Marketing's Evolving Identity: Defining Our Future

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Marketing thought and practice has evolved over the past 100 years from a philosophy of taking things to market to a philosophy of market(ing) to customers and, increasingly today, to a philosophy of market(ing) with customers. The author discusses the evolution of these philosophies and their influence on how the American Marketing Association has defined marketing.

Nearly a century ago, marketing scholars began debating the question, "What is marketing?" and today, the debate continues. Despite the simplicity of the question, the answer is complex. For example, Hunt (1976) illustrates that the conceptual domain of marketing includes micro and macro marketing, positive and normative theories of marketing, and profit and not-for-profit marketing.

An examination of the responses to the question of what is marketing shows that there is a wide divergence of views. For example, Jack Trout, a well-known author and business advisor, believes that "marketing is simply figuring out what you have to do to sell your product or service for a profit" (Keefe 2004, p. 17). Virtually all marketing scholars and many marketing professionals would disagree with this definition, but such difference of opinion only further reinforces the point that what begins as a simple response to the question of what is marketing can quickly unfold into a heated discussion about the complex nature, scope, and meaning of marketing.

In this essay, I interpret the evolution of the American Marketing Association's (AMA's) definition of marketing, which dates back more than seven decades, and suggest that perhaps the recent definition does not go far enough to capture current trends in marketing practice (Prahalad and Ramaswamy 2000, 2004; Sawhney, Balasubramanian, and Krishnan 2004; Womack and Jones 2005), the domain of marketing (Hunt 1976), and marketing's evolving dominant logic (Lusch and Vargo 2006a, b, c; Lusch, Vargo, and Malter 2006; Vargo and Lusch 2004). In terms of the practice of marketing, the definition does not provide sufficient focus on collaboration and cocreation activities; in terms of the domain of marketing, the definition needs to recognize marketing more explicitly as a societal process; and in terms of the emerging dominant logic, the definition needs to pay particular attention to adaptive social and economic processes.[1]

An Evolving Definition of Marketing

Embracing a long and abstract view, I characterize the evolution of marketing thought and practice as going through three stages over the past 100 years: to market, market(ing) to, and market(ing) with. Briefly, "to market" means that the primary mission of marketing is taking things to market, "market(ing) to" means that the primary mission of marketing is identifying customers and marketing to them, and "market(ing) with" means that the primary mission of marketing is collaborating with customers to cocreate value.

To Market

Civilizations throughout most of human history have been characterized by a shortage of supply, and thus early marketing thought and practice naturally focused on how to bring things to market. Implicit in this view of marketing is the notion that the buyer and seller are separate and often far removed entities in time, space, and assortments; supply and productive capability are scarce; and thus the role of marketing is to help society allocate these scarce resources by closing the separations.

When production moved out of the home and into the factory, people became more specialized and dependent on others and the marketplace to fill their needs. In the factory, workers performed highly specialized activities on tangible materials. The tangible items used as inputs in production were sourced, transported, and inventoried before production began, and then goods were produced before consumption and inventoried (i.e., stored once again). They were subsequently transported and distributed through wholesalers, jobbers, distributors, and retailers, which accumulated stocks and assortments of goods that people wanted. During this period, marketing focused on the functions needed to close the gaps between production and consumption. The earliest AMA definition of marketing reflected such practices.

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[1]In the effort to revise the 1985 AMA definition, the points I raised were given proper discussion among the parties involved. I supported the 2004 definition and believe that it is an improvement over the 1985 definition. Nonetheless, each of us has our own philosophy and view of marketing, and thus my focus in this essay is to elaborate on my views.

