A Sustainability Roadmap for Contemporary Marketing Education: Thinking beyond the 4Ps

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Abstract

For generations marketing students have been taught the mantra of the 4Ps. This paper questions the relevance of continuing to teach this framework in the light of changing business, environmental and social demands, and increasing corporate social responsibility consciousness. But rather than replace this established framework altogether, this paper draws from extant literature to argue for the inclusion of an additional two Ps, People and Planet, to which the original 4Ps will be subsumed. After examining popular contemporary marketing texts, we contend that the sustainability imperatives of People and Planet are often omitted from marketers' thinking, or relegated to after thought status in a concluding chapter, as they are encouraged to concentrate on a narrower, traditional set of 4Ps. The paper concludes by suggesting that, just as particular marketing contexts, such as services or tourism marketing have done, a more relevant foundation to guide marketers' thinking will emerge if the 4Ps framework is subject to review. Against the changing economic, environmental, and social backdrop, the alternative, expanded marketing mix framework proposed in this paper seeks to participate in this review, by encouraging the marketing education discussion.

Introduction

Business is under attack (e.g. Bakan 2004). Marketing is also under increasing public and academic scrutiny (Heath and Potter 2006; Saren et al. 2007). In 2004, the American Marketing Association (AMA) updated its marketing definition to consider the organisation's stakeholders for the first time (Darroch et al. 2004), while its most recent definition has moved beyond stakeholders to consider society at large (AMA 2008). In 2005, the Journal of Marketing opened the discussion on the need for a 'marketing renaissance'. Marketers appear to be groping in the half-light for this renaissance. The '4Ps' (product, price, promotion, and place) framework - has not evolved from the heady days of the US post-war manufacturing surge of the 1950s, and, not surprisingly, is now a tool kit that marketing scholars increasingly question the value of (Hyman 2002).

Coincidentally, the influence of marketing on corporate decision-making appears to have waned. Grönroos (2006 p. 396), for example, claims that "marketing seems to be losing its credibility and the marketing function is in decline". Marketing has come to be seen to be preoccupied with tactical issues, and poorly linked to strategy (McGovern et al. 2004). Part of the problem, according to Day and Montgomery (1999), is the lack of versatility of the 4Ps framework in the face of changing market conditions.

A marketing definition should strengthen marketing's organisation role (Grönroos 2006), and it should reflect changes in the environment (Cooke, Rayburn and Abercrombie 1992). The purpose of this paper is to review the 4Ps framework that typically forms the foundation of how marketing is taught in universities and business schools around the world. We propose an alternative framework that reflects an age of increasing social and environmental responsibility, which recommends the addition of an extra two Ps - People and Planet, in line with Elkington's (1997) *Triple P* reporting framework of People, Planet, and Profit – to guide marketing education and management thinking. We argue that it is critical for contemporary educators and scholars to accommodate such an alternative framework to ensure social responsibility and sustainability underpin future marketing management thinking and decision-making.

While a first glance may perceive our intention to replace one dogma with another, the purpose of this paper is essentially to encourage discussion and scrutiny of a key framework of marketing education, one in apparent need of revision. This paper is structured as follows: we review the 4Ps framework, examine some of the alternative frameworks proposed in its place, and then elaborate our proposed framework We conclude with a brief discussion of the implications of our proposed approach for marketing education and educators, and, critically, key stakeholders in this education process: marketing students, managers, business, and society.

The Current 4Ps Framework

The 4Ps suggest the elements an organisation can and must control in tailoring its *product offer* to the market: product, price, promotion, and place. Since the 1950s, marketing has been dominated by this framework to describe the scope of marketing activities (Grönroos 2006). It is seen as offering a useful guide to major categories or marketing activity (Czinkota and Kotabe 2001), and of such importance that it provides the organising framework for "almost all marketing textbooks and courses" (Shapiro, Dolan, and Quelch 1985 p.7). Although scholars

have argued the framework is increasingly irrelevant to marketing management practice (e.g., Grönroos 2004; Gummesson 1999), and that it is conceptually flawed (e.g., Day and Montgomery 1999; Dobscha and Foxman 1998), Hyman (2002) observes that marketers (e.g., Anderson and Taylor 1995; Vignali and Davies 1994; Yudelson 1999) continue to use and defend it, as it represents the broad decision-making domains faced by marketing managers.

While the 4Ps framework may have been suitable for the conditions of post-Second World War expansion in the US, its relevance is questionable for today's marketplace. Brownlie and Saren (1992) argue that consumers' and society's requirements of business are now broader than purely economic criteria, with production and procurement functions now expected to tackle major sustainability challenges. Indeed, supply chains have become more important as consumers scrutinise firms' overall marketplace practices, beyond products, prices, promotions, and place. More than a decade later, Dev and Schultz (2005) have suggested senior management should redefine what marketers can do to make the field more relevant and better adapted to today's market realities.

A move in this direction is reflected in the American Marketing Association's recent redefinition of marketing: "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (AMA 2008). Such a move, we believe, also requires a more fundamental critical review of the 4Ps framework.

