The Rise of Marketing

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Abstract

Marketing and sales have existed in some form for centuries, but it was in the twentieth century that modern marketing management emerged as a distinct field of study and profession. This chapter narrates that development with reference to marketing practice, academic research, and education, to show how ideas about the scope of marketing broadened, particularly during the decades after World War II. In particular, this chapter examines the ideas from services and relationship marketing that first emerged during and before the 1980s.

Keywords

Marketing · Sales · Education · Textbook theory · Professionalization · Brands · Services · Relationships · Customers

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Introduction

Marketing can be defined in numerous ways – many definitions exist, and the various textbooks and professional bodies each have their own explanation. To understand what marketing means for managers, this chapter shall use one of the most up-to-date (at the time of writing) definitions by a professional body:

> 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. (American Marketing Organization 2017)

Most academic interpretations make a similar point (understandably as good academic research both reflects and informs marketing management practices, as highlighted later in this chapter). Thus, the modern-day understanding of marketing is of a management process and is about exchanges with customers and other stakeholders (individuals and organizations) internal and external to the organization, including regulators, affiliates and strategic partners, suppliers, competitors, residents, employees and internal departments ("internal marketing"), and others relevant to the context of the organization concerned (Buttle 1996; Godson 2009).

This chapter summarizes the history of marketing, synthesizing some of the key literature. The theory has evolved toward a multi-stakeholder perspective in which service and relationships are given as much significance as product design and advertising. Marketing can be considered as a heterogeneous and nuanced subject and that there is still much to be discovered. As with other areas of management history, temporalities and geographies are very important, as are firms, their customers, and other stakeholders. Unlike some papers on the history of marketing, this chapter does not attempt to box off distinct "eras of the economy." Readers wishing for such a temporal framework should see, for example, the papers by Keith (1960) who identified distinct paradigms firms had gone through up to that point – the production era, the sales era, and the marketing era – or by Bartels (1988) who charts the twentieth century into seven distinct marketing "periods," from "discovery" to "socialization." Gilbert and Bailey (2001) looked back even further to identify four eras: Antecedents (1500–1750), Origins (1750–1850), Institutional Development (1850–1930), and Refinement and Formalization (1930–present). Jones and Shaw (2002) also produced a detailed synthesis of the history of marketing thought which is also useful and based on a much looser framework, but is from the perspective of US economic history, rather than management history more generally. Indeed, Hollander et al. (2005) compare 28 attempts at periodizing marketing history, and although they offer suggestions to how to periodize research in marketing, their paper highlights the limitations and complexities of such an approach. This chapter thus presents a narrative of the marketing history that has clearer links to management history and less emphasis on trying to define distinct eras.

In the Beginning

Selling and buying, markets, and commerce can of course be traced back to ancient history. Archaeologists, anthropologists, historians, and sociologists have all studied these things in different contexts and documented their findings. Trade and war are a fundamental part of the story of human beings from prehistory to the present day. The Vikings traveled by sea to discover new lands, and evidence shows that their settlements contained not only items originating locally and from Scandinavia but also contact with Africa and Asia. Similarly, it is known that the Roman Empire stretched across countries and continents. They built roads to transport their military and had clear lines of supply, such as in England where there were many such roads – in particular along the length of the country stretching from the South Coast up to the Scottish border. Significantly, this linked major cities in a fairly direct line heading north to Hadrian's Wall, where the Army had Forts accross the breadth of the country to protect its hostile border with Scotland. As well as allowing efficient mobilization of military resources and travel for those with the means to do so, evidence suggests that supplies may have been transported and some trade would presumably also occur en route. Elsewhere, the Silk Road, stretching from Asia to Europe, was a major network of trade routes that enabled interactions between cultures that would influence cultural, social, and religious life.

