

A TYPOLOGY OF MARKETING STRATEGY BEHAVIORS: UNDERSTANDING WHY MARKETING STRATEGIES TURN OUT THE WAY THEY DO

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Empirical developments in the marketing strategy process area are not only few, but largely unconnected with those occurring in the strategy content area. Similarly, theories of marketing strategy behaviors that explain and predict what occurs in the market, or why a firm's marketing strategy content, process, and relationships with customers turn out the way they do, are yet to emerge. Based on an exploratory study of marketing implementation processes in forty industrial organizations, this paper presents a typology of marketing strategy behaviors and an alternative explanation for why marketing strategy behaviors turn out the way they do. The findings are expected to stimulate thinking, aid future theory building efforts, and shed light on issues likely to interest practitioners including assessment and sponsoring changes in their firm's marketing strategy behaviors. .

INTRODUCTION

It is time to move beyond structural explanations of marketing management, of "what happens around here," to an understanding of "why things happen the way they do." (Deshpande and Webster 1989, p.13)

A brief review of marketing literature indicates that inordinate imbalances exist in current thinking about strategy. Strategy content research is favored over process research, rationalistic and deterministic approaches over behavioral or heuristic, the positivist over the relativist metaphysic, normative thinking over what is actually done, and larger firms and corporate level strategies over smaller firms and functional level strategies. Although the literature is replete with interesting marketing vignettes and case histories outlining how events unfold in the market, there is little concern for explaining *why* marketing strategies are planned and implemented

the way they are. Collectively, these developments resemble an incomplete, multi-dimensional jigsaw puzzle - some areas are more developed than others, and linkages among conceptual domains of strategy content and process research are inadequately defined. Hence, despite valuable contributions from scholars (see Anderson 1982, Day and Wensley 1983, Howard 1983, Wind and Robertson 1983), few frameworks, models, or theories of marketing strategy behaviors currently exist to stimulate thinking or integrate diverse marketing strategy related findings.

By *marketing strategy behaviors*, we refer to the sum of a firm's actions in the market which, whether intended or not, result in its relationship with the changing environment and changing needs of market constituencies (including customers, market intermediaries, suppliers, and competitors). Future *theories* of marketing strategy behaviors are likely to focus on (a) "the logic which guides the process" by which a firm adapts to its changing market environment (Ansoff 1987, p.501), and (b) the marketing strategy content and process that in large part shape the firm's behavior in the changing market. By *marketing strategy content* we refer to the deliberate or emergent choices about customer,

product and market objectives, targeted customer segments, positioning intents, and the marketing mix that function as a basis for marketing actions, and by marketing strategy *process* to the formal and informal information exchange, decision making, and work-flows related to marketing strategy formulation and implementation.

In this paper, we argue that future theories of marketing strategy behaviors are more likely to emerge when a critical mass of empirical evidence can help: (a) integrate the conceptual domains of marketing strategy content and process research, and (b) explain *how* and *why* firms adapt to market forces the way they do. We present empirical evidence from a study of forty small and mid-sized industrial firms (henceforth SMI firms) that sheds light on the process by which they serve customers, adapt to market changes, and achieve marketing objectives. Our central purpose is to develop: (a) a conceptual framework that integrates the distinctive ontological domains of marketing strategy content and process research, (b) a typology of marketing strategy behaviors in the context of SMI firms, and (c) an alternative explanation for *why* marketers plan and implement strategies the way they do, and *why* the firm's relationship with the market constituents turns out the way it does, from a *symbolic interactionism* perspective. We focus on SMI firms because their marketing concerns are relatively under-studied, despite creating the bulk of industrial employment in the last decade and contributing to roughly half of the U.S. economy's industrial value added and exports (Light 1993; Port *et al.* 1992).

CONCEPTUAL BACKGROUND AND METHOD

The Literature and a Framework

Organizational strategy content research is clearly differentiated from process research because they refer to separate ontological and methodological domains (see Figure 1). The former is concerned with the make-up of the strategy, its goals and scope (Fahey and Christensen 1986), and with its relationship with performance and outcomes (Van de Ven 1992), and the latter with actions, sequence of

events, and the process by which marketing strategies are developed and implemented (Chakravarthy and Doz 1992). Differentiating strategy content and strategy process research, Chakravarthy and Doz (1992, p.6) note that "unlike strategy content research that deals only with the interface between the firm and its environment, strategy process research deals with the behavioral interactions of individuals, groups and/or organizational units, within or between firms."

