

Marketing as Exchange

The exchange concept is a key factor in understanding the expanding role of marketing.

THE exchange paradigm has emerged as a framework useful for conceptualizing marketing behavior. Indeed, most contemporary definitions of marketing explicitly include exchange in their formulations.¹ Moreover, the current debate on "broadening" centers on the very notion of exchange: on its nature, scope, and efficacy in marketing.

This article analyzes a number of dimensions of the exchange paradigm that have not been dealt with in the marketing literature. First, it attempts to show that what marketers have considered as exchange is a special case of exchange theory that focuses primarily on direct transfers of tangible entities between two parties. In reality, marketing exchanges often are indirect, they may involve intangible and symbolic aspects, and more than two parties may participate. Second, the media and meaning of exchange are discussed in order to provide a foundation for specifying underlying mechanisms in marketing exchanges. Finally, social marketing is analyzed in light of the broadened concept of exchange.

The following discussion proceeds from the assumptions embodied in the generic concept of marketing as formulated by Kotler, Levy, and others.² In particular, it is assumed that marketing theory is concerned with two questions: (1) Why do people and organizations engage in exchange relationships? and (2) How are exchanges

created, resolved, or avoided? The domain for the subject matter of marketing is assumed to be quite broad, encompassing all activities involving "exchange" and the cause and effect phenomena associated with it. As in the social and natural sciences, marketing owes its definition to the outcome of debate and competition between divergent views in an evolutionary process that Kuhn terms a "scientific revolution."³ Although the debate is far from settled, there appears to be a growing consensus that exchange forms the core phenomenon for study in marketing. Whether the specific instances of exchange are to be limited to economic institutions and consumers in the traditional sense or expanded to all organizations in the broadened sense deserves further attention by marketing scholars and practitioners. Significantly, the following principles apply to exchanges in both senses.

The Types of Exchange

In general, there are three types of exchange: restricted, generalized, and complex.⁴ Each of these is described below.

Restricted Exchange

Restricted exchange refers to two-party reciprocal relationships which may be represented diagrammatically as $A \leftrightarrow B$, where " \leftrightarrow " signifies "gives to and receives from" and A and B represent social actors such as consumers, retailers, salesmen, organizations, or collectivities.⁵ Most treatments of, and references to, exchange in

1. See, for example, Marketing Staff of The Ohio State University, "A Statement of Marketing Philosophy," *JOURNAL OF MARKETING*, Vol. 29 (January 1965), pp. 43-44; E. Jerome McCarthy, *Basic Marketing*, 5th ed. (Homewood, Ill.: Richard D. Irwin, 1975); Philip Kotler, *Marketing Management*, 2nd ed. (Englewood Cliffs, N.J.: Prentice-Hall, 1972), p. 12; and Ben M. Enis, *Marketing Principles* (Pacific Palisades, Calif.: Goodyear Publishing Co., 1974), p. 21.

2. Philip Kotler, "A Generic Concept of Marketing," *JOURNAL OF MARKETING*, Vol. 36 (April 1972), pp. 46-54; and Philip Kotler and Sidney J. Levy, "Broadening the Concept of Marketing," *JOURNAL OF MARKETING*, Vol. 33 (January 1969), pp. 10-15.

3. Thomas S. Kuhn, *The Structure of Scientific Revolutions*, 2nd ed. (Chicago: The University of Chicago Press, 1970).

4. The distinction between restricted and generalized exchange was first made by anthropologist Claude Lévi-Strauss in *The Elementary Structures of Kinship* (Boston: Beacon Press, 1969). An extended critical analysis of restricted and generalized exchange may be found in Peter P. Ekeh, *Social Exchange Theory: The Two Traditions* (Cambridge, Mass.: Harvard University Press, 1974), Chap. 3.

5. Ekeh, same reference as footnote 4, p. 50.

the marketing literature have implicitly dealt with restricted exchanges; that is, they have dealt with customer-salesman, wholesaler-retailer, or other such dyadic exchanges.

