

Developing an Integrative Marketing Theory

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ABSTRACT

Purpose: The purpose of this article is to explain how re-conceptualizations of market activity put forth in contemporary marketing literature provide the basis for an integrative marketing theory. **Problem:** The marketing literature is inadequate in explaining new developments in marketing in terms that are relevant for practitioners — how the conceptualizations can be developed into a theoretical model for improving organizational, institutional, and social-economic performance. **Design:** This article is designed as an exploratory study – of historical and contemporary conceptualizations of exchange, the market, and valuation – as the means of collecting the necessary conceptual data for developing an integrative marketing theory (i.e. for determining factors that can be applied as a multi-dimensional strategy for performance improvement). **Results:** An analysis of historical and current literature reveals that a marketing perspective on exchange and valuation provide the substance for a theoretical framework for satisfying the interest of both shareholders and stakeholders as well as increasing public value. **Contribution to the Literature on Marketing Theory and Value Creation:** This article contributes to marketing literature explaining how to improve performance by proposing a strategy by which the marketing perspective on exchange and valuation can be developed into a framework for an integrative marketing theory.

Keywords: co-generative, Functionalism, formal categorizations, axiomatic system, bridging mechanism.

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1. INTRODUCTION

As the marketing profession evolved its specialists envisioned the possibility of the market becoming a networked sphere where agents interact to co-create outcomes that satisfy stakeholders and increase public value. During the rise of the mass production and mass consumption era marketing specialists were characterized as sales personnel for business firms (e.g. business owners thought of marketing professionals as experts in increasing the firm's ability to extract value). Marketing specialists felt that this narrow perspective hindered their effectiveness for executing aspects of their profession that involve the elevation of society and making propositions that satisfy both the material and the eco-aesthetic needs of society. Thus, when the sales department of businesses transformed into marketing departments marketing professionals acknowledged the importance of operating in accordance with the full scope of their profession.

Marketing professionals realized that enhancing organizational performance and promoting market exchange only reflect limited aspects of what the marketing profession encompasses.

They felt obliged to demonstrate the multidisciplinary scope of the profession — which includes motivation and persuasion, rigorous scientific research, the creative arts, a connection with social psychology, with communication theory, semiotics, and with aesthetics. In addition, marketing specialists also engage in research regarding the neural sciences, scientific analyses of the ontological basis of human nature, and research regarding the ontological basis of the neurological impulses influencing humanity's value preferences (Mick & Oswald, 2006, 31-43). Subsequently, with the shift toward a Humanistic conception of motivation and organizational activity marketing professionals began to realize the potential their profession has as a bridging mechanism that links knowledge from a social psychological perspective on human values with a social economic perspective on how such knowledge can contribute to enriching society (Kotler & Zaltman, 1971, 5). Thus, marketing specialists envisioned a way in which their expertise in exchange could be integrated with their expertise in creating value to enrich the eco-aesthetic dimensions of society, progress society, contribute to cultural arts, and elevate the overall human experience (Martin & Schouten, 2014, 231-243).

Specialists increasingly claimed that the market is “A forum for conversation and interactions between consumers, consumer communities, and firms” (Prahalad & Ramaswamy, 2004, 10-11). This resulted in a gradual re-conceptualization of notions of valuation, exchange, and economic value theory – partially initiated by the emergence of the knowledge-based economy that places an emphasis on value management. In other words, the technological age initiated a shift from the value in exchange, firm-centric emphasis on tangible products, the goods-dominant perspective on market exchange, and a value extraction approach to firm-customer relations (Vargo & Lusch, 2004, 5). The new view stresses increasing internal and external relational capital, creating internal and external networks of collaborative interaction, and integrating the knowledge generated by these networks into value creation activities. The new view proposes that engaging stakeholders in co-creating value increases customer satisfaction and loyalty. Thus, contemporary marketing literature stresses that firms increase their competitive advantage by adopting the value in use, client centric, co-creation of value, integrative, service-dominant view of market activity (Vargo & Lusch, 2004, 5).

