on consumer choices and focus on the systematic arrangement of norms, meanings, know-how, knowledge, infrastructures, and material objects, which may or may not be carried out in socially and environmentally-friendly ways (Rettie, Burchell, and Riley 2012; Warde 2005; Evans, McMeekin, and Southerton 2012). This theoretical lens problematises practices (e.g. fine jewellery purchases) rather than the individual consumer as the unit of analysis, and presents opportunities to foster behavioural change towards sustainability (Rettie, Burchell, and Riley 2012) through a
change in “the social and material environment of action rather than the beliefs or intentions of individuals” (Warde 2013).

Practice theories have been applied mostly to the study of low-involvement, routine and habitual purchases. However, social norms play a major role in luxury consumption practices, as prestige, price and the social perception of quality are the most salient choice criteria (Davies, Lee, and Ahonkhai 2012; Achabou and Dekhili 2013). The challenge is that sustainability considerations may be obscured by such emotion-laden, salient luxury choice criteria in consumption practices of fine jewellery purchases. Ethical choice criteria used in low-involvement purchase practices may not ‘spill over’ (Thøgersen and Crompton 2009) to jewellery choices. For example, consumers in Davies, Lee, and Ahonkhai’s (2012) study believe luxury consumption has little negative impact, given the infrequency of such purchases compared to commodity purchases; consumers have little knowledge of ethical alternatives and assume that luxuries are not produced under contentious working and environmental conditions. Consumers perceive price differentials for ethical luxuries as too high and feel they cannot research the sustainability issues linked to every product they buy (Davies, Lee, and Ahonkhai 2012). Thus, consumers focus on routine purchases and ignore the problems of infrequent ones. This means that such purchases are influenced by emotions and much disconnect between production and consumption (Moraes, Carrigan, and Szmigin 2012), rather than by product information searching and research. Hence the importance of using a practices-based approach to explore novel insights into the extent to which UK consumers consider sustainability issues in fine jewellery purchases.

Methodology

We use an interpretivist approach to explore the subjective experiences and meanings of participants’ social actions (Spiggle 1994). A purposeful sample of UK jewellery consumers who shop in the Birmingham Jewellery Quarter (BJQ) yielded 20 semi-structured, face-to-face interviews. Template analysis of verbatim transcripts allowed the consideration of a priori theoretical concepts and the adaptation of codes and themes as they emerged through the data (King 1998; King and Horrocks 2010; Crabtree and Miller 1999).

Findings and Discussion

Fine jewellery purchases are infrequent, bought as personal treats for consumers themselves and others, or for special occasions imbued with emotional significance, meanings and norms as inscribed throughout the main sustainability-related themes below.

The Material and Social Environment of Jewellery Purchasing Practices

The consumer perception of the BJQ as a legitimate retail and trade environment leads participants to shop there for fine jewellery. With many retailers concentrated in this specific place, participants enjoy the infrastructure offered by the BJQ for fine jewellery consumption. BJQ is perceived to circumscribe a range of rare and specialist craftsmanship skills, custom design and remodelling capabilities, as well as ample choice. It is organised around the choice criteria that matter to consumers, namely bespoke quality designs, choice of fine materials for special occasions and significant others, as well as price:

“…You're talking to a jeweller, not a sales person. The guy (…) immediately was on board, he was saying, I could make you some drawings, we could do something like this, and
think about stones and he showed me all sorts of rings and said there's a lot you can do and what kind of budget are you on as well, and he was really cool” (Maroon/Male).

Consumers often recommend the BJQ through their social networks, so social norms play a major role in jewellery purchasing practices. As a fine jewellery consumption space, the BJQ is ‘considered normal’ (Rettie, Burchell, and Riley 2012):

“And my friend who had recently proposed to his partner had been there to get his ring. I'd heard a lot of kind of hype about how good it was, how many shops there were, how much choice, how you could haggle for a bargain and all this sort of stuff” (Purple/Male).

The perceived legitimacy of the BJQ as a consumption place is accompanied by trust, something intrinsic to the practice and experience of purchasing BJQ jewellery:

“I'd had some money and I decided to treat myself to a diamond solitaire ring, so I bought the ring, but then… It's a long story, but it was through a friend of a friend that said, oh yes, we can get you this diamond, and I should have gone with my gut feeling, which was to go to the BJQ myself and source it, which I did do eventually” (White/Female).

With inherent trust in this trading place comes consumers’ perception that such luxury purchasing practices have no negative impacts:

“My assumption is that the jewellery is made on site in the BJQ, where everybody would be paid a fair wage… If it has been imported, where would it come from… From China, and that thought's never gone through my mind” (Burgundy/Female).

Thus, consumers presume that BJQ jewellery pieces present no ethical issues without enough information, knowledge and know-how to support this assumption. Discursive neutralisation (Chatzidakis, Hibbert, and Smith 2007) of negative impacts of jewellery purchasing practices also relies on the irregularity of such purchases and category-specific price sensitivities, which echoes Davies, Lee, and Ahonkhai’s (2012) findings:

“I think the problem maybe is that it's… It's not like buying groceries and stuff. If you buy groceries every single day, you have sort of a certain power over your own behaviour, but if you buy a ring once every 10 years, it doesn't really make a big difference” (Red/Male).

Thus, if ethics and sustainability are to be embedded in consumers’ purchasing practices, they must be an intrinsic part of the organisation of the social and material environment of such trading places (Warde 2005; Evans, McMeekin, and Southerton 2012); through the infrastructure of the BJQ, social norms and discretionary purchase practice meanings. It is clear that there is little discursive consciousness (Jackson 2005) about, and knowledge of sustainability issues in the context of fine jewellery purchases.

**Sustainability Knowledge and Know-How Challenges in Jewellery Purchasing Practices**

All participants mentioned the issue of blood diamonds as seen in films and due to celebrity scandals. However, this knowledge was accompanied by scepticism, given the entertainment rather than factual value of such Hollywood productions and news:
“The only thing I did remember watching and, again, that was only because it was a film, as opposed to actually finding much about it, was Blood Diamonds, however many years ago that came out, but that is really the only thing I've ever really known about, and again, that's in a film, so I wouldn't know exactly how much of it is realistic” (Vi-iolet/Female).

Only one participant had researched the Kimberley process. Another demonstrated awareness of sector-linked human rights issues and argued that such problems would impact his fine jewellery purchases:

“My main focus was it had to be a conflict free diamond. That was my big ethical dilemma when I was buying it. I made sure that was the case and, apart from that, it was just then the style that she would like, but the conflict free, I was literally walking into shops, and my first question wasn't looking at the rings, it was are your diamonds conflict free, can you prove it, if they answered, yes, to both those then I'd have a look, if not I left straight away, went to the next one. Just that the diamonds need to be able to be traced back to their location and source and shouldn't be used to be funding wars and conflicts” (Silver/Male).

Most participants had some knowledge of jewellery hallmarking and certification:

“I know there is a hallmark system in the country. I know that's sort of policed within the jewellery trade, but that's as much and as deep as I have knowledge of” (Green/John).

Participants conveyed uncertainty about what exactly is being certified, although the authentication of diamonds seemed most important. However, there was little or no concern with the provenance of other gemstones and the precious metals used in jewellery making:

“…I've never asked where my gold comes from, I just presume it is [ok]. Diamonds I would but I wouldn't think about gold at all” (Violet/Female).

Although a few consumers knew that fair trade costume jewellery is sometimes available on high street garment shops, there was limited category-specific knowledge and, thus, poor know-how of green and other ethical issues in fine jewellery purchases. Second-hand purchases are instilled with antique aesthetic value rather than for their reuse worth:

“My husband bought me some diamond earrings. They were second hand. (…) I think if you want something that's antique or of a certain era, style, say Edwardian or Victorian, then you know, it's going to be second hand” (Orange/Female).

Recycling of metals usually means either restyling of jewellery pieces with sentimental value or a contentious means to make quick cash:

“…I've had different bits of jewellery like from… That was more keepsake jewellery and it was just sitting in a box and I wasn't really using it and then I had a ring bought for me when my Nan passed away, and it was a solitaire, and then when I got engaged, I didn't want to wear two solitaires, but then I didn't want to just have it sitting in the drawer doing nothing, so I had them all… I had bits from my 18th, 20th… So I just had it melted down and all put together, so it was all in one, as opposed to lots of bitty bits everywhere” (Violet/Female).
“It seems a bit like how a pawn brokers work isn't it, they take [jewellery] in because they can't afford anything else and you know they're desperate for the cash” (Tan/Female).

Sustainability does not play a role in such reuse and recycling practices. Overall there is no ‘spill over’ (Thøgersen and Crompton 2009) from ethical considerations in low-involvement purchase practices to consumers’ fine jewellery choices (Davies, Lee, and Ahonkhai 2012). Indeed, all participants have good knowledge of sustainability issues in other product categories (e.g. coffee, chocolates, fruits, among others), but do not consider sustainability issues in their fine jewellery purchasing practices. Ethics are just not salient enough to be part of the evoked set of fine jewellery choice criteria.

The quotes above highlight a need for non-profit driven social marketing campaigns and interventions, with a focus on nudging consumers towards positive and more sustainable jewellery purchasing practices. Findings also highlight the need for change in the social and material organisation of fine jewellery trade and consumption spaces so that consumers can act ethically and sustainably by default (Mayo and Fielder 2006), without so much uncertainty.

Conclusions and Implications

This paper explores whether and how UK fine jewellery consumers consider sustainability issues in high-involvement luxury purchases using an interpretive approach. This is the first study to extend the application of theories of practice to luxury consumption. If sustainability considerations are to become part of fine jewellery purchasing practices, they must first be embedded in the social and material organisation of trading and consumption spaces and places. This can make consumer practices sustainable by default (Mayo and Fielder 2006); retail spaces can nudge consumers and relevant social influencers to consider sustainability in jewellery shopping practices normal (Rettie, Burchell, and Riley 2012), and point-of-purchase sustainability cues and information can improve consumer knowledge and sensitivity toward the need for sustainability considerations in fine jewellery purchases. Nevertheless, as Littler (2009) argues, any attempts to address the anxieties linked to the sustainability issues in luxury consumption and the organisation of luxury retailing practices such as those found in the context of fine jewellery are likely to be aligned to the creation of niche markets that are so fundamental to the increased (yet contentious) expansion of neoliberal consumer capitalism; in this way and context, responsible or radical consumption is not without its complexities and contradictions (Littler 2009).

References


Re-appropriating immaterial value: A Manifesto for the new rural economy.

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In the contemporary consumer economy value creation has shifted from the material to the immaterial. With the rapid rise in productivity that has taken place in the last three decades the value added of material production is close to zero, and value creation has shifted to three principle immaterial circuits: Marketing, Branding and Finance. These immaterial circuits are generally controlled by corporations that can exploit their market power in order to control and monopolize flows.

This scenario is particularly pronounced in the rural economy where market power has shifted massively away from food producers to distributors and middlemen (like Nestle or McDonald's) who are positioned to monopolise the immaterial flows of marketing, brand and finance. At the same time the rural economy is undergoing a process of rejuvenation as local food networks are growing spurriing innovative business models and attracting highly educated, and generally underemployed, knowledge workers back to the land (the local food ‘scene' is now the fastest growing sector of the US food economy).

In this manifesto we argue that in order to render the new rural economy viable it is necessary to re-appropriate these immaterial flows and re-direct them so that they add value to material products. This entails a de-fetishization of commodities through strategies that enable the realties of material production to re-enter into both the semiotic value of commodities and the actuarial evaluation of financial risk. We argue that by exploiting the possibilities of digital media along with innovative organizational forms this can be achieved within the context of a sustainable Ethical Economy. Such tactics of re-appropriation can take the form of community marking, community branding and community finance.

We suggest that such communitarian flows add value to the material product in different ways: They do so by reducing the costs of acquiring capital and managing monetary flows, through communal finance, they do so by reducing the costs of distribution thorugh communal marketing, and they do so by enabling a community based brand to form around a product. This enables a heightened consumer experience and imbues that product with a number of ethical values that motivate consumers to ‘tolerate’ the higher price (in relation to commercial products of the same category) that can make the product sustainable. At the same time we suggest that such communitarian circuits, if rightly designed and managed, may introduce a wider range of values within the economic rationality of producers. This has the potential to drive a process of ‘ethical rationalization’ where ‘productivity gains’ are measured against a wider horizon of values.
The Role of Fashion vs. Style Orientation on Sustainable Fashion Consumption

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Today, textile consumption is far from being sustainable with regard to production, purchase, maintenance, and disposal. The current fashion system is characterized by planned obsolescence, and environmental and social unsustainability. To resolve the tensions between sustainability and fashion, the notion of style is one promising avenue. While fashion is ever changing, following trends, style evolves slowly and continues to remain stable over time, expressing consumers’ ways of life. Thus, the created planned obsolescence by fashion could be reduced by the notion of style. The aim of this study is to investigate the potential of emphasizing style rather than fashion to enhance sustainability in fashion consumption. We suggest that as one ages, one tends to be less fashion-oriented. Further, higher style orientation enhances one’s ability to have more concern for the environment or knowledge about environmental apparel that further leads to sustainable consumption habits like environmental apparel consumption. Survey data across Germany, Sweden, UK and US is collected to examine the proposed relationships and thus provide insight on the role of fashion and style on sustainable fashion consumption.
Emerging water marketing systems: the consequences of commercial water trading on sustainable practices and consumption.

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Considering that marketing research has paid limited attention to water markets and water consumption, we examine the interrelationships between the ongoing crisis in water resources management and macromarketing theory and practice. Contrary to the dominant ideology for unlimited growth and increased global water markets, we discuss some of the consequences of commercial water trading indicating that the area of water marketing can be a useful and fertile context in which to further emphasise the importance of the macromarketing agenda. Employing the lens of macromarketing, we approach and examine the economic, technological and political dimensions emerging from the commodification and marketization of water resources. We conclude that the consideration of a water marketing system can have a positive effect on economic and social development by elaborating on the implementation of public policies for the sustainable consumption of water, commercializing environmental awareness and communicating consumers’ responsibilities towards the use of water.

Water scarcity and macromarketing

Over the last thirty years the implications of water scarcity on individuals and the ecosystem which sustains us have been approached, examined and discussed by environmental and resource economists (Olmstead 2010), management theorists (Berry 1977; Molden 2007), public policy makers and legislators (Kibel 2007), political scientists (Zeitoun 2011) and a plethora of chemical and environmental engineers (Lall 2011) amongst other academic experts, businessmen and non-governmental organizations. Although it has been argued that the term ‘water crisis’ has been overstated and dramatized (Rogers et al. 2006), numerous scientific reports and increased international recognition (UNDP 2006) highlight that rise in population, river pollution, climate change, inefficient/wasteful irrigation, lack of legislation and water mismanagement from a governmental, community and individual perspective constitute the main factors which have been strengthening the growing water shortage in several parts of the world. With over one billion people lacking adequate access to clean drinking water, almost 40 developing and developed countries declaring a water drought status and 22 percent of world’s GDP to be produced in water short areas (Postel 2003), efficient water supply is more than likely to emerge as the most urgent resource issue for the 21st century according to the World Resources Institute.

Although the twentieth century water expansion paradigm was dominated by a tenet and ethic of growth, progress and extension of water supplies (Gleick 1998) in the majority of industrialized nations, the process has begun to slow under the pressure of changing social values, environmental concerns and increasingly worrying voices from NGOs and public institutions regarding its ecological implications. At the same time, the commercialization of water resources and private sector participation have been increasing, treating water like any other economic good which can be traded in a marketplace so as to generate revenues and...
maximize profits. Elaborating on the concept of ‘hyperconsumption’, Kilbourne et al (1997, 8) suggest that it is the very notion of the commodification of life which results “in a culture of consumption without end and, from an environmental perspective, without effect.” From a sustainable development perspective, the drive for continuous and exponential economic growth has considered natural and renewable resources as unlimited and free goods which heavily contribute to the pursuit of profit and increased revenues. From a macro-perspective, water isn’t only an essential component in sustaining life but also it is an inherent and crucial variable to socio-economic progress, the development of the ecosystem, community well-being and cultural values. Our macroconcerns for this paper focus primarily on the anthropogenic factors that contribute to unsustainable use of water resources through its commercialization and alternations in the stock, provision, pricing and promotion of water. Such approach introduces and explores the links between a macromarketing agenda and water provision since despite the fact that from the 1970s onwards the presence and spread of a water crisis has been stressed from a variety of academic studies, its implications for the realm of marketing and consumer research in general and a sustainable market orientation in particular have remained obscure and under-researched.

In the following pages, we remind and elaborate on the fact that the commercialization of the most vital substance on the planet is driven by increased private sector involvement which centers on profit-making motives, very often, characterized by the lack of a sustainable ethos. Following Hunt’s (1981, 8) definition, we argue that macromarketing is a multidimensional construct which refers to the study of the impact of marketing systems on society and the impact of society on marketing systems. Thereupon, our paper aims to examine the commodification and marketization of water resources through the structure and activities of interconnected private water markets in order to highlight the consequences of commercial water trading for sustainable practices and consumption. Taking into account scientific marketing’s predominant focus with the firm on the one hand and individual customers on the other (Wilkie 2005; Schultz 2007) our key research objective is to suggest that macromarketing theory can constitute the vehicle through which to explore the wider implications of the commercialization of water resources, with one aim being to highlight marketing’s responsibility to encourage sustainable public policies and social practices.