Other concepts such as brands and branding can be traced to antecedents "stretching back millennia" (Duguid et al. 2010, p. 9), but "it is only in the nineteenth century that a defensible property right in marks sufficient for the task of modern marketing emerges" (Ibid.). Egan (2011) goes back further to identify eighteenth-century entrepreneurs such as Wedgwood as an example of a brand from the 1700s which to this day enjoys a market-leading reputation among consumers and in its industry (cf. Lane 2019). Other examples could include the hallmarks and emblems of metal smiths. However, Ambler (2006) distinguishes "modern marketing" as an independent discipline and career path for marketing "specialists" which really begins in the twentieth century, particularly in the USA. Tadajewski and Jones (2012), for example, postulate a link between scientific management and marketing ideas in the early twentieth century as being consistent with ideas of customer centricity and social benefit. Their findings challenge some subsequent interpretations of scientific management.

Considering marketing as something which began to professionalize in the twentieth century leads naturally to discuss the formation of its professional and industry bodies. Today, several major sales and marketing bodies exist in the UK, including (but not limited to) *The Chartered Institute of Marketing*, the *Institute of Sales Management*, *Institute of Direct and Digital Marketing*, and the *Advertising Association*, and in the USA, the *American Marketing Association*. In the UK the story begins before the term "marketing" was in such use as it is today, with the formation of the Sales Managers, Association in 1911, which stated its mission as:

> To promote, encourage and coordinate the study and advancement of sales management in all its branches, both home and overseas. To initiate and maintain investigation and research

into the best methods of sales management, to safeguard the interests of sales managers, to extend, increase and disseminate knowledge, to exchange information and ideas with regard to all matters concerned therewith, and to assist and further, in all practicable ways, the development and improvement of sales management, market research, advertising and the conduct and handling of all sales of commodities, goods and service in the higher interest of the British people. Chartered Institute of Marketing (n.d.)

By the 1920s this organization was evolving fast and over the next few years broadened its network globally when it affiliated with the *American National Association of Sales Managers*, the *Associated Advertising Clubs of the World*, and also the *Advertising Association*. Formative to professionalization, annual examinations were introduced and certifications were awarded for the first time in 1928, and by the middle of the next decade, a 3-year syllabus was introduced, emphasizing the importance weighted on education. However, in 1931 the organization had symbolically changed the name of its magazine to *Marketing* – this is significant because a group of members were apparently disgruntled by what they perceived to be a shift in emphasis away from sales and selling, toward the relatively newer, broader (and arguably less direct but more ambiguous) field of *Marketing* (The Chartered Institute of Marketing n.d.; Institute of Sales Management n.d.).

Meanwhile, in the USA, the National Association of Teachers of Advertising (NATA) had formed in 1915 but, similarly, over the next few years broadened its interests to include economics and accounting and changed its name several times but by 1933 had settled on the *National Association of Marketing Teachers (NAMT)*. In around 1930 the American Marketing Association was founded separately, but the two organizations soon joined forces, publishing the *Journal of Marketing* in 1936 and merging into a single entity in 1937 (Agnew 1941). Today, the journal is still a leading publication of research of marketing over 80 years later.

The first half of the twentieth century was of course defined by two world wars. This had significant implications for firms involved with industries such as financial services, mining, manufacturing, foodstuffs, and shipping, in participating nations such as Britain, France, Germany, Japan, China, and the USA, as well as in neutral countries. Sudden and dramatic changes in the geopolitical environment affected everyday life, globally (Smith et al. 2016). As priorities changed, so did demands: The need for munitions and equipment to fuel the war effort was given priority over the manufacturing of other items, such as confectionary. Supply was also disrupted; Domestic agriculture was realigned to produce particular crops, rationing was enforced, and imported items and ingredients became more difficult to obtain, as shipping became more dangerous. Furthermore, methods of communication familiar to advertising, sales, and marketing people were also used by governments, military, and departments of the civil service to encourage or discourage certain behaviors: Posters were displayed at public places encouraging citizens to join the army, grow vegetables, not gossip, and to reduce waste. Indeed, the German and Italian fascist regimes of World War II (WW2) had made a significant use of propaganda in an attempt to legitimize their regimes before and during hostilities. From carefully designed aesthetics – including large infrastructure and

construction projects such as stadiums, and even hosting global sporting events such as the FIFA (soccer) World Cup and Olympic Games to publicize their alleged physical supremacy as athletes, as well as technological and operational might. All of this was part of an effort to carefully manage the regimes' public image as perceived by their domestic populations and also the rest of the world (Tennent and Gillett 2016, 2017, 2019).

