# RE-CONCEPTUALISING PARTY-CENTRED POLITICS IN TERMS OF "MARKET"

## A Relationship Marketing Approach

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*ABSTRACT*

This study is an inter-disciplinary theoretical endeavour which situates itself at the interface between marketing and political science and which contributes to both political marketing and political science perspectives. It emerges from the proposition that there are important differences between the workings of party-centred political systems as practiced in many of the well established democracies in Northern/Western Europe and candidate-centred systems such as in the United States. The latter are characterised predominantly by self-introduced political entrepreneurs who capture the nomination of a political party while the former are mainly constructed around the workings of membership parties that allow, encourage and facilitate party members' and associated members'participation in intra-party production processes (of policy and representatives). While these differences are acknowledged by interested political marketing and political science scholars, such insights have yet to penetrate at the level of theory. As a result, significant aspects of party-centred political realities are rendered theoretically invisible or they are misrepresented in these literatures. This study aimed to remedy these shortcomings through the application and extension of an alternative marketing framework – that is, the relationship marketing framework – which departs from the managerial marketing framework which is most often applied cross-contextually in the contemporary political marketing literature. The thesis offers a problematising re-description – a theoretical rethinking – of how party-centred political contexts may be understood in terms of "markets".

The theoretical argument is constituted, firstly, by the methodological procedure involving an independent critical and reflexive analysis; and secondly, through the introduction of a theoretical contextual distinction between markets for 'high-touch labour-intensive services' (on the one hand) and ordinary goods and commoditised services (on the other); Together these aid in the development of a set of conceptual models aimed at furthering our understanding of party-centred politics in terms of "markets" and at helping to distinguish them theoretically from candidate-centred systems such as those in the United States. The argument contributes to scholarly debates devoted to understanding the dynamics of party-centred politics within both the political marketing and political science analytical traditions. The analysis also helps to shed theoretical light on the different types of political power that party-centred and candidate-centred systems potentially make available to their citizens, thereby contributing an enhanced understanding of different categories of democracy.

# RE-CONCEPTUALISING PARTY-CENTRED POLITICS IN TERMS OF "MARKET"

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*Democracy is a muscle.*
*It needs to be exercised in order not be become feeble or, worst case, dysfunctional.*

*To my mother and father*
*and to Geoffrey*

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# PART I

# Introduction and Contextualisation of the Argument

## 1.0  INTRODUCTION

This study is a theoretical endeavour aiming to contribute knowledge to the "new" field of political marketing. It represents an attempt at re-conceptualising party-centred politics in terms of "services markets" with the help of relationship marketing theory. The thesis will not culminate in the discovery of new empirical facts. The contribution must instead be seen as constituted in an exercise of independent critical power of analysis in combination with the development of a set of conceptual models aimed primarily at theoretically *describing and explaining the workings of a particular type of political context as seen from an alternative market perspective to that most commonly utilised in the contemporary political marketing literature*. It rests on the contention that there are fundamental differences between party-centred political contexts constructed around the workings of inclusive *membership parties that allow, encourage and facilitate party-members' and associated members' participation in intra-party production processes* (i.e., of representatives and policy) the way it is commonly practised in the *well established democracies* of, for example, Northern/Western Europe, and candidate-centred systems such as the United States where political parties do not have card-carrying members and do not generally allow their supporters such co-production privileges with regard to the formation of policy and the selection of representatives.

Although these differences are commonly referred to and discussed by political analysts, they appear so far not to have penetrated to the level of theory – neither in the "new" political marketing literature nor, it seems, in political science – perhaps in no small part due to the strong position theoretical perspectives emanating from an American political reality have within the relevant literatures. This study *focuses on the abovementioned party-centred contexts* and argues that in order to properly understand the workings of such political realms in terms of "markets", there is a need for an approach to marketing which is capable of theoretically accommodating and accounting for what at this early stage of investigation appears to be the overlapping, or partially overlapping, "production" and "consumption" processes characterising such political contexts. The multi-disciplinary character of the thesis foreshadows some of the philosophical and methodological challenges that are likely to face both my analytical and conceptual exercises. This introductory chapter explains the details of *what* this entails, *why* this particular study has been undertaken and *how* it was carried out.

The investigation starts with an introduction of the phenomenon of political marketing as exemplified by emerging and proliferating political practices and of the disciplinary foundations of the "new" field of academic enquiry which has established itself in the wake of these practices (1.1.1 and 1.1.2). In the next subsection I proceed with a preliminary presentation of the contexts under consideration in this study and a further clarification of why they have been chosen (1.1.3). Before the argument is presented in detail, it seems however important – since the study represents yet another attempt at making sense of political spheres through the use of market logic – to take a brief step outside the "market universe" and reflect on some of the aspects generally considered problematic with such approaches to politics (1.1.4). The subsequent section focuses on the argument (1.2); the research rationale underlying the study (1.2.1), its main objectives and research questions (1.2.2) and the scope and general aims of the undertaking (1.2.3). Because the project is entirely theoretical or conceptual in scope and strongly interdisciplinary by design I also familiarise the readers with the methodological orientation guiding this endeavour. Section 1.3 is dedicated to a discussion of the philosophy of science perspectives that should accompany a theoretical study such as this, i.e., how critical and reflexive thinking can be ensured in such work (1.3.1, 1.3.2, and 1.3.3), and last but not least, a discussion of the conceptual risks and opportunities that must be faced throughout the process (1.3.4). This introduction is drawn to a close by a brief overview of the chapter structure (1.4).

## 1.1 Background

### 1.1.1 Political Marketing – The Phenomenon

The application of marketing thinking and techniques to the conduct of politics has over the last two or three decades been an issue vigorously debated in the media and many academic communities throughout the Western world. At this level 'political marketing' is probably best understood as a collective term referring to the emergence and proliferation of a number of interrelated changes in the way in which contemporary Western political candidates, parties and government administrations across the ideological spectrum go about their campaigning activities, the running of their organisations and, in the latter case, also the process of governing (O'Shaughnessy 1990; Kavanagh 1995; Scammell 1995; Nimmo 1999). These "new" practices – most often seen as originating in the US and in Europe initially evident in countries such as the UK, Germany, France and Italy – are now frequently said to be spreading steadily to other parts of the world as well (Plasser, Scheucher et al. 1999).

The phenomenon is often generally described in terms of an increased "marketisation" or "professionalisation" of politics. Observers claim that politicians and political parties are growing more reliant on external political consultants – a development frequently viewed as diminishing the importance of volunteers (Sabato 1981; Bennett 1992; Bowler, Donovan et al. 1996). A strengthened focus on image-building, news management and control of the media seems to have put "spin-doctors" or media and communications experts in increasingly influential positions within party- and government administrations (Norris, Curtice et al. 1999; Scammell and Semetko 2000; Bennett and Entman 2001). The use of traditional market research such as polling and focus group activities appears similarly to have become a key characteristic of Western politics – both as foundation for the development and conduct of campaigns and as strategic and operational tools in the governing process – in turn, as many scholars argue, placing "marketing experts" in equally influential positions with regard to policy making (Blumenthal 1980; O'Shaughnessy 1990; Smith and Saunders 1990; Scammell 1995; Nimmo 1999). Correspondingly, advertising seems to be taking on increased significance as a vehicle of communication with electorates – a development correlated in time with what is reported to be a marked decline in town-meetings, canvassing and other more traditional direct forms of contact with the public (Gitlin 1991; Arterton 1992; Bowler and Farrell 1992;

Butler and Ranney 1992). Finally, some researchers have observed an increased centralisation of power structures within political parties – a tendency manifesting itself through what is often described as a shift from bottom-up to top-down modes of organisation. A new managerial logic appears to have come into operation in the running of these organisations and measures such as "control", "manageability" and "efficiency" seem to be gaining terrain, some argue, at the expense of local intra-party democracy (Shaw 1994; Kavanagh 2001; Seyd and Whiteley 2002; Fielding 2003).

Perhaps unsurprisingly, debates pertaining to this development have been characterised by polarisation. Critics appear at times deeply concerned about the long-term effects such practices could have on democracy; lack of political leadership and innovation, opportunism, the elevation of form over substance in political communication and the manipulation of electorates, are some of the keywords running through these critiques (O'Shaughnessy 1990; Bennett 1992; Franklin 1995; O'Shaughnessy 2001; Savigny 2006; Henneberg and O'Shaughnessy 2009). Formal political institutions are at the same time claimed to have become less able to mobilise the support and engagement of citizens as in the past – most importantly, scholars are pointing to the decreasing party-memberships and all-time-low voter turnouts currently evident across many advanced industrial nations (Dalton and Wattenberg 2000; Scarrow 2000; Diamond and Gunther 2001). Trust and confidence in our politicians and political institutions seem to be in equally dramatic decline (Rosenberg and Czepiel 1984; Curtice and Jowell 1997; Norris 2001; Mortimore 2002); a phenomenon described as happening simultaneously throughout the Western world and frequently seen as coupled with what appears to be rising expectations from electors – in turn perceived as resulting from politicians' tendency to outbidding each other in the struggle for office (Ashdown 1994). The rise of political marketing is by critics often suggested to represent, if not the only explanation[1], then certainly a contributing factor to what is seen as an undesirable development. In short, politics is seen to have become reduced to a spectator-sport within de-aligned and increasingly cynical electorates (Cappella and Jamieson 1997), or is seen as "packaged" for media/market consumption (Franklin 1997; Swanson 1997). The current proliferation

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[1] The importance of socio-economic and cultural factors (such as the post-war social welfare consensus, rising affluence, social mobility, etc.) in the explanation of changing political behaviour is commonly acknowledged in political science. An observed shift from materialistic to post-materialistic values combined with increased political efficacy within Western electorates is for example frequently said to have resulted in a shift of emphasis from conventional political participation (party memberships and voting) to activism and more issue-specific forms of involvement (Inglehart 1997).

of these practices has in some research communities created a pressing concern about the future stability, representativeness and legitimacy of established democratic systems.

There are, however, voices contradicting these rather pessimistic accounts. Advocates frequently suggest that emerging practices must be seen as part of a "natural" modernisation process of politics in general, and maybe of political parties, in particular. The need for marketing is often, either explicitly or implicitly, perceived as an inevitable and irreversible feature of modern societies – and so too, it seems – of politics (Webb 2000). The development is sometimes also hailed as a movement towards enhancing democracy and political elites' responsiveness to citizens (Harrop 1990; Lees-Marshment 2001), and some social scientists – while observing the decline in traditional political engagement – point to altered forms of involvement, including changing notions of what politics is actually about (Giddens 1991; Mulgan 1994; Beck 1998; Gibbens and Reimer 1999). Nor is marketing at the forefront of all explanations of the phenomenon. Some political analysts see the development as evidence of an 'Americanisation of politics' (Field 1994; Lilleker and Negrine 2003), some focus on the role of the media and argue that what we are seeing is a movement towards increasingly media-driven democracies (Swanson 1997; Blumler 1999), and to yet others emerging practices represent political expressions of the postmodern characteristics of contemporary Western societies (Axford and Huggins 2002). Nevertheless, marketing seems to remain an implicit or explicit explanatory keyword in these texts as well – albeit accorded differing degrees of importance in the overall arguments.

Scholarly dissent and debate, notwithstanding, researchers seem largely to agree that contemporary citizens are increasingly encouraged to view themselves as consumers also within the sphere of politics. Debates appear mostly to centre on how this development has come about, how it could most accurately be described and, indeed, whether it should be considered a good or a bad "thing". Elisabeth Cohen (2001: 210, 220), argues that in the US there has been a significant shift from the New Deal's focus on the responsible 'citizen consumer' encouraged to put his/her purchasing power 'to the service of some broader social good', to the post-war free-market 'customer consumers' invited to bring a 'customer mentality to their relations with government, judging state services much like other purchased goods, by the personal benefit they derive from them'. Using the Clinton-Gore administration as an example, she argues that their focus on 'Putting the

Customer First' was modelled on 'efficient retail business', emphasising narrowly defined 'customer satisfaction' as the main goal. Matthew Hilton (2001: 241) points to a similar development in Britain, where he claims that the government's 1999 White Paper, *Modern Markets: Confident Consumers*, 'redefined citizenship to place consumers "at the heart of policy-making"'.

## 1.1.2   Political Marketing – A New Field of Academic Enquiry

In the wake of these steadily proliferating political practices, we see the establishment of political marketing as a new academic field. In a seminal article, Margaret Scammell (1999) maps out this development and after pointing to the broadness and international scope of the rapidly expanding literature on electioneering and political communications, she says:

> '…the last few years have seen the emergence of a coherent subset of the broad field. A group of scholars, based in Britain, Germany and the USA, accepts the label 'political marketing' and is attempting to establish it as a distinctive subdiscipline, generating regular conferences and a specific literature. It is developing cross-disciplinary political/marketing/communication perspectives not simply to explain the promotional features of modern politics but as a tool of analysis of party and voter behaviour'.   (Ibid: 718)

Thus, a growing number of scholars – in later years not confined to the abovementioned countries – are attempting to make sense of different political contexts through the use of marketing theory. The antecedents to this type of thinking can be traced a long way back in both political science and academic marketing. Within the former discipline, seminal studies and theoretical concepts and ideas emerging out of neoclassical economics and social psychology have over the last six decades pointed to and drawn on the similarities between politics and the workings of commercial markets (Lazarsfeld, Berelson et al. 1944; Downs 1957; Kirchheimer 1966; Fiorina 1981; Himmelweit, Humphreys et al. 1981) (see 5.4). Similarly, influential marketing scholars early on argued that all organisations in competitive situations should be seen as involved in marketing, irrespective of whether they are operating within commercial or non-commercial spheres (Kotler and Levy 1969; Kotler and Zaltman 1971; Bagozzi 1975) (see 3.1). Within the field of contemporary political marketing, we find contributors coming out of both disciplines, and Scammell (ibid: 719) goes on to explain:

'Political marketing claims to offer new ways of understanding modern politics. It says that 'political marketing' is increasingly what democratic parties and candidates do to get elected and that this is different from earlier forms of political salesmanship. It claims that marketing is a specific form of economic rationality that offers insights into the strategic options and behaviour of parties. It shares with history a desire to investigate and explain the behaviour of leading political actors, and thus its focus extends from campaigning into the high politics of government and party management. It shares with political science a desire to understand underlying processes, and therefore to create explanatory models of party and voter behaviour. It shares with political communication the key continuing interest in persuasion. Above all, it claims that political marketing is important. *The use of marketing changes the relationships between leaders, parties and voters.* It has consequences for democratic practice and citizen engagement. Its influence cannot be confined to the limits of the formal election campaign periods, nor can it be reduced to the details of appearance, packaging and spin doctoring, the common trivia of much media attention'.   (Emphasis added)

The scope of the new domain is thus seen as broad and all encompassing. Contemporary political marketing scholars attempt to understand the entire sphere of politics as a competitive "marketplace". Much of this work is focused on the analysis of emerging practices and changing political behaviour and remains firmly anchored at a descriptive level (O'Shaughnessy 1990; Bowler and Farrell 1992; Franklin 1995; Kavanagh 1995; Scammell 1995; Jamieson 1996) (see 5.1.1 and 5.1.2), but true to the marketing tradition, a significant part of the literature offers both descriptive conceptualisations and normative strategic theory aimed at practical implementation (Kotler and Kotler 1981; Mauser 1983; Niffenegger 1989; Newman 1994; Henneberg 1997; Kotler and Kotler 1999; Lees-Marshment 2001; Henneberg 2002) (see 5.2 and 5.3). The field is young, though, and still very much in the process of establishing its own boundaries and terminology.

However, in spite of persistent suggestions (coming particularly from European scholars) that politics more than anything else should be seen as resembling a services industry (Harrop 1990; Scammell 1995; Henneberg 1997; O'Shaughnessy 2001; Baines, Brennan et al. 2003), both analytical and theoretical contributions have from the outset mostly been anchored in the managerial school of marketing or what is often referred to as the marketing mix management paradigm (the MMM-model). This strand of thought is by marketing scholars commonly seen as originating in the reality of the 1950s North American market for ordinary manufactured consumer goods (Grönroos 1994; Payne, Christopher et al. 1995; Burton 2001), and is claimed to rest on a view of the "nature" and workings of markets that has much in common with the presuppositions underlying neoclassical economics (Håkanson and Snehota 1989; Bardzil and Johnston 1997)[2].

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[2] The scope of this study will not allow any detailed discussion of such claims, but they seem primarily anchored in the two disciplines' initially shared view of markets as arenas for economic *exchange* – spheres in which property rights over goods are exchanged for money and which are typically seen as characterised by singular transactions and driven by atomistic competition and self-interested rationality (Whitehead 1991; O'Neill 1998). This view was later by

Although frequently met with internal criticism (see 3.3), the MMM-model quickly established itself as the dominant strand of thought within academic marketing and has held its position as such for the better part of four decades (see 3.1). The *exchange perspective* inherent in the framework most importantly presupposes a market situation in which production and consumption are separated in both time and space. It is thus geared to a reality where *no consumer participation* is considered necessary for the product to come into being. The MMM-model sees marketing as being about the distribution and exchange of *prefabricated value* or as a function bridging the gap between production and consumption in markets (see 2.1.2 and 3.2.1).

Although marketing is often equated with this well-known mainstream consumer framework, the discipline has over the last two or three decades also come to comprise other more "industry specific" strands of thought (see 2.1.2 and 4.1). These theoretical frameworks or perspectives are commonly claimed to have emerged due to a (by many scholars) perceived failure of the MMM-model to explain the basic workings of situations such as services and business-to-business markets which are, most importantly, *not* typically seen as being about the exchange of prefabricated value *alone* (Håkanson and Snehota 1989; Christopher, Payne et al. 1991; Gummesson 1999; Grönroos 2000) (see 4.1). In many of these market situations production and consumption are claimed to constitute overlapping (or partially overlapping) processes in which a minimum of customer participation is needed for the service experience to manifest itself or for the industrial good to come into being. In the theoretical description of such situations the focus shifts from exchange and singular transactions (value distribution) to *co-production and interaction* (value creation); the consumer is conceptualised as a co-creator of value instead of a buyer of prefabricated value and marketing is viewed as an integral part of the production process[3]. These fundamental differences in the workings of markets

influential marketing scholars (Kotler and Levy 1969; Kotler and Zaltman 1971; Kotler 1972; Bagozzi 1975) extended to include *all types of exchange* arenas, and marketing in the eyes of these scholars, became a *generic concept* or 'a general function of universal applicability' (Bagozzi 1975: 39). Although marketing was initially viewed as an 'area of applied economics' (Grether 1967: 313), the two disciplines are by no means identical. This is perhaps best exemplified by the fact that mainstream economists often see supply and demand in markets as driven by price alone, whereas in marketing the means of competition were originally conceptualised in terms of 4 P's – product, price, place and promotion (see 3.2.1).

[3] Production and consumption are central notions in both economics and marketing. The former refers to the process of creating value of some sort – the latter, on the other hand – is in traditional economics and conventional marketing commonly associated with the more dubious activity of "destroying" value, or using a product until it has no remaining value left in it (Gummesson 1999). In modern services marketing theory, the notion of consumption takes on a broader and richer meaning (Grönroos 2006: 319-21); here it becomes imbued with the experience of participation and the consumer is consequently seen to "consume" (or enjoy) both the participatory experience and the ultimate outcome of the production process – which could be anything from a new haircut through to a doctoral degree. The extent to which

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appear to have led marketing scholars to increasingly acknowledge the theoretical limitations of a *narrowly defined* exchange perspective outside its original habitat of traditional markets for manufactured goods (Sheth and Parvatiyar 1995). Scholarly attraction to a generic concept of marketing seems consequently to have paled considerably over the last two or three decades and the crucial disciplinary keyword has instead come to be *'context'* (Sheth and Sisodia 1999: 84). The choice of marketing framework is thus something that an increasing number of scholars say should be determined by and appropriated for the "nature" and requirements of the specific industry or market which it aims at describing, or to which it would subsequently be applied in practice (O'Malley and Tynan 1999; Strauss 2005).

It has however taken some time for these insights to move to mainstream marketing (Grönroos 1994; Gummesson 1999; Baker 2002), and perhaps consequently also to travel into contemporary political analysis and theorising. Mostly relying on the MMM-model, contemporary political marketing scholars preoccupied with the development of concepts or theory (see e.g., Lees-Marshment 2001; Wring 2002), seem currently to be struggling with theoretical challenges which are traceable to conceptual misfits between the choice of marketing framework and the systemic "nature" of *some of the contexts* in which the framework is applied (see 1.2). In the search for theoretical "tools" with which to improve our understanding of politics, the political marketing research community appears to be going down a generic path of thought quite similar to that which has long been seriously criticised and which may now perhaps be seen as being in the slow process of abandonment within the marketing discipline itself (Gordon 1998; Gummesson 1999; Grönroos 2000; Kotler 2001; Baker 2002; Christopher, Payne et al. 2002; Levy 2002; Piercy 2002) (see 4.1). Not only do theoretical and conceptual endeavours sometimes seem to rest on naïve or overly enthusiastic equations of political and commercial contexts (Henneberg and O'Shaughnessy 2007), there appears to be a pursuit of concepts that could simultaneously explain the dynamics of "political markets" as distinctly different as the candidate-centred US and party-centred systems based on the workings of strong membership parties. This striving for cross-contextual validity or

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production and consumption can be seen as predominantly separate (marketing as exchange) or overlapping/partially overlapping (marketing as co-production) processes is by influential marketing scholars now commonly considered a key (a posteriori) differentiator between market situations (see 2.1.2, 4.1 and 4.2.1), and I shall later return to discuss how these insights may be relevant to the conceptualisation of party-centred political contexts in terms of "markets" (see 1.2.1, 2.1.2 and 2.1.3).

relevance is an ambition which the contemporary political marketing literature seems to share with traditional economic approaches to politics (see 5.4), and a pronounced example of it on behalf of the new domain can be found in Stephan Henneberg's (2002: 94) following statement:

> '....political marketing has international implications: it is not an isolated phenomenon but occurs with differing intensity in all democratic countries.....Therefore, a concept of political marketing *must include candidate-centred as well as party-centred systems in any existing form.*' (Emphasis added)

## 1.1.3  The Contexts under Consideration – Which and Why

This thesis rests on a critical questioning of the general helpfulness of such a generic way of theorising politics. At this stage of investigation there seems to be fundamental contextual differences between the workings of party-centred and candidate-centred systems and these differences appear to call for differentiated theoretical treatments. While it is acknowledged that political parties of different hues play important roles in the governing of most nations (pure dictatorships aside), it is here argued that when these two types of political systems are viewed in a market/marketing perspective, there appears to be a divide between candidate-centred systems such as the US where political parties – although they do certainly exist and play important roles – do not normally have fee-paying card-carrying members and, most importantly, do *not allow* their 'registered supporters' (where such registration is permitted by state laws) to influence the selection of representatives and the production of policy (Grant 2004:183), and party-centred systems constructed around the workings of strong *membership parties that allow, encourage and facilitate party-members' and associated members' participation in intra-party production processes (i.e., policy formation and the selection of representatives) on the supply side of the "market"*. Such party-centred contexts are often seen as typically exemplified by well established North/West European democracies like Austria, Germany, Italy, the UK, the Netherlands, Switzerland, Belgium and the Scandinavian countries, but membership parties seem also to play important roles in countries such as Japan, New Zealand and Australia (Mair 1990; Scarrow 1996; Dalton and Wattenberg 2000). *These are the types of contexts at the centre of attention in this study*. Many of them are multi-party parliamentary systems characterised by proportional representation and corporatism (so-called 'consensus-democracies' [see Lijphart 1999]), but this study

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will also consider majoritarian systems such as the UK which also exhibit relatively strong and inclusive membership parties that allow their memberships to influence what is ultimately put on offer (policy and representatives) by the party (see 2.1.3 for a more elaborate discussion of the chosen contexts).

In keeping with the distinction that marketing scholars now commonly make between exchange and co-production perspectives in the understanding of different market situations, this study rests on the argument that it is difficult to capture and theoretically accommodate the systemic "natures" of our chosen contexts with the help of conventional marketing perspectives. It is argued that in order to improve our understanding of party-centred systems in terms of "markets" there is a need for an approach to marketing which is capable of accounting for the way in which membership parties allow, encourage and facilitate party members' participation in intra-party production processes – that is, for what at this stage of investigation appears to be *overlapping or partially overlapping "production" (supply-side) and "consumption" (demand-side) processes* (see 1.2.1, 1.2.1.a and 2.1.3)[4]. This represents the starting point of the thesis, but before its underlying research rationale and overall argument is presented in detail, a very brief stop is now made in order to reflect on some of the philosophical and ethical problems connected to the application of market logic to politics in general.

## 1.1.4   Market Models and Politics – Philosophical and Ethical Problems

This path to the construction of political knowledge has for a long time been subjected to serious criticism; many commentators have voiced their concern; critique is directed at the traditional economic models (Renwick Monroe 1991) and contemporary marketing approaches (O'Shaughnessy 2001; Savigny 2004); and objections locate themselves at both conceptual (descriptive and explanatory), practical and philosophical/ethical levels[5].

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[4]This preliminary introduction of the "nature" and characteristics of the contexts under study is followed by a more detailed investigation in this and the next chapter where I offer more nuanced analyses (see 1.2.1., 1.2.1.a and 2.1.3).
[5] Important to note from the start is that even though traditional economic and contemporary marketing approaches to politics both share the desire to describe, explain and predict political behaviour, the latter models differ from the former in that they also harbour ambitions to prescribe – that is, they offer strategic suggestions as to what political actors ought to do in order to win elections (O'Shaughnessy 2001; Savigny 2004). It is, however, the marketing approach to politics which is the centre of attention in this study, and traditional economic approaches (rational-choice

I shall at various points throughout the thesis return to examine and discuss all these aspects in detail (see 1.2.1.a, 1.2.1.b, 2.1, 2.2, 5.1, 5.2, 5.3 and 5.4), but in this brief interlude the focus is on the latter – the philosophical and ethical problems. This is where the market metaphor appears to have created the most pressing concern. Firstly, because politics is about democracy – a precious procedural governing principle that should not have anything to do with the buying and selling processes representing the core activities of markets and, secondly, because the roles and opportunities of citizens are potentially far more wide-ranging and richer than those of consumers – or as Nicholas O'Shaughnessy (1990: 5-6, emphasis added) puts it:

> '... *politics is not a product*, however useful such a conceptualisation is for campaigning purposes, and the consequences of political choice may be deep and lasting in a sense that consumer choice never can be, for they ultimately determine the kind of society we are; to conceive of politics as a product is to invest it with a banality which does a disservice to idealism and to the citizen's kinship with the state'.

Other commentators have voiced similar objections. Arguing against the traditional economic approach, Petracca (1991) for example, says that far from being the value-neutral scientific devices that such models commonly claim to be (Somit and Tanenhaus 1967; Isaak 1981), they carry with them inherent values and conceptions of democracy which make them just as normative as the classical democratic models from which the economic approach to politics (parading under the banner of scientific positivism) initially attempted to separate itself (see 1.2.1.a and 5.4.2). Protagonists of the economic approach are merely adhering to different norms – the norms of the market – and these, it is argued, threaten to impoverish contemporary political life. Laura Scalia (1991: 221) contends that the market approach to politics with its inherent endorsement of self-interest as a legitimate driver of political action is not only promoting more factionalist and adversarial types of democracy, it also contributes to fuel present-day arguments (echoing American 19th century antidemocrats) 'to limit democracy' – because the spread of self-interested political behaviour is perceived to demonstrate that the populace cannot 'be trusted to rule'. Nicholas O'Shaughnessy (2001: 1052), who comments on the ethical and philosophical challenges facing contemporary prescriptive political marketing, cautions against the implementation of 'commercially derived political marketing

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models) are only referred to and discussed to the extent that it is considered necessary to shed light on the overall development of the new domain of political marketing (see also 5.4.1 and 5.4.2).

techniques to win elections' which may in the long term 'undermine the role of active participation in politics today, to the future detriment of those who employ them'.

