

Marketing and definition

[Business](#), [Marketing](#)



The article first describes the concerns about the 2004 offering and then traces the process taken by the AMA to consider these issues and revise the definition. The authors conclude that the new definition addresses many of the major issues with the 2004 definition that had been identified by scholars contributing to the special section. They highlight several positive qualities of the new definition and describe how these attributes have the capacity to enhance marketing scholarship and practice into the future.

Keywords: marketing, definition, American Marketing Association in 2004, the American Marketing Association (AMA) issued a new official definition for the marketing field, one that modified and replaced the definition issued nearly 20 years earlier, in 1985. ¹ In 2004, the AMA's definition of marketing read as follows: Marketing is 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.

The 2004 definition generated considerable interest (both positive and negative) on the part of scholars and practitioners. Apart from commentary by practitioners, several scholars expressed their views informally as well as more formally through dialogue held at a series of well-attended special sessions at three major AMA conferences as well as non-AMA conferences. Some academics also communicated privately with relevant stakeholders in the AMA in an ¹ The AMA's 1985 definition defined marketing as "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 goals." These special sessions included the <https://assignbuster.com/marketing-and-definition/>

2005 Marketing and Public Policy Conference (Gangland 2005), the 2006 AMA Winter Educators' Conference, and the 2007 AMA Summer Educators' Conference. For example, a symposium, Does Marketing Need Reform? Steed by Aguish Sheet and Raja Cissoids and sponsored by the McCollum Graduate School of Business, Bentley College, was held August 9, 2004, in Boston. Essays based on the symposium appear in a book by the same title, edited by Sheet and Cissoids (2006). Many contain commentaries on Mama's 2004 effort to facilitate and encourage interaction and dialogue pertaining to the section of the fall 2007 issue of Journal of Public Policy & Marketing POP) titled " The American Marketing Association's 2004 Definition of Marketing: Perspectives on Its Implications for Scholarship and the Role and Responsibility of Marketing in

Society," invited by Editor Ron Hill. The special section presented nine essays by scholars in the field of marketing, some of whom had spoken at the special conference sessions and others who submitted contributions in response to the published call for papers. 5 Although the essays reflected varying perspectives and included positive assessments of some elements of the 2004 definition, several common concerns were identified in the contributions contained in the special section (see Gangland 2007).

Prominent among these concerns was the notion that the 2004 definition characterized marketing as overly narrow in its domain and respective. In particular, some contributors expressed their concern that defining marketing narrowly as an " organizational function and a set of processes" excluded from the domain of marketing both its systematic and its

aggregative features, as well as the institutions, actors, and processes beyond the organization that have definition (e. G. , essays by Grove, John, and Fish 2006; Gangland 2006; Willie 2006).

In addition, commentary can be found in Lush and Fargo (2006) (e. G. , essays by Lacking 2006; Lehmann 2006; Levy 2006; Willie and Moore 2006). Three of these people? Shelby D. Hunt, William L. Willie, and Debra J. Ringing (as AMA chairperson) ? were especially involved in the facilitation of this process. Edited by Gregory T. Gangland (2007), the special section contributors included Debra J. Ringing and Barton A. White, Robert F. Lush, William L. Willie and Elizabeth S. Moore, Shelby D. Hunt, George M. Zinnias and Brian C.

Williams, David Glen Mice, Clifford J. Schultz II, and Aguish N. Sheet and Can I-Slay. *Journal of Public Policy & Marketing* Vole. 28 (2) Fall 2009, 259-264
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Mama's New Definition of Marketing long been recognized to be vital parts of marketing. Defining marketing in a way that captured all the constituents involved in marketing was considered essential to any definition. An inclusive marketing definition was also considered important given the inconsiderable historical body of academic marketing scholarship

that focused on marketing systems, as well as the current scholarship being undertaken by researchers studying various elements of the impacts of marketing in society.

