

What Does the Definition of Marketing Tell Us About Ourselves?

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Following a brief historical examination of how the American Marketing Association has changed its definition of marketing across time, this essay identifies the 2004 effort as actually a definition of “marketing management,” not of the larger field of marketing itself. The concern with this definition is that it is incomplete; marketing management is important, but it is not all of marketing. The essay discusses six limitations that arise from the narrow conception that has been adopted and then presents the broadened conception of an “aggregate marketing system” that should adjoin marketing management as central to thinking in this field. The essay concludes with a recap of recent developments toward modification of the 2004 definition that indicate that this appears likely to happen.

We have become increasingly convinced that there are critical questions that require attention and discourse within the college of marketing regarding our identity as thinkers about the field of marketing. We appreciate this opportunity to raise several of these questions in the context of the official definition for the field issued by the American Marketing Association (AMA) in 2004. In this essay, we explore three related issues:

1. The 2004 definition of marketing from the AMA appears especially problematic on several grounds. In general, these reflect a narrowed conception of the field itself. We offer comments on the deficiencies of that definition in the first section of this essay.
2. A central issue in this discussion is embodied in the question, Is there any need at all for aggregate and systemic perspectives in our conception of the field of marketing? In the second section of the essay, we explicitly direct the field’s attention to the concept of an aggregate marketing system as an organizing framework from which we might better consider the field as a whole.
3. Into the future.... At the time of this writing, the first author was serving on a committee convened by the AMA to review and prospectively revise the 2004 definition. In the closing section of the essay, we briefly discuss some positive developments that suggest that improvements are on the horizon.

Assessing the 2004 Definition of the Field

A Brief History of the AMA’s Definition

How long should a definition stand? Should a proper definition be so fundamental and encompassing that it stands

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apart from shifting paradigms and preferences? This might be so, but the history of the AMA’s official definition provides some food for thought. Professor Robert Lusch’s (2007) essay in this issue provides a more detailed analysis of historical developments, so we are brief in our coverage here.¹

The first formal AMA definition was developed in 1935; it was periodically reviewed and maintained for the next 50 years. It was modified in 1985 and again in 2004. Let us examine the progression in the three definitions:

- “(Marketing is) the performance of business activities that direct the flow of goods and services from producers to consumers.” (1935)
- “(Marketing is) 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 objectives.” (1985)
- “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.” (2004)

An examination these definitions reveals a narrowing of focus over the time, in accord with the historical trends we discussed in our “4 Eras” article (Wilkie and Moore 2003).

Of special interest, note that the first AMA definition reflected particular attention to the distribution functions of marketing. This traditional definition was pluralistic and systemic and, thus, easily translatable to more aggregated issues, such as competition, system performance, and contributions to consumer welfare. The 1985 change was a significant one, firmly turning the focus toward the manager’s tasks as embodied in the four Ps. (In addition, by focusing on the concept of mutually satisfactory exchanges, it implicitly defined marketing to be in the best interests of consumers.) Overall, this change made it more difficult, but

¹An informative, longer history of the definition of marketing is available in Lichtenthal and Beik (1984).

not impossible, to adopt a more aggregate perspective on the field of marketing.

The 2004 definition not only extended this managerial dynamic but went on to delimit marketing with its singular focus on the individual organization acting alone. We should clarify that this is not simply our reading of the meaning; the leaders of the initiative also made this intent clear. For example, according to Greg Marshall, then head of the AMA's academic division, "What we (now) have is more strategic. Now it says marketing is really something that makes the organization run" (qtd. in Keefe 2004, p. 17).

Six Limitations of the 2004 Definition of Marketing

As a background perspective, in our view, the academy of marketing needs its own identity in certain discussions; we need to be more specific in our referents when analyzing our field. In recent years, when discussing "marketing," marketing practice and marketing academics have often been implicitly equated, as if the problems, opportunities, and issues are equivalent in these spheres. Although they do have a symbiotic relationship, there are also occasions for which issues, perspectives, and behaviors are sharply distinct.

