Modern marketing in disguise: creating value connections between companies and consumers
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Chapter 1     Introduction

1-1     Introducing the introduction

In the last decades of the 20th century marketing acquired a rather negative image: that of an activity aimed at convincing people to buy ‘useless’ stuff. Throughout the 90s a general sceptis towards marketing grew amongst the younger generation, together with a growing concern about the increasing size and power of corporations due to the neo-liberal turn in economic policy. Marketing was, and by many still is considered as the tool of corporations to ‘manipulate’ buying behaviour. But is it true that companies are sneakily forcing consumers into buying stuff they actually do not need?

The criticism hinges upon the meaning of two terms: usefulness and manipulation. Obviously when a purchase decision is made there has to be some kind of return to the buyer as well, as people give up resources (time for shopping and money) in order to get something back; consumers value the offer of a company. If this value can somehow be objectively observed (a car with improved safety features) a calculative approach to the justification of the purchase is quite straightforward. If however the value proposition is of a more aleatory nature this becomes more difficult, and convincing potential buyers of the benefits of the purchase also becomes more difficult. This difficulty stems, among others, from the very definition of marketing as a managerial activity, the gist of which is “find out what consumers really need or want, and satisfy that in a different and better way than competitors”. But if these needs and wants are intangible, ephemeral and unconscious, how can one find out what consumers really need and want? From the definition above we could infer that the stance of marketing management is anything but manipulative or greedy in nature, one might even argue that stated like this marketing is the tool to improve our living conditions and welfare.

So why are so many people critical of marketing? First of all this criticism has to be considered in relation to a more general discontent about neo-liberal policies advocated in western society from the 80s on, in which marketing is often seen as the ‘tool’ of relentless profit seekers. I think however that there are more specific reasons why many people had, and still have, problems with the very term marketing.

In the first place, marketing efforts are regarded as attempts at mass-manipulation, and with the arrival of ‘postmodern times’ people do not want to be told what to do anymore but want to choose for themselves. Secondly, sectors that were characterised by differentiation on the basis of technological advances and country-of-origin associations and thereby securing a
steady domestic demand (cars, electronics, appliances), increasingly had to rely on non-
tangible, emotional attributes and had to expand globally as technology became more
homogeneous and institutional trade barriers faded away.

Just like from the 80s onwards religion and politics were relegated to the individual sphere,
marketing seemed to become an individual issue as well. Everyone is, or can be, a marketer.
This is also true because the subjective, intangible nature of emotions sometimes makes
marketing look more like an art than a science, and so the ‘my child could have done this’
syndrome also entered the marketing profession.

As a result of these developments the reputation of marketing as a science has been suffering,
but the amount of people ‘doing something’ in marketing has been increasing.\(^1\) This has made
some academics advocate more rigour in the discipline and the development of better
measuring tools, but at the same time it has led to a proliferation of arguments in favour of a
radical revision of the very premises on which the marketing body of knowledge is built.
These latter calls come from practitioners, but also from academics in the realms of social,
cultural and media studies. In short, marketing practice got in a sort of split: try harder to do
the same or do things in a different, more ad-hoc and tentative manner. These I consider to be
respectively hypermodern and postmodern solutions to the marketing crisis, where the first
are based on presumptions of control and manipulation and the latter on serendipity and the
acknowledgment of consumer unpredictability: try-harder versus let-go. A try-harder
approach assumes that our knowledge of consumer behaviour, and hence markets, can be
considerably improved, for instance through the creation and coupling of sophisticated
databases, and the use of advanced computational techniques. A let-go kind of approach, on
the other hand, does not mean doing nothing, but acknowledging the limited predictability of
the business environment, of consumer behaviour and of markets, and favours of more
adaptive approaches. Adaptation evokes a passive attitude, a necessary change; indeed it
would be more appropriate to consider this a co-evolutionary approach, as both company
executives and consumers take initiatives.

Despite the negative image that marketing acquired in the 90s, these days several brands
manage to establish a value connection with consumers that goes beyond a mere appreciation
of the functional attributes of a product. Apparently these companies managed to employ

\(^1\) See e.g. ‘Total penetration’ (Financial Times, August 28/29 2010) on how the per-use of
marketing terms as well as the plethora of people doing ‘something in marketing’ can also be
considered as a sign of how the marketing field is thriving.
marketing approaches that did not generate too much resistance from at least a significant group of people. This leads me to question the following:

*When should marketing or brand managers try to influence or manipulate consumers’ perceptions and behaviour to generate a strong value connection?*

Therefore we should first question:

- What does it mean to have a strong value connection between a brand and consumers?
- And how does marketing contribute to creating it?