From a more practical perspective, some contributors also questioned whether, in the face of addressed marketing's role and responsibility in society in ways that could adequately inform and provide guidance to marketing practitioners and others interested in this field. In other words, the essays contained in the special section offered provocative observations about the Mama's 2004 definition of marketing and advanced insightful perspectives on its implications for scholarship and the role and responsibility of marketing in society.

Although the precise impacts of the conference sessions, book chapters, JP&M special section essays, and other activities in motivating AMA to revisit its 2004 version are unknown, the process of reviewing and then revising the definition began, culminating in the adoption of a revised official definition in late 2007. ⁶ The new 2007 AMA definition is as follows: Marketing is 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.

The Process of Change The Mama's 2007 definition of marketing is the eventual outcome of work by an ad hoc subcommittee to review the 2004 definition, appointed in May 2006 by Mike Lott', then chairman-elect of the Board of Directors of the AMA and chairman of the Governance Committee. ⁷ According to Loti and Subcommittee Chair Donald Lehmann (2007), the

committee, comprised of representatives from both academia and practice, began the review process by establishing three critical goals for the view and potential revision of Mama's definition of marketing: transparency, broad participation, and continuity.

To accomplish these goals, the committee took into account the input of a broad section of the AMA association membership (Loti and Lehmann 2007). As part of this process, two Internet surveys of AMA members were conducted (Kef 2008). In addition, some committee members attended marketing events to listen to presentations and network with marketers to gain feedback on the 2004 definition and report on all the activities that the term "marketing" appeared to encompass (Kef 2008).

The committee's process was furthered by publication of the review and encouragement of AMA members to provide input through feedback through Mama's publication Marketing News and the e-mail surveys to members (Loti and Lehmann 2007). The first of the two Internet surveys, created by Jimmy Paltrier, was sent to 20, 116 AMA members on March 7, 2007. It asked members to review the 2004 definition and indicate what they liked best about it and what, if anything, they would change (Kef 2008). The survey generated 2500 responses (12. 4% response rate) and provided valuable input to the committee (Kef 2008).

According to then-chairman Loti and Committee Chair Don Lehmann (2007), the committee had the option to affirm the 2004 definition or produce a revised one, and it chose to revise the definition on the basis of member input. A second survey, sent out on May 16, 2007 to 20, 006 members,

offered a draft of a revised definition of marketing and asked for feedback regarding the wording of the revision (Kef 2008). 8 Included in the introduction was a fairly detailed rationale from the committee for the modifications (Willie and Moore 2007). The subsequent mail survey received 1024 responses (5. Response rate) and provided further input practitioners, included Shelby Hunt (Texas Tech University? at-large member), Don Lehmann (Columbia University? committee chair), Wayne McCullough (Daimler- Chrysler? at-large member), Jimmy Paltrier (University of Wisconsin, Whitewater? collegiate chapters council), Rice Sweeney (University of Cincinnati? professional chapters council), Joan Trainman (M/A/R/C Research? marketing research council), William Willie (University of Notre Dame? at-large member), Becky Younger (American Marketing Association), and George Zinnias (University of Georgia?

Academic Council) (Loti and Lehman 2007). That definition captured marketing as follows: " Marketing is the activity, conducted by organizations and individuals, that operates through a set of institutions and processes for creating, communicating, delivering, and exchanging market offerings that have value for customers, clients, marketers, and society at large. " Whether Mama's new definition now adequately reflects the field of " marketing" is a worthy issue to address.