Restricted exchanges exhibit two characteristics:

First, there is a great deal of attempt to maintain equality. This is especially the case with repeatable social exchange acts. Attempts to gain advantage at the expense of the other is [*sic*] minimized. Negatively, the breach of the rule of equality quickly leads to emotional reactions. . . . Secondly, there is a *quid pro quo* mentality in restricted exchange activities. Time intervals in mutual reciprocities are cut short and there is an attempt to balance activities and exchange items as part of the mutual reciprocal relations.⁶

The "attempt to maintain equality" is quite evident in restricted marketing exchanges. Retailers, for example, know that they will not obtain repeat purchases if the consumer is taken advantage of and deceived. The "breach" in this rule of equality—which is a central tenet of the marketing concept—has led to picketing, boycotts, and even rioting. Finally, the fact that restricted marketing exchanges must involve a *quid pro quo* notion (something of value in exchange for something of value) has been at the heart of Luck's criticism of broadening the concept of marketing.⁷ However, as will be developed below, there are important exceptions to the *quid pro quo* requirement in many marketing exchanges.

Generalized Exchange

Generalized exchange denotes univocal, reciprocal relationships among at least three actors in the exchange situation. Univocal reciprocity occurs "if the reciprocations involve at least three actors and if the actors do not benefit each other directly but only indirectly."⁸ Given three social

actors, for instance, generalized exchange may be represented as $A \rightarrow B \rightarrow C \rightarrow A$, where " \rightarrow " signifies "gives to." In generalized exchange, the social actors form a system in which each actor gives to another but receives from someone other than to whom he gave. For example, suppose a public bus company (B) asks a local department store chain (A) to donate or give a number of benches to the bus company. Suppose further that, after the department store chain (A) gives the benches to the bus company (B), the company (B) then places the benches at bus stops for the convenience of its riders (C). Finally, suppose that a number of the riders (C) see the advertisements placed on the benches by the department store chain (A) and later patronize the store as a result of this exposure. This sequence of exchange, $A \rightarrow B \rightarrow C \rightarrow A$, is known as generalized exchange; while it fails to conform to the usual notions of *quid pro quo*, it certainly constitutes a marketing exchange of interest.

Complex Exchange

Complex exchange refers to a system of mutual relationships between at least three parties. Each social actor is involved in at least one direct exchange, while the entire system is organized by an interconnecting web of relationships.

Perhaps the best example of complex exchange in marketing is the channel of distribution. Letting A represent a manufacturer, B a retailer, and C a consumer, it is possible to depict the channel as $A \leftrightarrow B \leftrightarrow C$. Such open-ended sequences of direct exchanges may be designated *complex chain exchanges*.

But many marketing exchanges involve relatively closed sequences of relationships. For example, consider the claim made by Kotler that a "transaction takes place . . . when a person decides to watch a television program."⁹ Recently, Carman and Luck have criticized this assertion, maintaining that it may not exhibit an exchange.¹⁰ The differences stem from: (1) a disagreement on whether exchange must consist of transfers of tangible (as opposed to intangible) things of value, and (2) a neglect of the possibility of systems of exchange. Figure 1 illustrates the exchange between a person and a television program and how it may be viewed as a link in a system termed *complex circular exchange*.¹¹ In this

6. Ekeh, same reference as footnote 4, pp. 51-52.

7. David J. Luck, "Broadening the Concept of Marketing—Too Far," *JOURNAL OF MARKETING*, Vol. 33 (January 1969), pp. 10-15; and Luck, "Social Marketing: Confusion Compounded," *JOURNAL OF MARKETING*, Vol. 38 (October 1974), pp. 70-72.

8. Ekeh, same reference as footnote 4, pp. 48 and 50.

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9. Kotler, same reference as footnote 2, p. 48.

10. James M. Carman, "On the Universality of Marketing," *Journal of Contemporary Business*, Vol. 2 (Autumn 1973), p. 5; and Luck, "Social Marketing," same reference as footnote 7, p. 72.