The way in which the world is theorised could thus affect the way we go about realising it – and indeed our ability to realise it in a way that would include, be considered desirable by the many and ultimately benefit the whole of society. In short, the reductionist view of the world and the nature of mankind inherent in the neoclassical perception of markets and market actors (see 1.2.1.a, 5.4.1 and 5.4.2) is perceived as an encouragement and endorsement of a kind of self-interested political behaviour on the part of both politicians and citizens which is considered counterproductive to the optimal workings of democratic society (Petracca 1991). Such behaviour, it is argued, may lead to a long-term erosion of the democratic ideals which much of the Western world has over the last hundred years or so, subscribed to. The problem connected to all this is that there is no unambiguous agreement as to what should be seen as the optimal workings of democratic societies. The perhaps single most important keyword spinning at the centre of democratic debates, however – is *participation* (Dahl 2000; Scammell and Semetko 2000). How much citizen participation does a well functioning democracy require, how much is realistic to expect of citizens and, last but not least, how much should be considered desirable (see 2.1.1)? This for democratic theory so pivotal notion, is not accorded much pride of place in market conceptualisations of politics, though – be they of economics or marketing origins – perhaps in no small part due to the fact that the neoclassical view of markets (also inspiring the marketing perspective now most commonly applied to politics, see 1.1.2) requires no participation from consumers other than buying. This does not only place significant limitations on the political realities that models anchored in such a view of markets can capably capture and explain, it also contributes to fuel the concern of observers who believe that civic participation in political processes is important to the health and vitality of democracy itself (O'Shaughnessy 1990; 2001).

Taken together, this very brief and preliminary discussion seems already to have fulfilled its main objective, namely, at an early stage of investigation to shed light on the fact that however pervasive, persuasive and influential market models of different guises may be within contemporary political theorising, such approaches carry with them norms and connotations which may impact on the way in which our democratic systems are allowed

to continue developing. The question thus arises; why engage in more conceptual stretching exercises and perhaps contribute to the development of more philosophically questionable and ethically problematic theory? The answer to this question is many-faceted: Firstly, the empirically based contextual insight (that markets may not *all* be driven by the exact *same* dynamics) briefly discussed in the subsection 1.1.2, seems at this stage of investigation to have the potential of contributing something new to the theorising of politics. More specifically, insights pertaining to the overlapping or partially overlapping production and consumption processes that are claimed to characterise services and business-to-business markets appear to open up a theoretical space in which it may be possible to capture and conceptualise party-centred political systems in a way that resonates more closely with how their practical workings are most commonly described by political scientists devoted to the study of such realms (see 2.1.3); this may, in turn, help to distinguish party-centred systems from candidate-centred contexts such as the US at a theoretical level; and thereby also shed some light on the power perspectives at work within these two different types of democracy – all in a way that has so far not been theoretically explored either in the contemporary political marketing literature, or it seems, within political science. Although political scientists preoccupied with the study of political parties commonly do distinguish between these two systemic spheres at an analytical level, this distinction appears so far not to have penetrated to the *level of theory*. This is perhaps in no small part due to the influential position that rational-choice models (which see all markets as basically driven by the same dynamics) have had within this discipline (see 5.4). An opportunity to visualise this distinction theoretically should, it is here argued, therefore merit closer investigation as seen from a political science stance as well. However, even though the study seems to hold theoretical promises worth pursuing, it will no doubt be faced with just as many philosophical and ethical challenges as all previous attempts at conceptualising politics in terms of "markets". It has nevertheless now reached the point where the argument can be presented in full detail.

## 1.2 The Argument

### 1.2.1 Research Rationale

The thesis rests on a critical questioning of the cross-contextual validity claims or ambitions often implicitly (and sometimes explicitly) accompanying theoretical approaches to politics inspired by economics and conventional managerial marketing (see 5.1.1, 5.1.2, 5.2, 5.3 and 5.4). Most importantly, my initial objection to such approaches is constituted in their mother-disciplines'/approaches' shared view of *all* markets as being about some sort of exchange *alone*, and the way in which this presupposition seems to prevent critical discussions of the *contextual* appropriateness of imported theoretical concepts (see 2.1.2 and 2.1.3). The domain of political marketing has received many of its most influential and formative theoretical contributions from scholars working out of an American political reality (Kelley 1956; Kotler and Levy 1969; Kotler 1975; Shama 1976; Kotler and Kotler 1981; Niffenegger 1989; Kotler and Kotler 1999), and these works have drawn entirely on classic market exchange thinking and conventional managerial marketing. This study represents a critique of the way in which the same thinking seems to inspire scholars preoccupied with the conceptualisation of *party-centred contexts based on the workings of strong membership parties* (Lees-Marshment 2001; Wring 2002), and the significant impact it has had on our theoretical understanding of these realms too. The problem is contained in the fact that party-centred contexts seem to differ fundamentally from how the functioning of candidate-centred systems such as the US is commonly described by political science (see below, 2.1.1 and 2.1.3 for further discussions) [6].

As explained in subsection 1.1.2, a key differentiator between markets for manufactured goods and services/business-to-business market settings is now commonly seen as constituted in the extent to which production and consumption processes are separated in time and space (marketing seen as exchange focused on value distribution) or are in effect overlapping or partially overlapping activities involving a minimum of consumer participation in order for the "product" to come into being (marketing seen as co-production focused on value creation). The differences between the candidate-centred US and party-centred systems based on the workings of strong membership parties seem to

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[6] See also Strömbäck (2007) for a critique of the dominance of the American perspective in contemporary political marketing theory.

be located at this fundamental level – most importantly expressed through the extent to which different dimensions of *citizen participation* are in effect allowed, encouraged and facilitated within the systems. If the descriptions of the two contexts provided by political science are *viewed from a marketing angle*, the candidate-centred US appears over time to have been constructed around a model of democracy in which the "production" of *representatives* and *political content* may indeed be seen as *separated* in both time and space from the public, allowing no citizen participation in such processes (White and Davies 1998; Green and Shea 1999; Grant 2004)[7]. The latter systems, on the other hand, seem to be founded on a more participatory view of democracy manifesting itself through the establishment of decentralised and locally autonomous membership parties allowing, encouraging and facilitating potentially broad citizen participation in the production of both political representatives and policy (Mair 1990; Scarrow 1996; Mair 1997; Widfeldt 1999; Scarrow 2000). Viewed from a marketing stance, it would at this early stage of investigation and at this fundamental level, therefore seem possible to argue that the candidate-centred US may be descriptively represented through the use of market models focused on exchange alone, but the fundamental "nature" of these systemic differences appears to call for an *alternative* approach to marketing if our theoretical understanding *of party-centred contexts in terms of "markets"* is to be improved. The research rationale behind this study is firmly anchored in these suspicions or contentions and I shall therefore return to critically examine and discuss the justification of them in much greater detail in the next chapter (see 2.1.2 and 2.1.3).

In the subsections following below it is firstly explained what may be seen as the main problems attached to the theoretical appropriation of market exchange perspectives or managerial marketing to party-centred politics (see 1.2.1.a). Secondly, the study focuses on the *economics origin* of the view of markets held in relationship marketing – a framework which may for now be briefly described as founded on a synthesis of services and business-to-business marketing thinking and which at this early stage of investigation seems to hold promise and merit closer examination with regard to the theoretical conceptualisation of our chosen contexts (see 1.2.1.b). It will later be introduced, critically examined and compared to conventional managerial marketing in greater detail (see 4.0). The *ultimate aim* of these exercises is to find out whether this

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[7] Whether or not this should be considered the optimal model to explain the workings of US politics, is not the core argument addressed in this thesis.

strand of thought exhibits theoretical insights which may aid the construction of an alternative political marketing framework for party-centred politics – one which may be theoretically more accommodating to the inherent "nature" of these complex procedural systems than models founded on a *pure* market exchange philosophy. This overview of the study's research rationale will be rounded off by a brief presentation of some other important reasons for this undertaking (see 1.2.1.c).

## 1.2.1.a  Market Exchange Models and Party-Centred Politics

In addition to viewing markets as featuring a gap between production and consumption, the neoclassical revision of economics[8] – also said to inspire managerial marketing's *basic view of markets* (see 1.1.2) – sees markets as atomistic spheres where supply and demand are driven by competition alone; where information is free and equally accessible for all; and where independent individual organisations and consumers go rationally about their business of maximising profit or utility (self-interest). Following from all this is firstly the view that markets are amoral – but paradoxically enough, and perhaps mostly because neoclassical economics' view of rationality is so short-term – also the observation that in the longer term, markets may be a-rational too (O'Neill 1998). That is, they allow individuals with quite different ends and beliefs about the good to indirectly cooperate with each other; indeed, in classic market exchange situations actors could contribute to the realisation of ends to which they may be inherently opposed. Such "cooperation" occurs without rational dialogue or conversation about those ends – classic market models effectively *dismiss dialogue* – an actor informs others *not* by *voice*, but by *exit* (Hirschman 1970).

Although it will in this study be argued that it is the assumed separated production and consumption processes which seem to create the most pressing problems when classic market exchange thinking or conventional managerial marketing models are applied in the conceptualisation of party-centred politics, neither of the above presuppositions about the "nature" and workings of markets appear to travel confidently into the theorising of such spheres. The marketing research community has, however, for a long time acknowledged that consumers do not always behave rationally (in the classic economic

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[8] A comprehensive account of the neoclassical revision of the economic model, also referred to as the marginalist economic model, can be found in Whitehead (1991: 53-73).

sense of the word) with regard to maximising utility, that information is not free and equally accessible for all and that 'exchanges do not occur in isolation'(Bagozzi 1975: 37). The worldview of conventional managerial marketing seems nevertheless to follow suit with that of neoclassical economics; the focus is on the satisfaction of short-term consumer needs and competition is still seen as the sole driver of action within markets (Ingebrigtsen and Pettersson 1979). Furthermore, 'marketing man' has, due to his assumed ability to acknowledge, understand, prioritise and foresee the long- and short-term social and ecological consequences of his own needs and the choices he makes, been accused of being so super-rational as to make 'imagery economic man appear realistic by comparison' (Arndt 1976, quoted in Ingebrigtsen and Pettersson 1979: 38). Thus, although the study will not dispute that insights typically derived from economics and conventional marketing may arguably be seen as helpful and illuminating in accounting for some of the competitive aspects characterising politics in general, significant theoretical problems seem to emerge at two different levels when such models are applied to party-centred contexts:

Descriptive level:

- The models' focus on *exchange* alone seems to make them unsuitable in accounting for party members' participation in the production of representatives and political content – in effect rendering the simultaneous production and consumption processes so central to the workings of such contexts, theoretically invisible. Consequently they also fall short of enhancing our understanding of such processes in theoretical marketing terms (see 2.1.1 and 2.1.3).

- By the same presupposition, such models seem unhelpful in aiding a nuanced understanding of what "political consumption" may be seen as being about within our spheres. Typically, this notion ends up being equated with "buying" (see e.g., Henneberg 1997: 6) – a conceptualisation which again renders invisible the participative elements potentially inherent in such processes within party-centred contexts (see 2.1.3).

- The models' focus on *competition* as the sole driver of supply and demand in markets tends similarly to render the simultaneously collaborative and competitive behaviour of political parties – exemplified through the coalition building practices claimed to be so characteristic of multi-party-system

contexts – theoretically invisible, and we end up misrepresenting other significant parts of the political process within such spheres (see 2.1.1 and 2.1.3).

- By all the above presuppositions, democratic *legitimacy* and *quality* and these notions' close interrelationship with different dimensions of *participation* within these realms tend to go theoretically unaccounted for (see 2.2.2).

Normative Implications:

- Implemented in practice, such models threaten to distort the participatory and collaborative aspects of these complex procedural systems which may, in turn, *change the "nature" of party-centred "industries"* and drive them in the direction of more minimalist types of democracy (see 2.1.1).

- In failing to invite active participation, or in encouraging passive consumer behaviour, the practical implementation of such models *may* contribute to a further decline in voter turnouts and perhaps also an increasing spread of cynicism within systems which have traditionally produced relatively high levels of conventional political participation (see 2.2.2).

- Last but not least; through all the above, the implementation of such models may threaten democratic legitimacy in terms of the way within party-centred contexts it is typically understood as being inextricably intertwined with electoral turnout (see 2.2.2).

As already indicated, however, this *may not necessarily* mean that *all* market models are theoretically inappropriate or inapplicable to the conceptualisation of party-centred politics.

## 1.2.1.b Production and Consumption in Markets – Hirschman's Contribution

The fact that markets are sometimes more characterised by co-production processes than exchange is an insight which does not appear to originate in the marketing discipline. Upon closer inspection, services and business-to-business marketing scholars seem heavily indebted to the work of the distinguished economist, Albert O. Hirschman (1970) – albeit seldom directly referred to. Hirschman's seminal book is perhaps among the

earliest examples of an economic and political text that draws our attention to the fact that the 'voice option' (the opportunity to voice ones opinions or what he terms the 'political mechanism') is sometimes just as important as the 'exit option' (where discontent is expressed through withdrawal – the classic 'market mechanism') in some market situations (ibid: 18). He links these insights to the workings of *organisations*, introduces voice in conjunction with *loyalty*, and sees the former as a function of the latter – 'the likelihood of voice increases with the degree of loyalty' (ibid: 77). Moreover, he goes on to show how the use of the *exit* option, contrary to in the case of manufactured goods markets, within sophisticated services markets (e.g., membership organisations) leads to further deterioration of the organisation's output[9] – which also contradicts what it is assumed to bring about in neoclassical economic models:

> 'The first condition means that the *quality of a product* is *not invariant* to the number of buyers or to the amount sold. The withdrawal of some members leads to lower quality, hence presumably still lower "demand" from the remaining members and so on – a typical case of unstable equilibrium, and of a cumulative sequence á la Myrdal. The consumer-member is here a *"quality-maker"* rather than, as in perfect competition, a "quality-taker". (Ibid: 99, emphasis added)

This represented a puzzling concept to mainstream economists because of the direction of the relationship between price-making and -taking, and Hirschman explained:

> 'In the usual price-making situation, withdrawal of a buyer (a downward shift in the demand curve) will lead to the price being lowered or, correspondingly, to quality being improved because the price-curve is assumed to be rising. In the present case, on the contrary, withdrawal of the quality-making "buyer" leads to a *quality decline*. The reason is that the "buyer" is now in reality a member and as such he is *involved in both the supply and demand sides, in both production and consumption of the organisation's output*.'
> (Ibid: 100, emphasis added)

These groundbreaking insights – now thoroughly incorporated and further developed in the relationship marketing (services/business-to-business marketing) literature (see 4.1.1) – altered the power perspectives in such markets. The notion of consumer power as it had traditionally been understood was thoroughly expanded. Consumers were no longer restricted to the exit option (the power to *choose*) they now also – in their capacity as co-producers of organisational output – held the power to *change* through the use of voice. The relevance of these insights to this study seems at the current stage of investigation to be twofold: Firstly, a relationship marketing approach to party-centred politics appears to hold promise at a descriptive level in that it opens up a space in which party-members'

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[9] In later chapters (see 6.2.4), we return to examine how (if at all), the problems of output-deterioration which Hirschman claims are connected to the use of the exit option can be conceptualised and seen to manifest themselves at both "market" (electoral politics) and organisational (political party) levels within party-centred systems.

participation in "supply side" activities such as the production of representatives and policy may be accounted for in a way that more closely resonates with practice, and in that it may provide conceptual ideas which could aid the theoretical accommodation of the simultaneously competitive and collaborative behaviour (coalition building) said to be so typical of political parties within our contexts (Budge and Keman 1990; Dalton and Wattenberg 2000) (see 2.1.1). Secondly, the framework's appreciation of the role that *voice* plays in some markets seems at this stage also potentially capable of aiding our understanding of the current *exit* tendencies (plummeting voter turnouts, spreading cynicism, etc.) from political "markets" in a way which could have normative implications for contemporary membership parties. All these contentions will be addressed and critically discussed in greater depth in chapters 6.0 and 7.0.

Taken together, insights based on the relationship marketing tradition may provide theoretical input which could help visualise the aspects of party-centred politics that managerial marketing approaches typically tend to render invisible and may thereby also improve our theoretical understanding of such realms in terms of "markets" – and for this reason, I argue, the framework merits closer theoretical examination.

## 1.2.1.c   Additional Motives underlying the Study

Political marketing is currently rich in empirical data; some inherited from the mother disciplines (political science and marketing) and some generated within the new domain itself. Many scholars have, however, pointed to the need to develop more adequate theoretical models. Jennifer Lees-Marshment (2003: 9), for example, says that:

> 'Where marketing theory is used more broadly, it remains limited because it is used to rigidly. Wring applies all three orientations – although the focus is on communication: on party campaign organisation. However, Wring, like non-profit marketers within management studies, simply transplants the 4Ps of marketing and applies them to politics, rather than seeking to amend the theory or create new theoretical structures. Empirical research is undoubtedly important, but unless *we devise appropriate theory before data collection* we will not know what to collect – and will not obtain a realistic, comprehensive picture of empirical reality. (Emphasis added)

Stephan Henneberg (2002: 94) is in a slightly different way stressing the same point:

> '....it is interesting to notice that there is a clear-cut "division of labour" in publications and research foci in the sense that most political scientists specialise more in descriptive studies – that is, on analyses of marketing activities as shown by political actors.... Marketing scientists, on the other hand, anchor their research more in the normative management theory. Here, the "optimal" use of marketing strategies and

instruments in the political sphere is prescribed.... It remains questionable whether this structure is fruitful for a new interdisciplinary research area. At this point, it suffices to state that *the lack of attention shown for grounding research in the area of the theory of political marketing seems troubling.* (Emphasis in original)

In an earlier contribution Henneberg (1995: 5) contends that there is a crucial need for political marketing concepts to be based '...on both pillars: marketing and political science'. Similarly, Butler and Collins (1996: 32) argue that 'it is necessary for marketing as a discipline to present its insights and analytical perspectives in a 'political-science-user-friendly fashion'. The call for theoretical development seem also to have grown stronger in recent years (Henneberg and O'Shaughnessy 2007; 2009)

The research rationale behind the thesis may thus be seen as threefold: Firstly, it is motivated by the need of a youthful academic field to develop adequate theory. Secondly, it may be seen as inspired by the cross-disciplinary nature of the domain and the need for theoretical contributions which could provide some building blocks towards bridging the gap between marketing and political science approaches – and thus aid the development of some common academic ground and terminology. Most importantly, however, the study is encouraged by an – up to this point – seemingly unacknowledged need for theoretical contributions that are more explicitly adapted or adjusted to specific political contexts. At the time of writing there seems also to be an emerging consciousness in the political marketing research community as to the theoretical limitations of conventional marketing in describing and/or explaining the dynamics of political "markets", and an increasing number of contributors suggest that relationship marketing may exhibit theoretical insights which could contribute to theoretical progress within this new domain (Scammell 1999; Dean and Croft 2001; Dermody and Scullion 2001; O'Shaughnessy 2001; Lilleker and Negrine 2003; Henneberg 2004; Lilleker, Jackson et al. 2006; Henneberg and O'Shaughnessy 2009). This study is indebted to these valuable contributions, although none of them is accompanied by any explicit suggestions as to what kind of democratic contexts the framework may be seen as being best suited to theoretically describe.

## 1.2.2 Main Objectives and Research Questions

The main objective of the study is to *critically investigate the potential theoretical merits of relationship marketing in aiding the construction of a descriptive marketing framework specifically appropriated for the workings of party-centred politics.* In order to set as realistic a contextual scene for this conceptual development as possible, I shall later return to examine and discuss the justification of the preliminary contentions and insights presented and explained in the previous subsection in much greater detail (see 2.0). More specifically, there is a need to:

a. Assess the justification of this study's preliminary contentions concerning the inherent "nature" of party-centred contexts through a more thorough examination of how the workings of such realms are most commonly described by the political science literature (see 2.1.1).

b. Examine the key differences between markets for manufactured goods and services industries in more detail. This is important because a number of political marketing scholars have consistently suggested that politics should be seen as resembling a services industry, and because I have at this stage of investigation drawn the preliminary conclusion that this assertion may to be more valid in the case of party-centred than of candidate-centred systems (see 2.1.2).

c. Undertake a critical and thorough comparison of the candidate-centred US and party-centred contexts in which both organisational change and continuity are assessed in order to see how these two types of political systems fit with the two market perspectives in question (see 2.1.3).

Whether relationship marketing may live up to the theoretical expectations put forth in this introductory chapter will first of all depend on the extent to which the framework may be seen to provide input that enables me to capture and conceptualise the ways in which membership parties allow their members to participate in the production of policy and representatives on the "supply" side of the "market"; the simultaneously collaborative and competitive behaviour typical of these organisations within our systems; and the role of ordinary voters and how all these aspects may be seen as linked to notions such as legitimacy and democratic quality. *Participation* and *collaboration* are

thus pivotal concerns in this study and they will be incorporated in my theoretical endeavours for both descriptive and normative reasons. Firstly, they appear to be among the key features distinguishing party-centred contexts from candidate-centred systems such as the US, and they constitute the parts of the political process which I have argued tend to go unaccounted for when market approaches based on the notions of exchange and competition alone are applied to the theorising of our spheres (see 1.2.1.a). At this stage it would also seem that a theoretical understanding of the participatory and collaborative elements of the equation could open up a richer and more nuanced understanding of democratic concepts such as 'legitimacy' and 'democratic quality' (Dahl 1971; Lijphart 1999; Dahl 2000) in which it is possible to account for the different dimensions of these notions in a contextual light. Secondly, I take the normative view that democratic quality and democratic legitimacy are measures – in different ways often seen as positively correlated with the level of citizen participation encouraged and facilitated within different systemic contexts (see e.g., Lijphart [ibid]) – that any prescriptive political marketing effort should contribute to develop and enhance. This opens up some additional issues in need of examination and clarification:

d. How do various strands of the political science literature deal with the notion of citizen participation and how is this notion commonly seen as connected with concepts such as 'legitimacy' and 'democratic quality'? (see 2.2.2)

Taken together, the thesis is based on the *propositions* that relationship marketing represents a theoretical framework which may allow a more nuanced description and explanation of the relationship between membership parties and citizens within party-centred contexts than the approach now most commonly applied across systemic contexts in the contemporary political marketing literature. The approach may thereby also be better theoretically equipped to address problems associated with the "crisis of parties", such as declining trust, decreasing memberships, etc. (Dalton and Wattenberg 2000). In short, it is proposed that relationship marketing theory may have the potential of advancing political marketing theory within these contexts both *descriptively and normatively* which provides me with the following two interrelated research questions – one primary and one secondary:

1. **In what ways and to what extent, may a relationship (services and business-to-business) marketing approach provide insights that could aid the construction of a descriptive marketing framework which would improve our conceptual understanding of the workings of party-centred political contexts in terms of "markets", and thereby also help to distinguish them theoretically from candidate-centred systems such as the US?**

2. **What kinds of overarching normative implications does a relationship marketing approach have for political parties within such contexts, particularly with regard to:**
   - **The problems currently associated with the "crisis of parties", such as decreasing memberships?**
   - **Problems of increasing cynicism, declining trust, low voter turnouts and the possible threat to democratic legitimacy that such a development may signify in the long-term?**

## 1.2.3 *Scope and General Aims of Research*

The scope of the thesis embraces the party-centred "market" *as a whole*. The interest, therefore in this study focuses on the workings of many of the major actors on both "supply" and "demand" sides of such spheres, including interest groups, the media and citizens in a large number of the capacities in which they may directly or indirectly (as ordinary voters, as party-members, as members of different political or semi-political organisations) influence the political process. The vantage point, however, will be conventional politics and membership parties, and the reason for this is threefold. Firstly, the electoral competition represents the pivot of all democratic systems, and establishing a comprehensive understanding of this primary "political market" must, it is argued here, be seen as a prerequisite for capturing the whole. Secondly, inclusive membership parties are the key actors defining the "nature" of our contexts; they are exclusive (together with the very odd independent candidate) in offering parliamentary or governmental representation to electorates within such systems; and electoral competitions (the primary political "market") are constructed around the workings of these organisations. Finally, as seen from a marketing angle, political parties stand out as prominent objects of study –

understanding markets is commonly seen as inextricably entwined with understanding the organisations working within such spheres. Conceptualising party-centred contexts in terms of "markets" would therefore firstly appear to require the establishment of a comprehensive picture of the behavioural workings of their principal agents. Since their emergence in the early 20th century these organisations have played a pivotal and multi-functional role within our contexts; engaging and involving the electorate in political issues at both local and national levels. They seem, to coin a phrase, to have been "first movers" within such realms; facilitating citizen participation through initiating and providing forums for debate, setting political agendas, producing policy, recruiting and training representatives, mobilising voter turnout, organising elections, building coalitions and establishing government (Budge and Keman 1990; Mair 1997; Dalton and Wattenberg 2000).

The primary aim is to advance conceptual understanding (research question 1): The study examines the possibilities of developing an alternative way of seeing *party-centred contexts* through the use of relationship marketing theory (see 6.0). This theoretical endeavour aims at remedying some of the descriptive shortcomings of the conventional marketing approaches that are also used in the theorising of such political systems. Most importantly, the alternative approach developed in the thesis is intended to:

- Show how intra-party production processes (representatives, policy and voter turnout), and thereby also political consumption processes, can be theoretically captured and conceptualised in a way that is a closer approximation of the political spheres under consideration in this study.
- Account for the simultaneously collaborative and competitive relationships existing between parties, and between parties and other political and semi-political actors in such political "markets", and thereby contribute to lifting other important aspects of the political process into a theoretically more open space.
- Offer an innovative conceptual understanding of how the different dimensions of citizen participation may be seen as being linked to measures such as democratic quality and legitimacy.

Research question 2 represents the thesis' secondary objective. It is included in this endeavour in acknowledgement that marketing is perhaps most often thought of as an applied science where descriptive and analytical exercises are carried out with the aim of developing strategic and tactical prescriptions which can subsequently be implemented in practice. The primary aim of this study is however to advance our theoretical understanding of a particular set of political contexts. It is *outside its scope to* attempt to provide a full-blown prescriptive framework pertaining to how membership parties should go about achieving success within party-centred political "markets". The objective at this level is rather to – at the beginning of the concluding chapter – briefly discuss and elicit some of the *most important or overarching* managerial implications that seem to follow from the conceptual development. Here the focus is on:

- The importance of collaboration as competitive advantage in political "markets" constructed the way party-centred democracies are commonly claimed to be organised or structured.
- The importance of market development and maintenance to sustainable "market" success for all actors involved in conventional party-centred politics.

Before coming to the conceptual development stage of the thesis, this theoretical investigation will move through several important auxiliary stages where the main objective is to furnish the grounds for this work.

A number of important research contributions are expected to follow from the arguments developed in the study:

a) By introducing and attempting to appropriate theory that potentially enables a theoretical distinction to be made between the workings of candidate-centred and party-centred contexts, this thesis is expected to contribute something new – directly and indirectly – to both the political marketing literature and to political science perspectives. It challenges the cross-contextual validity claims often implicitly and sometimes explicitly accompanying both literatures and develops an alternative way of theorising a particular type of political context creating a good foundation for future research.

b) More specifically, this work contributes to the segment of the political marketing literature preoccupied with party-centred politics at the levels of both *descriptive political market theory* and *normative political marketing management theory.*

c) Through conceptualising party-centred systems in terms of "services markets" the study potentially adds to our theoretical understanding of political "production processes", to the different dimensions of the "political product", and to the simultaneously competitive and collaborative workings of such political contexts.

d) At a normative level the study contributes by enlarging the knowledge base of political marketing management through the provision of some overarching strategic insights specifically appropriated for these particular political contexts.