I have started off this research process by defining and qualifying the nature of the value connection between brands and consumers and the marketing activities that led to their establishment: Given a particular type of value connection, when is this the result of hypermodern and when is it the result of postmodern solutions to the marketing crisis?

In this introductory chapter I will further elaborate on the relevance and rationale of the study, look for definitions of marketing, and explain what I want to research and how. After elaborating on the alleged marketing crisis and having shown where the two solutions come from and what they entail in section 1-2, in section 1-3 I will introduce a socio-cultural view on marketing that will define it as a process of signification. Then I will return to considering the economic role of marketing in section 1-4 where I am going to introduce the concept of fashion-as-a-system. I will show how within that system marketing can be considered as a source of marginal but continuous (transactional) innovation. Recent perspectives on marketing assume the engagement of consumers in marketing activities, so I will try to find out what that means in section 1-5. Finally I will define the research question, objects, and methods in sections 1-6, 1-7 and 1-8 respectively, before giving an overview of the setup of this book.

### 1-2 The marketing crisis and some solutions

The focus of marketing management expressed in its foremost exponents is always the market, the customer, the consumers. In his typically straightforward style Peter Drucker once wrote (1954: 3) that marketing “is the whole business [of a firm] seen from the point of view of its final result, that is, from the customer’s point of view.” In a similar vein Philip Kotler (1999: 121) defines marketing also as “the science and art of finding, keeping and growing

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2 This section has been co-authored with Dany Jacobs.
profitable customers”, and a marketing opportunity (1999: 36) as an “area of buyer need and interest in which there is a high probability that a company can perform profitably by satisfying that need”. In this way understanding consumers and their needs and interests is of paramount importance but has become quite difficult. Marketing professionals complain that consumers are getting fickle, unpredictable, and as a consequence difficult to satisfy or to hold on to even when satisfied. It is obvious that consumers need to be blamed for this mismatch between supply and demand, as managers and consultants do their utmost to diligently and faithfully apply the models learned from their marketing bestsellers. Fortunately though, some marketing books are less prone to offer pre-packed solutions. One of the more heterodox marketing books for instance, shortly summarises the main problems of market research as follows (Wouters 2005):

- People don’t say what they think.
- People don’t do what they say.
- There is a difference between what people say and what interviewers register.
- People are not able to think about or evaluate new things.
- Theories precede facts.
- Market research only measures the past.

Peter Leeflang, a more traditional marketing professor, recognises most of these problems and quotes an English study amongst non-marketing professionals who mainly see their marketing colleagues as ‘unaccountable, unreliable, expensive and slippery’(2005a: 74-75). He goes on to enumerate no less than ten hypotheses that possibly explain this decreasing legitimacy of marketing professionals (Leeflang 2005a: 75-78):

- Marketers do not measure the results of their plans. They just propose always newer plans.
- Marketers do not calculate. They have no idea of ‘marketing productivity’.
- Marketers are unassailable. It’s never marketing’s fault.
- Marketers do not keep their promises.
- Marketers are badly educated. Many people in marketing have another background and do not know very much about marketing science.
- The recession has led to the curtailing of marketing expenses.
- The increasing importance of intermediate links in the chain leads the increasing importance of the sales function.
- Marketing people run too much after the latest marketing fads (like e-mail marketing, loyalty, CRM) and spend too much attention on issues like customer satisfaction [].
- In principle everybody in the organisation has to think about marketing, so that as a consequence nobody does it professionally.
- Many markets have become fragmented and difficult to oversee.
Only with his last hypothesis does Leeflang come close to Wouters’s remarks. Leeflang’s main comment is that mainstream marketing is not professional and sophisticated enough. As a consequence his main advice and solution is: try harder, and measure more precisely (Leeflang 2005a & 2005b). Not surprisingly, in his turn Wouters (2005) sees such attempts as totally superfluous and futile. His way out of the marketing crisis goes in the direction of establishing unique value for very precise customer groups. Especially at the moment a certain need is most urgent for customers, they should make the mental association with the relevant firm’s offering and related values.

These two reflexive marketing professionals can be seen as representatives of two opposite directions out of the marketing crisis, that can be labeled hypermodern (Leeflang) or postmodern (Wouters).

- **Hypermodern**: more sophisticated and updated models have to be developed to better understand (and control) actual unreliable consumers. And non-marketing professionals should keep out of the marketing kitchen.

- **Postmodern**: the way to deal with consumers so far has not been effective, and as a consequence the basic premises of practicing and theorising in marketing must be reviewed.