Secondly, we focus and examine private water markets which synthesize and constitute a complex system (Mittelstaedt 2006, Phipps and Brace-Govan 2011) of interrelated entities whose main role is to behave responsibly and efficiently for the provision of the most important commodity: clean water for consumption. Consequently, we suggest that the policy makers of water marketing systems are responsible in undertaking the organization for the proficient flow of consumable freshwater to citizens together with the supervision of marketing channels which offer adequate sanitation for domestic consumption. The sustainable, egalitarian and non-discriminatory provision of water via private sector participation has been questioned on the basis that deprived consumers are both less connected to water marketing systems and pay more for poor quality (Albuquerque and Winkler 2010) escalating the exploitation and unequal distribution of the already limited water resources. Thereupon, this paper aims to draw some attention to the growing necessity to develop ethical and sustainable marketing systems so as to cultivate an overarching tenet of fair water distribution, primarily for vulnerable and less affluent consumers.

From a macromarketing perspective, many of the key issues and challenges facing water consumption are essentially marketing problems and consumption issues. As well con-
tributing in the fertile area of policy development, this context also explicitly highlights the value and importance of the macromarketing approach more generally to the overall development of marketing theory, as well as emphasising the importance of examining issues of sustainability and marketing in common terms. In terms of the water markets, consumer education around sustainable water use and consumption, raising awareness around critical sustainability issues such as use and water treatment (for example, see Bradshaw 2010), and the consequences of the development of institutional structures in the water market (i.e. international development issues, global water privatisation, water rights etc.) are but the most obvious examples of where macromarketing, sustainability and marketing theory development issues collide.

Although it has been argued (SciVal 2011) that over the last five years multidisciplinary research on the growing water crisis has attracted the interest of economic and management theorists - aside from ‘hard sciences’ such as environmental, agricultural, earth and engineering studies for example - the private marketplace of water never came under the scrutiny of marketing and consumer behaviour. Apart from a study on the implementation of public policies for the sustainable consumption of water in Melbourne (Phipps and Brace-Govan 2011), there is negligible marketing research in the area. Taking into account that macromarketing research in this area is relatively embryonic we present an exploratory and introductory analysis of the economic, technological and political dimensions (Kilbourne et al 1997; Kilbourne 2005) and implications stemming from the function of private water markets. In spite of presenting and discussing the three dimensions in separate sections and in line with Kilbourne et al (1997), our macromarketing approach towards the commercialization of water resources considers these dimensions to be inseparable and deeply interconnected. As Phipps and Brace-Govan (2011) have proposed the structure, flow and commercial exchanges of water marketing systems are under the influence of complex cultural, philosophical and legislative forces.

This discussion draws principally on an analysis of the rich interdisciplinary secondary data in this area, including a large number of governmental, inter-governmental and non-governmental reports, Google trends, environmental databases, academic studies, and media reports related to the function of water markets, water stress and consumption. Thereupon, this paper seeks to examine and discuss the process and practice of commercializing water resources through the lens of macromarketing theory so as to enhance marketers’ understanding and awareness regarding the development of a sustainable marketing framework and consumption ethos towards planet’s most vital component for survival.

References


The market and the household in times of austerity

Chairs: Benedetta Cappellini & Liz Parsons

Session 6d – Thursday 3rd July, 2:00pm

Consuming austerity: Media representations
Pierre McDonagh, Andrea Prothero

When citizens and households fall below the level of consumption adequacy: Implications for service in austere and unsettled times
Gary Warnaby, Steve Baron, Philippa Hunter-Jones

A cross-cultural exploration of austerity-based practices around the home
Deirdre O’Loughlin, Belem Barbosa, Maria Eugenia Fernández-Moya, Kalipso Karantinou, Morven McEachern, Isabelle Szmigin

Session 7d – Thursday 3rd July, 4:15pm

Doing family in times of austerity
Benedetta Cappellini, Alessandra Marilli, Vicki Harman, Elizabeth Parsons

How market provision of aged care-related services is changing the institution of the family: The case of Germany migrating grandparents
Ingrid Becker, Jayne Krisjanous

Food insecurity and the hunger-obesity paradox
Debra M. Desrochers, Stephan Dahl
Consuming Austerity: Media Representations

Pierre McDonagh, Dublin City University
Andrea Prothero, University College Dublin

Many scholars have mused over the ill effects of marketing over the years, from Pollay’s seminal work on advertising’s distorted mirror (1996), Kilbourne McDonagh & Prothero’s (1997) challenge of sustainable consumption and more recently Murphy and Sherry’s 2013 edited volume showcasing the continued scrutiny of marketing and the common good. Layton’s work (2007, 2009) on marketing systems has also been notable in considering the effects of the market. Likewise Baker, Gentry and Rittenburg (2005) have drawn attention to the vulnerability of consumers within our marketing system. This paper takes a slightly different tack by considering the efficacy of the marketing system in contributing to the consumption of austerity.

This paper focuses on how the austerity project is conveyed in everyday life, and representations are explored here through photographic and media lenses, and mass-mediated marketplace actions. The authors compiled a collection of photographs and examples of marketing communications, both from mass-media and more localised campaigns. Judith Williamson remarked on the ubiquity of advertisements in 1978 when she considered meaning and ideology and Robert Entman (1993) examined the importance of how issues are framed (1993) and how power is projected in the news (2009). McManus (1994) has also advised citizens to beware market driven journalism. Presently in terms of austerity communications, one would have to be simply living in a bubble within Ireland, to not be exposed, on a daily basis to some types of media representation focusing on austerity, and as the literature (Kellner, 1995) clearly shows how “media culture socializes and provides materials for constructing identity” (Russell, Schau and Crockett, 2013). it is worth further exploring these representations. There has been a call for more research which links consumer culture with media culture (Jansson, 2002), and this paper partially addresses this call.

A number of austerity books have been published in recent years, (Boyer, 2012; Bramall, 2013; Callan et al., 2011; Clarke and Newman, 2012; Drudy and Collins, 2011; Giger and Nelson, 2011; Karanikolos et al., 2013; Krugman, 2012; Perotti, 2012); some have a specific Irish focus (Carswell, 2011; McWilliams, 2010; O’Toole, 2009; Ross, 2009); and newspapers/periodicals also regularly publish stories on austerity (see for example Allen, 2009; Lewis, 2011; O’Toole, 2014).

There are a number of examples of media communications of the austerity project, and we plan to explore the key areas of a) newspaper/radio communications, b) austerity books, and c) marketing communications in more detail. What these media representations clearly illustrate is the extent to which Irish citizens experience the Austerity Project in their everyday lives. Even those citizens who have not been exposed financially would find it hard to not experience austerity communications, and perhaps even be more mindful of flaunting their conspicuous wealth. Going about their daily lives Irish citizens experience media representations of the collapse of the economy. The media representations convey the collapse of the Celtic Tiger and illustrate how the economy has failed and how austerity is produced by wider institutional forces.
Consumption remains an important site for macromarketing scholarship. There is no doubt that within Ireland austerity has been depicted as the medicine required to correct the market mechanism following the financial blip. George W Bush is parodied in Eric Gandini’s *Surplus: Terrorised into Being Consumers* for encouraging Americans to ‘shop their way out of problems’ but conversely Irish politicians have been welcomed back to the financial markets for correcting the economy with a suite of austerity budgets and tax hikes. Interestingly media representations of austerity seem to coincide with what Adorno and Rabinbach (1975: 18-19) suggest is the total effect of the culture industry, anti-enlightenment.

Insofar as the culture industry arouses a feeling of well-being that the world is precisely in that order suggested by the culture industry, the substitute gratification which it prepares for human beings cheats them out of the same happiness which it deceitfully projects. The total effect of the culture industry is one of anti-enlightenment, in which, as Horkheimer and I have noted, enlightenment, that is the progressive technical domination of nature, becomes mass deception and is turned into a means for fettering consciousness. It impedes the development of autonomous, independent individuals who judge and decide consciously for themselves. These, however, would be the precondition for a democratic society which needs adults who have come of age in order to sustain itself and develop.

It is worthwhile considering further how mass media is used to frame freedom and control (McQuail, 1992) within the global culture industry (Lash and Urry 2007). It seems for now that within the market (Bouchet 2014) the myth of prosperity has merely been replaced by the myth of austerity until such a time as it is safe to go outside and shop heartily again. The macromarketing implications of such actions will be discussed.

References


**Appendix – Examples of Media Representations**

**Figure 1 - Global Austerity Headlines**


**Figure 2 - Ireland Austerity Headlines**


**Figure 3 - Radio Headlines for one radio programme: Newstalk**

Image 1- Bookstore, Dundalk, Co Louth

Image 2 – Bookstore, Dundalk, Co Louth

Image 3 - Oxfam Clothing Bank, Lordship, Co Louth
Marketing Communication Campaigns

- Lidl Ireland – via it’s YouTube Channel has a parody ad in 2011 promising not to pass on the 2.5% VAT increase to its consumers
Magners Ireland introduced its *Now is a Good Time* campaign, with an emphasis on focusing on the here and now, and as Edward McClenaghan emphasized in his blog post in 2013 “It comes with an underlying message of hope and reassurance that comes after a difficult number of years in economic recession and is quite a memorable experience to see.” (http://www.theawsc.com/2013/07/01/poetry-in-promotion-irelands-advertising-copyrhymers/).

Failte Ireland introduced a *The Fun Starts Here* staycation campaign in 2010 (http://www.youtube.com/watch?v=aHINm2h-bII.).

Recently Renault Ireland have launched an *Afford to Live Again* campaign (http://www.youtube.com/watch?v=l0JaxtwVteY), the ad shows consumers from all walks of Irish life and focuses on how we can put recessionary behaviour behind us.
Doing Family in Times of Austerity: evidence from Italy and the UK’

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The current economic crisis has been described as the worst financial crisis since WW2 (Lewis, 2010). Yet there is a surprising academic silence regarding how this crisis has affected the everyday lives of people and their families. This paper is based on some preliminary findings of a comparative study looking at how mothers in Italy and in Britain feed their family in recessionary times.

Studies of household financial coping identify the willingness of women to abnegate their own needs in favour of their children (Kochuyt, 2004; Hamilton & Catterall, 2006; Hamilton, 2012). Women materialise their love for their families enacting self-sacrifice in all practices surrounding the everyday meals, from shopping to dealing with food leftovers (Miller 1998, Moisio et al. 2004, Cappellini and Parsons, 2012). Our findings show that coping strategies are complex and time consuming since women rely less on the marketplace for time saving products, replacing this with their own productive work in the home. As such these women might be seen as reclaiming skills from the marketplace. We argue further that participants also act as an emotional buffer against the harsher realities of coping on a reduced income. Through practices of thrift and self-sacrifice they tend to redirect resources towards their partners and children abnegating their own needs for the greater good of the family. As such we observe that recessionary times stimulate a reinstatement of more traditional gender inequalities in the home.

References


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A Cross-Cultural Exploration of Austerity-based Practices around the Home

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Austerity and Practice

This paper explores austerity and its impact upon practices around the home and compares the everyday experiences of a range of European consumers living in countries affected by austerity. Historically, austerity was adopted during and after WWII in Britain as a policy to impose rationing and reduce consumption in the face of military threat (Zweiniger–Bariełowska 2000). Modern day austerity as a result of the financial crisis of 2008 continues to generate a range of economic and political perspectives often resulting in conflicting views regarding its appropriateness as part of the policy agenda. Some argue that austerity economics will ultimately stabilize debt-burdened economies and enable economic recovery and expansion (e.g. Salsman 2012) while others warn that austerity programs will result in reduced growth and demand which will ultimately deepen the recession (e.g. Krugman 2012). In practice, several governments, particularly in Portugal, Italy, Ireland, Greece, UK and Spain have imposed a series of austerity measures including cuts to wages, public spending and increases to taxes which has resulted in increased financial difficulties for many in society (Lane 2012). In Greece, for example, reduced budgets, bailouts and public sector layoffs have resulted in a rise in unemployment to 27% (Kitsantonis 2013) while in the UK, cuts in public spending and VAT increases have inflicted “radical change with adverse impact upon many groups of society” (Grimshaw and Rubery 2012, p. 105). Ireland’s unemployment rate has recently doubled to over 14% (CSO, 2013) while Spain is experiencing a double-dip recession with a youth unemployment of over 50% (Chang 2012). In Portugal, low levels of trust in political institutions and rising personal bankruptcy rates are being reported (Lopes and Frade 2012). While there has been some focus on the effects of the recession on consumer attitudes and behavior (e.g. Quelch and Jocz 2009), a significant empirical gap exists around how consumers have responded to the austerity crisis and how it has impacted people’s everyday household practices. Practice theory (e.g. Shove 2003, Warde 2005; Schatzki 1996) offers a distinct analytical approach to studying social life (Reckwitz 2002; Schatzki 2002) and focuses on the significance of shared understandings, norms, meanings (Shove Pantzar and Watson 2012). Practices are often everyday, routinely embedded and subconscious beings and doings which comprise of habits and routines that evolve and alter over time which ultimately may result in a transformative change to social practices (e.g. Warde 2005). While some practices may become collectively adopted and normalized (Shove and Southerton 2009), others may change in response to disruption or disaster (e.g. Wilk 2009), such as war, recession and mass unemployment. Consequently, practice theory is deemed an appropriate lens through which to study everyday household practices in order to explore how people’s everyday lives have altered in response to austerity.

Preliminary Findings and Concluding Thoughts
This exploratory study investigates how people across a range of austerity-burdened European countries have responded individually and collectively in terms of their everyday household practices. Taking an interpretive approach, phenomenological interviews were conducted using a purposive sample of 30 consumers from Ireland UK, Spain, Portugal and Greece across a range of demographics (e.g. age, gender, lifestage and income including unemployed people). Interview analysis involved coding and the development of initial themes by individual members of the research team as well as cross-checking of interview transcripts by all members to facilitate inter-coder agreement. Given the cross-cultural nature of the research, a number of key commonalities and distinctions across themes were identified. Similarities included practices such as altered shopping habits, switching to cheaper suppliers and seeking deliberate trade-offs. A commitment to reduced spending was also highlighted in line with a desire to acquire and exchange skills to save money. A new or renewed commitment to saving and economizing was noted with a heightened interest in waste reduction, energy conservation and sustainability. A return to traditional values, renewal of intergenerational activities and greater recognition of the importance of community, family and friends were evident. Cross cultural differences appeared to center around the perceived intensity of the effect of austerity where deeper feelings of anger, despair and uncertainty were expressed by those living in countries worst hit by austerity and where, for example, household budgets and practices were more severely affected, family structures were shifting and significant life-decisions were postponed. A key contribution from this cross-cultural research relates to the identification of the ways in which austerity has impacted on everyday practices in the household including a conscious switch to new habits and routines, a renewed commitment to traditional and more frugal routines as well as a more significant and transformative change in some community-led practices and values which appear to be becoming normalized into social practices.

References


When Citizens and Households fall below the Level of Consumption Adequacy: Implications for Service in Austere and Unsettled Times.

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Austerity is the backdrop to everyday existence and associated consumption in many developed economies. This has implications for consumption adequacy (defined as the goods/services that must be acquired before individuals can rise above a short term focus on continued existence and concentrate on consumption behaviours associated with longer-term/higher order needs) for those living in such unsettled times (manifested by loss of homes/possessions, jobs, health etc.).

Unsettled times (even if only temporary) can arise from a variety of causes. Developing and building on previous research relating to environmental and climatic causes (e.g. earthquake, floods etc.), this paper analyses implications for service providers arising from declining consumption adequacy as a consequence of economic (e.g. recession) and socio-political (e.g. ‘austerity’ policies) factors. Drawing on transformative service research and service systems perspectives, the paper promulgates a set of purposeful proposals to offer directions for identifying salient issues for both service businesses and academic research.
How Market Provision of Aged Care-Related Services is Changing the Institution of the Family: The Case of Germany Migrating Grandparents

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Germany’s emerging trend of exporting senior citizens to retirement and nursing homes situated in Eastern European countries such as Poland or the Czech Republic, or even further afield to Asian countries such as Thailand, is an alarm signal for an increasing number of elderly who cannot afford aged care in their home country. German social welfare organizations have labeled it “inhumane deportation” and the Sozialverband Deutschland (VdK), a German socio-political advisory group, called for political intervention (The Guardian 2012). Munich’s leading newspaper referred to the controversial movement as “gerontologic colonialism” and commented “Rubbish is exported […] wherever it is cheapest to dispose it […] and now we are exporting our infirm and elderly” (Sueddeutsche Zeitung 2012).

Using the example of Germany, our research aims to discuss how the purchase of aged care-related services outside one’s own country and the resulting physical distance between family members affects the institution of family. The analysis will provide insights about the conditions which foster the demands for care-related services in foreign countries. It is proposed that there is a link between rapid transportation, wider travelling and communication opportunities in contemporary society, escalating costs of elderly care and the phenomena of migrating grandparents. These intersections are now addressed.

