

HIGHER LEVEL MARKETING

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Abstract: *In the marketing literature there are increasingly more often presented views that it is necessary to bring marketing to the higher level. This means increased interest in the part of the marketing science which is referred to as macromarketing. In the article are presented the principal epistemological assumptions of macromarketing that have been compared with the micro-oriented managerial approach well-known from the textbooks devoted to the marketing.*

Keywords: *marketing science, macromarketing, micromarketing, epistemological assumptions*

JEL Classification: *M31*

1. INTRODUCTION

The crises which commenced in the middle of 2007 created a need for a new manner of perceiving the economic sciences, strengthening the interest in alternative approaches which are used to interpret phenomena and behaviours of market entities [4, p. 459]. In marketing (the marketing science) this tendency is reflected by bringing marketing to a higher level of analysis, as a consequence of which the pressure in marketing moves from the micro approach (interest in consumers) to the macro approach (interest in the entire society) [14, p. 41]. This change results in the necessity to analyse the marketing issues not only from the managerial point of view, but also from broader perspective than so far. In this new situation in the marketing sciences starts to play an increasingly more important role its part referred to as the macromarketing. Therefore, it is worth to discover what it has to offer in terms of scientific cognition. It substantially differs from the micro-oriented managerial approach.

The purpose of this article is to present the primary epistemological assumptions of macromarketing (higher level marketing) by confronting it with the micro-oriented managerial approach known from marketing textbooks.

2. MICROMARKETING AND MACROMARKETING AS A SUPPLEMENTING PARTS OF THE MARKETING SCIENCE

One of the most fundamental questions connected with marketing is about its scope. It is undoubtedly very broad and covers such various thematic areas such as: consumer's behaviour, price fixing, role of marketing in economic development, packaging, distribution channels, marketing research, international marketing, physical distribution and many other issues.

Despite being long, the above list does not exhaust all possible issues raised with regard to marketing. It is however explicit that they refer to various aggregation levels. Therefore, the aggregation level is applied as one of possible criteria used to describe the scope of marketing. Therefore, it is assumed that marketing concerns marketing activities of individual persons, entities (companies), consumers or households, as well as covers higher aggregation level, i.e. marketing systems or groups of

consumers and is divided into micromarketing and macromarketing.

In accordance with the definition published on the website of AMA, micromarketing covers "the study of marketing activities of an organization", while macromarketing "the study of marketing processes, activities, institutions, and results from a broad perspective such a nation, in which cultural, political, and social as well as economic interaction are investigated. It is a marketing in a larger context than any one firm" [16].

Despite the fact that it has been known for many years now that marketing does not constitute only managerial but also social process, the common knowledge about this second manner of understanding marketing is relatively small. During the last fifty years marketing reflection has been dominated by managerial micromarketing approach. Nonetheless, within the last few years occurred substantial changes in this respect, which constitute a challenge for the marketing science due to fundamental differences in the way of scientific cognition that exist between the hitherto prevailing micromarketing and increasingly more popular macromarketing.

Below have been characterised primarily the epistemological assumptions of macromarketing, which have been discussed by confronting them with the micro-oriented managerial approach known from marketing textbooks.

3. THE PRINCIPAL EPISTEMOLOGICAL ASSUMPTIONS OF MACROMARKETING

The typical attempts available in the literature to differentiate macromarketing from micromarketing are made on the basis of two major criteria. The first one is the aggregation level [5, p. 20] and the second one influence of marketing on the society [12]. Macromarketing may be differentiated from micromarketing also on the basis of the organizational units and performance of management function that are taken into consideration [1, p. 17]. Below there have also been included such distinguishing features as: the scope of used information, theories used to analyse marketing phenomena, the manner of interpreting the market, understanding needs and the scope of interest of the environment.

Subject of interest. The fundamental difference that according to R. Bartels and R.L. Jenkins enables to distinguish macromarketing from micromarketing are entities that constitute the subject of interest. In the case of micromarketing this is an enterprise, whereas, in the case of macromarketing the marketing system. Micromarketing focuses its interests on companies, whilst macromarketing comprises groups, networks and sub-systems of entrepreneurs. The authors dealing with marketing are in concert with regard to the standpoint that the main term that allows to distinguish macromarketing from micromarketing is the marketing system [15, p. 11; 6, p. 21; 8, p. 227].

Used data. Various subject of interest in macro and micromarketing cause differences in the scope of the used information. In the case of micromarketing these are data regarding the manner of management, take and entry into force marketing decision equivalent to the definition of marketing information as referring to activities of an enterprise. In the case of macromarketing they refer to description of markets, institutional structure, processes and patterns of behaviour referring to marketing processes and institutions as a whole. These data come from the national census of population, surveys, observation-based analysis reflecting the definition of marketing information understood as referring to the general marketing processes and institutions engaged in them.