11. A form of circular exchange in primitive societies was

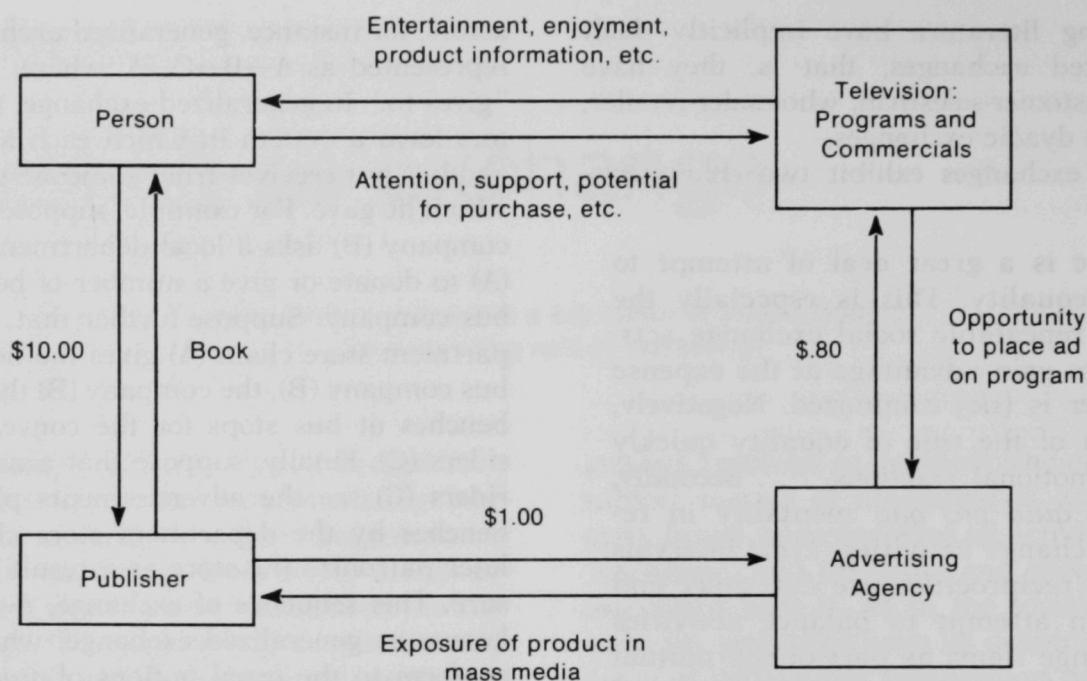


FIGURE 1. An example of complex circular exchange.

system of exchange, the person experiences a direct transfer of intangibles between himself and the program. That is, he gives his attention, support (for example, as measured by the Nielsen ratings), potential for purchase, and so on, and receives entertainment, enjoyment, product information, and other intangible entities. The person also experiences an indirect exchange with the television program via a sequence of direct, tangible exchanges. Thus, after being informed of the availability of a book through an exchange with the television program and its advertising, a person may purchase it for, say, \$10.00. The book's publisher, in turn, may purchase the services of an advertiser, paying what amounts to a percentage of each sale, say, \$1.00. Finally, the advertiser receives the opportunity to place a commercial on the air from the television network in exchange for what again amounts to a percentage of each sale, say, \$.80. In this particular example, the occurrence of the direct intangible exchange was a necessary prerequisite for the development of the series of indirect tangible exchanges. Thus, an exchange *can* occur between a person and a television program.

Complex chain and complex circular exchanges involve predominantly conscious systems of social and economic relationships. In this sense,

there is an overt coordination of activities and expectations, which Alderson called an organized behavioral system and which he reserved for the household, the firm, and the channel of distribution.¹² However, it should be evident that the designation "organized" is a relative one and that other exchange systems, such as the one shown in Figure 1, also evidence aspects of overt coordination in an economic, social, and symbolic sense.

Generalized and complex exchanges are also present in relatively unconscious systems of social and economic relationships. Thus, a modern economy may experience a covert coordination of activities through exchanges that occur when many individuals, groups, and firms pursue their own self-interest. This is what Adam Smith meant by his reference to an "invisible hand."¹³ Similarly, in his analysis of primitive societies and marketing systems, Frazer has shown that exchange and the pursuit of self-interest can be the foundation for the web of kinship, economic, and social institutions.¹⁴ The recent exchange theories of Homans and Blau are also based on this individualistic assumption of self-interest.¹⁵ It

first suggested by Bronislaw Malinowski in *Argonauts of the Western Pacific* (London: Routledge and Kegan Paul, 1922), p. 93; but in his concept the same physical items were transmitted to all parties, while in complex circular exchange as defined here different tangible or symbolic entities may be transferred.

12. Wroe Alderson, *Dynamic Marketing Behavior* (Homewood, Ill.: Richard D. Irwin, 1965), Chap. 1.

13. For a modern treatment of Adam Smith's contribution to exchange theory, see Walter Nord, "Adam Smith and Contemporary Social Exchange Theory," *The American Journal of Economics and Sociology*, Vol. 32 (October 1974), pp. 421-436.

