‘To study or not to study marketing? That is the question.’

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Love or hate it, virtually everyone is touched by and involved in marketing in some way. But why would you want to study it? What are your attitudes towards it? And what are those attitudes based upon? This paper takes a balanced look at the evidence for and against the subject of marketing to give the reader some perspective on the question of Why Study Marketing? It covers the main benefits and criticisms of a marketing approach using eight major arguments which have consequences at three different levels of the World, Country, and that of the individual. Each of the 8 general arguments is framed as ‘Marketing facilitates X’, and then illustrated as to why X can be good or bad. Surprisingly, there is very little research summarising these different world-views, or how these contribute to understanding Marketing’s impact on society. As a result, prospective students of marketing are left to make poorly informed decisions when choosing Marketing as a subject or career. This article fills this gap, and offers the would-be student or marketer a quick insight into why study (or not study) Marketing. Our first argument is that:

1) **Marketing facilitates increased choice and more products.**

This is mainly a result of market research which identifies customer needs and then develops products to fulfil these needs. The positives of this increased choice are; it heightens customers’ ability to distinguish between goods, it increases customers’ control over their choices which leads to customer empowerment and enhanced decision-making, and it gives customers products which are more suited to their requirements.

However, increased choice can also lead to anxiety and indecisiveness in consumers; something known as the ‘paradox of choice’ which can immobilize consumers from deciding. For example, 30% of consumers bought jam when faced with 6 varieties, but only 3% bought it when faced with 24 varieties (Iyengar and Lepper 2000). This ‘Tyranny of Choice’ can also lead to less satisfaction with the choice that consumers eventually make due to post-choice regret and decision fatigue. For example, people asked to make many choices procrastinate more, and perform worse on arithmetic problems (Vohs et al., 2008). Supermarkets often present this challenge to consumer with one UK supermarket, Tesco, stocking 91 different shampoos, 93 varieties of toothpaste and 115 types of household cleaners.

2) **Marketing raises expectations about individual sense of deserving**

One the positive side, raising people’s expectations about themselves and what they deserve can lead to a greater sense of individual identity and enhanced self-esteem. The former is a “I am a person of worth, at least on equal basis with others” (Greenberger et al 2003), the latter is “I deserve X” (which may be based on perceptions of self-worth, or some other basis for social justice like fairness or norms which does not require self-worth per se). For example, body piercing and tattooing allows people to express themselves and has been linked to higher self-esteem (Deschesnes et al. 2006). Similarly, hair dyeing helps women to live longer because they feel younger which improves their self-esteem (Hsu et al. 2010). In addition, raising people’s sense of deserving can lead to greater social justice and the
breakdown of perceived social injustice norms. For example, the sense of entitlement to access to marketplaces has led to civil rights changes to gender, race and sexuality equality (Nussbaum 2009).

One reason behind individual sense of deserving is the recent trend of co-creation between firms and consumers to generate value, which in turn, leads to consumers becoming more demanding (Prahalad and Ramaswamy 2004). This can lead to other potentially less desirable consequences such as a 7% rise in cosmetic surgery procedures for citizens over 65 in the US (Chicago Tribune 2012), and 100 million mobile phones thrown away annually in Europe due to increasing frequency of phone upgrades and increasing expectations of the features a phone should provide to consumers. In some countries, increased expectations about what an individual deserves can also lead to a dependency on the State to provide for these and it has even been suggested this can be one reason behind civil unrest based upon economic inequalities within society such the London riots (Bauman 2011).

3) Marketing facilitates innovation and new product development

The advantages of such innovation include helping companies to compete in the marketplace and in the market for talented workers, as well as solving consumer problems. For example, IBM developed and marketed the Bluegene supercomputer, an investment which gave them a competitive advantage and helped recruit top talent that had previously only considered Silicon Valley as a place to work. General Motors and BMW’s innovative Virtual Reality and Simulation centres aided analysis of vehicle faults to develop safer vehicles (Becker et al 2005) and the disruptive innovation of angioplasty now gives patients an alternative to surgery.

However, innovation can lead to negative environmental outcomes and increased consumer costs. For example, the development of smartphones and GPS technology has led to the large-scale extraction of "rare earth" minerals of which 97% are found in Baotou, China. As a result of the extraction’s toxic environment effects, Baotou’s population has dropped from 2000 to 300 citizens in just 10 years (Bontron 2012). In addition, innovation can result consumers spending more money than they need to due to ‘Planned obsolescence,’ a business strategy in which the ‘date when a product is no longer usable or available’ is built into it from its conception, e.g., Apple is currently being sued for selling their new phone models at the exact same time when batteries in consumers’ current phone models have been timed to run out (Rampell 2013).