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The AMA was formed by the merging of the American Marketing Society and the National Association of Marketing Teachers; it began its existence on January 1, 1937. Importantly, the preamble of the AMA constitution and bylaws included a definition of marketing developed by the National Association of Marketing Teachers that defined marketing as "business activities involved in the flow of goods and services from production to consumption" (AMA 1937). In 1948 and again in 1960, the AMA reaffirmed this definition and adopted it in slight modification as its official definition. The slightly revised definition read as follows: "the performance of business activities that direct the flow of goods and services from producers to consumers" (AMA Committee on Definitions 1960, p. 15). The dominant logic behind these two definitions arguably dates back to Plato and Aristotle (Cassels 1936), who both recognized marketing's societal role in closing gaps between production and consumption.

Early courses in marketing occurred under the label of "distribution," "commerce," or "trade." For example, at the University of Michigan, a 1902 offering was "Distributive and Regulative Industries of the United States," which focused on wholesaling, retailing, and various other institutions (e.g., trade associations, boards of trade). A 1906 offering at Ohio State University, "The Distribution of Products," also focused on similar institutions that were needed to take things to market (Bartels 1962, pp. 30–31). Reflecting this view, Weld (1916, p. 6), writing on agriculture products, stated that "marketing begins where the manufacturing process ends."

The prevailing thinking at the time was that "the tangible" had value because goods possessed utility (Dixon 1990; Vargo and Lusch 2004). However, if the tangible was the source and embodiment of value, marketing must be wasteful. Because of this concern, marketing scholars needed to rationalize and justify marketing's role in society. Goods that were not at a place and time when they were needed and capable of being possessed were reasoned to be of lesser value. Thus, marketing functions and associated expenditures were justified only if marketing could be shown to add the utilities of time, place, and possession.

Despite marketing costs being defended as producing utilities and thus adding value, the costs became a public concern. "Does marketing cost too much?" became an increasingly common question among the public. This was a clear signal to the marketing discipline that marketing should be conceived as not only a business activity but also a societal institution[2] and a way of maintaining social order. Perhaps part of the problem was that the public did not perceive the full value of marketing innovations that made the industrial revolution possible. The assembly line, factory production, and scientific management all added to the United States' growth and standard of living. However, this rise in standard of living also would not have been possible without a revolution in distribution and marketing. Without the railroad, motor vehicles, dirt roads, paved roads, bridges, telephone systems, radio communication, financial payment systems, and the rapid growth in marketing intermediaries (e.g., wholesalers, jobbers, department stores, supermarkets, chain store organization), the gaps between supply and demand that were fostered by the industrial revolution could have not been efficiently closed.

During the Great Depression, both the effects and the costs of marketing were publicly debated. One marketing institution that received considerable attention was the chain store retailer, which, beginning in the 1920s, experienced explosive growth while mom-and-pop retailers failed. Conversation, propaganda, and debate about the chain store problem could not be avoided. Weekly, if not daily, local independent merchants were failing, and the blame was placed at the feet of the chain stores. Marketing scholars, such as Beckman and Nolen (1938), who wrote *The Chain Store Problem: A Critical Analysis*, were involved in this debate. Politicians seeking the public's attention took up the crusade against the chains. In 1938, Representative Wright Patman of Texas introduced a bill that became known as the Death Sentence Bill into Congress. Aimed at taxing chain stores, especially those operating in multiple states, it would have taxed into oblivion chain stores that succeeded at replicating in large numbers.

The public voice was for not destroying the chain stores. If politicians are to survive in a democracy, they must listen to the voice of the public. Independent merchants protested and sought relief, but by and large, their customers, their friends, and the communities in which they lived and operated deserted them. Efficiency and economics won out over social relationships. Chain stores offered lower prices and better assortments, and these economic factors weighed heavily in consumers' minds. Consumers did not want to subsidize inefficient, small, independent merchants, even if these merchants were friends and responsible members of the community. The public debate, along with on-and-off-again legislation, signaled marketing's role as a societal institution.