Subsequently the re-conceptualization of exchange activity began to have enormous impact on organizational literature (Prahalad & Ramaswamy 2004; Porter & Kramer, 2011; Vargo & Lusch, 2004; & Miller 2015a). However, although marketing specialists have played a vanguard role in announcing the resurgence of the value in use concept and the necessity for re-conceptualizing economic value theory the literature has been inadequate in explaining the concepts in terms that are most relevant to practitioners. That is to say that the literature has been inadequate in explaining how to apply the concepts as a multi-dimensional integrative strategy for improving performance (Parsuraman 1982, 78). In this respect, the literature has also been inadequate in explaining how the recent re-conceptualizations contribute to marketing theory development.

This article fills the gap in the literature by explaining how to develop the concepts related to the market, exchange, and valuation into the framework for an integrative marketing theory. In doing so, the article also contributes to resolving the dichotomy between social and economic value theory by explaining how a marketing perspective on exchange and valuation can be a means for integrating resources for the benefit of all participants in the exchange network (Vargo et al. 2010, 140). The author does so by addressing three research questions:

1. Is there inherent in the literature on the market, exchange, and valuation key principles and concepts that can be developed into an integrative marketing theory?
2. Can an integrative marketing theory contribute to resolving the long-standing dichotomy between the *value in exchange* and *value in use* perspectives on economic value and, by doing so, contribute to a general theory of marketing?
3. Can the principles and concepts related to the market, exchange, and valuation be developed into a framework for co-creating satisfactory outcomes for stakeholders — in terms of establishing a model for the market operating as a public sphere where agents employ Constructivist/Structuration-type processes to co-create an increase in benefits for a larger number of social stakeholders?

There are three assumptions that shape the direction this article takes in developing the conceptual framework for a marketing strategy for improving social-economic performance. First, an exploratory study of conceptualizations of the market, exchange, and valuation is the basis for determining the foundational principles and concepts that apply to developing an integrative marketing theory. Second, recent conceptualizations of exchange are compatible with the systems theory of organizational behavior, social-economic activity, and sustainability thus systems theory is a viable source from which to derive concepts and principles for an integrative marketing theory (Boulding, 1956, 197-208; & Boulding, 1966, pp. 1-13). Third, a conceptual framework for co-creating beneficial relationships between structures and agents (thus for democratizing value creation) can be derived from the concepts and principles inherent in the literature on the market, exchange, and valuation (Giddens, 1984, 24-25; Tanev et al., 2013; Johnson et al., 2008; Drucker, 1994, 95-104; & Miller, 2015a, 21).

This article proceeds with section two exploring the foundational conceptualization of the market as a public value creation sphere mediated by Constructivist/Structuration-type interactions between a social-economic system (the structure) and its agents (the public) to create increased benefits for those within the system. Section three explains the strategy for developing a theoretical and methodological framework for exchange that can be applied by practitioners to improve performance and/or employed by other researchers to test the validity of an integrative marketing theory. The final section explains how the principles and concepts connected with an integrative marketing theory can be expressed in terms of a model for improving organizational, institutional, and social-economic performance.

2. THE CONCEPTUAL FOUNDATION OF VALUATION

The American Marketing Association announced a paradigm shift in the fundamental construct of marketing in 1985 when it replaced the phrase “Marketing is ... to create exchanges” with “Marketing is a function and a set of processes for creating, communicating and delivering value to customers in ways that benefit the organization and its stakeholders” (Lamb et al., 2009, 4). Although the change clearly represented a fundamental shift from the way marketing was defined during the early part of the 20th century it also indicates a return to the foundational principles upon which the market, exchange, and the value concept are based (Kotler et al., 2008, 104). The new definition of marketing also reflects Western Civilization’s foundational perspective on managing wealth, social economics, social

responsibility, ethics, economic philosophy, and concepts that serve as the basis for theory development (Searing & Searing, 2016, 14-16).