4) Marketing creates value for consumers and companies through branding

The advantages of building brands are: 1) it generates significant value for companies and the economy, e.g., brands typically account for more than one-third of shareholder value and strong brands outperform the market (Interbrand 2005), 2) it enables companies to employ more people, e.g., the success of the iPhone led to over 600,000 jobs being created. The downside of brands is that they stimulate the black economy. For example, there has been a five-fold increase in the number of seizures of counterfeit alcohol between 2008/09 and 2010/11 (Snowdon 2012) and an estimated 42% of the global PC software market, worth $63.4 billion, is counterfeited (Business Software Alliance 2012). This can hurt rights’ holders of brands, results in lost sales, threatens consumers health and safety, lost tax revenues and legitimate international trade (OECD 2007). Branding also results in price premiums for products especially in categories like high-fashion, premium wine, jewellery,
pharmaceuticals and consulting, which lead to customers paying excessively for branded over similar non-branded alternatives (Klein 2000).

5) Marketing facilitates ethical business practices

On the positive side, increased consumer awareness about unethical company practices has facilitated a greater focus on corporate social responsibility for many companies in an attempt to win consumer trust, e.g., Starbucks’ initiatives with its CAFE green coffee sourcing guidelines and practices to reward coffee producers and helping companies to be more sustainable and recycle more. In addition, the Centre for Positive Marketing’s Consumer Value Index, which measures the extent to which Marketing helps society and people’s lives in general, shows an 8% increase 60.4% in 2012 indicating marketers are making gains in their capacity to help individuals and society (The Center for Positive Marketing 2013).

However, marketing techniques can be used to: target vulnerable populations (Times 1990), mislead or misrepresent product benefits or promote unsafe or unhealthy products. For example, Sweden has banned all marketing advertising during children’s prime time TV because of findings that children under 10 are incapable of telling the difference between a commercial and a program. 1.6% of social media promotions violate the UK’s ASA’s Code of Practice (Advertising Standards Authority 2013). 78% of youths globally are regularly exposed to some form of tobacco advertising, promotion or sponsorship. There is also evidence that marketing researchers sometimes deceive participants with false information about the purpose of the research or how the data would be used (Kimmel 2001).

6) Marketing stimulates demand through promotions and advertising.

The advantages of stimulating demand are: 1) increased consumer enjoyment, e.g., people enjoy acquiring goods and people enjoy the shopping experience whether that be in shopping centres or the individual store experience, such as in Harrods of London; 2) increased funding for research and development, e.g., Samsung’s profits has led to research expenditure of approximately $9billion; 3) increased tax revenue as profitable companies and consuming individuals to pay more tax to governments which leads to better public services (OECD 2008); 4) increased pro-social behaviours, e.g., promotions such as the 5-a-day healthy eating campaigns has led to improvement in balancing citizens’ diets.

However, the stimulation of demand through promotion also has negative consequences such as; health problems, environmental problems, species survival issues, and reduced consumer well-being. For example, increased consumption of fatty foods has contributed to 68.8% of people being obese or overweight in America (US Department of Health and Human Services 2012), and almost six million people die from tobacco use annually and 600,000 from passive smoking according to the World Health Organisation. Stimulating demand for packaged food is wasteful use of finite resources such as tin and increased fishing of the Pacific bluefin tuna fish has caused worldwide stocks to decline by 97% over the last 5 years, (Bard 2013) while hunting of species like the Carolina parakeet for feathers, American bison for meat, and the Tibetan antelope for fur is leading to their extinction. Finally, since ‘mere exposure’ to an advertisement tends to cause people to like a product more, even if people don't remember being exposed (Zajonc 1968), consumers can be prone to buy the most obvious, most banal and the most advertised products as opposed to those with the best quality. Demand stimulation can also lead consumers onto the ‘hedonic treadmill’, i.e., the
more people acquire, the more they desire and this has been linked to decreased consumer emotional stability through unfulfilled desires (Ash 2011).

