Good Marketers Know the Score by Professor Malcolm McDonald

In the late 1960s and early 1970s, there was a growing consciousness of the problems that mass consumption brought with it and a movement was formed which quickly found its chroniclers. Books such as Charles Reich's, "The Greening of America", Alvin Toffler's "Future Shock" and Theodore Roszak's, "The making of a counter culture" appeared. The message articulated was basically that the people could no longer be thought of as "consumers", or some aggregate variable in the grand marketing design. Feelings such as these led to a view that capitalism presents an unacceptable face, promoting, as it does, an acquisitive, and materialistic society. As one of the more visible manifestations of such activity, marketing has been singled out, for surely it plays on people's weaknesses and, by insidious means, attempts to persuade the consumer to do things, without which their lives will be incomplete, an argument that involves the notion of the defenceless consumer. This last point deserves close examination, for it confuses needs with wants. But, even worse, any scrupulous marketer must reject the view of defenceless consumers.

No matter what `marketing' is performed, the consumer is still sovereign as long as he or she is free to make choices – either choices between competing products or the choice not to buy at all. Indeed, it could be argued that by extending the range of choices that the consumer has available, marketing is enhancing consumer sovereignty rather than eroding it. It should be noted, too, that although promotional activity may persuade an individual to buy a product or service for the first time, promotion is unlikely to be the persuasive factor in subsequent purchases, when the consumer is acting from first-hand experience of the product.

Several specific issues have formed the focus of the debate on the ethics of marketing. The main concerns include:

- Marketing's contribution to materialism.
- Rising consumer expectations as a result of marketing pressure.
- The use of advertising to mislead or distort.

It is, therefore, important to consider the arguments involved in these discussions.

Marketing, it has been suggested, helps to feed, and in turn feeds on, the materialistic and acquisitive urges of society. Implicit in such criticism is the value judgement that materialism and acquisitiveness are in themselves undesirable. Supporters would argue that marketing contributes to a general raising of the level of consumer expectations. These expectations are more than simple aspirations: they represent a desire to acquire a specific set of gratifications through the purchase of goods and services. The desire for these gratifications is fuelled by marketing's insistent messages. Further, if the individual lacks the financial resources with which to fulfil these expectations, then this inevitable adds to a greater awareness of differences in society and to dissatisfaction and unrest among those in this situation.

The counter-argument here is that marketing itself does not contribute to rising expectations and thus to differences in society; it merely makes people aware of, and

better informed about, the differences that already exist in society. In this respect, it can be claimed that its effects are beneficial, since it supports, even hastens, pressures for redistribution. It can also be argued that materialism is not a recent phenomenon correlated with the advent of mass marketing.

Much of the criticism levelled at marketing is in fact directed at one aspect of it: advertising. Advertising practitioners themselves are fully conscious of these criticisms. These include the ideas that advertising:

- Makes misleading claims about product or services
- Uses hidden, dangerously powerful techniques of persuasion.
- By encouraging undesirable attitudes, has adverse social effects.
- Works through the exploitation of human inadequacy.

Advertisers themselves would point to the fact that advertising in all its forms is heavily controlled in most Western Societies, either by self –imposed codes (such as the British Code of Advertising Practice) or by legislation (such as the Trade Description Acts) and that it cannot by itself achieve sustained patterns of repeat purchase.

The debate about the ethics of marketing also often confuses marketing institutions with the people who work in them. However, it seems a grave error to criticise marketing institutions because of the practices of a small number of unethical marketers. It is clear, for example, that there are advertisers who engage in deceptive practise designed to mislead and possible defraud consumers. Nevertheless, the institution of advertising can be used not only to inform consumers about potentially beneficial new products, such as new energy-saving technologies, but also to promote non-profit community services, such as theatres and state education. This argument can, of course, be applied to all marketing activities.

Closely connected with the issue of the ethics of marketing is the issue of consumerism. Ironically, consumerism is pro-marketing; it wants the marketing approach to business implemented in a sincere rather than cynical spirit. The cynical implementation, which consumerists claim has been too widely practiced, is no better than high-pressure salesmanship or misleading puffery. The sincere implementation of the marketing approach entails respect from each individual consumer served. Better marketing has always emanated from a deep understanding of consumer expectations combined with their right to be informed and protected and their right to quality of life.

The marketing of children's toys provides an example of customers, consumers and company objectives can all be satisfied by careful business practice. The successful toy companies of today are those which inform parents that their products are not particularly dangerous, not coated with lead paint, and not destroyed an hour after they are first pressed into active service.

Secondly, Michael says "less than one fifth of the world's population has real discretionary income". If we read Sir Paul Judge's inaugural RSA lecture (15th October 2003) we would see that there is a benign change taking place, impeded, alas by politicians. "If Africa, East Asia, South Africa and Latin America were allowed to

increase their share of world exports by 1%, the resulting gains in income could lift 128 million people out of poverty. In Africa alone, this would generate \$70 billion, about five times what the continent receives in aid..... The West has extensive tariffs on raw materials and textiles, the very items that developing countries can export.....The developed world pays itself about \$1 billion a day in agricultural subsidies, five times as much as it gives in aid. An EU cow gets a subsidy of \$2 a day in a world where 800 million people live on less than a "dollar a day". So against such odds, the argument about marketing pales into insignificance!!

Thirdly, we are all, surely, aware of Hugh Davidson's research into the values and vision of 125 continuously high-performing enterprises from the USA and UK (The Committed Enterprise, Butterworth-Heinemann, 2002 – 70 business, 27 education, 12 hospitals/police/military, 16 arts/charities/religion). Companies like Shell get their just deserts when they ignore the power of the consumer.

Lastly (and briefly), Michael says: "the postmodernists are threatening that world". My view is that, postmodernism in marketing is an invention. Indeed, Stephen Brown's usual response to the question "What is postmodernism?" is "postmodernism isn't". I believe it is artificial and arbitrary. It amuses some academics and deeply impresses others.

However, this isn't the place to argue this one and in any case, I shall be given the opportunity to share my views on a topic of my choice in a future viewpoint.

My conclusion? Thanks to Michael for asking some serious questions, but I believe successful marketers and marketing institutions have already embraced these ideas.