The contemporary literature refers to the foundational perspective on the market, exchange, and valuation as a primary source for concepts and principles that explain the relationship between market activity and increasing the value created for stakeholders (Vargo & Lusch, 2008, 146-147; Ng & Smith, 2012, 208-244; & Miller, 2015a, 18-19). This section of the article provides a brief overview of the foundational perspective on the market, exchange, and valuation; explains how it came to have an impact on contemporary perspectives on market interactions and the practice of marketing; and adds to the contemporary literature by explaining how the foundational conceptualizations contribute to developing an integrative marketing theory. This section also includes an explanation of the discrepancy regarding economic value theory and why it has persisted to be a problem that renowned scholars have addressed: scholars of The Philosophy of Science like Aristotle (2004), Max Weber (1964), and Talcott Parsons (1949). In addition, this section explains the rationale behind claiming that a framework for testing the applicability of an integrative marketing theory can be derived from the foundational concepts and principles (Schmoller, 1894, 2-5; & Schumpeter, 1986, 3).

Developing a framework for an integrative marketing theory requires generating a hypothesis “That can be tested through subsequent empirical verification processes in routine research” (Pawar, 2009, 1-4). However, because literature regarding the role that market activity plays in creating value prompts a re-conceptualization of economic value theory developing a theoretical framework involves more than determining how exchange and valuation can be described in terms relevant to marketing theory. Developing a theory that represents a fundamental shift in the outlook on marketing involves “Scientific activity occurring at three levels — paradigms, perspectives, and puzzle solving” (Pawar 2009, 10-11). Conceptualizations of exchange and valuation have been part of management and economic theory since the inception of Western perspectives on managing wealth and market activity. From the very beginning there were indications of a discrepancy between the *value in exchange* and the *value in use* economic value theories. For example, Aristotle is credited with being the first to stress a dichotomy in the value concepts and he claimed that if unresolved the prospects for mutually beneficial and satisfactory exchange would be reduced (Aristotle, 2004, 89-92).

Aristotle is a pioneer in analyzing valuation and he proposed a theoretical model that would “Increase the capacity of individuals and organizations to think, act, and [relate] in value-rationality terms” (Flyvbjerg, 2001, 130). Aristotle thought of market exchange as a social process that individuals engage in to create “the good life” by maximizing mutually beneficial transactions. He coined the concept *value in use* to describe an approach to exchange that improves the quality of social life and he asserted that market exchange is the key to creating a flourishing society. He believed that engaging in exchange in the endeavor to create the good life is preferable over the endless effort to amass wealth and increase the quantity of things in one’s life (Aristotle, 2004, 89-92; Aristotle, 1959, 9 & 37-49; and Vargo et al., 2008, 146-147). Thus, Aristotle believed that *value in use* (rather than *value in exchange*) has a better chance of resulting in mutually satisfactory outcomes and more closely reflects exchanges that create an improved quality of life for social stakeholders.

Aristotle is also credited with introducing a theoretical and methodological framework for analyzing the connection between intentional actions and valuation. He proposed Action Theory as a viable approach to analyzing the ontological basis of value-rationality, as an effective means for researching social interactions, and effective when research involves deliberation about value ends (Aristotle, 2004, 106-124; & Rossides, 1998, 22-30). Aristotle introduced the earliest conceptualizations of Action Theory to address ethical questions about the connection between individual freedom and individual responsibility plus conceptualizations for how to establish beneficial interactions with others and with the environment (Aristotle, 2002, 24; & Nussbaum, 1978, 337). Aristotle claimed that Action Theory is especially useful when endeavoring to analyze exchange, when analysis involves determining the motivation behind actions, and when research involves deliberation about value ends (Aristotle, 2004, 36-48).

In terms of contributing to a pragmatic approach to researching the relationship between market activity, value creation, and improving social economic performance Action Theory evolved into Social Action Theory to become a relevant theoretical tool for researching exchange because it is inclusive of the normative aspects of human social relations and it “Centers on a co-generatively structured encounter between the worlds of practical reasoning and those of scientifically constructed knowledge, integrating practitioners and professionals in the same knowledge generating process that it calls co-generative learning” (Lessem & Schieffer, 2010, 300). That is to say that Aristotle conceived of Action Theory as a means for gaining reliable knowledge of how interactions — with others and with the environment — can increase benefits for larger segments of society. Aristotle regarded the interactive approach to gaining reliable knowledge — as was initially proposed by Socrates — as “The model form of human social action” (Aristotle, 2004, 106-124; & Scollon, 2001, 163).