Another signal of marketing as a societal institution occurred when The Twentieth Century Fund, which had a tradition of addressing controversial public issues, commissioned a study on the cost of distribution, titled "Does Distribution Cost Too Much?" Notably, the study did not address the question, Does marketing provide value, or does marketing provide sufficient value? but rather primarily considered the question, Does it add too much cost? Stewart and Dewhurst (1939, p. 3) opened with the following thought:

> The idea that it costs too much to distribute goods and that modern methods of distribution are wasteful and inefficient has taken root in the public mind. Every day the consumer is exposed to sights and sounds which seem to confirm this impression—the spectacle of four gasoline stations, one on each corner of a crossroads, the constant bombardment of costly radio programs selling everything from cigarettes to pianos, and the frequent complaint of the farmer who gets only four or five cents of the fifteen cents we pay for a quart of milk.

A societal view was also evident in the publication of *Marketing in the American Economy*, by Vaile, Grether, and Cox (1952), who suggested two important functions of

[2]The term "societal institution" is meant to be distinguished from formal institutions, such as corporate and government institutions. Societal institutions are the informal structures and means of obtaining social order and governing behavior that is cooperative in nature and transcends any individual human or pair of humans. A societal institution involves customs and behavioral patterns that are important to society. I argue that both the free marketplace and marketing are societal institutions because they foster cooperative behavior and social order.

the macromarketing system: (1) delivery of a standard of living for the citizenry and (2) creating a marketplace that fosters and supports continual innovation and improvement that allows for the standard of living to be enhanced over time. Drucker (1958) identified marketing (as a societal institution) as the key to economic development. Poor countries may have isolated sources of production and consumers in need, but too often, they lack the marketing institutions to connect production and supply, to anticipate customer needs, and to meet those requirements entrepreneurially.

A study similar to the 1939 study by The Twentieth Century Fund, again supported by this organization, also took a societal perspective (Cox 1965). It tried to address two persistent questions: "How large a part does distribution play in a highly developed economy? [and] How effectively does it perform the functions allotted to it in the American way of life?" (Cox 1965, p. v). Note that the current controversy about that nature of marketing was also an issue at that time. As Cox (1965, p. 9) noted, "A very troublesome problem has been the choice of a universally acceptable definition of either 'distribution' or 'marketing.'"

Market(ing) To

As the industrial and distribution sectors of the economy became more fully developed, what emerged was not a lack of supply and its efficient distribution but rather a shortage of customers and markets. Therefore, organizations needed to become more market and/or customer oriented. Although it is difficult to define the turning point to a market(ing)-to way of thinking, it is probably best identified with a set of events closely connected in time: John Howard's (1957) publication of *Marketing Management: Analysis and Decisions*, a presentation at an AMA conference by J.B. McKitterick ([1957] 1976) of the marketing management concept, E.J. McCarthy's (1960) publication of *Basic Marketing: A Management Approach*, and practitioner Robert J. Keith's (1960) article "The Marketing Revolution." McKitterick ([1957] 1976, p. 19) perhaps summed up best what this philosophy intended: "[T]he principal task of the marketing function in a management concept is not so much to be skillful in making the customer do what suits the interests of the business as to be skillful in conceiving and then making the business do what suits the interests of the customer." However, as I discuss subsequently, marketing never seemed to be able to deliver on this mission consistently.

Howard (1957, p. 3) defines marketing management as "that area of company management having to do with the broad field of sales," which signals that no longer is taking commodities or finished products to market (i.e., distribution) the paramount problem but rather marketing to consumers to get them to buy (i.e., selling). No longer is the challenge incumbent on marketers to fill demand by accumulating supplies and building assortments; it is now an issue of stimulating or generating demand. Thus, marketing became defined as decision making on product, channels, price, advertising, selling or salespeople, and location, all of which were aimed at marketing to customers to get them to purchase and be satisfied consumers.

McCarthy (1960) was one of the early proponents of a managerial and decision-making approach. He offered (p. 33) an important modification to the AMA definition (see emphasis): "Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user *in order to best satisfy consumers and accomplish the firm's objectives*." McCarthy argued that the business activities that marketing should be or is involved with are centered on a product offering and how it is priced, distributed (place), and promoted, while using planning to best satisfy customers and organizational objectives.