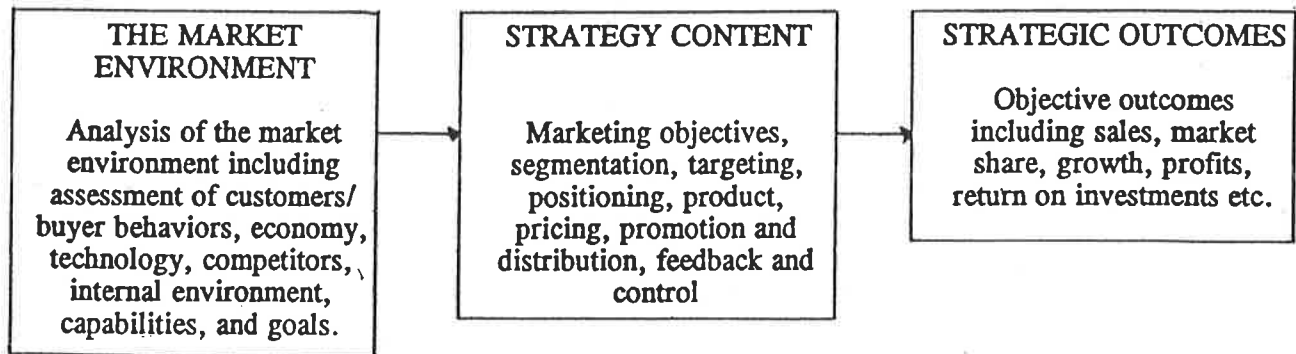
Marketing's concern for strategy content overshadows concern for strategy process despite notable developments (see Franwick *et al.* 1994, and Hutt, Reingen, and Ronchetto 1988) for several notable reasons. First, strategy formulation is erroneously viewed as a rational process, its content to result from complete information, and its participants to commit equally to its intents and even more so, to its implementation (see Fredrickson and Mitchell 1984; Pettigrew 1985a, 1985b). Second, even though marketing implementation seldom flows logically from well-defined plans, it remains woefully under-researched (Bonoma 1985 and Cespedes 1991 being notable exceptions). Third, bounded rational behaviors associated with how marketing plans actually unfold in practice remain poorly understood largely because of marketing discipline's strong skepticism toward all but the ideas promulgated under the positivist, realist metaphysic (Drumwright's 1994 study being an exception). However, to view marketing strategies entirely from the positivist's perspective is to: (a) assume that managers are capable of integrating *all* relevant information, evaluating *all* relevant alternatives, and demonstrating a clear link between their rational thoughts and marketing strategy behaviors, and (b) ignore their strategy behaviors bounded in selective perceptions and subjective evaluations of their environment. Nevertheless, few studies have traced a link between managers' selective perceptions, symbolic interpretations, and marketing strategy behaviors bounded in their subjective rationale. Moreover, the concern for *why* managers plan and implement the way they do remains almost non-existent.

Figure 1.
Marketing Strategy Content Versus Process Research

Research Tradition of Marketing Strategy Content Research

Focus: How the choice of target markets, positioning, and the marketing mix lead to different performance outcomes.

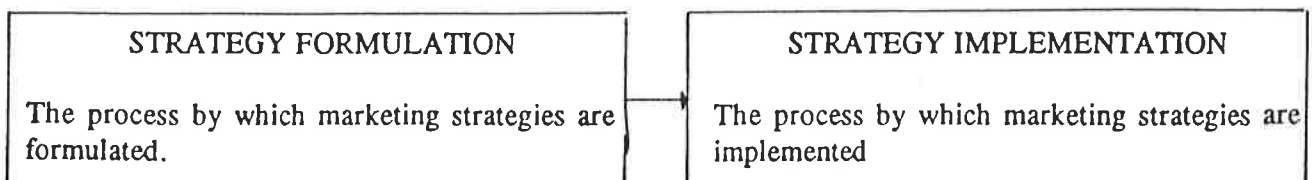
Guiding Research Paradigm:	Rationalism
Ontology:	Positivist
Philosophical Methodology:	Deterministic, positivist
Assumption about Human Behavior:	Volunterism, rational
Epistemology:	Knowledge is capable of being transmitted



Research Tradition of Marketing Strategy Process Research

Focus: How marketing strategies are formulated and implemented (whether deliberate or emergent, see Mintzberg and Waters (1985)).

Guiding Research Paradigm:	Open to relativist approaches
Ontology:	Nominalist
Philosophical Methodology:	Intrusive, ethnographic
Assumption about Human Behavior:	Rational, bounded rational and extra-rational behaviors can coexist.
Epistemology:	Knowledge has tangible, subjective, transcendental, experiential components that make it difficult to transmit



Fourth, marketing as a theory-building discipline has failed to assimilate eclectic views on theories of strategic actions (Anderson 1982 being an exception). Marketing strategy research remains relatively uninfluenced by behavioral theories (e.g., Cyert and March 1963), or thinking about satisficing instead of rational choices (e.g., Lindblom 1959), schemas and cognitive maps (e.g., Dutton and Jackson 1987; Weick and Bougon 1986), logical incrementalism (e.g., Quinn 1978), and heuristics (e.g., Schwenk 1988). The paucity of alternative philosophical methodologies, and the reluctance in assimilating divergent ontologies has clearly stunted knowledge development. Other than rich descriptions about *what* occurs, marketing has failed to explain *why*, even among closely competing firms, marketing strategies are formulated and deployed, customers are served, market needs are accommodated, and relationships with customers developed in a large variety of ways.

Our study responds to this complex predicament with a framework that integrates three fundamental and closely linked issues of marketing strategy behaviors: (a) *what* occurs; i.e., concern about the content of the marketing strategy, (b) *how* strategies are developed and implemented, i.e., concern about the strategy process, and (c) *why* are strategies developed and implemented the way they are. Figure 2 shows our guiding framework of marketing strategy behaviors, i.e., a framework that integrates the marketing strategy content and process of strategy formulation and implementation.