We agree that the conception of marketing as a strategic and tactical activity undertaken within individual organizations holds a professional appeal for marketing managers and is a reasonable view for academics to use when appropriate. However, it is important to recognize that the 2004 definition is one of "marketing management," not of the entire field or discipline of marketing. Thus, we view the 2004 definition as accurate as far as it goes but incomplete overall. In terms of what this definition says about us as a field, it suggests that marketing thinkers are simply not very interested in the impacts of marketing on the world, beyond the particular concerns of the firm and its stakeholders.

There are two particular costs to such a conceptual limitation for the field. First, some important broader questions can go unasked (and unanswered) precisely because the managerial perspective simply never needs to consider these questions to act in a single firm's best interests. Second, this narrow conception may be becoming so dominant in the field that it is foreclosing other worthwhile directions for thought development. These concerns are reflected in the following six limitations that arise from the failure to recognize marketing's larger system qualities in the world:

No Evident Interest in Appraising Marketing's Impacts on the World

The greatest risk of equating the field of marketing solely with the managerial decisions being made inside organizations is that the goals and conduct of those organizations are also being adopted by marketing thinkers but without any external appraisal. This leads to something akin to a blanket approval regarding the reality of what the marketing world in total is undertaking. In addition, when we identify ourselves with all organizations, exactly whose perceived interests are being served, and does this matter to marketing? A brief consideration of egregious examples found in political campaigning, lobbying, fraudulent schemes prey-

ing on the weak, bid rigging, energy gouging, channel stuffing, and so forth, calls attention to the notion that many organizations are imperfect entities with a highly mixed set of motivations. Furthermore, in most organizations, people other than marketers are setting priorities. In short, organizational marketing is important, but it does not represent the entire field for marketing thought. This is not a new conception by any means, and it was the prevailing view in the field of marketing thought until about the 1950s. In our coverage of the evolution of marketing thought in the "4 Eras" article (Wilkie and Moore 2003, p. 123), we reported on Era II (1920–1950) as follows:

Evident in the textbooks and [*Journal of Marketing*] is a willingness to ask important economic, social, and political questions about marketing's impacts in society. Appraisals of the performance of the marketing system are embedded in the many discussions about the costs of distribution, value of advertising, and pricing policies that appeared. Finally, in an important sense, it appears that marketing thinkers viewed their scholarly and professional roles more broadly than we do today.

In brief, we believe that the revisions of the definition have lost continuity in the field and that this has brought about some serious oversights in terms of the scope and role of marketing in the world.

Failure to Recognize the Competitive Nature of the Marketing System

Although we do not doubt that the 2004 definition implicitly acknowledges the competitive nature of markets, its sole focus on a single organization does not presume any more aggregated assessment of marketing across firms. This is a serious shortcoming, in that it also leaves us without strong concepts to assess simultaneous marketing activity in product markets, which is actually the norm. When 8 or 12 firms compete in a market, is it not appropriate to assess the "marketing" that is occurring on all fronts? Such multifirm competition impels innovation, product, and service improvements; lower prices for consumers; and provides continuous pressures for increases in efficiency. However, at the same time, certain inefficiencies would appear to be natural in such settings because of duplication in marketing expenses when programs are aimed at the same set of customers. In other words, marketing thinkers will never recognize these issues if they are restricted to the managerial purview of a single firm. Furthermore, with respect to public policy, the entire field of antitrust law and regulation is based on the study of marketplace competition. Is this narrow conception of marketing the reason the field has not made more of an impact on antitrust theory and enforcement (e.g., Gundlach, Phillips, and Desrochers 2002)?

Failure to Consider and Address Major Societal and Public Policy Issues

The singular focus within an individual firm is distinctly troublesome when considering major societal issues that involve the field of marketing.² Two particular issues here

²However, with respect to a within-firm focus, in an article on the direction of the marketing field, Berry and Mirabito (2006) suggest that marketing's true mission is to improve people's quality of life and that fulfillment of this mission strengthens a firm's financial performance.

are (1) the cumulative impact across firms and (2) the cumulative accretive impact across time.

