

# MARKETING AS A POLICY SCIENCE: AN AUSTRALASIAN VIEW

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## Abstract

*The immediate post war period saw a confidence in statist policy intervention. In the anglophone world this was particularly the case in Australia and Britain. The concept of policy sciences was developed as a multi-disciplinary, problem solving, explicitly normative approach to the under-standing and managing of the policy process. Disillusionment with state based approaches to policy solutions led to a rise of market-based policy solutions, and demise for the original policy sciences project. The original state-based policy tools were replaced by market-based policy tools. However, the market-based discipline of marketing has thus far not been explicitly included. This paper argues that marketing should be considered a policy science and has much to offer as a tool in the policy process.*

## The Tradition Of Policy Sciences: The Old Tool Kit

The high level of organization, co-ordination and technical know-how commanded by the victorious allies in World War II inspired a generation of economists and other social scientists to apply similar techniques to the solution of social and economic problems in the immediate post-war period. In the non-North American anglophone world, specifically Australia, New Zealand and Britain, state intervention and state delivery favored by Keynesian economic prescriptions reached their zenith in the 1970s.

State planning needed a "visible hand" to guide it and it was to this end that the original conception of the policy sciences approach was developed.

The progenitor of policy sciences was the American academic Harold Lasswell, who devoted twenty years from the early 1950s on to the policy sciences project (see Lasswell, 1951, 1970, 1971). Lasswell found there were three key requirements for policy sciences. These were that policy sciences be: Multidisciplinary; Problem-solving.; Explicitly

normative (Lasswell, 1951, pp3-15).

Lasswell's project didn't founder altogether in the years that followed, but certainly took on a lot of water; the old tool-kit looked decidedly rusty. Policy problems remained unsolved, and indeed deepened. Practitioners and academic commentators alike found themselves increasingly disillusioned with state based approaches to policy solutions. Pressman and Wildavsky's seminal study found the policy process and specifically policy implementation wanting. (Pressman and Wildavsky, 1973). Similarly Nelson asked "if we can land a man on the moon, why can't we solve the problems of the ghetto?" (Nelson, 1977, p13).

Given this change, the old tool-kit was considered wanting in as much as for what it contained. But was the tool-kit itself wanting, or did it just need to be re-kitted?

## From State To Market: The New Tools Needed

From the mid-1970s on academic discussion on policy centered on debate about whether the state or the market was best equipped to delivery policy solutions. The charge for an increased utilization of market solutions was led by a variety of economists and other social scientists, most prominently from the Chicago and Austrian Schools. These Schools directly influenced politicians and non-elected policy makers alike.

Tagged the new right they were embraced by the administrations of Margaret Thatcher in Britain and Ronald Reagan in the United States. In Australia Labor Prime Minister Bob Hawke and treasurer Paul Keating and in New Zealand Labour Prime Minister David Lange and Treasurer Roger Douglas implemented radical policy change in accord with new right views on favoring market solutions over state solutions.

Radical change followed in the size, role and composition of public bureau. The post-war

consensus on statism mentioned above had allowed public bureau and public budgets to grow to their greatest historical levels in Australia, through the application of new right prescriptions growth was to be arrested and reversed. These prescriptions included:

Cutback management of public bureau reducing budgets, resources and staff numbers.

Public bureau cease supplying any private goods whether in competition with the private sector or not.

User-pay arrangements where users, usually without subsidy or at cost, pay for consumption of public goods provided by public bureau.

Contractual delegation of functions from public bureau to private sector suppliers.

Termination of public sector activity, allowing market forces to determine if the resultant gap should be filled or not by private sector activity.

Removal of regulations hampering competition on both an intranational and international basis.

Sale of public bureau and public assets to the private sector, especially of utility and telecommunication suppliers.

For policy sciences the tools in the kit needed to be radically altered to suit the changed conditions. Most obviously there has been a skill convergence between the public and private sectors, something predicted in 1967 by Galbraith and termed the "technostructure", the flow being from specifically public sector skills to generically private sector skills.

In policy terms the transition is from government to governance. The distinction here is that government implied a set of institutions both delivering and coordinating policy. Due to the retreat from the state, the substance of government is hollowing out. Governance however, is a process that does not rely on a binary model of public and private sector differentiation. Governance can be undertaken by agents and/or agencies from either sector, much of what was assumed to be the pure domain of the public sector is increasingly undertaken by the

private sector.

### **A Place For Marketing In The Policy Tool Kit?**

While as noted above, much of private sector management technique has now colonized the public sector, by no means has this been *all* of private sector technique. Private sector management technique has been limited to the discipline of management *per se*. Other areas, such as accountancy, statistics, information systems, human resource management, law, economics and finance have largely fused public and private concerns, with the private being dominant.

The one discipline commonly overlooked as a contributor to policy sciences in the changed environment is marketing. A survey of the *Australian Journal of Public Administration* from 1966 to 1998 found no articles specifically on marketing, but found a management based article in almost every edition (unpublished, by the author). Similarly a survey of thirty leading books on policy and administration published between 1985 and 1998 found no references to marketing, despite an increasing propensity to reference markets and marketization (unpublished, by the author). So what does marketing have to offer and why is marketing being overlooked?

To deal with the second part of this question first, in the policy constituency as in a range of other discipline based constituencies; marketing is commonly misrepresented and/or misunderstood. Marketing is often presented as being wholly one or more of its component sub-disciplines rather than a whole process. Marketing is most commonly limited to being seen as one or more of the following; sales, promotions, advertising, public relations. Functionally and organizationally this reduces marketing to a small and even optional role, especially in non-trading bureau; that is those bureau with no obvious and/or tangible product to sell. For the policy sciences tool-kit, marketing is either not included or is not considered important.