Note that though McCarthy (1960) advocated a managerial approach to marketing, the first edition of his book paid particular attention to the role of marketing in society. The first chapter was "Does Marketing Cost Too Much?" the second chapter was "Marketing and Its Historical Development," and the final chapter was "Does Marketing Cost Too Much—A Conclusion." Between Chapters 1 and 2, there was an appendix, titled "Government Regulation of Competition and Competitive Practices," which signaled to the student that marketing was an activity and process given legitimatization by society. However, in the revised edition in 1964, there was already evidence of less of a societal and more of a managerial orientation. Rather than two introductory chapters emphasizing a societal orientation and an appendix on government regulation, there was now only one chapter and nearly a third less coverage in terms of words. Furthermore, in the first edition, it took 314 pages to get to the four Ps, but in the second edition, the four Ps appeared more than 100 pages sooner. Clearly, marketing educators, who drove book sales, were abandoning the broader and more historically informed teaching of marketing as a social institution.

Kotler was also a strong proponent of marketing as a managerial activity. In the first edition of his textbook (Kotler 1967, p. 12), he defined marketing as "the analyzing, organizing, planning and control of the firm's customer-impinging resources, policies, and activities with a view to satisfying the needs and wants of chosen customer groups at a profit." However, in the 1972 edition, he distinguished marketing from marketing management. By 1972, he was defining marketing as the "set of human activities directed at facilitating and consummating exchanges" (p. 12) and marketing management as "the analysis, planning, implementation, and control of programs designed to bring about desired exchanges with target audiences for the purpose of personal or mutual gain. It relies heavily on the adaptation and coordination of product, price, promotion, and place for achieving effective response" (p. 13). At the same time, he introduced the societal marketing concept, which he defined as a "customer orientation backed by integrated marketing aimed at generating customer satisfaction and long-run consumer welfare as the key to satisfying organizational goals" (p. 26).

Although the dominant thinking at the time was focused on marketing as a managerial activity, there were scholars who continued to define marketing broadly. Bartels (1968, p. 32) defined marketing as "the process whereby society, to supply its consumption needs, evolves distributive systems composed of participants, who interacting under constraints—technical (economic) and ethical (social)—create the transactions or flows which resolve market separations and result in exchange and consumption." Holloway and

Hancock (1968) also embraced the view of marketing as a societal institution in the publication *Marketing in a Changing Environment*. Notably, Holloway and Hancock were constructively critical of marketing becoming too highly managerially operational. They mention (p. vii) that "although this approach has the respect of the authors, it does little to develop basic concepts and generalities about marketing," and they go on to distinguish their book by its conception of marketing as a social/economic phenomenon. The book begins with three chapters on marketing and society, the system of marketing, and marketing in capitalistic and planned economies and has separate chapters on marketing ethics and marketing and the law.[3] However, just as politicians hear the voice of the public, college textbook authors hear the voice of the faculty who make adoption decisions and are gatekeepers for what students read about a discipline. Kotler's innovative book on marketing management, which celebrated analysis, planning, and control, went on to become a best seller and continues to this day as the market leader. Holloway and Hancock's book, with its societal considerations and "up-front" perspective, went out of print.

In 1985, half a century after the AMA's first officially sanctioned definition, the AMA adopted a new definition of marketing. The definition viewed marketing as "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives." This definition was more singular in its focus on the firm and its marketing activities. As Wilkie (2006) indicates, the initial AMA definition was pluralistic and easily translatable to macromarketing and micromarketing phenomena. However, the 1985 definition did not recognize (implicitly or explicitly) marketing as a societal process. The new definition clearly signaled that marketing was about organizations marketing to customers.