Consider the following examples: First, obesity is a rising problem (epidemic) in the United States, with associated health conditions following apace. Marketing by food purveyors is pointed to by many observers as a key contributor to this problem: unhealthful foods being heavily and attractively advertised, ready availability, frequent price promotions, urgings to “supersize,” questionable product assortments, and so forth. Much of the concern represents cumulative impacts across firms, in addition to overconsumption across time. Furthermore, does anyone seriously believe that a single-firm focus (particularly on increasing sales) is the best route for addressing this problem? Alternatively, does anyone seriously believe that marketing is not involved? In such situations, industry trade associations and spokespeople are active not only in defending the firms involved but also in proactively searching for solutions that can be implemented by multiple marketers in parallel.

Second, childhood obesity is a closely related issue that also embodies cumulative impacts across firms and across time but, in this case, also involves vulnerable consumers. In addition to proposals to restrict or ban television advertising to young children, questions have arisen about new ways to sell to children, such as “advergames” on the Internet (Moore and Rideout 2007). Again, there is considerable parallelism in marketer responses here, including reliance on self-regulatory guidelines for advertising (as through the Children’s Advertising Review Unit), voluntary agreements across firms (as in the Food and Beverage Advertising Initiative, a group of ten of the largest food manufacturers that have pledged to alter the set of products they promote to children, with greater focus on healthful products and lifestyles), and through industry trade associations. In addition, any governmental actions in this sphere will be directed to the relevant marketing community as a whole, not to single firms.³

Third, direct-to-consumer advertising of prescription drugs is an ongoing public policy experiment in the United States and New Zealand; these are the only countries in the world that currently allow this practice. In the United States, its popularity with firms has skyrocketed, and it is now the third most heavily advertised product category (Farris and Wilkie 2005). However, there are both positive and negative arguments about this practice that extend beyond the boundaries of a single firm (see, e.g., Calfee 2002; Lexchin and Mintzes 2002). How helpful have marketing academics been in devising the policy and/or evaluating its impacts?

The listing could go on at some length—marketing and the environment (with serious cumulative impact issues), marketing and dangerous products (e.g., guns, tobacco), marketing and health care, marketing and vulnerable groups, and so on. In each area, there will be, and have been, calls for government intervention, with issues extending to the larger marketing community that is involved. In summary, our point is simply that there are marketing

issues in the world that are larger than the problems of a single organization.

Overlooks the Marketing System’s Interactions with Consumers

This limitation reflects a particular difficulty in correctly characterizing the consumer’s best interest when we are adopting only the perspective of a marketer in a single firm. There are two distinct issues here, one that deals with multiple marketers across product categories and another that deals with multiple marketers within a given category (Wilkie 1994, Chap. 2). With respect to the first, consider that one of the major tasks confronting every consumer is to decide on how to allocate his or her budget for purchases. How well do marketers help consumers with their budget allocation decisions? The short answer is, “Not well at all.” This is because every individual marketer attempts to advance his or her product or service to the consumer market. In the aggregate, therefore, this collection of individual marketing efforts means that the marketing system proposes far too much consumption for any individual to come close to undertaking. The system acts as if consumer resources and wants are infinite and insatiable; every product and service category is advocated as worthy of consumption for virtually every consumer. Thus, it becomes mandatory for every consumer to ignore most marketing programs, resist many others, and respond positively to only a relative few. The extreme heterogeneity of marketing activity cannot possibly serve an individual consumer well in terms of personal allocation choices (except in a partially informative sense). Furthermore, as Redmond (2005) points out, the marketing system sometimes decreases consumers’ quality of life by intruding on their privacy with unwanted promotional solicitations.

This same issue arises if we narrow the focus to firms within specific product or service categories. Within each category, marketers as a set are offering each consumer highly conflicting advice as to which sources (both brand and retailer) to select. The system’s marketers also often employ intrusive persuasive attempts, demanding attention and consideration from consumers who would not be best served by the option being advocated. (We stress here that we do not offer this as a criticism but merely as a descriptive characteristic of the marketing system that is simply not evident enough from the managerial perspective on marketing.) Overall, these characteristics make it difficult to equate the best interests of a marketer in each firm with each consumer’s best interest. In this regard, we recall reading in the earlier days of cell phones that an analysis of consumer contracts had shown that, across providers, most users of cell phones were ending the month with a large number of unused calling minutes and that most customers were not enrolled in the plan best for them in terms of their actual phone usage. Was this successful marketing, then?