In this short essay, focusing on the aspirations advanced by scholars for a definition of marketing that (1) is inclusive of the larger domain of racketing, (2) adequately captures the alternative perspectives of those who occupy this domain, (3) reflects extant scholarship in the academic field of

marketing, and (4) adequately informs and provides guidance to marketing practitioners and others as to marketing's role and responsibility in society, we examine the definition of marketing proposed by AMA in 2007. In our examination, we first report on the process employed for its development and then reflect on its ambit and content. Explanations seemingly differ as to the impetus for the AMA's decision to undertake a review of its 2004 definition only two years after its announcement. According to Willie and Moore (2007, p. 274), the decision was made in response to concerns about the process by which the 2004 definition was reached and promulgated? in particular, ad hoc changes by AMA leadership to the original committee's proposed 2004 definition (" In response to the process issues, the AMA developed a new and more transparent procedure for reviewing and prospectively revising both the official definition and the AMA's code of ethics for marketing.). According to Kef (2008, p. 29), a five-year review cycle for AMA definitions was decided on during its review eating up to the 2004 definition (" At that time, the board decided to set a schedule that would require a review of the definition every five years and create a formal process for doing so'). Others suggest the impetus for change arose from concerns with the content of the definition (Gangland 2007).

Journal of Public Policy & Marketing 26:1 As Willie and Moore (2007) and Kef (2008) report, several elements of the two surveys' results are illuminating. In the first (March 2007) survey, findings included the following: (1) More than 2500 AMA members responded to the survey, a strong indication of interest in this subject; (2) overall, reaction to the 2004 definition was good,"

and 46% rated it as " good," but 23% rated it as " very poor;" (3) a direct comparison was requested for the 2004 definition versus the 1985 version.

The 2004 definition emerged as the winner: " much better" by 28% and " better" by 30% versus " much better" by 8% and " better" by 21% for the 1985 definition; and (4) in addition, many respondents provided extended open-ended responses critiquing the definition and providing their suggested inputs. (Willie and Moore 2007, p. 274) Based on the responses, members liked the way the tincture definition (as was approved in 2004) incorporated terms like " processes," " relationships," " set" and " organizational function. On the other hand, in terms of changes they would make (either additions or deletions) the top vote-getters were " transaction," " user," " organizational function," " organization," " definition," " processes" and " stakeholder. " Interestingly, at least as many people seemed to dislike the word " organizational" as liked it. (Kef 2008, p. 9) In the second (May 2007) survey, respondents were told that the results of their moments and committee discussions led to the following revised definition: Marketing is the activity, conducted by organizations and individuals, that operates through a set of institutions and processes for creating, communicating, delivering, and exchanging market offerings that have value for customers, clients, marketers, and society at large. Through inclusion of its rationale for proposing a revision to the 2004 definition, the committee provided insight into its findings. 9 As Willie and Moore (2007, p. 75) report, these findings include the following: 1. The phrase " Marketing is an organization function" in the 2004 definition was seen to be too strongly associating marketing with a departmental " company silo. " Since it is limiting, we dropped the term "

organizational function. " 2. The 2007 definition substitutes " Marketing is the activity, conducted by organizations and individuals," which recognizes that marketing is an " action word. " That is, marketing is something that organizations (including both formal marketing departments and others in organizations), as well as individuals (e. . , entrepreneurs and consumers), engage in or do. Thus, the definition points out who (I. E. Organizations and individuals) actually conducts (I. E. , guides or directs) the activity called " marketing. " 3. The 2004 definition included the phrase " a set of processes," but is ambiguous as to who is engaged in the processes. The 2007 definition substitutes " a set of institutions and processes," which acknowledges that institutions such as manufacturers, wholesalers, retailers, and marketing research firms are an important part of marketing.

The phrase " institutions and processes" implies that marketing systems such as channels of distribution are a part of marketing as are social processes (e. . , regulations and norms). Ewe recognize Shelby D. Hunt for the primary elements of this rationale. 4. The 2004 definition included " creating, communicating, and delivering," but not " exchanging. " Exchange was a central construct of the 1985 definition. The 2007 definition thus captures this historical focus of marketing. Because the 2007 while it acknowledges that exchange continues to be an important part of marketing, it does not make it the central focus. . The 2004 definition included " value" but left the concept ambiguous. Indeed it may be argued that organizations do not " create" alee at all. We focus on market offerings (I. E. , " ideas, goods, and services," as the 1985 definition put it) that have value (to someone). 6. The 2007 definition maintains that organizations create,

communicate, deliver, and exchange " market offerings that have value," which clarifies what, specifically, is being created (I. E. , market offerings). 7.