Coming to terms with the issues of globalisation and the social responsibility of corporations, including sustainability, 'product' may still sufficiently interpret attributes of design and construction, and functional benefits, but it is insufficient to describe the supply-chain, manufacturing, and post-consumption disposal issues stakeholders are increasingly interested in. Just as marketing scholars and managers have traditionally conceived product in functional terms, so have price, promotion, and place also been conceived. Price, for example, rarely includes the total cost of the negative externalities of the production process. These negative externalities are increasingly important in the quest for sustainable development.

Criticism of the Current 4Ps Framework

The 4P mantra, intoned by generations of marketing students, ignores the primacy of customers, prospects, and even markets (Dev and Schultz 2005). Brownlie and Saren (1992 p. 34) argue the framework's primacy in marketing scholarship was achieved "on the wave of the fiery polemics of disciples such as Levitt and Kotler, to the point where it now assumes many of the characteristics of a normative ideology, or an article of faith, rather than a concept". Brownlie and Saren (p. 38) question whether the framework as it has been propagated can provide a basis for successful business given it was "an idea born in the conditions of post-Second World War expansion in the USA". The future, they contend (p. 39), will be about focusing on more environmental and social issues: "Techniques for control over resources and supplies may become far more pressing than those for market control, and attention to the natural environment and resource conservation is likely to alter the nature of consumption and relative status of the consumer".

Companies such as The Body Shop have successfully positioned themselves as concerned with a wider array of issues than the 4Ps. Others, such as Shell and BP, are attempting to emulate this pro-social stance. Marketplace polls report the public wants business to play a broader role

in society than driving shareholder wealth, want to hear how business is doing this, and will reward more socially responsible organisations for doing so (e.g. Environics 1999). A future challenge for marketers and marketing educators will be how to meet this market-driven preference. We acknowledge that recent marketing texts (e.g., Kotler et al. 2007) are incorporating discussion of responsible marketing to deal with increasingly important environmental and social issues, however, this perspective is typically treated as separate to the notion of the controllable marketing mix framework, where we argue it more appropriately belongs.

Extant Alternative Frameworks

It has been suggested that attempts to modify the 4Ps framework are misguided (e.g., Anderson and Taylor 1995); weight of evidence (Hyman 2002), however, argues that the current framework is an anachronism. Grönroos (2006 p. 395) observes "During the last 25 years marketing as a phenomenon has changed". Various alternatives to the 4Ps have been proposed. Hyman (2002 p. 927) suggests replacing the 4Ps with an appropriately alliterative mnemonic device of 8 Ds that, while imperfect, is a "starting point for subsequent development". The first four elements of this set - design, demand, didactics, and distribution - are reminiscent of McCarthy's 4Ps, but the fifth - duty - explicitly addresses marketing ethics and social responsibility. *Duty* covers ethics in all domains, such as advertising ethics and sales force ethics, but also covers topics such as the political environment and legal environment, consumerism, and green marketing. Hyman (p. 928) argues that making ethical concerns explicit to marketing management pedagogy is warranted, given: "(1) current Association to Advance Collegiate Schools of Business (AACSB) guidelines for curriculum-wide coverage of ethical issues (cf Laczniak 1993); (2) the growing belief of instructors, students, and practitioners that ethics instruction in business is important (cf Priddle 1994; Shannon and Berl 1997); and (3) students' preference for integrating ethics into various business courses rather than taking a separate compulsory or elective ethics course (Stewart et al., 1996)". The final three Ds - direction, diary, and dialectic - address marketing strategy, research, and practice.

Yudelson (1999) argues that a reconsideration of McCarthy's (1960) 4Ps is essential for the new millennium, but this should be based on adaption rather than revolution. Yudelson's new 4Ps – *performance, penalty, perception,* and *process* – do not venture beyond the preoccupation with meeting the individual customer's needs, however, and therefore ignore the new millennium's social and environmental sustainability imperatives.

The marketing mix has undergone modifications for specific marketing situations, such as the experience contexts of services and tourism. In the services context, for example, characteristics that distinguish the service product from manufactured products, such as intangibility and inseparability (e.g. Lovelock 1991, have lead to a focus on processes, the physical environment, and people. The experience and credence nature of many services require approaches that go beyond those appropriate for more readily available search attributes. The additional Ps we propose would equally apply to such marketing contexts. We view People from social responsibility and sustainability considerations, however, compared to services marketing's interpretation of People from a customer mix and employee management perspective.

Proposed Alternative Framework

Given the imperatives for future business of sustainability and the growing recognition of the legitimacy of corporate social responsibility (CSR), we propose the addition of *Planet* and *People* to the original 4Ps framework in order to bolster a contemporary framework's efficacy. Grönroos (2006 p. 397) argues that a framework "should be generic enough to cover a large variety of products"; we believe that our additions accomplish this. We do not disregard the clarity the 4Ps provides in highlighting four functional areas that marketing managers must manage, but we widen the manager's scope of control and responsibility to include a key stakeholder, People, and a philosophy of environmental concern, under the rubric of Planet. In other words, we extend the utility of the 4P framework from a limited marketing management tool, more appropriate for the post-war production era of the 1950s, to include elements of social and environmental responsibility, and sustainability, to guide marketing's, and indeed an entire organisation's, management philosophy. We do so by suggesting that People and Planet subsume the traditional 4Ps, rather than be considered as merely additive. In this way, all marketing mix decisions will be considered against their implications on People and the Planet.