Aristotle proposed the integrative methodology as essential for analyzing a phenomenon with such multi-dimensional complexity as the relationship between markets, managing natural resources, and human values (Aristotle, 1984, 184 & 193-199; & Bertalanffy, 1972, 407-408). Aristotle’s approach to researching valuation was integrative in that he believed that individual well-being, social flourishing, good management, and improving social economic performance are based on understanding the interface between creating beneficial relationships with others and having beneficial relations with the natural order — thus there were aspects of his perspective that are related to sustainability. Aristotle established a methodology for addressing the interconnection between value tangibles and intangibles, their relevance in the human experience, their relevance to market exchange, to productive activity, and to creating value thus to social action (Aristotle, 2004, 105-106; & Aristotle, 1984, 331-334).

Aristotle’s market theory, his economic philosophy, and his theoretical approach continued to be the established view of political economy — with some slight modifications — until the establishment of classical economics by Adam Smith (Miller, 2015b). Smith also acknowledged the dichotomy between the value theories. However, Smith, at the time of the emergence of the industrial age, Western expansionism, mercantilism, and colonialism placed the emphasis on wealth generation, material assets, the rationality of utility maximization, and rational choice (rational self-interest) thus *exchange value*. This change prompted a pendulum swing in the direction of emphasizing that the market is an arena where businesses try to capture value. “Smith’s focus on nominal value and tangible exchange represented a departure

from the previously accepted focus on *use-value* and has had critical implications for the development of economics and the understanding of market exchange” (Vargo & Lusch, 2004, 6; and Vargo & Morgan, 2005, 44).

Smith claimed that natural forces create a providential effect on social interactions which work to benefit market activity when agents are allowed to freely interact in pursuit of their interests — which he believed is in accord with their natural rights. Thus, Smith also envisioned the market as a center for interactive public engagement which could create social dynamics that would reduce the problem of heteronomy (i.e. political-economic and/or marketing forces influencing an individual’s freedom of choice) plus he conceived of a way of resolving the tension between self-interest and moral sentiments (Smith, 2007, 6-8; also see Miller, 2015a, 19). Although Smith’s value theory and notion of wealth generation were ingenious contributions to Modernity and to the ability of nations to increase wealth there were problems resulting from the unresolved discrepancy between the value concepts that became increasingly apparent as the industrial era evolved into the knowledge age.

Smith emphasis on value in exchange, tangible assets, utility value, and nominal value were the outgrowth of his appreciation for Newton’s materialistic perspective on ontology. Materialism — which was the dominant perspective at the time was also evident in Karl Marx’s dialectics and economic theory and, as well, in Frederick Taylor’s emphasis on tangible material incentives, plus on the impact that Behaviorism had on organizational activity and marketing (e.g. the emphasis on the corporal aspect of human psychology) (Stringham, 2012, 103-107; & Isaacs, 1999, 118). At the beginning of the 20th century the marketing paradigm was rooted in economics and Behaviorism which influenced an emphasis on the power to influence consumers by means of stimulus or incentives that motivate the desire to satisfy instrumental material needs and increase consumption (Kotler & Scheff, 1977, 76; & White, 1926, 6).

The *value in exchange* and mass consumption approach to firm-client relations dominated the way professionals in the early part of the 20th century thought of the practice of marketing, its strategies, the ethics of marketing, and social responsibility. In other words, marketing activity was based on the conviction that achieving success requires the indisputable necessity of *selling as a strategy for capturing value*. The belief was that the selling process is based on applying the same scientific methods that were successful in the fields of production, economics, engineering, and Behavioral Psychology (White, 1921, 3). During this era the marketing profession was associated with “Advertising, retailing, channels of distribution, product design and branding, pricing strategies, and consumption behavior — all analyzed from the perspective of companies, industries, or even whole economies” (Jones 2010, 52).

The return to the foundational principles for exchange and a marketing emphasis on creating mutually satisfying and beneficial outcomes was prompted by Wroe Alderson who is regarded as the father of modern marketing. Alderson, like Aristotle, proposed a theoretical framework for marketing based on his conceptualization of the foundational approach to social flourishing – in line with the relational and integrative systems models (Alderson, 2006, 143- 144 & 168-174; also see Dixon, 1990, 337-343). Alderson was deeply concerned about theory development, the very nature of marketing theory as a particular branch of The Philosophy of Science, and “Conceptualizations of the underlying reality which the science undertakes to study” (Alderson, 2006, 166). He used the term Functionalism to describe his framework for analyzing the place of marketing in the social sciences.