The increasing costs for caring and decreasing standards of care in Germany, even with approximately 150,000 immigrant nurses from Eastern Europe who are working in illegal employment, are well documented (Neuhaus, Isfort, and Weidner 2009). Therefore nursing and retirement homes in Eastern European countries are increasingly perceived by many of the aged and/or their families as attractive alternatives for residential care in their home country. As shown by a German pollster conducted in March 2013 by TNS Emnid, one out of five Germans would consider the opportunity of being transferred to a retirement home abroad (Konpress-Medien eG 2013). Because of lower labor and facility costs, emigrant nursing homes in Poland offer services – comparable to the care which is provided in Germany – for approximately 1,200 Euro / 1641 US Dollar a month (Die Welt 2012a). For elderly care, even when provided outside the country, the German statutory long-term care insurance (LTC) pays a maximum of 700 Euro / 957 US Dollar. The LTC covers the assistance needs of people who have lost their ability to live independently. It was established in 1994 as a fifth element of the German social insurance system alongside health, pension, accident, and unemployment insurance. The contributions for the LTC are divided equally between those insured and their employers. Together with the pension payments, the amount provided by the LTC is enough to finance monthly care and further expenses in Eastern European countries. German retirement homes however have been criticized for a lack of staff and diminishing standards of care: often just one carer looking after 40 to 60 residents. On average each patient is only given around 53 minutes of individual care over the course of a day, inclusive of any assistance needed at meal times (The Guardian 2012).
Due to increasing life expectancies (fostered by medical progress, healthier lifestyles, better nutrition, and hygiene standards) and the drop in birthrates, Germany’s society will age significantly in the next decades. Collective aging is represented by the old-age-dependency ratio. In 2012 the German old-age-dependency ratio 65 (people older than 65 years per 100 persons aged 15 to 64) was 31.2, a value that is projected to rise up to 40.22 in 2025 and 58.11 in 2050 (Eurostat 2014). Together with countries like Japan, South Korea and Italy, Germany’s population is expected to be among the world’s oldest by 2050 (Organisation for Economic Co-operation and Development 2011). As estimated by the United Nations (2002) the world’s population of people older than 60 years will almost have tripled to two billion people by 2050. According to the Berlin Institute for Population and Development (2007) the demographical change in developing countries will be even more significant and take place at a greater pace than in Germany. The Berlin Institute illustrates: to double the portion of people aged 60 or older took more than 115 years in France, whereas the same development is expected within a period of only 20 years in Thailand.

These demographic changes have serious consequences for the German social security system, and in particular the pension, health and long-term care insurance systems. According to the German pension scheme each generation pays for their parents’ and grandparents’ pensions instead of saving their own pension. In previous years, two workers funded one pensioner. When the baby-boom generation will start to retire in 2015 this ratio will shift to one worker financing one pensioner, although Germany's unfunded pension system already relies heavily on subsidies by the state (Berlin Institute for Population and Development 2007). Despite differences in the legal and institutional framework, European countries who are facing the problem of aging societies are currently trying to redefine the division of care-related responsibilities, seeking to create a new balance among the providers of care: the family, the state, and the market (Bettio and Plantenga 2004).

One reason for declining birth rates and decisions made by those in the childbearing years to have none or fewer children is the changing meaning of children within society. As children become less important as a “means” to engage in household and caring work when their parents grow old, they are less often regarded in terms of age-insurance (Nugent 1985). A definition of family is given by Galvin, Bylund and Brommel (2004), as “networks of people who share their lives over long periods of time bound by ties of marriage, blood, or commitment, legal or otherwise, who consider themselves as family and who share a significant history and anticipated future of functioning in a family relationship” (p.6). This definition acknowledges that family relationships are based on a shared history and an anticipated future (Carlson and Harrison 2010). Due to the process of industrialization, increased education possibilities (especially for women), and higher rates of urbanization, family members have become increasingly busy and dispersed. As has been emphasized by Gentry and Mittelstaedt (2010) household types such as single parent and single-person households are increasing at far more rapid rates than the traditional parents-with-children households. As a result less time is shared through reciprocal interaction, or, due to improving communication technologies, engaged in a different way. These developments also explain why family care is limited, which in turn influences the provision of care-related services by the market.

Being aware of the situation in Germany, entrepreneurs and agencies from Eastern European countries have recognized the market opportunity to revitalize (long-lost) holiday resorts and profit from Germany’s elderly who are, arguably, a vulnerable market segment. In a retirement home in the Polish town of Zabelkow a familiar environment is created to avoid their elderly customers feeling spatially disorientated: nurses speak the German language,
rooms are furnished and equipped with German branded products and traditional cold supper is served while German Bundesliga soccer games can be watched on TV (Daily mail 2013). If one of these customers has a degree of cognitive impairment through for example dementia, it is feasible that they may not even know they are residing in a foreign country.

Given the rising costs for caring, the “Kranken- und Pflegekassen” (Germany’s health and long-term care insurance system) are openly discussing the opportunity to integrate contracts with foreign retirement homes into their plans for future care models (Die Welt 2012b). In the long run Germany’s spending on long-term care for seniors is expected to increase from 1.4 percent of gross domestic product to 3.3 percent by 2060 (European Commission 2012).

One of the conditions for being able to provide informal care within families is moving towards a shared division of care-related labor for children or grandparents between females and males. Despite various German policies which encouraged mothers to stay at home (e.g. tax disincentives), women have increasingly sought to (re-)enter the labor market (Morel 2007). Due to the lack of public or private provision of care (from increasing labor cost), women’s participation in the labor market has often been accompanied by decreasing fertility rates, especially concerning highly educated women. Capacity to take care for the elderly likewise decreases with a higher participation of women in the labor market. These developments have called into question the traditional care arrangements that underlie the German Bismarckian welfare system – strong support of the male breadwinner model, the belief that the family is the primary provider of care and that substitutive policies by the state might undermine the free-choice of the family (also known as the principle of subsidiarity) resulting in the provision of financial transfer instead of the provision of care-related services – and have lead to the current “crisis of care” (Morel 2007). Although gender roles are recently in a state of flux – with women increasingly providing the financial basis for the family, and men becoming more interested in spending time with their children – the male partner is still not making attempts to assume the nurturing role (Harrison and Gentry 2007).

As the workplace exerts strong influence on the structure of the family, firms together with public policy can encourage a fair(er) division of market labor and non market labor (regarding informal caring) to overcome gender norms, which are only slowly changing. Public policy, for instance, could target a (financial) compensation for providing informal care within families or support alternative models like senior living communities as an alternative to traditional and expensive retirement homes. Firms like Siemens are already taking the lead by offering flexible working hour models, including part-time work, flex-time and job sharing. Siemens also excels in terms of internal childcare centers provided closely to the workplace (Siemens 2013). Another important influence on gendered perceptions of care is exerted by the media and advertisement sector. As stated by Gentry and Harrison (2010) advertisers in the United States are behaving passively in changing gendered norms within the family and within society in general. Despite an increase of sexist portrayals, criticism is less frequent than once before; portrayals of males in convenient nurturing roles are almost nonexistent.

To summarize, this extended abstract has introduced the changing concept of family in Germany due to the declining availability of quality aged care and opportunity for families to participate in care of their elderly. By migrating elderly out of Germany to foreign countries, due to the emerging market provision of care-related services in foreign countries, the risk of “gerontologic colonialism” as put forward by Stueddeutsche Zeitung (2012) is a real
threat to the historic interpretations and meanings of generational relationships and care made possible through close geographical contact. Our full paper will discuss how the market (including the advertising sector) and public policy initiatives can target alternative solutions that strengthen the institution of the family, which has been increasingly isolated in the process of industrialization. It is assumed that the provision of care is an important factor in determining quality of life (QOL). Therefore, high levels of social consciousness are required for markets to be effective, especially in case of the subaltern – in accordance to Gramsci (1971), defined as the socially subordinated – consumer groups (Varman and Vikas 2007).

Keywords: Elderly, Care-Related Services, Institution Family, Labor Market, Public Policy

References


Harrison, Robert, and James W. Gentry (2007), “Vulnerability of single fathers in the transition to their new parental role,” European Association for Consumer Research Conference, Milan.


Government agencies in the US report that there is an 8.1% unemployment rate and 15.1% of the population lives below the poverty line (CIA 2013). This type of financial climate often leads to food insecurity, which is defined by the United States Department of Agriculture (USDA) as a situation of "limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways,” (Bickel et al. 2000). An estimated 14.5% of American households were food insecure at least some time during the year in 2012 (Coleman-Jensen, et al. 2013).

Meanwhile, 35.7% of adults are obese (Ogden, et al. 2012), creating a major health concern. Obesity-related conditions include heart disease, stroke, type 2 diabetes, certain types of cancer, and some of the leading causes of preventable death (National Institutes of Health 1998). The estimated annual medical cost of obesity in the U.S. was $147 billion in 2008, and per capita medical spending was $1,429 (42 percent) greater for obese people than for normal-weight people in 2006 (Finkelstein et al. 2009).

Taken together, many researchers have theorized a positive correlation between food insecurity and obesity, which was proposed by Dietz (1995) and is often referred to as the hunger – obesity paradox. Due to this relationship, many have suggested that addressing food security may help address diet-related health problems such as obesity, diabetes, and cardiovascular diseases. The paradox continues to be a relevant topic of discussion research as both obesity and food insecurity rise in prevalence.

Using the 2009 – 10 NHANES data, the objectives of this research are to, first, see if there is a relationship between food insecurity, not just socio-economic status, and obesity, second, to see which demographic groups tend to have a higher prevalence of food insecurity and, third, to see if there are behaviors and characteristics that distinguish food insecurity from obesity. These findings may help provide greater insights that may help address diet-related problems such as obesity, diabetes, and cardiovascular disease.

Background

The USDA defines food security as access by all people at all times to enough food for an active, healthy life (Bickel, et al. 2000). Conversely, as defined earlier, food insecurity is defined by a limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways (Bickel, et al. 2000).

In support of the hunger – obesity paradox, Seligman, et al. (2010), hypothesized that the correlation exists because when experiencing insecurity individuals make food substitutions that emphasize relatively inexpensive but energy-dense foods (Kendal, et al. 1996; Dixon, et al. 2001; Tarasuk 2001), individuals over consume during periods when food is plentiful to compensate for expected future food shortages (Polivy 1996; Urbszat, et al. 2002), and
the “thrifty gene hypothesis,” which suggests that it is adaptive to more efficiently accumulate fat when food is unpredictable (Neel 1962).

Unfortunately, while the theoretical link between food insecurity and obesity seems viable, empirical research shows inconsistent results. A literature review by Dinour, et al. (2007) covered more than 14 articles published between 1990 and 2006 and, later, Franklin, et al. (2012) covered 19 studies that were conducted since 2005. In a third literature review that covers a period that overlaps these studies, Larson and Story (2011) identified 42 studies of the same relationship. All of these literature reviews come to the same conclusion that there seems to be a relationship between increased body weight and food insecurity in women, but not necessarily for men.

Among men, obesity prevalence is generally similar at all income levels, with a tendency to be slightly higher at higher income levels, while for women, obesity prevalence increases as income decreases (Ogden et al 2010). Further, the relationship between obesity and socioeconomic status differs by race and ethnicity group, in addition to gender. Among non-Hispanic white women, obesity prevalence increases as income decreases, while among non-Hispanic black and Mexican-American men obesity prevalence decreases as income decreases (Ogden et al 2010).

One issue with using these studies to provide empirical support for the hunger – obesity paradox is that some use food security measures, while other studies use socio-economic indicators. The goal of this research is to provide more empirical evidence comparing the conditions of food security, specifically, and weight status.

Data

The NHANES program examines a nationally representative sample of about 5,000 persons each year (CDC 2013), and the 2009-10 dataset contains information from 10,253 individuals of all ages. Using the sampling weights provided to reflect the complex probability sample design used to obtain the NHANES data, analysis can produce unbiased national estimates.

The data collection process has two components, an interview at the respondent’s home, followed by an examination at a mobile medical center. The NHANES interview includes demographic, socioeconomic, dietary, and health-related questions. The examination component consists of medical, dental, and physiological measurements, as well as laboratory tests administered by highly trained medical personnel (CDC 2013). From the demographic data, the variables of interest are age, gender, race/ethnicity, education level, marital status, household size, and ratio of income to the poverty level. From the medical examination, the actual Body Mass Index\(^\text{13}\) (BMI) is provided for each respondent. From the questionnaire, each respondent provides information about household food security, food in the house, food insecurity consequences, and self-assessments of physical and mental health statuses.

\(^{13}\text{BMI is a number calculated from a person’s weight and height and is a fairly reliable indicator of body fatness for most people. The formula is the individual’s weight (kg) / [height (m)]^2. (For more information see }\text{http://www.cdc.gov/healthyweight/assessing/bmi/adult_bmi/index.html#Definition, accessed November 8, 2013.}\)
The NHANES questionnaire uses the Current Population Survey (CPS) Food Security Supplement Module to determine the level of food insecurity in the household. Specifically, food security is based on a series of questions that gauge a variety of specific conditions, experiences, and behaviors that serve as indicators of the varying degrees of severity of the condition (Bickel et al. 2000). Further, food security and insecurity have two levels each (Bickel et al. 2000). Full food security households had no problems or anxiety about consistently accessing adequate food, while marginal food security households had problems at times, or anxiety about, accessing adequate food, but the quality, variety, and quantity of their food intake were not substantially reduced. At the other end of the spectrum, for food insecure households, low food security households reduced the quality, variety, and desirability of their diets, but the quantity of food intake and normal eating patterns were not substantially disrupted, and for the very low food security households there were times during the year, that eating patterns of one or more household members were disrupted and food intake was reduced because the household lacked money and other resources for food.

In this analysis, the definitions of weight status are defined by the CDC (2008). For adults, if the individual has a BMI less than 18.5, he or she is considered underweight, and is of a healthy or normal weight when the BMI is between 18.5 and 24.9. However, if the BMI is between 25 and 29.9 he or she is considered overweight and an adult who has a BMI of 30 or higher is considered obese.

For purposes of this study, individuals for whom no BMI data are available, who were under age 20, who did not respond to the food security questions, or women who were pregnant are deleted data leaving a sample of 5,500 individuals. Using the sampling weights provided to reflect the complex probability sample design used to obtain the NHANES data, analysis can produce unbiased national estimates.

Results

Table 1 shows that while the estimated population of food insecure households is 14.2% (8.9% + 5.3%) and that the prevalence of obesity among adults is 36.3% (27.2% + 3.4% + 3.5% + 2.2%), the chi-square statistic shows there is no significant relationship between these variables.

Regarding household food security, the table also shows that there are significant relationships between household food security and a variety of demographic variables including gender, age, race, education level, and the poverty income ratio. Confirming previous findings, male respondents are more likely to be in full food secure households, yet for both less secure categories, the prevalence of food insecurity is higher among women than among men.

Regarding age, it is shown that as age increases there is a disproportionately larger prevalence of higher food secure households. The same pattern holds as education and income increase. For race, Non-Hispanic White households have disproportionately higher food security. Further, when comparing the prevalence of full security to very low security, it is 4.8 (6.7 / 1.4), 4.9 (4.4 / 0.9), and 5.8 (2.9 / 0.5) times higher for Non-Hispanic Blacks, Mexican Americans, and Other Hispanics, respectively. However, food security is 14.8 times higher for Other and Multi-racial households and 26 times higher for Non-Hispanic Whites.

To address the third objective, Table 2 shows several comparisons between household and behavioral characteristics and food security, then the same variables against weight sta-
tus. The second and third columns show the Chi-square tests for the relationships between several variables and the levels of household food security. As expected, and consistent with the definition, households with lower food security have less availability of fruits, vegetables, and fat-free or low fat milk. Conversely, salty snacks and soft drinks are less available in higher food secure households.

The third and fourth columns of Table 2 show the Chi-square tests for the relationships between the same variables with weight status. Here, it is shown that the availability of these various foods do not differ by weight status.

Regarding diets, and as expected, greater food insecurity leads to higher proportions of households reducing the quantities of food consumed and losing weight. Consistent with intuition, a higher weight status does not correlate with being hungry, skipping meals, or losing weight. As weight status increases towards obesity, however, there is also relationship with cutting meal size and eating less.

The last three rows of Table 2 show the self-assessments of overall health conditions. Based on the second and third columns, as food insecurity increases, there is a disproportionate increase in days feeling anxious and days of inactivity due to physical or mental health, and a disproportionate decrease in the perception of overall healthiness. As weight status increases, however, there is no significant increase in the number of days feeling anxious. However, there is a disproportionate increase in days of inactivity and a decrease in the perception of overall health as weight status increases.

**Discussion**

While literature reviews on the hunger – obesity paradox among adults note that the food-insecurity-obesity link among women remains consistent (Franklin, et al. 2012), this study shows that obese adults and food insecure households differ on several additional dimensions that would benefit from more research.

One of the most striking differences is the in-home availability of food, not just nutritional food. As expected, as food insecurity increases all food becomes less available, however across all weight statuses, there is no significant difference in the availability of nutritious food. This may imply that access to nutritious food is not as much of a problem in the fight against obesity.

Another insight from this study is that while food insecure households and obese individuals cut meals and eat less, only the food insecure are losing weight. This may imply that the food consumption reductions that are being made by obese individuals are not appropriate or effective. Finally, both food insecurity and obesity take a toll on overall perceived health and activity levels, however, obesity does not create the same levels of anxiety that are created by food insecurity.

In summary, while there is an intuitive connection between food insecurity and obesity, the manifestations of these conditions differ sufficiently and, consequently, are separate issues in the world of public health.

**References**


Urbszat D, Herman CP, Polivy J. Eat, drink, and be merry, for tomorrow we diet: effects of anticipated deprivation on food intake in restrained and unrestrained eaters. J Abnorm Psychol. 2002;111:396–401.