In closing, we report that this line of thinking has helped us realize how interesting it is that “the marketing concept” was introduced just at the beginning of the shift to the managerial view of the field and has been a bulwark in characterizing marketing ever since. In some sense, because we have overtly characterized the field’s mission as meeting the needs of customers, we have not had to consider what is actually being undertaken by the huge numbers of

³Interested readers may wish to consult the special section on food marketing and childhood obesity in this same issue of *Journal of Public Policy & Marketing*. For an overview of the contents, see Moore (2007).

marketers who are working in parallel day after day in terms of actually meeting consumers' wants and needs and whether excesses might not be occurring. Again, this would seem to be a much more reasonable task if we were also to think about marketing in a larger, systemic sense.

Inadvertently Understates the Scope and Importance of Marketing

For us, one of the beauties of marketing has always been the consideration of the presence and operation of a coordinated system of special capabilities at work to design and implement marketing programs. An impactful illustration of this can be found in a book by the first author (Wilkie 1986, pp. 30–34), which depicts “the flows of marketing,” that we use to introduce the field to our students.⁴ Included in the visual are the industrial sector to the left (as suppliers of raw materials, machinery, financing, labor, and so on, to the firm), the firm's headquarters building and plants in the center (in which accounting, management, operations, research and development, and other functions operate), and, some distance to the right, a large, amorphous consumer market with millions of potential end users of the firm's products. We then enter the first of the connections from the company buildings to the market—the channels of distribution with wholesalers and then retailers; this is the physical flow of goods. This is matched by a corresponding money flow back from the market through the channels to the firm's buildings. At this point, we note that this flow enables the firm to continue to operate over time, which is why we call marketing (not accounting or finance) “the lifeblood of the business.” We then note the third and fourth information and influence flows, one outward and one inward. The third flow moves from the firm with branches to (and among) the channel members and to the consumer market directly. This allows us to point out the important roles of salespeople and promotions in generating behaviors sought from business partners and of both advertising and salespeople in generating desired behaviors in the consumer marketplace. Finally, we enter the corresponding fourth flow, again representing information and influence, but this time running back from the marketplace and channels to the firm and indicating the role of marketing and consumer research in guiding marketing planning and adjustments in representing “the voice of the customer” to the firm. We then complete our presentation by pointing out the close relationship between this flow diagram and the actual curriculum offered for the marketing major (in our experience, this fits better for undergraduate students than for MBA students). Note how naturally the various functional roles within marketing emerge in this analysis—advertising personnel, salespeople, market researchers, distributors, and retailers are all prominent—whereas this is not the case for the 2004 definition.

Our next point here then moves to consider the other operations that are essential to the workings of marketing flows but that are not located within most marketing departments. A notable illustration of this point appears in our “Marketing's Contributions to Society” article (Wilkie and

Moore 1999). Here, we examined an actual marketing system example (which we describe subsequently) in which 75 marketing-related activities were being carried out. Of these 75 marketing system activities, however, we discovered that marketing managers control only approximately 30, or fewer than half. They have an influence on most others, but they are not in control, and these are not what we are calling “marketing” with today's view of the field. To us, this property of the system demands a perspective on marketing that reaches beyond controllable decisions of marketing managers. It requires an inclusive appreciation of business organizations and an appreciation of the role of government in facilitating marketing system operations. In brief, it calls for a larger conception of marketing.

Supports a Suppressive Effect on Scholarly Inquiry in Marketing and Society

Unfortunately, the narrow conception of marketing advanced by the 2004 definition adds weight to the difficulties faced by people who believe that much more educational and research attention needs to be given to the examination of marketing's impacts in society. In this regard, although it is certainly not the responsibility of those who constructed the definition, there is a serious gap between the description in this definition and the reality of most of the academic work in the field. For example, the two most prestigious marketing conferences today are Marketing Science (for quantitative researchers) and the Association for Consumer Research (for behavioral researchers). A reason for this, among others, is that the emphasis at both Marketing Science and the Association for Consumer Research is on rigor, not on applications for managers.