However, recognition of Alderson's unique contribution to contemporary perspectives on marketing was influenced by a spillover between Alderson's prescriptions for Functionalism (which were partially influenced by Talcott Parson's views on social economics and Social Action Theory) and those of another emerging theoretical trend also based on Functionalism (influenced by Dewey's aesthetics, his ideas about semiotics and symbolic design, cultural arts and social-economic development, environmental aesthetics and psychology, and his communication philosophy) (Slowinska, 2014, 128-134; Varey & Pirson, 2014, 276; & Delanty, 2005, 28). Fortunately, Alderson views were distinguished by his initiating "The broadening movement as an effort to free the marketing paradigm from the narrow confines of commercial marketing and to show its application to a far larger number of contexts in which exchange and relationship activities take place" (Kotler, 2005, 114).

Interest in an expanded perspective on marketing prompted marketing researchers to reconsider value rationality, rational choice, and economic exchange. In addition, the blurring of the difference between the two perspectives on Functionalism created an overlap in the marketing professional's sense of identity and purpose. This resulted in the field not only evolving into a science of economic exchange (Peter & Olson, 1993) but also into a discipline committed to a rigorous analysis of the social-economic impact of synthesizing science and aesthetics/art. Marketing professionals also undertook the challenge of analyzing the impact of communication technology and technologically facilitated networks on co-creating social reality (Guillet de Monthoux & Strati, 2002, 2-11; see Georg Simmel, 1971, 43-48).

The increased interests in integrating the various dimensions of marketing also sparked an emphasis on relational marketing and value creation as significant aspects of how to improve organizational and social-economic performance. Consequently, increasing value creation capabilities and external capital became the primary intention or focus of an organization's internal and external operations. The shift also prompted re-conceptualizing the marketing perspective on the value rationality underlying economic exchange however, it also increased the necessity for a theoretical model for analyzing the interaction between the social-economic system and the market in which the economy is embedded: i.e. the interaction between a social-economic structure and its agents/its stakeholders (Giddens, 1984, 24-26).

3. DEVELOPING A FRAMEWORK FOR AN INTEGRATIVE MARKETING THEORY

A primary premise of this article is that although there is much marketing literature heralding the significance of the new perspective on market exchange the literature does not provide a comprehensive explanation of the factors that apply as a marketing strategy for creating benefits deemed satisfactory by various stakeholders. This section of the article contributes to filling that gap by indicating how marketing conceptualizations of exchange can be described as the general categories of an integrative marketing theory. That is to say that developing a theory for applying marketing conceptualizations of value creation to organizational, institutional, and social-economic performance demands formulating "A *systematically related* set of statements, including some law-like generalizations that is empirically testable" (Hunt, 2015, 175).

Section 3.1 explains a marketing approach to theory development and how it can be applied to conceptualizations of the market as a public value creation sphere. Section 3.2 explains the

rationale for approaching the investigation in a certain way (i.e. section 3.2 explicates a viable methodological means by which reliable knowledge regarding a market strategy for increasing public value is planned, structured, and executed to comply with the criteria of the demands of The Philosophy of Science and The Philosophy of Economics (Miller 2016, 8). Section 3.3 explains a theoretical and methodological framework for determining how to transform fundamental concepts into general conceptual categories for an integrative marketing theory.

3.1 Developing an Integrative Marketing Theory

“Theory is a structure of general statements that explains some phenomena and permits predictions about them” (Risjord, 2014, pp. 38-40). Theory development involves determining a process by which a phenomenon will be analyzed in order to better understand and explain the general aspects of the phenomenon. However, a theory that is to be applied by the marketing profession involves developing “Systematic structures that explain, predict, and assist in understanding” how to create relationships (e. g. market exchanges) that are beneficial and satisfying for those involved in a transaction network (Hunt, 2011, 484; & Hunt, 2015, 15-16). Wroe Alderson proposed that theory development begins with explaining the primary conceptual categorizations of marketing in terms that can be applied to the practice of and research regarding marketing (Alderson, 2006, 53).