Theory and normative models. Data are an indispensable, however, not sufficient condition to explain the phenomena. In order for it to be possible, there must exist a theory. In the marketing science theory has double nature. Namely, it is created by the theory of micromarketing, which attempts to explain correlation between variables and determines why the marketing processes are managed in the enterprise in this and no other manner, and the macromarketing theory, which explains the complex marketing mechanisms resulting from economic and social surrounding as well as affecting this surrounding.

Manner of analysing the phenomena. Macromarketing differs from micromarketing through the manner of analysing phenomena. In macromarketing they are analysed through systematic approach. The essence of this approach was presented by W.K. Meade and R.W. Nason based on the example of disposable diapers [10]. They indicated that due to the plastic included in the disposable dippers they have negative effect on the environment. The traditional (used in micromarketing) manner of describing the distribution channel of the dippers from the producer to consumers corresponds with the illustration presented at Figure 1a. The proposal to capture the problem of the dippers from the system perspective (characteristic of macromarketing) covering the block of producers, retail sellers, customers and waste between which exists the "balance of forces" principle presented at Figure 1b. In order for the balance of force to exist there must be a closed system, i.e. keeping the entire load and energy through recirculation. The consequence of this approach is that from the point of view of the system, the waste does not constitute an external component yet an integral element.

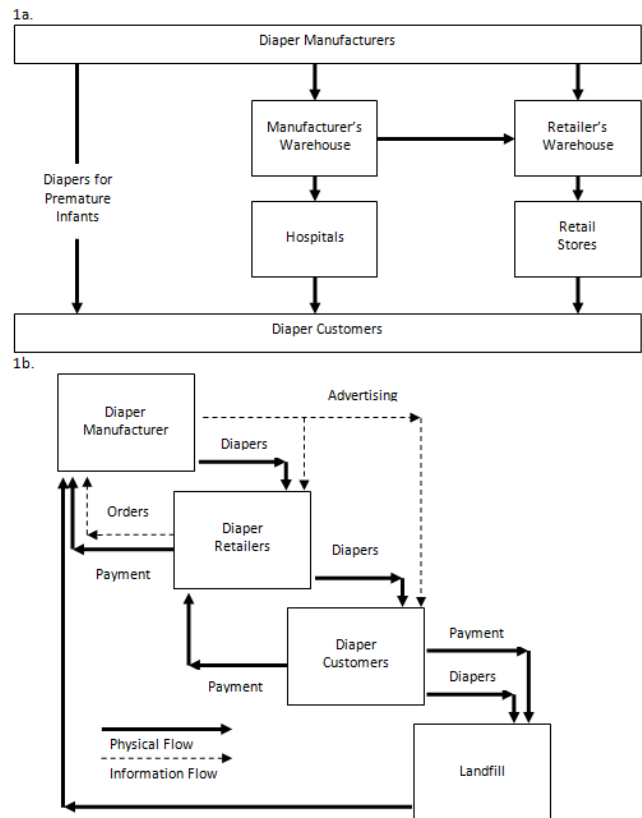


Figure 1 Micromarketing and macromarketing approach to the issue of disposable dippers
Source: [10, p. 77-79]

Attitude towards the management. The essence of the managerial approach to marketing is analysis of phenomena and marketing processes from the perspective of a marketing manager that stimulates and introduces changes. It is assumed that these changes may be managed or at least controlled and the main reason for them are the deliberate actions taken by the marketing managers as well as attempt to find causal explanation for them, the main purpose of which is to mainly exert influence on the marketing processes. The key to apply this approach is recognition of the central role of purposeful action.

On the other hand in macromarketing is applied the "social facts approach" stemming from the social sciences, in particular sociology. This approach consists in observing intended or applied changes without taking into account the purposes and decision process of the key participants. (Postulate formulated by M. Weber to analyse facts and refrain from normative claims is observed also in the economy). Consequently, significantly less attention is devoted to the management term understood as purposeful action leading to changes. One may get an impression that at least in part of the macromarketing literature the management is either ignored or its meaning is substantially limited by propagating the general belief that macromarketing is essentially "unmanaged" [17, p. 36].

Therefore, it may be assumed that when it comes to marketing management, then at the micro level this is management referring to a single enterprise covering operation marketing activities consisting in introduction of strategy referring to optimal combination of price, promotion, product and distribution policy, whereas, on the

macro level it serves to optimize the general social benefits resulting from the marketing process consisting in implementation of macromarketing models by a political power (and its institutions), which was authorized by the society in a more or less formal manner to perform such a task.

Market interpretation. Micro and macromarketing is characterised by substantially different approach to the market. The micromarketing approach to the market is based on treating it mostly as a place of exchange between a seller and buyer, whereas from the macromarketing perspective this description is too simplified. In accordance with systematic approach applicable in macromarketing markets are systems the features of which are changing along with culture and time. They are analysed not only as a place of transaction, but also relations of these transactions to other spheres of consumer’s life. It is emphasised that actions taken on the market, namely the place of exchange has consequences exceeding far beyond transaction executed between the seller and buyer [11, p. 139]. The market understood in this manner is considered as an element of the social system. There is stressed its strong connection with other systems (social, political, natural resources) [13, p. 18]. Therefore, assessment of the market is conducted primarily from the perspective of its effect on other social elements.