14. Sir James G. Frazer, *Folklore in the Old Testament*, Vol. 2 (London: Macmillan & Co., 1919).

15. George C. Homans, *Social Behavior: Its Elementary*

should be stressed, however, that the exchange tradition developed by Levi-Strauss is not an individualistic one but rather is built on social, collectivistic assumptions associated with generalized exchange.¹⁶ These differences will become more apparent when social marketing is analyzed below.

The Media and Meaning of Exchange

In order to satisfy human needs, people and organizations are compelled to engage in social and economic exchanges with other people and organizations. This is true for primitive as well as highly developed societies. Social actors obtain satisfaction of their needs by complying with, or influencing, the behavior of other actors. They do this by communicating and controlling the media of exchange which, in turn, comprise the links between one individual and another, between one organization and another. Significantly, marketing exchanges harbor meanings for individuals that go beyond the mere use of media for obtaining results in interactions.

The Media of Exchange

The media of exchange are the vehicles with which people communicate to, and influence, others in the satisfaction of their needs. These vehicles include money, persuasion, punishment, power (authority), inducement, and activation of normative or ethical commitments.¹⁷ Products and services are also media of exchange. In consumer behavior research, marketers have extensively studied the effects of these vehicles on behavior. Moreover, it has been suggested that a number of these vehicles be used in conjunction with sociopsychological processes to explain the customer-salesman relationship.¹⁸ It should be noted, however, that marketing is not solely concerned with influence processes, whether these involve manufacturers influencing consumers or consumers influencing manufacturers. Marketing is also concerned with meeting existing needs and

anticipating future needs, and these activities do not necessarily entail attempts to influence or persuade.

To illustrate the multivariate nature of media in marketing exchanges, consider the example of the channel of distribution, a complex chain exchange. The firms in a channel of distribution are engaged in an intricate social system of behavioral relationships that go well beyond the visible exchange of products and money.¹⁹ Typically, the traditional channel achieves its conscious coordination of effort through the mutual expectations of profit. In addition, each firm in the channel may influence the degree of cooperation and compliance of its partners by offering inducements in the form of services, deals, or other benefits or by persuading each link in the channel that it is in its own best interest to cooperate. A firm may also affect the behavior or decisions of another firm through the use of the power it may possess. Wilkinson has studied five bases of power in the channel of distribution—reward, coercive, legitimate, referent, and expert power—and has tested aspects of these relationships between firms.²⁰ Finally, a firm may remind a delinquent member in the channel of its contractual obligations or even threaten the member with legal action for a breach of agreement. This influence medium is known as the activation of commitments.

The Meaning of Exchange

Human behavior is more than the outward responses or reactions of people to stimuli. Man not only reacts to events or the actions of others but he self-generates his own acts.²¹ His behavior is purposeful, intentional. It is motivated. Man is an information seeker and generator as well as an information processor. In short, human behavior is a conjunction of meaning with action and reaction.

Similarly, exchange is more than the mere transfer of a product or service for money. To be sure, most marketing exchanges are characterized

Forms, rev. ed. (New York: Harcourt Brace Jovanovich, 1974); and Peter M. Blau, *Exchange and Power in Social Life* (New York: John Wiley & Sons, 1964).

16. Levi-Strauss, same reference as footnote 4. See also, Ekeh, same reference as footnote 4, Chaps. 3 and 4.

17. Talcott Parsons, "On the Concept of Influence," *Public Opinion Quarterly*, Vol. 27 (Spring 1963), pp. 37-62; and Parsons, "On the Concept of Political Power," *Proceedings of the American Philosophical Society*, Vol. 107 (June 1963), pp. 232-262. See also, Richard Emerson, "Power Dependence Relations," *American Sociological Review*, Vol. 27 (February 1962), pp. 31-40.

18. Richard P. Bagozzi, "Marketing as an Organized Behavioral System of Exchange," *JOURNAL OF MARKETING*, Vol. 38 (October 1974), pp. 77-81.

19. See, for example, Louis W. Stern, *Distribution Channels: Behavioral Dimensions* (New York: Houghton Mifflin Co., 1969).