Additionally, there were efforts to carefully manage populations using personal data. Hitler's regime gathered statistics by census and segmented populations along lines of nationality, ethnicity, disability, and so on. The resulting data was computed using advanced punch-card technology to identify, Segment, stratify and control the population. The oppressive and often terminal outcome for citizens was based upon how socially or biologically wanted or unwanted their designated segment was deemed to be (Aly et al. 2004).

Although it is an extreme political example of the application of statistically driven social segmentation, the acts of the German Reich, together with the subsequent population control and management applied by the USSR, appear to have raised fears, particularly in the UK. Social control by grouping, stratification, and hierarchy based on political regimes is fundamental to the dystopian science fiction of Orwell (1945, 1949) published in the aftermath of war and which became bestselling novels and cultural reference points in the UK and USA. However, there are similarities to Huxley's (1932) *Brave New World* influenced by his earlier perceptions of twentieth-century industrialization and advances in science and engineering, which he had experienced during his time at Brunner and Mond (later part of *Industrial Chemical Industries [ICI]*) (Northern Echo 2005).

Through the first half of the twentieth century, business management thinking had also become more engaged with data-driven approaches to planning and decision-making and advances in statistics and behavioral sciences. Although far less extreme than Orwell or Huxley's visions of a fictional dystopian future (and certainly less so than Hitler's political misuse of population data), there are nevertheless ethical dimensions to data-driven marketing which, while visibly addressed through various Data Protection Acts in the twenty-first century, were still relatively unregulated for much of the twentieth century. Robinson's (2012) account of mail-order "quack" doctors and their market research at the turn of the twentieth century shows how it led to innovative approaches in advertising and direct mail based upon social science techniques using statistical correlation and quota sampling. On the one hand, this enabled companies to more accurately target prospective customers than by blanket advertising but which arguably can be seen as forbears of modern-day telesales scams. Lauer (2012) identifies the use of retail sales ledgers in the 1930s in America as a significant forerunner to what is today known as data mining, as systematic analysis known as customer control using records of credit information was used to identify current and lapsed customers to target through direct-mail techniques. Today, these efforts would be referred to as "win back and save" (as managers understood it was easier to reclaim old customers than to find completely new ones) as well as cross- and up-selling (i.e., encouraging grocery customers to purchase furnishings or to increase the price points of products they purchased in an existing

category). Although seemingly more ethical than Robinson's case, in contrast to the modern consumer, the customers in Lauer's findings still apparently had no option to opt out of such promotions nor control of who had access to their credit data.

The inter-war years had been significant for the origins of efforts which transformed "luxury" items into "necessities" for many families in Britain, as producers and retailers succeeded in creating mass markets for items such as radios and furniture. Although not everything succeeded immediately, for example, firms such as Hoover advertised its vacuum cleaners as a time- and labor-saving innovation, targeting maids and housewives and augmenting its efforts with door-to-door salesmen. Although popular in America, it took longer for Hoover to establish itself in Britain, and the reputation of door-to-door selling was sometimes negative. Similarly, cars and telephones also took longer to diffuse to British consumers relative to the USA (Scott 2017).

After the Wars

Recalibration of society and industry after WW2 meant that European economies began to improve. Quick growth in living standards and demand (despite rationing for some items which lasted into the 1950s) coupled with increased opportunities for consumer credit and mortgages, and the growth in advertising due to the growth of television, meant that the mid-twentieth century was characterized by mass marketing and a rise in consumerism which mirrored the USA (Aveyard et al. 2018; Egan 2011). New conceptual and methodological perspectives from behavioral sciences on management decisions and statistical and customer behavior analysis were leveraged due to advances in computing technology, and scientific approaches to marketing were popular. For example, continued interest in the profiling of society by wealth, births, and migrations led to frameworks that could be used by marketers for demographic profiling (Egan 2011).

