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CHRIS LAWER AND SIMON KNOX

Reverse-Market Orientation and Corporate-Brand-Development

Chris Lawer is a doctoral candidate at the Cranfield School of Management in the UK and is also founder of The OMC Group, a customer innovation and strategy consultancy. Simon Knox is Professor of Brand Marketing at the Cranfield School of Management and is a consultant to a number of multinational companies including McDonald's, Levi Strauss, DiverseyLever, BT and Exel. The authors can be contacted at Cranfield School of Management, Cranfield University, Cranfield, Bedford, MK43 0AL. Tel: 01234 751122. Fax: 01234 751806. email: Christopher.lawer.phd.02@cranfield.ac.uk. The authors thank two anonymous reviewers who provided very helpful comments on an earlier draft.

ABSTRACT. *In this paper we explore reverse-market orientation which we define as a market strategy that seeks more explicitly to align with customers to assist them in developing their optimum solution in a given marketplace. Starting from the premise that customers are now more empowered, we develop a model of customer value drivers to demonstrate how organizations with a reverse-market orientation can create and deliver new forms of customer value. We then describe how firms with this reverse-market orientation are addressing these value drivers and illustrate them with examples of early reverse-market practices. From a recent analysis of the corporate-brand literature on the value and vulnerabilities of corporate brands, we explore the circumstances in which a reverse-market orientation could become an attractive strategic option for certain brand-led organizations. Through a framework we have developed for corporate-brand management interested in adopting a reverse-market orientation, we identify the new capabilities such firms will require to build their brand successfully. We conclude by evaluating the distinctiveness and importance of a reverse-market orientation against the traditional view of how market-orientation has been conceived in the literature.*

In the last decade, the concept of market-orientation has evolved both as a philosophy and a way of doing business which has underpinned the success of many organizations (Baker et al. 1994; Houston 1986; Hunt and Morgan 1995; Slater and Narver 1995). Recently, several authors have identified how organizations are beginning to experiment with a *reverse-market* orientation (Pitt et al. 2002; Hagel and Singer 1999; Wind and Rangaswamy 2001; Achrol and Kotler 1999; Sawhney and Kotler 2001; Mitchell 2001; McKenna 2002; Baker 2003; Zuboff and Maxmin 2002). They suggest that as customers have growing access to powerful new media and information tools to compare brands, products and services, the existing market-orientation concept may need to evolve into a more specific customer-first or reverse-market alignment. They argue that by developing a reverse-market orientation, organizations are better able to capture and respond to emerging patterns and drivers of empowered customer behavior.

The reverse-market orientation views markets and market exchanges from the explicit perspective of the customer. It is a form of market concept that seeks to *advocate* for individual customers by helping them to achieve their best personal solution and by reducing their risk of encountering uncertainty, complexity and confusion in the wider market.

To date, the literature on reverse-market orientation is both limited and fragmented. It does not yet explore in any depth how reverse-market orientation actually differs from the traditional view of market-orientation. In addition, most of these studies highlight the *practices* of reverse-market orientation; few pay much attention to the additional capabilities firms must master in order to build this orientation in the first place. Indeed, we regard the development of appropriate skills in corporate-brand management to align the organization more explicitly with the needs of its customers as a critically important step. Presently, the brand-management literature does not yet adequately define or empirically identify the scope of the capabilities required to adopt a reverse-market orientation.

This article will help researchers to address some of these shortcomings. In doing so, we will explore the following questions in the paper:

1. What are the new sources of reverse-market customer value and how is it captured and delivered by firms?
2. What does a reverse-market orientation look like in practice?
3. How does a reverse-market orientation differ from the traditional market-orientation concept?

4. Why are researchers suggesting that a reverse-market orientation represents an important response to the vulnerabilities of corporate brands in the age of the empowered customer?
5. What are the implications of reverse-market orientation for corporate-brand-development?