In general, the arguments developed in the thesis are expected to provide a foundation for future empirical research which could begin to corroborate the insights developed here and also inspire further theoretical development.

## 1.3   Research Methodology

### 1.3.1   Starting Point

Since the study is a theoretical endeavour not involving any quantitative or qualitative empirical explorations, it will in essence proceed along an historical trajectory characterised by the following features:

1. **Interdisciplinarity:** I will be relating to four main areas of literature: Political Marketing theory, Managerial Marketing theory, Relationship Marketing theory and Political Science theory. *The aim is to advance a particular part of the first (the part concerned with party-centred politics) through the use of theoretical insights derived mainly from the third, at the same time as the theoretical suggestions will be reconciled to the extent feasible with aspects of basic political science theory relevant to the contexts under study here* (see 1.2.3). Interdisciplinarity will also be maintained through the consultation of other selected aspects of disciplines complementary to the study, such as organisational theory, public relations studies, management studies, economics and democratic theory. The subject under study is a complex theoretical picture which raises questions and poses challenges at a number of levels, not least of all with regard to ontological outlooks and epistemological commitments (see 1.3.2). According to Henneberg (1997: 35), there exists an underlying tension within political marketing resulting from a suspicious attitude on the part of some political science contenders towards marketing scholars closing in on their research domain: 'Often an "imperialistic" attitude of marketing is supposed, similar to that of economics, creeping into the area of political science with the public choice or political economy paradigm'. As pointed out by this author, a research methodology in political marketing will tend to inherit such tensions; the ambiguous perspective and multi-faceted character that the field exhibits, and thus 'needs to acknowledge, integrate and reconcile these characteristics'.

2. **Exploration:** The field of political marketing must still be considered a young research area (Henneberg 1997; Lees-Marshment 2001; O'Shaughnessy 2001; Henneberg 2002). The relative youthfulness of the domain and the need for theory development that this entails, together with the general aims of this research and the

broad spectrum of literature which the study relates to and interacts with, would therefore suggest the choice of an exploratory research outlook (Deshpande 1983; Gummesson 2002).

> 'Exploratory or discovery-oriented research does not claim to answer specific and narrow questions in a well defined research area, it is not a short-range detailed and specialised perspective. Furthermore, it is not as standardised in its proceedings as other approaches and depends very much on the 'idiosyncrasies' of the researcher. Contrary to standardisation, it combines elements of playful imagination, the investigation of new terrain with partly intuitive, partly logical deduction'. (Henneberg 1997: 36)

Most importantly, the exploratory features of the study express themselves through the need to familiarise myself with some aspects of the political science literature. This is a discipline that needed to be explored in order to gain a sufficient understanding of the systemic "nature" and procedural workings of selected political systems; to see how certain economic models have previously been appropriated within politics; and last but not least, to become familiar with the (sometimes highly contested) meanings of constructs such as citizen participation, democratic quality and legitimacy (see 2.1.1)

3. **Interpretation and Reflection:** These two notions represent the core ingredients of my endeavour. Firstly, I interpret and reflect upon the strengths and weaknesses of the market concepts and theories traditionally and currently applied in the field of politics. Aspects of relationship marketing theory are then subsequently subjected to the same interpretative and reflexive examinations with the aim of enabling an assessment of the theoretical strengths and weaknesses exhibited by the suggested alternative framework that is developed in this study (see 1.2). The process of exploration and analysis will therefore be guided by reflexivity and critical thinking (see 1.3.3).

4. **Comparison, Description and Conceptualisation:** The thesis is in essence also a comparative study of theory in relation to selected contexts. I investigate, compare and analyse the descriptive and normative theoretical appropriateness of two different marketing approaches with regard to certain types of political contexts, with the ultimate aim of generating some theoretical concepts which can advance understanding of the workings of those same contexts. The study does not attempt to produce what Glaser (2001: 15) terms genuine sociological conceptualisations

aspiring to "eternal life". The term 'concept' is here understood in philosophical terms as 'a theoretical construct within some theory'[10], and the conceptualisations developed therefore *only aspire to descriptive contextual validity and to normative contextual appropriateness.*

## 1.3.2  Ontology and Epistemology – Challenges and Positioning

In order for a theoretical study of this kind to succeed in contributing to understanding, it needs to be positioned clearly within the sphere of social scientific theory. The interdisciplinary approach adopted here constitutes a challenge in that although different communities typically see themselves as being preoccupied with the gathering and/or construction of knowledge, what does and does not constitute warranted social scientific knowledge is – more often than not – highly contested (Moser 1989; Huemer and Audi 2002). As my study draws upon several knowledge bases, it is important to keep a particularly clear head with regard to both ontological outlooks and epistemological commitments in the comparison of arguments emerging from different disciplines and strands of thought. Marketing and management studies may encompass the entire spectrum (positivism, conventionalism, postmodernism, critical theory, pragmatism and critical realism) (see Fig. 1a below) of ontological and epistemological approaches to the world of knowledge (Johnson and Duberley 2000). In addition to these, account must in this investigation be taken of some of the vantage points most common within political science which also traverse a broad spectrum in this regard (Grant 2004; Moon 2004; Shapiro 2004).

According to Johnson and Duberley (ibid: 4), the challenges are increased by the problem of circularity that tends to haunt epistemology in that any theory of knowledge presupposes knowledge of the conditions under which knowledge is gained which, in turn, prevents 'any grounding of epistemology in what purports to be scientific knowledge – psychological or otherwise – because one cannot use science to ground the legitimacy of science'. These scholars, however, go on to argue that:

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[10] See Collins English Dictionary, 2000, Glasgow: HarperCollins

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'...there are a variety of different epistemological positions which legitimize their own distinctive ways of engaging with management and doing management research. So the aim of management researchers should be that they maintain consistency with regard to the epistemological assumptions they do deploy – something which would be enhanced by them being more aware of, and indeed more critical of, the substance, origins and ramifications of those assumptions. (Ibid: 177)

Fig. 1a: 'Reflexivity and management research' (Johnson and Duberley 2000: 180)
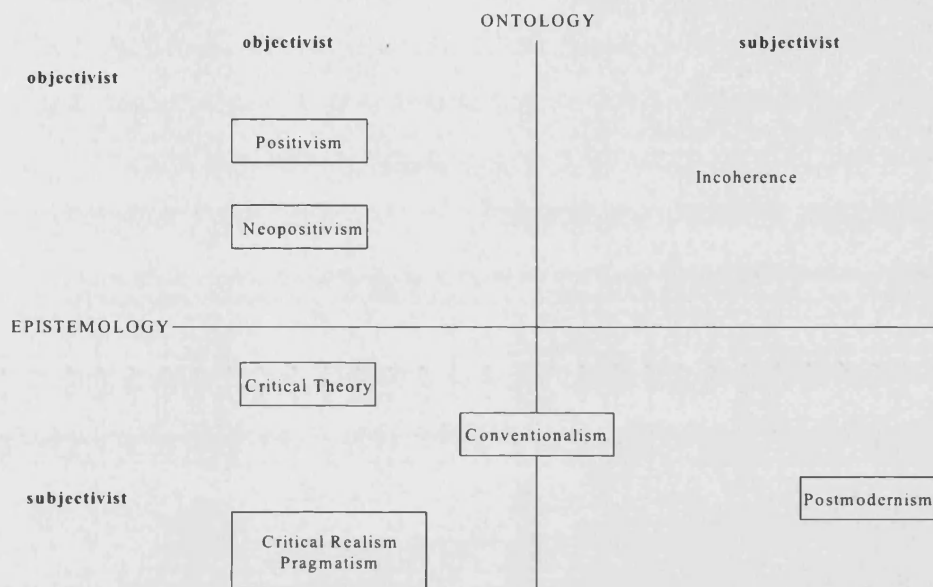


This thesis positions itself meta-theoretically somewhere down in the south-west quadrant of Fig .1a (see above), where it, following both critical theorists such as Habermas (1974) and pragmatic-critical realists such as Bhaskar (1978; 1986), Margolis (1986) and Zolo (1990), assumes an objectivist ontological and subjectivist epistemological stance. Although critical theory and pragmatic critical realism differ in the ways in which they uphold and justify their objectivist ontological stances, differences, according to Johnson and Duberley (2000: 187), seem to be of 'emphasis rather than irresolvable dispute'. In the attempt to explore and interpret different marketing theories with the aim of creating a framework which can describe and conceptualise party-centred politics in a way that resonates more closely with practice, the study will, following Margolis (1986: 283), who argues that 'the structures of the world do not depend upon the cognitive structures of human investigators', and Bhaskar (1989: 3), who claims that 'the world is reproduced and transformed in daily life', build on the assumption that there *is* such a thing as an independent reality. Although society according to this stance does not exist independently of human action, and although there

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is perhaps no theory-neutral language – the thesis represents a rejection of the relativist view of reality as merely the product of a socially constructed language game (Harvey 1989; Best and Kellner 1991).

For Habermas (1974: 9) there also exists an independent reality, although this externality only becomes knowable to people through the action and mediation of our 'anthropologically deep seated interests'. These interests and values 'determine the aspects under which reality is objectified and can thus be made accessible to experience to begin with'. Habermas' core argument (resting on the ideal speech situation) that knowledge cannot and should not be the outcome of privileged access and dissemination by the authoritative few, but must be the outcome of unconstrained public debate and agreement, connects with this study's concern about inclusion/exclusion of citizens in political production processes (see 1.2). However, in the acknowledgement that asymmetrical operation of power tends to systematically distort communication, this argument or stance is here only regarded as a regulative ideal. This ideal may it seems nevertheless represent valuable input to my discussions, partly because it appears similar to the participatory ethos which has traditionally inspired party-centred democracies (Saward 2000), and partly because it connects with the notion of co-production and inclusion underlying Hirshman's (1970) ideas and relationship marketing thinking on the production of output and quality (see 1.2.1.b).

A key concern of this study – where different approaches to markets and marketing (sometimes claimed to constitute different paradigms) are discussed and compared – is to avoid getting trapped in the underlying relativism exhibited by Kuhn's (1970) incommensurability thesis. According to Kuhn a paradigm cannot be compared or criticised from the standpoint of an alternative paradigm, because;

> '...the proponents of competing paradigms practice their trades in different worlds. [.] Practicing in different worlds, the two groups of scientists see different things when they look from the same point in the same direction'. (Ibid: 150)

According to Keat and Urry (1982: 60), the subjectivist ontological implications of Kuhn's incommensurability thesis means that 'theories are determinative of what is real, and when they change in a fundamental way, we are not faced with a different conception of the same world, but a different world'. Following Bhaskar and other

critical realists, this study attempts to avoid this relativist trap by assuming that even though knowledge may to some extent always be socially constructed, there are still social structures around us which pre-exist us and which intervene and impose pragmatic limits upon our discursive analyses. Although this reality, according to pragmatic-critical realists, must always be open to question, our ability to undertake practical successful actions implies that we can test their practical applicability and adequacy against this 'mind-independent spatio-temporal' reality (Johnson and Duberley, ibid: 187). However, since 'epistemic relativism' does not entail 'judgemental relativism' (Bhaskar 1978: 249), assuming an objectivist ontology and a subjectivist epistemology seems to provide a valid position from which to assess the descriptive and normative validity or applicability of selected economics and marketing theories as they may be currently appropriated in party-centred politics.

### 1.3.3   A Reflexive Method for a Theoretical Study

Johnson and Duberley (2000: 178) distinguish between two types of reflexivity: Firstly, 'methodological reflexivity', 'where the aim is to improve research practice through the facilitation of a more accurate representation of reality via the eradication of methodological lapses', and secondly, 'epistemic reflexivity', seen as represented in 'systematic attempts to relate research outcomes to the knowledge-constraining and knowledge-constituting impact of the researchers own beliefs'. According to Alvesson and Skölberg (2000), there are basically four levels of interpretation involved in truly reflexive research (see Table 1.1).

Table 1.1  *Levels of Interpretation*

| Aspect/Level | Focus |
| --- | --- |
| Interaction with empirical material and | Accounts in interviews, observations of situations |
| | other empirical materials |
| Interpretation | Underlying meanings |
| Critical Interpretation | Ideology, power, social reproduction |
| Reflection on text production and language use | Own textual claims to authority, selectivity of voices represented in the text. |

Adapted from Alvesson and Sköldberg (2000: 250)

What the authors in the table term 'interaction with empirical material' is in this purely theoretical study represented in my interaction with various types of secondary data exemplified through existing research pertaining to the questions raised and contentions made, together with all the theoretical texts that I shall be relating to. Alvesson and Sköldberg (ibid: 249) claim that reflexivity arises when 'the different elements or levels are played off against each other' and four abilities appear to be of central importance: 'creativity in the sense of ability to see various aspects; theoretical sophistication; theoretical breath and variation; and ability to reflect at the metatheoretical level'. Pursuing such a reflexive route seems to represent a suitable methodological approach in the case of this theoretical study.

Following from the above there appears to be recognition that in order for research to be truly reflexive, 'some form of metatheoretical examination of the presuppositions which researchers have internalized and will inevitably deploy' is needed. Research cannot be carried out 'in some intellectual space which is autonomous from the researcher's own biography' (Johnson and Duberley 2000: 179). To Johnson and Duberley the use of meta-theories entails:

> '...the systematic analysis of the overarching structures of thought within a substantive domain so as to specify the conditions under which particular theoretical perspectives are deemed appropriate'.   (Ibid: 77)

This is what this study seeks to do. Following critical theory and pragmatic-critical realism it eschews the hyper-reflexivity of some postmodernists while simultaneously acknowledging that epistemic reflexivity cannot enable any form of neutral self-evaluation. It is recognised that there will always be more than one valid account of any research (Ashmore 1989). This acknowledgement will not, however, prevent an analysis which implies some value or validity judgements. The study's meta-theoretical approach is instead aimed at aiding the recognition that my knowing selection of one knowledge system as opposed to an alternative is 'a question of ethical priority' (Johnson and Duberley 2000: 188). According to Holland (1999), such an approach to research represents the highest level of reflexive analysis, and must be seen as;

> 'not so much a fixed location as a *method* of evaluating existing systems of knowledge, tied in as they are to sectional interests and constellations of power. It invites re-entry into the epistemological and sectional complexities of our human conditions *to intervene, 'knowingly' according to our ethical priorities'.*
> (Ibid: 476, emphasis added)

Such a methodological approach to a theoretical study should therefore both help to maintain reflexivity, whilst at the same time allow room to make judgements with regard to existing theory and the suggested alternatives.

Although the ultimate value of meta-theories is most often seen as represented by their demonstrated ability to stimulate more reflexive research, Alvesson and Sköldberg (2000: 253, 254) add that the use of meta-theory does not only encourage reflection, it also 'promotes creativity'.

> 'The trick, then, is to control theories (interpretive possibilities), without letting them control you. One remedy is to become familiar with alternative theories which should not be too similar (such as several variants of psycho-analysis), plus a portion of metatheoretical reflection. The study of creative processes has shown that innovative thinking is often triggered by the fusion of seemingly disparate phenomena [Koestler 1964). Hence it is important to be acquainted with material from several essentially different fields. This is *one* strategy for creativity'. (Ibid: 251, emphasis in original)

The interdisciplinary characteristics of this study should thus hold the promise of providing input to a creative process that ultimately is expected to enable the theoretical development which is the aim of this study. My methodological approach is resting heavily on the suggestions put forth by Alvesson and Skölberg (ibid). These authors see social science research not as a genuinely rational project, but more as a 'provisionally rational project, in which the kernel of rationality is a question of reflection rather than procedure' (ibid: 288). They consequently go on to argue that the value and decisive quality of research lies not in how well its technical components are managed, rather:

> 'What primarily determines its value is the awareness of the various interpretive dimensions at several different levels, and the ability to handle these reflexively. Good qualitative research is not a technical project; it is an intellectual one'. (Ibid: 288)

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*1.3.4   The Choice of Contextual Focus and the Selection of Relevant Literature*

The processes of exploration, interpretation, reflection, comparison, description and conceptualisation that make up this study – in line with the insights emerging from these methodological subsections – will *not* follow a *predefined procedural trajectory.* Decisions pertaining to which literatures to examine; which problems to address, focus on and discuss; which arguments to include and which to exclude, etc. have primarily been bound by the scope of the research questions and by the arguments underpinning the research rationale, namely:

a) The suggestion that the workings of party-centred political systems that are constructed around the workings of strong and inclusive membership parties differ fundamentally from the way in which systems such as the US is commonly said to function (see 2.1.3).

b) The claim that these differences have yet to be accounted for at the level of theory – both in the contemporary political marketing literature and, it seems, within political science – and the suggestion that it would be a valuable contribution to the general understanding of politics if they were.

c) The argument that there exists a marketing framework which *may* yield insights that could prove helpful in conceptualising the latter spheres in terms of "services markets", something which would also help to distinguish them theoretically from candidate-centred spheres such as the US.

An important caveat should at this point be added: Although the thesis may present itself as exclusively anchored in a dichotomy between party-centred and candidate-centred political systems, I suggest that it is better understood as *a dichotomy between two behavioural and organisational approaches,* when there are many overlaps in practice. The distinction between candidate-centred and party-centred political contexts is however one which is commonly made by political scientists devoted to the study of different democratic systems (see 2.1.3), and in what appear to be their most typical and established manifestations, these two overarching types of democratic systems seemed from an early stage of investigation to represent good respective fits with the two behavioural/organisational market/marketing approaches under examination in this study.

It is therefore considered useful to hold on to this commonly used – by many political science scholars – contextual distinction (see 2.1.3.c for further elaborations).

The selection of literatures and authors to work with has throughout this process been guided by two main criteria: a) The extent to which contributors appear to be *influential* within the relevant areas of research, and b) The extent to which their ideas, concepts or findings are deemed *relevant* and as *exhibiting the potential to illuminate or cast helpful theoretical light* on the issues at hand in this thesis. The study is therefore equally heavily indebted to the works of a number of political scientists devoted to both the study of political parties in general and to party-centred contexts in particular, as it is to a number of marketing scholars working within the fields of mainstream conventional marketing and services/ business-to-business marketing. Last but not least, the study relies on the contributions of a significant number of political scientists and marketing scholars preoccupied within the "new" field of political marketing. The selection process started out with a very wide reading within the relevant fields of research and may be described as "organic" in style. Following Alvesson and Sköldberg (2000), this approach to the research is intended to encourage a process yielding equal portions of cautious critical reflection and bold creativity (see Fig. 1b).

Fig. 1b: Elements of the Research Methodology



| Character of Study: | Meta-Teoretical Position: | Research Method: | |
| --- | --- | --- | --- |
| •Theoretical<br>•Interdisciplinary<br>•Exploratory<br>•Comparative | •Objectivist Ontology and •Subjectivist Epistemology | •Interpretive<br>•Reflexive<br>•Creative | RESEARCH PROCESS |
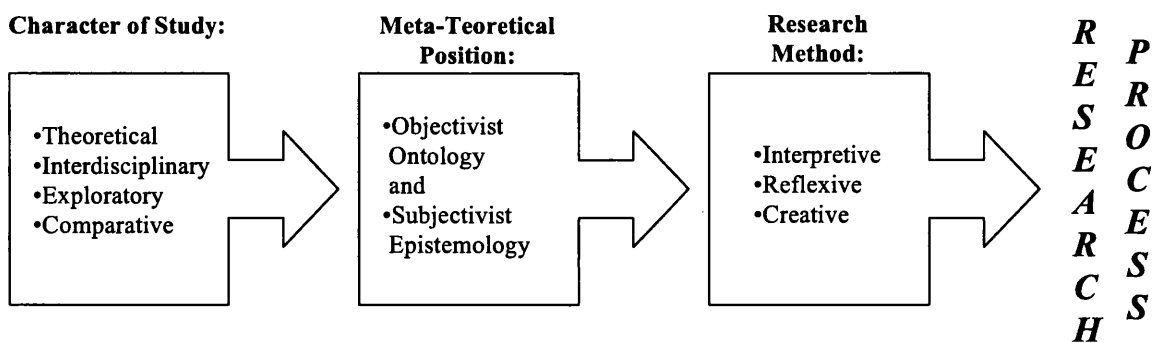
## 1.3.5 Risks and Opportunities

No theory represents a perfect fit with reality, and addressing a complex problematic such as the political process by importing theoretical concepts from a different academic realm is not an unproblematic exercise. Interdisciplinary strengths can also represent weaknesses if imported theories are weaker, incomplete versions of those that exist in the host discipline, or are inappropriately used. Murray, Evers et al. (1995) suggest that indiscriminate and opportunistic use of borrowed theories can be counter-productive by misleading researchers in their attempt to understand the phenomenon of interest. Halbert (1965) claims that it is seldom the case that a completely adequate theoretical structure in one area is directly applicable in another. Contemporary political marketing scholars preoccupied with the conceptualisation of party-centred politics seem at this stage of investigation in no small degree to have been struggling with such problems at a conceptual level and, if not critically and reflexively undertaken, this theoretical endeavour could become entangled in similar dilemmas. I should also be prepared to struggle with the philosophical and ethical problems that market models in general tend to bring with them into the theorising of politics, if not in the same way as traditional economic and conventional marketing approaches, then certainly this study's "own versions" of them – for facts appear to remain; politics *is* not market and citizens *are* not just consumers.

Moreover, theoretical approaches to politics inspired by economics and managerial marketing have traditionally tended to bring with them implicit cross-contextual validity claims or ambitions (see 1.2.1), and there are to my knowledge few (if any) critical discussions or ongoing debates concerning the *contextual appropriateness* of imported theoretical concepts within the new domain of political marketing. There may thus be a certain risk that this attempt to appropriate relationship marketing for party-centred politics could be perceived as evidence of the framework's generic theoretical properties and thus indirectly invite cross-contextual application to politics. Relationship marketing has within its own discipline frequently been hailed as the new "be-all and end-all" of marketing and has according to some scholars sometimes been subjected to considerable theoretical and contextual overstretch (Barnes 1994; O'Malley and Tynan 2000). It seems therefore important to make clear that this study is aimed at the conceptualisation of

party-centred politics alone. No claims are made with respect to cross-contextual applicability (see 2.0).

It is however argued – and through a critical and detailed investigation also demonstrated – that relationship marketing does present some theoretical insights that seem to merit closer investigation with regard to the conceptualisation of party-centred contexts (see 1.2.1.b and 2.1.3). The most promising feature of the framework at the outset is that it appears to provide a theoretical starting point that may potentially be modified and appropriated in ways that allow a conception of these realms in terms of "markets", without threatening to reduce political organisations such as parties into bleak resemblances of their commercial counterparts, and without distorting the simultaneously collaborative and competitive "nature" of the contexts in which it is applied. In short, its view of services and business-to-business markets as characterised more by co-production than exchange and its view of market actors as facilitators of co-production (see 2.1.2), seems potentially to open up a route towards a way of viewing political parties and politics in terms of "markets" that appears to be more in line with the participatory philosophy commonly seen to have guided the development and practices of our chosen realms (Saward 2001). Most importantly, these insights may provide a set of theoretical underpinnings which may help to distinguish party-centred politics from candidate-centred systems in a way that has previously been missing from both the political science and political marketing literatures – in this respect, it holds the potential of filling a theoretical gap.

## 1.4    Chapter Structure

1. In the next chapter (2.0) I proceed to undertake a contextual examination in which I attempt to justify the initial arguments put forth in this introductory chapter. The conclusions will constitute the foundation for the establishment of some important working definitions which will, in turn, guide the remaining theoretical endeavour with the aim of keeping the study on track to achieve the objectives set out in this chapter.

2. The two following chapters (3.0 and 4.0) comprise reviews, critical examinations and a subsequent comparison of the two marketing frameworks in question – the managerial school of marketing and relationship marketing. The discussions and analyses are limited to the frameworks' origins and development, underlying assumptions and key theoretical concepts. The aim is to establish an overarching understanding of the descriptive and normative strengths and weaknesses that these theoretical approaches are most commonly claimed to exhibit within their original habitats.

3. Chapter 5.0 offers a review and a critique of key strands of the contemporary political marketing literature. The investigation starts by considering the way in which many political scientists (and some academic marketers) have utilised conventional marketing theory in the description and analysis of the political trends, phenomena and practices which are commonly claimed to have been emerging over the last two or three decades (5.2). These contributions are not for the most part preoccupied with theoretical development, but have – particularly through the provision of important analyses and large amounts of data – contributed significantly to the development of political marketing as a distinctive field of academic enquiry. In section 5.2 I proceed to critically examine some key examples that in a comprehensive way illustrate some of the most important shortcomings of managerial marketing theory as currently utilised in the development of both descriptive conceptualisations and normative strategic prescriptions for politics. After this, I consider a couple of recent attempts at remedying some of these shortcomings through the utilisation of relationship marketing theory for the same purposes (5.3). Section 5.4 briefly revisits some

influential and oft-cited economics approaches to politics in order to see how and to what extent contemporary political marketing is related to these early attempts at theorising politics in terms of markets. These accounts provide an important historical and theoretical backdrop against which the subsequent development of the field can be understood. The chapter draws to a close with a critical assessment of the strengths and weaknesses of the managerial way of conceptualising the political process in general and party-centred contexts in particular (5.5).

4. The foregoing is then in the next chapter (6.0) utilised in a creative investigation of whether, how and to what extent a relationship marketing approach may provide insights that could aid the construction of a descriptive marketing framework that would improve our overall theoretical understanding of the workings of party-centred political contexts in terms of "markets", and thereby also help to distinguish these political spheres from candidate-centred systems such as the US (research question 1).

5. The concluding chapter (7.0) starts out by addressing the second research question (7.1) – that is, I provide a brief discussion of the most important or overarching managerial implications following from the conceptual development which has been at the centre of attention in this project. The subsequent and last subsection (7.2) draws together all the findings, provides a discussion of the contributions and limitations of the study, offers some suggestions with regard to further research and briefly discusses some of the theoretical and empirical challenges that might face this inter-disciplinary field of academic enquiry in the future.

## 2.0    THE CONTEXT AND SOME INITIAL CLARIFICATIONS

The aim of this chapter is to put the argument and theoretical endeavours of the thesis properly into context at the same time as I make my democratic preferences and value stance clear to the reader. It therefore justifies its existence both through reference to the now commonly acknowledged importance of contextual validity within the marketing discipline and through the need for methodological reflexivity. In the first section (2.1), I embark on the investigative process foreshadowed in the first three bullet points of subsection 1.2.2 in the previous chapter:

  a.   Assess the justification of this study's preliminary contentions concerning the inherent "nature" of party-centred contexts through a more thorough examination of how the workings of such realms are most commonly described by the political science literature (see 2.1.1).
  b.   Examine the key differences between markets for manufactured goods and services industries in more detail. This is important because a number of political marketing scholars have consistently suggested that politics should be seen as resembling a services industry, and because I have at this stage of investigation drawn the preliminary conclusion that this assertion may to be more valid in the case of party-centred than of candidate-centred systems (see 2.1.2).
  c.   Undertake a critical and thorough comparison of the candidate-centred US and party-centred contexts in which both organisational change and continuity are assessed in order to see how these two types of political systems fit with the two market perspectives in question (see 2.1.3).

Contextual issues such as these have so far infrequently, if ever, been explicitly addressed and discussed for the purpose of theoretical development in the contemporary political marketing literature. An overarching, if limited, understanding of the underlying philosophies, systemic structures and main drivers of action within the two contexts under study here seems however important in order to discuss and explain why it is suggested that relationship marketing may represent a more constructive approach to the conceptualisation of party-centred systems than the one now most commonly applied. Since this study constitutes a further attempt at understanding politics in terms of "market", this initial investigation will be supplemented by a brief examination of aspects of what might be seen as two "neighbouring industries" to conventional politics – namely the workings of interest groups of different guises and the media (see 2.1.4 and 2.1.5). These two sectors of civil society are important because they are commonly seen to influence conventional politics in a variety of ways and because conceptualising a political sphere in terms of market would make very little sense if it did not include as many of the significant actors in the arena as is feasible.