With respect to marketing in society, however, not only is this area not being pursued much at Marketing Science or the Association for Consumer Research (presumably because of their emphases on theory and methods rather than on substantive issues), but the definition of marketing is leaving it out as well. There has been concern about the impact of this on both doctoral-level education and the career paths for young scholars in marketing. As Wilkie (2003, p. 142) commented several years ago,

As research specialization has increased, this risk has increased: Knowledge outside of a person's specialty may first be viewed as noninstrumental, then as nonessential, then as nonimportant, and finally as nonexistent in terms of meriting attention.

In our exploration of the 4 Eras, it became clear that many research insights and findings generated by marketing thinkers in prior years did not get passed on but instead were “left behind” as researchers turned attention to new areas of interest. This prompted us to examine more closely from whence academic marketing thought leaders of the future would come. How are scholarly training and predispositions about the field of marketing being shaped? Specifically, are scholars being educated in the broader issues of marketing?

To gain some fair sense of this, we conducted a survey among the participants of the AMA–Sheth Doctoral Consortium (Wilkie and Moore 1997). Somewhat surprising to us, these people, all near the end of their doctoral training, reported a high level of personal interest in marketing-in-society topics. Two-thirds of these doctoral candidates indi-

⁴We are not certain where this idea originated, but we found an excellent presentation in the famous text by Philip Kotler (1976, p. 22).

cated that they were personally interested in learning about this area and also that they believed that it should be covered in doctoral-level education. However, fewer than one in ten had ever taken even one course on the subject.⁵ They openly reported self-ratings of expertise as low and that regular readership of the marketing-in-society journals was low, as was participation in this area's conferences. Finally, most of these respondents answered that they did not view this area as professionally relevant to them, at least at this stage of their careers.

This survey seemed to clarify that the root problem is not with the people who are entering study for a career in marketing academia but instead with the curricula of doctoral programs. As such, doctoral programs sorely need to reconsider this issue, but this will not happen unless the marketing scholars who control them are willing to acknowledge that knowledge is being lost from this field. A concern in this regard is not for the aware scholar who opts to make an informed choice to avoid societal issues but rather for later generations of scholars (today's and the future's doctoral students) who may not gain enough background to even realize that a choice is available to them.

Conclusion About the 2004 Definition

The 2004 definition has positive elements but a glaring deficiency with regard to its restriction in recognizing only marketing management. We want to stress that it is a root responsibility of academia (including institutions, such as the AMA) to place a field of study into proper perspective. The impacts of marketing in the world are a legitimate concern for scholarship in our field. It is important that the official definition for the field of marketing explicitly includes the societal domain and the remarkable marketing systems that characterize the workings of our field. We believe that the 2004 definition needs to be modified to incorporate these elements; that is, a more inclusive definition needs to be developed for the field of marketing itself. Simply stated, we need a larger conception of marketing. Next, we address what this means to us.

The Aggregate Marketing System

The Basic Concept

Beyond the 2004 definition itself, we should recognize that modern conceptions of marketing are really not aggregate in nature. As was clear in our discussion of the definition's limitations, the focus today is centered on individual managers, firms, or consumers. How might we think about marketing in a more aggregate sense?

In this section, we refer to our findings reported in *Journal of Marketing's* Special Millennium Issue, under the title "Marketing's Contributions to Society" (Wilkie and Moore 1999). To capture the totality of an entire society, we (building on perspectives from an earlier era) proposed and explored the concept of an aggregate marketing system

(AGMS)—a huge, powerful, yet intricate complex that operates to serve the needs of its host society. The AGMS is recognized as being different in each society, as an adaptive human and technological institution that reflects the idiosyncrasies of the people and their culture, geography, economic opportunities and constraints, and sociopolitical decisions. The three primary sets of actors within the system are (1) marketers, (2) consumers, and (3) government entities, whose public policy decisions are meant to facilitate the maximal operations of the AGMS for the benefit of the host society. As pointed out in the classic volume by Vaile, Grether, and Cox (1952) many years ago, marketing systems perform two distinct macro tasks for their societies: (1) delivering the standard of living for the citizenry and (2) creating a marketplace dynamism that fosters and supports continual innovation and improvement such that the standard of daily life is enhanced over time.