The two additional elements, drawn from the *Triple Bottom Line* reporting framework of People, Planet and Profit (Elkington 1997), overarch the policies and practices of the organisation and reveal a facet of the business that otherwise might remain hidden. Keeping certain aspects of a business' operations hidden from the scrutiny of the market may have once helped to protect the corporate image, but *new economy* marketplace conditions such as networked activist communities, greatly enabled by the internet, and greater levels of scrutiny by government and non-government *watchdog* organisations, are making such information asymmetries less possible, and transparency more necessary. Consumer activism, including boycotts and occasionally damage to the physical assets of perceived egregious brands, such as recent attacks on the distribution outlets of McDonald's, Shell, and Nike, reinforce that marketing's face is not simply summarised in the traditional 4Ps framework.

Rather than seeing it as captive to a *tool box* of concepts such as the 'marketing mix', we agree with Drucker's (1954) observation that marketing is the face of the business seen from the customer's point of view. In extending the marketing mix framework we honour the legacy of earlier marketing thinkers, such as Jerome McCarthy, but acknowledge the necessary change in perspective that is critical to business, and therefore marketing, in the 21st century. This includes an organisation's commitment to its social and environmental responsibility.

Elkington (1997) interprets *People* to refer to fair business practices toward employees and the communities within which a corporation conducts its business, and seeks the minimisation of negative social externalities, and even 'giving back' for these societal stakeholders.

Planet essentially refers to sustainable environmental practices, including the minimisation of negative environmental externalities as a result of the firm's operations. Current guidelines for such an approach include, for example, the UN Global Compact, and the social responsibility investment index, Socrates' articulations of the seven domains that might guide a firm's CSR: employee relations and diversity programs, ethical materials sourcing, product design, marketing programs, the environment, human rights, and corporate governance (Kinder, Lydenberg, Domini & Co. Inc. 2006).

Profit, the third element of *triple P* reporting, not surprisingly, is the result of the activities and operations of the firm that cascade from decisions made around the extended 6Ps. Consumers

have indicated that they expect firms to make a greater contribution to society and the environment, and will reward those firms that do so (e.g., Environics 1999), effectively putting business on notice. A recent way of backlashes against Chinese exporters of pet food, toys, and food products have resounded this warning to manufacturers and brand managers.

We may be criticised for simply 'bolting on' two suitably mnemonic and fashionable elements to McCarthy's original 4Ps, but refute criticism that our efforts are trite. Elkington's Triple P paradigm is an accepted contemporary business perspective, and has been adopted by corporations in their quest to meet consumers' and other stakeholders' increasing CSR expectations via sustainability/CSR reporting (Shell, for example, commenced its 'People, Planet and Profit' reporting in 2003). Rather than fashionable, which has rather pejorative connotations, we see our proposed marketing mix framework as timely, meeting the needs of academics (e.g. Brownlie and Saren 1992) that have called for such a contemporary approach. Further, our suggestion that marketing educators and business consider how marketing activities affect the planet and people is in keeping with the World Business Council for Sustainable Development's stated role for contemporary business: "the commitment of business to contribute to sustainable development, working with employees, their families, the local community and society at large to improve their quality of life" (WBCSD, 2004).

The recent move to consider People and Planet aspects of business operations in annual reporting reflects the increasing primacy corporations are placing on this wider scope of their activities. The SAS Group's *Annual Report and Sustainability Report*, Shell's *People, Planet, and Profit Report*, launched in 2003, and Brown and Williamson Tobacco's *Social and Environmental Report 2001/2002* are examples of companies that have accepted the changed landscape of these new sustainability demands. Brown and Williamson Tobacco's report (2001/2002 p. 38) states: "We recognize that a commitment to social reporting is a commitment to change". The addition of People and Planet to the marketing mix framework would enhance the marketing manager's sustainability consciousness in managerial decision making concerning product, price, promotion, and place. For marketing educators to not have this discussion is to lock our thinking and teaching into a framework born of the need for post-war reconstruction, not the construction of a sustainable future, and, therefore, potentially deny marketing this same commitment to change.

Conclusion

Implicit for an organisation's marketing is that it follows a market orientation (e.g. Kohli and Jaworski 1990), and combining its resources and skills into core competencies (e.g. Prahalad and Hamel 1990) distinctively well relative to competitors. This way, the organisation's value-creation strategy will not be able to be duplicated by current or potential competitors (Barney 1991). Increasingly, due to pressures on business that affect our collective survival, and consumers' increasingly pro-social expectations of business (e.g. Environics 1999), this competitive advantage is likely to be based on sustainable business practices. In fact, sustainable business practices may become the new baseline for business. Our expanded 6Ps approach offers a contemporary view to help ensure marketing educators, marketers, and organisations are equipped for this task.

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