With its attempt to focus on the customer and to be purely market oriented, the market(ing)-to philosophy was well intended but often did not work. An early indicator occurred on March 15, 1962, when President John F. Kennedy delivered an address to the 87th Congress. In this speech, he recognized that the views of the consumer were often ignored. He argued for more involvement of the Federal Government in advancing the consumer's interest. It was postulated that consumers should have four rights: (1) the right to safety, (2) the right to be informed, (3) the right to choose, and (4) the right to be heard. Kennedy called for and subsequently achieved legislation addressing food and drug protection, transportation, financial protection, telecommunications, and packaging. Kennedy's presidential address indicated a pair of issues. First, perhaps firms were not doing a good job for all consumers. Second, marketing was a societal institution that was given legitimacy by government on behalf of the population. By the late 1960s, marketing scholars began to recognize what several marketing scholars had already deduced. Lazer (1969, p. 3) called attention to this broader role of marketing in the following way:

> Marketing is not an end in itself. It is not the exclusive province of business management. Marketing must serve not only business but also the goals of society. It must act in concert with broad public interest. For marketing does not end with the buy–sell transaction—its responsibilities extend well beyond making profits. Marketing shares in the problems and goals of society, and its contributions extend well beyond the formal boundaries of the firm.

In a study conducted by Udell (1968), the data suggested that American business was still heavily focused on selling. Using a calibrated research instrument, such that the total marketing strategy was 100 points, Udell found that sales effort was 41 points, and for consumer nondurables, it was 45 points. In all cases, distribution (the historical focus of marketing under a to-market philosophy) was less than 19 points. Thus, although firms were set on adopting a new concept of marketing and trying to tailor offerings to customers and markets so less selling was needed, it was not working as intended.

A 1964 study by the American Association of Advertising Agencies found that 41% of U.S. consumers had a favorable view of marketing, and only 14% had an unfavorable view (Smith, Clurman, and Wood 2005). Forty years later, a similar study by Yankelovich reported that 28% of consumers had a wholly positive attitude toward marketing and that 36% viewed marketing as wholly negative (Smith, Clurman, and Wood 2005). Although the methodology and questions posed were different, the general message is clear from these two studies. In brief, marketing was being viewed with increasing disdain. The reason for the rise in negative opinions was most likely related to marketing saturation (over-marketing) and intrusiveness (Smith, Clurman, and Wood 2005). The American Association of Advertising Agencies study found that 40% of respondents disliked advertising because of its intrusiveness, whereas in the Yankelovich study, 65% of the respondents stated that they were constantly bombarded with too much marketing and advertising. When customers feel overwhelmed with too much advertising, they work to avoid the advertising, and moreover, when ultimately exposed to it, they discount the message.

As the second millennium approached, growing unrest emerged about how marketing was practiced. Day and Montgomery (1999, p. 3) suggested that "with growing reservation about the validity or usefulness of the four Ps concept and its lack of recognition of marketing as an innovating or adaptive force, the four Ps now are regarded as merely a handy framework." Sheth and Parvatiyar (2000, p. 140) suggested that "an alternative paradigm of marketing is needed, a paradigm that can account for the continuous nature of relationships among marketing actors." Advocating a network perspective, Achrol and Kotler (1999, p. 162) stated, "The very nature of network organization, the kinds of theories useful to its understanding, and the potential impact on the organization of consumption all suggest that a paradigm shift for marketing may not be far over the horizon." Vargo and Lusch (2004) argued that firms were fixated on a dominant logic grounded in manufacturing and producing goods in large quantities away from the market

[3] It was this book that I first used to study marketing when taking the principles of marketing course from Michael Harvey in 1969 at the University of Arizona. When teaching introductory marketing in 1971 at the University of Arizona, I used this book at the recommendation of Robert Hancock, who was department head.

in an attempt to drive down manufacturing costs. They perceived most employees, and especially management, as never interacting with a customer and thus needing to be reminded to keep the customer in mind.