The subsequent section (2.2) proceeds to address some key questions and concepts important to both the examination of contemporary political marketing theory and to the theoretical endeavour that is central to this study. Firstly, I address an important issue which has been little discussed in the contemporary political marketing literature, namely the question of what we need marketing for in politics; i.e. what are we out to achieve when we apply marketing models in the theorising and practical conduct of politics (see 2.2.1)? It seems important to at an early stage discuss and resolve a position on what seems to be (descriptive level), and what I will suggest ought to be (normative level) the goals and objectives of political marketing within my chosen contexts. From this point I proceed to address the remaining question put forth in subsection 1.2.2:

> d.  How do various strands of the political science literature deal with the notion of citizen participation and how is this notion commonly seen as connected with concepts such as 'legitimacy' and 'democratic quality'? (see 2.2.2)

Most importantly, the aim is to gain knowledge about how these measures are commonly understood within influential strands of work within their own mother discipline, but I will also be interested in whether the selected strands of the relationship marketing literature may be discussing related or similar concepts; and if so, what kinds of differences or similarities there may be between the respective disciplines' typical understanding of them. Establishing an overarching picture of how the contexts under investigation here are typically understood on their own terms and conditions appears particularly important to a study such as this where theoretical insights are imported from one academic context in order to advance the understanding of another. Subsections 2.1.1, 2.1.3 and 2.2.2 of this chapter are therefore heavily indebted to the work of a selection of key political scientists who have written extensively on party-centred politics and democratic theory. The chapter is drawn to a close by a brief summary in which the argument is put into context (2.3).

## 2.1 Party-Centred Contexts

### 2.1.1 The "Nature" of the "Industry"

#### 2.1.1.a Normative Democratic Theory

The concept of democracy is frequently said to be fiercely contested and democratic theory as an academic field ranges across a broad spectrum of approaches (Gallie 1956; Lundström 2004). Debate and contestation, notwithstanding, political scientists appear to agree that there are two overarching and competing strands of thought to which the rest may to varying extents be seen as related – namely that of the *participationists* (or classicists) and that of the *elitists* (or revisionists) (Widfeldt 1999; Lundström 2004)[11]. Both strands of thought seem to accept the conception of democracy as some form of majority rule; the key distinguishing feature between them appears to manifest itself in *the degree* to which citizen participation is considered desirable and necessary for a well functioning democracy, and indeed, what a well functioning democracy should be seen as being about.

Participationists[12], based on the assumption that citizens are fully capable of being educated and increasing their own knowledge of politics, typically view participation as a goal in itself. It is seen as educative activities fostering human development, enhancing political efficacy, contributing to the formation of an active and knowledgeable citizenry and, last but not least; the inclusion of free and equal citizens in political opinion- and will-formation processes. This contributes, it is argued, to enhanced democratic legitimacy (Scammell and Semetko 2000). There are however considerable differences in the ways in which citizen participation in political processes is seen as best promoted: C. B. Macpherson (1977) and Carole Pateman (1970) for example, argue in favour of more inclusive and participation-oriented political parties and focus on the importance of community-based direct democracy at local and workplace levels. Deliberative theorists such as Habermas (1974) emphasise the importance of recovering the public realm so that rational consensus-oriented public (unmediated face-to-face) communication and dialogue between free and equal citizens can come about in a productive way. For

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[11] The division into elitists and participationists represents a very rough way of classifying democratic theory. There are often considerable internal differences between the various approaches within each strand of thought and there are many hybrid approaches drawing philosophical and ideological elements from both (Lundström 2004). The distinction seems, however, quite frequently used in order to "tidy" the theoretical terrain and make it more accessible (Lively 1975), and for the purpose of this brief contextual analysis it seems both helpful and theoretically sufficient.

[12] See Held (1995) for a comprehensive account of this broad ranging strand of thought.

participationists democratic legitimacy and a well functioning democracy follows not only from electoral participation, but is just as dependent on (for deliberative theorists – more) the extent to which citizens are encouraged and allowed to participate in all sorts of political and semi-political forums at local levels. Such participation, some scholars argue, will inevitably and in positive ways feed into national politics and make it more legitimate (Scammell 2000)[13].

Elitist models of democracy (frequently referred to as "realistic" democratic theory or the "market model" of democracy) seem by contrast founded on a much more pessimistic view of the intellectual and moral capacities of citizens in general (see 5.4.1). Schumpeter (1943) – often referred to as the founding father of this strand of thought[14] – believed classical participatory democracy to be both dangerous and unrealistic; citizens, he argued, were uneducated, ignorant and uninterested and could for these reasons not be considered capable of taking part in any serious political decision-making processes. Schumpeter claimed that democracy should be seen as a method for 'arriving at political decisions in which individuals acquire power to decide by means of a competitive struggle for the people's votes' (ibid: 269). Citizen participation is in his view still important, but is not considered necessary beyond the vote; democratic legitimacy is ensured by mass participation in periodic elections in which leaders are selected or rejected. A well functioning democracy is in this perspective one which provides stability and facilitates efficiency through allowing leaders room for manoeuvre; the importance of leadership is perhaps the most central tenet in Schumpeter's thinking. Following from this is also the view that a certain degree of "political apathy" on the part of citizens may not be critical for a democratic society – it could instead be seen as positive in that it indirectly contributes to both stability and efficiency because citizens with little knowledge and understanding of politics stay out of "the game" (Lewin 1970).

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[13] Participationists (particularly the deliberative wing of this strand of thought) often tie themselves to ideas of direct democracy. There are, however, few concrete suggestions as to what kind of forums would actually facilitate genuine participation and provide the conditions needed for rational consensus-oriented deliberation; who is to do the deliberating; and perhaps most importantly, how the outcome of such deliberation would be brought to bear on conventional representative politics. Ideas of deliberative democracy are therefore sometimes dismissed as utopian and unworkable by their critics (Saward 2000). Budge (1996) acknowledges this problem and solves it by suggesting that any serious vision of direct democracy must be seen as part of a larger democratic system in which political parties constitute the most important forums for political deliberation.

[14] Allthough Schumpeter is often referred to by political scientists as the founding father of democratic elitism, it seems clear that in addition to introducing market logic into political theorising, he also draws political and philosophical ideas from a number of older sources such as e.g., Plato, Hobbes, Rousseau and Mill (see 5.4.1 for a more elaborate discussion on the work of this contributor).

By what seems to be common consent, established party-centred democracies based on the workings of strong membership parties represent the most prominent and widespread form of participatory democracy currently existing; at least in terms of how such systems are described by political science and are generally supposed to work (Panebianco 1988; Budge and Keman 1990) (see 1.1.2 and 2.1.3). Modern democracies remain, however, primarily representative and some scholars argue that representative democracy has always been somewhat elitist – irrespective of underlying democratic philosophies; according to Manin, Przeworski, et al. (1997) there are just different principles of representation at work. Leaders of membership parties, for example, are commonly said always to have had an upper hand over the rank-and-file and the party apparatus (Meyer 2002). Furthermore, many of our chosen contexts are based on proportional representation (e.g., Italy, Sweden, Denmark, Finland, Belgium, Switzerland, Germany, Norway and several others) which in practice entails that majorities can often only be formed through coalition building which sometimes takes place after elections in processes involving party elites only (Lijphart 1999). Swedish political scientist, Leif Lewin (1970), acknowledges all this but does not see any necessary incompatibility between representative democracy guided by elites and high levels of citizen participation. He argues that it is inevitable that final decisions are taken by elites because at some stage they need to be authoritative; however, in order to develop and maintain a vibrant democratic society such decisions should be founded on deliberative processes in which citizens are allowed and encouraged to participate. In this study Lewin synthesised these two models of democracy (the elitist and participationist) into an alternative but equally normative model which he termed 'interactive democracy' (ibid: 220-247, see Fig. 2a below).

The systemic goal of interactive democracy is constituted in 'the development of public spirit' and this Lewin (1980: 18) sees as achieved through the means of citizen participation in political decision-making processes – 'it is thus impossible to lower the demand for participation without simultaneously reducing the possibility of success' with regard to achieving the systemic goal. Mass participation he sees as facilitated through the 'intervening structures' of political parties (Lewin 1970: 224). Parliamentary and government decision are still made by elites, but party members take active part in both the "production" of these elites through intra-party election processes and in the production of the policy programmes which at an overarching level guide their actions.

Fig. 2a:   'Interactive Democracy' (Lewin 1970: 227)[15]

*Normative*
*Level of Analysis*

Systemic
Goal

*Functional*
*Level of Analysis*

Decisions

CONSENSUS
BUILDING

AUTHORITATIVE
EXECUTION

The Elite

OPINION
FORMATION

The Masses

INPUT

*Descriptive*
*Level of Analysis*

The Behaviour
of Individuals
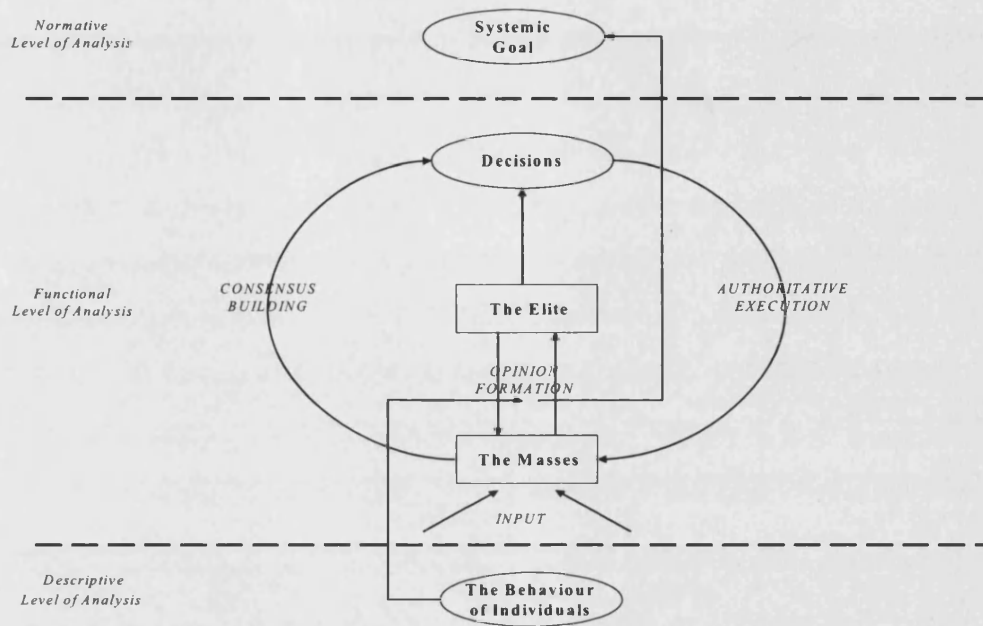
Elites are however not supposed to passively represent the opinions of citizens and party members, but should instead be seen as actively seeking to influence the opinions of the masses – we are thus talking about ongoing interactive processes of deliberation. For Lewin citizen participation is a question of improving democratic legitimacy through enhancing the representativeness of elites. His thinking appears to have a lot in common with the educative ideas of participationists such as Pateman (1970) and Macpherson (1977) and the communicative ideals advocated by Habermas (1974). He also sees participation in the decision-making processes within interest groups, social movements and at the workplace as something that potentially enhances citizens' feeling of political responsibility and efficacy, which in turn seems to make his ideas compatible with community-oriented participationists such as Amitai Etzioni (1968; 1993). What is most interesting with the model, however, is the fact that it at the same time accommodates Schumpeter's central concern about leadership and the need for elites to have room for manoeuvre when in parliamentary or government positions.

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[15] Unfortunately Lewin's book from 1970 'Folket och Eliterna' [The People and the Elites] was never published in English, but the model is thoroughly explained and discussed in a later book 'Governing Trade Unions in Sweden' (Lewin 1980: 16-28) which was published by Harvard University Press.

## 2.1.1.b  Party-Centred Contexts: Lewin's Model Amended for Descriptive Purposes

When the party-oriented literature of political science is consulted, Lewin's model of democracy seems descriptive of what is both commonly said to have inspired the development of many party-centred systems (Saward 2001), and of what is typically seen as going on within such realms (Panebianco 1988; Budge and Keman 1990; Mair 1990; Scarrow 1996; Mair 1997; Widfeldt 1999). Membership parties play pivotal roles in the workings of such contexts (hence the term 'party-centred' democracies) through fulfilling a number of different functions: Most importantly, they have provided a 'participatory linkage' between the electorate and the state through facilitating citizen participation in intra-party decision-making processes and they have provided a 'representative linkage' through recruiting and training elites for parliament or government positions (Widfeldt 1999: 16)[16]. Although there are no doubt considerable differences with regard to how well different parties provide these linkages and live up to Lewin's normative participatory ambitions (Scarrow 1996; Mair 1997; Scarrow 2000; Seyd and Whiteley 2002; Fielding 2003), I have in this study chosen to use this model as a *political science guide to the understanding of our chosen contexts*. The most important reason for this is that at the same time as the model helps explain the elitist and participatory characteristics of party-centred politics, it also allows an accommodation of the simultaneously competitive and collaborative behaviour claimed to be so typical of the relations between different parties (seen through various types of coalition building practices)[17], and between parties and interest groups (e.g. unions, etc.) within many of these realms (Scarrow, Webb et al. 2000). The pivotal role that Lewin accords to political parties is however only made clear in his extensive explanations and is not visualised in the model itself (ibid 1980: 16-28). In order to make it more useful for the purpose of this study, I have taken the opportunity of amending it in ways which illustrate his suggestions and explanations in a more detailed and explicit manner (see Fig. 2b below).

Most importantly, my amended version includes the political party and makes its dual role as provider of representation and facilitator of participation explicit in the model

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[16] For a more detailed list of what is commonly considered the most important functions of political parties (see Dalton and Wattenberg 2000: 5).

[17] Perhaps most importantly due to its majoritarian electoral system, such practices are not so common in the UK as they are in proportional multi-party systems (Webb 2000).

Fig. 2b:  Interactive Party-Centred Democracy – Adapted from Lewin (1970: 227)
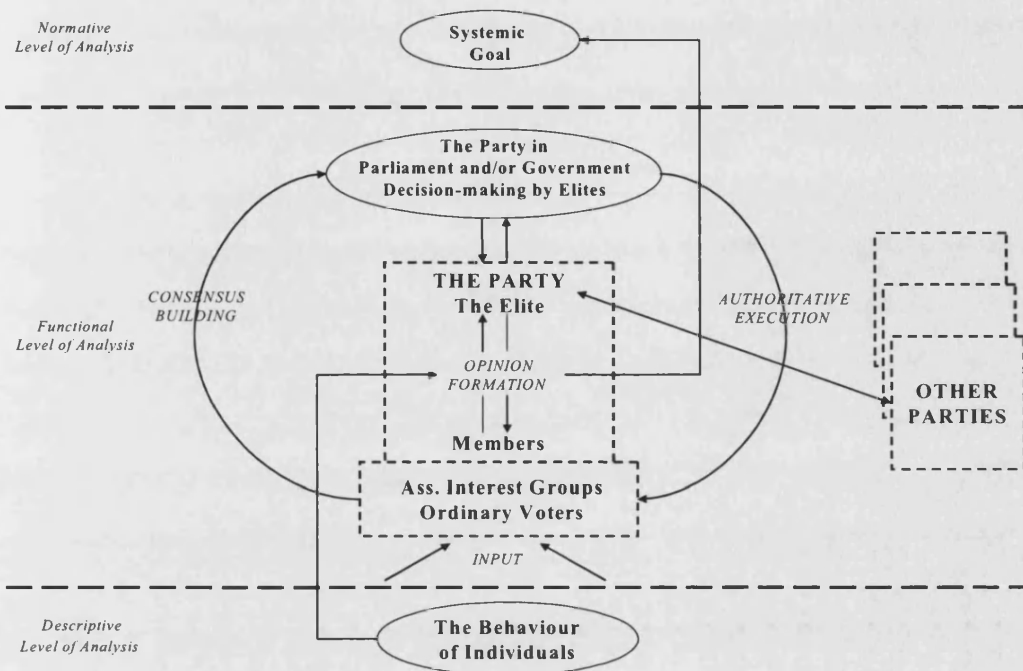


(Budge and Keman 1990; Mair 1997). Furthermore, it visualises the two levels at which the workings of elites typically manifest themselves. Firstly, they are located within the party in order to shed light on the fact that within party-centred systems representative elites are normally both "produced" and promoted by the party and, secondly, they appear as decision-makers and implementers of policy at parliamentary and government levels (Scarrow 1996; Widfeldt 1999). The amended model also differs from the original in that it indicates a two-way communication process between the party and its representatives in parliamentary or government positions. Although membership parties often provide significant leeway for elites to make their own decisions at these levels (because they have available more detailed information which is assumed to inform better decisions), they are typically expected to do so *within* the overarching policy framework adopted by their parties and will in cases of serious discrepancies frequently have to deal with questions/objections coming from the party organisation (Budge and Keman 1990).

The open and inclusive features that these organisations are commonly claimed to exhibit within our contexts (Scarrow 1996; Widfeldt 1999; Scarrow 2000; Scarrow, Webb et al. 2000; Heidar and Saglie 2003), are attempted visualised by making the workings of party

members and associated interest groups (e.g. labour unions) explicit in the model (Thomas 2001; Meyer 2002). This, I argue, makes it more descriptive of the fact that there are within our contexts in effect no watertight boundaries between the party and the masses. A last important difference between the original and the amended version is seen in the inclusion of other political parties. This is done to illustrate collaboration across party lines – both in terms of coalition building in order to create governing majorities and more informally through parliamentary deliberative processes between opposition parties (Mair 1997; Müller and Strøm 2000)[18]. This amended version of Lewin's model represents the study's linkage with democratic theory and the point of reference when I later referred to the "nature" of party-centred contexts. It will therefore both aid the examination and assessment of contemporary political marketing theory, and constitute *a contextual guiding light* when the study proceeds to critically examine the potential theoretical vices and virtues of relationship marketing with regard to the conceptualisation of such political systems in terms of "markets" ( see 2.3, 5.0 and 6.0).

## 2.1.2  Markets for Manufactured Goods versus Services Industries

Although there have been recurring claims in the political marketing literature suggesting that politics should be seen as a services industry (Harrop 1990; Henneberg 1997; Scammell 1999; O'Shaughnessy 2001; Baines, Brennan et al. 2003), these suggestions have so far been accompanied by very few serious attempts at:

1. Defining what a "service offering" is essentially about and how it may be seen to differ from ordinary manufactured goods.
2. Explaining what actually constitutes a services industry and how such spheres may be distinguished from markets for mass-manufactured goods.
3. Assessing the relevance of such insights to the theorising of different political contexts (Baines, Brennan et al. ibid, represents a partial exception to this claim).

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[18] The political 'behaviour of individuals' (i.e. people's propensity to participate) is, like in Lewin's original model, kept separate from ordinary voters ('the masses' in the original model) in order to acknowledge and visualise that such behaviour is often influenced by a number of socio-economic factors (rising levels of education, rising affluence, social mobility, etc.) beyond the direct influence of political parties (Inglehart 1997).

Services marketing scholars have struggled with the first question for more than two decades without having reached any clear-cut consensus. An overview of the characteristics which early scholars (see e.g., Booms and Bitner 1982) frequently saw as distinguishing physical goods from services can be seen in Fig. 2c (below), but apart from the 'transfer of ownership' and 'production/consumption' points, there seem today to be considerable doubts connected to the relevance of the rest of the points in helping to distinguish between manufactured goods and services in general (Gummesson 1999; Lovelock and Gummesson 2004).

Fig. 2c: Goods versus Services – A Long Held View (Adapted from Grönroos 2000: 47)

| Physical Goods | Services |
|---|---|
| * Tangible | * Intangible |
| * Homogenous | * Heterogenous |
| * Separability – Production separated from consumption | * Inseparabilty – Production, distribution and consumption simultaneous processes |
| * A thing | * An activity or process |
| * Core value produced in factory | * Core value produced in buyer-seller interactions |
| * Customers do not (normally) participate in the production process | * Customers participate in production |
| * Can be kept in stock | * Cannot be kept in stock |
| * Transfer of ownership | * No transfer of ownership |

The fact that services are not normally perceived as "things" that can be prefabricated, packaged and distributed across time and space – rather they are activities or processes in which consumer participation is considered a prerequisite for both production and consumption of the ultimate experience – seems however to have created what appears to approximate a consensus on inseparable production and consumption processes as a key distinguishing feature between services and manufactured goods (Sheth and Parvatiyar 1995; Gummesson 1999; Grönroos 2000). Not even this point appears, however, to be so with regard to absolutely all services. Lovelock and Gummesson (2004: 29), for example, contend that even if the claim is strongly valid for labour-intensive "high-touch" inseparable services, there is also a large group of machine-intensive "low-touch"

separable services 'that do not involve the consumer directly, with the result that production and consumption need not be simultaneous'. The latter category can, much in the same way as manufactured goods, be produced in isolation from the consumer and may, in some cases, also be "packaged" (commoditised) and distributed across time and space[19]. It seems therefore that in order to distinguish market situations which may be seen to benefit from explanations that privilege exchange from those more characterised by simultaneous production and consumption processes, the line of demarcation does not run between goods and services; rather it runs between goods and services which can be produced in much the same way as goods on the one hand, and "high-touch" inseparable services on the other. There appears, however, to be little scholarly dissent about the importance of the production/consumption nexus as the key factor distinguishing labour-intensive "high-touch" services from manufactured goods and separable (commoditised) services. Lovelock and Gummesson (ibid: 29, emphasis added) sums it up:

'The literature on co-production (Benapudi and Leone 2003; Bitner et al. 1997; Edvardsson et al. 2000; Firat, Dholakia and Venkatesh 1995; Namisvayam 2003) highlights the *productivity benefits* as well as the managerial challenges that arise when customers become *"partial employees"*..... Bateson (1985), Lovelock and Young (1979 and Meuter et al. (2000) offer *compelling evidence* of the value of this approach to service delivery, the differing forms it can take, and the role of technology.'

Labour-intensive "market" sectors commonly seen as featuring simultaneous production and consumption processes are for example various types of consulting, health care, parts of the tourist industry, dentists, hairdressers, education, membership organisations, etc. (Berry, Shostack et al. 1983; Ferguson and Brown 1991; Bhattacharya 1998; Gruen 2000), and big industry where for example the employees of subcontractors sometimes spend much more time out with their clients than they do within the physical boundaries of their "own" company, in order to participate in research and development projects or specifically tailor-make and service solutions to meet the requirements of a client's production processes (Håkansson 1982; Ford 1990; Mattsson 1997; Edvardson, Gustafsson et al. 2000; Gadde, Huemer et al. 2003). Many scholars have discussed how these insights affect our ability to define high-touch service offerings in classical "product" terms (Eiglier and Langeard 1977; Desmet, Van Looy et al. 1998; Zeithaml and Bitner 2003). The quality of such service "products" will by definition vary: Not only does the degree of consumer participation in services production vary, so does the

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[19] Services provided by the media, the IT/Telecommunications industry and public services such as defence and road maintenance are but a few cases in point.

performance of employees and the "quality" of the customer-to-customer interactions sometimes seen as instrumental in making the ultimate "service experience" materialise[20]. Consumers will bring different needs, objectives and expectations to bear on the service encounter and these will ultimately impact on the degree to which they feel the need to/are willing to co-operate with the service provider and other customers in the production of the ultimate experience. These observations have created the 'consensus that variability is an inherent characteristic of labour-intensive services' (Lovelock and Gummesson 2004: 28).

Since this study is preoccupied with a potentially extremely labour-intensive "industry" (party-centred politics), I have – inspired by Grönroos (2000: 51) who defines a service offering as consisting of both 'process and outcome', but also indebted to other relationship marketing protagonists (Berry, Shostack et al. 1983; Payne 1995; Gummesson 1999; Christopher, Payne et al. 2002; Lovelock and Gummesson 2004) and Hirschman (1970) – here developed the following working definition of genuine high-touch services:

> A genuine *high-touch service* is constituted in some sort of *assistance* through which the service provider helps the "consumer" towards the achievement of a goal, the solving of a problem or the satisfaction of a need. Such services may be for profit or not, public, private or voluntary, but the "service experience" always comes into being through joint production processes in which the service provider interacts with the "consumer", and in which the "consumer" also frequently *interacts* with other "consumers" and all parties influence the ultimate experience *through the use of voice.* Participation – on the part of all involved parties – will determine the extent to which the service offering is *taken out in its full potential,* or put in other words: *The quality of the process equals the quality of the "product".*

This definition highlights the heterogeneous "nature" of such offerings, and the challenges connected to ensuring a stable or consistent service quality (Grönroos 1984; Berry and Parasurman 1991; Cronin Jr. and Taylor 1992). The consumer is conceived as the ultimate judge of the quality of the service experience, and her assessment will most importantly be dependent on the expectations which she brings to bear on the production process (Grönroos 2000). At a normative level, the success with which such services are produced and marketed will thus in no small degree be dependent on how well service

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[20] In order to explain the important role that customer-to-customer interactions sometimes play in the production of high-touch services offerings, Gummesson (1999) uses the example of running a dance restaurant – which would be difficult if customers refused to dance with each other. Equally relevant examples are found in the cases of education and membership organisations, where the ultimate service experience is in no small degree dependent on the extent to which interactions between fellow students or members are perceived to be mutually fulfilling and otherwise in accordance with the expectations of individuals.

providers acquaint themselves with, manage to influence and contribute to fulfil such expectations. As pointed out by both Gummesson (1999) and Grönroos (2000; 2006), inseparable production and consumption processes do not only affect our understanding of the services "product", they also alter our understanding of what consumption is ultimately about within contexts characterised by this phenomenon – and all this is said to change our conception of the marketing function itself. Grönroos (2000: 51) refers to consumption of prefabricated manufactured goods (or commoditised services) as 'outcome consumption'. In the case of high-touch services, however, the customer does not only "consume" outcome, he also "consumes" the participatory experience itself – a situation that Grönroos refers to as 'process consumption' (see Fig. 2d)[21] – and a situation in which marketing ceases to be a function bridging the gap between production and consumption and instead becomes an integral part of the production process (Payne, Christopher et al. 1995; Gummesson 1999; Grönroos 2000; Christopher, Payne et al. 2002; Grönroos 2006).