Our article is structured as follows. First, we construct a model from the extant literature of the value drivers attributable to empowered customers to surface the new sources of reverse-market value. Next, we identify the different reverse-market strategies that organizations can deploy to harness these new value drivers. We then illustrate these new sources of customer value by providing examples of organizations that are experimenting with a reverse-market orientation. Next we explore the vulnerabilities of corporate brands and branding to understand why reverse-market orientation is becoming an attractive strategy for certain brand-led organizations. In doing so, we describe how new styles of corporate-brand management can perform a fundamental role in developing and sustaining a reverse-market orientation. We conclude with a discussion of the distinctiveness and importance of reverse-market orientation and suggest future research directions. Next we describe the new sources of reverse-market value from the customer's perspective.

A model of the empowered customer's drivers of value

Today, individual customers have a powerful new set of information and access media. They have the means to acquire objective information to compare brand prices, features and performance. They can also achieve new levels of convenience and direct communications with companies by designing and submitting personal specifications for products and services (Sawhney and Kotler 2001). Customers can also more easily evaluate a company's marketing approach and accept or reject claims based on their own knowledge (Ind and Riondino 2001). Additionally, they can also consult and collaborate with other customers in virtual communities of interest (Kozinets 1999). By doing so, they are placing a value on peer-group reviews and customer-to-customer dialogue to evaluate one-way marketing messages and controlled advertising sent out by firms.

Dupuy (1999) refers to the changing dynamics of customer-firm relationships as the "victory of consumers" over sellers. He argued that organizations will need to adapt their customer alignment and market-orientation to reflect the changing demands, expectations and, critically, the drivers of empowered customer value. We identify three such emerging drivers of value which we show in Figure 1. They are value-for-choice, value-for-attention and value-for-knowledge and we describe each briefly in order to examine how organizations with a reverse-market orientation seek to gain competitive advantage by capturing some or all of these value drivers.

INSERT FIGURE 1 ABOUT HERE

Value-for-Choice

Recently, there has been growing concern about the rate of increase in choice, uncertainty, confusion and complexity within consumer markets (Mitchell and Papavassiliou 1999; Mitchell 2001; Willmott and Nelson 2003). As brands, media, products and services proliferate and the volume and depth of information content grows, consumer overload can result in stress, frustration and sub-optimal decisions.

Growth in customer choice has an impact on that most precious of personal commodities – time. Specifically, it can impact a customer's ability to make an informed and confident purchasing decision, especially as many people report that they now have less time to spend when making such decisions. In a survey conducted by the Henley Centre (2000), for example, the majority of UK adults questioned (66 percent) agreed with the statement that they "never seem to have enough time to get things done". Southern and Johnson (1999) suggested that one consequence of this "time famine" is that time is rapidly becoming a currency with many consumers being more aware of how they spend it and how they save it. This finding is supported by the Henley Centre study which found that 37 percent of respondents indicated that they would be willing to spend money to save time.

Moynagh and Worsley (2002) suggested that customer attitudes to choice and negotiation are still evolving as the world becomes increasingly tailor-made. In the age of mass-consumption and standardised products, the idea of having more customised choice had a strong appeal. What customers may then need and want is help in knowing *how to choose*. In the same article, Moynagh and Worsley described how by developing new approaches to delivering superior *value-for-choice*, certain organizations will be able to adjust or shift their market orientation closer towards the needs of their customers which, arguably, may entail supporting them through the evaluation and choice stages of a purchasing decision.

Value-for-Attention

Over the last decade, many firms have been trying to build relationships with their customers in the widely-held belief that strong relationships can deliver lifetime loyalty, lower costs and superior profitability (Christopher et al. 1991; Gummesson 1987; Payne and Holt 2001). Indeed, it is possible to detect the impact of this development on both the nature and volume of marketing communications. With falling costs and lower barriers of market entry, many mature economies have witnessed a proliferation of personalized marketing communications in the last decade – particularly as broadcast media channels become more fragmented, expensive and inefficient for marketers. For example, UK total direct marketing expenditures grew by 120 percent in the period 1996 to 2003, rising from £6.1 billion to £13.6 billion (Direct Marketing Association UK 2004). Indeed, it was recently estimated by Western International Media (quoted in Southern and Johnson [1999]) that every UK adult is subjected to over a thousand commercial messages in an average week. In a study of US markets, Godin (1999) demonstrated that US consumers are exposed to roughly five thousand advertising messages every single day.