20. Ian Wilkinson, "Power in Distribution Channels," *Cranfield Research Papers in Marketing and Logistics*, Session 1973-1974 (Cranfield School of Management, Cranfield, Bedfordshire, England); and Wilkinson, "Researching the Distribution Channels for Consumer and Industrial Goods: the Power Dimension," *Journal of the Market Research Society*, Vol. 16 (No. 1, 1974), pp. 12-32.

21. This dynamic, as opposed to mechanistic, image of human behavior is described nicely in R. Harré and P. F. Secord, *The Explanation of Social Behavior* (Totawa, N.J.: Littlefield, Adams & Co., 1973).

by such a transfer. But the reasons behind the exchange—the explanation of its occurrence—lie in the social and psychological significance of the experiences, feelings, and meanings of the parties in the exchange. In general, marketing exchanges may exhibit one of three classes of meanings: utilitarian, symbolic, or mixed.

Utilitarian Exchange. A utilitarian exchange is an interaction whereby goods are given in return for money or other goods and the motivation behind the actions lies in the anticipated use or tangible characteristics commonly associated with the objects in the exchange. The utilitarian exchange is often referred to as an economic exchange, and most treatments of exchange in marketing implicitly rely on this usage. As Bartels notes with regard to the identity crisis in marketing:

Marketing has initially and generally been associated exclusively with the distributive part of the *economic* institution and function.

...

The question, then, is whether marketing is identified by the *field* of economics in which the marketing techniques have been developed and generally applied, or by the so-called marketing *techniques*, wherever they may be applied.

If marketing relates to the distributive function of the economy, providing goods and services, that *physical* function differentiates it from all other social institutions.²²

Most marketers have traditionally conceptualized the subject matter of the discipline in these terms, and they have proceeded from the assumptions embodied in utilitarian exchange.

In general, utilitarian exchange theory is built on the foundation of *economic man*.²³ Thus, it is assumed that:

1. Men are rational in their behavior.
2. They attempt to maximize their satisfaction in exchanges.
3. They have complete information on alternatives available to them in exchanges.
4. These exchanges are relatively free from external influence.

Coleman has developed an elaborate mathematical framework for representing exchange be-

havior that assumes many of the features of economic man.²⁴ His model is based on the theory of purposive action, which posits that each "actor will choose that action which according to his estimate will lead to an expectation of the most beneficial consequences."²⁵ Among other things, the theory may be used to predict the outcomes and degree of control social actors have for a set of collective actions in an exchange system.

Symbolic Exchange. Symbolic exchange refers to the mutual transfer of psychological, social, or other intangible entities between two or more parties. Levy was one of the first marketers to recognize this aspect of behavior, which is common to many everyday marketing exchanges:

... *symbol* is a general term for all instances where experience is mediated rather than direct; where an object, action, word, picture, or complex behavior is understood to mean not only itself but also some *other* ideas or feelings.

The less concern there is with the concrete satisfactions of a survival level of existence, the more abstract human responses become. As behavior in the market place is increasingly elaborated, it also becomes increasingly symbolic. This idea needs some examination, because it means that sellers of goods are engaged, whether willfully or not, in selling *symbols*, as well as practical merchandise. It means that marketing managers must attend to more than the relatively superficial facts with which they usually concern themselves when they do not think of their goods as having symbolic significance. . . . *People buy things not only for what they can do, but also for what they mean.*²⁶

Mixed Exchange. Marketing exchanges involve both utilitarian and symbolic aspects, and it is often very difficult to separate the two. Yet, the very creation and resolution of marketing exchanges depend on the nature of the symbolic and utilitarian mix. It has only been within the past decade or so that marketers have investigated this deeper side of marketing behavior in their studies of psychographics, motivation research, attitude and multiattribute models, and other aspects of buyer and consumer behavior.

22. Robert Bartels, "The Identity Crisis in Marketing," *JOURNAL OF MARKETING*, Vol. 38 (October 1974), p. 75. Emphasis added.