McCarthy (1960) and Borden (1964) are often credited as introducing and refining the idea of a marketing mix – an analogous list of ingredients that marketers could adjust to meet the tastes of customers, calibrated into the 4Ps of marketing (product, price, place/distribution, and promotion). With mass markets and advertising opportunities more available than ever before, the idea of brand and product management was becoming more strategic. The introduction in 1968 of the "growth-share matrix" (Boston Consulting Group n.d.) provided a tool by which managers could prioritize focus on specific markets and products, by organizing their portfolio by market growth and share relative to competitors. Thus, investment could be targeted based upon the strategy and objectives of the organization, although the tool would become misunderstood and misapplied in later years (McKeown 2016).

An illustrative and influential case of the growth of branding and merchandising during the mid-twentieth century is its introduction to global sporting events. For the FIFA (soccer) World Cup 1966, hosted by England, an opportunity was identified for branding, merchandising, and product development on a scale not previously associated with such a sporting event. A variety of products were

licensed including clothing, ash trays, pottery, a World Cup ale, and themed music in different genres (Tennent and Gillett 2016, 2018). It was intended by the FA Organizing Committee that these products, mostly emblazoned with a cartoon mascot *World Cup Willie*, would help to cross-promote the tournament and, indeed, each other. This very deliberate commercial strategy did not really pay off as hoped, but these entrepreneurial efforts had a legacy; merchandizing was a theme that future World Cups – and other sporting events such as the Olympic Games – would develop much further.

The increasingly strategic approach to marketing management often required a varied skill set, encompassing technical as well as business knowledge. For context, we now consider the history and role of business and marketing education for twentieth-century managers, before rejoining our historical narrative of marketing in the late twentieth century.

Marketing and Management Education

The academic research, education, and practice of marketing (and related topics such as sales and strategy) can be explained metaphorically as being three cogs of the same machine, which interdependently drive each other; academic research is based on what is practiced, for example, to explain what is happening and why and to make suggestions for improving marketing (e.g., by being more ethical, more effective, or more efficient). In turn, this research synthesized from academic study is used to inform the various textbooks and curricula applied in business education from schools to universities, as well as professional training. The interlocking relationship between the practice and academic tripartite is shown in Fig. 1, although this interdependent view has not always been evident in academia, which at times adopted a "top-down" view (with academic research at the top) mentioned below. It is in this context that this chapter now gives a very brief explanation of post-WW2 marketing and business education.

Purpose of Business and Management Education

Since WW2 there has been a concentration in some schools, affecting both the research and teaching fields, on functional sub-disciplines and statistical analysis driven by economics and quantitative sociology – identified by Mintzberg (2004) as rescuing the business school from a purely vocational focus. Bonet (2015, p. 1) counters this approach by arguing that management is also "an art whose education has to include humanities." This humanities approach was inherent in the other main school of management education, led by the Harvard Business School (Bonet 2015; Mintzberg 2004). This emphasis was led by the military-inspired teaching of business policy (Hoskin and MacVe 1986, 1988; Carter et al. 2008) later known as *strategic management* (Mintzberg 2004) which integrated an understanding of the various business functions together.

Fig. 1 The cog metaphor of
the academic and practice
tripartite relationship
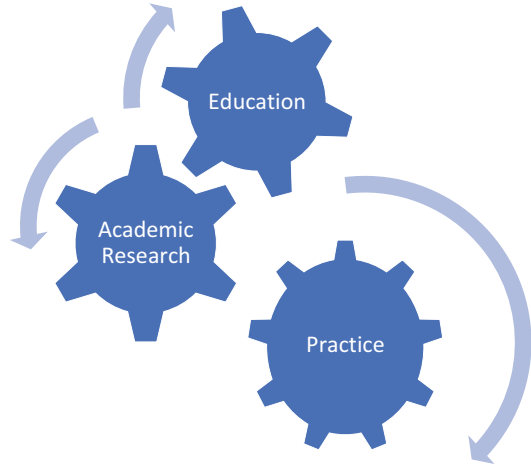
Harking back to the influence of Sun Tzu (2015, but originally c. 500 BCE), the humanities basis was indicated by the emphasis on "war stories" or case studies based on empirical research. Strategy was a rationalizing construct to be applied across different contexts and cases, an approach epitomized by the work of Chandler (1962, 1977, 1990) which attempted to create generalizable theory from historical cases (▶ Chap. 35, "Chandler and the Visible Hand of Management") and Ansoff's *Corporate Strategies Matrix* (1965). Ansoff's work emphasized strategic direction on a two-dimensional plain as if the organization was an army, an approach later echoed by Porter in his *Generic Strategies Matrix* (1980) and later considered by Mintzberg et al. (1998) to be the strategy of *Position* (see also ▶ Chap. 34, "The Age of Strategy: From Drucker and Design to Planning and Porter").