Fig. 2d:   Outcome Consumption versus Process Consumption. (Grönroos 2000: 52)
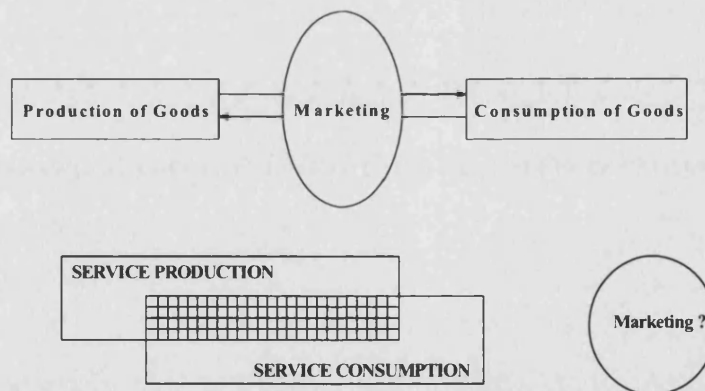


Very much in line with Hirschman's (1970) thinking, these observations have led many marketing scholars to conclude that such markets are not guided by competition alone; they are based on interaction rather than transactions and they are driven just as much by collaboration and long-term relationships as by competition because the consumer is now

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[21] There are however very few market situations which are characterised by outcome consumption or process consumption alone. Many business sectors offer a mix of goods, commoditised services and "high-touch" labour intensive services – that is, the same market actor may be seen as involved in market situations characterised variously by exchange and co-production (Gummesson 1999: 234). I shall later return to discuss the relevance of these insights to the conceptualisation of party-centred political contexts in terms of "markets" (see 6.1.1 and 6.2.2).

in effect part of the supply side of the market (Arndt 1978; Arndt 1979; Sheth and Parvatiyar 1995; Gummesson 1997) (see 1.2.1.b and 4.1). Such observations have also been key to understanding the way in which high-touch service providers commonly organise themselves, which has, since marketing is an applied science, in turn had significant impact on the development of normative theory within these research communities (Gummesson 1999; Grönroos 2000; Christopher, Payne et al. 2002). The general concern has been with the need to facilitate genuine co-production processes, and with the corresponding need for closeness to the market which such processes ultimately require. External and internal elements of this equation are perceived as equally important, and *decentralisation* appears to be both a descriptive and a strategic keyword – seen implicitly and explicitly in the two following quotes:

'In the past, businesses have been able to prosper and still rank low in marketing effectiveness. However, with the increasing complexity of competition and an increasing recognition of the importance of such factors as *'closeness to the customer'* in marketing success, this will not be the case in the future.' (Payne 1988: 753, emphasis added)

'Flattening the organizational pyramid and the *decentralisation* of decision-making authority are necessities if service organizations are to become truly customer-oriented.' (Grönroos 2000: 305, emphasis added)

For marketing as an applied science the most important insight which can be drawn from the work on high-touch services is contained in its organisational implications: When the quality of interactions between service provider and consumers plays a major role in the quality of the ultimate service experience, organisations will need to decentralise their operations and exhibit a minimum of closeness to the market in order to facilitate genuine co-production processes. Leaning on all the above, the following working definition of high-touch services industries is here suggested:

**High-touch services industries (markets) are characterised by the existence of strongly *decentralised* service providers which most importantly exhibit infrastructures that facilitate and offer *genuine opportunities* for consumers to participate in the simultaneous production/consumption processes that characterise the way in which high-touch service experiences are commonly said to manifest themselves. A genuine service provider holds competencies (skills, knowledge, leadership capabilities, etc.) and/or provides social and/or physical infrastructures (a restaurant, a club, a membership organisation, a university etc.) which facilitate the achievement of a goal, the solving of a problem or the satisfaction of a need for the consumer.**

The two working definitions presented above will constitute the study's reference points when I later speak about services and sophisticated services industries, and will also lead the way when I continue this contextual investigation and assess how these insights may be relevant to the theorising of candidate-centred and party-centred politics.

## 2.1.3 The Candidate-Centred US versus Party-Centred Systems

In the first subsection of this chapter (see 2.1.1) it was established that party-centred systems based on the workings of strong membership parties appear to be founded on a democratic philosophy which favours broad citizen participation, whilst at the same time retaining considerable room for party-elites to manoeuvre at organisational and governmental and/or parliamentary levels. This subsection has basically two objectives:

1. To examine how the candidate-centred US (from which much of the theory dominating contemporary political marketing thought is emanating) may be seen as differing from party-centred realms (to which this thinking is also commonly applied).

2. To assess how the insights into the workings of markets for manufactured goods/ commoditised services and high-touch services industries established in the previous subsection may be relevant to the theorising of these two political system-types in terms of "markets".

According to the working definitions from the previous subsection, a democratic context would need to exhibit locally based service providers facilitating genuine opportunities for citizen participation in conventional political production processes (representatives and policy) in order to fall into the category of high-touch services industries and consequently, also to merit the differentiated theoretical treatment that I have argued is needed in such situations. What follows below must *by no means* be seen as an exhaustive or detailed account of the workings of either of these types of democratic systems. Rather it represents a brief investigation in which the aim is to establish an overarching or stylised understanding of the "nature" and positions of political parties within these two types of political systems [22].

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[22] My engagement with the US political system will in this thesis be restricted to the comparisons done in this chapter and chapter 5.0. They are necessary in order to explain the difference claims that I put forward in chapter 1.0; to put the workings of party-centred contexts into perspective; and, because many of the theories and concepts currently dominating the mainstream political marketing literature are emanating from scholars working out of an American political context (Strömbäck 2007).

Susan E. Scarrow (1996) – a renowned student of political parties – says that in order to
come to grips with the "nature" of political parties a distinction must be made between
mass parties and membership parties. She says that 'in true membership parties, efforts to
enrol members and to involve them in year-round activities are not merely inspired by
tradition; in these parties, leaders view members as potentially valuable electoral assets'
(ibid: 20). About party members she says that they are the people whose relation to a
party 'involves both obligations and privileges', and the most common privileges include
the right to 'select representatives or candidates, and the right to influence programmatic
decisions' (ibid: 18). Such organisations seem to have a lot in common with those that
marketing scholars claim play a leading role at the supply side of sophisticated high-
touch services markets. They appear, however, rather at odds with the ways in which
contemporary US political parties are normally described by many American political
scientists. Shea (1995: 165), for example, says that:

> 'Champions of responsible parties have had little to applaud over the last several decades. Because they
> seemed fixed on the endangered species list, many scholars have backed away from the strong party-model
> and embraced a more procedural-based, rational vista. Here parties are seen as but one player, at best the
> largest, in the pluralist pressure system.'

According to Scarrow (1996: 18) American political parties offer 'extremely low
privileges to members'. This appears to be equally true for both the opportunity to
influence programmatic decisions and with regard to selection of representatives or
candidates. She concludes that even though in some cases supporters at local and state
level are allowed to select the individuals who will attend party conventions, US parties
are 'close to the boundary at which the difference between members and supporters
become irrelevant'. Alan Grant (2004: 183) provides an explanation for why this is so;
according to this scholar, American political parties 'generally do not have the fee-paying
or card-carrying members' so typical of membership parties in well established party-
centred democracies. The closest one comes to being a party member in the US is to
register as a republican or democrat on the electoral list (where state laws permit it) – you
are then a 'registered party supporter' but this will *not* provide the opportunity to
influence policy production or the selection of party representatives for high offices (ibid:
184). The role of party conventions as forums for debate, arenas for policy making and
candidate selection seems to be equally diminishing. Meyer (2002: 111, 112) reinforces

this picture and argues that American party conventions have degenerated into a pattern of 'carnival or mardi gras': 'At no time do the participants ever have a chance to debate the crucial aspects of the conventions they are attending'.

The entrepreneurial and competitive ideas underlying the construction and development of the American system have resulted in a political sphere which is often referred to as one of the most pluralist democracies currently existing (Shea 1995). The introduction of primaries – originally advocated as a step in the direction of more democratisation – opened up yet another political "market" and the number of political elections now by far exceeds most other countries in the world (Wattenberg 2002). In combination with a strong culture of lobbying, where the workings of hundreds of different interest groups are seen as a legitimising factor, this has left the Americans with a political "marketplace" that is huge, multifaceted and extremely competitive. Moreover, the introduction of primaries effectively handed over party nomination processes to "the market", which to a large extent takes its cues from the media – consequently reducing the influence and position of these organisations even further (Meyer 2002). Independent candidates just loosely connected to the party enter the contest from "outside". American political scientists frequently claim that:

> '[In America] it is not so much a case of candidates being chosen to represent the party line by party loyalists, as it is of candidate organisations capturing the party nomination, thereby eliminating some competitors, and gaining the use of party assets, on the way to personal victory'. (Davies 1987: 79)

> 'One Massachusetts state election official during 1960s voiced a sentiment privately held by many: "The Republican party is a Hertz car we all rent around election time"'. (White and Davies 1998: 9)

Thus, few candidates have strong ties to traditional party outlooks, and even fewer seem to have been nurtured through the parties' formal apprenticeship systems – a fact often seen as having contributed to the breakdown of bargaining units within the parties, introducing a more atomised and less predictable form (Shea 1995). The weak positions of American political parties can also be viewed as a clear strategy on the part of changing state and national governments. The right to participate in primaries is, for instance, created and regulated by state laws (Scarrow ibid), and the financial favouring of candidates' campaign organisations has been structurally reinforced by legislation. White and Davies (ibid: 8, 9) go on to explain:

'The Federal Election Campaign Act damaged parties precisely at a time when public opinion of leadership organizations had fallen to its 1970s lows. Campaign donations were henceforth to be channelled through candidate campaign organisations, and federal presidential grants were to go to hopefuls and nominees directly, not through the party organizations. Entrepreneurial campaigning has long been a feature of US elections, but this legal systematization was new, and ignored the long-standing intermediaries between voters and government'.

These authors see the introduction of primaries and this financial legislation as expressions of an inherently suspicious attitude on the part of many Americans towards both state and parties. What it seems to have resulted in, is a society lacking what in this study I have termed genuine "service providers" or facilitators of citizen participation in *conventional political production processes (representatives and policy)*. On the one side, there are the candidates (self-introduced "entrepreneurs") and their professional campaign organisations – on the other the electorate – and no serious "service providers" facilitating and encouraging citizen participation in the production of representatives and political content, in between[23].

## 2.1.3.b Party-Centred Contexts – Change and Continuity

As was established in the introductory chapter, at a practical level political marketing is often equated with the emergence of a set of interrelated changes in the way in which politics is currently conducted throughout the Western world (see 1.1.1). These changes now seem in evidence within party-centred contexts too (Plasser, Scheucher et al. 1999). Viewed from a marketing angle, two aspects of emerging practices appear to merit particular attention. Firstly, there is the *organisational change* which some scholars claim to observe (Seyd and Whiteley 2002; Fielding 2003; Shaw 2003); party organisations appear less preoccupied with filling their role as local facilitators of participatory democracy – the function which Lewin (1970) calls for a strengthening of and considered so vital to membership parties in the past. They are instead seen to have become increasingly geared to managerial efficiency measures and short-term electoral victory to the seeming neglect of what might be called long-term development and maintenance of the "market"(Kavanagh 1995).

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[23] Some observers would perhaps object to this claim and argue that the Obama campaign was organised from the ground up and represented a vivid example of how US citizens have the opportunity to engage in conventional politics. Such an argument – true as it may be – does not seem to alter the fact that Barack Obama was a self-introduced political entrepreneur who captured the Democratic Party's nomination and that party supporters had no influence on the formation of the policy platform on which he proceeded to win the election – which in turn seems to be exactly the point that Davies (1987: 79) is making in the above quote.

Following this change in organisational focus there also appears to surface evidence of an establishment of a *new rhetoric* coming from many contemporary parties in which the keyword seems to be "service delivery" – "delivery" was also the slogan of New Labour and Tony Blair as they went into electoral battle for their second term (Gabor 2003). This is a rhetoric which does not seem to encourage any citizen participation over and above the vote. Instead, it appears to convey a sort of "you order – we deliver" message seemingly suggesting that politics is the responsibility of politicians and that it will not require any citizen participation apart from the "placing of our order" through the vote. When this change of behaviour and rhetoric is viewed in a market perspective two interrelated insights appear to move to the fore: Contemporary citizens seem not only encouraged to view themselves as consumers in the political realm – more accurately it appears, they are stimulated to act as if they were consumers in a *specific type* of market – namely a market for manufactured consumer goods or commoditised services. That is, it seems to indicate a type of market logic focused on the distribution and exchange of *prefabricated value or outcome* (see 2.1.2).

Such an "outcome-oriented" approach to politics may perhaps also be understood as a return to a Schumpeterian market version of democracy mostly preoccupied with the selection and rejection of leaders (Schumpeter 1943) (see also 5.4.1). Although Schumpeter (ibid) was not in principal opposed to political parties, his view of markets was that of classical economics which, in much the same way as the neo-classical version, presupposes situations in which production (supply) is separated from consumption (demand) (see 1.1.2). Consequently, he saw the production of representatives and political content as exclusive supply tasks; he saw candidates as appearing on the scene of their own entrepreneurial accord, and he saw policy as something which party elites and candidates produce in processes separated in both time and space from party members and the public (see 5.4.1). Similarly, contemporary citizens in the West appear encouraged to leave political production processes in the hands of politicians at the same time as they are prompted to accept the invitation to pick and choose from the "shelves" of available prefabricated ideologically or pragmatically based policy programmes. Viewed in a critical perspective, this development could perhaps in the party-system case be viewed as a subtle movement towards a re-opening of the gap between "production" and "consumption" of politics; a gap which it could in turn be argued represents exactly what a hundred years of participatory party-centred

democracy has attempted to minimise (Saward 2001). Following Hirschman (1970: 18) the current development appears to indicate a situation in which the *power to change* – expressed through the concerted workings of *voice* and *exit* (see 1.2.1.b) – is in the silent and subtle process of being reduced to the *power to choose* (leaving citizens with the exit option alone). Does all this signify a possible shift in the power-structures of party-centred political contexts? Is citizen power, insofar as it has been exhibited and we have come to understand it theoretically within such realms, in the process of being narrowed down to consumer power?

A reasonably safe observation seems to be – probably not. These tendencies are in the contemporary political marketing and political communication literatures (see 5.1) commonly referred to as the Americanisation-thesis. In short, it raises the question of whether American campaigning and electioneering methods may be in the process of changing the "nature" of politics elsewhere in the world (Swanson 1997; Blumler and Gurevitch 2001; Lilleker and Negrine 2003). Although there may be evidence pointing in this direction, in well established party-centred democracies in Europe at least (see 1.1.3), this development appear not to have penetrated very far beyond advertising style, rhetoric and communications (Baines, Scheucher et al. 2001). With regard to how this is likely to develop in the future, Scammell (1998: 270) points to the fact that there are within stronger party systems still 'considerable structural constraints to the wholesale import of American methods'– exemplified by the 'structure of regulation'; 'the structure of the media', and last but not least; the 'strengths and distinctiveness of national political cultures' – e.g., systemic structures such as proportional representation and the workings of membership parties. The persistent openness and inclusiveness (declining memberships, notwithstanding) of these organisations and the way in which they continue to involve their members (directly and indirectly) in the production of policy programmes and the selection of representatives seem to be the key features separating them from their American counterparts (Budge and Keman 1990; Scarrow 1996; Mair 1997; Widfeldt 1999; Scarrow 2000; Heidar and Saglie 2003). Membership parties offer public and semi-public forums in which face-to-face communication and political deliberation is made possible (Meyer 2002).

For party members and non-members alike, such forums have a potential public significance that goes far beyond any mere public relations function they might otherwise

possess. Above all, parties offer an opportunity of still greater value to their own members and even (albeit in a less robust form) to members of organisations within the intermediary sector and civil society which associate themselves with the parties: The chance to combine political communication with political decision-making in an institutional setting. This goes just as much for parties in opposition as for parties in government (Budge and Keman 1990; Scarrow 1996). Thus, party members within the contexts under consideration in this study do not only have the opportunity to influence the political outcome (through the vote) but also – if they so wish – what is ultimately "put on offer" (representatives and policy) by the party (Scarrow, Webb et al. 2000). The existence of strong and locally based membership parties represent *production-sites* where citizens have the potential opportunity to co-produce political representatives, policy proposals and otherwise deliberate and set political agendas in collaboration with party management.

Even though memberships seem to be in marked decline across most of the party-centred world, there are still millions of party members at work within such contexts – in Europe alone, there were in 1999 just in excess of 11.5 million people spread across 20 different countries (Mair and van Biezen 2001) (see appendix 2A). Moreover, Heidar and Saglie (2003: 783, emphasis added), for example, studying the Norwegian case, find that party members *do* participate in the production of both policy and representatives for political offices: 'The proportion of members who are active has been stable' during the 1990s'. '*We found no evidence of depolitisation of parties or marginalisation of members'* – 'the catch-all thesis[24] does not find support in our data, beyond the fact that aggregate party enrolment is falling'* (see appendix 2B). There are also countries where membership enrolment figures contradict the big picture of decline[25]. Local government reform (the joining together of local municipality administrations) seems also to have strengthened the position of membership parties within many of these contexts. The support for non-partisan candidates in Norwegian local elections, for example, fell from 18 to 7 percent from 1945 to 1985 (Selle and Svåsand 1991: 472), and the proportion of Danish local councillors elected under a national party label rose from 60 to 85 after reforms were

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[24]The 'catch-all thesis' refers to a claimed tendency of modern parties to shed their ideological baggage and their focus on members to move centre-stage in order to catch more votes (see 5.4.3 for a more elaborate discussion).

[25] Among established party-centred democracies, Germany, Japan and Greece constitute notable exceptions. These countries have all seen increases in the member/electorate ratio from 1980 to 2000 (Mair and van Biezen 2001: 15, 16) (see appendix 2A).

implemented (Pedersen 1987: 43). Similar shifts to partisan local government have also been recorded in the UK and Germany (Gunlicks 1986; HMSO 1986), and may – as pointed out by Scarrow (2000: 96) – 'also have occurred elsewhere within the party-centred world'.

Even more interesting to this study, Scarrow (1996: 97) finds that while aggregate memberships have been declining, the local geographical reach of membership parties has been rising during the period from 1959 to 1989 for 91% of the parties included in a study that had available data from eight countries in Europe (see appendix 2C). Thus, as pointed out by Scarrow (2000: 98, 99 – emphasis added) 'membership decline and grass-roots organizational decline are not one and the same'; on the contrary, many membership parties 'seem to have voluntary organizations that are *much stronger* than they were a generation ago in terms of *geographic coverage*, and in terms of *direct involvement* in local politics'. 'Grass-root party members *commonly* play a *significant* role in *selecting legislative candidates* and in *legitimizing election programmes*' (Scarrow, Webb et al. 2000: 149 - emphasis added). Moreover, there appear still to be strong incentives for party leaderships to continue enrolling members – not least of all because within many of these contexts the only way to make it into national politics is through the apprenticeship systems of membership parties. Thus, a stable supply of members means richer reservoirs from which the party can draw future leaders and representatives for local and national offices, and it means that the party has more people who can contribute to the development of fresh policies addressing new societal challenges. These aspects taken into consideration, it is perhaps unsurprising that Scarrow (1996: 208-9) finds that 'an expanded understanding of the work and worth of members have prompted parties to continue to expend resources on enlisting supporters even if they have ready access to public funding and media exposure'.

More recent studies seem to reinforce the picture emerging from this brief discussion. There seems to be continued support for the claim that '*intra-party democracy spreads*' around the party-centred world, at the same time as there appears to be *no* evidence suggesting that 'smaller party memberships are more likely to make polarizing political decisions, or to pick candidates and policies that might alienate their parties' less committed supporters' (Scarrow and Gezgor 2006: 18, emphasis added). There seems similarly to be recent evidence that 'members *participate considerably* in outreach

activities as they *often* discuss their party's policies with other voters', and that they continue to provide a '*sufficient pool* of potential candidates for public elections from which the parties can recruit' within countries which must be regarded as typical examples of our chosen contexts (Pedersen, Bille et al. 2004: 380, emph. added). British scholars have recently also found that the British Labour Party is allowing its Scottish and Welsh subsidiaries 'considerable freedom, in practice, to select candidates, conduct regional level elections and implement some distinctive policies' (Laffin, Shaw et al. 2007: 88), and Swedish researchers find that even though there has been a loosening of the ties between parties and unions, 'the influence of the trade unions within [the social democratic] party remains significant' (Aylott 2003: 388). In sum, it would appear that the development within party-centred contexts has been characterised just as much by continuity as by change.

## 2.1.3.c  Conclusion

Taken together, and seen from a marketing stance, the underlying philosophy, legal structures and common practices of the American political system appear, perhaps more than anywhere else in the world, to be commensurate with a model which resembles the structures of a commercial marketplace for manufactured goods or commoditised services (Christopher, Payne et al. 1991; Grönroos 1994; Grönroos 2000; Lovelock and Gummesson 2004). The system appears to principally rely on competition as the ultimate driving force at all levels of the "market"; candidate selection seems to be left to the "market" through the workings of primaries; there is little (if any) genuine opportunity for party members to influence the "production" of *candidates* or the development of *electoral programmes*; and voter choice *in conventional electoral politics* can be understood as being restricted to "prefabricated value" produced in relative isolation from party supporters and the public. In case a voter happens to dislike *everything* that is on offer, his/her only option is to *exit* the "market" and/or redirect demand into alternative channels for political action. Quite similar to what is the case within manufactured goods or commoditised services markets there appears in conventional US politics to be a gap between the "production" and "consumption" of politics (Hirschman 1970). It would thus seem that this political system may well be descriptively represented through models relying on concepts of traditional markets or conventional marketing concepts. The systems' or models' underlying competitive and atomistic ways of viewing

markets, do not appear to accommodate the idea of politics as high-touch services where production ultimately necessitates citizen participation over and above the vote. Although much of the critique levelled against contemporary political marketing activities emanates from the US (Bennett 1992; Jamieson 1992; Newman 2001), it seems appropriate to suggest that this must be seen as systems-critique, and not as evidence of any serious misfit between applied models and the reality represented and described by them (see 5.5.1).

Party-centred democracies, on the other hand, appear – when the examination is expanded beyond the change tendencies currently said to be in evidence within some of these contexts and include organisational continuity into our investigation[26] – to bear some of the most important hallmarks of sophisticated high-touch services industries (Christopher, Payne et al. 1991; Payne 1993; Gummesson 1999; Grönroos 2000; Lovelock and Gummesson 2004): The existence of strongly decentralised membership parties (service providers) which continue to facilitate genuine opportunities for citizens to participate in intra-party production processes (Widfeldt 1999; Scarrow 2000), leaves us with a gap between the "production" and "consumption" of politics that appears to be *significantly less* pronounced.

Translated into marketing terminology, political production within party-centred contexts appears to involve both supply (politicians) and demand (voters) sides of the "market" which, in turn, means that political "production" and "consumption" processes are – if not for the majority, then certainly for a significant number of citizens – overlapping or partially overlapping within these spheres; and that political "consumption" is here not restricted to outcome alone but also potentially includes the participatory process experience. That is, party members must be seen as "consuming" both the opportunity to participate (and the influence that this entails) and the political outcome. Moreover,

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[26] The case for decline in the organisational strength of membership parties is – as pointed out by Scarrow, Webb et al. (2000:133) – often 'buttressed with reference to the British Labour Party', whose leaders have over the last couple of decades often been accused of pursuing a type of 'intra-party democratisation which effectively dilute the influence of the most ideologically radical members by increasing the impact of the less active, and supposedly more moderate, members' (see in particular Shaw 1994; Seyd and Whiteley 2002; Fielding 2003). According to Scarrow, Farrell et al. (ibid: 133), such contributions have been 'doubly influential because British examples have traditionally held a prominent place in theories about party organizational development'. However, as demonstrated throughout this brief investigation, apart from the commonly acknowledged decline in aggregate memberships, much evidence seems to suggest that membership parties are as vital and strong as they ever was – or again put in the words of Scarrow, Webb et al. (ibid: 150, emphasis added): 'There are now many instances around the democratic world where *party leaders operate a coalition of power in which grass-roots members are significant junior partners*'.

within such realms, anybody can in principle join or form a political party and decide for themselves how much participation they wish to engage in. This is *not to say* that all citizens or, indeed party members, actively participate in the process of producing policy or representatives for political offices. Rather it is to say that this is an *opportunity* which is still available through the workings of membership parties; that it must be considered a key characteristic of the contexts that are the focus of this study; and that a significant number of people – albeit decreasingly so – actually *do* make use of it (see appendix 2A). Moreover, even though political scientists are sometimes concerned about the consequences of membership decline in party-centred contexts (Seyd and Whiteley 1992; Shaw 1994; Whiteley, Seyd et al. 1994; Seyd and Whiteley 2002; Shaw 2003), if party members are likened to what in the commercial world is referred to as "regular customers", then the "party industry" is huge – certainly far bigger than many commercial or voluntary services sectors[27].

Following the working definitions put forth in subsection 2.1.2, it is here suggested that it is the *existence* of this genuine participatory *opportunity* together with the fact that millions of people actually do make use of it, which represents the acid test as to whether a political system may be descriptively conceptualised in terms of a high-touch services industry or not. However, there need not have been millions of party members at work in order to justify a services marketing perspective. As briefly discussed in the introductory chapter (see 1.1.2), the choice of a marketing framework should, according to distinguished marketing scholars, be determined by the "nature" of the industry which it aims at describing and to which it would subsequently be applied – not the size of it – services industries come in all shapes and sizes (Grönroos 2000). The number of party members at work within our contexts does, nevertheless, I argue, help to illustrate that this is a realm which is still very much alive and kicking. This study is therefore not aiming to describe and understand the workings of an "industry" of empty vessels. The fact that a clear majority of party-centred electorates chooses not to make use of the participatory opportunities made available by membership parties but, instead, prefers what we might think of as a commoditised pre-packaged service made available through the vote alone, does at this stage of investigation not pose any principled problems with

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[27] Personal coaching – a commercial services sector which has seen the light of day in many countries around the Western world over the last couple of decades – is here but one case in point.

regard to conceptualising party-centred contexts in terms of "services markets"[28]. It merely makes the high-touch services element of a membership party's total operations much smaller than it might potentially have been. Viewed in a marketing perspective, this part of the "industry" could instead be described as having a tremendous growth potential.

At this stage of investigation it would therefore appear that all party-centred systems featuring open and inclusive membership parties that encourage and facilitate party members' participation in intra-party production processes (representatives and policy) *on the supply-side of the "market"* are – as long as they uphold and maintain these features – more fruitfully analysed through the use of a marketing framework capable of accommodating the simultaneous "production" and "consumption" processes characterising their core operations. Conventional marketing models do not facilitate an analysis of customer participation in the production of an organisation's output because the notion of participation is assumed to be captured by the price signal (Dixon and Blois 1983; Barnes 1989; Gummesson 1993; Grönroos 1994; Payne, Christopher et al. 1995; Sheth and Parvatiyar 1995), and will for this reason tend to misrepresent significant parts of such political realities. The investigation so far appears to justify the contention in the introductory chapter that relationship marketing – which builds on both services and business-to-business marketing thinking – holds promise and merits closer inspection with regard to the theoretical conceptualisation of party-centred politics in terms of "markets".

Here it seems appropriate to reiterate the caveat in subsection 1.3.4 (p. 47). Thus, while the investigation in this subsection may have produced evidence that many party-centred political systems offer their citizens opportunities (through the workings of inclusive membership parties) to participate on the "supply-side" of the political "market" which candidate-centred systems such as the US do not make available, it seems clear that the extent to which this is true may differ significantly between party-centred nations. This point appears particularly well exemplified in comparisons between a majoritarian party-

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[28] As discussed in subsection 2.1.2 (footnote 21, p. 65) it is not uncommon for high-touch service providers to offer their highly customised services together with standardised/commoditised services or indeed ordinary prefabricated goods. Thus, there are by no means any watertight boundaries between the co-production and exchange perspectives of marketing. I return to examine the implications of this for the conceptualisation of party-centred political contexts in chapter 6.0.

centred system such as the UK and proportional systems like the Scandinavian countries (Strömbäck 2007). It seems also clear that candidate-centred systems that exhibit political parties (or other organisational/representational structures) that facilitate citizens' participation in intra-party (or "supply-side") production processes (policy and representatives) may be equally well represented and analysed through the use of services/business-to-business marketing theory rather than the party-centred contexts under consideration in this study. Whether a high-touch services marketing perspective will add descriptive accuracy to the theoretical understanding of different political contexts is therefore not bound by constitutional factors, but by the extent to which respective systems exhibit organisations on what would be considered the supply-side of the "market" that offer the nations' citizens real opportunities in which they may influence (directly or indirectly) the production of what is finally put on electoral offer.