According to Chris Hackley mainstream marketing is here to stay, because marketing management’s theoretical build-up is laden with a rhetoric of unpredictability to justify a list of useless but easy-to-use solutions to it, like the four Ps, the SWOT, the PLC, dogs, cows, stars and the like. He notes that (2001: 140) “the rhetoric of difficulty, turbulence and complexity is a textual mainstay in mainstream marketing”. In other words: the suggestion is created in marketing texts that using them will considerably reduce, if not eliminate, uncertainty and unpredictability and that with some study and diligence the reader will finally understand these (damn!) consumers who do not want to stay in their segments anymore. In table 1-1 a brief overview of the main critiques to mainstream marketing is shown:
Even practitioners, like Wouters, do recognise that marketing should be revised. In an interview with the American Marketing Association Jim Stengel, Global Marketing Manager at P&G, states: “Today’s marketing model is broken. We’re applying antiquated thinking and work systems to a new world of possibilities” (AMA’s Basics of marketing, 2005). Also in an interview: “And we have to find a way that fits into her (the customer) life in a way that she accepts. That, to me, is where marketing is going”.  

But where does all this urgency come from? It may be simplistic to relegate all cause of change to technological advances, but if it is true that consumers are now willing to make their own decisions, then digitalisation may offer people the means to do so. Digitalisation has brought about new ways for individuals to interact with companies and with each other. It makes it possible for instance to filter (to some extent) company messages, and allows for a more active role of consumers in shaping the otherwise one-way communication efforts of institutions, allowing for a more co-evolutionary marketing approach. So, one reason for the urgency may be the very need for control that characterised marketing from the 50s. However, as marketing is concerned with the interaction between buyers and sellers, digitalisation does have quite some profound effects, and therefore marketers need to be ready for the ‘new millennium’ (Doyle 1995).

Technological development has also led to more standardised products, hence the increased need to convey a clear and consistent image for a brand. Testimony to this are also the more encompassing role of ‘concepts’ rather than product and service offerings (e.g. Rijkenberg

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2008) or a presumed paradigmatic shift towards the ‘service-dominant’ perspective in marketing (Vargo and Lush 2004) which argues that the value of a brand is but the result of a mix of company and consumer resources. Pine and Gilmore (1999) introduced the idea that we live in an ‘experience economy’. In such an economy intangible attributes deliver more economic value than tangible ones (Pine and Gilmore 1999: 190). Several other definitions of an alleged new economic era, similar to that of Pine and Gilmore, have been given. Almost all these definitions (for an overview see Boswijk et al. 2005: 14-15) are based on the assumption that consumers in western societies (and not only there, as many newly industrialised countries take these societies as a model) are interested in intangible values, and particularly in experiencing these through physical and symbolic interaction. One implicit consequence of this mutation is that marketing and branding, as sources of affective commitment, gain importance. Arguably the borderline between an ‘old economy’ and a ‘new economy’ could be drawn were the contribution of the marketing costs to the overall cost structure of the product (per unit) exceeds that of product development, materials, production, and distribution. Successful companies in such an environment must be able to create a strong value connection with a sufficiently large number of consumers, a connection based on intangible, symbolic values.

For many firms, in such an ‘immaterial world’, using aesthetics and related emotional aspects of consumption become the only way to differentiate and to command higher prices.

1-3 Marketing as cultural signification

As an activity, marketing is ultimately about establishing relationships. Osterwalder (2004:42) defines strategic marketing as activities aimed at defining “who the company's target customers are, how it delivers them products and services, and how it builds a strong relationship with them.”. Establishing relationships is also the main focus of most recent marketing literature; by many relationship marketing is considered the new dominant paradigm in marketing thought (Gronroos 1994, Sheth and Parvatiyar 1995). The relationship marketing paradigm, however, is showing its limitations where consumers perceive these relational attempts as pedant and intrusive. Hence a search for new ways to connect with consumers. Some claim that: “Contemporary marketing is moving away from means-end relationships, the satisfaction of consumer needs and wants, towards the study of symbolic manufacturing and consumption” (Dermody and Scullion 2001: 1089). Several calls have been made for a mature marketing concept that should embrace consumption as a continuous
social process rather than focus on the finite aim of satisfying consumer needs (Samly et al. 1987). However consumption, its social constituencies, and symbolic interactionism did not constitute the fields of modern marketing management, but rather the realms of scholars who now fall under the broad denominator of postmodernism. It is therefore that postmodern philosophy in a way has come to the aid of the marketing knowledge field and unwillingly became representative of contemporary marketing.\textsuperscript{4} A postmodern marketing world according to Stephen Brown (1995:106) is characterised by: fragmentation, de-differentiation, hyper reality, chronology, pastiche, anti-foundationalism, pluralism. These constitute a more consumer-friendly image because they stem from the acknowledgment of consumers’ idiosyncratic differences. This is not that surprising, given that more traditional approaches to science put emphasis on the left side of table 1-2, whereas the subject-matter of marketing is allegedly moving towards the right side.