7) Marketing promotions facilitate increased awareness of traditions and cultures

This promotion largely comes from individual country tourist boards, companies engaged in tourism and companies involved in promotion of ethnic products. It has the advantage of increasing tourism and helping 83% of developing countries; especially the 38% which have tourism as a main source of foreign currency. For example, Tanzania’s tourism earnings increased by 15% within 5 years, creating 25,700 jobs, and contributing to over 16% of GDP in some fiscal years (Tambwe 2013). On an individual level, these promotions and adverts can also lead to a greater mutual understanding between cultures. For example, Austria’s art education promotion, KulturKontakt, encouraged Austrian and Czech students to visit and explore the border between the two countries reducing cultural barriers (Putz-Plecko 2008) and advertisements of Arabised Fulla dolls in black abayas highlighted Middle Eastern traditional values and ‘respect for parents’.

However, it can also play up stereotypes which diminish awareness of traditions and cultures and can narrow understanding instead of broadening it. For example, think of the many political advertisements and propaganda, or any ad that uses a “don’t be a...” approach to persuasion. Also, this increased awareness of traditions and cultures has also led to the ‘Americanization’ of developing countries and the adoption of western lifestyle choices. For example, there is a causal link between these western lifestyle choices and increased risk of tobacco use in New Delhi amongst Indian adolescents (Stigler et al. 2010) and an increase of obesity in non-Western developing and developed countries where this problem did not exist before, such as Japan where 20 per cent of people are now obese.

8) Marketing facilitates an increase of world trade, global mergers and international investment.

This is largely because of the publicised investment opportunities for companies which have been a major factor in the 40% rise in global investment flows from 2003-2007 (Sauvant et al. 2009) and have created jobs and tax revenue. For example, India’s government promotions for external investment led to merger deals between Jaguar Land Rover and Tata Motors which resulted in $2500 million in Foreign Direct Investment in the UK and created over 1,000 as well as £1 billion taxable company profits annually (Milmo 2011).

However, international investment often leads to increased outsourcing which has reached a global turnover value of approximately $483 billion (Plunkett Research Ltd, 2013). This in turn can lead to greater exploitation of workers, e.g., Nike’s underpaying workers in Indonesia, the use of child labour in Cambodia and Pakistan, and poor working conditions in China and Vietnam. It can also lead to a loss of jobs in the home country with estimates suggesting 2.1 million business-services jobs losses at big American and European companies between 2002 and 2016 (The Economist, 2013). In addition, since some ‘low and middle income countries’ have a carbon intensity of 2.7, compared to ‘high income countries’ of 2.3, there are environmental consequences of offshoring (World Bank Statistics). That said, one study showed foreign factories set up in 200 Chinese cities emitted 0.5 kilos less of annual sulphur dioxide emissions per employee than local factories, but the study did not show how much these foreign factories would have emitted in their developed home countries (Liang 2006).
Whilst these eight arguments and evidence presented within do not represent the totality of those involved in the debate, we hope that they do provide the would-be marketer or marketing student some food for thought in deciding whether or not to study marketing and we wish you well with your own research into the subject of marketing. Most importantly, none of the arguments are weighted in any way and there is no attempt to weigh the pros and cons of each side of the arguments. All we can say is that the positive arguments in terms of quantity occur many more times that the negative side.

But why chose marketing as a subject or career? One very good reason is the breadth and diversity of the subject. Since marketing is part science, part art, depending on what you like or are good at, there is likely to be a home for you within the area of marketing. Second, because marketing is fundamentally about people, it’s always interesting and not only helps you understand other people and what companies do, but also helps you understand yourself a bit more. Finally, understanding marketing principles of how to give people what they want as well as influence people, is not only useful if you are in marketing, but also since most jobs have some element of marketing within them, it is useful for any career as well as in a personal context because we are all ‘products’ selling ourselves in the marketplace for jobs and relationships.

So why choose Cass? Cass Business School is in the heart of the London situated between the City and financial district, including the Bank of England, and Tech City where Google has premises together with 500+ small tech start-ups, so it’s an exciting place to be. Cass is one of the top 5 Business Schools in the UK and part of only 1% of business schools worldwide which are triple accredited by AACSB, AMBA and EQUIS. In addition, the FT often ranks us as number 1 for careers advice and advancement for students on our programmes. In the marketing group of 12 people, we focus on good marketing, which improves company performance such as, which videos go viral and why, as well as marketing for good, which enhances consumers’ lives by researching such things as; charitable giving, understanding the needs of visually-impaired consumers and why the consumer engages in the sharing economy. Our teaching is interactive and our MSc in Marketing Strategy and Innovation has projects which are linked with tech city companies to give students real-world experience which compliments the many guest speakers we have from companies such as Google, Visa and Unilever. We hope to see you soon to study one of the most exciting subjects in one of the most exciting cities in the world.

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