The 2004 definition indicated that organizations create to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. " However, marketing creates market offerings that have value to those ho are not " customers. " Also, " managing customer relationships" inappropriately elevates the strategy of " customer relationship management" to such prominence that this one, particular, strategic thrust becomes a part of the very definition of marketing. 8. The 2007 definition maintains that market offerings have value for " customers, clients, marketers, and society at large. " a.

Adding " clients" acknowledges that nonprofit institutions such as the United Way and the Girl Scouts engage in marketing. Such organizations do not see themselves as having " customers. " Rather, they have clients. B. Adding " marketers" acknowledges that those organizations and individuals that do the marketing benefit from the created, communicated, delivered, and exchanged market offerings. C. Adding " society at large" incorporates the 2004 definition's concept of " stakeholders" and acknowledges the aggregated nature of marketing across competing organizations that impels innovations, improvements, and price competition.

Creating market offerings that have value benefits society, as do communications about, and the delivery of, marketing offerings. In short, the practice and activity of marketing benefits society. Although detailed results of the second survey were not released by the AMA, according to Willie and

Moore (2007), member reactions to the 2007 proposed definition were positive, with many respondents sharing suggestions for improvements. With their research and the survey results in hand, in June of 2007, members of the AMA Governance Committee brought their 2007 proposed definition before the AMA Board of Directors (Kef 2008).

After formal consideration of the new definition, the board failed to approve the ad hoc subcommittee's recommended definition, instead providing comments for changes and requesting that the becoming submit another revised definition for further consideration. The subcommittee subsequently revised its original proposed 2007 definition and submitted a revised version of it to the board. The board's feedback resulted in minor changes to the definition (Kef 2008). The revision dropped the words " conducted by organizations and individuals, that operates through" and " marketing. Thus, the 262 Mama's New Definition of Marketing subcommittee's revised 2007 version of its proposed definition read as follows: Marketing is the activity, set of institutions, and processes for creating, linens, marketers, and society at large. Subsequently, but before its June 30 deadline, the board did not reach a quorum of votes on a resolution that asked whether to adopt the subcommittee's resubmission (Gangland 2007). However, at its October 2007 meeting, the AMA Board of Directors voted to approve the subcommittee's revised 2007 definition as the new 2007 definition of marketing (Loti and Lehmann 2007).

On December 17, 2007, the AMA announced its new 2007 definition of marketing in a letter communicated to the AMA Academic Council and

subsequently published it on the AMA Web site. It also announced the new definition through its December 24, 2007, edition of ELMER, the Mama's electronic messaging board. A subsequent 2008 article in Marketing News by then-Editor Lisa Kef showcased the new 2007 definition and the process leading to its proposal and adoption (Kef 2008). The 2007 definition of marketing is now available on Mama's Web site (see [http:// www. Marketing's. Mom/About/Pages/ Definition Marketing. Asps](http://www.Marketing's.Mom/About/Pages/DefinitionMarketing.Asps)). In reflecting on the important substantive changes in the 2007 definition of marketing, then-AMA Chairman Michael A. Loti noted its " very inclusive" nature and that " it also recognizes explicitly the roles of non-marketers to the marketing process, whether they are the customer, channel partner or government agencies who regulate marketing" (Kef 2008, p. 29). Loti further noted that under the new definition, " marketing is also ascience, an educational process [and] aphilosophy, not Just a management system" (Kef 2008, p. 29).

Reflecting similar sentiments, Committee Chairperson Donald Lehmann observed that marketing was now defined " broader than the company' and that the new definition " allows that one can market something either to do good or to take into account to mom extent society at large" and that " its not the exchange of moneyfor only the shareholder welfare" (Kef 2008, p. 29). CERN and distinguish it in ways that are common to members of the field it represents and supported by their consensus. Examined against the major goals of the scholars who contributed to JP's special section, much can be said for Mama's new definition.