Data Collection

The relatively underdeveloped marketing strategy behavior research precluded theory derived hypothesis testing efforts, and implied a two-step data collection method. For a pilot, we interviewed ten managers responsible for implementing their business unit's marketing plans (one manager per firm), and asked them to describe their marketing strategies, and implementation related actions and learning. Based on their responses, we developed research questions and an interview protocol to guide depth interviews in the second phase. In the

second phase, we conducted depth interviews with forty managers most responsible for marketing strategy implementation in their firms. We used a convenience sample of manufacturers of electric, electronic and computer equipment located in two contiguous northeastern SMSAs. Although participating managers held a variety of titles, they were all identified as the most knowledgeable about their firms' marketing implementation processes. Ninety percent of managers had over eleven years of experience in the industry and over 80% had been directly involved in marketing implementation for over five years. Interviews normally lasted between 60 to 90 minutes. Data collection was concluded after 40 completed interviews after several indicators of data saturation were visible.

Symbolic Interactionism as a Philosophical Methodology

We analyzed our qualitative data from the symbolic interactionist perspective (henceforth *interactionist*) since it allowed intrusive, in-depth analysis of marketing strategy behaviors from the perspectives of those directly involved in the process. The interactionist methodology was developed by Blumer (1969) based on his own theoretical orientation and his interpretations of Mead (1934). An interactionist's explanation of why managers' marketing strategy behaviors turn out the way they do is based on three premises. First, behaviors are viewed as a function of the meanings people attribute to others. How managers interpret and make sense of their environment is viewed as a central determinant of their marketing strategy behaviors. Second, the interactionist holds that the meanings managers construct emerge from their social interactions with others. Hence, managers are viewed to construct a social order based on their interactions with key constituents¹ in their

¹ By *constituents* we mean to include environmental/market entities such as team members, people from other functional groups, senior management, customers, competitors, market intermediaries; and environment/market *contingencies* such as the firm's market agenda, resources, current organization of activities, day-to-day market events, competitor actions, technological environment, and regulatory forces.

Figure 2

A Conceptual Framework of Marketing Strategy Behaviors

Conceptual Domain of Marketing Strategy Content Research.

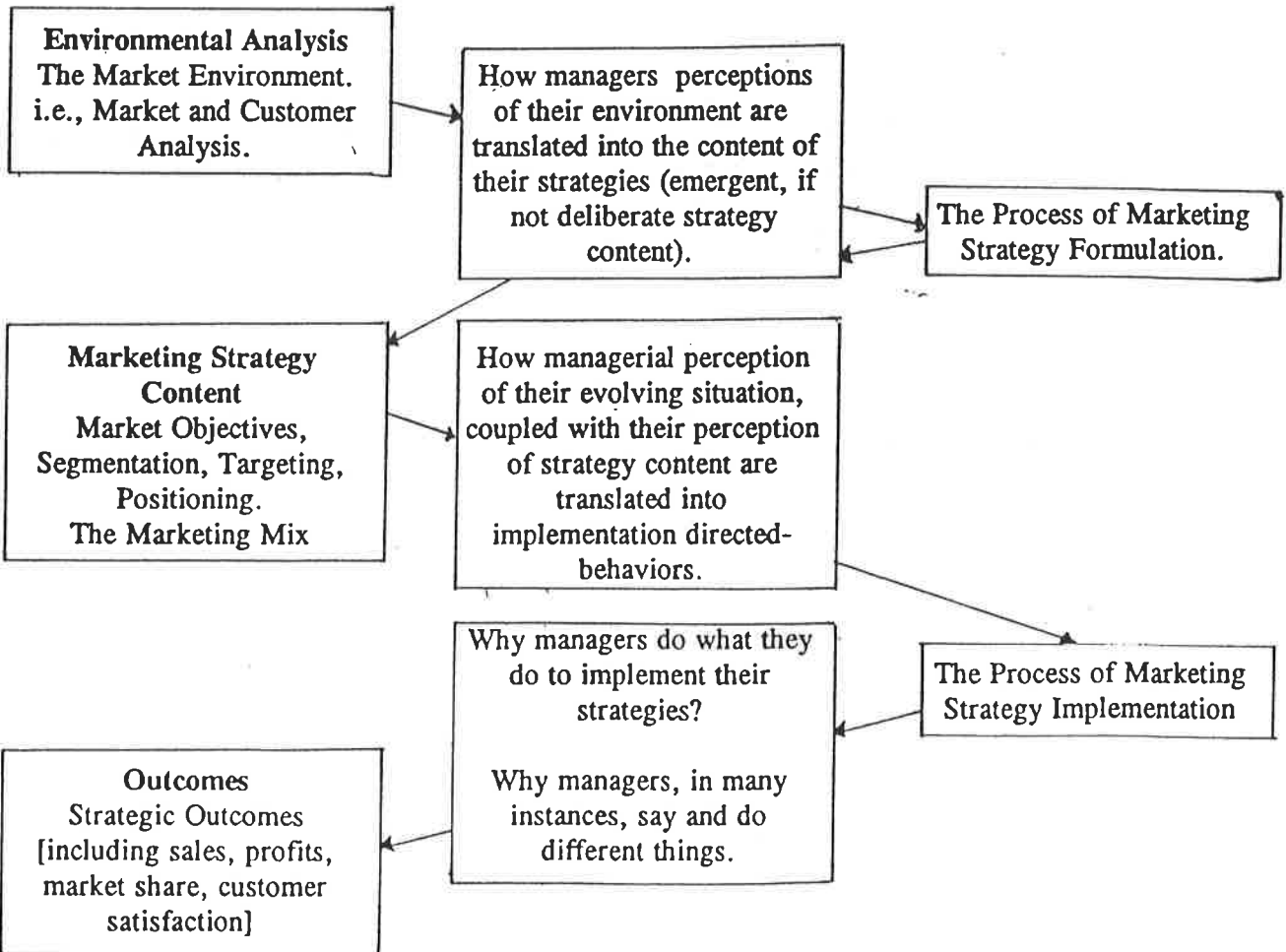
*What occurs?
How, based on environmental analysis, does the choice of target markets, positioning, and the marketing mix lead to different performance outcomes*

An Integrated Perspective of Strategy Content and Process Research.