<table>
<thead>
<tr>
<th>Truth</th>
<th>➢  Nontruth</th>
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<tbody>
<tr>
<td>Objectivity</td>
<td>➢  Subjectivity</td>
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<tr>
<td>Rational</td>
<td>➢  Experiential</td>
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<tr>
<td>Mind</td>
<td>➢  Body</td>
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<td>Structure</td>
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<tr>
<td>Science</td>
<td>➢  Art</td>
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<tr>
<td>Rational</td>
<td>➢  Irrational</td>
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<td>Functional</td>
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<td>Universal</td>
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<tr>
<td>Economy</td>
<td>➢  Culture</td>
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<tr>
<td>Production</td>
<td>➢  Consumption</td>
</tr>
<tr>
<td>Value creation</td>
<td>➢  Value destruction</td>
</tr>
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Table 1-2: Modern vs. postmodern marketing, based on Firat, Dholokaia and Venkatesh 1995.

The dichotomy at the bottom of table 1-2 shows that companies are not the only creators of value, consumers are as well. Assuming this view implies that needs are socially constructed and that marketing is a process of construction of meaning in which both suppliers and buyers are involved.

In this sense the definition of postmodern marketing is not very different from what Kotler refers to as a ‘social process of definition of wants and needs’ (Kotler et al 1999). The

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\textsuperscript{4} For a clear account of how unwillingly postmodernism has been inglobated by marketing, see “Postmodernism is the new black” The Economist December 19th 2006.
difference lies in the ontology of the market: Is the market out there waiting to be segmented, or is it deceptive, escaping segmentation efforts and ever changing? Are firms, as consumers, also part of it?

In its literal, etymological meaning marketing means ‘bringing to the market’, which makes the given, that the origins of marketing lie in physical distribution, not very controversial. According to Sheth (1988: 191) the object of analysis in marketing should be market behaviour “just as psychology is the study of individual human behaviour, and sociology is the study of groups and social behaviour”. But if society is comprised of humans, how do market and social behavior differ?\(^5\) Commercial exchange could be considered as a particular case of social exchange.

The idea of markets as abstract entities comes from classical economic thought and ideologically seen, neo-classical economics and marketing are good friends. Lambin (1991), for instance, contends that marketing as an activity only exists in the context of a ‘free’ liberal market characterised by: 1) self interest seeking, 2) pluralism of choice 3) voluntarity of exchange and 4) competitiveness. Sheth is a bit less liberal when he warns of the ‘voluntary’ element of exchange, and notes that many markets are created by regulations, and that markets are also present in monopoly situations, regulated markets or in the case of collaborative buying.\(^6\) Perhaps Sheth agrees in this respect with e.g. the great economist John Kenneth Galbraith and German economists of the 19th century, who thought that markets are not invisible arbiters of economic transactions, but inevitably intertwined with, and even determining, their social, cultural and hence historical context. This becomes clear when one looks at the advances of marketing thought, as Slater and Tonkiss (2001:199) show in their review of different perspectives on markets: “the way forward has always been pointed out not by the titans of liberal-utilitarianism and its opponents, but rather by the messier, less totalising, disaggregating perspectives of historical studies, economic anthropology, sociology and ‘the cultural turn’”. The ‘cultural turn’ contends that markets and culture are not only strictly interdependent entities, but one and the same. In the words of Slater and Tonkiss (2001: 193): “economics as culture operates as a structure that constitutes the spaces in which market actors are produced and framed”. This means that economic exchange is

\(^5\) Cova and Cova (2002) suggest we are in the ‘business of societing’ instead of marketing.

\(^6\) Classical economic though has been challenged by the formation of trusts in the US economy, and monopolies already from 1800 onwards.
fundamentally a process of cultural signification, in which the parties involved are valuing each other’s proposals.

Arjo Klamer refers to the process of value creation in relation to the determination of value of cultural products, as a process of valuation. In his view a painting or a book (and for that matter a car, a drink or a clothing item) acquires cultural and social value when it says something meaningful in an ongoing discourse, just like when your observation makes sense or not when you intervene in a discussion with friends. However, products have a role in the valuation process of marketing as well. Saren (2007: 144) states that from a social constructionist point of view, a product itself cannot be separated from the relationships between the actors involved in this process; he talks about a process of a three-way ‘signification’ between buyers, suppliers and objects, that stems from the mere fact that we are constantly participating in the world and interact with objects to create ‘inter-experiences’. As a point in case, the fork, which seems a purely functional product (we probably all agree that it is simple and useful) and totally value free, was only accepted in Italy by 1600, when the British still considered it too effeminate, and the Asians did (and often still do) not know very well how to use it, except for making tourists happy. In India people still prefer to use their hands to eat, as the British did in 1600. So a product has to add meaning to an ongoing discourse, the contours of which are already established, defined, and agreed upon.