Table 1: Food Security Based on 2008-10 NHANES Data

<table>
<thead>
<tr>
<th></th>
<th>Food Security: Percentage of US Population</th>
<th>Rao-Scott Chi-Square (DF)</th>
<th>Pr &gt; Chi Square</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full</td>
<td>Marginal</td>
<td>Low</td>
</tr>
<tr>
<td>Total Population</td>
<td>76.9</td>
<td>8.8</td>
<td>8.9</td>
</tr>
<tr>
<td>Underweight</td>
<td>1.4</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Healthy weight</td>
<td>22.7</td>
<td>2.6</td>
<td>2.2</td>
</tr>
<tr>
<td>Overweight</td>
<td>25.7</td>
<td>2.8</td>
<td>3.0</td>
</tr>
<tr>
<td>Obese</td>
<td>27.2</td>
<td>3.4</td>
<td>3.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Food Security: Percentage of US Population</th>
<th>Rao-Scott Chi-Square (DF)</th>
<th>Pr &gt; Chi Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>38.6</td>
<td>3.9</td>
<td>4.3</td>
</tr>
<tr>
<td>Female</td>
<td>38.3</td>
<td>5.0</td>
<td>4.6</td>
</tr>
<tr>
<td>20 – 29</td>
<td>13.1</td>
<td>2.4</td>
<td>2.7</td>
</tr>
<tr>
<td>30 – 39</td>
<td>13.3</td>
<td>1.9</td>
<td>2.1</td>
</tr>
<tr>
<td>40 – 49</td>
<td>15.9</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>50 – 59</td>
<td>15.9</td>
<td>1.6</td>
<td>1.3</td>
</tr>
<tr>
<td>60+</td>
<td>18.7</td>
<td>1.2</td>
<td>1.0</td>
</tr>
<tr>
<td>Mexican American</td>
<td>4.4</td>
<td>1.5</td>
<td>1.9</td>
</tr>
<tr>
<td>Other Hispanic</td>
<td>2.9</td>
<td>0.8</td>
<td>1.0</td>
</tr>
<tr>
<td>Non-Hispanic White</td>
<td>57.1</td>
<td>4.3</td>
<td>3.7</td>
</tr>
<tr>
<td>Non-Hispanic Black</td>
<td>6.7</td>
<td>1.7</td>
<td>1.9</td>
</tr>
<tr>
<td>Other with Multi-racial</td>
<td>5.9</td>
<td>0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>&lt; 130% Poverty Level</td>
<td>14.3</td>
<td>3.9</td>
<td>5.4</td>
</tr>
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</table>

956
<table>
<thead>
<tr>
<th></th>
<th>Food Security</th>
<th>Weight Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rao-Scott</td>
<td>Pr &gt; Chi</td>
</tr>
<tr>
<td></td>
<td>Chi-Square</td>
<td>Square (DF)</td>
</tr>
<tr>
<td><strong>Food Availability at Home</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fruits</td>
<td>119.2 (12)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Dark green vegetables</td>
<td>63.8 (12)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Fat-free/low fat milk</td>
<td>101.5 (12)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Salty snacks</td>
<td>72.6 (12)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Soft drinks</td>
<td>31.6 (12)</td>
<td>0.0016</td>
</tr>
<tr>
<td><strong>Diets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthiness of diet</td>
<td>240.2 (12)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Meal size cut</td>
<td>172.0 (4)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Ate less than should</td>
<td>169.3 (4)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Hungry</td>
<td>79.0 (4)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Skipped meals</td>
<td>111.8 (4)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Lost weight</td>
<td>43.0 (2)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td><strong>Health Consequences</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General health condition</td>
<td>252.6 (15)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Days feeling anxious</td>
<td>160.1 (15)</td>
<td>&lt; 0.0001</td>
</tr>
<tr>
<td>Days inactive</td>
<td>160.4 (15)</td>
<td>&lt; 0.0001</td>
</tr>
</tbody>
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Violence, exploitation and servitude

Chairs: Norah Campbell & Mandy Earley

Session 9d – Friday 4th July, 11:00am

The imperialist ethos of international marketing
Mandy Earley

Derealization of subaltern and violence in service encounter
Rohit Varman & Himadri Roy Chowdhury

Advertising nanotechnology: Invisible violence
Norah Campbell, Cormac Deane, Padraig Murphy

What is violence?
Dominique Bouchet
The Imperialist Ethos of International Marketing

Amanda Earley, School of Management, University of Leicester

This paper seeks to establish the imperialist foundations of the discipline of international marketing. Based on a review of the historical and theoretical literature, the author finds that the contemporary 'world economy' is a 19th century invention, with 'international markets' created largely to soak up excess finance capital and products from the industrialised nations. As such, there is a lasting colonialist legacy within terms such as 'economic development' and 'market creation', as well as in our understandings of 'sending' vs. 'receiving' countries. The author then begins the work of theorizing the ethical and political position of international marketing through the work of noted scholars of imperialism, especially Nikolai Bukharin, Hannah Arendt, Michael Hardt, Antonio Negri, David Harvey, Anne McClintock, Samir Amin, and Michael Parenti. Ultimately, the inherent violence of mainstream international marketing is conceptualized in terms of the commodity fetish, which disguises the colonialist and extractive nature of international business.
Derealization of Subaltern and Violence in Service Encounters

Rohit Varman, Indian Institute of Management – Calcutta, India
Himadri Roy Chowdhury, International Management Institute, Kolkata, India

“Capital comes dripping from head to toe, from every pore, with blood and dirt.” Karl Marx (1976, p. 926)

With the post-industrial turn to the First World economies, scholars have paid considerable attention to services in marketing theory (McColl-Kennedy et al. 2012; Vargo and Lusch 2004). Yet, little research has happened that examines the dark side of service engagements. More specifically, the question of violence in services has been completely overlooked. We address this lacuna by examining the role of violence in shaping service encounters. We examine the violence faced by domestic service providers or kajer lok in India. In attending to violence we offer an important addition to the debates on the dark side of markets in marketing theory.

In this research we study women service providers who are extremely poor or subaltern (Gramsci 1971; Varman 2011; Varman and Belk 2008). We report two facets of violence faced by this subaltern group in its market-based activities. First, we examine violence performed by clearly identified agents or what Zizek (2008) calls subjective violence. We also attend to objective forms of violence that often go unnoticed and are the consequences of the smooth functioning of a class-based economic system (Zizek 2008). The state of material deprivation for subaltern groups is maintained by creating violent and authoritarian governance structure as a state of exception within a more liberal regime for elite groups (Agamben 2005; Badiou 2003). More specifically, we draw upon the work of Judith Butler (2004) to understand how subaltern groups are ‘derealized’ or made into lesser-beings. These derealized entities are subjected to violence that is not mourned or does not draw the attention of other social actors because their lives are already negated (Butler 2004). We attend to how neoliberal ideology creates a wide range of discursive strategies of derealization that allow more privileged actors to legitimately punish subalterns (Bernstein, Panitch, and Keys 2009).

We conducted phenomenological interviews with 25 domestic service providers and 10 clients. All these informants were women and located in Kolkata, India. Kajer lok provide house cleaning, washing, and cooking services. Their clients are middle class families in the city. These interviews were conducted in Bengali and transcribed and translated into English. We asked kajer lok to describe their service encounters with different clients, and various coercive practices experienced by them. We asked clients to describe their service experiences and how they engaged their kajer lok. Our interpretation of the interview texts was conducted through a hermeneutical process that involved continuous movement between transcripts and the emerging understanding of the entire data set (Thompson and Troester 2002). In the process the theoretical understanding presented by us reflects a stage of the analysis in which it is possible to establish linkages between meanings expressed and appropriated by participants and a broader set of economic, political and theoretical issues.

In these service encounters we found different forms of physical, sexual, verbal, and symbolic abuse. Kajer lok are sometimes beaten up by their clients for their inability to satis-
fy them. Kajer lok shared narratives of threats and verbal abuses along with incidents of actual violence. In certain cases, kajer lok are sexually exploited by the men in client households. It is common to see more subtle and yet pervasive forms of social domination or symbolic violence in these service engagements (Bourdieu 1990; Zizek 2009). Symbolic violence naturalizes social domination of the middle class clients when they deny their kajer lok the rights to eat the same food, use the same utensils, or sit in places where they sit.

Kajer lok face extreme economic hardships that limit their abilities to resist clients. These women are paid lowly for their services and are made to work long hours with no institutional mechanism to redress grievances or ensure due process. Some kajer lok accept their domination as natural and blame their economic circumstances for violence. Some others resist in subtle ways by doing lesser work or providing inferior service. In certain cases of violence, these women leave their clients as well. However, in the absence of any collective effort their individual actions are able to bring only temporary respite that leaves the larger system of violence intact.

We found that three key neoliberal discourses contribute to the derealization of subaltern service providers in our context (Butler 2004). Kajer lok believe in their inferiority in the socio-economic hierarchy and expect the rich to exploit them. This inferiority stems from their poverty and from their inability to become sufficiently active and entrepreneurial subjects. Thus, discourse of entrepreneurship contributes to their own ‘misrecognition’ of the arbitrary use of violence by clients and adds to their self-derealization. Clients commonly draw upon discourse of consumption to label their kajer lok as unclean, uncultured, and filthy. This helps to cast these women as the Other, which in turn makes subaltern ‘unreal’ (Bernstein et al. 2009; Butler 2004). Moreover, clients deploy discourse of market to derealize kajer lok. Clients offer exchange conditions that prevail in this market and try to make these transactions faceless with limited empathy and attachment for their service providers. Thus, neoliberal discourse of markets leads to derealization of this subaltern group as it allows distance to be created between buyers and sellers.

References


Advertisements for high-technology products and services visualize unvisualizable processes and phenomena, such as globalization, networks or information. We turn our attention specifically to the case of nanotechnology advertisements. One hundred still and motion representations of nanotechnology, mostly in advertising, were collected between 2004 and 2013. As a public relations project, nanotechnology faces the danger of being viewed as a fantastical, apocalyptic endeavor that intervenes so fundamentally in nature that it might be better avoided (ETC Group 2003). As is well known, technoscience can have a highly negative public image, as the cases of nuclear power generation, pesticides, oil exploration and GMO crops have all too clearly demonstrated. Thus nanotechnology lobbyists are eager to manage how such products and processes, whose real or imagined negative impact may be enormous, appear to the general public. Favorable nanotechnology images are woven into the social imaginary, recursively producing the reality they describe.

We analyze these images using a novel approach that combines visual and sonic culture. We present one major finding in detail: nanotechnology advertising mobilises cuteness as a way to invalidate critique and align itself with harmlessness. Cute is a “minor” aesthetic category, overshadowed by its more bombastic relatives, the sublime and the beautiful. However, it is an important category of aesthetics, coinciding as it does with the rise of consumer society (Ngai 2012). As Ngai has argued, the cute is a minor aesthetic category not only because it is overlooked by art critics, but because it is ambiguous. We draw out that ambiguity by arguing that nanotechnology advertising is violently harmless. Advertising uses tropes of cuteness to confirm a humanist position of domestication and dominance of the nanoscale. It presents nanotechnology as childlike, innocent, domesticated, ‘soft’ and miniature.

Many studies in advertising have explored how systems of signification such as art and literature are employed, referred to, and mined for meaning, and produce truth regimes. Strangely, much less attention has been paid to science or technology as systems of signification (for exceptions, see Goldman and Papson 2011; Campbell 2010). Technological or scientific detail in advertising apparently just “is”; its image and sound are regarded merely as superficial special effects unavailable to cultural analysis. However, we argue that nowhere are the public risks generated by advanced technologies more violently concealed than in the high-tech advertising in sectors such as healthcare, life sciences, pharmaceuticals, medico-technological instrumentation, and, increasingly, data management, microchip manufacture, and incipient cyborg technologies.
What is violence
Dominique Bouchet, University of Southern Denmark

What is violence precisely? It proceeds from the denial of the boundary of the other. Violence is the expression of a lack of respect to others precisely as being someone else. It is the expression of a fundamental inequality in a relationship between people, as one who is a victim of violence can not on her own authority be exempt of it. His will is subject to that of others, it is alienated. It is the negation of the other as other, which is the essence of violence. One takes power over others in defiance of his or her will, and thereby reduces his or her freedom, violates his or her subjectivity.

But as the violence lies at the border between subjectivities and conditions of will, it can also be an expression of revolt against an unbearable oppression, or an impossibility to exercise one’s free will. He or she who feels oppressed, or who can not keep their relationships with others under sufficient control, can end up expressing themselves violently. Accordingly, violence threatens human relationships as long as men face limits – individually or collectively – and, since it is precisely the symbolic organization of relations to the limits that characterizes humanity, violence will always be among men.

There is no human society that does not know violence. Violence is the lot of all human society. What varies is how each company represents and control how it is referred to, how it is tamed or channeled. Violence is both constitutive of social and menacing for this order. It is therefore not to deny or condemn but to recognize and understand its essence to achieve confined within limits that are being established together. Violence is fundamentally the political agenda, and it should recognize its place within the social. It is only from such a principle of reality that we can assess the quality of the social bond and balance that characterizes each company. In other words, any company balances on a wire : the violence.

How does marketing deals with violence

Marketing can be said to be a reductionistic way to deal with politics. The fundamental issues mankind is confronted with – desire, anxiety and violence – become the substance of a specific game with a specific end, that of transforming all what can be into something that can be sold and bought.

For this purpose, marketing does not mind to impose its logic on any other individual and collective logic. Marketing can thus be said to be violent in its essence precisely because it does not respect otherness.
Panel sessions

Panel session 2a – Wednesday 2nd July, 2pm

Extending social imagination beyond the social: The role of natural service in marketing systems
_Chairs: Helge Lobl & Michaela Haase_

Panel session 4a – Thursday 3rd July, 8:30am

Quintessential macromarketing
_Chair: Cliff Shultz_

Panel session 5a – Thursday 3rd July, 11:00am

Macromarketing research in developing countries that can lead to later student involvement there
_Chair: Mark Peterson_

Panel session 6a – Thursday 3rd July, 2:00pm

Family, Food, and Markets
_Chair: James W. Gentry_

Panel session 7a – Thursday 3rd July, 4:15pm

The globalisation of marketing ideology
_Chairs: Giana Eckhardt & Rohit Varman_

Panel session 8a – Friday 4th July, 8:30am

Religion & marketing: is there a crisis in the imagination of macromarketers?
_Chair: Raymond Benton, Jr_

Panel session 10a – Friday 4th July, 2:00pm

Transformative service research roundtable
_Chairs: Thorsten Gruber & Per Skålén_
Extending social imagination beyond the social: The role of natural service in marketing systems

*Chairs: Helge Löbler & Michaela Haase*

*Discussants: Norah Campbell, Aidan O’Driscoll, Michael Saren, Helge Löbler*

What can Macro-Marketing and the emerging discussion around service in particular contribute to sustainable use of resources? The panel tries to look for contributions of thoughts coming from Macro-Marketing, SDL and Service science in particular to supporting sustainable use of resources. Some guiding questions are presented below; however the panel is not limited to these questions.

Questions to be discussed:

- Is the distinction of operand and operand resources helpful or does it lead to more confusion with respect to sustainability?
- Is service a phenomenon only made by humans? What about the “service of nature” or ecosystem’s service (not to be confused with service ecosystem)?
- If resources are not but become as proposed by SDL do they also cease to be resources? And what have resources been before they became resources? What does this mean for Service and value creation?
- If value is contextual as proposed by SDL is it a constituting characteristic of service or of resources?
- What is the value of value if it is “determined phenomenologically by the beneficiary”? Is the concept of value totally individualized by this approach? And if so, is it then a totally subjective category?
Quintessential Macromarketing

Chair: Clifford J. Shultz II

Discussants: Mark Peterson, Don R. Rahtz, Claudia Dumitrescu, Marwa El-Gebali, Cherine Khallaf, Stanley J. Shapiro

This special session assembles scholars who revisit core ideas promulgated by the founders of macromarketing. These tenets are the quintessence of macromarketing as an academic discipline and professional practice. Noteworthy are analyses and interpretations of the thoughts and activities Wroe Alderson, Charles Slater, George Fisk, Shelby Hunt and Stanley Shapiro. The panelists discuss the founders’ conceptualizations and applications, and share some insights from their own research, professional practice and interpretations of these core ideas, in challenged, developing, emerging, transitioning and/or recovering communities, markets and economies.

Cliff Shultz: An Introduction to Quintessential Macromarketing

Macromarketing fundamentally examines the interplay of markets, marketing and society. What aspects of that interplay that any particular scholar chooses to study however may vary considerably. Indeed, the scholarly foci and activities of macromarketing-conference participants continues to diverge, as conceptualizations and interpretations of macromarketing expand and evolve, with some participants taking a more developmental tack, while others take a more critical tack, though it should be noted these two orientations are not necessarily mutually exclusive (e.g., Mittelstaedt, Shultz, Kilbourne and Peterson in press). The purpose of this special session is to consider the genesis and definition of macromarketing as an academic field and to share some research and perspectives that coincide with the founders’ conceptualizations of macromarketing. Panelists in this session see (macro)marketing, when administered responsibly, to be a provisioning technology intended to enhance the well-being of social/economic/marketing systems and the stakeholders in/of them.