As marketing communications proliferate, recent studies have found a connection between relationship-marketing practice and customer dissatisfaction. For example, Fournier, Dobscha and Mick (1999) empirically identified certain negative outcomes arising from the proliferation of computer-generated personalised messages and the growing dependence which marketers have on individual customer profiles and their consumption preferences to inform their targeting and segmentation activities. They also report on the problems customers often face when attempting to respond to firms via automated-contact management systems. They concluded that each new successive customer relationship-building initiative or invitation can appear increasingly trivial and useless, rather than unique and valuable to today's customer. Zuboff and Maxmin (2002) make a bold attempt to explain this apparent misalignment between a relationship-market orientation, practice and customer needs. They posited that despite the valid discovery of the individual in relationship-marketing thinking, many organizations use the approach to pursue transaction and sales cost-efficiencies rather than fundamentally reinvent the means to create and deliver customer value.

As relationship-marketing practice continues to grow and the volume of personalized marketing communications increases further, we argue that by creating customer-controlled mechanisms for delivering superior *value-for-attention*, certain businesses are able to help their customers set their communication preferences with regards to the source, content and frequency of personalise media, that is, to receive marketing according to their personal context in time and space. In doing so, such firm help customers manage their relationships with other firms, brands and services and, in doing so, create competitive advantage through the perceived value of their services.

Value-for-Knowledge

Choice and attention are joined by customer knowledge as the three primary drivers of empowered customer value. Currently, companies gather extensive data on consumer socio–demographics, identification and behavior, often in a secretive fashion. Yet, instead of using this information to identify and deliver new sources of value for individual customers, personal information is often used solely for transactional marketing purposes – that is, to refine the selection and targeting of advertising messages. As a result, the opportunities for personal data gathering and usage are declining owing to a growing consumer privacy backlash and new data-protection legislation. For example, in a recent survey (IBM-Harris 1999), 78 percent of UK and 94 percent of U.S. consumers expressed concern about the "possible misuse" of their personal information by companies. Prabhaker (2000) suggested that such privacy worries are the defining element in the competition for *online* customers. He stated that businesses have a choice in how they respond to this matter; they can see it as a threat and simply react defensively or they can treat it as an opportunity and be proactive in maximizing the gains. O'Malley and Tynan (2000) also highlighted a number of issues regarding invasions of consumer privacy, particularly as a by-product of the growth in direct-marketing communications. They suggested that these concerns were largely denied or overlooked in the rush to develop a relationship-marketing approach using database technologies.

As more and more managers begin to build strategies based on capturing information, some authors suggest that their efforts will be undermined as customers start to take ownership of personal information and demand new forms of value in exchange for it (Hagel and Singer, 1999). Therefore, we can distill issues of privacy, security, data ownership and personal data use into the driver we call *value-for-knowledge*.

Having identified the three drivers of empowered customer value, the next section explores how organizations are attempting to capture this value by developing a reverse-market orientation.

Strategies developing from a reverse-market orientation: unlocking of more customer value

Several authors have suggested that the rise of the active or empowered consumer is challenging the established concept of market-orientation (Pitt et al., 2002; Hagel and Singer, 1999; Wind and Rangaswamy, 2001). They identified that by developing a new set of reverse-market, customer-first strategies, certain firms are able to capture the customer value drivers of choice, attention and knowledge. From an examination of both the marketing literature and marketplace practices, we identify four reverse-market strategies, which provide customer value for firms with a reverse-market orientation (see Figure 2 below). These are:

1. A focus on customer success
2. Improved marketing context and customer involvement
3. Fostering knowledge-creating customer partnerships and
4. Enabling choice transparency.