Alderson also stressed that the formal categorizations must be inclusive of conceptualizations of social action, integrated systems, organizational behavior, and social-economic performance (Alderson, 2006, 53). Shelby Hunt — noted for sustaining the interest in marketing theory — asserts that theory development requires establishing systematically categorized statements that explain the law-like generalities of a phenomenon in terms that are applicable to performance or can be tested by research (Hunt, 2015, 175). This article claims that developing a theory for how marketing strategies increase the value outcomes for stakeholders requires synthesizing the conceptualizations of the market, exchange, and valuation in such a way that they establish an axiomatic system that reflects fundamental postulates from which an integrative marketing theory can be derived (Popper, 2002, 50-54; & Hempel, 2001, 6).

Increasingly marketing specialists acknowledge the need for developing an integrative marketing theory. An integrative model can be defined as a strategy for conjoining the conceptual foundations of marketing, the new relational conceptualizations of marketing (i.e. the notion that the marketplace is an integrated network of interactions facilitated by telecommunications and information communication technology), with the marketing mix and the four P’s (Morgan & Hunt, 1994, 20-38; Hunt, 2003, 15-16; Hunt, 2015, 77-79; Dholakia et al., 2010, 494-506; Constantinides, 2006, 411-418 & 429-430; & Sheth & Sisodia, 2006, 3-4). However, developing an integrative framework for marketing is complicated by the need to clarify the connection between the market, exchange, relational networks of resource integration, and value creation. The primary purpose of this article is to explore the prospect that there are, inherent in the literature on valuation, key principles and concepts that can be developed into an integrative framework in that they are consistent with the foundational principles and indicative of the new dominant logic in marketing.

On the basis of the foundational conceptualizations put forth by Aristotle and reasserted by Alderson an integrative strategy for increasing satisfactory and beneficial outcomes for

stakeholders is grounded on three general categorizations that can be deduced from the literature: the relational and integrative systems model of market activity, the market as a public value-creation network, and the market as a structure (i.e. system) where interactions result in integrating the resources of the system to increase the benefits for its stakeholders (Aristotle, 2004; Alderson, 2006; Dixon, 1990; Boulding, 1956; & Giddens, 1984). Verifying that the foundational conceptualizations apply to contemporary marketing strategies requires analyzing the current literature to determine how the foundational categorizations compare with contemporary conceptualizations of marketing exchange and valuation.

3.2 The Methodology for Developing an Integrative Marketing Theory

The methodology for this article is an explanation of the rationale for taking a particular approach to developing an integrative marketing theory. This article undertakes an exploratory study of the literature as the means for determining how conceptualizations of marketing put forth in the literature can be articulated as the fundamental concepts of marketing science thus how conceptualizations contribute to the need to explain the relationship between marketing and stakeholders in terms that contribute to an integrated marketing theory that improves social-economic performance.

Contemporary exponents of marketing's fundamental concepts point out that there is a shift toward an integrative approach to practicing marketing. In this sense an integrative approach to marketing is thought of as increasing beneficial relationships between stakeholders by means of establishing integrated processes and networks) (Grönroos, 1994, 7-10). However, although there is a shift — brought about by the decline of production dominant logic and the assurgency of both service dominant logic and value creation — some aspects of the established conceptualizations of marketing are still emphasized by prominent scholars as the core concepts of marketing. In this respect the marketing mix, exchange and transactions, and products and services (offering) must be included along with relationships, networks, and value (i.e. satisfying needs, wants, and demands with quality) to make-up the primary conceptualizations of marketing (Kotler 2000, 4-10). Thus, establishing an integrative marketing theory involves re-conceptualizing the “fundamental explanada” of marketing in order to establish a general theory that encompasses the categorizations emphasizing particular aspects of the practice of marketing (Hunt, 1983, 12-14). Above all although a generalized marketing theory embraces transaction and exchange it also emphasizes that “Exchanges depend on customer value therefore customer value is the fundamental basis of all marketing activity” (Holbrook, 1994, 22).