*Why it occurs?
How managers view the situation in which they are called to take action, and define their own behaviors.*

Conceptual Domain of Marketing Strategy Process Research.

*How it occurs?
How strategies are formulated and implemented.*



perceptual environment, and to make sense of their situation. Since it is difficult to interact with *every* constituent, the interactionist holds that experienced reality is subjective, and results from subjective choices about: (a) *whom* to interact with and *how*, (b) *what* those interactions mean, and (c) what behavioral implications those meanings hold. This view contrasts sharply with the view that managers' marketing strategy behaviors (and hence the strategy content and process) are rational, and with the view that what managers do can be understood from the position of objective rationality. The interactionist views the subjective interactions with the environment, the process of sense-making, and the social construction of reality as the central determinants of behavior. Therefore, the interactionist offers alternative explanations for the bounded rational behaviors frequently associated with the ways marketing strategies unfold, and *why* it might be difficult to understand strategic behaviors purely from an objectivist's perspective.

Third, Blumer (1969, p.2) notes that "meanings are handled in, and modified through, an interpretative process used by the person in dealing with the things he encounters." The interactionist views the sense-making process as dynamic, and subject to change over time and situation. Changes in environmental constituents change the nature of interactions and the meanings managers attribute to their situation, which in turn change their behaviors. Behavioral change also occurs when new constituents are encountered, and new information is assimilated in current ways of thinking. As a result, the ways in which managers perceptually represent their *world* (i.e., their environmental constituents) change continually, and evolving perceptual scenarios function as a basis for defining how they develop and implement marketing plans.

SI is also used as a method for theory building (e.g., Prasad 1993). The data collection method associated with modern SI research is ethnographic and the ontology nominalist (e.g., Burrell and Morgan 1979). Blumer's (1969) interpretation of Mead's (1934) writings on SI occupies a central location in the continuum with the subjectivist, interpretative metaphysic, and the objective,

positivist metaphysic on the extremes (Burrell and Morgan 1979). Additionally, aligned with the sociology of regulations, the belief in a cohesive order underlying human behavior as a result of symbolic interactions with others in the environment is central to Blumer's writings (Burrell and Morgan 1979). Like the positivist, the interactionist believes that the objective environment exists independent of the manager and attempts to explain and predict what occurs in SMI firms based on the observed link between managers' descriptions of their personal experiences and their strategy behaviors. On the other hand, like a relativist, the interactionist believes that interactions with the environment create room for subjective interpretations that shape behavior, and attempts to understand marketing strategy behaviors from the managers' frame of reference.

Data Analysis

About 60 hours of interviews with forty managers were tape recorded and transcribed. Based on the SI method, we analyzed transcripts with special attention to:

- Managers' experiences with marketing implementation.
- Nature of plans and planning processes (i.e., the people involved and the major issues in the relationships between planners and implementors.
- Major groups of people within and outside the firm that the manager interacted with for implementation (i.e., the major constituents in the manager's environment).
- Nature of interactions, the key issues that emerged, and the how they were addressed.
- Major environmental contingencies and the ways in which managers responded to them.
- General pattern of their implementation-directed behaviors.

In order to reduce some of the problems associated with internal validity in qualitative data analysis, an additional researcher was hired for independent content analysis and instrument triangulation. All interview transcripts, with respondents' identities

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concealed, were made available for independent analysis. The independently derived findings were compared and contrasted in several meetings among the researchers. Although a few differences in the terminologies and labels, there was a near consensus in terms of the identified themes.

UNDERSTANDING MARKETING STRATEGY BEHAVIORS FROM A SYMBOLIC INTERACTIONIST PERSPECTIVE

In this discussion, we (a) present the results of our analysis and a typology of marketing strategy behaviors that traces the link between the nature of symbolic interactions and marketing strategy behaviors, (b) develop an explanation for *why* some firms' marketing strategy behaviors are more responsive, more adaptive, than others, (c) construct an explanation for *why* strategic intents are often different from what eventually unfolds in the market, and (d) discuss implications for managers interested in better understanding their own marketing strategy behaviors.

A Typology of Marketing Strategy Behaviors

Table 1 shows four clusters of marketing strategy behaviors we derived from our data. The typology emerged from our attempts to cluster firms based on: (a) *which* environmental constituents, from a potentially large set, managers choose to focus, (b) *how* managers make sense of their environment based on their perceptual representation of environmental constituents, and (c) *how* symbolic interactions shape their marketing strategy content and process. Each cluster represents a group of firms with a unique environmental context, nature of symbolic interactions, marketing strategy content, formulation and implementation processes, and outcomes. We contend that marketing strategy behaviors of the firms in each cluster turn out the way they do because of the symbolic interactions that occur between managers and their environment.