### 2.1.4   Other Channels of Political Influence – The Workings of Interest Groups

Some observers argue that we are approaching a new era where educated and emancipated citizens are beyond the naïve illusion that leaders and politicians are able to engineer a better world (Giddens 1990; Gibbins and Reimer 1999). With reference to plummeting voter turnouts and decreasing party memberships, considerable evidence seems to suggest that people are redirecting their political engagement into alternative channels of action, such as social movements and interest groups of all guises[29]. There are, however, both descriptive and normative reasons for why this study (although its focus remains on conventional politics and political parties) needs to briefly address the workings of interest groups within the contexts under study:

1. Firstly, there seems again to be significant differences between the US and the ways in which many party-centred nations have organised their affairs. The former sphere is characterised by a strong culture of competitive lobbying, whereas many European countries (e.g., Norway, Denmark, Sweden, Austria, Germany and others) have established more corporatist arrangements where organised interest groups are integrated into public and administrative policy

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[29] There is a huge literature debating these issues but it is beyond the scope of this thesis to engage with it in any detail.

making processes (Christiansen and Rommetvedt 1999). The latter systems may in this respect be seen as less competitive and more collaborative by design. Membership parties within my contexts also frequently nurture close bonds with interest groups of different guises – although, some argue, decreasingly so over the last couple of decades (Thomas 2001). This seems particularly well exemplified by the relationships often existing between labour unions and social democratic parties, but also by the bonds business associations cultivate with parties perceived to be representing their interests and environmentalist groups and parties on the left. There appears therefore to be a need for theoretical tools with which to *describe* and conceptualise the role that some of these organisations play – directly and indirectly – in the policy-making processes of political parties. That is, concepts which can theoretically accommodate their workings on "the supply" side of such political "markets".

2. Secondly, interest groups also appear to exhibit a closeness to the "market" which some contemporary political parties are accused of being decreasingly preoccupied with maintaining (Seyd and Whiteley 1992; Shaw 1994; Seyd and Whiteley 2002; Shaw 2003). Many are represented through highly decentralised organisations closely connected to local communities and other similar organisations, and John Lloyd (2001: 57) claims in the context of the UK that; 'above all, they are *network* organisations, confronting governments and organisations that are still largely trapped in hierarchical models'. Thus, while some contemporary political parties are claimed to have chosen to "modernise" their organisations, attempting to transform them into lean "business-like" devises geared to electoral victory (Webb 2000), interest groups appear to have adopted decentralised and local modes of organisation – not unlike traditional political parties and very much in line with what is commonly prescribed by modern services marketing advocates (Zeithaml and Zeithaml 1984; Payne 1988; Ferguson and Brown 1991; Wilkinson and Young 1994; Gruen, Summers et al. 2000; Grönroos 2000). I shall in this study therefore also have an interest in returning to investigate what kind of *normative* implications this may all have for the marketing of political parties.

Most importantly, this study examines whether a relationship marketing approach in a more revealing way than conventional marketing frameworks may allow us to capture and theoretically visualise the role that these organisations are commonly said to play as co-producers of political input throughout significant parts of the party-centred world (Meyer 2002) (see 6.3.2). Conventional theoretical market models tend to push these organisations over to the "demand" side of the "market" because there are no tools with which to accommodate them on the "supply" side. Again, the application of conventional marketing to the description of politics tends to render this element of party-centred realities theoretically invisible and thereby to misrepresent how they work. Seen from a relationship marketing stance, interest groups do not represent any direct competition for political parties, rather the existence and proliferation of these players appear instead to call for the conceptualisation of a political "business-to-business market". This theoretical possibility will be investigated in our descriptive developmental chapter (see 6.3.2).

The investigation will now proceed to briefly examine another neighbouring industry – one which is often said to be playing an increasingly important role in contemporary politics.

## 2.1.5   Political Communication and the Role of the Media

'Even the parties looked on with fascination during the primaries, to see which of their candidates would be the media's darling, which left them with little to do but put their stamp of approval on whomever the media in effect had chosen.' (Meyer 2002: 102)

The media are assuming an increasingly influential role within contemporary Western societies, and this seems to come particularly at the expense of political parties (Ranney 1983; Gurevitch and Blumler 1990; Blumler and Gurevitch 1995; Swanson and Mancini 1996; Blumler 1999). Legitimacy, the lifeblood of democratic politics, can be acquired only through citizens' consent to what they perceive as the decisions made by political elites. The chief source of these perceptions, except in the more personal venues of local, interest-group and party politics, is normally what the media choose to portray on their "stage" (Sabato 1988; Scammell and Semetko 2000; Norris 2001; Underwood 2001). Access to it, however, seems conditional, given the structural stage-management that

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unavoidably results from the combined operation of the rules of selection and presentation (Schudson 1995).

In contemporary politics, political actors appear to believe that if they can master the rules governing access to the media stage, they can also increase their leverage over the way in which the media present them to the public. The assumption seems to be that the more diligently they strive to learn and anticipate the rules, and the more competently they submit to them in trying to influence their media images, the more likely they are to regain some of their lost autonomy (Gould 1998). The public sphere, as shaped by contemporary media outlets, therefore appears to exert 'a relentless and seemingly irresistible pressure to stage-manage politics' (Meyer 2002: 53)[30]. In practice, Meyer argues, parties and politicians fall into a vicious circle: The more crudely the mass media portrays politics, guided by the superficial criteria they are accustomed to apply, the more politics has to call on its own cast of spin-doctors so as not to loose all control over the way events are construed. By doing this, however, politicians play directly into the hands of the media's penchant for crude stereotypes, and even confirms them, renouncing in the process the means and opportunity to show the broader public what politics is really about. Meyer (ibid: 104, emphasis added) goes on to argue:

> 'Thus, both the tyranny of mass tastes and the rigidity of opinion in media democracy have a common root: *the isolation of the individual from the contexts of public discussion and exchange of ideas.*'    (Ibid: 104)

Taken together, it would seem that any attempt at appropriating market models to politics, be it at descriptive or normative levels, would have to capably account for the workings of this highly influential "neighbouring industry". Contemporary political marketing models appear, however – perhaps mostly due to their strong emphasis on exchange – inclined to focus almost entirely on mediated mass communication to the general exclusion of other more direct and traditional forms of contact with the public (local party-member activities, canvassing, town meetings, etc.). Although such activities arguably still exist within many party-centred realms and research suggests that it may be far more influential than mass mediated communication (Lilleker and Negrine 2003), most contemporary theoretical market models tend to render this part of the equation invisible at the descriptive level. At a normative level, this often result in strategic

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[30] This author provides a very interesting and comprehensive account of the workings of the media as seen in relation to political parties, and this subsection of the thesis is heavily indebted to it.

prescriptions which focus on the same (Kotler and Kotler 1981; Maarek 1995; Kotler and Kotler 1999).

Following relationship marketing thinking, this study examines the possibilities of closing in on the issue of political communication and the role of the media from an organisational angle (Gummesson 1999). At a descriptive level I wish to be able to account for the role that party-members play as local communicative conduits for the party. At a normative level, I shall address the fact that the only way for parties to relate to the media may not necessarily be to succumb to these players' inner logic, and thus reduce their own role to being sub-suppliers of news and spectacle. Cook (2001), for example, argues that the media are only as powerful as political actors allow them to be, and that they can be pushed back into their "proper place" (as just one out of several communicative means) if parties so choose. Privatised modern media are to a large extent market-driven – run in exactly the same manner as any other commercial operation – and may for this reason perhaps be unfit as the *sole* conduits of political information (Keane 1995). Following normative relationship marketing thinking, this study will examine and discuss the possibility that parties may have a more effective means of communication at their disposal than the media – namely their own organisations (Ferguson and Brown 1991; Payne, Christopher et al. 1995; Gummesson 1999; Gruen 2000; Gruen, Summers et al. 2000; Grönroos 2000). In the conceptual development chapter of this thesis (see 6.0), it will thus be investigated whether relationship marketing insights may help to create a more nuanced understanding of the political communications process – one that allows a conceptualisation of the workings of the party organisation to this end – at the same time as I will seek to acknowledge and try to accommodate the pervasive position that the media hold in modern societies.

In the next section of this chapter, attention is firstly turned to a question that has so far been little discussed in the contemporary political marketing literature – namely what we need marketing for in politics; i.e., what are we actually out to achieve when we apply market models to the conceptualisation and/or conduct of politics? After this, I proceed to address and discuss the notion of political participation in order to see how it is commonly understood within various strands of though within its own discipline and how it may be seen as connected to the – for political scientists and democratic theorists – important concepts of legitimacy and democratic quality discussed in chapter one (see

1.2.2). Resolving a position on these key measures at an early stage seems important to both the study's critical examination of contemporary political marketing theory (see 5.0) and to my own subsequent theoretical endeavours (6.0 and 7.0).

## 2.2    Important Questions and Concepts

### 2.2.1    Goals and Objectives – Values and Underlying Assumptions

Marketing is first and foremost an applied science where descriptive and analytical exercises are carried out with the aim of developing strategic and tactical prescriptions, which can subsequently be implemented in practice. Hence, the importance of starting out with a situational or contextual analysis and secondly addressing the goals and objectives question: What do we need marketing for in politics?

At a descriptive level the goal is rather obvious; attempts to appropriate theoretical marketing concepts to politics rest on the belief that such perspectives may have something valuable to offer political science in terms of describing and explaining political phenomena or the systemic workings of political contexts – such exercises purport to contribute to improve the quality of future research. Theoretical models are carriers of ontological assumptions and normative ambitions and these must be laid bare and opened to questioning. Most importantly, possible conflicts between the presuppositions of imported models and the philosophies underlying political phenomena or the systemic workings of the contexts to which they are applied may restrict or distort imported models' capacity to improve our theoretical understanding of the latter (Halbert 1965; Murray, Evers et al. 1995). This is where my criticism of conventional marketing – as currently appropriated in the description of party-centred contexts – rests (see 1.2.1 and 5.1).

This criticism is however equally (or maybe more) important at a normative level where prescriptions for strategic party behaviour are offered. This study rests on the contention that there is a need to discuss and decide whether the strategic goal of a political party should be to *win the election*; to *maintain and develop the market*; or indeed whether it could/should be *both*. Such questions are seldom explicitly addressed by contemporary prescriptively-oriented political marketing scholars. The implicit answer to them is possible to infer from the literature and it appears to rest on the underlying assumptions of conventional marketing itself (see 3.2.1): The overarching goal – either explicitly or implicitly advocated by the prescriptively oriented part of the literature – is to win the election (Kotler and Kotler 1981; Mauser 1983; Reid 1988; Maarek 1995; Henneberg 1997; Kotler and Kotler 1999; Lees-Marshment 2001; Smith and Hirst 2001; Wring

2002) (see 5.2). Given the central position competitive elections have in both democratic theory and practice, electoral victory is of course a justified goal of normative theoretical political marketing. However, if taken too far on its own and not adequately supplemented by other goals, such a short-term objective may not be compatible with long-term success in the "market" (Ferguson and Brown 1991; Morgan and Hunt 1994; Gummesson 1999; Gruen 2000; Grönroos 2000). Firstly, because a generally deteriorating "political market" characterised by marginal turnout may seriously distort government legitimacy. Secondly, because as it has previously been argued (see 1.1.2 and 2.1.2), and as this study will go on to examine the descriptive (see 6.0) and normative (see 7.0) implications of, in sophisticated services industries the quality of the process will effectively influence *the quality of the end "product"* (Hirschman 1970). Furthermore, actors in commercial sectors are very often strongly concerned and preoccupied with the overall "health and vitality" of the market (Gummesson 1999): Are we witnessing decline or growth? If the former is in evidence – what is causing it and how could it be remedied? For very obvious and simple reasons these matters may affect the future of the enterprise, and a long-term perspective affecting goals and objectives would thus have to be incorporated into the overall marketing strategy:

> 'The marketing of a product is affected not only by the strength of its brand in comparison with its competitors, but also by the overall standing of the whole class of products and their sector. Wise companies are aware of this, and are jealous for the reputation of their industry as well as their company. Trade associations promote good practice and image, and companies can sometimes suspend market hostilities to work together for their collective good'. (Mortimore 2002: 1)

So far these insights appear to be missing from theoretical political marketing scholarship and, consequently, suggested normative strategic concepts tend to focus exclusively on winning the election, to the general exclusion of market development and maintenance (Kotler and Kotler 1981; Mauser 1983; Reid 1988; Newman 1994; Maarek 1995; Lees-Marshment 2001; Wring 2002). Sustainable market success appears to necessitate a minimum of collaboration on the part of all actors on the supply side of the market in order to develop and maintain the "ground" on which they all compete (Gummesson 1997; Gummesson 1999; Palmer 2000). In the Western world, within both candidate-centred and party-centred systems, it would now seem that the increasingly hyper-competitive characteristics of contemporary politics have left the conventional political "industry" with an overall reputation which appears to indicate to citizens that it might not under the prevailing circumstances be worthwhile "doing conventional political

business" (voting) (Ansolabehere and Iengar 1992; Jamieson 1992; Teixeira 1992; Curtice and Jowell 1997; Mortimore 2002). Roger Mortimore (ibid: 1, emphasis added) continues to explain:

> 'Political institutions need to re-establish public respect for their importance and relevance. *The business of politics itself needs marketing* – the standing of politicians and of the whole public sector in the UK is currently too low for the health of the political system or of British society'.

This seems to be a point well taken and one which also appears in full accordance with modern services marketing thinking (Berry, Shostack et al. 1983; Payne, Christopher et al. 1995; Brandenburger and Nalebuff 1996; Gummesson 1999; Grönroos 2000). Managerial marketing theory, however, offers few, if any, tools or concepts with which to describe the simultaneously collaborative and competitive "nature" of these arenas. Consequently it tends to fall short of explaining how these contexts could be successfully maintained and developed. Most importantly, the approach tends to render invisible the role that local party organisations play in mobilising turnout and maintaining political engagement at grass roots level (Scarrow 1996; Widfeldt 1999; Dalton and Wattenberg 2000; Diamond and Gunther 2001; Seyd and Whiteley 2002).

At the normative level this study is preoccupied with both the prospects that alternative models offer for the health and vitality of democracy ("the state of the industry"), and with the well-being and competitive positions of the organisations (membership parties) that I suggest must continue their work in order to ensure that our chosen contexts maintain their high-touch services industry features. In such a perspective *electoral victory and market maintenance become equally important*. Theoretical political marketing concepts, it is here argued, must therefore at a very minimum account for the importance of voter turnout to democratic legitimacy and the corresponding importance of "market" maintenance and development to this end. Interestingly, West European multi-party-centred contexts, the most part of which Lijphart (1999) classifies as 'consensus democracies'[31] seem, contrary to conventional political science wisdom, not to be outperformed by majoritarian systems such as the US. Consensus democracies appear instead to outperform majoritarian systems both with regard to quality and democratic representation (ibid: 301). Key to this state of affairs seems – among some other measures – to be the participatory opportunities encouraged and facilitated by

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[31] With the exception of the UK which represents a prominent example of parliamentary majoritarian rule.

membership parties. There appears thus to be something worth maintaining within many party-centred contexts and, following relationship marketing thinking, in this study I will in later chapters turn my attention to the question of how market development and maintenance can be conceptualised within these spheres (see 6.0) and also discuss what kind of normative and strategic implications will follow from the findings (see 7.0).

### 2.2.2  Participation, Legitimacy and Democratic Quality

None of these pivotal democratic concepts appears so far to have been explicitly addressed or fully conceptualised in the contemporary political marketing literature – perhaps mainly because conventional marketing offers few (if any) theoretical constructs with which to capture their complexity (see 3.2.1). It seems important at this stage of the investigation to clarify what is meant by and how this study will relate to the notions of participation, legitimacy and democratic quality. I later return to examine the possibilities of theoretically accommodating them within a relationship marketing perspective. Firstly, there is a need to consider what selected democratic theorists have to say about these concepts and examine the extent to which (if at all) relationship marketing scholars may be debating similar concepts. Each of the concepts represents a huge topic area which is under continuous discussion within their mother disciplines. The following subsections provide a well-defined exploration of a sampling of these debates in order to establish some additional "guiding lights" that are germane to this theoretical enquiry.

### 2.2.2.a  Participation

The importance of political participation is, as previously discussed, a contested issue in many branches of political science (see 2.1.1). It appears also to be a term used to cover everything from voting, active/passive party-memberships, and campaign contributions (monetary and otherwise), to issue-group memberships, protest activities, social movements, etc. (Verba, Nie et al. 1978). Conventional political participation (voting) remains at the forefront of many contemporary commentaries – perhaps not least of all due to the fact that a certain minimum (of voter turnout) seems to be required in order to establish government legitimacy (Saward 2001). This minimum requirement has according to observers come under threat within contemporary established democracies

in the West (Diplock, Gosschalk et al. 2002; Wattenberg 2002), and participatory issues remain a recurring theme in democratic discourses (Dalton and Wattenberg 2000). There seems also to be an increasing interest among some contemporary political scientists in what may be seen as *furthering* people's *capacity* to participate in the political process – and a key ingredient appears to be *trust* (Cohen 1999; Offe 1999; Warren 1999). The core trust relation is commonly seen as resting on interpersonal interaction, but it may also be extended to institutions or organisations through intermediaries that vouch for the integrity of the trusted (Magleby and Patterson 2000). People are said to be able to extend their power of judgement through social networks. Extension of trust can also be enabled through knowledge about the normative idea of an institution – that is, an organisation is trusted because it is known what it stands for (Offe 1999). This thinking appears quite similar to what can be encountered in some of the relationship marketing literature (Cowles 1996; Michell, Reast et al. 1998; Grönroos 2000; Singh and Sirdeshmukh 2000). Here trust is seen a key mediating variable – together with commitment – in the development and maintenance of business relationships: 'Services marketing depends on the management of trust' (Morgan and Hunt 1994: 24). It is perceived as an essential construct 'embedded' in everyday life and the meaning of it consequently will be determined by the *'context'* (Wicks 1999: 103, emphasis added). Service production is commonly seen to take place in this broader context and, according to Halliday (2004: 46), trust 'enables the service to take place, and then, over time, to continue'. Thus, in much of the relationship marketing literature, a minimum level of trust is regarded both as a prerequisite for people's fundamental capacity to do business and as 'the basis' for the establishment of 'loyalty' (Berry 1993: 1).

In contemporary political discourse there are voices claiming that modern societies lack forums in which people's trust and confidence in distant institutions can be redeemed through processes of political deliberation and debate and that this may negatively affect our capacity for political participation (Mayhew 1997). This study's interest in political participation is linked to the observations made in subsection 2.1.3, namely, that within party-centred contexts such forums may be seen to exist in the form of membership parties; significant numbers of ordinary citizens participate in intra-party production processes involving face-to-face deliberation and potential trust redemption on the "supply" side of the political "market" on a year round basis. This is not to deny that the majority of citizens do not to make use of this participatory opportunity, rather it is to

remind us that its existence and utilisation expands the power perspective (Hirschman 1970) for large minorities of such electorates, and it is argued here, it represents an element of the party-centred political process which must be accounted for theoretically if our understanding of such contexts in terms of "markets" is to be improved (see 1.2.1.a). I am thus looking for ways in which to capture and conceptualise these different modes of political participation and will consequently focus on:

> **How member participation in intra-party production processes at the "supply" side of the political "market" may be seen as connected to (if at all) "demand" side activities such as voting and the workings of interest groups, and how (if at all), these different dimensions of participation may be accommodated and conceptualised in a relationship marketing perspective.**

## 2.2.2.b Democratic Quality and Legitimacy

These two concepts appear to have spurred just as much debate and discussion as the issue of participation within the political science community. With regard to democratic quality there seems to be a rift between theorists who understand and attempt to measure it in terms of systemic *output* or *outcomes*[32], and those who argue that 'focusing on the outcome dimensions neglects the fact that 'democracy is the instrument for delivering approved decisions on such matters' (Bühlmann, Merkel et al. 2007: 6). Proponents of the latter group commonly argue that judging the quality of democracy must be constituted in an assessment of procedures, processes and opportunities. Robert Dahl (2000: 37, 38), for example, offers a list of five basic criteria by which he suggests the quality of democracy should be judged: 'Effective participation, equality in voting, gaining enlightened understanding, exercising final control over the agenda and [the] inclusion of adults'. The way in which these procedural elements are put together or organised will necessarily make for different qualities of democracy (Plattner 2004).

Discussion of quality is something which in much of the marketing literature is normally linked to products – or in the case of high-touch services – to production and consumption processes (Grönroos 1984; Berry and Parasurman 1991). The quality term is not commonly used with reference to how well an industry fulfils its role in society in the way certain scholars preoccupied with democracy typically do – be they proponents

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[32] Such as the degree to which systems produce good minority representation, political equality, economic growth, crime control, proximity between government policy and voters' preferences, etc. – that is, good governance (see e.g., Lijphart 1999).

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of outcome- or procedural process-oriented approaches. The closest we appear to get to such quality discussions in the marketing literature seems to be some of the relationship marketing scholars' concern about the "health and vitality" of the market – something which is seen as resulting from both how productively a market is regulated and how well market actors collaborate with regard to developing and maintaining a good reputation for the industry as a whole (Gummesson 1999; Mortimore 2002). In most presentations of democratic theory, approaches to quality appear – irrespective, it seems, of whether contributors may be seen to represent the "outcome" or "procedure" approaches – anchored in value judgements alone, that is, how well a system is considered to perform according to a given set of criteria. The quality term may however also be used to express different product characteristics[33], and this study seems – with the help of Hirschman (1970) and by drawing upon the relationship marketing literature's focus on process quality at the production/consumption level – well-positioned to suggest that party-centred contexts represent *qualitatively different* types of democracy than candidate-centred systems such as the US. There is arguably a services quality aspect to what is on offer within the former systems and this potentially expands the power of citizens as compared to citizens within the context of candidate-centred systems (see 2.1.3).

Legitimacy – the lifeblood of democratic politics – is not an easy construct to come to grips with through the use of the work of most proponents of marketing theory; perhaps firstly because the notion of legitimacy is so abstract and, secondly, because it appears to bring with it subtle connotations regarding legality. In an attempt to help clarify the meaning of the term, Popovski and Turner (2008: 3) say that:

> 'An action is always either legal or illegal; it cannot be partly legal. In contrast, legitimacy is fluid and changing – it depends on perceptions and outcomes. As a subjective interpretation of what is desirable and appropriate, legitimacy can be maintained by a constant effort to ensure conformity with the normative expectations of affected constituents. Legitimate decisions are based in democratic participation whereby affected persons have the opportunity to raise their voices. When legitimacy is separated from democratic participation, it risks being exposed to ideological and self-concerned manipulation.'

Almost 50 years ago Lipset and Bendix (1959: 86) focused more on "das Ding an sich" than on how it is established:

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[33] Quality is a concept most often thought of in terms of good or bad, but it may also be used to express differences in product characteristics – such as in a comparison of linen and silk – both precious materials, but very different qualities of fabric.

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'Legitimacy involves the capacity of a political system to engender and maintain the belief [in citizens] that existing political institutions are the most appropriate and proper ones for society.

Looking at Lipset and Bendix's definition it would appear that they understand legitimacy in terms of *support* – their use of the word 'belief' seems to point to people's willingness to throw their weight behind a decision or a system. Popovski and Turner's definition appears however to make it clear that the *value* of such support is contingent upon the way in which it is established or created – it may be enhanced or diminished through participation or the lack of such. There seems consequently to be a quality dimension embedded in this construct too – legitimacy appears in effect to be *the quality of democracy as perceived by the people*. Thus, although legitimacy and democratic quality are most commonly discussed separately in much of the political science literature, they seem in effect to be partially overlapping concepts.

The question of how much participation is required in order to legitimise a democratic decision represents another hotly debated topic in the political science field. There appears, however, to be an influential normative strand of thought arguing that democratic legitimacy is inextricably intertwined with the process of deliberation (see 2.1.1). Joshua Cohen (1989: 23, emphasis added), for example, claims that 'outcomes are democratically legitimate, *if and only if*, they could be the object of free and reasoned agreement among equals'. "Hard-core" deliberationists are not alone in voicing such opinions; Manin (1987: 351-352, emphasis added), for example, says that 'the source of legitimacy [of political decisions] is not the predetermined will of individuals ..., but rather *the process of its formation*, that is deliberation itself'. According to Saward (2000), however, most political scientists (including most deliberative democratic theorists) appear to concede that establishing legitimacy within modern democracies starts off with voting (aggregative competitive legitimacy) and some sort of majority rule. My study therefore needs to shed conceptual light on:

> The way in which deliberative intra-party production processes (involving both party-members and members of associated organisations) may be seen to legitimise the "output" of the party; the role of voting in legitimising government and parliament; and the way in which both these dimensions of legitimacy may be seen as feeding into both the quality of the "political product" and the quality of democracy as a whole.

Taken together, citizen participation in political production processes appears to be an important consideration in party-centred contexts, and it seems also to be a pivotal

ingredient in our understanding of both democratic quality and legitimacy. Contemporary political marketing models have so far not related to such notions in any explicit way. Thus, one way in which an alternative approach to marketing could constitute an improvement of the models currently applied to the theorising of party-centred politics, would be to develop and offer some descriptive or conceptual tools capable of capturing the participatory aspects said to be characteristic of these realms and to offer some suggestions as to how the establishment of legitimacy and democratic quality (within the same contexts) could be understood in a market perspective. Many political scientists also argue that the participatory features of the specific contexts under consideration in this study, are something that is worth maintaining and preserving (Scarrow 1996; Lijphart 1999; Widfeldt 1999; Scarrow 2000). At a normative level, there appears to be a need for strategic concepts that can provide suggestions as to whether certain characterisations of relationship marketing theory may offer insights into how this can be done. The development of some theoretical steppingstones in this area could prepare the ground for the further development of tools with which to measure the extent to which political parties (service providers) offer genuine opportunities to participate at the various levels of the political process and to what extent this participation spills into general citizen participation in the electoral competition.

We are now ready to put the argument developed here into context.

## 2.3    Summary – Argument in Context

This thesis argues that the marketing perspective underlying much of the contemporary political marketing literature discussed in the introduction and in the preceding sections of this chapter tends to misrepresent significant parts of the political process when applied in the analysis of party-centred contexts that are based on the workings of strong membership parties and that this also renders them inappropriate as a foundation for strategic models aimed at practical implementation within these contexts. This contextual chapter has attempted to establish a justification for these claims. In addition to this, it has addressed some key questions and established some guiding lights aimed at helping to develop the theoretical ambition of this study.

The thesis, which is in essence, firstly, a descriptive and secondly a normative theoretical political marketing study, is designed to critically examine and discuss selected strands of relationship marketing theory against the backdrop of the models of democracy presented in subsection 2.1.1. The aim, as previously discussed (see 1.2.3), is to provide an alternative way of conceptualising party-centred politics in terms of "markets". I approach the process as if it constituted a Russian doll where each level of analysis is enclosed in another (see Fig. 2e).