Military ideas and analogies and thus the case method were welcomed enthusiastically by other sub-disciplines such as marketing and sales, as epitomized by Ries and Trout's *Marketing Warfare* (2006) which is inspired by General von Clausewitz's *On War* (1832). The reduction of management studies to frameworks based on rationalism has facilitated the union of the quantitative school with the case study school. This emerged from the late 1970s onward in tandem with neoliberalism which encouraged enterprise culture and thus the growth of the business school initially built on the provision of Master of Business Administration (MBA) courses (Kanter 2005).

The expansion of scientifically, analytically, and econometrically casted theories (Kanter 2005) which attempt to "discover patterns and laws" was based on a "firm belief in causal determinism for explaining all aspects of corporate performance" (Ghoshal 2005, p. 77), excluding the role of human intentionality (Bailey and Ford 1996). These theories, supported by influential reports and financial investment, came to dominate business school teachings (Clegg and Ross-Smith 2003). Kanter (2005) identifies the popularity of these theories among the businesses sponsoring and hiring MBA candidates as reaching a nadir during the 1980s, as American-style one-sided shareholder capitalism "was considered the

very model of a modern economic system" (p. 93), a demand that business schools and management professors were willing to supply.

The weakness of these theories and their underlying positivist and economically [neo]liberal ideology (Friedman 2002) is highlighted by Ghoshal (2005) who argues "it is an error to pretend that the methods of the physical sciences can be indiscriminately applied to business studies because such a pretension ignores some fundamental differences that exist between the academic disciplines" (p. 77). Emphasis on neoliberalism means that neoliberal economics is considered normative by business schools – but suppresses the history of ideas in the field because anything that doesn't fit is ignored.

However, some critical and alternative ideas did emerge from the marketing thinking that evolved toward the end of the 1980s and through the 1990s, with more emphasis placed on service, on relationships and networks, and on business ethics, to which we now turn.

End of the Century: Broadening the Scope of Markets and Marketing

In the Western Hemisphere at least, the 1980s may be remembered as a decade in which politically conservative governments led the UK and USA. Consistent with the neoliberal approach, market-based approaches were in favor and introduced quite rapidly into the public sector. An ideology based upon private sector business management became dominant, and the academic study of public administration and political science became the domain of business schools (Lynn 2007). Indeed, the work of management "gurus" such as Peters and Waterman and Michael Porter had a great influence on government thinking.

This new era of in-depth restructuring of the public sector (Pollitt 1990; Hood 1991; Ferlie 1998) has been labeled *New Public Management* (NPM), an expression attributed to Hood (1991, 1995). Although "there is some doubt as to what NPM is, and if there is a single NPM" (Lapsley 2008, p. 91), it has been defined as being based upon the core values of value for money, efficiency, performance measurement and management, transparency, and contestability (Hood 1991; Ferlie 2007).

Whereas some national governments (e.g., USA and New Zealand) sought to encourage a local government culture of competition (Domberger and Hall 1996), NPM in Britain was initially typified by an even stronger emphasis on market forces. This involved the privatization of some public services, and the requirement for the Compulsory Competitive Tendering (CCT) of others, meaning that the role of local authorities would now be more of a commissioning agent than a direct service provider (Coulson 2004).

CCT was first introduced in 1980 with the Local Government, Planning and Land Act (1980) for construction, highways, and maintenance work and in 1982 extended to health authorities for support activities such as catering, cleaning, maintenance of estates, and portering services. By the late 1980s, the Local Government Act (1988) was introduced, and CCT was extended even further to public services such as refuse

collection, public libraries, and arts centers and, by the end of the decade, eventually also to sports and leisure management services (The Guardian 2011).

