Understanding the New Marketing DNA: bringing Marketing Education up to speed with Marketing Practice

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Introduction
This research questions the fit between marketing theory as applied to higher marketing education and marketing practice. This question is raised due to one particular and significant factor affecting marketing practice today, namely advances in technology. According to Zineldin (2000), it is now impossible to do marketing without the use of technology. Almost nine years have passed since that statement, during which time the pervasiveness of technology in marketing has increased exponentially. Following two years of research into the impact of technology on marketing practice, Dr. Bev Hulbert of the School of Management at the University of Southampton introduced a radical new programme of executive education. This programme began in September 2008 and set out to provide marketing executives with the ability to update their knowledge and improve their practice. This coincided with a report published by The Marketing and Sales Standards Setting Body (MSSSB, 2008), which stated that there is a real skills and training gap in marketing, particularly around the integration of technology. Thus the ‘new DNA of Marketing’ (phrase coined by an external advisor) was born at the University of Southampton to bridge the gap between marketing theory and practice. The current research seeks to further explore this new DNA and ultimately validate its status in marketing theory, practice and education.

The first objective of the current research, therefore, is to identify the principle themes running through marketing in a practical context. This will be achieved through a mixed-methods approach to empirical data collection and analysis among marketing executives of UK organisations. The second research objective follows on to identify how changes in marketing practice should be reflected in higher marketing education, specifically in university marketing degree programme content. The current paper will present a snapshot of the current progress of this ongoing research project, by introducing a discussion on the fit between the leading marketing texts used as core reading by the majority of higher education providers and the realities of current marketing practice as uncovered by qualitative empirical work.

Review of the Literature
A review is presented of the content of a range of Marketing Management textbooks, currently in use across higher marketing education in the UK and internationally. These are the generic texts that serve as the principal recommended reading for the majority of marketing teaching at university level. Where the empirical effort seeks to introduce a new DNA of Marketing, a useful comparison between, the past, present and future of marketing is provided.

Current marketing education at a tertiary level tends to be based on a wide but largely invariable theory base, principally comprising a range of marketing and marketing management texts. Appendix A details the texts subjected to qualitative content analysis for the purposes of the research.

A qualitative content analysis of nine marketing texts (e.g. Kotler and Keller, 2008; Blythe, 2006; Cravens and Piercy, 2006) was undertaken to ascertain the generic content, and thus influences on marketing education. This analysis found there to be eleven common themes running through each marketing text, such as marketing planning, marketing environment, buyer behaviour, 4Ps of marketing and marketing communications. These themes are based on the generally accepted understanding of marketing as the customer-facing function of the organisation (Gronroos, 2007; Kotler and Keller, 2008).

The prevalent, perhaps even dominant, marketing texts in use in higher education (HE) tend to adopt a relatively generic format, as is expanded in the following sub-sections.
Marketing in the context of the wider Organisation
Each of the marketing texts reviewed devote a section to the role of marketing in the wider organisation. This tends to be situated at the beginning of the book, where the marketing concept is explained, internal marketing introduced and the notion of marketing as a holistic concept in the organisation is proposed.

Marketing planning
Sections focusing on marketing planning detail the development of marketing plans. Implicitly, this involves setting achievable marketing objectives and goals. The emphasis is that marketing is seen as a key component of organisational strategy.

Marketing environment
This section discusses the importance of the internal and external environments in marketing. Internally, a marketing audit serves the purpose of reviewing the current objectives, strategy and performance. Externally, it is important to learn about the customer environment, as well as the wider macro-environment. Analyses such as SWOT and PEST are explained.

Buyer behaviour
This important section tends to be divided into business-to-customer (B2C) marketing and business-to-business (B2B) marketing. Regarding B2C marketing, understanding the consumer buying process is underlined. The psychology of marketing is introduced in some texts. Regarding B2B marketing, the distinct stages in the buying process are outlined and the significant differences from B2C illustrated.

Marketing research
Marketing research is introduced as an important concept in all texts. Although it is linked to developing, maintaining and utilising insight on customers as the basis for marketing, it remains a relatively distinct section in the majority of texts. Techniques such as questionnaires and focus groups are explained.

Segmentation, targeting and positioning
This section introduces the core marketing concept of segmentation; namely geographic, demographic, psychographic, and behavioural segmentation. These traditional means of segmenting are explained in turn, and tend to be followed by a section on differentiation and positioning.

4Ps of Marketing
The status of the ‘4Ps’ of marketing is enhanced by the texts under review. In most cases, different sections are reserved for the range of marketing decisions occurring under product, price, promotion and place.

Marketing communications
The main topic in this section is the range of communication channels available to marketers. Ranging from mass to one-to-one communication channels, the emphasis is on an integrated marketing communications strategy. Analysis shows that less attention is paid to interactive marketing communications, than to more traditional direct marketing techniques.

Marketing channels
Similar to the previous section on marketing communications, the emphasis with regard to marketing channels is the adoption of an integrated and strategic approach. Thus, vertical and horizontal marketing channels are explained and issues of conflict and cooperation between channels discussed. The creation of value along the channel is also given attention.