INSERT FIGURE 2 ABOUT HERE

Focus on customer success

The main intent of organisations with a reverse-market orientation is “customer success”. They aim to create more authentic customer relationships by providing expert levels of individual support and guidance. In this respect, a reverse-market orientation incorporates a customer consultant (Achrol and Kotler, 1999) or trusted advisor role (Sheth, Sisodia and Sharma, 2000), that is, one that seeks to assist customers make better purchasing decisions and to maximise the value from the product-in-use or service consumption.

Consider General Motors in the US. In late 2002, the company launched a trusted advisor internet site called *AutoChoiceAdvisor* (Urban 2004)[1] with a view to helping customers select the motor vehicle best suited to their individual needs. The advisor asks prospective buyers several questions about their intended purchase – such as what vehicle manufacturers they prefer, why they are buying it, how much they have available to spend, what features are most important and how they plan to use the vehicle. It then provides the customer with a list of recommendations. Notably, this list includes competitor vehicles from manufacturers other than GM.

The benefit to GM is that the service captures valuable knowledge about customer preferences and trends, knowledge that can be deployed in product development and innovation. It also boosts its brand values along strong trust and transparency dimensions. By the end of 2003, over 700,000 users had registered with the site and it was even being used by leading motoring organizations (that have validated its objectivity). But *AutoChoiceAdvisor* is not a one-off in GM’s reverse-market orientation strategy. The company has also implemented a dealer program that allows consumers to test drive and compare GM cars with those from other manufacturers, a novelty in the traditionally highly competitive dealer sector.

The GM example illustrates that as higher levels of trust, accountability and transparency build, a focus on customer success could be a means for organizations to resolve their customer’s problems and support their decisions. In doing so, it captures the empowered customer value driver of value-of-choice.

Improve marketing context and customer involvement

Firms with a reverse-market orientation seek to incentivise and involve customers in their marketing and branding efforts. They support customers with marketing approaches that help them to proactively and voluntarily convey their experiences to friends, relatives and colleagues. To do this effectively, management must integrate new marketing techniques into the overall customer experience by creating an appropriate environment and context for customers to become more engaged with the brand. In this way, reverse-market orientation avoids the overt “push” marketing strategies characterised by many relationship-marketing efforts.

Consider the Harley Davidson Owners Group (HOG). By staging regular HOG Club events at which avid Harley motor-cycling enthusiasts share their experiences, buy merchandise and ‘live the brand’, the marketing of the brand becomes mutually respectful between Harley and the customer. As a further example of ‘context’ marketing, General Motors’ On*Star service delivers marketing messages linked to a driver’s location and context. By conceiving the vehicle as an information device, the car becomes a means for On*Star to be the customer's advocate and to build a more involving customer relationship.

Foster knowledge-creating, customer partnerships

Traditionally, firms have focused on gathering extensive data *about* their customers. They then use the information to segment and personalise their offer and marketing communications. However, firms with a reverse-market orientation also pursue alternative forms of customer knowledge. They recognise that by facilitating the creation and sharing of knowledge and competencies *held by* their customers (Gibbert, Leibold and Probst, 2002), they are more likely to sense emerging market opportunities (Prahalad and Ramaswamy, 2000) and to “unlearn” established assumptions and practices through open-mindedness (Nystrom and Starbuck, 1984), shared vision and an enhanced commitment to customer learning (Sinkula, Baker and Noordewier, 1997).

Firms experimenting with a reverse-market orientation provide knowledge products and tools for their customers to manage important projects and key purchases. Then, through a continuous process of customer knowledge co-creation, they distribute their knowledge assets to generate mutual value-for-knowledge. Responding to the new customer value drivers is therefore, a process of perpetual learning; one that requires constant sensitivity and adjustment to the gaps that develop between customer requirements, their values and the firm’s offer. Such market-sensing is highly valuable and capable of providing enduring competitive advantage.