23. For a modern treatment of economic man, see Harold K. Schneider, *Economic Man* (New York: The Free Press, 1974).

24. James S. Coleman, "Systems of Social Exchange," *Journal of Mathematical Sociology*, Vol. 2 (December 1972).

25. James S. Coleman, *The Mathematics of Collective Action* (Chicago: Aldine-Atherton, 1973).

26. Sidney J. Levy, "Symbols for Sale," *Harvard Business Review*, Vol. 37 (July-August 1959), pp. 117-119.

Out of this research tradition has emerged a picture of man in his true complexity as striving for both economic and symbolic rewards. Thus, we see the emergence of *marketing man*, perhaps based on the following assumptions:

1. Man is sometimes rational, sometimes irrational.
2. He is motivated by tangible as well as intangible rewards, by internal as well as external forces.²⁷
3. He engages in utilitarian as well as symbolic exchanges involving psychological and social aspects.
4. Although faced with incomplete information, he proceeds the best he can and makes at least rudimentary and sometimes unconscious calculations of the costs and benefits associated with social and economic exchanges.
5. Although occasionally striving to maximize his profits, marketing man often settles for less than optimum gains in his exchanges.
6. Finally, exchanges do not occur in isolation but are subject to a host of individual and social constraints: legal, ethical, normative, coercive, and the like.

The important research question to answer is: *What are the forces and conditions creating and resolving marketing exchange relationships?* The processes involved in the creation and resolution of exchange relationships constitute the subject matter of marketing, and these processes depend on, and cannot be separated from, the fundamental character of human and organizational needs.

Social Marketing

The marketing literature is replete with conflicting definitions of *social marketing*. Some have defined the term to signify the *use* of marketing skills in social causes,²⁸ while others have meant it to refer also to "the *study* of markets and marketing activities within a total social system."²⁹

27. It should be stressed that man is motivated by the hope or anticipation of *future* rewards, and these may consist of classes of benefits not necessarily experienced in the past. See Homans's individualistic exchange theory, a learning perspective, same reference as footnote 15; Levi-Strauss's collectivistic, symbolic perspective, same reference as footnote 4; and Ekeh, same reference as footnote 4, pp. 118-124, 163.

28. Philip Kotler and Gerald Zaltman, "Social Marketing: An Approach to Planned Social Change," *JOURNAL OF MARKETING*, Vol. 35 (July 1971), p. 5.

29. William Lazer and Eugene J. Kelley, eds., *Social Marketing: Perspectives and Viewpoints* (Homewood, Ill.: Richard D. Irwin, 1973), p. 4. Emphasis added.

Bartels recently muddled the waters with still a new definition that is vastly different from those previously suggested. For him, social marketing designates "the *application* of marketing techniques to *nonmarketing* fields."³⁰ Since these definitions cover virtually everything in marketing and even some things outside of marketing, it is no wonder that one author felt compelled to express his "personal confusion" and "uncomfortable" state of mind regarding the concept.³¹

But what is social marketing? Before answering this question, we must reject the previous definitions for a number of reasons. First, we must reject the notion that social marketing is merely the "use" or "application" of marketing techniques or skills to other areas. A science or discipline is something more than its technologies. "Social marketing" connotes what is social and what is marketing, and to limit the definition to the tools of a discipline is to beg the question of the meaning of marketing. Second, social marketing is not solely the study of marketing within the frame of the total social system, and it is even more than the subject matter of the discipline. Rather, the meaning of social marketing—like that of marketing itself—is to be found in the unique *problems* that confront the discipline. Thus, as the philosopher of science, Popper, notes:

The belief that there is such a thing as physics, or biology, or archaeology, and that these "studies" or "disciplines" are distinguishable by the subject matter which they investigate, appears to me to be a residue from the time when one believed that a theory had to proceed from a definition of its own subject matter. But subject matter, or kinds of things, do not, I hold, constitute a basis for distinguishing disciplines. Disciplines are distinguished partly for historical reasons and reasons of administrative convenience (such as the organization of teaching and of appointments), and partly because the theories which we construct to solve our problems have a tendency to grow into unified systems. But all this classification and distinction is a comparatively unimportant and superficial affair. *We are not students of some subject matter but students of problems.* And problems may cut right across the borders of any subject matter or discipline.³²