Marketing as Selling Production's Output

The marketing strategy behaviors of the eight firms in this cluster are shaped by a dominant production

function in the managers' perceptual environments. Ensuring a steady flow of customer orders to production groups (which are focused on production efficiency, maximization of machine utilization, and prevention of bottlenecks), represents the predominant contingency. The marketing function is organized more for processing customer orders than for any other activity. The organizational outlook is parochial, and technology unique to the local market. Managerial responses indicate a strong belief in the notion that customers will seek them out because of their geographic location, local reputation, and historic ties. Marketing managers are involved almost entirely in servicing existing customers, processing and expediting orders, and writing quotations for customer inquiries. Customer inquiries are examined in terms of the idle machine time they can reduce, the extent of undesirable re-tooling and production re-scheduling they entail, versus the revenues they promise. A participating manager elaborated:

Customers tend to present themselves to us, sometimes the independent rep helps. I do count on them (the reps) to bring new accounts to us, and then we evaluate to some extent what sort of effort is worthwhile putting in that account.

Marketing as Reaction

The marketing strategy behaviors of the twelve firms we include in this cluster are shaped by the dominant engineering/R&D and production functions in the managers' perceptual environment. Finding customers that need the firm's technology and products is the predominant concern, and marketing activities are organized more for prospecting and making sales presentations to customers than for any other purpose. Managers aggressively pursue agreements with independent representatives and dealers, and focus on administrative rules and policies that streamline prospecting and customer presentation activities. Marketing operations are highly *reactive* and managers appear comfortable with solving marketing problems as and when they occur.

Table 1
A Typology of Marketing Strategy Behaviors

Marketing as Selling Production's Output. n = 8	Marketing as Reaction. n = 12	Marketing as Interfunctional Integration. n = 13	Marketing as Holistic Coordination. n = 7
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THE ENVIRONMENTAL/ORGANIZATIONAL CONTEXT

CUSTOMERS

Local. Mostly interested in replenishing supply. Not sought outside of the immediate geographic region.	Regional. Concern with delivery times, and product features. Growth sought through additional customers in the region.	Several regions around the country. Growth sought by improved penetration of existing and new markets.	The firm intends to compete in most high-tech segments around the world
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CUSTOMERS' TECHNOLOGICAL NEEDS

Highly stable.	Customers require product modification. Considerable investment in production engineering.	Change continually. Considerable investment in production processes to serve customers.	Change with technological innovations. Considerable investment in R&D
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COMPETITION

Low. Sole supplier in the local market.	Competition from regional and national manufacturers.	Competing to meet TQ needs of customer organizations.	High degree of national and global competition.
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THE NATURE OF MANAGERS' SYMBOLIC INTERACTIONS

KEY CONSTITUENTS IN MANAGERS' PERCEPTUAL REPRESENTATION OF ENVIRONMENT

Production.	Production, Engineering.	Customers, R&D Engineering, Production	Customers, Technology.
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ENVIRONMENTAL CONTINGENCIES REPRESENTING THE BIGGEST SOURCE OF ANXIETY

Steady stream of customer inquiries and orders.	Engineering and production dominated thinking about production efficiencies.	Non-standard needs of customers and the lack of formal mechanisms for interfunctional integration.	High degree of technological changes and severe competition.
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DOMINANT PATTERN IN (MARKETING) MANAGERS' SOCIAL INTERACTIONS

Almost exclusively with the production function.	Mostly with production, followed by customers.	Mostly with customers followed by R&D/engineering and production.	Customers, R&D, and production simultaneously.
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Table 1: A Typology of Marketing Strategy Behaviors (continued . . .)

Marketing as Selling Production's Output. n = 8	Marketing as Reaction. n = 12	Marketing as Interfunctional Integration. n = 13	Marketing as Holistic Coordination. n = 7
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MARKETING STRATEGY FORMULATION PROCESS

NATURE OF INFORMATION GATHERING/USE

Very little objective information gathering apparent. Managers have most things <i>figured out</i> , and appear non-responsive to market information.	Information gained primarily through interaction with production and customers. Use of objective information in decision making is low. Mostly <i>knee-jerk</i> reaction to market information. No formal systems for managing information apparent.	Heavy reliance on <i>listening</i> to customers. High degree of receptivity to market information, although <i>knee-jerk</i> reactions are common. Although information systems range from rudimentary to sophisticated, information sharing is often on a <i>need to know</i> basis.	Highly motivated market information searches. Multiple, creative interpretation of current and future scenarios. Information is viewed as an asset for current and future use. Inordinate emphasis on diffusing customer related information within the organization.
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NATURE OF MARKET RELATED DECISION MAKING/PROBLEM SOLVING

An administrative solution sought for most problems. Decisions are guided by production.	An action oriented solution sought for most problems. Managers consumed by firefighting.	Most problems addressed via interfunctional, dyadic communication links. Manager concerned with gaining cooperation from other functional groups.	An integrated, holistic solution sought for most problems. Manager consumed with solving customer problems via creative use of technology
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MANAGERIAL VISION

Goals relate mostly to production. Focus on survival and <i>making payroll</i> . Low degree of awareness about competitors.	Vision is short term, <i>firefighting</i> oriented. Dim awareness of competitors, latest technology developments etc.	Vision is expressed in terms of new targeted customer/geographic segments. High degree of awareness about competitors.	Demonstrate high degree of clarity about technology, skills, resources, and about competitors and markets.
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MARKETING STRATEGY CONTENT

TARGET MARKETS

Local. High degree of satisfaction/ comfort cited in serving local, loyal customers.	Local, regional. Seeking representation (distributors) in other geographic areas.	Presence in most important geographic market segments in the nation.	Compete in most segments where their technology can be deployed.
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Table 1: A Typology of Marketing Strategy Behaviors (continued . . .)