Market(ing) With

The to-market and market(ing)-to philosophies treated the customer as exogenous. In comparison, the emergent market(ing)-with philosophy views the customer as endogenous and as a partner in the cocreation of value. I believe that this next phase in the evolution of marketing thought has arrived and is already being practiced by a growing number of innovative organizations.

In my writing with Vargo (Vargo and Lusch 2004), I tried to capture this shift in thinking by outlining the emergence of a new dominant logic for marketing that subsequently has become known as the service-dominant (S-D) logic of marketing (Lusch and Vargo 2006a, b, c; Lusch, Vargo, and Malter 2006). The S-D logic uses the distinction between operand and operant resources to provide the customer with a new role. Operand resources are resources on which acts are performed and are primarily tangible and static. Operant resources are resources that produce effects and are often intangible and dynamic. Under the old logic, customers were viewed as operand resources; they were segmented, targeted, promoted to, persuaded, and somehow convinced to buy. In short, they were exogenous to the organization. Under S-D logic, customers are active participants who bring needed skills or competences to the exchange process; in this context, they are operant resources and endogenous to the marketing process. The role of the customer is central because the customer is a cocreator of value. As such, marketing is a process of doing things in interaction with the customer. Value is perceived and determined by the consumer on the basis of value in use. Consequently, firms cannot add value but can only offer value propositions.

An early critical comment of S-D logic related to Fundamental Premise 6: "The customer is always a coproducer" (Vargo and Lusch 2004). The comment was that there are many instances in which the customer does not want to coproduce. This caused us (Vargo and Lusch 2006) to change this fundamental premise to "The customer is always a co-creator of value." We then made the important distinction between coproduction and cocreation of value (Lusch and Vargo 2006c). Coproduction involves the participation in the creation of the core offering itself. It can occur through shared inventiveness, codesign, or shared production of related goods and can occur with customers and any other partners in the value network. Thus, we agree that not every customer wants or needs to be a coproducer with the firm. Conversely, the cocreation of value is something that always occurs. This concept represents a rather drastic departure from goods-dominant logic, which views value as something that is added to products in the production process and is captured in price (value in exchange) at the point of exchange. In contrast, S-D logic argues that value can only be created with and determined by the use in the "consumption" process, or what is referred to as "value in use." Thus, it occurs at the intersection of the offerer and the customer over time, either in direct interaction or mediated by a good, as indicated in Fundamental Premise 3 of S-D logic ("Goods are distribution mechanisms for service provision").

Sawhney has led much of the thinking about the market(ing)-with philosophy and suggests that "marketing is the adaptive process by which firms learn about their customers and markets, and collaborate with customers and partners to create, deliver, and sustain value for all stakeholders."[4] This perspective is built around the design and marketing of customer solutions (Sawhney 2006; Sawhney, Balasubramanian, and Krishnan 2004)—"offerings that integrate goods and services to provide customized outcomes for specific customers" (Sawhney 2006, p. 365). Womack and Jones (2005, p. 7) support this view by observing that information technology, coupled with consumers using more personal capital goods, actually "claims more of the consumer's (unpaid) time and energy while blurring the boundary between consumption and production." Prahalad and Ramaswamy (2000, 2004) argue that competitive advantage in the future will be tightly linked to cocreating unique value with customers.

In my opinion, Sawhney's definition had potential as the official AMA definition, and thus I vetted it with others involved in the effort. However, I also believe that it was a definition of marketing management and not marketing per se, and thus I used some of Sawhney's key components and developed the following definition as a candidate for the new AMA definition: "Marketing is the adaptive process, in society and organizations, of collaborating to communicate, create, provide, and sustain value for customers through exchange relationships while meeting the needs of diverse stakeholders."[5] This definition was pluralistic and thus could be used at any level of aggregation, from the micro to the most aggregate of marketing systems. I also believe that any definition of marketing that is endorsed by the AMA should be in part normative and suggestive of what marketing practice should be versus what it merely is. Thus, my proposed definition, with its focus on collaboration, which is not pervasive in marketing practice, was a somewhat normative definition.