By supporting the creation and delivery of customer value, especially *knowledge partnering,* employees in a reverse-market environment can develop and apply advanced skills in servicing and resolving customer problems. They can reach outside the organisation to co-create solutions with their partners and customers. They can share knowledge with other team members and partners, enabling specialist and empowered communities of expertise to thrive; communities that can often define the external perception and experience of the brand. Such organisations provide their employees with the freedom to develop relationships with their customers to correct their problems and create knowledge. In fact, the positive impact of employee empowerment on customer relationships and the firm’s performance has been empirically validated in a study by Gremler et al. (2002).

Alaris Medical Systems[2], a leader in products for the safe delivery of intravenous medications, is also a pioneer in open, reverse-market customer knowledge capture. Through its two customer advocacy teams based at its San Diego headquarters, Alaris actively solicits customer knowledge, turns it into fact-based insights and then applies the learning to address user issues and needs as well as to prioritise new business opportunities and product/service solutions. One of these teams, Clinical Support, is staffed by full-time professional nurses who provide 24-hour clinical resources for Alaris users. This support includes user feedback, assistance with product performance issues, clinical research help and answers to clinical questions. For Alaris, customer knowledge has been a catalyst for deepening the relationship between the company and its users.

Enable choice transparency

The final component of customer value delivered by firms with a reverse-market orientation is the most distinctive element. It concerns the transparency of the firm’s offering and its willingness to do what is best for the customer, even if the recommended solution is provided by the competition. This may seem counter-intuitive to the normal rules of market-based competition yet by emphasising positive partnership and support over traditional selling-based relationship strategies, the logic underpinning choice transparency is that customers are more likely to grant the firm their trust – and tell their friends, family and colleagues (Urban, 2004).

Choice transparency can be achieved either through online tools such as price comparison services, choice boards and personal decision-making guides or simply through employee recommendations retrieved from their company's knowledgebase. It may also be provided by other customers within communities nurtured by the reverse-market company.

Consider the U.S. auto-insurer Progressive[3] and its recent move to offer a price comparison service on its web site. Previously, U.S. customers' ability to compare rates across insurance companies was both time-consuming and complex. Now, by entering their personal information, driving history, vehicle details and other data on the Progressive web site, the company enables its customers to undertake a simple and direct market comparison of rates from Progressive *and* its competitors. Although it sometimes loses out to its lower-priced competitors, Progressive's customers often remain loyal simply because the service reinforces their trust in the business.

E*TRADE, an online financial services company, provides a similar tool. Its online mortgage shopping service lets consumers objectively compare E*TRADE's offer with another lender's before applying. E*TRADE captures reverse-market value by telling the shopper when its offer isn't as good as the competition.

The General Motors, Harley Davidson, Alaris Medical Systems, Progressive and E*TRADE examples all illustrate how a reverse-market orientation is capable of unlocking new customer value. Each company understands that there are mutual benefits to be realised by improving on their customer's time, involvement, knowledge and access to markets while developing new ideas to capture customer context and build relationships.

A reverse-market orientation requires organizations to develop a number of new capabilities to successfully capture and deliver against the new value drivers of empowered customers. To foster a more explicit, customer-first culture centred on the delivery of customer success, knowledge partnership and transparency, firms must develop an alternative corporate-brand management framework founded on trust, integrity and openness. To develop such a framework, we explore the recent literature on corporate-brand development to examine some of the current tensions and vulnerabilities cited by critics before identifying the capabilities required of corporate-brand management by proponents of the reverse-market orientation.

Corporate-brand-development and reverse-market orientation

Today, there exists a general consensus that a market-orientation reflects the need for an organization to be both market-responsive and customer-driven. Desphande et al. (1993:p.27) suggested that a market-orientation is particularly consistent with *a customer-orientation*, or "a set of beliefs that puts the customer's interest first, while not excluding those of all other stakeholders such as owners, managers and employees in order to develop a long-term profitable enterprise." This view regards customer-orientation as part of an overall *corporate culture* where organisational values reinforce, perpetuate and align commercial actions and focus. Slater and Narver (1995: p.67) concurred. They also defined market orientation as "the culture that … places the highest priority on the profitable creation and maintenance of superior customer value whilst considering the interests of other stakeholders."