Notwithstanding governmental approaches, some academics believed that at around the same time there was a reconceptualization in the orientation of marketing as a field of study and practice, from transactions to relationships (Berry 1983; Bund-Jackson 1985; Webster 1992). This was because of broader thinking and application by managers, consultants, and academics as to the scope and purpose of marketing throughout the latter decades of the twentieth century, particularly in industrial, business-to-business contexts and services markets (Mattsson and Johanson 2004; Palmer et al. 2005; Gummesson 2008).

> Marketing is so basic that it cannot be considered a separate function within the business. Marketing requires separate work...but it is, first, a central dimension of the entire business. It is the whole business seen from the point of view of its final result, that is, from the customer's point of view...concern and responsibility for marketing must, therefore, permeate all areas of the enterprise. Drucker (1973 cited by Doyle 1995 p. 33)

The above quotation, attributed to Peter Drucker (who believed in a vocational definition of *management* in which its function and broader responsibilities held a social purpose), shows that the centrality of the customer should be paramount to marketers and that marketing activities and customer perspective should be the responsibility of everyone within an organization, not just its sales team or people with "marketing" in their job title. For example, from the management practice and academic field of operations management, Terry Hill categorized operational capabilities which can lead to competitive advantage and market success. Published in academic literature in the mid-1980s (Hill 1985), his simple yet insightful typology enabled managers to consider the client's perspective by identifying two things: (a) what drives customers in buying the products manufactured by a company at all (*order qualifiers*) and (b) what makes customers purchase a certain product instead of a similar one manufactured by a competitor (*order winners*). Operations Management was explicitly identifying customer preference as a key variable, and that this should require coordination across the firm to deliver on "order winners" that are based on realistic sales promises that the organization can fulfill practically, to meet customer expectations. This customer preference seems significant because the Operations Management disciple is sometimes (perhaps unfairly) thought of as inward looking and dominated by a logic of engineering or technology that could on occasion put it at odds with Sales departments.

Such observations led Gummesson to distinguish between *full-time marketers* (FTMs) and *part-time marketers* (PTMs) and to identify that in many situations, the impact of PTMs is more important to long-term success in the marketplace than that of FTMs (Gummesson 1991). Furthermore, it is suggested that because interaction and co-production occur between service providers and customers, and that customers might also interact with one another, even the customers themselves can be viewed as PTMs (Gummesson 1991). Marketing is therefore seen more as market-

oriented management and an overall process rather than a separate function of the organization (Grönroos 1996).

Indeed, Ames (1970) and Webster (1978) identified how planning in the industrial setting (as distinct from the consumer goods sector) requires more working relationships across functions and a tighter link to corporate strategy, because evolving client demands could imply changes throughout the supplier firm, such as to capital commitments for equipment, shifts in development activities, or adapting (or even innovating) engineering and manufacturing approaches. Thus, strong interdependencies exist between an organizations' marketing function (i.e., departments or job titles along the lines of business development, sales, proposals, public relations, advertising, or simply called "marketers") and other functional units, such as research and development, logistics, and so on. Sales and marketing professionals may then have an account management role involving coordinating between their employer (the supplier organization) and the client organization – a boundary position integrative across functions (Day 1992). As such, marketing (and sales) departments were perhaps taking on a broader remit, in some scenarios having (or at least attempting) increasing influence over other business functions within their organizations, so as to ingrain client needs into activities throughout the firm. Negotiation and diplomacy are thus important interpersonal skills for sales and marketing professionals. In this context there is less emphasis on "marketing" as a transaction or something that a seller does to a target and more emphasis on leveraging interdependencies and striving for mutually agreeable outcomes, perhaps over a long-term arrangement – "win-win" scenarios that retain customers (Hutt and Speh 1984). The firm-wide and strategic nature of this interpretation of "marketing" was consistent with ideas elsewhere, for business strategists were by the next decade using terms such as *co-opetition* (e.g., Nalebuff et al. 1996).