30. Same reference as footnote 22. Emphasis added.

31. Luck, "Social Marketing," same reference as footnote 7, p. 70.

32. Karl R. Popper, *Conjectures and Refutations* (New York: Harper & Row, 1963), p. 67.

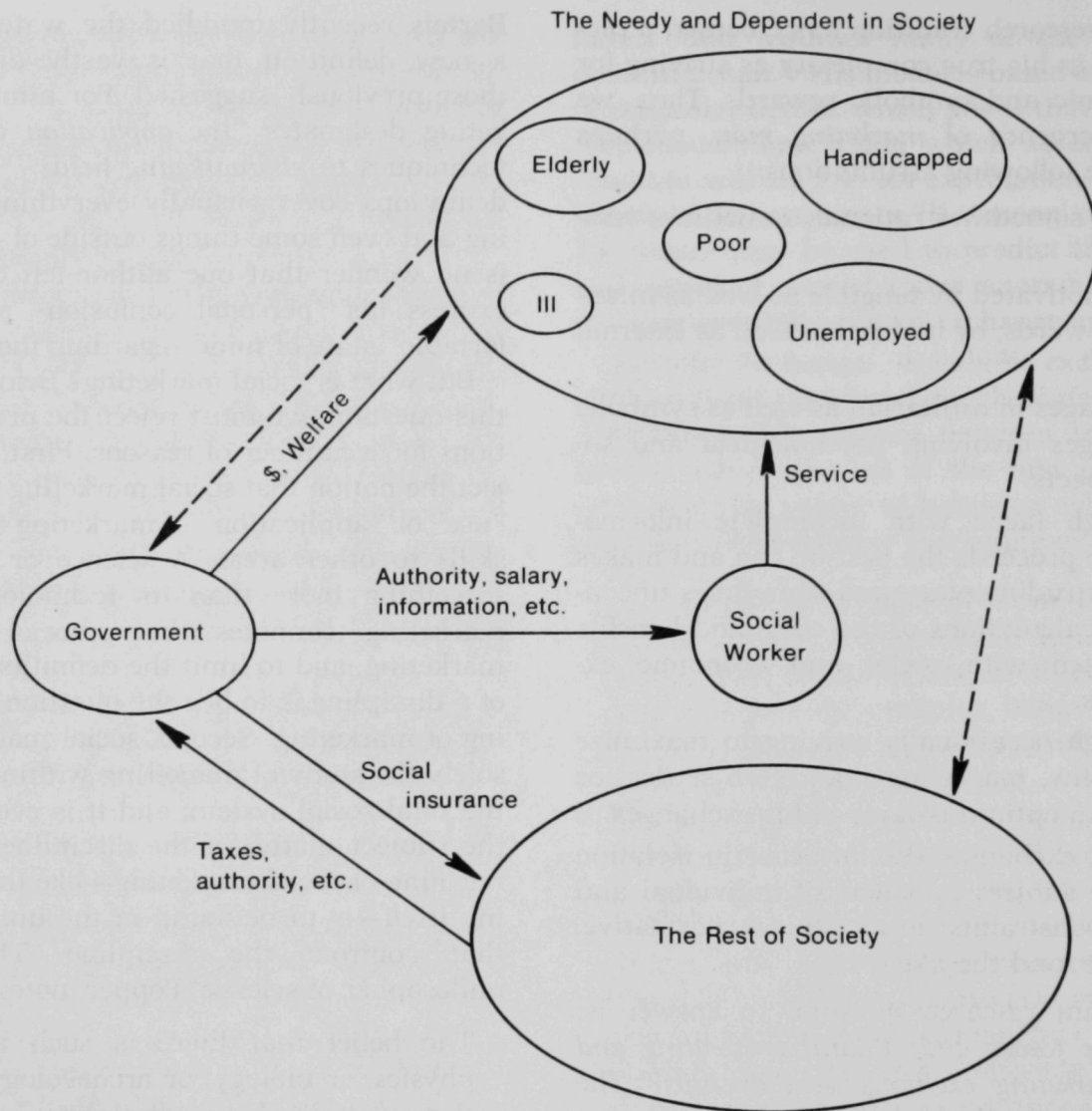


FIGURE 2. Social marketing and exchange.

Social marketing, then, addresses a particular type of problem which, in turn, is a subset of the generic concept of marketing. That is, social marketing is the answer to a particular question: Why and how are *exchanges* created and resolved in *social* relationships? Social relationships (as opposed to economic relationships) are those such as family planning agent–client, welfare agent–indigent, social worker–poor person, and so on.³³ Social marketing attempts to determine the dynamics and nature of the exchange behavior in these relationships.