Consumers, products and suppliers are all involved in a process that is continuously fed by new products, styles, designs, and concepts. Friedrich Hayek, and other economists from the Austrian liberal tradition, recognised that incremental but continuous innovation is the engine of modern economies. That engine is also called Fashion.

1-4 Fashion as an economic system of cultural innovation

According to the product lifecycle theory products and companies, just like human beings, typically go through stages of introduction, growth, maturity, and decline. However appealing the lifecycle metaphor may sound, frankly I would be cautious applying it to inanimate products. As Saren notes in a more realistic way (2007: 145): “products are constantly changing as producers adapt and develop them, find better ways to produce them and as different consumers use them in different ways and view them in different ways”. The author does not necessarily imply any improvement in the product but rather an adaptation, a development towards catering to differing consumer tastes and hence preferences. So for one

thing fashion is forced obsolescence, as products are quickly rendered obsolete by changing values, trends, and related norms of behavior (and dressing). In other words continuous innovation is the name of the fashion game. Innovation does not only mean introducing new products; next to product and process innovation Jacobs introduces the concept of transaction innovations. These are innovations in publicity, marketing, and sales, i.e. “new ways of bringing products to consumers and selling them” (Jacobs 2007: 46). In defining transactional innovations Jacobs actually recognises the importance marketing can have in influencing the perception consumers have of a value proposition. This is because transaction innovations renew the relation consumers have with a product or a firm, which is what Cova and Svanfelt (1993) referred to as societal innovations, and often generate new product categories and markets, which are innovative and productive networks of technical as well as marketing professionals. According to Gilles Lipovetski (1994) marginal differentiation, i.e. the continuous introduction of new features to the product, is actually key to economic growth in developed economies. For Lipovetski fashion is a system that celebrates superficiality and is key not only to economic but to societal life, to the extent that, with its alleged lack of depth, it gets rid of e.g. fundamentalism in Western Europe, and as such is a democratic system that promotes individual freedom of expression (Lipovetski 1994: 79). Consequently fashion as a system is something else than the apparel industry. According to Morand (2007: 6) fashion as an economic system has the following four characteristics:

- It involves a creative and aesthetic activity,
- It appears in short cycles (marketing, logistics…),
- It is associated with a brand or the identity of a creator/designer,
- It is in line with the “air du temps” and can, in certain circumstances be ahead of its time.

Still according to Morand, the fashion system as such is an economic model that applies to several industries like, for instance, cars (Morand 2007: 8, see also in Jacobs 2007: 60) and increasingly other industries realise that continuous, incremental (and productive) innovation is crucial for growth, if not survival.

Therefore cultural signification can be considered as the outcome of marketing as an activity of valuation, where the objects of valuation are incremental, transactional innovations, i.e. marketing as an activity of adding value. However, the customer still has a pivotal role in the process or.g according to the service-dominant logic, value “is co-created through the
combined efforts of firms, employees, customers, stockholders, government agencies, and other entities related to any given exchange, but is always determined by the beneficiary” (Vargo et al 2008 : 148).

1-5 The emancipated consumer
In the valuation process consumers, as we explained before, play an active, fundamental role: they convey symbolic value to products and concepts depending on their idiosyncratic history, context, and culture (a.o. Vargo and Lush 2008). In more philosophical terms this means that the roles of subject and object are continuously (dynamically) redefined (Firat and Dholokaia 1994) and assumed by both company and consumers as shown in the picture below:

![Figure 1-1: A departure from the subject-object paradigm](image)

This implies that the supplier, who in classic marketing thought has been considered as external to the marketing system (hence the denominator target market), should be viewed as endogenous to market models. So in figure 1-1 on the left side, the market (consumers) has its own predictable functioning and behavior, and the company acts as an outside change factor. On the right side of the figure, the company is endogenous to the market, i.e. it does not only change the market, but is also changed by it. Companies and markets co-evolve as parts of a joint ecosystem. By the same token consumers not only change as a result of supplier initiatives, but influence each other and the supplier continuously. An active role of consumers in both shaping the company strategy and proposition, as well as in conveying meaning to a brand, implies that there is a fuzzy area between the realms of supply and demand that Solomon identifies as consumerspace “where reality is branded, were life and commerce are increasingly indistinguishable, and were we are what we buy, literally”.