Research on marketing published throughout the 1980s suggested that other members of an organization's environment should be acknowledged as being a form of customer (Håkansson 1982), that the philosophy of marketing should be given greater consideration (Deshpande 1983), that broader consideration should be given to what a "general theory" of marketing might need to include (Hunt 1983), and, reminiscent of Hutt and Speh (1984), that marketers should consider long-term interactive relationships, rather than just maximizing transactions for short-term gain (Gummesson 1987). This thinking was consistent with earlier work emanating from Northern Europe emanating from the studies of the Industrial Marketing and Purchasing (IMP) Group in which it was proposed that business transactions be viewed as part of a continual stream of engagement, not isolated events (IMP Group 1982).

Contrary to Fig. 1 which depicted a balanced and interdependent relationship between academia and practice, the mainstream view in management science around this time had suggested gaps between science and practice as being due to the irrationality of managers who should be controlled so as to be brought in line with theory. Network researchers challenged this stance, approaching gaps between science and practice as being gaps in theory to be explored and met

(Johanson and Mattson 1994 cited by McLoughlin and Horan 2002, p. 540). The IMP Group and others such as Gummesson appear to have been critical of marketing thinking as being dated, as global markets emerged and the US internal market faced fresh competition as economies and industry developed around the world and supply could increasingly be sourced from Asia or Europe. Thus, buyers and suppliers should strive to differentiate on good service and meeting consumer needs as the ratio or balance of buyers to suppliers shifted.

However, the most fashionable ideas of the day appear to have been based on simple diagrams that lent themselves to "brainstorming exercises" at corporate away days: 2x2 boxes such as SWOT analysis or Porter's generic strategies: These were about identifying a firm's "strengths," "weaknesses," "opportunities," and "threats" which could be determined by other compatible analyses, for example, by considering the scopes of cost or differentiation to find a position within a market that could be dominated or niched (Porter 1980). The focus tended to be based around market share, and how much should be sought, as a primary performance measure. The measurement of the profit impact of marketing was popular through the 1960s, 1970s, and 1980s as firms sought to demonstrate accountability to shareholders (Buzzell and Gale 1987), and military-like strategies for achieving "competitive advantage" through analyzing a firm's position in an industry or market to identify barriers to entry, achieving "first mover advantage," and avoiding the middle ground also gained favor and became staples of marketing and strategy texts during this time (e.g., Porter 1979, 1980).

While useful and popular, there seems to have been a tendency for these approaches and tools to be interpreted as short-termism – as a "quick fix" and a way to manipulate or "beat" the customer – and that it led to a mindset that other firms should all be seen as hostile competitors. It is from observations such as this that led researchers to study the nature of networks, interactions, and relationships as described above.

Concern for processes and service relationships was not the preserve of business-to-business marketers or Northern Europeans. A corpus of research on service processes and services management was simultaneously emerging and included the work of many US scholars who were interested in service operations and processes from a marketing perspective, such as balancing efficiency and effectiveness to achieve excellent customer experiences and customer retention in a way that was also practical and profitable for the service provider. For example, Parasuraman et al. (1985) identified barriers to customer-perceived quality which can be summarized as follows:

1. Misconceptions of what the customer actually wants, leading to an inappropriate or incomplete service "product"
2. Inadequate resources, for example, under-staffing to achieve short-term, transactional cost efficiencies
3. Inadequate delivery, for example, resulting from lack of training or poor recruitment leading to lack of knowledge or lack of interest in the customer