Macromarketing ideas and practices have been with us for millennia (Shultz 2007a). Macromarketing, as articulated concept, emerged in the 1960s; it began to take shape as an academic discipline via the Macromarketing Seminars held in the 1970s and the founding of the Journal of Macromarketing in 1981. While many definitions for macromarketing have been bandied-about over the years, a “go to” for most scholars remains “…the study of (1) marketing systems, (2) the impact and consequences of marketing systems on society, and (3) the impact and consequences of society on marketing systems’’ (Hunt 1981, 8). Fisk (1981), in his first editorial for the Journal, furthermore suggested that (macro)marketing is essentially a social process, a provisioning technology to enhance quality of life, a technology for mobilizing and allocating resources, and ultimately is concerned about marketing’s consequences on societies and ecosystems (pp. 3, 4, 5) (see also, for example, Dixon 1979; Shawver and Nickels 1979; and Bartels and Jenkins 1977, p. 17, particularly their emphasis on “aggregation…micromarketing institutions…and the social context of micromarketing…”). Sub-themes and complementary ideas have been added to the macromarketing mix over the last two decades, including historical analysis, sustainability, globalization, marketing ethics and distributive justice, socioeconomic development, quality of life, and critical marketing (see Mittelstaedt, Shultz, Kilbourne, and Peterson in press; Shapiro, Tadajewski and Shultz 2009; Shultz 2007b; Peterson 2013 for reviews, syntheses, expansions and interpretations).
Again, the purpose of this special session is to revisit quintessential ideas of macro-marketing, as espoused by macromarketing founders, including but not limited to, Alderson (1957), Slater (1968), Bartels and Jenkins (1977), Hunt (1977), Shapiro (2006), and Fisk (1981), through contemporary research applications/interpretations and ensuing discussion by the panelists and session attendees. Cliff Shultz will serve as chair, Mark Peterson, Don Rahtz, Claudia Dumitrescu, and Marwa El-Gebali and Cherine Khallaf will present active research and observations demonstrating the relevance and currency of these quintessential macromarketing ideas, and Stan Shapiro will share reflections on the founders’ ideas, comment on the presentations and raise issues regarding macromarketing’s intellectual future. Cliff will serve as discussion facilitator. A brief introduction to the session follows. In the tradition of presentations as envisioned by the founders of the Macromarketing Seminars, each presentation at this meeting will be thought-provoking and terse, between 10 to 12 minutes in length and followed by rich discussion.

Mark Peterson: On the Slater Imperative

Although Charles C. “Chuck” Slater was born and raised in the US, his life before the age of 21 led him to experience first-hand economic deprivation, family stress, human misery, and warfare (Nason 2010). Later in life, when he became a pioneering leader in the field of macromarketing, Slater focused his research and others’ on explaining how marketing could improve the lives of those living in developing countries where many contend with challenges Slater faced in his own childhood. The knowledge resulting from the work of Slater’s cross-disciplinary research teams in northeastern Brazil allowed researchers, policy makers, and businessmen to understand where innovation should be tried and what the likely outcome might be. For example, flood and drought insurance could be offered in some situations to improve results in the marketing system. In other situations, changes in the channel could be implemented, such as the introduction of refrigeration at certain places, coordination of purchasing at fair-like supermarkets, and the introduction of different modes of transportation.

Slater led teams of researchers to complete similar studies in the Cauca Valley region in Colombia, Costa Rica, Kenya, Lesotho (a country in Africa surrounded by South Africa), and Rhodesia (which would later become Zimbabwe). Slater’s theory of market process proposed that farmers and channel members were key actors in a marketing system for society that could provide food in cities at lower costs while providing more income to farmers. However, Slater’s recommended changes would have to be implemented before such productivity increases would be realized. Because of his extensive qualitative research in developing-country settings and because of the systems focus he took in his research, Slater’s work remains timely to macromarketing and to economic development researchers today, 35 years after his death in 1978.

Don Rahtz: Macromarketing – Accelerating Relevance in an Emergent and Post-Conflict World

“The purpose of Macromarketing is to save the world.”
-George Fisk

The inequity that has been so evident in the economic recovery from the recent global crisis has led some to question the continued value of marketing and capitalism in a post-industrial global society. Data from a variety of media outlets and scholarly circles have sup-
ported the argument that the vast majority of economic wealth is being held in a smaller number of individuals as the vast majority of people struggle to make ends meet, or even survive. For example, in the United States this inequity of wealth distribution is greater than it was in the storied “Gilded Age” of the Rockefellers and Carnegies. This growing inequity between the “haves and have-nots” has fueled a rising call for significant redefinition of our current consumer environment within the larger economic sphere. Calls have been raised to consider pursuing a more socialist focused agenda or even revisiting past failed ideologies such as Marxism and Leninism. Marketing has become a “dirty word” as others seek to vilify the pursuit of consumer goods as “unsustainable” and destructive.

While misdirected and obsessed consumer pursuit of acquisition of goods can be detrimental to the long term well-being of society and the global environment, it is marketing that can, and must, play a significant role in redefining the consumer landscape and experience. As the quote by Fisk above so poignantly points out, marketing -- and macromarketing in particular -- can provide a guidepost and the tools to reshape the consumer market demand structure and lead to an enhanced Quality of Life (QOL) for consumers and society as a whole.

The current presentation will focus on three examples of how marketing and macromarketing applications have led to significantly enhanced QOL for communities through the development of marketing systems and structures. In the examples from Viet Nam, Indonesia, and Croatia, this presentation will discuss how macromarketing and social entrepreneurship principles have fueled the development and nurturing of sustainable marketplaces that have significantly improved the QOL for residents at all levels of the community.

*Claudia Dumitrescu: The Contribution of (Macro)Marketing to Romania’s Welfare*

Marketing systems are essential to the welfare of developing countries from the Balkans Region, as they “stimulate employment, economic growth, global inclusion, sustainable development, and quality of life” (Shultz et al. 2005, 35). Despite their troubled history, the Balkans states now have open market economies; their markets offering tremendous potential for international businesses (Dumitrescu, Nganje, and Shultz 2013). Furthermore, consumers in this Region have rapidly adapted to the free market and are looking for diversity of quality in (food) products (Dumitrescu, Shultz, and Rahtz 2009).

A Balkan country such as Romania, the 13th largest in Europe, had been tremendously challenged under the communist regime, especially during the last years of Ceausescu’s dictatorship, due to his determination to eliminate the national debt. The decision to export all possible industrial and consumer goods, was taken at the expense of Romanian people who experienced significant shortages of staples such as fuel, electricity, clothing, heat, water, and a severe and unimaginable rationing of food commodities such as flour, oil, sugar, meat, and bread (Ger, Belk, and Lascu 1993). With the end of the communist regime and the opening of Romanian market and economy to the world, Romanians’ lives have unquestionably improved. There is no doubt that (macro)marketing contributed to this country’s welfare and the benefits derived from global marketing systems have enhanced the well-being of Romanians. Effective marketing programs and entrepreneurial systems have been developed, new policies and government regulations that encouraged direct foreign investment and trade were adopted, retail venues - supermarkets and hypermarkets - and convenience store chains have been developed; all this creating new opportunities for Romanians such as the freedom of choice with regard to the variety and availability of products, the ‘chance’ to purchase fruits such as

969
oranges and bananas anytime throughout the year, and not only during Christmas, and unrestricted consumption of food staples such as flour, oil, sugar, and bread. Most importantly, Romanian people do not have to spend the night in long lines, to purchase meat products. Also, automobiles, fashionable clothes and shoes, electronics, and Coca/Pepsi Cola products are no longer purchased exclusively by privileged people; Romanians can, or at least aspire to, buy/consume all these products, at their convenience.

It is also worth mentioning that the inclusion in the European Union, in 2007, further enhanced the well-being of Romanians, the economic, social, and marketing systems. A few examples stem from the creation of private pension funds, an increased competitive market, development of the retail sector, reorientation of banking marketing policies, the banks’ penetration in rural areas, decreased interest rates (Stoica and Capraru 2007), wider choice of products and services, and better opportunities to work, travel, and study outside Romanian borders.

The challenges that came along with an open market/free economy are not negligible; for instance, the abundance of food products (i.e., convenience foods, frozen-food products), and the presence of fast-food restaurants appear to have caused a change in consumers’ food consumption and family rituals. All this essentially encouraged consumption of poor-nutritional foods, snacking, and eating alone rather than getting together with family members and eating healthy traditional meals. Understanding a country’s market potential for food products is indeed of particular interest to potential foreign suppliers (Elsner and Hartmann 1998) but it should also be of great concern for policy makers and marketing researchers. Romanians are changing into a consumerism society/market and this trend has created a major gap between consumers who can, and those who cannot, afford to buy anything from basic food, clothing, and shelter to luxurious automobiles and expensive electronics. Policies, institutions, and marketers have had a considerable impact on these changes, which enhanced personal well-being, but may have caused some societal ill-being as well. Ensuring a positive trend toward societal wellness through market(ing) policies and processes remains a macro-marketing challenge for Romania (and other still-transitioning economies); forces and factors to accelerate that trend may be a topic for discussion at the conclusion of this and other presentations of the session.

Marwa El-Gebali and Cherine Khallaf: Sustainable Marketing for Egypt’s Tourism Industry

Egypt is a transitioning country, in many ways and in many sectors. Tourism – when managed for the purposes of long term well-being for numerous stakeholders -- can play a vital role in this process; it is an industry with the potential to affect transparency, reduce corruption, enhance sustainability and improve living conditions for many Egyptians. This presentation will share thoughts on sustainable marketing for Egypt’s tourism industry. Tourism has been examined from many perspectives; the macromarketing and development literatures frame this industry/sector as a part of a larger system rather than a simple economic exchange process between buyers and sellers (e.g., Nguyen, Rahtz and Shultz in press). In general, tourism research is advancing by examining tourism from an adaptive, network, and integrated system approach. Tourism has to be considered as a more open and complex, rather than a static supply-and-demand exchange system. In tourism, consumer life style, the economy, all people and the earth are interrelated and interconnected in many ways. In other words, the tourism industry has to accelerate a shift towards a more sustainable marketing
paradigm, where the economy, society and the environment are important factors to consider when designing the touristic product, service and/or experience.

Tourism is the largest contributor of foreign income in Egypt, but traditional tourism continues to far outweigh sustainable tourism in terms of profits. With the changes that are underway in the country, after the revolution and with the renewed hope in eliminating corruption, Egypt’s tourism industry now has an opportunity to develop a more sustainable marketing paradigm. Various trends and factors that are driving positive change or may impede this opportunity will be shared and hopefully will stimulate some discussion on the role(s) (macro)marketing, constructive engagement and responsible development may play in this process.

References


Macromarketing research in developing countries that can lead to later student involvement there

Chair: Mark Peterson

Discussants: Magda Hassan, Rajesh Chandy, Cliff Shultz

This session will bring together researchers on the frontiers of business phenomena in developing country contexts. These three researchers have not only conducted valuable studies in places where others might fear to tread, but have later successfully engaged business students directly in developing country issues to which business can contribute.

Magda Hassan's general research interest is the role of management scholarship in addressing global poverty challenges. Her current work focuses on discovering strategies for improving the performance of micro-enterprises operating in resource poor environments. She is keenly interested in the role marketing plays in micro-enterprises' financial performance and ability to scale. In her current research, she focuses on grocery stores’ pricing latitude and choice of product assortment in the performance of these stores in an urban slum in Cairo, Egypt.

In 2012 Magda became the Co-Founder of a new student initiative at Cambridge’s Judge Business School - M4D (Managing for Development) - that aims to bring together management academics, practitioners, and students who care about global poverty and want to see how their skills and research can make a difference.

Rajesh Chandy holds the Tony and Maureen Wheeler Chair in Entrepreneurship at the London Business School. At the 2013 AMA Summer Educators’ Conference in Boston, Chandy shared some of his research that focuses on better understanding micro-entrepreneurship in slum areas of Egypt, Sub-Saharan Africa, and India. Importantly, Chandy has returned to these slum areas with dozens of MBA students from the London Business School as part of these students’ programs of study for their coursework.

Many students report being affected deeply by these overseas learning experiences. In short, the worldviews of these students have been altered by experiencing the human side of poverty in some of the world’s most populated cities, such as Cairo, Nairobi, Johannesburg, and Mumbai. Accordingly, some students report changing their approach to their business careers by being more willing to do business in these corners of the world often forgotten by those in the mainstream of global business.

Cliff Shultz holds the Charles H. Kellstadt Chair in the Quinlan School of Business at Loyola University Chicago. Shultz’ research on marketing in post-conflict areas of the world has led him to places not on the itineraries of most researchers from developed countries. Cliff began his research program in Viet Nam and returns to this country multiple times each year. Other places Cliff has done field research include Cambodia, Croatia, Bosnia, Lebanon, Egypt and Cuba—among others. His plans for research in post-civil-war Libya had to be cancelled because of deterioration in the security situation for Libya in 2012.

Shultz has also led numerous undergraduate and graduate student trips to many of the locales in which he has performed research. The purpose of such site-study courses to Viet
Nam, Cambodia and Thailand; and Greece, Bosnia-Herzegovina and Croatia is to immerse students in interactive elements of marketing, political economy, and culture of these countries. Students learn about and experience appropriate business practices at the corporate, national, transnational and global levels, as they affect and are affected by consumer behavior.

All three presenters will share findings from current research they are conducting in challenging overseas contexts. Hassan will describe how she used her interests in developing country issues to rally fellow students to pursue their interests in these same issues. Chandy and Shultz will describe how they developed MBA learning opportunities that have become part of the curriculum at their respective institutions. Both Chandy and Shultz will identify challenges other macromarketers might encounter in initiating research in difficult places in developing countries, as well as best practices for developing graduate programming that brings students into direct contact with overseas contexts of research.

REFERENCES


Family, Food, and Markets

Chair: James W. Gentry


This special session for the Quality of Life Track deals with food safety issues. Food, obviously, plays a critical role in one’s quality of life in terms of survival, health, and social interactions. Two papers (Dumitrescu, Shultz, and Hughner; Veeck et al.) will deal with changes to the food systems in countries undergoing rapid economic development (Romania and China). The third paper investigates the impact of a food scandal on market conditions in a developed country (the US). The presentations will cover a multitude of issues.

Veeck et al. will discuss China, where most of the populace is well aware of recent food scares and thus have strong mistrust of the food system. While Western food distribution structures seem to provide security in terms of avoiding toxic substances, the counterfeit culture so prevalent there reduces the linkages of brand and fixed-store format to safe food. Interviews with parents concerned greatly about their child’s health as well as their own, reveal insight as to the informational cues used to find healthy food, behaviors expected of their child who may be eating only one meal at home because of the long school hours, and the sources where they look for healthy food.

In contrast, Dumitrescu et al. discuss the negative consequences of the introduction of the “global food system” in Romania. Western offerings such as fast-food, frozen packaged goods, and processed foods offer “modern” appeal, resulting in the decline of healthier “traditional meals” as well as diminishment of family dining rituals that have been central to the Romanian culture historically. Health issues due to less healthy food offerings along with the damage to traditional culture are discussed in an evaluation of the interface with the global food system.

While the first two papers shed light on the role of food systems in providing quality of life in developing cultures, the third paper investigates the role of a food scandal on the market structure of a food product (peanut butter) in a developed country (the US). What is the impact of a recall of a food product on the brand’s long-term market position? On the product market as a whole? Bakhtavoryan, Salin, and Capps investigate the impact of the product recall of the Peter Pan brand of peanut butter (as well as its private label Great Value) by Con Agra in 2007 on the brand’s performance and on the peanut butter market as a whole, based on sales and market share data.

The session will raise a variety of issues about food safety, including the positive and negative effects of Western food systems’ introduction into developing cultures, as well as the impact of a food scare in a developed culture.
Food safety remains an overriding concern throughout China, as evidenced by a recent study that found that urban residents ranked food safety as the number one public issue (Wu et al. 2013). A number of high profile food incidents in China, including those involving seafood, fake meat, contaminated infant formula, recycled cooking oil, and poisonous rice, have kept people in a state of uneasiness about food safety. While food scares are not uncommon in North America, Europe, and other nations, the degree to which it affects Chinese consumers appears to be of a greater magnitude for a number of reasons (Chen and Lobo 2012; Feng et al. 2009; Ortega et al. 2011; Zhou et al. 2013; Zhu et al. 2013). Loose regulation, combined with the large number of small farms in China (over 200 million), allows the possibility that pollutants, harmful chemicals, and other toxic substances could be introduced into the food supply. There are currently over 400,000 food processing firms in China, with small-scale enterprises with ten or fewer employees accounting for the vast majority of food production (Chung and Wang 2013; Shao 2013). The speed with which China’s food industry has developed, coupled with the large numbers of players involved in the system, present a challenge for government regulation. Further, as China’s integration with the global food system expands, negative perceptions related to Chinese food products have increased world-wide and threaten an increasingly important source of revenue for Chinese agricultural and food manufacturing revenues (Chen 2013; Kim 2013).

A rich literature of food safety and risk perception exists, in part due to the recent globalization of the world’s food system and the effect that this globalization has on consumers world-wide. Food scares throughout the world have become part of what western theorists have come to call “risk society,” in which the risks faced by world citizens are increasingly incalculable, irreversible, catastrophic, and pandemic (Beck 1992; Douglas and Widasvsky 1982; Giddens 1991). The “risk society” thesis has been applied to the industrialization and globalization of the food supply in East Asia (Assmann 2013), with mixed assessments related to the extent that China has become a “risk society” (Veeck, Burns, and Yu 2010; Yan 2012). Understanding the idiosyncratic meanings of food quality and safety by Chinese consumers is important for addressing China’s deep-seeded food safety problems. It also helps to understand how Chinese consumers cope with the risk involved in food consumption.

To explore food quality and safety definitions, this study reports the findings from interviews with 16 parents in a northeastern city in China who conduct the majority of the food shopping for their families. The results show that China’s food risk environment needs to be understood on its own terms, in contrast to findings from western consumers, reinforcing what Yan (2012) calls a risk society “with Chinese characteristics.” Virtually all of the respondents expressed distrust in China’s food supply, with concerns expressed for the potential that food might be contaminated by pollutants and chemicals introduced during the growing and/or manufacturing processes. While in the West, “local” foods and buying directly from farmers is equated with safety and quality, some respondents expressed distrust and...
wariness with all fresh meat, vegetables, and fruit, regardless of origin, since they felt they could not be certain that the food was not grown in pollutant-laden soil and/or soaked in contaminated water. By contrast, some respondents viewed scientific and technological advances as representing a solution to the problem, with, for example, branded and advertised products and well-known supermarkets offering tentative, albeit imperfect, assurances of safety. Still, as mentioned by several respondents, the elevated presence of counterfeit brands in China mitigates assurances of safe handling of food by known companies, since consumers cannot be certain of the origins of food products. The findings suggest an expanded role for consumer groups and a need for the government to convince consumers that they are not part of the problem, but part of the solution.