This narrow and limiting view of marketing ignores forty years of development in the discipline. Since 1954 marketing has been called on to be a whole of business, whole of organization

approach.(Drucker, 1954) From the late 1960s marketing discourse has broadened in concept to the study of all exchanges, whether for profit or not. (Fine, 1992; Kotler, 1989). In the 1980s and 1990s marketing discourse has entered new territory which was previously the exclusive domain of psephologists, political scientists and public choice economists. This was the study of political choice behavior, election campaigns, and politics generally (see Fine, 1992; Newman and Sheth, 1987). In part this development followed the recognition that marketing as a practice had played a key role in politics at least since the 1950s. As politics is a key part of the policy process, this also reinforces the link between marketing and policy sciences.

Now to deal with the first part of the question and the inquiry central to the purpose of this discussion, what does marketing have to offer policy sciences? There are two key points to cover to give an adequate answer. First, as the foregoing implies, marketing is an essential and broad concern that should permeate all levels of all organizations (after Drucker, 1954). Second and germane to Lasswell's (1951) prescription for policy sciences to be multidisciplinary in nature, marketing offers a different set of skills and way of seeing to other disciplines. Marketing also fits in with Lasswell's prescriptions as being problem solving and normative.

To flesh out the second point it is useful to consider marketing as a tool within the context of the policy cycle. Lasswell (1951) suggested that an understanding of the policy process was easiest to attain through considering policy as a sequence or cycle; intelligence, recommendation, prescription, invocation, application, appraisal and termination. Since Lasswell a wide range of writers have followed the cycle or sequence model for policy, using a variety of labels for the constituent parts. The labels used by Howlett and Ramesh (1995) have fairly broad acceptance and common currency; issue identification, policy analysis, policy instruments, policy consultation, policy coordination, decision making, implementation, evaluation.

To further elaborate on what marketing has to offer it is worth briefly considering each policy

label in turn:

**Issue identification:** Marketing offers an established and proven set of social intelligence gathering techniques developed primarily for market and consumer research. These include polling, surveying, and focus groups. Intelligence that is gathered systematically using these techniques can greatly benefit policy processes. This is especially so in offering proactive rather than reactive responses and in the early identification of areas for policy attention.

**Policy analysis:** Following from the above, marketing has a well-developed mode of analysis especially for quantitative data. While similar to economic techniques for analysis, the marketing approach offers a different perspective particularly on matters of public opinion, values and behavior.

**Policy instruments:** Of the four key policy instruments, money, law, advocacy and government action (Hood, 1983) marketing offers most to the last two. Marketing has a key role in advocacy of communicating, educating and persuading the public in a policy matter. In terms of government action, the direct delivery of services to the public by public bureau or contracted agencies, marketing has much to offer in terms of client focus, consumer satisfaction, and service quality and design.

**Policy consultation:** Marketing has a communication bias which has ready application to the consultation process for each of six areas identified by the OECD (1994, pp6-9); supporting democratic values, building consensus and support, improving quality through information collection and analysis, reducing costs, quickening responsiveness, strategic agenda setting.

**Policy coordination:** There are five key underpinnings to policy coordination - policy congruity, equity, ethical official behavior, adherence to process and procedure, and projecting an appropriate public image. Marketing has a particular and obvious role in the latter as a tool for image building and maintenance. Marketing qualitative research

techniques can and have been used to measure ethical dimensions of public service. Policy decision: At this stage the marketing perspective should be clearly set out and considered, with a key question being "can we, and if so how can we, 'sell' this decision?" If a decision can't be sold to the public it either needs to be reformulated or abandoned altogether. This doesn't mean that tough decisions should be abandoned, rather that extra care should be taken in their design and presentation.

Policy implementation: Again the communication aspect of marketing comes to the fore, as adequate communication is an essential part of the implementation process (as in Gunn's [1978] ten conditions for perfect implementation, point nine).

Policy evaluation: Utilizing marketing techniques in a whole of policy process perspective allows a marketing based evaluation, particularly on perceptions of process and outputs. Testing the perceptions of both participant practitioners and the target public allows for a valuable and distinctive perspective from that of the common accounting and economic based evaluation tools.

For all eight of the foregoing it should be reinforced that marketing is an additional tool for the tool kit, to be used in conjunction with the tools already included rather than to replace any or all of them.

## **Conclusion: Marketing As A Policy Science**

As was suggested earlier, due to changed conditions and especially the supplanting of state based activity for market based activity in the policy process, Lasswell's policy sciences project had taken on water but had not foundered. In the 1990s there has been a renewed interest in Lasswell's concept that may yet re-float policy sciences as a major contributor to the policy process (see, for example, Howlett and Ramesh, 1995, pp2-15). As also noted above the constituent tools for policy sciences? multi-disciplinary approach need to be reviewed and

changed, and this has practically happened in matters of management, accountancy, statistics, information systems, human resource management, law, economics and finance.

The missing market based discipline has to date been marketing, at least in terms of explicit inclusion. In many regards marketing has been a key practice and set of techniques utilized in parts of the policy process for several decades, especially in public bureau involved in trading and also in the political process. But this relationship has been limited and not all encompassing as a whole of process approach, as first advocated by Drucker (1954).

Marketing has much to offer each component part of the policy cycle. For a policy environment facing unprecedented change and increasingly complex social and economic conditions with a multitude of attendant problems, marketing offers a fresh approach and unique contribution. Marketing should now be considered a policy science and employed as such.

## **References**

Available upon request.