Implementation and control
Sections on implementation and control of marketing tend to focus on the need for marketing to be viewed strategically within the organisations. Focusing on control, there is a recognition that marketing should be able to justify itself through financial analysis. Thus, the range of marketing metrics in use is given some attention.
Contexts of Marketing
A number of texts choose to devote a separate, and often final, section to the different contexts in which marketing is employed. Contexts explained are services marketing, electronic-marketing and international marketing.

Summary
The purpose of the content analysis of the range of marketing texts was to identify the structure of content being delivered in current marketing programmes in higher education, particularly at a more-focused postgraduate level. By teaching along the lines identified above, there is a real danger that marketing education is now on a different path to marketing practice, ignoring the major influence of technology on marketing. It is true that a certain number of texts have moved to respond to the dynamics in marketing practice, such as Capon and Hulbert (2008) and Kotler et al.’s European edition of Marketing Management (2009). Nonetheless, compared to the paradigmatic shifts in marketing practice, these revisions pale in comparison. Therefore, the old DNA of marketing is summarised and presented in Appendix C.

Methodology
A mixed methods research design is being undertaken for the purposes of the current study. Specifically, a qualitative in-depth interview phase has been completed and will be followed by a quantitative survey questionnaire phase. The qualitative phase took the form of ongoing in-depth interviews and focus groups with 60 marketing managers, executive and directors in UK business organisations. This comprehensive, two-year, phase was completed in 2008 and laid sound foundations for further quantitative empirical investigation and testing due to be completed in 2010. A significant amount of qualitative data has been collected around the existing practices, processes, and thinking in marketing. At this point in the methodological process, this paper compares findings from the qualitative data with current marketing education practices, through a qualitative content analysis of a range of marketing textbooks.

Preparation for the ensuing quantitative phase is well underway, where the questionnaire instrument has been developed on the basis of the qualitative data. Issues raised in the in-depth interview phase were collated, analysed and developed into survey constructs. The questionnaire instrument seeks to provide a more rigorous and generalisable understanding of the issues raised in the in-depth interview phase. Five-point Likert scales are employed to gather useful and accurate information (Saris, 2007). The questionnaire will be distributed via an online survey. The online method of delivery will comprise a covering e-mail in which an html link to the web-based questionnaire was contained. Online surveys possess a number of benefits, such as better targeting of respondents, increased ease of response, increased response rate, and increased efficiency of data management and analysis (Loane et al., 2006; Selm and Jankowski, 2006). The sample population will comprise approximately 2,000 senior marketing managers based in UK organisations, which should provide an appropriate number of usable responses.

Discussion (preliminary)
Technology is a dominant phenomenon in the vast majority of business organisations (Zhang et al., 2008). Its innovative use has become a principal means of competitive advantage for organisations, in areas no more important than marketing (Maklan et al., 2008; Zhang et al., 2008). In the ‘back-office’ technology is enabling an astonishing level of data acquisition, management and analysis (Tan et al., 2002; Starkov, 2004). Marketing can now segment the customers of global organisations much more accurately than ever before. Another key feature of technology in marketing is that organisations can now more accurately measure return on marketing investment and thus ultimate marketing effectiveness. In the ‘front-office’, technology allows organisations to connect with their customers on a one-to-one basis (Jayachandran et al., 2005; Letaifa and Perrien, 2007). Mass marketing has largely given way to personalised, even one-to-one marketing. Marketing communications have been
completely revamped by technology such as the Internet, where blogs, wikis, and social networking provide vital new means to get organisations closer to customers. In actual fact, marketing communications have, in many cases, become two-way interactive exchanges of value between organisation and customer, and even between customers themselves (Jayachandran et al., 2005; Letaifa and Perrien, 2007).

The integration of technology into marketing has revolutionised almost every marketing process, and thus has impacted on each of the themes identified in the marketing texts under review (Brady et al., 2002). The response of marketing theory and education to the role of technology in marketing has, as yet, been less impressive than the response of marketing practice. This research seeks to address this imbalance in order to enable marketing education to meet the needs of marketing practice, by educating and delivering graduates with the skill sets required in business today. The preliminary qualitative data has allowed the researchers at the University of Southampton to propose a new Marketing DNA, which takes cognisance of factors such as technology-driven marketing, the role of customer data in marketing, the increased emphasis on marketing metrics, and the delivery of value both to customers and to the organisation (Ambler, 2000), while also being grounded in the very customer-centric ideals at the heart of the traditional marketing concept. Appendix D presents the new Marketing DNA.