Fig. 2e:    Party-Centred Politics in terms of "Markets": Levels of Analysis
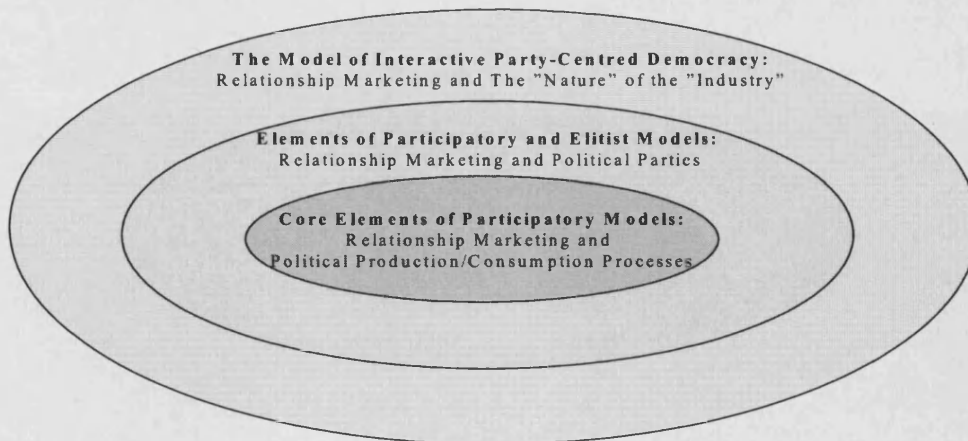


The outermost doll is represented by my amended model of Lewin's 'interactive democracy' which was termed 'Interactive Party-Centred Democracy'. This is the overarching system that the study aims to describe – corresponding to what in

commercial terms would be called the "industry" – and which my suggested market framework will have to accommodate more comfortably than the framework that is now most commonly applied. The next doll (level of analysis) relates to theoretical elements drawn from strands of both participatory and elitist democratic theory (see 2.1.1) and focuses on the importance of *membership parties* to the workings of this type of democracy; this doll may be seen as corresponding to the organisational level of commercial markets. Here my alternative marketing framework will need to be descriptively appropriate with regard to the workings of such organisations within my chosen contexts and also provide some strategic insights with regard to what would be considered successful party behaviour (competitive positioning) that would not appear to distort the "nature" of the "industry". The innermost doll is seen as represented by the *core elements* of selected participatory models of democracy. Here the suggested marketing concepts will have to capably account for how *political production processes* (representatives, policy and voter turnout) are normally seen as played out within party-centred contexts and at the same time offer some insights into how citizen participation may be facilitated, maintained and enhanced.

At this stage it is important to reflect on the beliefs and values that the researcher brings with her to this theoretical endeavour (see 1.3.3). I therefore take this opportunity to draw the readers' attention to the fact that I may to a certain degree be seen as sharing the worries of observers claiming that democracy today appears to be increasingly taken for granted within many Western nations – seemingly understood as something we can make use of at our convenience. The underlying assumption of this project is quite to the contrary: In this study democracy is understood as systems of governance which adhere to the basic principle of government of, for and by the people – and it appears to be a principle which history seems to have demonstrated is in need of constant re-enforcement in order to survive (Dahl 2000: 10). Metaphorically it seems possible to argue that *"democracy is a muscle – it needs to be exercised in order not to become feeble or, worst case, dysfunctional"*. I may also to a certain extent be seen as sharing the worries of other commentators who, as discussed in the beginning of the introductory chapter (see 1.1.1), voice concern about the way in which the practical conduct of politics seems to be changing within party-centred contexts[34]. I have suggested that the degree to which (and

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[34] Many observers have claimed that this development is in no small part resulting from the appropriation of marketing techniques to the practical conduct of politics (see 1.1.1). This study will, however, not be resting on any evidence that

the way in which) the procedural principle of democracy is applied in practice differs between systemic contexts. This seems to represent a key insight which I argue any attempt at conceptualising politics in terms of "market" should comfortably be capable of accounting for. Otherwise there is a risk of descriptively misrepresenting the particular "nature" of the "industry". At a normative level, this would risk failing in the overall marketing task; that is, achieving a short-term objective such as an electoral victory, but at the same time failing to maintain and develop the "market". This in turn means that while certain practices may continue to gain a sufficient "market share" to win elections, such victories may subsequently have to be seen against the backdrop of slowly deteriorating "markets" and weakened government legitimacy.

The next two chapters of this study are dedicated to detailed and critical examinations of the key aspects of the two marketing frameworks in question: The one underlying most contemporary political marketing contributions (the managerial perspective), and that which I examine the relative and potential theoretical virtues of with regard to party-centred contexts (the relational perspective). I am setting out to establish an overarching understanding of their origin and development, some of the underlying assumptions and world views they bring with them, and the way in which they have initially been suggested to work within their commercial habitats – at both descriptive and normative levels.

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the emerging practices of political parties have been rooted in the MMM-model of marketing. The only thing that is argued, is that conventional marketing models have been most predominantly prescribed for political practice (Kotler and Kotler 1981; Mauser 1983; Reid 1988; Newman 1994; Henneberg 1997; Kotler and Kotler 1999; Lees-Marshment 2001), and that there is prima facie evidence to suggest that to the extent marketing is at all implemented by political parties, this type of thinking may have been most influential (O'Shaughnessy 1990; Kavanagh 1995; Scammell 1995; Lock and Harris 1996).

# PART II

# A Comparison
## of
## Two Marketing Frameworks

## 3.0 MARKETING – THE MANAGERIAL PERSPECTIVE

As an academic field of enquiry marketing is often likened to a magpie; it borrows theories from a range of other disciplines – most notably, economics, organisational theory, social psychology, and sociology (Ingebrigtsen and Jakobsen 1997). The field is today characterised by an almost breathtaking multitude of contributions, specialised research domains and a plethora of publication outlets and academic conferences. It is therefore often claimed to be difficult to grasp the field's total expanse of thought in one single operation. Attempts have nevertheless been made: In a seminal book Sheth, Gardner et al. (1988), for example, retrospectively identify altogether twelve different "schools" of thought which they see as having – in different ways and to varying extents – influenced what is typically referred to as modern marketing. The development of the field, however, came to be heavily influenced by one particular turn of events which started to occur in the US in the late 1950 – namely the shift to a managerial research perspective. This approach was founded on the belief that 'the major purpose for academic work is to enhance the effectiveness of manager's marketing decisions', and it 'continues to maintain a pre-eminent position in the field' (Wilkie and Moore 2003: 132).

This investigation will start with a very brief review of marketing's earliest days as a field of academic enquiry (3.1.1). This is done in order to show that even though the discipline draws on a number of others, its primary "loyalties" seem to have remained firmly anchored in economics. From this point I proceed – to the extent appropriate in this study – to examine the origin, development and phenomenological boundaries of the managerial perspective (3.1.2); its ontological/epistemological vantage points (3.1.3); its key theoretical concepts (3.2.1), and the most important criticism which has also been levelled against it (3.3). The aim is to establish a sufficiently robust understanding of the framework's underlying philosophies and the habitat which it was originally constructed to describe and to which its normative strategic prescriptions were meant to apply. This is accomplished by drawing upon a limited set of scholars, acknowledging that many have offered similar accounts. This investigation is important for the assessment of the framework's current utilisation in the theorising of politics (5.1, 5.2 and 5.3), and will also enable a better informed comparison with key aspects of relationship marketing (4.4) – the perspective which this study aims to consider in terms of its potential

theoretical virtues and vices with specific regard to the understanding of party-centred political contexts in terms of "markets".

## 3.1    Background

### 3.1.1    Marketing – The Early Days of the Discipline

Marketing was established as a field of academic enquiry in the early 20th century, and when university courses first started to appear 'in the new colleges of commerce or business schools in the United States' (between 1902-11), they were predominantly driven by the efforts of 'economists or persons with some business experience' (Grether 1967: 311). The kinship between marketing and economics was further strengthened a couple of decades later through the work of influential economists such as J. Robinson and E. H. Chamberlin, who introduced ideas of monopolistic competition which – as opposed to perfect competition, oligopoly and monopoly – allowed for consumer preferences, a heterogeneous view of markets and the use of other action parameters than price to be accommodated in economic theory (Ingebrigtsen and Jakobsen 1997: 35). According to Grether (ibid: 313), marketing was for many of these early scholars 'an area of applied economics' or 'a laboratory' in which economists could 'observe the actual workings of economic forces'. Grether goes on to explain that there were in the US in the early days made systematic efforts to integrate the analysis of marketing with economic analysis:

> 'The analysis directed itself at the transfer of ownership or of title as the essence of marketing. Unless there comes a time when the title of goods changes hands, no marketing takes place. Hence, the analysis focused sharply on buying and selling activities and pricing, both descriptively and analytically.' (Ibid: 318)

Throughout the establishment (ca. 1900-1930) and growth phases (ca. 1930-1960) of the discipline (Ingebrigtsen and Jakobsen ibid: 30-39), scholars were mostly preoccupied with the study of the activities occurring after the product was manufactured; that is, with distribution, retailing and advertising issues. Product developments were considered tasks that were tended to by technologists and thus something which was out of bounds for marketers. Research efforts were typically geared to the study of the functional aspects of commercial exchange (Cherington 1920; Fullbrook 1940), the roles of all the different institutions working the market (Butler 1914; Converse and Huegy 1940) and on the classification of the objects of transactions – that is, products or commodities (Copeland 1923; Rhoades 1927; Aspinwall 1958). The contexts in which research efforts were grounded were those of ordinary commercial markets for prefabricated consumer

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goods – which as previously discussed (1.1.2) – are realms in which production is separated from consumption in both time and space.

### 3.1.2  The Emergence of the Managerial Approach

This perspective – which represents a view of the world from the vantage point of the company manager – continues for the most part to be firmly anchored in the context of prefabricated consumer goods and in the microeconomic tradition of the early days. Its protagonists took inspiration from sentiments coming out of the economics discipline in the United States in the early 1950s, where some scholars saw theoretical economics as having become too isolated from the world of practical business (Dean 1951). In the late 1950s and early 1960s a similar managerial "awakening" started to develop among marketing scholars in the US, resulting in some breakthrough contributions: In a seminal book, 'Basic Marketing – A Managerial Approach', McCarthy (1960) launched a coherent presentation of marketing's means of competition, later known as the "four Ps" (see 3.2.1). Following up on this and further developing the idea, Borden (1964) introduced the notion of the "marketing mix" to show the importance of combining the means of competition in a productive way in order to obtain market success. At the same time, however, others started to question the long-term viability of this pursuit of production efficiency. The argument went that if business enterprises were to compete successfully in modern markets, it would require knowledge of the consumer which penetrated to the level of theory (Sheth, Gardner et al. 1988). The then president of Pillsbury Company, Robert J. Keith (1960: 35), expressed the practical implications of such thinking:

> 'Our attention has shifted from problems of production to problems of marketing, from the product we can make to the  product the customer wants us to make, from the company itself to the marketplace.'

Another call for increased sensitivity to the needs of consumers surfaced in an article written by Theodore Levitt (1960: 1, 47), entitled 'Marketing Myopia', where he cautioned that marketers too often naïvely believe that just because the current situation is profitable, 'there will always be a market for their particular product'. These revelations have later come to be referred to (named after Keith's article) as the

'Marketing Revolution' and they paved the way for the development of what was later to become known as "the marketing concept" (see 3.2.1.c).

Two controversies were in the years to come to have equally important ramifications for the way in which the discipline came to develop, namely the "is marketing science" (Converse 1945; Bartels 1951; Huchinson 1952; Baumol 1957; Buzzell 1963; Weldon 1965) and the "nature of marketing" debates (Kotler and Levy 1969; Luck 1969; Kotler 1972; Bartels 1974; Arndt 1978; Arndt 1979). In the former discourse arguments centre on whether or not marketing can be considered as a real science or, if it is not, more accurately understood as a practice or an art. The latter debate focuses on what should be the scope of marketing and what kinds of activities should be included within the phenomenological boundaries of the discipline. Kotler and Levy (ibid) played a significant role in the latter debate with their suggestion that the phenomenological area of marketing should not be restricted to the commercial realm. Instead, they argued that all organisations which are interacting with one or more groups of people with the intention of obtaining defined goals and objectives, are engaged in marketing.

Not everybody was happy with this turn of events, though. Luck (1969), for example, took strong issue with this new definition – the notion of churches as sellers of religious services or political parties as sellers of politics was in his view entirely meaningless. Kotler and Levy (ibid) countered such attacks by claiming that if marketing should cover only the commercial realm of society, this would entail denying that leaders of ideal organisations can have marketing problems, which in these authors' view would be an illusion. Instead of going back on his contentions, Kotler (1972: 48) further extended his scope of marketing and went on to develop the perhaps first generic concept within the discipline. By defining marketing in terms of 'function' ('a set of activities') rather than 'structure' (the 'structural setting' of the business context) and by seeing 'transactions' as the discipline's core units of study, he opened up a space in which marketing became a theoretical framework with which to describe 'how transactions are created, stimulated, facilitated and valued'. To Kotler – the easily most prominent and well known advocate of the managerial approach – this is the generic concept of marketing and he sees it as applicable across 'a great number of situations'; 'marketing applies to any social unit

seeking to exchange values with other social units' (ibid: 52, 53). Exchange should thus become a pivotal keyword in the study of marketing.


### 3.1.2.a   Exchange Processes – Phenomenological Boundaries of the Discipline

Although Kotler and other scholars (see e.g., Alderson 1965) early suggested that the concept of exchange held promise as a fundamental framework for the study of marketing phenomena, it was Richard P. Bagozzi (1974; 1975) who in a couple of insightful articles lifted the concept up to the level of theory in marketing. In defence of the ambitions to move the discipline beyond the scope of selling and buying in commercial realms, Kotler (1972: 48) had argued that 'the phenomena do not create the questions to be asked'; rather, 'the questions are suggested by the disciplined view brought to the phenomena'. For Bagozzi (1974), however, there was a need for further theoretical development. Kotler's notions were according to him not sufficiently clear, and they suffered from two shortcomings: Firstly, by limiting exchange to conditions whereby only things of positive value are reciprocated, many marketing transactions were excluded. Secondly, he pointed to the fact that conflict and cooperation often occur simultaneously in marketing relationships. In his view there was a need for a new conceptualisation of exchange that 'encompasses the reality of dialectical tensions so prevalent in marketing situations' (Bagozzi1974: 78). Exchange systems of value should thus in his view be defined as;

> 'a set of social actors, their relationships to each other, and the endogenous and exogenous variables
> affecting the behaviour of the social actors in those relationships.' (Ibid: 78)

Bagozzi (1975: 32-37) goes on to distinguish between three different systems of exchange which he sees as equally relevant to the marketing discipline: Firstly, there is 'restricted exchange' (the quid-pro-quo customer-salesman dyad which the marketing literature had traditionally dealt with). Secondly, 'generalised exchange' (exemplified by univocal reciprocal processes involving at least three actors where all involved actors benefit from the exchange only indirectly) such as when a local department store gives a number of benches to a bus company, the bus company places the benches at bus stops for the convenience of its riders, and riders see the advertisements placed on the benches by the department store and later patronize the store as a result of this exposure. Thirdly,

what he terms 'complex exchange' which he in turn divides into 'complex chain exchanges' and 'complex circular exchanges' – situations in which 'each actor is involved in at least one direct exchange, while the entire system is organized by an interconnecting web of relationships'. Here he uses the channel of distribution of consumer goods (manufacturer ↔ retailer ↔ consumer) as an example of the former type, and a television viewer's exchange with a television programme featuring commercial advertising for a book to exemplify the latter; viewer giving attention and receiving entertainment and product information ↔ TV channel providing entertainment and an opportunity to advertise and receive ratings and money for the ad ↔ advertising agency receiving the opportunity to create and place an ad and giving and receiving money ↔ publisher giving the opportunity to create an ad, giving money for the job and receiving product exposure in the media ↔ viewer receiving book and giving money for it. Bagozzi (1975: 35) also showed how people attempt to satisfy their needs by 'communicating and controlling the media of exchange' (money, punishment, attention, products, services, etc.) and argued that 'marketing exchanges harbour meanings for individuals that goes beyond the mere use of media for obtaining results in interactions', in which the latter point referred to the fact that exchanges could be motivated by both anticipated utility and symbolic gains.

Bagozzi's (1974; 1975) articles had a huge impact on the research community in that they appeared to resolve the theoretical dilemmas connected to the transferral of marketing logic to non-commercial areas of society. His theoretical treatment of the exchange concept represented the ultimate justification for these ambitions on behalf of the discipline[35]. Marketing was thus not only the process by which we facilitate the exchange of products for money. It was also applicable to non-commercial spheres where money would be substituted by other means, such as, for example, people's willingness to support, to vote for, give attention to, change their attitudes towards, etc. We were thus provided with a new term which thoroughly expanded the discipline's room for manoeuvre – namely social marketing (as opposed to economic marketing), and Bagozzi (1975: 37, 38) explains:

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[35] The notion of exchange is often mistakenly claimed to distinguish marketing from other disciplines such as economics, but the concept is not unique to marketing. Walter Nord (1973) traces it back to Adam Smith and by way of disciplinary definitions, K. Boulding, for example, used it to define economics in his book 'Economics as Science' (1970).

'...the meaning of social marketing – like that of marketing itself – is to be found in the unique *problems* that confront the discipline.....That is, social marketing is the answer to a particular question: Why and how are *exchanges* created and resolved in *social* relationships?' (Emphasis in original)

Marketing, as dominated by the managerial perspective, was however to remain *transaction oriented* with a focus on singular exchanges; a perspective in which marketing tends to become campaign-dominated, price (or some substitute for it) often becomes the most important issue, and customer acquisition the ultimate goal. The reason for this may perhaps be found in the managerial approach's ontological outlook.

## 3.1.3    Ontological/Epistemological Vantage Points

In a seminal paper S.D. Hunt (1976: 17) argues that there is strong overlap between the "marketing as science" and "nature of marketing" discourses, and fundamental to them are 'some radically different perspectives on the essential characteristics of both marketing and science'. He suggests that the reason why many marketers perceive of their discipline not as science but as art/practice is that they see the entire domain of marketing as being purely normative in scope and geared to the interests of the business unit. He concludes that any discipline that is purely normative is not a science, and about the managerial approach he has the following to say:

'The managerial approach adopts the perspective of the marketing manager, usually the marketing manager in a large manufacturing corporation. Therefore the emphasis is micro and in the profit sector. The basic question underlying the managerial approach is: "What is the optimal marketing mix?" Consequently, the approach is unquestionable normative'.   (Ibid: 22)

Hunt (ibid: 28, emphasis in original) resolves the question of whether marketing is an art or a science by pointing to the fact that 'the marketing literature is replete with description and classification', and concludes that 'the study of the *positive* dimensions of marketing can be appropriately referred to as *marketing science*'. The 'positive dimensions' in this quote refer implicitly to the philosophy of science that has traditionally been (and still is) dominating empirical research and theory development within managerial marketing – a descendent of logical positivism, commonly referred to as logical empiricism (Hunt 1976; Ingebrigtsen and Pettersson 1979; Brodbeck 1982;

Peter and Olson 1983; Wilkie and Moore 2003). It constitutes an objectivist ontological outlook represented in the belief that science can discover the true nature of reality, followed by an epistemological commitment to the logic of justification. Such an approach to research entails that 'science can be understood without considering cultural, social, political and economic factors' (Peter and Olson, ibid: 119) – or what I have referred to as the "nature" of contexts (see 2.1.3).

The managerial approach inherits much of its worldview from microeconomics. According to Ingebrigtsen and Petterson (1979: 38, 39), it is predominantly static by nature, it emerges from a socially liberal society constructed around the workings of commercial markets, it focuses on the business unit and its efforts to maximise profits through the satisfaction of short-term consumer wants and it identifies with the owners or management. What is good for the consumer will be good for the business unit that succeeds in satisfying his wants, and what is good for the business unit is assumed to be good for society as a whole. Its image of man is mechanistic and bears resemblances to that of the early behaviourist – the consumer is seen as rational self-interested utility seeker. In Spratlen's (1972: 405) words 'the marketing concept may be seen in cultural terms as culminating in the emergence of what Eric Fromm calls "homo consumens" , the total consumer whose only aim is to have more and use more'. As pointed out by Ingebrigtsen and Petterson (ibid) and other scholars (see e.g., Crane and Desmond 2002), this view of the world and image of man does not seem to have changed with Kotler and Levy's broadening of the marketing concept – the maximisation of profits (or some substitute for profits) is still the ultimate goal of the organisation and the consumer is seen as self-interested utility seeker although he may in a broadened perspective now be on the lookout for optimal 'entertainment' (as a television viewer), 'better government' (as a voter), or even a 'good conscience' (as a donator to charities) (Kotler 1972: 49). The managerial school's view of the *"nature" of markets* is also taken from the world of microeconomics and is often summarised as follows:

> 'It is basically founded on a view of atomistic consumer markets comprised of multiple independent actors, and it perceives them as dominantly passive, mainly responding to the market mix signals of firms providing competitive alternatives. In brief, atomistic markets, singular independent transactions, and stimulus-response relationships between sellers and buyers form the underlying premises of this approach'.
>
> (Möller and Wilson 1995: 3)

This represents an understanding of markets which has for a long time been considered valid across all market-like contexts. The sphere in which organisations act, is a dog-eat-dog competitive universe where the way forward lies in growth and the out-competing of other actors in order to establish market leadership (Ingebrigtsen and Pettersson 1979). The task of marketing is according to the managerial approach firstly to provide the company with pre-production market intelligence regarding what kind of products the customer wants. Secondly, it is to match product features with customer needs and wants, segment the market accordingly, take the product to locations where the consumer is willing to purchase it, and finally to promote it through various advertising and sales activities (Halbert 1965; Kotler 1972; Bagozzi 1986; Sheth, Gardner et al. 1988; Lancaster and Massingham 1993; Doyle 1998). Taken together, the managerial school represents a perspective or an approach which – with its focus on the marketer, 'the organisation that is carrying on the marketing' – sees marketing as functional 'influence activities' encompassing all areas of society where exchange of some sort is taking place (Kotler 1972: 52, 53). Sheth, Gardner et al. (1988: 106, emphasis added) explain:

'Its concepts transcend specialized areas such as industrial, international, services and social marketing. In other words, the basic concepts of product life cycle, market segmentation, marketing mix and the like seem *equally applicable to any specialized area of marketing activity*'.

The speed with which the managerial perspective gained momentum and the way it has managed to remain so influential within the discipline is often explained by reference to its professional appeal to the world of practical business (Wilkie and Moore 2003). Others see its popularity as rooted in the simplicity of the perspective's theoretical concepts – which in turn seems well exemplified by its dissemination in introductory marketing classes in business schools across the globe (Baker 1999). Its advocates (Philip Kotler in particular) have also proven themselves as capable marketers; his *Marketing Management* textbook is at the time of writing in its eleventh edition and is often considered a "must have" by students of marketing. Most importantly, however, its protagonists have displayed an amazing capacity to import, absorb and transform ideas from 'a broad blend of competing schools' and accommodate them under the "managerial umbrella" (Sheth, Gardner et al. 1988: 190). Fig 3a below pulls together the most important tenets or principles on which the managerial perspective of marketing rests – together they represent a brief summary of the framework's view of both markets and marketing.

Fig. 3a:   The View of Markets and Marketing as seen from the Managerial Perspective
            Inspired by Payne, Christopher et al. (1995: Introduction)

**THE MANAGERIAL PERSPECTIVE**

- Separated Production and Consumption

- Exchange and Singular Transactions

- Independent Actors

- Competition and Conflict

- Focus on Functions within the Organisation

- Focus on Customer Acquisition

- Focus on Product as Ready-Made Outcome
  (Value Distribution)

- Focus on Mass Communication
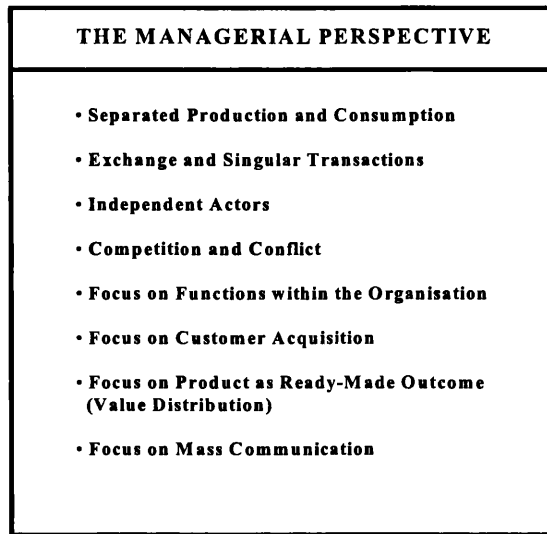
## 3.2    Marketing Mix Management

### 3.2.1   Key Theoretical Concepts

#### 3.2.1.a   The 4Ps – The Marketing Mix

The managerial perspective's ambition to achieve business relevance has resulted in a large bulk of literature centring on how managers should deal with the various elements of the marketing mix, such as products, price, promotion and distribution decisions. The area of *production* and *product* decisions, designated by the first P of the mix, is regarded as the most important variable in relation to the creation of preferences and demand and is viewed as presupposing profound knowledge about the needs and wants of potential buyers. This, in turn, is seen as necessitating continuous market research, focus on product development and design, product testing and on the different dimensions of product quality (Kotler 1997)[36].

Scholars preoccupied with *'pricing'* issues (represented by the second P) attempted to translate classic economic theories of pricing into normative policy guidelines that could be understood and readily implemented by marketing managers. Most prominent among these contributions, was perhaps Dean's (1950: 49) articulation of the pricing policies of "skimming" and "penetration":

> 'The strategic decision in pricing a new product is the choice between (1) a policy of high initial prices that skim the cream of demand and (2) a policy of low prices from the outset serving as an active agent for market penetration. Although the actual range of choice is much wider than this, a sharp dichotomy clarifies the issues of consideration.'

Oxenfeldt (1960) appears however to have been the contributor who accommodated pricing decisions into the most marketing friendly grid. He argued that pricing decisions should follow six successive stages: (1) Selection of market targets (2) Choosing a brand "Image" (3) Composing a marketing mix (4) Selecting a pricing policy (5) Determining a pricing strategy (6) Arriving at a specific price (ibid: 125-26). The sequence of stages is essentially part of the method, for each step is designed to simplify the succeeding stage and reduce the likelihood of error – each step thus logically antecedent to the next.

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[36] One of the most significant contributions within this domain of research is perhaps Levitt's (1965) introduction of the 'Product Life Cycle' concept. This construct has also been subjected to some rather problematic criticism (see Day 1981; Gardner 1987), it is hardly ever utilised in the theorising of politics and is, for the latter reason, not discussed here.

Students of *distribution*, designated by the P for Place, attempted to encourage marketing managers to offer distribution decisions the same amount of attention accorded to product, pricing and promotion. An influential article related to this area of research was authored by Magee (1960: 96) who says:

> 'Grappling with all of these problems is like untangling a tangled skein of yarn. Each decision has an impact on other choices and for this reason is hard to pin down. The distribution problem is a system problem, and it must be looked at as such. If it is examined in total and if the experience and methods available for studying it are used, the issues just mentioned can be resolved in an orderly, mutually compatible way.'

Traditionally distribution issues have been tied to decisions about how many links are necessary in the distribution chain to ensure an efficient flow of products from producer to consumer (Bagozzi 1986). That is, distribution issues were seen as being about one-way processes. Today, topical issues within this research domain are increasingly concerning the challenges of both distribution and retro- or re-distribution (Hopfenbeck 1992; Ingebrigtsen and Jakobsen 1997).

The fourth P for *promotion* represents an element of the marketing mix which is often perceived as synonymous with marketing itself – probably due to the simple fact that this is the most visible ingredient of the mix. Scholars within this area of research are preoccupied with both advertising and personal selling issues. The former strand has developed into a somewhat technical science and it started early. Lavidge and Steiner (1961), for example, argued that the goal of advertising should be to move consumers through a series of stages that eventually result in product purchase. Marketing is however frequently accused of contributing to the creation of "false" needs and for the inherent manipulation of customers that this entails. Researchers preoccupied with sales techniques have in similar ways often been accused of encouraging coercive and deceitful tactical methods. The 'need-satisfaction' theory of personal selling was constructed to meet some of this criticism (Cash and Crissy 1958) – it emphasised the importance of identifying the customer's needs before entering into any promotional action in favour of a product.