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8 To paraphrase Huxley, we feel we are living in a branded-new-world, where the distinction between private and public is fuzzy, which is also evident from the many current discussions about privacy.
(Solomon 2003). In other words: consumerspace is the locus of interaction between firm and company in terms of new products or new marketing activities and the result of input from both sides.

Here postmodernism’s ‘take-over’ becomes evident. Since the anti-Cartesian redefinition of the object as a subject is present in postmodern philosophers like Baudrillard (where eventually the observed object revolts and exclaims “I am not your mirror!”), postmodernism has become the denominator for the new, consumer-friendly, non-manipulative marketer. As a matter of fact postmodern scholars started off voicing their scepticism about marketing, as they were concerned with the nihilistic consequences of a society in which consumption, and not ownership or production, is the main source of identity and social stability. However, the marketing field managed to absorb this postmodern critique and regenerated it for its own purposes. Postmodern marketing offers a liberation from the approaches of paternalistic corporations based on persuading consumers of what would be best for them, and acknowledges a more active role (and thus a responsibility) of consumers in determining what would be best for them; as Elliot (1998: 285) says: “in postmodernity the consumption of symbolic meaning, particularly through the use of advertising as a cultural commodity, provides the individual with the opportunity to construct, maintain and communicate identity and social meanings”. Sometimes a value judgement occurs as postmodern marketing seems more democratic, or ‘politically correct’ than mainstream marketing. However, I contend that acknowledging the active role of consumers is one thing, pretending not to manipulate behaviour and perceptions quite another. In my view the availability of digital technology, the pervasiveness of commercial activities, and also the postmodern critiques to mainstream thought in science are but giving us new insights into the motives and patterns of human behaviour. In other words: I think that no new paradigm is replacing any old one, we are just moving towards a deeper and more refined knowledge of the complexity of the ways companies and consumer markets interact.

1-6  Research question

In the sections above I have broadly sketched some current developments in both marketing practice and thought that seem antithetical. The mainstream prescriptive, positivistic stance in marketing thought holds onto established ‘scientific’ canons, and searches for a univocal definition of its field of enquiry. The quest for legitimisation of the field seems to become increasingly urgent. Postmodernism however came to help out, as it is both a reaction to consumerism, as a product of it. Postmodernism seems to have the potential to recuperate the dignity of marketing by shifting the attention to the social and cultural dimensions of the discipline.

We have also seen that one of the assumptions of modern, mainstream marketing is an ability to predict and control, albeit to some extent, consumer behaviour. In times that markets seem inherently unpredictable, uncertain, and fragmented, the availability of digital databases may have given marketers the illusion that they are even more able to predict and control consumers. The postmodern critique in essence challenges this assumption of prediction and control to recognise marketing as a continuous process of interaction, because markets are but unpredictable and uncontrollable temporary congregations of souls. As plausible as it seems that people have individual preferences which affect singular choices, it is also true that many companies use digital databases and advertisements as means to address rather than learn from consumer behaviour. In this study I will look further at the ways companies try to create a value connection with consumers, as well as at the nature of this value connection. In other words, the research question at the outset of this study is:

*When should marketing or brand managers try to influence or manipulate consumers’ perceptions and behaviour to generate a strong value connection?*

In order to answer this question the following research questions must be addressed:

i.  *What does having a strong value connection between a brand and consumers mean?*

ii.  *How does marketing contribute to creating it?*

By answering these questions I intend to contribute to the discussion sketched above, concerning both the theoretical and practical relevance of postmodern approaches to marketing by finding out if these are indeed so postmodern, or if control and manipulation have only assumed postmodern appearances.
From the consumers’ perspective this is tantamount to asking ourselves if consumers really are so free to shape their lives and identities through consumption activities, or if that is just the ‘good old’ wish to be part of a community, or a somehow ideological, social project. This means that at least in the realm of marketing, the grand narratives of modernism may not have disappeared, but have just become smaller, and still have the same compulsory nature as the grand ones.

1-7 Research object(s)

The way a company tries to establish a value connection refers to marketing as an activity that is initiated by a company. As we have seen before, on the one hand this can mean ‘trying hard’ to convince or manipulate consumers and on the other hand co-evolving with them. So first I will have to look at companies’ marketing activities, i.e. attempts companies make to establish a value connection. These can consist of advertising, as well as of the organisation of events or the development of interactive games. Postmodern marketing acknowledges the role consumers have in taking initiatives to establish or maintain connections with companies. This means I will have to look at the amount and nature of consumer activities around a company’s marketing initiatives as well. If a company acknowledges this and adapts its value proposition consequently, then we can say that the company co-evolves with its customers. So I will look at marketing as a concrete activity of trying to establish connections on a physical as well as an emotional level. The outcome of this marketing activity is what I have defined as ‘cultural signification’. In other words, we will look at what the perception of a brand is.