These goals include that any definition of marketing should (1) be inclusive of the larger domain of marketing institutions, actors, and individuals involved in marketing; (2) capture the varying perspectives of these constituents; (3) reflect extant scholarship in the field of marketing; and (4) address the role and responsibility of marketing in society. Defining marketing as an " activity, set of institutions, and processes" captures the larger domain of marketing beyond the firm and reflects its systemic nature.

It acknowledges that the field of marketing includes (1) the activities of individuals (marketers and consumers) and organizations (e. G. , manufacturers, wholesalers, retailers, advertising agencies, distributors, marketing research firms), (2) the institutions that both individually and collectively help facilitate and govern these activities (e. G. Governmental agencies, legislators, courts, professional associations, social norms, ethics and individual values), and (3) the various processes that result from these activities (e. G. Networks, systems, markets, channels of distribution, communicationflows, consumer processes). 10 Defining the perspectives of those involved in marketing. It expresses that the perspectives of those engaged in its activities, held by its institutions, and captured through its processes are a part of marketing. Finally, defining marketing to " have value for customers, clients, marketers, and society at large" addresses the role and accessibility of marketing in society. It expresses that marketing does and should have value not only for customers and the firm but also for others, including society at large.

In meeting these goals, the Mama's 2007 definition of marketing has the capacity to enhance marketing scholarship and practice into the future. The Aggregate Conception of Marketing By including the larger domain of marketing (I. E. , an aggregate conception of marketing), the new definition will help those who use it recognize the true scope and significance of marketing (see, e. G. , Willie and Moore 1999). The dominant focus of rmarketing thought has increasingly narrowed in scope over time as an emphasis on managerial marketing, and scientific research methods have come to dominate marketing scholarship and practice (Willie and Moore 2003).

Defining marketing at an aggregate level helps reveal the added presence and contribution of the many activities, institutions, and processes of marketing beyond a single firm and its managers that constitute its domain. Adopting an aggregate conception of marketing also holds the prospect of opening marketing to further expansion of its scholarship and practice. For scholarship, an aggregate conception of marketing permits expanded analyses of topics not easily captured with a focus on a single firm. Adopting the larger domain of marketing can also enhance instruction (at all levels). For practice, adoption of IOW are indebted to Shelby D.

Hunt for an elaboration of these examples. Perspective and Commentary As Gangland (2007) explains, the importance of a definition for the field of marketing cannot be overstated. Standing alone, the definition explicates the scope and content of that which it defines, fixing its boundaries, describing its subject matter, and capturing its varying perspectives.

Furthermore, a formal definition by a leading repressions organization, such as the AMA, is important given that it can provide an authoritative statement of meaning that attaches to and explains the nature and essential qualities of marketing.

In application, such a definition can provide clarity and direction to others, including students, scholars, practitioners, members of other disciplines, public policy makers, and the public at large, making clear what might be otherwise obscure and indefinite. A consensus definition by such an organization also has the capacity to enhance communication and understanding of marketing by helping digs- 263 activities, institutions, and processes in ways that not only can affect a single marketer's performance but also may help the marketer identify opportunities for new undertakings.

Finally, the adoption of a definition that includes the aggregative aspects of marketing holds the prospect of expanding the points of contact that marketing can have with other disciplines. An Inclusive Perspective of Marketing By being inclusive of the perspectives of entities that occupy the aggregate domain of marketing, the new definition will also help demonstrate marketing's dependence and commitment to entities beyond the firm and its managers.

Defining marketing as inclusive of these other perspectives does not limit its focus to managerial concerns but instead helps position marketing as inclusive of and sensitive to other viewpoints and interests. Recognition of alternative viewpoints and potentially different perspectives is important for anyone involved in marketing. The inclusion of added perspectives for

marketing also holds the prospect of opening marketing to further expansion of its scholarship and practice.