I also believe that the definition I offered provided considerable research direction for an academic discipline that appeared to be searching for a new paradigm. The most important thing about the definition I proposed was its focus and attention on the concepts of society, collaborative processes, value, and stakeholders. In the final analysis, the definition the AMA adopted included explicit mention of value and stakeholders. Subsequently, I detail the possible research directions from the new definition but also in part

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[4]Mohan Sawhney has presented this definition to many executives and industry groups; however, on July 6, 2006, he confirmed with me that he has not published this definition in a source that can be cited. I encouraged him to publish the definition in some manner.

[5]This definition is somewhat similar, but not identical, to a definition that Steve Vargo and I (Lusch and Vargo 2006a) developed using the S-D logic framework (Vargo and Lusch 2004). It defined marketing as "the process in society and organizations that facilitates voluntary exchange through collaborative relationships that create reciprocal value through the application of complementary resources" (Lusch and Vargo 2006a, p. 408). Note the emphasis on society, value, and collaboration.

from a focus on marketing as a societal and collaborative process.

Value

The old dominant logic focused on value in exchange (i.e., monetary price received in exchange); however, the definition I proposed and the new AMA definition brings up a much broader concept of value. A broader view of value should include both value in exchange and value in use, and this opens the door for much-needed theorizing and research.

However, value should not only be studied from the customer's perspective. On the contrary, as my proposed definition suggests, with its emphasis on marketing as both an organizational and a societal process, the research opportunities are much broader. For example, I believe that the time is right for a study that is similar to the two studies supported by The Twentieth Century Fund (Cox 1965; Stewart and Dewhurst 1939) on the costs of the aggregate marketing system. However, the study I propose should be on marketing's contribution to individual and societal value. Such a study should not only use prices and costs (value in exchange) but also employ value-in-use notions and perhaps the multidimensional nature of value as recognized by Holbrook (1999). Holbrook identifies eight types of customer value: efficiency (output to input ratios or output less input), excellence (quality), status (fashion), esteem (materialism), play (fun), aesthetics (beauty), ethics (justice, virtue, and morality), and spirituality (rapture and ecstasy). How does marketing enhance these values for customers and for society overall? Such a broad question will also stimulate research on the trade-off among the various kinds of value cocreated in the marketplace. For example, how does our role as consumers versus our role as citizens influence what we value in a marketplace economy?

Value occurs in interaction with resources. Lusch and Vargo (2006a) and Arnould, Price, and Malshe (2006) view the customer as creating value by resource integration. Many research opportunities take this perspective. For example, how does the customer combine public resources with private resources to create value? Consider such tangible public resources as the supply of clean and low-cost water and energy, trash removal, recycling, transportation infrastructure, and public parks and recreation areas. How do these public resources help increase the value of everyday objects, such as automobiles, fireplaces, bicycles, computers, bathrooms, kitchen appliances, and running shoes? What determines how households perceive the value-enhancing capability of these public resources and what this means for the acceptance of taxation? How does the customer combine public resources that are intangible to create value? What is the value in use to the entrepreneur of a society with efficient, effective, and fair credit and legal institutions? At what point is the value in use of pubic resources less than the value in exchange and, thus, the source of citizen alienation and rebellion?

Stakeholders

Both the definition I proposed and the new AMA definition imply that marketing should address the concerns of the firm and its customers, as well as its stakeholders. Consequently, more attention to stakeholder theory must be central to marketing scholarship (Donaldson and Preston 1995). Stakeholder theory attempts to identify which groups, both internal and external to the firm, are worthy of management attention. A few of the central questions that are ripe for research include the following: Who are the relevant stakeholders of a typical firm? What emphasis should be placed on each? How do conflicts get resolved between the diverse needs of stakeholders? Where in the organization are these conflicts resolved? How are the stakeholders of a particular firm different from the stakeholders of free enterprise organizations overall in the economy? and Who will care about these stakeholders?