It must also be kept in mind that an integrative model for the practice of marketing must conjoin three sets of fundamental conceptualizations: those that held from the foundational conceptualizations of the market, exchange, and valuation until the industrial era, those introduced during the mass production and consumption era, and recent contemporary conceptualizations of the practice of marketing. Plus, in keeping with The Philosophy of Science criteria for “Increasing scientific understanding through a systematized structure capable of both explaining and predicting phenomena” this article simplifies the systematically categorized statements in such a way that gives them a wider or more general explanatory power (Hunt, 2002, 209-211; & Hatfield, 2000, 804-808). In its simplest form the fundamental concepts of marketing are *the market*, *market segmentation*, and *marketing* itself (Rossiter, 2001, 13). However, explanatory power is increased by elaborating on each of the three: for example, the market — a structure or system of interactions that integrate the

resources of a system to increase the benefits for its stakeholders; market segmentation — the particular marketing segments for which value propositions are made, in the form of products and services, in the endeavor to meet the needs, wants, and demands of the consumers of such subsets; and marketing — the practice of establishing integrated value-creating processes and networks. This simplified explanation indicates that the essential elements of the foundational approach are complementary with contemporary marketing strategies (i.e. the marketing mix and relational marketing) thus has a distinct strength which satisfies the need for indicating how contemporary conceptualizations can be explained in terms of factors that enhance practice.

4. CONCLUSION

Alderson pioneered the place of theory in marketing by proposing the need for an inclusive approach to the development of marketing theory and for broadening the framework for marketing practice, study, and research. Alderson's call for theoretical inclusiveness seems equally valid today as there, is once again, a need for "Formulating the conceptual foundations and marketing methodologies that expands the scope of the marketing management theory to include the impact of information and communication technologies as major actors of the 21st century marketing" (Constantinides, 2006, 407 & 410-411). That is to say that although the marketing mix paradigm continues to offer positive benefits to marketing thought, research, and practice there are now "New approaches [that] have been emerging in marketing research" that, as well, contribute to the theory and practice of marketing (Grönroos, 1994, 4).

Consequently, marketing specialists acknowledge that their professional activity is not limited to profit seeking but inclusive of enriching the entire society — based on the conviction that "The roots of marketing theory are in the cultural context of society" (Bartels, 1970, 253). Thus, the definition of marketing was changed to state that "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, 2013). The change prompted a resurgence of discussions about the relevancy of a meta marketing theory that would encompass the full nature and scope of the marketing profession (Hunt, 2015, 43; & Zaltman et al., 1971, 476-478). Alderson proposed that an expanded view would provide the means for a resurgence of the foundational principles of market transactions and exchange. Thus, the new movement toward an inclusive marketing framework are actually a reinstatement of the foundational relational and integrative model which is a means for increasing both social and economic value ((Vargo & Akaka, 2012, 213-215; Giesler, 2003, 249-251; Luhmann, 2000, 99; & Miller 2015a, 18).

Increasingly specialists today are convinced that an inclusive integrative marketing theory would contribute to improving organizational and economic performance in ways that create better value outcomes for stakeholders (Kotler & Levy, 1969, 10-15; Miller 2015a, 20; & Andreasen, 2002, 3-13). Shelby Hunt sustained interest in theory development by asserting that marketing could benefit from a meta theory. Hunt believes that a return to the foundational principles prompts the need for re-conceptualizing economic value theory. This prompts specialists to claim that enhancing social economic performance results from "Constructing value through co-creation processes where both parties shape the value creation process" (Seligman, 2012, 69). Specialists acknowledge that the marketing strategy for

performance improvement creates value for stakeholders and, as well, contributes to creating public value.

The expanded theoretical scope of the marketing theory reflects the scholarly urge to better understand the managerial consequences of transformations taking place and identify sources of superior firm performance in constantly evolving competitive environments (Constantinides, 2006, 411). Thus, the current resurgence of the notion of the market as a public value creation sphere prompts three research questions regarding the prospect of an integrative marketing theory that are addressed in this article:

1. Is there inherent in the literature on valuation key principles and concepts that can be developed into an integrative marketing theory?