Parasuraman et al. (1985, 1988, 1991) developed criteria for assessing service quality and developed a survey mechanism known as SERVQUAL for collecting and measuring customer perception data, thus providing an insight to the service orientation of organizations from the perception of service customers. The original model is based on the assumption that service experience from the customer's point of view can be covered by ten criteria, namely, access, reliability, credibility, security, understanding the customer, responsiveness, courtesy, competence, communication, and tangibles. Since then, researchers and business people (particularly in the hospitality and hotel sectors) have adapted the scale by omitting or adding to the list of statements to measure service quality in their specific context (Wirtz and Lovelock 2016). Elsewhere, service marketing scholars provided various reiterations of the marketing mix, extending it to incorporate more "Ps" (such as process, physical evidence, and people) Chartered Institute of Marketing (2015). Ideas from engineering and manufacturing were also adapted, such as fishbone diagrams and other cause and effect analyses, flowcharting and blueprinting, and the Gap Model – a tool used for designing or analyzing and redesigning service processes to highlight potential service failure points and opportunities to optimize the offering. A key point to all of these tools was that they were intended to be customer-centric, with processes designed around meeting or exceeding customer expectations with the objective of customer satisfaction, retention, and positive word-of-mouth effects to build reputation, all of which could reduce the reliance on advertising, discounts, or other promotional efforts (these ideas have been proposed and developed by various authors, but a comprehensive overview is provided by Wirtz and Lovelock 2016).

In the related field of sales, customer centricity with an emphasis on identifying and providing solution to needs was also considered as an important step forward: Rackham's (1987) SPIN selling method offered an evidence-based formula for sales approaches based on probing to understand clients' explicit needs so as to offer valued solutions and capabilities to clients, particularly for high-value and industrial settings, and was positioned as a progression beyond the dated "door-to-door salesman" approaches which had developed around low-value and transactional consumer goods sales techniques from earlier in the century.

Ideas such as those presented above indicate that marketing as an academic discipline was moving closer to strategy, at times overlapping. Perhaps this was to fulfill an apparent void, as the field of strategic theory was itself perceived to be moving away from customer centricity and toward ideas of capturing economic rents in one form or another (▶ Chap. 34, "The Age of Strategy: From Drucker and Design to Planning and Porter"). The broadening of marketing thought corresponded with acknowledgment of marketing as a profession, and by the turn of the decade, textbooks in the fields of marketing (e.g., Kotler 1988) and sales management (e.g., Lancaster and Jobber 1990) demonstrate a broad, firm-wide, customer-centric, and service-/relationally based approach to the subjects. Significantly, in the UK, the professional body The Chartered Institute of Marketing received external validation when it was awarded *Royal Charter* in 1989.

Summary

This chapter follows the suggestions of Gillett (2014a) that management and business historians may find it rewarding to investigate historical cases using the lens of marketing, particularly in the broader sense explicated by the industrial, services, and relationship marketing scholars to research supply networks and brand relationships. In particular, relationships involving organizations from different sectors offer opportunities to explore institutional logics, differences, and complexities through history (Gillett and Tennent 2018). Additional opportunities might be to explore historical examples of the evolution of marketing practices aimed at *decreasing* consumption, as suggested by Gillett (2014b).

It is acknowledged that the ideas presented very much reflect the Western perspective of the authors, and the sources used are limited to those published in the English language and predominantly emanate from Northern and Western Europe and the USA. Tennent et al. (2019) advise that it is important for researchers to be reflexive and aware of their own perspectives, paradigm, and biases and also those of the sources upon which they base their findings. In this spirit readers are encouraged to consider these things for their own research and to use the knowledge presented here as a point of departure for their own research.

Along these lines it is also acknowledged that other economies are worthy of investigation. For example, other geographic economies require more research. Jones and Tadajewski (2017) provide insight as to the influence of German historical thinking. Other literature also exists, for example, in Asia, Africa, South America, and Southern Europe. Different geographies and temporalities of course have their own concepts and cases, and Jones and Tadajewski (2016) provide a useful cross section of research on this. Furthermore, phenomena such as Guanxi in China and the Keiretsu of Japan indicate that Western ideas of relationship marketing appear related but sufficiently different to warrant caution when applying them for explanatory power (e.g., Wang 2007). The formerly communist "Iron Curtain" countries of Europe offer further opportunities to examine attitudes and toward marketing and purchasing in centrally planned, or newly "opened," economies during the twentieth century (e.g., Patterson 2012; Afanassieva 2015). Furthermore, the illicit, illegal economies which have existed throughout history all over the world, including in Western European contexts (e.g., Jones 2016), are also worthy of additional research.

Cross-References

► Chandler and the Visible Hand of Management
► The Age of Strategy: From Drucker and Design to Planning and Porter

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