Marketing as Selling Production's Output. n = 8	Marketing as Reaction. n = 12	Marketing as Interfunctional Integration. n = 13	Marketing as Holistic Coordination. n = 7
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POSITIONING

Local supplier appeal.	Local, regional player with at least one large local buyer. Positioned as the best deal in the regional market.	Value creating supplier, high flexibility with product features.	Supplier of high-tech, cutting edge, creative (technical) solutions and products.
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MARKETING MIX

Few objectives set, cost based pricing, local promotion and distribution.	Most sales objectives set. Pricing driven by cost. Trade advertising done. Combination of inside sales force, manufacturers rep organizations, and distributors used for distribution. Tenuous relationships with manufacturers' reps.	Sales objectives are set. Products readily adapted to meet customer needs. Pricing is driven by competition. Distribution via inside sales force, independent reps and dealers. Heavy reliance on trade shows and trade advertising.	Work closely with customers to develop technologies and products. Minimal use of intermediaries. Pricing results from negotiation. Frequent participation in trade shows. Emphasis on expanding operations worldwide.
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MARKETING STRATEGY IMPLEMENTATION PROCESSES

OPERATIONAL METAPHOR FOR MARKETING IMPLEMENTATION BEHAVIORS

Parochialism. Managers' vision is limited, the firm's interests seldom extend beyond local markets and customers.	Machines. The pervasive belief in the organization that division of labor, mechanistic, production efficiencies of each functional group leads to effectiveness and profits.	Interfunctional Communication. The pervasive belief that improved communications and interactions between functional groups will accelerate customer responsiveness.	Networks. Firms designed to integrate technical and marketing skills and serve customers. Patterns of communication/interaction resemble a complex, multi-dimensional network.
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GUIDING PHILOSOPHY OF IMPLEMENTATION

Maintaining a steady stream of customer order and maintaining status-quo.	Satisfactorily solving the next problem that emerges, and developing smooth operations.	Developing new markets and improved cross-functional cooperation.	Delivering new technologies in leading markets at lowest cost.
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Table 1: A Typology of Marketing Strategy Behaviors (continued . . .)

Marketing as Selling Production's Output. n = 8	Marketing as Reaction. n = 12	Marketing as Interfunctional Integration. n = 13	Marketing as Holistic Coordination. n = 7
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GENERAL PATTERN OF MARKETING IMPLEMENTATION BEHAVIORS

Attempt to develop steady stream or orders to keep production capacity utilized.	Action orientation to achieve mechanical, production efficiencies. Managers hustle to follow customer orders through R&D/production.	Managers foster dyadic relationships with key members in other functional groups to gain their cooperation in developing products customers desire.	Organization functions as a joint task force in finding a fit between the firm's technical capabilities and present and future customer needs.
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NATURE OF CROSS-FUNCTIONAL COOPERATION

Production function commands cooperation.	Production and engineering functions dominate managerial thinking. Marketing and sales function within their guidelines.	Marketing led inter-functional integration with marketing as the hub with dyadic, spoke like links with other functional groups.	Intense integration. Organic, team oriented structures (use of cross-functional teams).
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NATURE OF FLEXIBILITY TOWARD CUSTOMER NEEDS

Strong reluctance to adapt to extra-ordinary customer demands.	Flexibility achieved via fire-fights and knee-jerk reactions.	Flexibility achieved via cross-functional integration and adaptations in short term marketing programs.	High degree of pro-action by integrating customers in product development.
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OUTCOMES OF MARKETING STRATEGIES

PRINCIPAL REASON FOR GOAL ATTAINMENT AND PROFITS

Profits are generated due to steady orders from local customers	Ingenuity, flexibility and fire-fighting skills of managers.	Inter-functional cooperation and development of new markets.	Technological breakthroughs and close alliances with customers.
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COMPETITIVE POSITION

Weakens every year. Managers reminisce about <i>good old days</i> .	Linked closely with the local and regional economy.	Linked closely with national trends.	Depends on the frequency of new product introductions.
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KEY PROBLEMS OF ORGANIZATIONAL GROWTH AND DEVELOPMENT

Lack of growth. Contracting business due to competition.	Some growth. Firefights prevent development of a guiding vision.	Struggling with growth. <i>Organizing</i> activities in represents key problems.	Struggling with "good technology-poor marketing" problems.
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Managers are heavily involved in "fighting fires" and reacting to day-to-day, unforeseen contingencies arising out of the production/engineering functions and the market. Considerable time and energies are spent on the telephone addressing customer complaints and problems.

Marketing as Interfunctional Integration

The marketing strategy behaviors of the thirteen firms in this cluster are shaped largely by non-standard customer needs and a highly segmented internal environment. Managers report considerable involvement in formal planning activities. Although they engage in frequent "firefights," they often identify and evaluate multiple marketing alternatives before taking actions. Compared to the previous two clusters, marketing groups enjoy an equitable status with R&D and production groups, and possess a distinct identity as an important organizational function. Even though distinct boundaries exist between functional groups, marketing decisions reflect inputs from multiple sources, and particularly R&D and production groups. Accommodating unique needs of customers and gaining cooperation from key personnel in other functional groups via personally-developed relationships are the biggest sources of anxiety. Managers spend inordinate time "on their feet" meeting key personnel in other functional groups, and with market intermediaries and customers.