Focusing on the areas of marketing around which marketing textbooks are structured, preliminary findings suggest that it is possible to question the validity of and reasoning behind this structure. For example, the nature of marketing in the context of the wider organisation and in relation to the macro-environment is a constant issue in marketing and arises within areas such as customer-led marketing and data-driven marketing. Thus, marketing as an organisation-wide activity should be embedded as an issue in these different contexts. The issue of marketing planning is similar, where planning is embedded in customer-led marketing and value-driven strategic marketing (Day, 1990). The focus of the new marketing DNA is on how marketing is actually practiced, thus planning techniques come secondary to the actual nature of marketing. Looking at the areas of buyer behaviour and marketing research, the role of technology has been to completely overhaul these areas in practice. It is now possible to carry out marketing research on a one-to-one basis with customers through techniques such as web analytics. Web analytics is the process of tracking customers’ behaviours online, and managing and analysing the data to shape marketing strategy (Phippen et al., 2004). The subsequent information is called customer insight, which is something more relevant and actionable than buyer behaviour. It is actionable in that it can completely revamp market segmentation, thus targeting and positioning, and in the fact that it can lead to extremely accurate marketing metrics to calculate return on marketing investment (ROMI) and therefore bring evidence-based decision-making into marketing (Powell, 2002). Another area of change in marketing is the 4Ps model, which in reality is a tactical model of marketing. The new DNA of marketing recognises the tactical nature of the 4Ps in marketing, as lower-level enablers of strategic customer-led and data-driven marketing. A final area of change in marketing lies in the integration of both on- and offline communications and on- and offline channels. Marketing is in a digital age and must respond accordingly, not necessarily by replacing traditional channels but by integrating new and old approaches in creative ways.

To conclude and to put this paper in the wider research context, it is proposed that the data gathered from quantitative phase of the research will provide broader, more rigorous evidence to support the development of a new DNA of marketing. However, even for the purposes of the current paper, the qualitative content analysis of the major marketing texts illustrates that the new DNA is not as pervasive in marketing theory and education as it is in practice. In conclusion, this paper presents a new model of marketing, which our ongoing research at the University of Southampton intends to test, prove, discuss, defend and disseminate. The first venue for such dissemination will be the Academy of Marketing Conference in 2009.
### Appendix A

Marketing Texts subject to Qualitative Content Analysis

<table>
<thead>
<tr>
<th>No.</th>
<th>Textbook</th>
<th>Author(s)</th>
<th>Edition</th>
<th>Year</th>
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<tbody>
<tr>
<td>1</td>
<td>Marketing Management</td>
<td>Philip Kotler, Kevin Keller</td>
<td>13th</td>
<td>2008</td>
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<td>2</td>
<td>Principles of Marketing</td>
<td>Blythe</td>
<td>1st</td>
<td>2008</td>
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<tr>
<td>3</td>
<td>Strategic Marketing Management</td>
<td>David W. Cravens, Nigel F. Piercy</td>
<td>8th</td>
<td>2006</td>
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<tr>
<td>4</td>
<td>Strategic Market Management</td>
<td>David Aaker</td>
<td>7th</td>
<td>2005</td>
</tr>
<tr>
<td>5</td>
<td>Marketing Strategy</td>
<td>O. C. Ferrell, Michael Hartline</td>
<td>3rd</td>
<td>2005</td>
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<tr>
<td>7</td>
<td>Marketing Management</td>
<td>Paul Peter, James Donnelly</td>
<td>9th</td>
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<tr>
<td>8</td>
<td>Principles and Practice of Marketing</td>
<td>David Jobber</td>
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<tr>
<td>9</td>
<td>Principles of Marketing</td>
<td>Frances Brassington, Stephen Pettitt</td>
<td>3rd</td>
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Appendix B
The Old Marketing DNA

Organisation

Marketing in the context of the wider Organisation
- Marketing’s role and status beside finance, HR, production etc.
- ‘The Marketing Department’
- Assumes hierarchical structure

Marketing planning
- Formalised planning
- Tends to be long-term and structured
- Large-firm dominant

Marketing environment
- Macro-marketing
- PESTEL, SWOT
- Competitor analysis
- The supply chain

Buyer behaviour
- B2C and B2B
- Customer motivations
- Customer satisfaction
- Relationship Marketing

Marketing research
- Formalised, step-by-step market research
- Quantitative methods
- Qualitative methods

Customer

Contexts of Marketing
- Services Marketing
- International Marketing
- E-Marketing etc.

Segmentation, targeting and positioning
- Following marketing research, a firm segments the market and targets desirable segments
- Branding

4Ps of Marketing
- Product
- Price
- Promotion
- Place

Marketing communications
- Different communication media
- Front-end bias

Marketing channels
- Distribution
- Online channels
- Offline channels

Implementation and control
- Marketing audit
- Traditional means of measuring effectiveness
Appendix C
The New Marketing DNA

Organisation

Customer led Marketing
- Customer insight
- Market insight
- Customer behaviour and motivations
- Customer Experiences

Value driven Strategic marketing
- Strategic decision making
- Value Propositions
- Relational vs. transactional
- Branding
- Customer equity/ CLV

Data driven marketing
- CRM and CEM
- MRM
- Data mining
- Statistics
- Mixed methods research
- Analytics (inc. dashboards)
- Predictive analysis
- ROI (campaign level)

Online and offline integrated marketing communications
- IMC
- Creating a promotional mix (selling, PR etc.)
- Digital marketing communications
- Maximising sales performance

Channels
- Bricks and mortar
- Online
- People
- Service delivery
- Marketing and logistics interface

Customer
References


