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Marketplace Wisdom and Consumer Experience: Redefining Sustainability

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ABSTRACT

This is a consumer research project for consumers; that also promises insights for business policy makers and decision makers. We imagine the possibility of a form of marketing that transcends the managerial technology of value delivery for the immediate satisfaction of consumer needs. The concept of marketplace wisdom is outlined as the outcome of a social process of value co-creation. We want to understand how consumers learn how and what to consume in the emerging "technologised" "marketspace", and how to realise sustainable consumption that avoids corrosive excess and provides sufficiency in meeting needs and responsible wants. We identify possibilities of impairment and enrichment in marketing. Thus, we identify the potential for marketing system advancement in a set of oppositional characteristics: identity – function and philosophy; interactivity (co-operativeness) – transactional technology and relational social process; value creation – delivery and co-creation; and, impact – consumerism and sustainability. We note the implication of a re-view of the concept of sustainability in our work, and outline a strategy for investigating a particular 'marketspace' in search of sources of marketplace wisdom.

ARTICLE

Marketplace Wisdom

The recent trends – the shift in focus toward the new conceptual paradigms such as relationship marketing, value co-creation, and sustainable marketing - seem to underlie a profound, yet wide, movement, possibly the process of an on-going enrichment of the underlying marketing system. The process is hypothesised to be

positive, comprehensive, socially interactive, value-laden, and most importantly, wise. The phenomenon of interest is a hypothesized (or a hoped for) advance in the marketing system that is governed by virtues of a metacognitive marketplace intelligence, or marketplace wisdom, which indicates the ideal future role of markets and marketing in society. We define marketplace wisdom as a comprehensive, interactive, value-laden and positive form of integrated social intelligence that guides marketplace action to the sustainable future.

The future is not physical, but ethereal. It resides in minds; to be accurate, in interactive social minds. It comes about through social interaction. The importance of thinking in terms of interactive cognitive structures has attracted the attention of many. Wright stressed "marketplace metacognition" and social intelligence as a future locus of consumer research (Wright 2002). His definition of these concepts was:

'Marketplace metacognition refers to everyday individuals' thinking about market-related thinking. This includes people's beliefs about their own and others' mental states and processes and their beliefs about other people's beliefs on those topics as these beliefs pertain to the specific domain of marketplace cooperation and manipulation. Marketplace social intelligence refers to the cognitive routines and contents dedicated to achieving marketplace efficacy that are accessible to individuals by virtue of functionally specialized evolutionary processes and the development of this functionally specialized expertise over an individual's life span' (p. 677).

It is worth noting that Wright is binding together the theory of interactive (social) minds and the concept of place – here, it is the marketplace. The theory of interactive minds emphasises interdependence and interplay among individual cognitions in activating and modifying existing cognitive structures as well as forming new ones (Baltes and Staudinger 1996). The importance of the concept of place within the field of marketing has lengthily been discussed by a volume of essays edited by John Sherry (Sherry 1998). The phenomenon under scrutiny is an "emplaced consumption", i.e., consumption happening in certain market spaces. Thus, consumption experiences have been enriched by the place dimension. The attempt to give it a time flavour can also be observed in a substantial body of research on retrospective marketing (Brown and Sherry 2003). Nevertheless, it might also need to be taken forward toward the future.

In Wright's narration quoted above, "everyday" indicates that the model of marketplace is considered in a discrete point of time, in a kind of snapshot of a current situation. However, extrapolation of

these fixed points along the time dimension to eternity would give us the picture of the future. So what is the essence of futuristic comprehension? Again in Wright, it is about marketplace co-operation [our term is enrichment] and domination [we call this impairment] (Wright 2002). To act upon it effectively, as he argues, we need to acquire *marketplace social intelligence*, which is in our words, would be *wisdom* or *wise decision making*. Then the phenomenon we are dealing with seems to be *marketplace wisdom*. In Wright's expression, this would be "accessible to individuals by virtue of functionally specialized evolutionary processes" and "the development of this functionally specialized expertise over an individual's life span" (p.677). The former is the same as the wisdom as personality trait (Ardelt 2004a; Ardelt 2004b), while the latter points to the wisdom as expertise (Baltes and Staudinger 1993; Baltes and Staudinger 2000).