Implementation as Holistic Coordination

The marketing strategy behaviors of the seven firms in this cluster are strongly shaped by the fierce competition, rapidly changing technology, and technically adept customers. Remaining technologically relevant and increasing customer satisfaction are predominant concerns. Marketing is defined as an activity requiring *holistic coordination*. Marketing decisions are based on multiple inputs and reflect integrative insights into the capabilities and constraints of other functional groups. Managers show concern for a breadth of marketing issues including organizing for product innovation, accelerating new product development,

and improving customer responsiveness. The environment appears to engender a culture in which intensive coordination between functional groups is demanded, and integrative thinking and reflection are valued and rewarded. There is a clear emphasis on generating coherent marketing plans that have organization-wide ownership. Managers develop complex networks between functional groups and key customers and market intermediaries to expedite the satisfaction of customer needs and preempt competitors. Managers also appear to emphasize connectedness between their strategic plans and their implementation-directed actions.

Explaining Changes in Strategy Behaviors

The interactionist offers a unique perspective into *why* some firms are better able to adapt their marketing strategy behaviors in response to environmental changes than others. The interactionist holds that managers (and firms) are locked into a particular cluster in the typology only to the extent their symbolic interactions and interpretations of behavioral implications remain unchanged (i.e., whether or not the objective reality of the internal or external environment changes, marketing strategy behaviors are expected to change when managers' symbolic interactions with the environment spell behavioral change). Hence, regardless of where a firm is initially categorized in the typology, movement to other clusters can and frequently does occur. Describing this process, Blumer (1960) notes:

This process has two distinct steps. First, the actor indicates to himself the things toward which he is acting; he has to point out to himself the things that have meaning. Second, by virtue of this process of communicating with himself, interpretation becomes a matter of handling meanings. The actor selects, checks, suspends, regroupes, and transforms the meaning in the light of the situation in which he is placed and the direction of his action (p. 5).

In other words, managers have opportunities to continually assess and draw meaning from their

circumstances. In decision-making situations, managers (a) indicate to themselves *which* influential constituents and *what* contingencies require their attention and toward *whom* they are acting, (b) speculate on and evaluate the constituents' motives and reactions, as well as the contingencies' likely impact on the firm, (c) compare and contrast these symbolic interpretations with their own motives, objectives, and resources, and (d) utilize these interpretations to guide their behaviors. At the end of this process, if the change in interpretations is marginal or less, behavioral change is likely to be marginal or less. However, the interactionist holds that marketing strategy behaviors can change when new information is assimilated and the new perceptual representation of the environment implicates behavioral change. For instance, some managers engaged in highly reactive marketing (Cluster 2) may change their strategy behaviors if they: (a) begin to encounter a growing segment of customers that require regular adaptations in product features and terms, (b) assimilate this new contingency in their current view of the environment, and (c) impute from their symbolic interactions with new customers that a high degree of interfunctional integration is necessary.

The interactionist recognizes, however, that not all managers consciously evaluate the environment and adapt marketing strategy behaviors in every instance - some managers *don't look* and some *look but don't see*. For example, the managers from cluster 1 firms (*marketing as selling production's output*), report a low degree of concern for customer needs or competitors (i.e., *they don't look*). Similarly, some managers from cluster 2 firms (*marketing as actions*) are so overwhelmed by the stop-gap firefights that despite their interactions with customers and market constituents they fail to assimilate new market information (i.e., *look but don't see*). Hence, to wonder why managers don't respond to environmental forces in presumably rational ways is to miss the point that managers make subjective choices about the constituents and contingencies on whom to focus (or not to focus), and react based on their subjective, symbolic interpretations - regardless of

the objective, rational environment they inherit. In sum, the interactionist clearly links ineffectual or static strategies to ineffectual, dated, or static interpretations of the environment.

The interactionist does acknowledge, however, the objective constituents and contingencies that exist in the managers' physical environment. Despite the view that managerial interpretations are subjective, and that ways of defining marketing strategy behaviors are potentially large in number, the interactionist is clear that not all are equally effective in engaging customers, and few result in remarkable growth and profits over the long term. Moreover, of the marketing strategy behaviors that consistently lead to positive outcomes such as increased sales, profits, and market share, the interactionist is clear that: (a) the constituents and contingencies likely to impact the firm are correctly identified, understood, and reflected in the strategy content, i.e., the perceptual representation of the environment strongly reflects the objective reality of market forces, and (b) strategy formulation and implementation unfolds in ways that best exploits the firm's capabilities, and effectively engages customers and other market constituents over the long term. Regardless of the subjectivity of interpretations, the interactionist recognizes that strategic market effectiveness is directly linked to the objective environmental forces. Hence, the interactionist urges additional thinking about factors that can prevent the subjective representations of the world from including and accurately portraying the host of organizational and environmental constituents that physically exist independent of the manager, and impact the firm's position in the marketplace (including an overtly internal focus and regressive, insular organizational cultures).