References


The Benefits and Negative Consequences of Global Marketing Systems in the Balkans – The Case of Romania
Claudia Dumitrescu, Whitworth University
Clifford J. Shultz, II, Loyola University Chicago
Renée Shaw Hughner, Arizona State University

Introduction

Although research on the impact of food marketing systems in developing countries around the world has been conducted for over 50 years (Witkowski 2008), it appears that no consensus exists among researchers when it comes to whether global food marketing systems are advantageous or disadvantageous. Shultz et al. (2005, p. 35) argue that marketing systems “enhance food security...stimulate employment, economic growth, global inclusion, sustainable development, and quality of life” in war-ravaged countries and regions in the Balkans. The adoption of a globalized food system may indeed benefit developing countries in various ways; nonetheless, the negative consequences should also be considered (Witkowski 2008). The purpose of this paper is thus to explore the controversial impact of global food marketing on food consumption, food meaning, and family life. Findings will provide valuable lessons to various stakeholders such as food marketers, policy makers, and marketing researchers. Research will be focused on the Balkans Region. The Balkan Peninsula (Albania, Kosovo, Bosnia and Herzegovina, Bulgaria, Greece, Macedonia, Montenegro, Serbia, Croatia, Romania, Slovenia, and Turkey) is a geographical and cultural region of Southeast Europe, a “confluence of migrations, political movements, empires, and war for millennia” (Shultz et al. 2005, p. 25). All the states included in the Balkans have open market economies; their markets offer tremendous potential for international businesses (Dumitrescu, Nganje, and Shultz 2013). Consumers in this Region have adapted to the free market and are constantly looking for diversity of quality in food products (Dumitrescu, Shultz, and Rahtz 2009). In a field study conducted by two of the authors in Greece and Romania in 2006, it was found that these consumers’ food shopping behaviors were continuously changing as they became more interested in buying new and unfamiliar products. Bratko and Rocco (2000, p. 23) suggested that the Balkans nations have come to the realization that it is a “condition sine qua non for all countries to join the developed part of the world” and have further accepted that globalization is rapidly spreading.

Romania is the largest country in Southeastern Europe and the 13th largest in Europe. When the communist regime ended in 1989, Romania experienced a period of economic instability and decline, largely due to an obsolete industrial base. After 2000, however, the Romanian economy became more stable, and was characterized by high growth, declining inflation, and low rates of unemployment. Domestic consumption and investment have constituted the engine of Romania’s GDP’s growth in the recent years. In addition, it has an upper-middle income economy, being part of the European Union since January 1, 2007 (The World Bank 2005). In 2006, Romania was considered the world’s second-fastest economic reformer (after Georgia) with simplified business regulations, strengthened property rights, and reduced costs of importing (The World Bank 2006). With the end of the communist re-
gime in 1989, Romanian consumers have been enjoying the freedom to purchase and select from myriad products.

There is insufficient understanding of how the transition from a centralized to a more market-oriented economy has affected food demand, meaning, and consumption (Petrovici and Ritson 2000). Considering that food has always been a critical factor in the social and economic well-being in Romania, and food consumption patterns have changed as globalization developed, there is a need for research to be carried out (Petrovici and Ritson 2000).

**The impact of global food marketing systems on food consumption**

In the West, greater consumption choices have been linked to greater dissatisfaction (Veeck, Yu, and Burns 2008). The abundance of food, due to global trade and modern technology has created anxiety among consumers in terms of food choices, safety, and nutrition (Rozin 1989). However, the impact of global food marketing systems on food consumption in countries such as Romania is different. Before 1989, consumers’ preferences received little, if any, attention, which resulted in poor quality and a limited variety of food products. The availability of food products represented one of the main factors that impacted food consumption patterns (Elsner and Hartmann 1998). Food scarcity, long lines, and lack of choices prevailed for Romanians and other Eastern Europeans (Ger, Belk, and Lascu 1993). With the end of the communist regime, Romanians have been enjoying the opportunity to choose from a variety of food products; supermarkets and hypermarkets are increasingly flooded by customers, as products proliferate and retail infrastructure evolves. Simple benefits derived from global food marketing systems are something that most people in the West have taken for granted. For instance, fruits such as oranges and bananas can be consumed throughout the year and not only during Christmas, food commodities such as flour, oil, and sugar are no longer rationed, and consumers do not have to spend the night in long lines to be able to purchase meat products.

One outcome of Westernization on Romanian food consumption, however, is low consumer interest in the health implications of their food choices – consumption of “cheap calories” and high intakes of fat, relative to medical recommendations, are prevalent (Petrovici and Ritson 2000, p. 7). Signs of obesity have been reported in the literature (Sekula, Babinska, and Petrova 1997). Petrovici and Ritson (2006) further documented a deterioration of the health of Romanian population, during the transition from a centralized market to free market economy, mostly caused by lifestyle factors such as diets. This societal issue may be a cause of several factors: increased consumption of fast food, inadequate food labeling, and ignorance of the importance of nutritional guidelines and product label usage. Ger, Belk, and Lascu (1993) noted that Romanian consumers, due to the previous scarcity, have the tendency to buy everything or whatever is available in the supermarkets and hypermarkets. Packaged food labels are less regulated in Romania than in other Western European countries and food labels have not been well promoted as a decision-making tool for consumers to make more healthful choices (Petrovici and Ritson 2006). In addition, fast food products, especially from American restaurant chains (e.g., McDonald’s, KFC), have become popular among Romanian consumers who may view eating fast food as a symbol of their freedom and wealth of their country (Holt 2010).

In sum, it appears that freedom of choice with respect to the variety and availability of food products is among the benefits created by global food marketing systems; however, it
seems that consumers in developing countries may pay a significant price, in terms of increasing health issues such as obesity and obesity-related diseases.

**The impact of global food marketing systems on food meaning and family life**

“Cultures endow food products, preparation, and consumption with symbolic meanings that describe certain human relationships” (Witkowski 2008, p. 270). The meaning of preparing food and eating in Romania used to be associated with good nutrition, getting together with family members, and the satisfaction of enjoying a delicious, traditional and homemade meal. The free market and economy allowed Western goods to inundate the Balkans’ markets; in Romania, these goods represent abundance, freedom, status, and good life (Ger, Belk, and Lascu 1993). Another, perhaps unexpected, outcome is the way that the modern marketing impacted the daily food preparation and the symbols of meals in Romanian households. It was somewhat expected that convenience foods will become very popular in emerging markets (Witkowski 2008) and Romania raised no barriers to them. Thus, the availability of frozen-food products in supermarkets and hypermarkets, and the presence of American fast-food chains have encouraged Romanian consumers to change their attitudes and behavior with regard to meals and the meaning of their meals. For instance, homemade, traditional meals have been replaced by modern, fast-food and ready-to-eat snacks. Moreover, restaurants such as McDonald’s became the favorite locations for children’s birthday parties and other important events in a family’s life.

As Ger, Belk, and Lascu (1993) put it, marketers are selling the “symbol of a better life,” considering these consumers’ ‘hunger’ for diversity and freedom of choice. The realization of a good life, in this case, might be questionable. Historically, meal time was a daily ritual which was characterized by family togetherness, communication, and food preparation. This represented a pillar for Romanian society and the major cultural factor that kept everybody together and optimistic about a better future life.

Researchers have argued that global marketing may not only homogenize cultures but also destabilize food socialization that is based on family (Jing 2000; Ying 2003; Yuhua 2000). To what extent this detrimental impact of global food marketing systems occurred in the Balkans countries, such as Romania, remains a question that merits further research. As Witkowski (2008) argued, the balance between the benefits and negative consequences of global food marketing will become more challenging over the long term.

**Conclusions**

This paper provides a preliminary examination of the controversial impact of global food marketing systems on cultural elements such as food meaning, food consumption, and food and family life in a developing market such as Romania. Global food marketing represents an important factor in cultural change with the “capacity to engage symbolic, ritualistic, and family life dimensions of food consumption” (Witkowski 2008, p. 264). This appears to be true for the country examined here, although researchers have suggested that global consumption patterns may never eradicate local differences (Ger, Belk, and Lascu 1993). According to Watson (1997), people’s principles concerning what represents a proper meal and their attitudes and behavior toward food and dietary patterns are quintessential in maintaining a local culture. It is indeed imperative that developing countries are open to globalization but, at the same time, an improved societal outcome might not necessarily derive from a cultural change or lost identity caused by global food marketing systems. As Shultz et al. (2005) ar-
gued, perhaps better policy directives that link the key factors in the domestic and global marketing systems should be considered. Furthermore, policy measures that support both global and local food marketing systems (e.g., local producers, less processed food, small grocery stores, traditional restaurants, etc.) are desired.

Convenience foods, frozen-food products, changes in the cooking/meal preparation processes, and the presence of fast-food restaurants appear to have caused a change in consumers’ food consumption and family rituals. All this essentially encouraged consumption of poor-nutritional foods, snacking, and eating alone rather than getting together with family members and eating healthy homemade traditional meals. Culture represents an important determinant of food consumption and, in this case, global marketing systems may negatively impact a culture. Understanding a country’s market potential for food products is indeed of particular interest to potential foreign suppliers (Elsner and Hartmann 1998), but it should also be of great concern for policy makers and food marketing researchers.

Although countries in the Balkans Region share similar cultural, political, and economic characteristics, the current research should/will be extended to other territories as well. In particular, country-specific studies on the impact of global food marketing systems should/will be carried out especially since the evolving food consumption is not similar among countries such as Bulgaria, Romania, and Slovenia (Elsner and Hartmann 1998).

References


The effect of negative publicity on consumer demand for brands is examined in the context of recall of a peanut butter brand due to pathogen contamination. The recall was associated with negative impacts for the implicated brand and positive effects on the leading competitor brand. The case demonstrates that consumer response is an incentive for companies to prevent safety lapses and that the problems of one brand do not necessarily harm rivals within the category. Further, the pricing strategy observed by the leading brand in the absence of its rival during the recall are consistent with the exercise of market power in a relatively concentrated market.

Introduction

Negative publicity is a key determinant affecting consumers’ buying decisions (Ahluwalia, Burnkrant, and Unnava, 2000) and consequently is an integral part of decisions made by manufacturers. Adverse publicity that arises from food safety problems is a special case of negative publicity that fits within the research agenda on product harm crises. The impact of the news may depend on the severity of the incident in terms of public health consequences for consumers. Health effects are difficult to assess, because foodborne illnesses can be minor, or misdiagnosed, or diagnosed but not attributed to a particular food source. Notwithstanding the difficulties of tracing the peanut butter source, the U.S. Centers for Disease Control and Prevention reported a widespread outbreak of salmonellosis. The outbreak extended from August 1, 2006 to April 23, 2007. Ultimately, 628 illnesses in 47 states were linked with the contamination in peanut butter.

While the impacts of foodborne illness outbreaks vary, incidents can have devastating effects on the implicated firms in the form of financial losses (Grocery Manufacturers Association, 2011) and damaged brand equity (Dawar and Pillutla, 2000). A 2011 survey of 36 U.S. companies revealed that 77% of the firms that actually experienced product recalls due to food safety suffered financial losses of up to $30 million for the incident, with the remaining 23% of companies reporting even higher costs (Grocery Manufacturers Association, 2011).

Clearly, costs to the implicated firm are considerable, but do competitors also suffer when a rival has a food safety problem? Or, do the competitive responses of other firms in the industry mitigate effects on the firm? We address the issue of spillover within a consumer goods category that was affected by a foodborne illness linked to a major national brand. Peter Pan brand and a private label, Great Value, were recalled from distribution on February 14, 2007 (Centers for Disease Control and Prevention, 2007).

To the extent that consumers associate problems with one brand to the image of another brand, all companies in an industry face the risk that there will be spillover from a rival’s product harm crisis. Such spillover may be the result of consumers associating the risk to the food item itself, rather than the processes specific to the implicated firm. Alternatively,
consumers might be confused as to which brand has been implicated in the safety problem. Regardless of the reason, the existence of negative consequences to competitors in the product category is an interesting marketing research question that bears empirical study. The 2007 incident affecting peanut butter allows for exactly this question to be analyzed.

The Market Structure

The three major peanut butter manufacturing firms in the United States are Procter and Gamble Company, ConAgra, and CPC International Inc., producers of the national brands Jif, Peter Pan, and Skippy, respectively. Most of the market share (65%) is concentrated chiefly in the hands of the three major brands (Jif, Skippy, and Peter Pan), a food safety crisis associated with any of these brands may affect the other brands in the same category. The interactive effects can presumably be positive or negative: negative where consumers do not differentiate among brands and positive where one brand can capitalize on the recall by a competitor. In the incident that we study, competing brands had 27 weeks to take advantage of the absence of Peter Pan brand from the market before it was returned to store shelves in August 2007 (NewsInferno, 2007).

Literature Review

The literature on product harm crises, and in particular on food safety crises, is largely silent on the nature and extent of brand competition surrounding the crisis. Relatively few food safety incidents have been attributed to a specific brand. Some researchers choose to aggregate to the category level even where brand attribution was made, as in the case of the consumer warnings and recalls of leafy greens (Arnade, Calvin, and Kuchler, 2008; Fahs, Mittelhammer, and McCluskey, 2009).

Safety issues in nonfood products have been studied by several researchers. Those who address the question of spillover effects with an empirical approach include Crafton, Hoffer, and Reilly (1981), Cawley and Rizzo (2005), and Freedman, Kearney, and Lederman (2012). The findings indicate that spillover from the implicated company to other firms was prevalent. In the auto industry, similar models from other manufacturers were harmed (Crafton, Hoffer, and Reilly, 1981). Pharmaceutical products in the same therapeutic class experienced negative spillover in terms of lost sales (Cawley and Rizzo, 2005). Likewise, the entire toy industry experienced loss of sales due to a contaminant in one brand (Freedman, Kearney, and Lederman, 2012). As in our study, these studies all took an econometric approach and their empirical evidence is indicative of industry-wide damage when one firm experiences a product-harm event.

The manner in which consumers receive information about the likelihood of harm influences their purchase decisions and is a key issue in the empirical research on impact of safety events. Some studies establish a comparison of consumer demand before and after an event (Cawley and Rizzo, 2005; Bakhtavoryan, Capps, and Salin, 2012) under the hypothesis that once an event occurs, there is a “structural change” in the demand because of the new information. Others take into account the possibility that consumers’ reaction takes time or can build over time as more people become aware because of psychological, technological, and institutional reasons (Griliches, 1967). There is little consistent evidence on this point. Those studies that find contemporaneous impact are Piggott and Marsh (2004) and Kalaitzandonakes, Marks, and Vickner (2004), while those that identify delays using a PDL specification (Almon, 1965) include Swartz and Strand (1981), Smith, van Ravenswaay, and
Thompson (1988), and van Ravenswaay and Hoehn (1991). Implicit in our study is the assumption that information about the food safety crisis associated with the affected brand reached consumers instantaneously.

In addition to the dynamic component of consumer information, there remains the issue of how to measure consumer exposure to the negative publicity. Nearly all previous studies are based on an index of publicity, constructed from newspaper articles or database searches of compiled news reports. There have been no prior studies in which the information set is tied to the outbreak as it progresses over time, as is done in our work.

The empirical studies that estimate spillover effects as well as those which are concerned with solely the category level use econometric approaches to estimate demand for various products. Formal demand systems have been used by Burton and Young (1996), Verbeke and Ward (2001), Marsh, Schroeder, and Mintert (2004), Piggott and Marsh (2004), and Pritchett et al. (2007). Alternatively, single-equation structural models of demand have been estimated by Swartz and Strand (1981), Smith, van Ravenswaay, and Thompson (1988), van Ravenswaay and Hoehn (1991), and Freedman, Kearney, and Lederman (2012).

The average consumption of peanut butter (per household) decreased in the post-recall period relative to the pre-recall period. However, this negative impact wore off with the passage of time after the recall as suggested by the variable that counted number of weeks starting from the recall week as well as the outbreak variable included in the model with a polynomial distributed lag structure applied to it.

Employment status of the household head, region, race, ethnicity, age and presence of children in the household were statistically significant factors associated with the household returning to the brand after the product recall. We use a demand system method to recover proxies about the affected brand when no information was available on that brand due to the fact that it was not on store shelves for the entire recall period. This situation is possible because of the structural nature of the demand system, theoretical restrictions imposed on the system, and the necessity to leave one of the equations out of the system during the estimation process to accommodate the singularity issue in the variance-covariance matrix of error terms.

**Findings**

For the vast majority of consumers who were not ill, the withdrawal of the affected brand resulted in economic harm. The brand-loyal consumers were deprived of their choice for 27 weeks. Buyers who were aware of the product recall discarded a product and in order to be compensated, they needed to spend time and effort engaging with the manufacturer or their local retail store. Consumers who were prepared to accept an alternative brand or who had never purchased Peter Pan faced higher prices. As expected in a concentrated market, the market leader raised prices while supplies from the competition fell during the product recall period.

After the contamination source was corrected, Peter Pan was reinstated to store shelves. In an effort to restore consumer confidence in the safety of the brand, ConAgra undertook a large-scale marketing campaign upon returning Peter Pan peanut butter to distribution. ConAgra sent out 2 million coupons for free Peter Pan peanut butter, $1-off coupons, and updated the design of its packaging (NewsInferno, 2007). The discounting strategy had a
positive impact on consumers and it was effective in bringing a substantial percentage of consumers to the brand. Scanning data revealed that some brandswitching to Peter Pan occurred in this period.