Viewing Marketing as a System

To examine marketing as a system, we began by learning directly in detail from marketing practitioners and then illustrating this in a vignette we called "Breakfast at Tiffany's" (for the full vignette, see Wilkie and Moore 1999). We join Tiffany Jones in New York, who is having breakfast with her family, and inquire how this has managed to happen. Imagine Tiffany sitting in her apartment, picking up her cup of coffee, and blowing across the top of the cup. How did this cup of coffee get here? We traced the process, discussing the planting of coffee; where it is planted; why it is planted; how it is sold by contract; how it is harvested; how it is graded and processed and then bagged, warehoused, and transported to the United States by sea; and how it is mixed, roasted, packaged, and then shipped through the channels of distribution to retail, where Tiffany has purchased it. We then moved to her breakfast pastry and repeated the system analysis, though this was much more complex because there was new product development involved, plus 15 ingredient-sourcing systems similar to that for coffee. We then pointed to each of the foods that each family member was consuming, in addition to a kitchen support system (e.g., appliances, cutlery, utilities), which also had been provided by the AGMS at prior points and which were still delivering benefits through use.

During this illustration, we noted the set of structured, practiced activities that were already developed in an infrastructure sense. This was a marketing system at work, in the sense that buying and selling occurred at all stages, with temporal dimensions, planning, employment, capital investment, movement, production, risk taking, financing, and so forth, all taking place with the expectation of transactional exchanges that would occur to fuel the system's continuing operation. We further pointed out that the AGMS routinely provided these kinds of breakfasts for a hundred million households every day and that this was just a miniscule portion of its total activity.

It is clear that the AGMS is huge, practiced, and powerful. In our discussion of aggregating these separate systems into a whole, we attempted statistical estimates of sizes and arrived at some 30 million workers—approximately one in five workers—directly employed in the marketing operations of the AGMS. This raises some challenges for us in conceptualizing the field, unless we have already conceived

⁵A new book titled *Explorations of Marketing in Society* (Gundlach, Block, and Wilkie 2007) is now available as a basis for offering courses in this subject. The AMA was instrumental in assisting in its development and publication, as a means of fostering further understanding of marketing in society.

that there are 30 million workers engaged in marketing in the United States alone. Overall, examining the AGMS concept can open several vistas for investigation, particularly by fostering recognition of natural relationships within the complexity of a society and its development.

Into the Future

Key Requirements

As we stated at the beginning of this essay, we believe that a definition for a field should be sufficiently fundamental and sufficiently encompassing that it can stand for a long period as a valid representation. The original definition appeared to meet these criteria, and it was retained for a half century of use. The 1985 definition appropriately modernized coverage to reflect the importance of managerial decisions, but its failure to recognize explicitly the systemic properties of marketing made it less encompassing. In turn, this opened the door for the 2004 revision that (among other steps that may have been worthwhile) squarely chose to locate the field of marketing entirely within the boundaries of a single firm, working toward only those objectives that a single firm may want to pursue. Thus, in our view, the 2004 definition is no longer sufficiently encompassing to stand for the entire field of marketing.

In considering what a better definition would represent, we realized that there are at least three contending perspectives that could be considered for representation:

1. Marketing as a managerial activity, or what marketers do;
2. Marketing as a philosophy, as in market-driven organizations; and
3. Marketing as a field of study, or discipline.

The first perspective, as represented in the 1985 and 2004 definitions, reflects the controllable decisions made by marketers in carrying out their functions, under the ambit of marketing management. The second perspective is somewhat broadened, focusing on the role of a marketing orientation in directing enterprises toward better performance and in acting as a “voice of the customer.” The third perspective broadens the scope considerably, reflecting observation and appraisal of both marketing systems and individual organizations in operation and examining their impacts on and interactions with customers, competitors, and society in general. Therefore, it would include the first two perspectives.