Understanding the Gap Between Saying and Doing

The interactionist offers an alternative explanation for the enduring mystery of modern organizations: *Why do managers often say and do different things?* In so doing, the interactionist provides an alternative explanation for why managers *see but don't respond*. When specifically asked in our interviews,

for instance, *all* managers describe their vision of an *ideal* marketing implementation process. In *all* instances however: (a) the ideal process is described as one that is different from what is actually occurring in their firms, (b) managers profess awareness of *doable* actions that promise improvements without stretching current resources, and (c) managers' views on *ideal* marketing implementation processes reflect logical, rational implications they draw from their view of the environment. Why managers are unable or unwilling to implement, quite ironically, their own rational insights about marketing, is a question that emerges frequently during data analysis. Offering an explanation for this seeming contradiction in behaviors, two leading interactionists note:

People are constantly interpreting and defining things as they move through different situations. We can see why different people say and do different things. One reason is that people have had different experiences and have learned different social meanings . . . A second reason why people act differently (and the behaviors appear disconnected to the meaning established at previous points in time) is that they find themselves in different situations . . . the process of interpretation is a dynamic process. How a person interprets something will depend on the meanings available and how he or she sized up a situation. (Taylor and Bogdan, 1984; p.10)

Managers' rational insights are not always reflected in the firm's strategy behaviors because their subjective, symbolic interpretations of the environment appear to function as a strong mediating force. Actual marketing actions are aligned more with their interpretative processes in light of their own specific situations, and less with their beliefs about the rational acts that might improve implementation processes. For instance, managers in the first cluster in which marketing implementation is viewed as selling production's output are not entirely naive about the cultural clichés concerning customer orientation. However,

few of their personal beliefs are translated into an organization-wide market orientation and in their marketing directed behaviors (which, as we note earlier, are often limited to responding to customer inquiries and processing orders). Their symbolic interactions with the dominant production function and a steady inflow of customer orders from the local market exert a far greater influence on implementation behaviors than their beliefs about customer orientation.

Implications for Practitioners

To initiate changes in the firm's behaviors, the interactionist urges managers to: (a) assess and continually redefine the environment by assimilating new market information and eliminating dated views; (b) think about how new market events, customer preferences, competitor actions and other contingencies relate to one another, and identify which are more dominant and more likely to impact the firm; (c) identify and diffuse throughout the organization, information about what the environment means and what implications it holds for the firm's behaviors in the market, and (d) redefine the marketing strategy content and process in order to creatively engage market constituents in mutually satisfying long term relationships. In particular, the interactionist urges managers to reflect on the following types of questions:

Understanding current strategy behaviors

- a. What is the nature of the perceptual representation of the world that exists in the collective consciousness of the marketing function/the organization? Where do these representations converge? Where do they diverge? What are the major constituents (e.g., internal forces, customers, market intermediaries, competitors) and contingencies (e.g., the firm's goals and resources, the technological, social and political forces) represented? How are their relative strengths represented? How do they interrelate?
- b. What does the firm view, in a collective way, these contingencies to mean? How does the

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firm currently *behave* in the market place, in light of these meanings?

- c. In what way does the current marketing strategy content (targeted customers, market position, and the marketing mix, feedback and control apparatus) and marketing strategy process (process of formulating and implementing marketing strategies) reflect the behavioral implications derived in (b).

Analyzing current strategy behaviors

- d. Does senior management have a clear marketing vision? How do they view the market environment and the firm's role in it (i.e., senior management's perceptual representation of the market)? How widely in the organization is the senior management's perceptual representation of the environment, its meaning, and behavioral implications *shared*? Is there one cohesive view of the environment that exists in the organization's collective consciousness, or are there several?
- e. Do the current perceptual representations of the world reflect the objective reality of market forces? What should the map portray in terms of its major constituents and contingencies? What should be their relative strengths, and how should the inter-relate?
- f. If the answer to (e) differs from the answer to (a), changes in marketing strategy behaviors are warranted.

Thinking about change

- g. What new information about the environment needs to be assimilated by the organization? What kind of *meaning* should the firm derive from interacting with the new set of environmental contingencies and constituents? What factors inherent in the firm's culture prevents/promotes assimilation of new market information?
- h. What changes in the firm's information systems, policies, and internal and external communication processes are necessary before a shared vision of the environment described in (e) emerges within the organization? What

changes are necessary before new market information is continually assimilated and the organization's perceptual map reflects the dynamism of the marketplace?

- i. What changes are necessary in marketing strategy content, and in the marketing strategy processes of the firm?

CONCLUDING COMMENTS

The bulk of empirical traditions in marketing aim to improve strategy content, without a similar concern for strategy formulation and implementation *processes*. For marketing to grow as a theory-building discipline, and serve practitioners concerned with managing the marketing function, the key processes by which marketing strategies are developed and implemented must be better understood. Additionally, *why* firms develop and implement their marketing strategies the way they do must be better explained.

Our study of forty small and mid-sized industrial firms and data analysis from the symbolic interactionist perspective contributes to future theory-building efforts by presenting a typology of marketing strategy behaviors, and an alternative explanation for *why* their marketing strategy behaviors turn out the way they do. We find that there are more ways to understand the strategic actions of firms than from a perspective of objective rationality. Our analysis provides an alternate explanation for the selective perceptions, subjective interpretations, and bounded-rational behaviors that characterize real-life strategy formulation and implementation processes. Our integrative framework and typology developed from exploratory data aim to stimulate thinking more than they aim to generate generalizable findings. At this juncture, considerable exploratory as well as confirmatory research in a variety of contexts is necessary before a theory of marketing strategy behaviors can emerge.

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