There are 3 econometric approaches utilized to look at size of impacts and the timing of consumers’ responses. Further, we measure interactive effects with the cross-price elasticity of demand, estimated at the brand-level from Nielsen HomeScan data. Short-run and long-run elasticities are estimated with a count variable of severity of the foodborne illness event. These elasticities are estimated in a demand system with a polynomial distributed lag structure on the illness outbreak variable. The estimated coefficients associated with the outbreak variable were statistically significant for Jif (the leading brand) and Peter Pan (the contaminated brand). The category leader experienced an increase in demand associated with the recall, or beneficial spillover. We found no significant effects on demand for the third national brand (Skippy) or for private labels.

The dynamic components in the model indicate that consumers responded to the foodborne illness outbreak within three weeks. We examined the influence of socio-economic variables (age, employment, education, race, ethnicity, presence of male and/or female household head, region, age and presence of children in the household, household size, and income) on the probability of households buying peanut butter across the two recall periods. We find that price effects were dominant and the socio-economic variables insignificant factors. Only the presence of children in the household influenced significantly the pattern of purchases of peanut butter across the recall event, and children were associated with buying MORE peanut butter. The households with children at home tended to buy Jif, the leading brand and not implicated in contamination.

As expected, households decreased their consumption of these Peter Pan and private label peanut butter brands going from the pre-recall period to the post-recall period. On the other hand, the average change in the quantity purchased of the unimplicated brands, Jif, Skippy and Other Brands is positive. The largest average increase in the quantity purchased is observed for Jif (by 0.3 ounces) followed by Other Brands (by 0.06 ounces) and Skippy (by 0.02 ounces).

Category-wide, on average, households increased their consumption of peanut butter after the product recall by 0.3 ounces. The boost to the category overall, in the face of a major recall, is somewhat counter-intuitive. As the recall was isolated to a single brand, apparently many consumers were confident in the generic product and continued to use another brand. Consumers who discarded the contaminated goods re-stocked with another brand thus purchasing more quickly than before the product recall.

The increase in purchases occurred in spite of price increases. On average, the prices for peanut butter and peanut butter brands increased across the two recall periods with the lowest average price increase observed for Peter Pan and the highest average price increase observed for Skippy.

References


The globalisation of marketing ideology

Chairs: Giana Eckhardt & Rohit Varman

Discussants: Fuat Firat, Russ Belk, Lisa Peñaloza, Janice Denegri-Knott

One of the most pervasive forms of globalization in the past three decades is the globalization of the socio-organizational concept of “marketing.” More than the idea of finance—whose globalization is visible mainly in the large financial centers—the idea of marketing has seeped into everyday discourses in all corners of the world. While the globalization of markets and business practices are studied widely, the focus of this panel is to step back and look at the fundamental processes at work in the globalization of the very idea of marketing. This idea has permeated all global contexts—including those that appear to be outside the ambit of capitalist business.
Religion & marketing: Is there a crisis in the imagination of macromarketers

Chair: Raymond Benton, Jr.

Discussants:

Religion & marketing: Is there a crisis in the imagination of macromarketers?
Raymond Benton, Jr.

Marketing and branding God: So what?
Jeaney Yip

On consumerism, branding & religion
Tom Klein

A macromarketer’s reading of “Evangelii-Gaudium”
John D. Mittelstaedt

Can existential consumerism displace spiritually-oriented quality of life?
Mark Peterson

Buddhism and consumption
Giana Eckhardt

Being hip and Halal: More than meat and money
Jonathan A. J. Wilson

The Easternisation of the West and the role of new age religions in consumption
Pauline Maclaran, Linda Scott

The market as civil religion: Macromarketing conversations with Max Weber, Walter Benjamin and Carl Schmitt
Stefan Schwarzkopf
Religion & Marketing: Is There a Crisis in the Imagination of Macromarketers?
Raymond Benton, Jr., Loyola University Chicago, Chicago, IL U.S.A.

The theme for this year’s Conference is “Macromarketing and the Crisis of the Social Imagination.” It is my hope that this panel encourages reflection, deep thought, and new streams of creative scholarship in macromarketing. The panel was motivated by the coming together of three things, two of which have long shuffled around the back forty of my mind. One of the two has to do with economics and religion; the other has to do with brands and branding. The third was a chance encounter with an article by David Burns and Jeffrey Fawcett (2012).

Religion

Let’s begin with religion. Religion is, I have read (but I don’t remember where) notoriously hard to define. The first things that come to most of our minds are the classical religions: Judaism, Christianity, Islam, Hindism, Buddhism, Sikhism, Confucianism, Taoism, and Shinto. Some of us may think in terms of indigenous spiritual traditions—the animistic religions—of Africa, Japan (the Ainu), the Arctic peoples, Australia, New Zealand, and Native Americans (both North and South). But this is definition by example. It still needs to be defined. The Dictionary of Philosophy and Religion (Reese 1999, p. 647) defines it as follows:

Religion—from the Latin “religare” (to bind back)—typically refers to an institution with a recognized body of communicants who gather together regularly for worship, and accept a set of doctrines offering some means of relating the individual to what is taken to be the ultimate nature of reality.

If “what is taken to be the ultimate nature of reality” is understood as a worldview, and “relating the individual” to is understood as an ethos, a recommended way of living in that world, then we have an anthropological definition of religion (Geertz 1973). What I tell my students (Benton 2012) is the religion lives at the intersection of World View and Ethos (see Figure 1).

![Figure 1: Religion lies at the intersection of ethos and worldview.](image-url)
If we run with this, then more than classical religions or indigenous spiritual traditions qualify. It is my bet that few of us think in terms of neoliberal economics as a religious belief system. That is exactly what I suggest, and it isn’t as wild an idea as you might think. It has long been my contention that it makes more sense to understand economics as a religion than to understand it as a science (Benton 1982, 1986, 1990). I am not alone, either (Beckerman 1956; Graham 1982; Nelson 1991; Loy 1997; Cox 1999; Nelson 2001; Foltz 2007).

Anthropologist Clifford Geertz made the point that “Meanings can only be ‘stored’ in symbols, in a cross, a crescent, or a feathered serpent” (1973, p. 127) (see Figure 3). And the cross can be a Latin, a Maltese Cross or a Marshallian Cross (see Figure 4).

If economics is a religion, then what is marketing? Anthropologist Edward T. Hall (1990, p. 29) remarked,

Culture hides much more than it reveals, and strangely enough what it hides, it hides most effectively from its own participants.

Perhaps because of this, there is a long tradition in the social sciences of not taking home-grown models (that is, models developed by participants, themselves) as an adequate understanding of the phenomenon under study. As Richter expressed it, “sociologists do not accept primitive people as experts on primitive society, or ordinary American as experts on American society” (1972, p. 9). Following this logic, it is fair to ask we should accept marketers as experts on marketing? I turn, therefore, not to marketers for a statement of what marketing is, but to an outsider, Jay McDaniel (1997, p. 105). Not too long ago he wrote the following (emphasis added):

In our time the dominant religion of the planet is “economism.” Its god is endless economic growth, its priest are economists, its missionaries are advertisers, and its church is the mall.

Economics is religion. Economists are priests. Marketers (“advertisers”) are missionaries.

This may seem strange—even offensive—but let me relate a story. In an early edition of Phil Kotler’s textbook, Marketing Management (perhaps the fourth edition) he wrote
something to the effect that what the Church considers to be missionary work is really just marketing by another name. After a Macromarketing Conference in Rhode Island (sometime in the mid-1980s) I shared a taxi with Phil and another attendee. In the back seat of this taxi I reminded Phil of this passage and then asked him if true, as he stated it, would the reverse not also be true? That is, is what we consider marketing activity really just missionary work by another name? He conceded that it was.

In a discussion about the desecularization of the world, sociologist Peter Berger wrote,

A shift in the institutional location of religion, … rather than secularization, would be a more accurate description of the European situation (1999, p. 10).

He was not writing about what I am thinking about, but I find the suggestion prescient nonetheless. The institutional location of religion has shifted to the university and, specifically, to the departments of economics and, I would add, marketing. I am not saying the classic religions are not religions. They are. But so, too is economics. It is, as W. Fred Graham (1982) expressed it, “American’s,” and increasingly the rest of the world’s, “other religion.” It may actually be the dominant religion.

Products, Brands, and Branding

Now on to products, brands and branding. Most of us consider products as means to satisfy utilitarian functional needs. For certain that is how our students view them. They bring that notion to our classes because it is the generally accepted idea, but also because it is an idea reinforced in their economics class (which they take before they get to us).

But we are also fully cognizant that products are also vehicles for the communication of meaning. This is the diagram I use in my classes to convey this idea looks like this (see Figure 2):

![Figure 4: All products are a combination of usefulness and meaningfulness](image)

There are products that are primarily utilitarian and have little symbolic content (a hammer). There are products that are primarily symbolic and serve little if any utilitarian functional need (a necktie). Most products, however, serve some utilitarian function and
have some symbolic content. As marketers we are responsible for engineering (or designing) both.

As economies evolved, products became increasingly similar. We know they are increasingly similar because in blind taste tests few people can distinguish one product from another. Most people will deny this, insisting that while it may be true of others it is not true of them—they can tell the difference. We know better. So while the original function of brands and branding was to identify the producer or provider and to guarantee product quality, modern branding has gone well beyond that. Branding has become a way for marketers to associate images with their products that appeal to their target markets. Accordingly, in our modern consumer culture, consumption is less about satisfying utilitarian needs than it is a means to define who we are. It is the images associated with the products, not the products themselves that people buy. This is the essence of the last paragraph of Dumoulin’s “Brands: The New Religion”:

Brands … started by addressing very functional and objective/external needs. Their future relies on their ability to go deeper into the emotional/spiritual needs of their consumers. (Dumoulin 2003, p. 35)

The Chance Encounter

My chance encounter was with Burns and Fawcett’s “The Role of Brands in a Consumer Culture” (2012). Taking a lead from Dumoulin (2003) and his ilk, they ask, “are strong brands viewed as a replacement or substitute for God?” Are they viewed by consumers “in a vein similar to religion—a secular religion well suited for the consumer culture?” If so—and they provide some confirmatory evidence (Gordon, 2002; see, also, Shachar, et al. 2010)—then, and this is the critical point, the “primary activity of marketers” might actually be “idol-making” [emphasis added].

This is provocative. It might also aid in understanding Johansson’s In Your Face: How American Marketing Excess Fuels Anti-Americanism (FT Press, 2004), written in the wake of those terrible events of September 11, 2001. Johansson (a professor of marketing) suggests the global rebellion is against marketers, especially American marketing. I suggest we think about it as a rebellion against missionaries proselytizing on behalf of a particular culture, “consumer culture,” and its values and value system.

Conclusion

This is the sort of thinking I proposed for this panel. I was not proposing that everybody think the way I do, but that we think in a way that opens new perspectives on what, exactly, it is that we are doing. Such thinking will contribute to a reassessment of the crisis of the social imagination and how it impacts macromarketing. I hope that is what the conference organizers had in mind.

Let’s now turn to the panelists and see what they have in store for us.

Notes
1. “The back forty” is an expression, characteristic of the western part of the United States, that symbolizes a remote, usually uncultivated, acreage on a larger piece of land, such as on a farm or ranch. “Forty” refers to acres, and was probably the characteristic size of such a parcel. Forty acres is equivalent to about sixteen hectares. As an expression it is not much used any longer.

2. I do not want to debate the difference between spirituality and religion. My own untutored position is that, except for anthropological approaches (I admittedly have an anthropological bias), definitions of religion have the classical religions, especially those of the Abrahamic tradition, in mind.

3. Levi-Strauss: “each [society] has its own theoretician whose contributions deserve the same attention as that which the anthropologist gives to colleagues” (1953, p. 527) but he or she cannot expect to obtain an adequate understanding of the phenomenon under study merely by accepting their observations and explanations.

4. Hayek: “What men know or think about the external world or about themselves, their conceptions or even subject qualities of their sense perceptions are to Science never ultimate reality, data to be accepted … The conceptions which men actually employ … is to the scientist a provisional affair” (1955, p. 22).

5. Dumoulin began his one-page essay by noting that identify and belonging “are the key issues for humanity today,” and that “what used to be trusted, reliable and consistent sources of support and direction (education, government, religion and royalty) are now objects of a great degree of cynicism and rejection.” He then asked if there is anything “brands could do to support people in their existential search for fulfillment?” This is what Burns and Fawcett (2012) quote in their paper: “Could brands take over the role that religions and philosophical movements used to own?”

References


While it is acknowledged that religion affects market activities (Mittelstaedt 2002) and that religion has been imbued with a commercial character (Bonsu and Belk 2010), I am concerned in this research in terms of not merely affirming religion’s succumb to neoliberalism but attempts to question how it has become legitimized. Neoliberalism has had profound consequences and implications on religious organisations, in terms of its expressions and practices worldwide but has neglected scholarly attention (Gauthier, Martikainen and Woodhead 2013). Using mega-churches to understand this neglect, I critique its legitimations, power and permeations in the ways in which it structures, organises, shapes and governs religious organisations. Mega-churches are large Protestant churches with a congregation size of at least 2000 members (Thumma and Travis 2007); although many have exceeded this indicator with congregation sizes of more than 20,000 members as phenomenal growth is achieved within a short time-frame. Many claim non-denominationalist but are often Pentecostal in practice and theology. The mega-church phenomenon is socio-culturally constructed and embraces the market and marketing discourse along with ideologies of freedom of choice, liberal individualistic notions of a person’s choice of faith – all by products of neoliberalism. These are in fact defining discourses of ‘Americanness’ (Ahdar 2006) as well as Pentecostalism being an American construction (Bonsu and Belk 2010).

Through the lens of neoliberalism (imported through government policy, corporation practices, and the ‘Western/American’ way of marketing education spread imported through international students and faculty outside the US - Bradshaw & Tadajewski 2011; Varman et al 2011) and governmentality, I aim to demonstrate how marketing (its ideology and practices) is proselytized and the ramifications of that to religion. Using megachurches from Australia, Singapore and Indonesia as cases in point, I argue that instead of resisting, megachurches reify and reproduce ideologies which relate to the market that in turn, transform its own identities and practices. This deliberate process of strategic engagement with marketing changes the structure and substance of organised religion. Using a discourse perspective and cases outside the US, I attempt to differ against familiar arguments of marketing being applicable to any context but to study how marketing actually colonises and mobilises neoliberalism by governing megachurches as neoliberal subjects that succumb and in turn reproduce a spiritual form of consumer culture while operating in the business of religion.

Neo-liberalism is a governing technique that centres on the optimization of life; which appears to migrate from site to site as it interacts with various other discourses (Ong 2006). Marketing is a vehicle of managerial ideology which promotes the values of economic neoliberalism (Hackley 2009). This managerial ideology, what du Gay calls the ‘enterprise discourse’ (1996 p.299) is seen as universally applicable but is seldom questioned. When neoliberalism in the form of marketing managerialism is introduced in sites previously not related to markets and business (as in education, Bradshaw and Tadajewski 2011; Varman et al 2011; in healthcare Varman and Vikas 2007), a transformation process takes place where market-driven calculations are being introduced in the management of practices and the centralization of the subject position of a customer. Therefore, this research is interested in questioning how neo-liberalism posits marketing to become the prime factor in shaping religious practices in contemporary churches such as the mega-church.
The economic rhetoric of the ‘marketplace’ speaks of a free market and a consumer who is free to exert his/her individual authority; a stance that most people in developed societies are comfortable and familiar with. It is no surprise that branded megachurches employ this rhetoric in marketing religion, enacted through the familiar consumption ideologies of choice, freedom and individual empowerment. While this is not surprising, it is also clear that the spread of neo-liberalism is carried forth through subjective reworking of religion as a disseminator of market logic and its individualist consumerist values that in turn colonises the practice of contemporary churches globally. While this observation towards individualized spirituality is not new (Kale 2004), the process of colonisation is substantial and does not merely leave its imprint in language. Religion is not immune to the global effects of consumer culture that has the ability to convert anything into a marketable product (Bonsu and Belk 2010). However, marketing legitimizes self-serving corporatism (Klein 2001) and upon engaging with this discourse by implication, a religious organization will have to strategically manage both godly and market interests. The mega-church’s practices is thus compassed by both sacred and secular agendas and in reframing the question that Harvey (2006) asks, in whose particular interests is it that an organization takes a neoliberal stance and in what ways have these particular interests used neoliberalism to benefit themselves rather than as is claimed, the kingdom of God?

Using a critical perspective to study religion and marketing enables different questions to be asked that do not contribute towards the circular conclusion and perpetuation of marketing being applicable to any context – even God. Instead, what is foregrounded is how the practice and discourse of Marketing shapes religion and how that changes the God that is ‘marketed’ to become a branded version with its own set of organisationally constructed meanings and imagery. And by using neoliberalism as a lens, it places the study of religion and marketing into a macro platform which departs from similar assertions of application or influences. Marketised religion while on the one hand has all the standard trappings of what is offered to the consumer – choice, freedom, fulfilment of desires, positive experiences associated with particularly appealing images - it also on the other hand, limits, disguises and distorts biblical teachings in pursuit of strategic organisational objectives that is packaged in market-friendly offerings. The process of how this is done is important to uncover the complex dynamics between religion and marketing.

References


Burns and Fawcett (2012) seem to argue that the development of brand communities offer a replacement for religion in our time, at least in advanced socio-economies.