But is there an exchange in a social relationship? Luck, for example, feels that “a person who receives a free service is not a buyer and has conducted no exchange of values with the provider of the service.”³⁴ It is the contention in this article

that there is most definitely an exchange in social marketing relationships, but the exchange is not the simple *quid pro quo* notion characteristic of most economic exchanges. Rather, social marketing relationships exhibit what may be called generalized or complex exchanges. They involve the symbolic transfer of both tangible and intangible entities, and they invoke various media to influence such exchanges.

Figure 2 illustrates a typical social marketing exchange. In this system, society authorizes government—through its votes and tax payments—to provide needed social services such as welfare. In return, the members of society receive social insurance against common human maladies. Government, in turn, pays the salaries of social workers, gives them authority to provide social services, and so on. It also distributes welfare payments directly to the needy. These relatively contemporaneous transfers make this marketing system one of generalized exchange. In addition, a number of symbolic and delayed transfers occur that make the system also one of complex

33. For a conceptual framework comparing marketing and other social relationships, see Richard P. Bagozzi, “What is a Marketing Relationship?” *Der Markt*, No. 51, 1974, pp. 64-69.

34. Luck, “Social Marketing,” same reference as footnote 7, p. 71.

exchange. For example, as shown by dotted lines in the figure, in many cases the needy and dependent have given to the government in the past, since they may have paid taxes and voted. Moreover, members of society anticipate that they, or a number of their members, will become dependent and that social services represent an investment as well as an obligation. Hence, in one sense there is a mutual exchange between society and the needy separated, in part, by the passage of time. Finally, it should be noted that there are other tangential exchanges and forces occurring in this social marketing system that, depending on their balance, give it stability or promote change. The system achieves stability due, first, to the presence of the exchanges described above, which create mutual dependencies and univocal reciprocities; and, second, to symbolic exchanges, which reinforce the overt transfers. For example, the social worker gives to the needy but also receives back gratitude and feelings of accomplishment. The system undergoes change due to the dynamics of competing interests, as is exemplified in the efforts of lobbies and pressure groups to bring their needs to bear on the legislative process.

Thus, social marketing is really a subset of the generic concept of marketing in that it deals with the creation and resolution of exchanges in social relationships. Marketers can make contributions to other areas that contain social exchanges by providing theories and techniques for the understanding and control of such transactions. They do not usurp the authority of specialists in areas such as social work, but rather they aid and complement the efforts of these social scientists. It is not so much the fact that the subject matter of marketing overlaps with that of other disciplines as it is that the problems of marketing are universal. In answer to Bartels's query, "Is marketing a specific function with general applicability or a general function that is specifically applied?"³⁵—one may state that it is neither. Rather, marketing is a general function of universal applicability. It is the discipline of exchange behavior, and it deals with problems related to this behavior.

Conclusions and Implications

A number of broad research questions may be posed:

1. Why do marketing exchanges emerge? How do people and organizations satisfy their needs through exchange?
2. Why do some marketing exchanges persist in ongoing relationships while others fall apart?
3. What are the processes leading to changes in marketing exchange relationships? How do the social actors or third parties influence or control an exchange?
4. What are the consequences of imbalances in power, resources, knowledge, and so on, in a marketing exchange? What is an equitable exchange?
5. What are the relationships between conflict, cooperation, competition, and exchange?
6. At what level may marketing exchanges be analyzed? What are the consequences of viewing exchanges as single dyads or complex systems of relationships? What are the consequences of employing the individualistic reductionism of Homans versus the collectivistic orientation of Levi-Strauss for understanding exchange behavior?
7. Is the exchange paradigm universal? Does it apply to the free-enterprise countries of the western world, the planned economies of the communist countries, and the primitive economies of the third world?
8. How well does the exchange paradigm meet the requirements for theory as specified by philosophy of science criteria?

Although marketing seems to defy simple definition and circumscription, it is essential that marketers locate the distinctive focus (or foci) of the discipline. Failure to do so impedes both the growth of the discipline and the character of its performance. Exchange is a central concept in marketing, and it may well serve as the foundation for that elusive "general theory of marketing." This article has attempted to explore some of the key concepts in the exchange paradigm. Future research and discussion must search for specific social and psychological processes that create and resolve marketing exchanges.

The author wishes to acknowledge his gratitude to Professors Clewett, Kotler, and Levy and Associate Dean Westfall of Northwestern University, and to the reviewers, for the exchange of ideas that led to this article.

35. Same reference as footnote 22, p. 73.

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