According to the American Marketing Association a brand is “a name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller.” This is, however, a rather ‘dry’ definition of a brand. In the branding literature brands have evolved to develop distinguishable personalities, which are in turn the result of the firms’ core values; according to de Chernatony (1999: 168) “The firm's core values not only influence the brand's functional domain, but also its personality”. Still, according to the American Marketing Association a brand’s personality is: “the psychological nature of a particular brand as intended by its sellers, though persons in the marketplace may see the brand otherwise (called brand image). These two perspectives compare to the personalities of individual humans: what we intend or desire, and what others see or believe.” The intentional nature of a brand’s identity (or personality) is also recognized by Saren (2006: 74) who defines it as: “The position the organization wants to believe they hold in the minds
of the consumer”. The brand’s image is therefore the perception of the brand’s personality in the eye of the consumer, and the brand’s identity the perception of its value proposition for the company. But what is the value proposition?

A commercial exchange will occur when the perception of the benefits to be obtained exceeds the costs in monetary terms, alternatively when the ‘opportunity’ costs (what one could have done with the money elsewhere) are lower than the benefits. The value proposition is a kind of package that contains these benefits. As such it constitutes the core of an enterprise’s ‘raison d’être’, since it distinguishes one company from the others. Osterwalder (2004: 40) defines a value proposition as "an overall view of (...) products and services that together represent value for a specific customer segment. It describes the way a firm differentiates itself from its competitors and is the reason why customers buy from a certain firm and not from another". So it consists of:

- A product offering which is broader than just the product, because it includes decisions about the whole product (and services) range.
- Brand identity, or what the company thinks the benefits for consumers should be.
- The representation of the value proposition, or presentation. This includes distribution and retail strategy.  

The value proposition defines the core of a firm’s offering which of course can change over time. Actually one could argue that continuous innovation can also be part of the value proposition, as this might include a guarantee to be innovative and updated. Consumers interpret the value proposition and consequently develop an image of a brand (in this case for instance that of an innovative brand). In doing so, consumers ‘buy into’ its identity or ‘design’ it to various degrees, to attribute new meaning to it.

1-8 Empirical approach
For this study I have chosen four ‘strong’ brands that have built strong brand-images, and I have looked at their core-values, image, and identity as well as marketing activities as they developed over time. The brands are Diesel (apparel), Innocent Drinks, Mini and MINI. This research method usually falls under the denominator of multiple case study. For a few decades

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now calls have been made for more multiple case studies in the realm of marketing (e.g. Bonoma1985). Even when the ontological perspective is realistic or positivistic, multiple case study methods also gain popularity in mainstream marketing journals. The logic behind multiple case study analysis is that generalisation is theoretical or inferential rather than statistical (Ritchie and Lewis 2003).

Following Perry (1998) a multiple case study approach starts with the following assumptions and ‘rules’:

- There is not necessarily one objective reality, but there is a socially interpreted and constructed reality, shared (or not) by individuals, upon which decisions and actions are taken. This implies that the search is not for ‘all explanatory’ theories, but for the complexity of contextual factors.

- Reliability of data is never defined exactly; however triangulation should serve as a guideline in the assessment of the results.

- The nature of the primary data that are gathered is qualitative, or quantitative/descriptive, that means generating data in the forms of counts, observations as well as interviews.

- The nature of the data gathering process should be inductive and deductive at the same time.

So what kind of data did I look at? Concerning the companies’ perspective I have observed their marketing activities through the years, and I tried to find out their intentions by reading and conducting interviews with company executives. Conducting interviews with managers, as with consumers, might be misleading though. As Frank Wouters (2001) points out ‘people do not do what they say and do not say what they do’. This limitation of ‘live’ research is echoed by several academic scholars; in the words of Ovans (1998 in Elliot 2003: 215) “people are generally not reliable predictors of their own long-term purchasing behavior for any type of good”. According to Elliot (2003) these limitations can be overcome with the use of ethnographic methods. These involve among others: participant observations, non-participant observations, informal interviews and casual conversations, field notes, pictures and videos. The internet as a setting to gather such data is gaining popularity, not only because of its apparent higher efficiency, but also because 1) people spontaneously posting messages on the internet are generally more prone to be honest and 2) analysing discussions
between people gives insights into what people share. In the context of markets as micro-
cultures I am more interested in what people share than in what individual characteristics and
motivations are. Ethnography on the internet is gaining popularity as a method under the
denominator of ‘netnography’ which according to Kozinetz (2002) “is a qualitative consumer
research methodology that uses the information publicly available in online forums to identify
and understand the needs and decision influences of relevant online consumer groups” (Italics
added). Another advantage mentioned by Kozinetz is the possibility the internet offers to
conduct totally unobtrusive research, i.e. the research subjects have no idea their
conversations are used as research data.