Additional viewpoints can facilitate enhanced understanding of marketing issues in ways that otherwise might not be identifiable or obtainable when viewed solely from the internally driven perspective of a firm. Multiple perspectives are also likely to help yield higher-quality solutions to these issues that are more broadly accepted by others. Management but the other spinelessness of marketing thought as well. It paves the way for thoughtful deliberation of definitions of these subfields, including "marketing management" and "marketing and society," among others. L It also positions marketing thought and practice for the future by equipping scholars and practitioners with the capacity to address the ever increasing complexity of rmarketing. For the AMA, the new definition helps demonstrate the leading professional association's commitment to all those involved in marketing. The new definition better positions the AMA to address "responsibility'-oriented questions regarding the role and responsibility of professional associations that have surfaced in other disciplines (e. G. , accounting, finance).

The definition also helps the AMA better represent actual "marketing" through the activities and services it provides. Finally, the definition can aide the AMA in furthering its role as a "thought leader" by encouraging an encompassing view of marketing for scholarship and practice. Conclusion In our view, in 2004, the AMA made an unfortunate decision to narrowly define marketing as a managerial activity focused totally on, and essentially

conducted for, the benefit of the firm (and the firm's definition of " its stakeholders" 12).

It was our reaction and that of many others that the Mama's 2004 definition was actually a definition of " marketing management," not of the larger field of marketing itself. Several thoughtful scholars agreed with our reaction and discussed the need for change at AMA conferences and in a special section of JP&M. Many additional thoughtful members of the field listened to or read these positions and registered infrastructure for thought development (e. G. , conferences, e-mail, Journals? especially JP&M in this instance) in facilitating this interaction and reflection.

In a relatively short period (three years), the AMA transformed its definition to an inclusive view of marketing that, while still recognizing the central role of managerial practices, also recognizes the larger domain and perspectives of others in the field, as well as marketing's broader role and responsibility to offer value for customers, clients, partners, and society at large. In doing so, the AMA has well reflected its position as the leading professional organization in the field.

It has made not only an important statement about marketing and its values but also an important commitment to inspire those values among others. We applaud the efforts of all those involved in this central issue for the field.

Roles, Impacts, and Responsibilities of Marketing The new definition also provides guidance to those involved in marketing. By defining marketing to provide value for customers, clients, marketers, and society at large, the

new definition implies that the role and responsibility of marketing is to provide value broadly.

These requirements should help marketing managers understand more fully the implications of their practices by exposing them to the scrutiny of those in occupying domains and holding perspectives beyond the firm. The definition may help marketers avoid or curtail practices that do not provide such value. It may also reveal opportunities for competitive advantage that otherwise might not be identifiable through a more narrow conception of value. In addition, the definition's aggregate view of marketing and its systemic properties easily translates into inceptions of markets and people being affected by marketers' actions.

In this way, the roles, impacts, and responsibilities of marketing are more readily understood as an intrinsic and important issue for study in the field. Overall More generally, by defining marketing to be inclusive of the larger domain of marketing and to more fully capture the perspectives of all those involved in marketing, the new definition positions the discipline to have greater impact overall and into the future. Importantly, it dissuades the view that marketing is only a managerial technology by ensuring a broadened view that includes not only marketing

We express our appreciation to Robert F. Lush for this thoughtful observation. A discussion of the " stakeholder" concept in relation to marketing and society is scheduled to appear in the Spring 2010 JP&M special section " Stakeholder Marketing: Beyond the Four As and the Consumer," edited by C. B. Apothecary (Boston University). The JP&M special section is outgrowth of the Stakeholder Marketing Consortium

([http://stakeholder. Buy. Du](http://stakeholder.buy.du)), a collaborative project between the Aspen Institute's Business and Society Program and Boston University and supported by the Marketing Science Institute.