An impressive number of researchers claim a positive relationship between individual ageing and the level of wisdom (Ardelt 2004b; Baltes and Staudinger 2000; Holliday and Chandler 1986; Staudinger and Baltes 1996; Staudinger and Pasupathi 2003). How about the process of ageing of a marketing system? Do its structures and processes get enlightened and wiser by the elapse of time and experience? Can we make an assumption that humans and the marketing system resemble each other in this aspect? If ageing and getting wiser travel hand-by-hand, then it would be plausible to expect that a marketing system might acquire more wisdom through its progress along the time dimension. If this is a fact, then how does it happen? What are the factors contributing to this phenomenon?

Impairment and Enrichment

The concept impairment explains social methods of control used by a privileged few over the general public for the purpose of deliberately destroying their cognitive capacity and ability to think (Lindblom 1994). The other form of impairment could be a deliberate application of faulty practices for one's own benefit while veiling it with a maximalistic mantra. The effect of this misrepresentation, diversion and confusion is a diseased mind that accepts any social aberration to be prudent and beneficial for all (for example, exhortations to "buy more stuff"). Complex and dynamic social reality is often reduced to that of a finite set of attributes to be tackled by seemingly practical, but actually unpractical "how-to" tools. This phenomenon is rooted in larger cultural dysfunctions such as fragmentation, competition, and reactivity (Kofman and Senge 1993), limited by narrowly-focused and dogmatic decision-making patterns exercised by managers.

Yet, the marketing system and the underlying concept have not been left undeveloped. Conception and re-conception continues in both academia and practice. The understanding, comprehending, learning, and experiencing is never static, but dynamic, continuous, and progressive (Dewey 1954). This process of marketing development, more or less, reflects advancement and *enrichment* of the concept. This advancement, arguably, could be in the guise of hope for the future, or a set of positive expectations that projects into eternity.

Dimensions of Marketing Advancement

Thus, we identify the potential for marketing system advancement in a set of oppositional characteristics: identity, interactivity, value creation, and impact. Impairment and enrichment may become activated along these dimensions. The dimensions are consistent with Sheth et al.'s classification of marketing schools of thought (Sheth et al. 1988). The interactivity dimension is closely related to their interactive and non-interactive dimensions. Value creation and impact dimensions are related to their economic/non-economic dimensions.

The dimension *identity* is manifest in function and philosophy; *interactivity* (co-operativeness) is played out in transactional technology and the relational social process. *Value creation* is realised in delivery and co-creation. *Impact* is experienced in consumerism and sustainability. More or less, the former characteristics in all dimensions, namely function, transactional technology, value delivery, and consumerism are the examples for impairment, whereas the latter concepts – philosophy, the relational social process, value co-creation, and sustainability – represent enrichment of the system.

Fresh Thinking on Sustainability

A totally different understanding of sustainability is required for incorporation of the concept into the marketing paradigm. Sustainability is widely defined as the ability to “meet the needs of the present without compromising the ability of future generations to meet their needs” (World Commission on Environment and Development Report, 1987, p. 43). Different interpretations for this definition are possible. One way, or the presently dominant view, is to see human generations bargaining for the right to use natural resources that may be depletable or renewable. Resources are thought to be static and finite, and the advantage goes to the one who captures more resource.

The other interpretation could be based on the view of an alternative logic that makes a distinction between operand and operant resources (Vargo and Lusch 2004). Operand resources are those on which an action is performed to create value, while operant resources symbolise knowledge, skills, competencies and capabilities by means of which actions are performed on operand resources. This service-centred logic recognises marketing as a social process of mainly dealing with operant resources. Consequently, in this circumstance, sustainability becomes an issue of how operant resources are handled, while not compromising the traditional view of a fair distribution of resources among generations. Coming generations need, and must be endowed with, the just social institutions (which marketing is to be a kind of) as well as knowledge, skills, and competencies that would nurture an ability in them to construct appropriate operant resources to solve their contemporary problems.

The next generations are going to face totally different challenges to those we face, partly as a consequence of the legacy we provide to them. It may even be that they will not need certain natural resources due to technological and other developments. However, they will always be in need of a healthy ability in knowledge and skills to solve the difficulties they face. If social institutions and processes, such as marketing, render the majority of them (humanity) weak, skill-less, impaired, unhealthy, and dependant on a dominant few, then it is not going to help them in spite of a bulk of natural resources inherited.