Looking for evidence of co-evolution does imply looking at past occurrences, at marketing
activities as they developed over time. Therefore my research approach can also be
considered ‘longitudinal’ as opposed to ‘cross-sectional’.

1-9 Set-Up, and down
Contrary to what most books about doing research suggest, I have gone through the research
process in a non-linear or, more appropriately, quite chaotic manner. This means that the
classic process of theory-exploration-hypotheses formulation- (dis-)confirmation- and back,
has happened, but more frequently than may be usual. Sometimes that cycle happened, as it
where, overnight. In this presentation, however, I have tried to keep to this classic structure
for the sake of clarity; previous versions of this dissertation where reflecting the activities
pursued, but are probably unintelligible to most readers. So the overall structure of the
dissertation became: theory (chapter 2), empirical justifications and choices (chapter 3), cases
studies (chapters 4 to 6), and conclusions (chapter 7).

In chapter 2 I will start off by clarifying the main issues concerning the debate between
modern and postmodern marketing. Later I will explore the concept of value connection by
asking what values are and where they come from. After having presented a brief overview of
several perspectives on the definition and classification of the concept of value, I will try to
account for variation in systems of value, or microcultures, by introducing a sociological
perspective as well. After a concise review of recent explanations about the dynamics of the
formation of more or less stable and defined communities of people, I will show how brands
can play an active role in shaping and supporting these. Building on these cultural and
sociological insights I will develop a typology of value connections based on the tendency
brands have to act as aggregators, or attractors of consumers. That is the *Glue Value* of brands.

Methodologically speaking I do not have a defined stance, except maybe that of ‘grounded theory’, which is characterised by pluralism of methods and data. Having encountered a large number of ‘methodology-fetishists’ in my academic experience, I feel the need to justify my methodological choice a bit more than just this introduction. In chapter 3 I will therefore make an excursus into issues concerning methodological stance and try to explain that, if it is true that there is no truth, there should also be no quest for ultimate explanation according to a hierarchy of rules. That is, however, not tantamount to saying that there are no rules, as a grounded theory must be *grounded* in something. In chapter 3 I will also present the instruments I have developed to look for the role of companies and consumers in the marketing activity, in order to investigate co-evolution. Concerning company and consumer input I looked at three activities: 1) Who spreads the message? 2) Who decides based on the values implied in the company’s proposition? And 3) Who organises gatherings (virtual and physical) around the brand? I will also introduce the *Value Connection Pyramid* to qualify the extent to which a company tries to stay ‘in control’, or allows for variance in the way it approaches the market. In chapters 4-6 I will apply these models to respectively the Diesel, Innocent Drinks, Mini-BMC and MINI-BMW brands.

In chapter 7 I will explain why I found that a more postmodern kind of value connection is not necessarily the result of postmodern marketing approaches. Postmodernism, as a social and philosophical movement or happening, has not lessened the desire of institutions (commercial, in our case) to manipulate and control human perceptions and behavior. This, however, is mostly true because what consumers really want is consistency, conformism and structure next to some freedom of choice. The means of control change in part but fundamentally remain the same as in many other contexts. What has changed since modern times is the allowing of interaction and playfulness, but fundamental mechanisms of persuasion are still at work though (at least in our cases): aesthetics (the strength of subtle signs) and anthropomorphism.

I also found that as brands grow in terms of revenues, a tendency towards control seems inevitable to me to ensure a consistent brand image. One of the ways to ensure a steady and strong value connection is by creating the *perception* of fervent gang-like, fan activity surrounding the brand. In fact a fervent activity does not need to be there, as long as
consumers feel connected through the brand, i.e. as long as the brand is able to create a value connection between consumers. That is why I ended up typifying brands on the basis of their Glue Value, i.e. brands act as glue because they bind people.

Concerning the relationship between marketing and the value connection, I did not find cases of real co-evolution. It probably does not pay off to try too hard to convince consumers, but some manipulation is necessary to achieve stronger value connections. For the marketing executive the hyper- versus postmodern marketing question therefore probably resolves into asking what the preferred means of manipulation might be for prospective consumers.