If market-orientation defines a cultural focus on satisfying the needs and wants of an organization's customers as Deshpande et al. and Slater and Narver have argued, then corporate branding is one important means to convey this cultural emphasis. Knox and Bickerton (2003) described how corporate branding draws on the same objectives as product branding in its attempt to create differentiation and preference. Whist still aiming to convey a distinctive brand identity, image and value, they suggested that corporate branding also seeks to define, represent and guide the normative purpose, culture and values of the entire organization.

Recently, a growing number of critics of corporate branding argue that a cultural emphasis on the customer can never be authentically realised, despite the claims of proponents of the market-orientation concept. For example, Mitchell (2003) suggested that instead of corporate brands fulfilling their role as trusted beacons of superior customer value, a form of "brand narcissism" sits at the heart of the way firms create, distribute and exchange value. Willmott (2002) also focused on a misalignment in firm-customer interests. He suggested that many commercial organizations have forgotten the importance of the mutual relationships that should exist between themselves and other key stakeholders, especially customers. Ind (2003a: 4) adopted a similar view, stating that in their primary pursuit of sales, growth and profitability, firms "can be meretricious and they can try to limit our freedom of choice. These are seller-centric brands that operate from the perspective of the brand builder … they undermine the very reason we pay for the reassurance of brands: trust". Kitchin (2003) also discussed issues of trust, relationships and corporate brand management. Like Tapscott and Ticoll (2004), he placed these issues in the wider context of the declining trust that individual customers have in commercial organizations. These emergent perspectives can be grouped around one of *three* influences which challenge the validity of corporate brands and the effectiveness and value of corporate branding.

The first concerns how customers, employees and other stakeholders are now increasingly able to acquire detailed information about commercial behavior, operations and performance. By doing so, they have the ability to challenge and sometimes invalidate corporate brand values, products and espoused behavior. As Tapscott and Ticoll (2004) write, "Armed with new tools to find information about matters that affect their interests, stakeholders now scrutinize the firm as never before, inform others and organize collective responses". Recent studies appear to support this argument. According to Environics International (2002), 78 percent of Americans surveyed stated they believe that as consumers, they can make a difference in how responsibly a company behaves.

The second influence concerns recent failures in corporate governance and behavior and the related loss of public trust (Taylor 2003). High profile scandals at Enron, WorldCom, Parmalat, Arthur Andersen and Tyco International as well as continued concerns about the primacy of shareholder over stakeholder value (Jeff Smith 2003) all provide ammunition for those who question the behavior of modern corporations and the integrity of the corporate brand.

The third influence stems from a critical re-examination of the traditional marketing concept, the related construct of market-orientation and the relevance and value of either to today's changing customer. In a critique of the market-orientation concept, Holt (2002) analysed the growth of the "antibranding counterculture movement" and its attack on the "contradictions between a brand's espoused ideals and the real world activities of corporations who profit from them." He suggested that in the context of the academic marketing concept and its aim to align the interests of firms and consumers, such attacks are inexplicable and can only result when organizations attend to their internal interests *at the* *expense* of their customers. Others provide actual evidence of corporations becoming more dislocated from consumers. For example, Willmott (2003) reviewed studies of consumer trust in corporations in the U.S. and UK. He demonstrated that in the past five years, several consumer surveys have confirmed a growing tension in firms' customer relationships.

We argue that early experiments in reverse-market orientation represent one response to questions of any misalignment in interests that may exist between the actions of the organisation and the needs of its customers and other stakeholders. At the heart of this evaluation of what market-orientation means is the greater understanding of customer attitudes, knowledge, values, relationships and their individual interpretations of value. Managers must augment the traditional tenets of market-orientation with additional dimensions that are derived from the new drivers of customer value we captured in Figure 1. We now describe how organizations pursuing a reverse-market orientation are building new corporate brand management capabilities to capture these new forms of empowered customer value.