Marketing, to be capable of producing sustainable well-being for all, needs to be based on co-operation and enrichment rather than domination and impairment. William McInnes developed a concept of marketing as a process of actualisation of a potential that exists in a market (McInnes 1964). The market was thought to consist of separation and relationship. When thinking in terms of an exchange being continuous, dialogical, interactional, and relational (Varey 2001; Varey 2002), one more element is required in this model; it is the well-known economic concept of externality. Then a market would consist of separation, relationship and externality. An externality refers to unintended effects of marketing activities, be they positive or negative. A burden of actual or perceived exchange externalities mediates the process of actualisation of a market potential. Swaney (1981) argues that the main externality in a market is the impact on culture, community, and people's well-being. This impact was considered to be mainly negative in terms of erosion of traditional community forms. Sustainable marketing, or just marketing (as a positive social process and institution) in the process of actualising market potentials (separations between

related partners under the burden of an externality) must minimise the negative externalities and maximise the positives. A negative externality may include cherishing weakness in dealing with partners – consumers, customers, suppliers, employees, competitors. The weakness in consumers may be exhibited in their readiness to digest a delivered value rather than to co-create value, and their physical and psychological faculties being impaired so as not to pose a challenge to the dominating force. Such impairment of stakeholders may promise big returns for a company for the time being, but may prove fatal in the future. Is it not the time to investigate how big corporations as well as whole civilizations undermine their very existence by weakening and impairing the parties who may pose them a challenge, so that they would not become complacent?

Research strategy

Such a study requires a shift from problem-solving marketing and consumer behaviour research for managers, to research with consumers to understand consumption and marketing from the consumer's point of view. How can marketing assist in enhancing human dignity and well-being in terms of things to be possessed, arrangements to be made, and ways to act? We examine the implications and prospects for consumer experience in a marketing system that is collaborative with sustainable value creation as the core principle. Such knowledge is creative rather than descriptive and reproductive, and judged by its consequences rather than by its origins. Our constructive intellectualisation and philosophical analysis will be tested for validity and truth by conducting interpretive fieldwork that attempts to justifiably verify the consequences in the experiences of actors in the buyer-seller relationships of a high impact consumer goods market (automobiles). The Toyota company, for example, currently speak of regenerative efforts through collaboration with society. What is the substance behind this statement? Is it mere attention-getting rhetoric?

We suggest research conducted in co-operation with managers, front-line staff, and customers. The purpose of the research would be to develop an understanding of the interaction and dialogue between company employees and their customers that can possibly create value for sustainable business, and that is, perhaps, not paid the attention deserved. A corporate brand policy is about creating a positive emotional engagement that customers will have toward a brand. This is enhanced by day-to-day interaction for sustainability, which is based on customers' and employees' experiences, in comparison to the monological promotion of an ungrounded home-

made recipe. Today's customers are not passive acceptors of a pre-packaged value offered by a company. They are active co-constructors of value they want. Customers may have their definition for sustainable consumption, while a business has its view on the process. The meeting point is believed to be in the interaction between them. Interaction will be studied in terms of a concept of co-created value, i.e., it is the ethos, dimensions, and nature of the chain of events that make a marketing process valuable and responsible for both sellers and buyers. Its content will be investigated to determine whether or not sustainability issues emerge through interaction. Sustainability implications for brand management will be identified.

The focus of analysis and emergent understanding would be buyer-seller interaction. We propose two activities:

I. *Exploring the consumer perspective*: 1) In-depth interviews with consumers who just bought or expressed interest in the brand, or are active participants of a sustainability project; 2) Review of existing market research data (focus group studies, survey results, etc.); and 3) Review of any other recorded (richly descriptive) material on consumer ideas, suggestions, complaints, and problems (for example, the content of customer generated talk online [e.g. weblogs related to the brand and product category]).

II. *Exploring the company perspective*: 1) In-depth interviews with marketing managers, brand managers, and front-line staff (call center, web communication, sales points, customer service, etc.); 2) Review of company documentation, plans and written policies, R&D priorities, budgets, etc.); and 3) Observation of decision-making to determine courses of action, in marketing management meetings.

The plan would be to produce insightful knowledge on: 1) the view and challenges for brand marketing in the future; 2) sustainability-compatible brand marketing; 3) the essence and attributes of sustainability-consistent value co-constructed in interactions rather than ready-made and delivered to consumers; 4) how sustainable value can be co-created; and 5) the sustainability ethos resounded in interactions between sellers and consumers.

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