Manner of understanding needs. Macromarketing is characteristic of other than managerial marketing manner of understanding needs. In micromarketing the needs are strictly connected with an entity and are of individual

nature. According to the representatives of macromarketing this is a simplified manner of understanding consumers transferred from microeconomic models assuming selfishness of the entity and creation of attitudes based on the aim of gaining personal profit and narrow understanding of economic rationality.

In macromarketing prevails the view that needs are created primarily due to social interactions of entities and “definition of the needs results from the society and its culture” [3, p. 72]. Consequently, the relationship between marketing and the needs, which are to be satisfied on the market is not so easy and unequivocal as may seem from the interpretations seen in the introductions to the marketing textbooks.

Putting stress on the social (and not as in the case of micromarketing, individual) nature of the needs indicates that the scheme pursuant to which the enterprise meets the needs of a buyer is too simplified and the principal thesis of marketing that it produces goods expected by customers (and the level of satisfaction of the buyers may be measured through profits generated by enterprises, its owners and shareholders) is substantially more complicated than it would result from the commonly accepted interpretation. (If the enterprise actually produces products expected by the customers, why it also prepares customers affecting strategies). In macromarketing prevails the view that the current consumers-citizens are interested in broader set of goals than satisfying your individual needs and expectations [14, p. 396].

Table 1 The main epistemological assumptions of managerial marketing and higher level marketing

Criteria	Managerial Marketing (micromarketing)	Higher Level Marketing (macromarketing)
Manner of understanding marketing	Marketing is a set of management techniques leading to achievement of high efficiency level with regard to realization of market goals of enterprise.	Marketing is economic institution created to achieve social goals, the purpose of which is to maintain balance of the marketing system understood as balance between interest of groups to which marketing refers.
Subject of interest	Enterprise, focus on customer, relationship with customer and value of customer for enterprise. Stress put on effectiveness of market activities taken by enterprise.	Marketing systems, groups, networks, subsystems of companies. Stress put on social considerations and effects of marketing.
Used data	Data regarding enterprise.	Data regarding the marketing system, groups, networks, subsystems.
Theories normative models	Theory of enterprise. Normative models regarding marketing plans and strategies of enterprises.	“General” marketing theory. Normative models regarding value, aims and social programs.
Manner of analysing phenomena	Traditional – based on a sequence of events.	Based on the systematic approach assuming “balance of forces”.
Management and role of manager	Decisions regarding enterprise management including aims and decision processes of key participants. Micromarketing management the aims of which are concentrated mainly on increase of enterprise value. Marketing manager is a strategist competing with opponents.	Programs for regulation and support of marketing system. Macromarketing management based on the assumed goals with regard to macro-organization (e.g. management of region). Marketing manager is an integrator interested in development of entire market.
Market Interpretation	Market is a place of gaining competitive advantage.	Market is an element of social system.
Manner of understanding needs	Individual nature of needs.	Social nature of needs.
Environment	Enterprise in closer and further environment.	System as environment.

Source: Developed by author

Environment. The term environment is characteristic of organization language being particularly close to the issue of strategic management. Following appearance of the managerial approach to marketing at the turn of 1950s and 1960s interest in the environment started to look like a list of factors that managers of enterprises should take into consideration when making decisions material to the enterprise. There have commenced to be analysed various types of environment, putting particular accent on the environment referred to as the "task environment" [2], which has been considered as the most important from the perspective of the managers, since it has been noticed that it changes more frequently than other types of environment. The crux of the marketing interpretation of the environment is emphasis that for a decider the task environment is on one level (e.g. a manager of an enterprise) to high extent if not entirely determined by features of the marketing system, in which the enterprise is operated. The context in which decisions of managers bring effects is defined by the features of a system. Balance between competition and cooperation, nature and extent of network and corporate allies, influences of corporate and demographic changes on customers and competitors, probability of chaos or created order as well as interest in well-balanced assortment are simply the manners in which perception of structure and dynamics of the higher marketing level system will determine strategy. Inherent

awareness of the implication of the multilevel structure of the system is entirely different manner of thinking about the micro-macro relationship than in the case of micromarketing [8, p. 239].

From the conducted analysis results that the higher level marketing is characterised by other epistemological assumptions than the assumptions typical for the managerial marketing known from the managerial marketing. The most significant differences have been presented in Table 1.

4. CONCLUSION

In the article have been presented cognitive challenges that appear in marketing in connection with bringing it to higher level of analysis. They mean bigger than hitherto role of the part of marketing referred to as macromarketing. It also brings to the current marketing other than so far view on various matters, in particular a claim that an enterprise is not an economic entity isolated from the society, which creates value and brings it to customers on its own. The customers as well are not a set of separated entities and marketing should not be interested only in customers of the enterprise, but the entire society. This is a different approach than the hitherto met in the traditional manager-oriented micromarketing. It may be assumed that the presented differences will soon mark out a line of scientific dispute regarding the marketing science.

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