In our view, it would be desirable for a definition to capture as much of these three perspectives as possible. This will be difficult to achieve with a single effort, especially if brevity and élan are important criteria. Another option would be for the AMA to offer separate definitions for each of these, just as it has done with its definition for marketing research. At the moment, however, it appears that a search for a single definition is the route that is being pursued.

The 2007 AMA Initiative to Revise the Definition of Marketing

Expressions of Dissatisfaction

Following the announcement of the 2004 definition, expressions of concern surfaced from some AMA members. Several special sessions addressing the new definition ensued

at the academic conferences, including the AMA’s Summer and Winter Educators’ Conferences and its Marketing and Public Policy Conference. These sessions, organized by Greg Gundlach, were well attended, indicating a high interest in this topic on the part of marketing academics at the conferences. The sessions’ speakers, many of whom are represented in this volume, raised several issues and, in general, were not positive about the new definition. In addition, questions were raised about the process by which it was reached and promulgated.⁶

The 2007 Revision Deliberations

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. In late 2006, a committee chaired by Professor Donald Lehmann of Columbia University was convened to review the official definition (the first author of this article was a member of that committee).⁷ In March 2007, the committee undertook a Web-based survey of the AMA’s membership to ascertain perceptions of the current (2004) definition (AMA 2007, p. 1). Several elements of the results are illuminating:⁸

- More than 2500 AMA members responded to the survey, a strong indication of interest in this subject.
- Overall, reaction to the 2004 definition was mildly positive (3.4 on a 5-point scale) but mixed: 7% rated it as “very good,” and 46% rated it as “good,” but 23% rated it as “very poor.”
- 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.
- In addition, many respondents provided extended open-ended responses critiquing the definition and providing their suggested inputs.

The committee used inputs from the survey to specify criteria for revision, and after extensive discussions, it developed and proposed a new definition. Another e-mail survey of members was conducted in May 2007 to gain a sense for reactions to this revised proposal. Included in the introduction was a fairly detailed rationale from the committee for the modifications that had been made (AMA 2007, pp. 2–3):

The May 2007 Survey

As a result of your comments and committee discussions, we now propose the following revised definition:

⁶We hasten to add that these criticisms were not leveled at Professor Robert Lusch, who had chaired the committees for both the 1985 and the 2004 definitions. Part of the process concern was that the AMA leadership had changed the proposed definition it received from Professor Lusch’s committee, removing certain elements that broadened the coverage of the field.

⁷The committee was named by Michael Lotti, chaired by Professor Lehmann, and comprised the heads of AMA’s divisions (Wayne McCullough, Jimmy Peltier, Ric Sweeney, Joan Treistman, and Becky Youngberg), as well as two at-large members, Shelby Hunt and William Wilkie (both of whom had publicly expressed reservations about limitations with the 2004 definition).

⁸Committee member Professor Jimmy W. Peltier deserves special mention for his oversight of the survey development and analysis. The findings we report here are taken from the committee’s public introduction to its second e-mail survey of the AMA membership, conducted in May 2007.

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.⁹

The committee also included its rationale for the recommended revised definition, as follows:

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.g., 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.g., regulations and norms).
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 definition reads “creating, communicating, delivering, and exchanging,” however, while it acknowledges that exchange continues to be an important part of marketing, it does not make it the central focus.
5. The 2004 definition included “value” but left the concept ambiguous. Indeed it may be argued that organizations do not “create” value 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 “value 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 who 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.”

Further Deliberations

Member reactions to the 2007 proposed definition were positive, though detailed results have not been released. Again, many respondents shared suggestions for improvements, and further deliberations ensued. At the time of this writing, no announcements have been made by the AMA leadership, so it is not entirely clear whether a revised definition is forthcoming and, if so, whether it will include the broadening that we believe is necessary. However, given the formation and progress of the committee, as well as the favorable response from the AMA members, we are optimistic about the future.

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⁹Professor Shelby Hunt especially provided the essential inputs for this 2007 proposal.

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