There is also significant research opportunity in combining the concepts of value and stakeholders. As Wilkie and Moore (1999) illustrate, there are system values that may be in conflict with the values of the customer, the firm, and other stakeholders. Many of these value conflicts are characterized in criticisms of marketing, such as promoting materialism, negatively affecting cultural values, being manipulative in character, emphasizing private consumption, and inherently self-serving. Laczniak (2006) urges more focus on the societal and ethical dimensions of the emerging S-D logic of marketing. He comments (p. 283) that we have an "expectation of society not to be disadvantaged by costs of business operation that might be externalized to society as exchange occurs and consumers pursue their happiness." Consequently, combining the notions of value and stakeholders provides a useful conceptual framework for the study of externalities.

Collaborative Processes

Although the new AMA definition does not mention collaborative processes, it was a central component of the definition I preferred. Many firms are adopting collaborative processes and methods as well as collaboration as a general philosophy of business. Some of this thinking is reflected in closer working relationships, alliances, joint ventures, and partnerships and in an overall trend toward outsourcing. This occurs not only within business organizations but also among all organizations and even within government. Milward and Provan (2000, p. 359) identify the emergence of what they refer to as "the hollow state," which is a metaphor for "the increasing use of third parties … to deliver social services and generally act in the name of the state." They argue further (p. 359) that "nonprofits, firms, and governments all play a role in the new world of devolved public policy. This means that public services are jointly produced." Consequently, not only is the coproduction and cocreation of value emerging as a dominant practice in business, as Vargo and Lusch (2004) argue, but the practice is much more widespread and has become a large part of providing public services.

In a complex and dynamic world, knowledge is dispersed throughout the system or network. Value is not created and delivered but is cocreated by customers and all partners in the value network. Relevant questions that need to be addressed include the following: What is the role of information technology in fostering collaborative processes? Can conflicts that occur between the firm and stakeholders be better resolved by means of collaborative problem solving versus the standard negotiation model of conflict resolution? and When does collaboration lead to anticompetitive practices? For example, are research collaborations with competitors necessarily bad for society? How are the intellectual property rights in a collaborative effort determined? Collaboration often involves an open-source effort. Could the reduction of patent rights enhance or reduce collaborative efforts? Is this good or bad for society? When does the outsourcing of government functions to other organizations or networks improve, and when does it reduce societal welfare?

Concluding Comments

This review of the evolution of how the marketing discipline and its leading association has defined marketing makes it vividly clear that marketing theory, thought, and practice is a work in progress. Undoubtedly, as someone charged with heading up the process of developing a revised AMA definition, I believe that the end result was an improved and more contemporary definition of marketing. Nonetheless, I have tried to show how marketing in both theory and practice is moving away from a market(ing)-to philosophy and practice and toward a market(ing)-with philosophy and practice, and in this regard, I do not believe that the revised AMA definition is comprehensive enough for the reasons I have reviewed.

If the community of marketing scholars and their professional associations does not take a lead role in studying and researching marketing as a societal process and institution, this type of research will be left exclusively to scholars outside marketing and, most likely, outside business. In this regard, it is informative to note that three of the nine original purposes of the AMA, as stated in the 1937 constitution and bylaws of the AMA, were of a societal nature: (1) "to develop better public understanding and appreciation of marketing problems" (originally listed as Number 5), (2) "to study and discuss legislation and judicial decisions regarding marketing" (originally listed as Number 6), and (3) "to encourage and uphold sound, honest practices and to keep marketing work on a high ethical plane" (originally listed as Number 9). My sense is that if we get everything else "right" but fail to develop a coherent and compelling body of thought regarding the aggregate marketing system, we will have failed society and ourselves as a profession.

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