Reverse-market orientation and the corporate-brand-management framework

Figure 3 depicts a corporate-brand-management framework for organizations wishing to implement a reverse-market orientation. It shows the interplay between this framework, drivers of empowered customer value (Figure 1) and the market strategies that characterise reverse-market orientation (Figure 2). The framework is explained below in the context of how customer value is created, developed, sustained and delivered as a result of a reverse-market orientation.

INSERT FIGURE 3 ABOUT HERE

Focus on customer transparency and trust

Achieving a reverse-market orientation requires a shift in managerial attitudes towards customers as they become the co-creators of value. To begin this strategic shift, corporate-brand-management must assess whether there exists necessary levels of customer trust and reputation in their existing brand. They must also weigh up the potential negative effects of distributing the ownership of its accrued brand trust across a network of reverse-market partners. In fact, for corporate-brand management, this risk of brand exposure represents the greatest barrier to the adoption of a reverse-market orientation.

For firms choosing to adopt a reverse-market orientation, an important benefit is the opportunity to develop deep levels of customer commitment leading to greater levels of relationship value, loyalty and trust. By focusing on overcoming customer's perceived risk, particularly in situations they may not have previously experienced, studies show that greater brand trust can be earned and new product/service extensions achieved more easily (Delgado-Ballester and Munuera-Alemán 2001). It is possible, therefore, that corporate brands defined by clear principles of dialogue, support and advocacy might realise a more authentic means of building long-term, mutual dependency and customer loyalty.

Establish and optimize a reverse-market value network

A corporate brand with a reverse-market orientation will need to develop a value network of multiple online and offline partners and suppliers. Their offering departs from the traditional approach where sellers compete to offer individual products to consumers. Rather, reverse-market networks are clusters of partners whose participation is enabled by network forms of brand collaboration and value-exchange. Collaborations are unlikely to be related from an individual partner perspective yet will be contextually connected from a customer perspective. Therefore, traditional market structures separated by hierarchical product or service categories are realigned to the broader context of customer need.

One significant barrier which firms face when establishing a value network is the difficulty of achieving coordinated network innovation, collaboration and critical mass. As Chesbrough and Teece (1996) described, delivering a systemic innovation of this nature is particularly difficult when industry standards and operational infrastructure do not exist and must be pioneered. Although the advent of web services enables a company to connect its applications to any number of trading partners relatively inexpensively and easily, many organizations remain islands of technology, operating their own assortment of systems, applications, databases, and communications technologies (Hagel 2002). Thus, a critical capability lies in discovering *how* and *when* to build the bridge to the customer, *which* customer communities to select and *who* to share the costs of developing the standards for constructing reverse market value.

A reverse-market orientation has the potential to deliver greater economies of scope through network convergence (from the removal of functional duplication), knowledge-sharing and reductions in network customer acquisition and retention costs. Indeed, cost improvements in the matching of demand and supply are fundamental to the participation of value network partners. Also, a reverse-market orientation demands superior market-sensing and market-relating capabilities (Day 2000) Consequently, corporate-brand-management who develop such capabilities are perhaps more likely to continually challenge established practices, sense new market opportunities and create economic value more quickly for their customers, partners and their shareholders (Gibbert, Leibold and Probst 2002).

Build stakeholder value and brand alignment

Corporate brands with a reverse-market orientation must build strong and authentic relationships with multiple business partners in their value network, not just customers. They must regard such partners as valid and trusted co-creators of overall corporate-brand value. This perspective demands high levels of transparency in their procedures for corporate governance, communications and behavior. For partners, corporate brand management must promote new forms of mutual collaboration and value exchange, particularly in respect of the customer knowledge generated by the reverse-market orientation. By creating broader insights into customer needs and requirements, corporate-brand-management can help network partners to increase the context and relevance of their products and marketing to individual customers. This provides opportunities to operate high performance markets and market exchanges. Creating these forms of partner collaboration and trusted relationships requires corporate brand managers to accept that the boundaries between organizations, their partners and individual customers are disappearing.