An exploratory study reveals that there are concepts inherent in the foundational and contemporary literature that can be developed into an integrative marketing theory. That is to say that the relational and integrative systems perspectives on marketing and social economic activity are complementary with both the foundational principles and contemporary conceptualizations of the market and exchange (see figure 1 below).

The Marketing Mix	The Four P's	Relational Marketing	Value Creation
Mixing of elements that Appeal to customers (Borden 1965)	Product or Value Proposal	Co-creation processes to determine product/service offered to stakeholders	Value Proposition
The Price Mechanism Analyzing the supply- demand relationship to allocate price	price – value interface	The determined value that is deemed a satisfactory medium of exchange by the transaction partners	The co-production of value
Communication processes for determining the product/service/value desired by stakeholders	promotion	Integrated communication processes	Effective promotions correlate with effective relationship building
The overall social-economic System in which marketing Proposals take place	place	mega relationships	An Integrated System

Fig. 1: Parallel Comparison of The Marketing Mix, The Four P's and Relational Marketing/The Value Creation Concept

2. Can an integrative marketing theory contribute to resolving the long-standing dichotomy between the *value in exchange* and *value in use* perspectives on economic value theory and, by doing so, contribute to a general theory of marketing?

Conceptualizations of market exchange, valuation, and social economic performance indicate the possibility of a complementary connection between the firm-centric endeavor to increase profit (i.e. competitive advantage) and the endeavor to increase customer or stakeholder satisfaction. Thus, an integrative concept contributes to developing a marketing theory that resolves the discrepancy between *the value in exchange* and *value in use* economic value theories.

3. What are the implications of applying the principles and concepts related to a marketing perspective on valuation and exchange toward developing a theoretical framework for co-creating stakeholder satisfaction (i.e. creating a strategy for the market operating as a public sphere where agents employ Structuration-type processes to co-create benefits for stakeholders)?

The exploratory study of the literature reveals that there is a congruence between strategies for integrating the interests of organizations (structures) and those of its clients/stakeholders (agents) (Laamanen & Skålén, 2015, 381-400). In other words, the integrative framework proves to be an effective networking strategy because it concurs with the integrative systems theory approach for enhancing social-economic performance. That is to say that both the value creation concept and the integrative systems approach to improving performance emphasize that organizations are embedded within the overall social system and all aspects of the system can be structured to create interactive networks that integrate all social resources for the benefit of other segments of the system (Vargo & Lusch, 2011, p. 184).

The question that remains is if the historical and contemporary literature express conceptualizations that are complementary with the marketing mix and the four P's — in order to determine if they can be used as the basis of a general theory of marketing? Marketing initially focused on the exchange of products and services between the company and the consumer which placed its interaction emphasis on value extraction. The new definition of marketing proposes that all points of interaction between the company and the consumer are opportunities *for value creation and extraction* thus the market becomes a system of interactional networks (Prahalad & Ramaswamy, 2004, 9-11; & Grönroos, 2011, 289-290). The contemporary concept extends the notion of exchange from what takes place solely between a business and its customer to *a social economic system within which exchange activity is embedded*. The conviction of the integrative practice of marketing is that “Societal needs, not just conventional economic needs, define markets” (Porter and Kramer, 2011, 1-4). In this sense “A simple article of merchandise and the artistic condition (of economics, politics, law, art, etc.) reproduce the social structures in which they are constituted. Their specifically cultural value and their commercial value [are] reinforced [by] the economic sanction of their cultural consecration” (Bourdieu, 1993, 113-114).

That is to say that determining the general categories that apply to marketing, on the basis of an exploratory study of the literature, proves to be a viable source for describing marketing in terms that explain the general aspects of the practice and for developing an integrative theory that can be applied and tested by future researchers. Devising such a framework provides future researchers with an effective theoretical tool for analyzing, understanding, explaining, and making predictions about the contemporary practice of marketing. In this respect the theoretical framework for an integrative marketing theory would be:

The market is a structure, system, or network of interactions that integrate the resources of the system to increase the benefits for its stakeholders. Marketing is the practice of making value propositions to particular segments of the market, in the form of products and services, in the endeavor to meet the needs, wants, and demands of the consumers of such subsets. The market operates most effectively and the practice of marketing is most effective when they both operate to establish integrated value-creating processes and networks.

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