Two friends of mine probably exemplify this brand community membership. Both own multiple Harley-Davidson motorcycles, ride them as their principal recreation activities, wear Harley wearables, identify with other Harley owners (not Hell’s Angels, but middle-aged professionals, have made it a point to visit the Harley museum in Milwaukee, and occasionally join the Harley get-togethers in Daytona and Sturgis. While I’m not in a position to do a psychological analysis that would discern their religiosity in any way that would test how this biking fraternity affiliation replaces their relationship with God, at least these outward manifestations indicate the prospect of that replacement, to at least some degree.

Two alternative perspectives warrant some examination: (1) the fact that people have multiple affiliations, some stronger than others and (2) that the branding concept can also be applied to religion, both particular religious traditions and to religion in a more general sense, i.e., where religion is a salient force in one’s values.

First, most of us lead multi-dimensional lives in the sense that we are members of more than one community. We belong to, observe commitments to, and participate socially in families, professional groups, the organizations that employ us, the neighborhoods and towns where we live, and other social groups in which we have some interest. These last affiliations would include involvement with Harley-Davidson and churches. While these regularly compete for our time, talent, and treasure and some are clearly more engaging than others, it seems at least unusual to conclude that these are mutually exclusive, that belonging to one precludes significant involvement in others. Furthermore, these engagements affect different aspects of our lives, different times and different resources. Finally, the commitments to these multiple affiliations are not necessarily in conflict with one another. Just as playing golf can be beneficial to one’s social, business, and professional relationships, one’s religious commitments can affect consumer behavior.

Second, as brands can be defined as implying multiple values, being Jewish, Lutheran, Muslim, or Catholic carries with it implications that extend beyond a relationship with God – or more accurately – that affects values and behaviors that reflect the character of that relationship. The teachings of most religious traditions with which I am familiar propose at least some caution regarding consumption. None propose a spirituality in which the essence of life is defined by the search for and acquisition of goods and services. Rather, they propose a spirituality in which worship, service to others, and commitments to justice and peace are central. Thus, consumption is seen as supporting authentic humanity, as instrumental, not congenial.

The Roman Catholic tradition, with which I am most familiar, exemplifies this spirituality, reflected in more than a century of social teachings. Most recently, Pope Francis’ November 2013 “Evangelii Gaudium” (Joy of the Gospel) exhortation opens with a challenge to the congenial understanding of consumerism, and then proceeds, in more than 200 pages of
English text, to explain the importance of following Jesus in service to the poor; in caring for children; in meaningful liturgies, homilies, and pieties that reflect diverse cultures; and in ethical political and business leadership. In marketing parlance, this amounts to a rebranding or repositioning intended to influence the values and behavior of millions of clergy, religious, and laymen worldwide. I suspect comparable teachings are available to adherents of other religious traditions such that it would be difficult to find a co-religionist who would consciously and totally substitute an affinity for Harleys for his or her religion.

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“The great danger in today’s world, pervaded as it is by consumerism, is the desolation and anguish born of a complacent yet covetous heart, the feverish pursuit of frivolous pleasures, and a blunted conscience. Whenever our interior life becomes caught up in its own interests and concerns, there is no longer room for others, no place for the poor. God’s voice is no longer heard, the quiet joy of his love is no longer felt, and the desire to do good fades. This is a very real danger for believers too. Many fall prey to it, and end up resentful, angry and listless. That is no way to live a dignified and fulfilled life; it is not God’s will for us, nor is it the life in the Spirit which has its source in the heart of the risen Christ.”

In November 2013, Pope Francis issued a papal encyclical, entitled, “Evangelii-Gaudium.” Liberal critics reviewed this as an indictment of consumerism, and by extension the work of marketing and the work of marketers. Conservative critics questioned Francis’ commitment to capitalism, and some to Catholicism, itself. Yet, these critiques offer only a superficial perspective on the teachings of Pope Francis. His primary concern in the document is evangelism, not consumerism. His views are formed in the context of his experience, not only with wealth and poverty, but with the marketing systems that surrounded his ministry in Argentina, and the implications of these systems for the Church’s primary mission. Perhaps a marketing systems perspective allows us to better understand his message.

This discussion will consider Francis’ critique of markets and marketing systems in “Evangelii-Gaudium,” and address two issues raised by Francis. First, Francis notes, “Whenever our interior life becomes caught up in its own interests and concerns, there is no longer room for others, no place for the poor.” He raises the question of whether and how the pursuit of joy through consumerism affects the happiness of others. This is a marketing systems question, and its answer has implications for how we think about the notion that “marketing systems have implications for those well beyond the buyer and seller” (Mittelstaedt, Kilbourne and Mittelstaedt 2006). Second, Francis focuses on the issue of human joy, and how this is distinct from the concept of material fulfillment. “The worldwide crisis affecting finance and the economy lays bare their imbalances and, above all, their lack of real concern for human beings; man is reduced to one of his needs alone: consumption.” Since marketing systems are organized around the movement of goods and services, intended to improve human quality of life, Francis raises for macromarketing scholars the question, what is the intersection between quality of life and meaning of life? If these are distinct concepts, what role do marketing systems play in the latter, if any at all

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Can Existential Consumerism Displace Spiritually-Oriented Quality of Life?
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A recurring issue in macromarketing scholarship that is focused on the natural environment is the Dominant Social Paradigm (DSP). The DSP represents a broad consensus that more consumption is better. The DSP captures the perception of most consumers in market-based economies who believe that each person has the right to consume as much as they can afford to consume. Macromarketing researchers such as Kilbourne, McDonagh and Prothero (1997) as well as Prothero, McDonagh and Prothero (2010) cite the negative outcomes for an unchecked and unrevised Dominant Social Paradigm that include 1) climate change, as well as 2) resource depletion, and 3) degraded land, air and water resources. Rittenhouse (2013) identifies consumerism – the insatiable pursuit of increased economic consumption – as a modern-day replacement for what once was a spiritually-oriented pursuit for meaning in one’s life. In a world with marketing systems capable of delivering reasonably-priced products and services to just about any corner of the globe, more and more of the world’s citizens can adopt consumerism and its materialistic values. What once was a DSP for Western countries, now takes on global dimensions with amplified concerns for those mindful of what rapidly expanding consumption means for the natural environment.

Consumerism as an existential pursuit of meaning in life appears ominous for quality of life in societies of the world. The good, the bad, and the ugly of this trend for consumerism to replace spiritually-oriented meaning in life will be discussed in terms of its implications for macromarketing scholarship. The case of Chinese consumers will be used to illustrate the good (Shanghai), the bad (Harbin), and the ugly (Macau) of existential consumerism.

References


Buddhism and Consumption
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Buddhist values have suffused Chinese culture for the past two thousand years. Along with Confucianism and Taoism, Buddhism forms the basis for much of the Chinese world view, morals and ethics. In relation to consumption, Buddhism emphasizes the importance of eliminating desire for material goods, and the perils of becoming attached to material possessions. Indeed, “few religions have attacked the material world with the intellectual rigor of Buddhism,” (Kieschnick 2003, p. 2). Kaza (2010) notes that in a Buddhist world view, consumption undermines the possibility of spiritual liberation, otherwise known as achieving enlightenment. Buddhism inherently recognizes that our thirst for possessions can never be quenched (Kieschnick 2003). To cultivate non-attachment, a person must be generous and should periodically give away material possessions, and one’s possessions should not evoke pride or greed (Pryor 1990). Not only does Buddhism advocate non-attachment to possessions, but goes further in discussing self-consumption or self-creation through consumption as an illusion (Gould 2006). Given this anti-materialist stance, in this panel, I discuss how Buddhist beliefs are held in tandem with increasing materialism for many consumers (Durvasula and Lysonski 2010). In doing so, a new conceptualization of materialism is introduced.

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In this presentation the author investigates the impact of certifying and branding commodities as Halal, and the growing usage of Halal branding beyond food and finance. At its most basic level Halal is an Arabic word which means permissibility of actions and consumption, as outlined by Islam. The majority view is that Halal is the norm and Haram, or non-Halal, is the exception. In-depth interviews with industry practitioners, certification bodies, and thought leaders were conducted over a five-year period. Whilst the author concurs with this construct as a general principle, it appears that the recent phenomenon of creating Halal logos and branding strategies have created both opportunities and challenges, which are changing classical interpretations and understanding of what Halal is. So much so, that Halal branding is also now practiced in countries with almost exclusive Muslim majorities. The drivers of which are a type of hyper-sensitivity and hyper-interactivity, encouraged by: the commodification of entities, through branding and boundary ownership; increased ingredient scrutiny; mass-manufacture; technological and genetic engineering advancements; challenges by single issue politics and anti-branding movements. Halal labelling is being used both as a hygiene factor and a badge celebrating an Islamic identity—the implications of which on branding strategies poses challenges. Norms and exceptions are being reversed increasingly in consumers—due to brand created traits of risk aversion, attached to fear, suspicion, context and spirituality. A new conceptual argument proposed for the relevance, usage and purpose of Halal branded commodities.
Mapping out a terrestrial zodiac in its natural contours, the rural English town of Glastonbury draws spiritual seekers from around the world. They come to experience the powerful mystical energies that inhere in the ancient landscape, known as the Isle of Avalon. The powerful electromagnetic forces of the terraced Tor that rises above Glastonbury have long held mystical significance for the druids, dowsers, goddess worshippers and other neo-pagan communities that make regular pilgrimages to the area (Mann, 2004). Nestled at the base of the Tor, lies the Chalice Well, believed to have been used for Druidic initiation rituals and other ancient pagan rites. A wealth of myth and legend surrounds the reddish colour of its water which has a high iron content. For some, it is the blood of Christ; for others, the menstrual blood of the goddess. The origins of the water remain shrouded in mystery and, indeed, “the more mystical the informant, the more distant the source” (Mann, 2004, p.15). Nearby, rest the ruins of Glastonbury Abbey where, it is alleged, St Joseph came after Christ’s death to found the first Christian church. The legendary King Arthur is supposed to have been buried here.

This multi-layered spiritual tapestry provides a rich backdrop for the many New Age shops in Glastonbury town centre. These shops present a stunning array of different mystical artefacts and spiritual support services such as retreats and workshops, tarot readings and astrological consultations. Drawing on our three year ethnographic study of Glastonbury and Campbell’s (2008) thesis of the Easternisation of the West we will discuss how New Age religions are part of a cultural change whereby the “divine” is increasingly seen as residing within us and the natural world, rather than attributed to a separate, external god figure. This has profound implications for how we view the material world, our possessions and our consumption practices, and addresses issues that so far have not been discussed by the macro-marketing community.

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The Market as Civil Religion: Macromarketing Conversations with Max Weber, Walter Benjamin and Carl Schmitt
Stefan Schwarzkopf, Copenhagen Business School, Copenhagen, Denmark

The relationship between the market, capitalism and religion (both understood as public/organized and as private devotion) has engaged European and North American thinkers for at least 200 years. Deists like Thomas Jefferson worried about the extent to which organized religion was commensurable with an idealized public sphere based on reason, transparency and competition for office. A generation or so later, Karl Marx argued that religion was merely an ‘opium’ so that people would not recognize how this idealized public sphere had become organized around the needs of a small, wealthy elite. Yet another generation later, German sociologists Max Weber and Werner Sombart began reflexively to think about the role of Protestantism and Judaism, respectively, in the making of modern European capitalism (Sombart, 1911). Today perhaps better known than his contemporary Sombart, Weber famously identified the Puritan turn away from ‘the world’ as an important precondition of the rise of a capitalist conduct of life, or ‘Lebensführung’ (Weber, 1905/2002). At the height of Weber’s and Sombart’s influence around 1900, another young German social philosopher, Walter Benjamin, grew up as a child of Jewish parents in Berlin. His take on the subject, written up in form of a text in 1921, once again confirmed the suspicion that capitalism needed religious as well as socio-economic and political resources to continue to flourish. Yet, while philosophers before Benjamin explored the uneasy relationship between capitalism and religion, Benjamin was the first to claim that modern capitalism had become a civil religion itself. According to Benjamin, the ‘pure cult religion’ of capitalism merely secularized the Judeo-Christian promise of salvation and redemption: by binding people to continuous cycles of work, ambition, expenditure and debt (in German, the word for debt = ‘Schuld’ also means ‘guilt’), capitalism kept alive the promise of release, redemption and biblical Jubilee, i.e. the release from the burden of debt and guilt (Benjamin, 1921/1996).

The idea that political institutions such as the state, political parties and their leaders, public rituals (national anthem, oath of allegiance), the veneration of collective memories of sacrifice, etc., could give rise to political, secularized or civil religions was first proposed by Jean Jacques Rousseau in 1762 (Rousseau, 1762/1997). What Rousseau described for the then new notion of the secular state does certainly lend itself for a renewed analysis of the way Western, secular societies deal with the ideal of capitalist, ‘free’ markets. If political institutions can be rendered the subject of cult religions with prophetic character and redeeming value, then capitalism as a set of institutions, too, can become the focus of quasi-religious veneration. Critical thinkers from both the Left and the Right, including Karl Popper, have expressed the suspicion before that some intellectual supporters of liberal capitalism resembled followers of a political, civil religion in their studied refusal to acknowledge various social side-effects of the global spread of markets. In this paper, I propose to go beyond this level of critique and return to Benjamin’s notion of capitalism as a civil religion. Rather than engaging in yet more polemics about how neoliberal hardliners show signs of a quasi-religious mindset, I am interested in what the structural identification of capitalism and (civil) religion means for macromarketing research today.
In order to engage with this problem, I will draw on the work of the German legal philosopher Carl Schmitt and to some extent on that of his foremost Italian exegete, Giorgio Agamben. I argue that Carl Schmitt’s interpretation of Benjamin’s identification of capitalism as a civil religion might have important consequences for the way macromarketing researchers view the problem of consumers’ free choice in particular. Rather than assuming that markets always lead to efficient outcomes because they offer transparency of information and the freedom to choose, Schmitt would remind us that, like all political systems, markets can only work through an arcanum, i.e. a small sphere of secrecy within which actual decisions are made. Both Benjamin, the Jew, and Schmitt, the Catholic, realized that political systems – including market-based systems – require a final decision-maker in the same way as religions require the existence of a creator, judge and final destroyer of the world. Applying this political-philosophical view of the limitations of rational deliberation (cue Habermas) to the place of consumers in competitive market economies might push macromarketing researchers to pay more attention to real-existing situations in which markets are created and held together not by freely choosing consumers, but by product managers, market and consumer researchers, and regulators who in arcano decide which products and services consumers will be able to choose from in the first place. Secondly, rising concerns about the sustainability of current levels of global water consumption and depletion of the earth’s resources might equally lead to macromarketing researchers rethinking Schmitt’s normative, i.e. positive, view of the arcanum. For Schmitt, who all the while looked to the structure of the Catholic church as a role model, the sphere of secrecy was indeed needed in order to bring the rule of law to full fruition (Schmitt, 1923/2008). According to Schmitt, only the availability of a possible realm of exception, a discretionary space of action outside the normal rule of law, ensured that stability remained in moments of crisis and under circumstances of constant competition between antagonistic social-political forces. Schmitt’s privileging of the idea of ‘decision’ over discussion and deliberation has consequences for the way macromarketing researchers view the sustainability of a marketing system which causes consumers to waste about one million pounds of material per person per year in the Western world. Given that repeated rounds of discussion about voluntary self-restraint in using global resources (Kyoto Protocol, Copenhagen Accord, Cancun Agreement, etc.) remain precisely that – namely discussions (Habermas, da capo al fine) – Schmitt’s views on the role of exceptional, arcanum-based decision-making might witness a revival among macromarketing researchers interested in alternatives to a consumer-led status quo.

References


Transformative service research roundtable

*Chairs: Thorsten Gruber & Per Skalen*

*Discussants: Heiko Gebauer, Johanna Gummerus, Linda Nasr*

Transformative Service Research (TSR) is defined as service research that strives to create uplifting changes and improvements in the well-being of individuals (consumers and employees), families, social networks, communities, cities, nations, collectives, and ecosystems (Anderson, Ostrom, and Bitner 2010). As such, instead of focusing on profits, market share and consumer satisfaction, TSR is also interested in other (not necessarily conflicting) outcomes such as access, mitigating vulnerability, well-being, happiness, quality of life, equity, and decreasing disparity.

TSR focuses on improving consumer and societal welfare through service and builds on the notion of a transformative service economy that improves the relationships among social, economic, and environmental systems through respectful, collaborative, and sustainable interactions.

This transformative view is especially apt for looking at services because service consumers are often vulnerable (Baker, Gentry and Rittenburg 2005) in that they often lack a degree of control and agency, service consumers are often disadvantaged, most especially with regard to expertise and decreased knowledge in comparison to the service provider, and services are consumer-centric, experiential and co-created, thus more intimate than physical goods.

Improving human welfare presents a growing challenge to the developed and less developed countries: numerous factors contribute to rising concern about the well-being of individuals including financial crises, obesity, poverty, limited food supplies, scarce clean water, inadequate healthcare, global warming, terrorism, toxins in the environment, and natural disasters. Although services can and do already make significant positive contributions to consumer well-being in the context of these issues, service organizations have also been criticized for ignoring or even harming consumer well-being in a variety of ways including under-serving communities in need, a top down and patronizing style of service delivery as well as, at times, degrading policies of segmentation and targeting (Fisk 2009; Williams and Henderson 2011).

According to Ostrom et al.’s (2010) award winning pivotal article in the *Journal of Service Research* “Moving Forward and Making a Difference: Research Priorities for the Science of Service”, one of the overarching research priorities for the future is “improving well-being through transformative service”.

The aim of the Roundtable Discussion at the 39th Annual Macromarketing Conference is therefore to critically discuss what TSR can bring to the Macromarketing community and vice versa.