Customer, brand and partner exchanges are turned into valuable assets through advanced customer knowledge and network-management capabilities. The core asset of customer (and partner) knowledge enables corporate brand management with a reverse-market orientation to continually generate problem-solving solutions, to constructively challenge accepted established practices and to sense and respond to new opportunities with customers and partners.

Maintain the brand promise, positioning and values

Corporate brands with a reverse-market orientation display values that are aligned with the organization's ability to meet the new drivers of customer value. They must have an explicit and consistent corporate-brand promise (Balmer and Gray 2003), supported with new corporate performance indicators that measure the delivery of customer success or the ability of the organization to resolve customer problems.

In reverse-market organizations, both the brand covenant and customer performance indicators are more transparent and open. Rather than a fixed set of guidelines for employees to follow and for communications to consistently reinforce, these brand values are a natural by-product of human capabilities, which pervade all other brand constructs and attributes. They underwrite and inform the organization's purpose, behaviors, expectations and activities. Notably, all values are driven by consensus and are co-created and nurtured by stakeholders who have a mutual interest in the brand's continued success.

Summary and contribution

According to the literature, a market orientation entails superior skills in understanding and satisfying customers and has three principle features (Day, 1990):

1. A set of beliefs that puts the customer's interest first (Deshpande, Farley and Webster 1993),
2. the ability of the organisation to generate, disseminate and use superior information about customers and competitors (Narver and Slater 1990), and
3. the coordinated application of interfunctional resources to the creation of superior customer value (Narver and Slater 1990; Shapiro 1988).

Arguably, firms developing a reverse-market orientation are seeking to achieve superior performance in all three dimensions. They are simply attempting to find new ways to build competitive advantage by adapting their existing capabilities and offerings on account of changes in customer behaviour. Although by developing a reverse-market orientation, organizations can find new ways to capture and respond to the new drivers of empowered customer value, it is too early to conclude that the reverse market-orientation represents a distinctive form of the established market-orientation concept

Nevertheless, by focusing on the four reverse-market strategies shown in Figure 2, and as the earlier examples of reverse-market experiments illustrate, organizations can discover new opportunities for customer dialogue, knowledge co-creation, more authentic corporate brand values and, critically, the means to align the interests of a corporation more closely with the changing behavior and knowledge of their customers. In short, reverse-market orientation would seem to represent an effective means of addressing some of the vulnerabilities of corporate brands highlighted here in an age of the empowered and knowledgeable customer. To date, there is little empirical evidence to help our understanding of customer need, participation and behavior in a reverse-market context and more research is necessary to validate the proposition that new customer benefits can be realised by existing corporate brands by exploring these emergent customer value drivers. Equally, studies are required to empirically establish the relationship between appropriate levels of brand trust, privacy concerns and other barriers that may prevent customers from subscribing.

Throughout this article, we have discussed reverse-market orientation in the context of the vulnerabilities of corporate brands and changing drivers of customer value. We have identified a number of organizations that are experimenting with trust-based, reverse-market business models and we have used these as the basis for introducing a framework for corporate brand management choosing a reverse-market orientation. The article provides the academic community with a contribution to the market-orientation and corporate-brand management literatures and the connections between them. For managers, our analysis will help them to evaluate how their organization might benefit from either developing a reverse-market orientation or by participating in a reverse-market network. In either case, they may discover valuable opportunities to unlock the new drivers of empowered customer value.

Notes

1. Autochoiceadvisor has now been integrated into a broader online product recommendations service. This can be found at http:///www.myproductadvisor.com
2. Alaris Medical Systems can be found at http://www.alarismed.com
3. Progressive's auto insurance price comparison service can be found at www.progressivedirect.com

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Lawer, Christopher

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