## 3.2.1.b   More Ps Added to the Mix

In the wake of steadily growing services industries, and in order to enhance the marketing mix's applicability business-to-business marketing situations, scholars have in later years attempted to develop the concept in ways that were aimed at compensating for its apparent failure to accommodate the special features characterising such market situations. Consequently, the list of P's has been extended to also comprise elements such as People, Processes and Physical Evidence (Booms and Bitner 1982), as well as Public Relations and Politics (Kotler 1986). The people-element refers to the role that employees play in creating customer satisfaction. According to Kotler (2000: 434) employees should ideally 'exhibit competence, a caring attitude, responsiveness, initiative, problem-solving ability, and goodwill'; companies also try to 'demonstrate their service quality through physical evidence and presentation'; and services companies 'can choose among different processes' by which to deliver their services. Public relations and Politics were suggested to be added to the mix by Kotler who argued for the importance of "megamarketing", which he defines thus:

> 'Megamarketing is the strategic coordination of economic, psychological, political and public-relations skills to gain cooperation of a number of parties in order to enter or operate in a given market'.
> (Kotler 2000: 278)

Although the dynamics of high-touch services and business-to-business markets are now commonly considered to be distinctly different from markets for manufactured consumer goods and commoditised services (see 2.1.2), this extension of the marketing mix does not deal with services/business-to-business settings in any explicit way. Elements considered relevant and necessary to these contexts are added on to the mix, but the treatment of them and the concept's underlying assumptions remain firmly rooted in the realm of manufactured consumer goods (Grönroos 1994).

## 3.2.1.c   The Marketing Concept

This is another flagship of the "managerial school". It constitutes a market-oriented business philosophy often perceived as challenging "older" business approaches such as the 'production concept' (or 'product concept') and the 'selling concept'(Kotler 1997). A

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true market-orientation is frequently depicted as resulting from a developmental process; the firm develops from having a traditional focus on production, through a stage where emphasis is put on selling, before ending up with the customers' needs in focus and, hence, having become truly market-oriented. The marketing concept holds that the key to achieving organisational goals consists of the company's ability to outperform competitors in the creation, delivery, and communication of customer value to its chosen target markets which, in turn, can only be achieved through continuous and extensive market research or intelligence (ibid.). The original idea and ultimate aim is to provide the consumer with what he/she wants which is, in turn, assumed to benefit both the company and society at large.

## 3.2.1.d   Market Segmentation

The general idea spurring interest in this research topic was that customers are not all driven by the same urges or objectives. Thus, scholars acknowledged that most markets were heterogeneous and that in order to exploit them efficiently, they needed to be segmented into smaller more homogeneous parts. The aim was then to identify and target such segments with a marketing mix (all the Ps) specifically adapted to their needs (Smith 1956). Market segmentation has, however, proven to be a sometimes controversial area for marketing theorists. Winter (1984) argues that some marketing scholars have misunderstood Smith's original concept, and focused on the diversity in consumers' levels of demand, rather than the diversity in the type of demand among consumers. He is also concerned that an obsession with demographic identification of consumer segments and a preoccupation with product forms instead of product needs have detracted from the initial concept as presented by Smith in 1956.

## 3.2.1.e   The MMM-model and Productivity

Focusing on the task of distributing ready-made value to consumers, Michael Porter (1985) is one of the most prominent authors to have introduced the concept of the 'value-chain' as a tool for identifying ways to create better customer value. He sees every firm as a collection of activities that are performed to design, produce, market, deliver and support its product. The value-chain identifies nine strategically relevant activities that

create value and cost in a specific business (see Fig. 3b). The firm's task is to examine its costs and performance in each value-creating activity and look for ways of improving it. The firm should also estimate its competitors' performances as benchmarks against which to measure its own achievements. To the extent that the firm can perform certain activities better than its competitors, competitive advantages may be achieved.

Fig. 3b: The Value Chain (Porter 1985: 37)
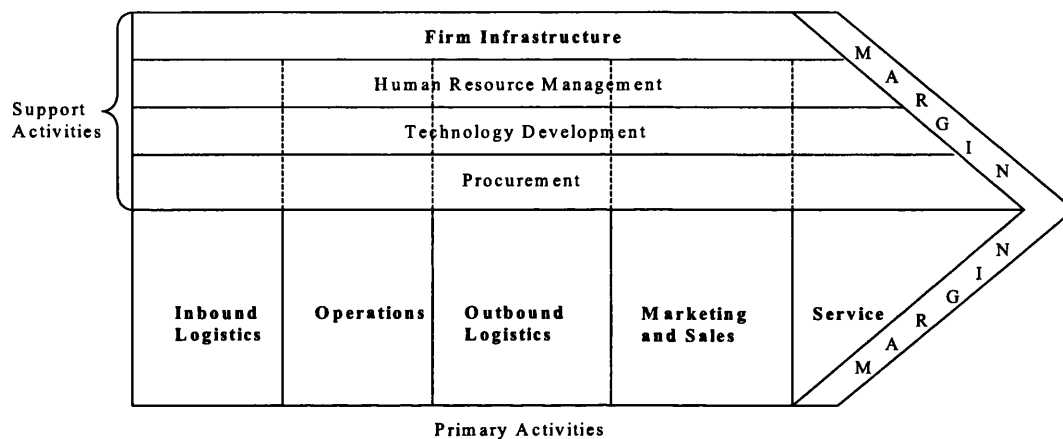


This model represents a view of organisations as closed systems and is founded on the world of traditional manufacturing. Most importantly, it explains the input and output of production processes as homogenous and quality resulting from the production process is seen as constant. This allows us to measure productivity and quality separately from sales volumes; hence, in this perspective the production process does not influence product quality as perceived by customers (Porter ibid). Porter's model has been praised for the way in which it helps explain the management of cost efficiency within traditional manufacturing contexts. It has become very influential within conventional marketing and is included in most mainstream marketing management textbooks[37].

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[37] 'In services contexts productivity cannot be understood without taking into account the interrelationship between the use of input or production resources and the perceived quality of the output or services produced with these resources. In other words, the interrelationship between internal efficiency (cost efficiency) and external efficiency (revenue efficiency) is critical for service productivity' (Grönroos 2000: 209). I return to discuss these issues in the next chapter.

### 3.2.1.f The MMM-model and the Organisation

The *functional approach* of the MMM-model (which can also be seen in the value-chain) to business has implications for the implementation of marketing in organisations. The organisation is typically seen as hierarchically structured and different departments are understood as dealing with different parts of the business process (see Fig. 3c).

Fig. 3c: Marketing as a Functional Activity (Payne, Christopher et al. 1995: 5)
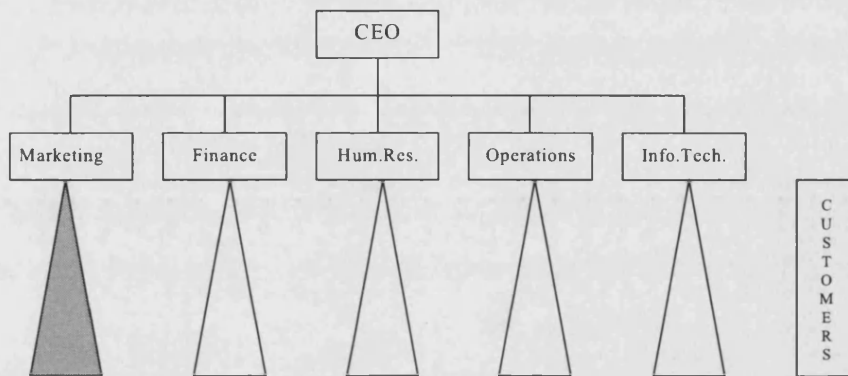


This is the classic structure of a business organisation and marketing is, as we can see here, perceived as being the responsibility of the marketing department. This is where planning and marketing decisions are theoretically seen as being made. The main advantage to be taken from a functional approach to organisational structure is according to Kotler (1997), administrative simplicity. I return to examine some of the disadvantages in a later sequence (3.3).

### 3.2.1.g The MMM-model and Communication

In conventional consumer markets, *communication* does not flow automatically between producers and consumers. The fact that market actors are separated in both time and space does not allow any dialogue or discourse between the parties. Hence, also the marketing mix's preoccupation with one-way information flows such as mass communication of different guises geared at persuading the customer to buy, and market research. Although, personal selling is included in the framework, conventional marketing displays a somewhat ambiguous attitude to this notion. The underlying

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assumption seems to be that if marketing is done properly and by the book; that is, if the company is truly market-oriented, personal selling would be rendered less necessary (Lancaster and Massingham 1993). This assumption is also well exemplified in the distinction mainstream marketing scholars often make between the 'selling concept' and the 'marketing concept'. Thus, without direct communication, feedback from consumers can only be achieved indirectly through the interpretation of sales figures, by explicitly collecting it through market research, or on the rare occasions where consumers on their own initiative make contact with manufacturers (Kotler 1997) (see Fig. 3d).

Fig. 3d:The Communication Process as seen by the MMM-model (Kotler 2000: 551)
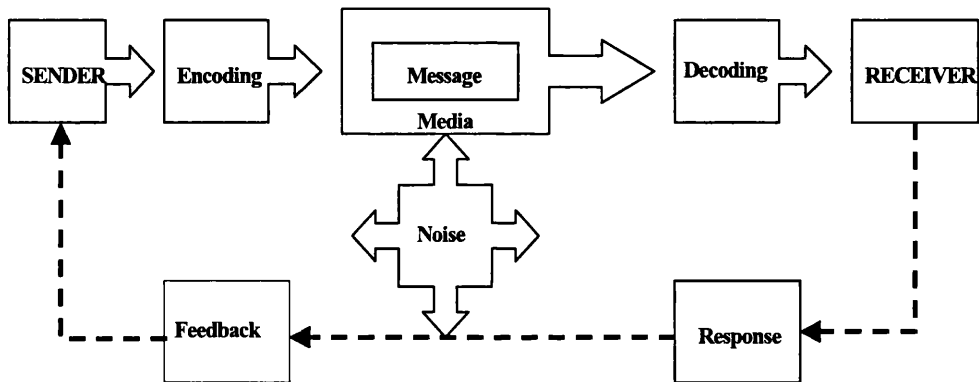
## 3.3 Criticism, Dissent and Debate

Conventional marketing has over the last 2-3 decades faced quite substantial criticism and it is coming from several different quarters of the discipline. Scholars preoccupied with services marketing, business-to-business (industrial) marketing, societal (macro) marketing and social marketing have in different ways and to varying extents pointed to both descriptive and normative shortcomings of this perspective (Håkansson 1982; Berry, Shostack et al. 1983; Dixon and Blois 1983; Christopher, Payne et al. 1991; Dixon 1992; Piercy 1992; Webster Jr. 1992; Payne 1993; Buchanan, Reddy et al. 1994; Grönroos 1994; Payne, Christopher et al. 1995; Gummesson 1999; Crane and Desmond 2002; Peattie and Peattie 2003). Most of these critiques appear traceable to the framework's cross-contextual validity claims and ambitions. Few, if any, of its critics appear to question the approach's descriptive power and normative relevance within its original habitat of manufactured consumer goods in any serious way. Gummesson (1987: 10, emphasis added), for example, says that:

> 'There is no doubt that consumer goods marketing has developed some powerful tools. However, when applied to other areas than consumer goods, the theories are only partially valid, *sometimes even destructive* as they fail to recognise the unique features of services marketing and industrial marketing.'

For services and business-to-business marketing scholars (Berry, Shostack et al. 1983; Håkanson and Snehota 1989; Ford 1990; Christopher, Payne et al. 1991; Mattsson 1997; Gummesson 1999; Berry 2000; Grönroos 2000), problems start to surface with the framework's atomistic view of markets; as previously discussed this is commonly seen as inherited from neo-classical microeconomics and most importantly exemplified through the presupposed gap between production and consumption, its focus on competition as the sole driver of action and its emphasis on singular transactions and exchange (1.1.2 and 1.2.1.b). This starting point, critics argue, seriously distorts the framework's ability to handle (both descriptively and normatively) market situations where this is not the case. Although these aspects seem equally problematic for students of societal or social marketing[38], the framework's most prominent shortcoming appears for these scholars contained in the managerial perspective itself (Dixon 1992; Buchanan, Reddy et al. 1994; Crane and Desmond 2002; Peattie and Peattie 2003). Dixon (ibid: 121), for example, sees

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[38] See for example Peattie and Peattie (2003: 368) on the concept of exchange in contexts where the objective is to change attitudes over time.

conventional marketing's proclaimed customer focus as little more than lip service to consumers – more realistically it may instead be viewed as a myth established because the discipline needed 'a justification for marketing activity beyond that of attaining organisational goals'. Similarly, Crane and Desmond (ibid: 551), find societal marketing's continued reliance on 'the "Harvard" view of marketing based on neo-classical economics' problematic because this approach 'assumes a highly contestable correlation between the public and private good in marketing exchanges'.

The framework's key concepts have also come under more direct "fire": The marketing mix, for example, is now commonly seen as too simplistic both in terms of description and as a guide for normative behaviour in other than conventional consumer goods markets (Gummesson 1999; Grönroos 2000). The fact that some researchers have suggested adding P's to the mix (Booms and Bitner 1982; Cowell 1984; Kotler 1986; Lambert and Harrington 1989) is of small comfort to most services/business-to-business marketing scholars because such efforts fail to recognise that it is the mix's underlying view of markets which constitutes its real shortcoming when applied to services and business-to-business market settings (Dixon and Blois 1983; Kent 1986; Payne, Christopher et al. 1995; Gummesson 1999; Grönroos 2000). Similarly, the 'marketing concept' has been severely criticised from several different angles and the question of what it should be seen as being about continues to be fiercely debated (see Slater and Narver 1998 for a more comprehensive review). Its built in reliance on the satisfaction of self-interest continues to be particularly problematic for scholars preoccupied with societal or critical marketing (Dixon 1992: 121; Burton 2001; Crane and Desmond 2002). Others – taking the concept's customer focus at face value – have claimed that a pure customer orientation may lead to incremental and trivial product development efforts which may be counterproductive to market success (Bennett and Cooper 1979; Fullerton 1988; McGee and Spiro 1988). In an important article Franklin Houston (1986: 86) argues that:

> 'The marketing concept has suffered in two ways: first, it has been established as the optimal management philosophy when it is not necessarily so in all instances, and second, we can see many examples of poor marketing practices which have been adopted in the name of the marketing concept. It is time that we relearn that the marketing concept is one of a set of three concepts – marketing, sales and production – that form the basis for understanding the management of marketing. And it is time that we remember that, under differing circumstances, each can be the orientation that best furthers the objectives of the organisation.'

The managerial approach has also been criticised for being incapable of providing 'productivity and cost efficiency models' that are descriptively accurate and applicable in services and business-to-business marketing settings (Grönroos 2000: 182):

> 'We may assume, for example, that the service firm or service operation either has financial problems, is facing increased competition, or both. Irrespective of the impact of technology, labour costs are high in most service operations. In order to control costs, strategic decisions concerning personnel are often made: personnel reductions, hiring freeze, greater degree of customer self-service, people are replaced by machines, and so on.'

In a manufacturing context such decisions should in theory improve production efficiency and result in lower costs, without having any negative effects on production output. Productivity would go up and quality may even be improved. In sophisticated services contexts, however, Grönroos argues that far too often none of these favourable effects will occur; instead it may lead to a deterioration of service quality (resulting primarily from frustrated employees and a deteriorating work atmosphere) and, in the long run, damage the company's image and position in the market. He has termed this the *'strategic management trap'* (ibid: 186).

The framework's view of marketing as a function separated from other activities in the organisation has also created problems – particularly at a normative level. The view that the establishment of marketing departments should be seen as constituting evidence of an organisation's commitment to marketing (Kotler 1997), is by services/business-to-business marketing scholars instead viewed as potentially *'alienating'* the rest of the organisation from the general task of marketing (Grönroos 1994:5). Thus, criticism of the framework is levelled against both its view of markets and its key theoretical constructs and shortcomings are commonly claimed to manifest themselves at both descriptive and normative levels.

Taken together, conventional marketing's firm foundation in the world of manufactured commercial goods seems incompatible with its protagonists' ambitions to continue "expropriating new land" – and it appears particularly problematic at a normative level. To some observers this has resulted in a situation which is sometimes described as the discipline's 'mid-life crisis' (Brady and Davis 1993: 17). Moreover, the framework appears to be falling short in two arenas; it faces criticism for being too weak

theoretically and academically not rigorous enough (Payne, Christopher et al. 1995; Gummesson 1999; Grönroos 2000; Gummesson 2002; Piercy 2002), at the same time as its is forced to fight off accusations about practical irrelevance and marginality (Gordon 1998; Baker 2002; Hunt 2002). According to Kotler (2001: xiii) 'the passage from an industrial economy to and information economy introduces considerations that question the sustainability of conventional marketing'. This conclusion seems rather harsh because those working within the marketing field's mainstream do not appear in any serious way to question the framework's relevance within its original habitat (see above), despite developments with respect to the understanding of innovation and markets in those habitats developing in other fields of enquiry such as the management of technological innovation. In the millennium edition of his famous textbook this prominent marketing scholar puts forward another rather controversial claim (Kotler 2000: 13):

'Transaction marketing is part of a larger idea called relationship marketing'.

Although there can by no means be said to exist a consensus in the marketing community supporting such an implicitly generic ambition on behalf of relationship marketing or such a simplistic subordination of transaction-based marketing to relationship marketing, I now turn to examine this "larger idea" in some detail.

## 4.0 MARKETING – THE RELATIONAL PERSPECTIVE

The investigation of this alternative approach to markets and marketing will follow the same trajectory as the one followed in the previous chapter. It starts out by signposting some of the key features of its origin, development and phenomenological boundaries (4.1.1); its ontological and epistemological vantage points (4.1.2); its key theoretical concepts (4.2.1), before it proceeds to look at the most important criticism levelled against it and at some of the debate and dissent which can be observed within its own research domain (4.3).

The chapter is drawn to a close by a brief comparison of the managerial and the relational perspectives in which the contexts from which they have sprung at both micro (industry) and macro (systemic) levels are examined (4.4.1 and 4.4.2). Again, the main objective is to establish a sufficiently robust understanding of how these perspectives initially have been assumed to work within their commercial habitats.

## 4.1 Background

### 4.1.1 The Emergence of the Relational Approach

In the late 1970s and early -80s scholars preoccupied with the study of services and business-to-business market settings started to come up with empirical findings which appeared to make it increasingly clear that such contexts differed from ordinary markets for manufactured goods in ways which made it difficult to capture and explain the workings of them with the help of conventional marketing theory (Gummesson 1977; Grönroos 1978; Håkansson 1982; Berry, Shostack et al. 1983; Dixon and Blois 1983; Normann 1984; Turnbull and Valla 1986; Wilson and Mullamani 1986; Gummesson 1987; Grönroos 1989). As discussed in subsection 2.1.2, these markets are most importantly seen as characterised by simultaneous production and consumption processes in which both buyers and sellers to varying extents actively participate. They are for this reason also seen as characterised by face-to-face interaction, interpersonal long-term relationships and interdependence and they are driven just as much by networking and inter-organisational collaboration as by competition. These realms are most commonly seen as the contextual roots of the relational perspective on marketing (Grönroos 2000; Håkanson and Snehota 2000; Payne 2000).

Early relationship marketing (RM) protagonists[39] argued that marketing within such contexts requires *a broad approach* that fully accommodates the long-term processes of ongoing interaction which characterise these situations, and that takes into consideration *all the company's stakeholder groups* – both internal and external – which directly or indirectly impact on the organisation's production and marketing efforts (Christopher, Payne et al. 1991; Gummesson 1993; Morgan and Hunt 1994; Doyle 1995). In this perspective marketing becomes synonymous with *being in business*[40] – it represents a departure from the traditional view of marketing as a specialist function separated from other functions within the organisation (see 3.2.1.f). The focus shifts from customer acquisition to customer retention; the "product" is understood as both process and outcome; market communication comes to be understood as more of a two-way dialogical process, and the approach itself becomes more strategic than tactical in scope.

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[39] See Grönroos (2000), Håkanson and Snehota (2000) and Payne (2000) for overviews.

[40] This view echoes management guru Peter Drucker's (1954/1986: 37) early writings, where he says that: 'Marketing is not only much broader than selling, it is not a specialised activity at all. It encompasses the entire business.'

There seems, however, to be a rift developing between those who argue that RM should hold on to its broad stakeholder focus and stay true to its contextual roots (services and business-to-business markets) and those who wish to de-emphasise all relationships except that of the customer-supplier dyad but argue that the framework exhibits potentially *generic* properties which justify an extension of its field of application to ordinary markets for manufactured goods as well (Sheth and Parvatiyar 2000)[41]. In the US, where students of services and business-to-business marketing have to a much greater extent remained within the marketing mix management framework (see 3.2.1.b), there are attempts at appropriating RM to markets for ordinary manufactured goods (Copulsky and Wolf 1990; Kotler 1991; McKenna 1991; Christy, Oliver et al. 1996). Within this research community there appears to be rather strong resistance to the broad vantage point of many (if not most) European and Australian scholars. The argument often goes that non-customer relationships are 'outside the domain of marketing' and that their inclusion in the research agenda may direct theory development away from its core activity and thereby also threaten to diminish the practical value of contributions (Parvatiyar and Sheth 2000: 7). Egan (2003: 147-48), however, contends that when RM is applied to ordinary markets for manufactured goods it often boils down to an 'elaborate form of database marketing' – well exemplified by the fact that protagonists' of this view frequently extend the term "relationships" to the non-personal, technology driven contacts commonly associated with direct marketing and CRM[42].

In suggesting that RM should be restricted to dealing with the customer-supplier relationship alone, Sheth and Parvatiyar (ibid) are implicitly questioning the relevance of the most important pillar on which the broad approach rests – namely that within certain contexts marketing is not a function, but an overall *orientation* of the firm (Christopher, Payne et al. 1991; Gummesson 1999; Grönroos 2000; Payne 2000; Christopher, Payne et al. 2002). There are, however, examples of prominent American marketing scholars who

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[41] Scholars coming out of what is often referred to as the Nordic School of Services (e.g. Gummesson 1999; Grönroos 2000) and the IMP (Industrial Marketing and Purchasing) Group – the latter gathered a wide following particularly in Scandinavia, continental Europe (including the UK) and Australia (Turnbull and Valla 1986; e.g. Ford 1990; Christopher, Payne et al. 1991; Wilkinson and Young 1994; Payne 1995; Mattsson 1997; Palmer 1998; Håkanson and Snehota 2000; Gadde, Huemer et al. 2003) – have typically continued to argue in favour of the broad perspective and claimed that RM is unsuited to describe the workings of contexts where interpersonal interaction is low and where price is the main issue for consumers.

[42] CRM or 'customer relationship management' is most often referring to the implementation of computer software aiming to track the transactional patterns of customers in order to segment markets more efficiently. Scholars arguing in favour of the descriptive power of RM within markets for ordinary manufactured goods, often point to the loyalty schemes developed by many supermarket chains in the late 1990s (see also O'Malley and Tynan 2000).

should be excluded from this generalisation. Morgan and Hunt (1994: 34), among others, argue that RM refers to 'all marketing activities directed towards establishing, developing and maintaining successful relational exchanges'. Thus, relationship marketing is currently a term used to designate two very different approaches to marketing. Egan (2003: 151, 153) refers to the broad contextually based view of RM as 'focused' and the recent more "generic" approach as 'diffuse'. He argues that the latter attempts to 'force-fit relational strategies in markets where interpersonal interaction is low'; it appears 'to manipulate the central tenets of RM'; which for this scholar in turn 'means settling for the lowest common denominator' of what RM is basically about (see Fig. 4a).

Fig. 4a:   The 'Focused' and the 'Diffuse' Approach to RM (Egan 2001: 252)

**Broader definition/Narrower application:**

Internal Relationships

Supplier-customer Relationships

External Relationships

<<<<<Breadth of definition>>>>>

<<<<<Breadth of sector types>>>>>

Services

Business-to-business

Business-to-Consumer

**Narrower definition/Broader application:**

Internal Relationships

Supplier-customer Relationships

External Relationships

<<<<<Breadth of definition>>>>>

<<<<<Breadth of sector types>>>>>

Services

Business-to-business

Business-to-Consumer
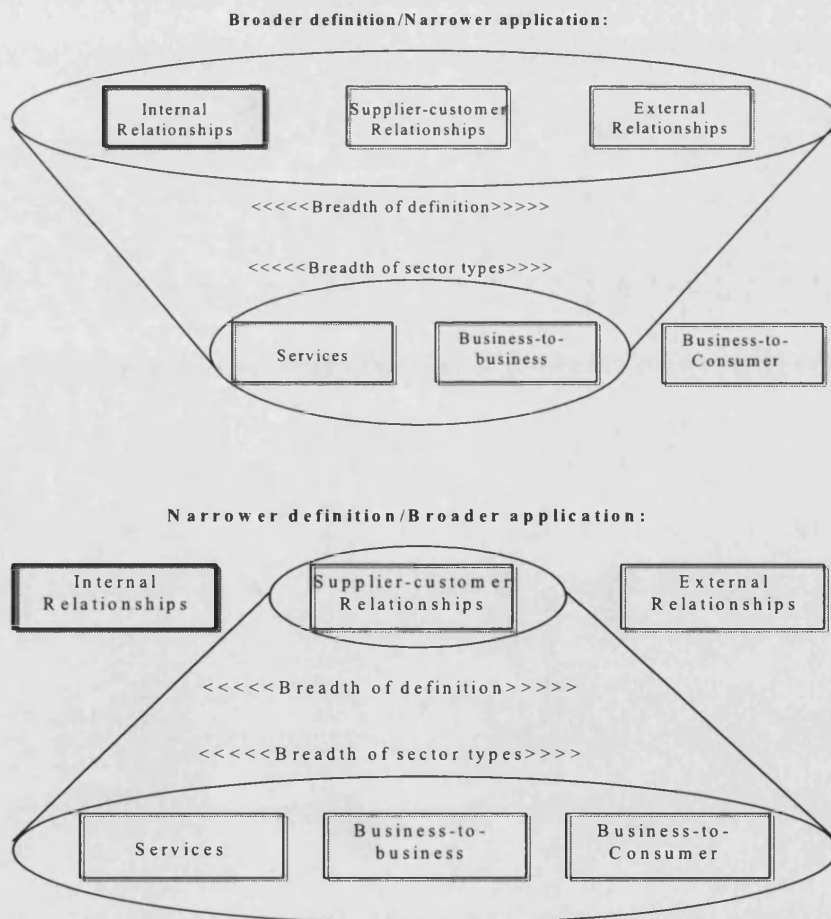
In this thesis, where the ultimate aim is to assess the framework's potential applicability to party-centred politics, I shall use the term RM with *strict reference to the 'focused'*

*approach* and utilise the framework's original vantage points – namely services and business-to-business marketing. These are the contexts from which RM takes its most important ideas and where it is possible to find additional theoretical insights that go beyond those guiding conventional consumer marketing.

### 4.1.2  Ontological/Epistemological Vantage Points

Much in the same way as conventional marketing, the relational perspective tends to present an objectivist ontological stance and an epistemological commitment to scientific positivism[43]. The 'focused approach' to RM does, however, come up with a significantly different *view of the world* than what is commonly assumed in mainstream economics and conventional marketing theory. Over the last couple of decades, scholars have laboured to systematically describe the different types of collaboration taking place in commercial markets, but the 'number and range of such relationships typically tend to defy neat pigeonholing' (Baines and Egan 2001: 191). However, what to researchers first appeared to be an anomaly; that is, simultaneous competition and collaboration – or what Brandenburger and Nalebuff (1996) termed 'co-option' – appears now to be the order of the day within both global and local services and business-to-business markets. Most importantly, this has shifted the focus of services/business-to-business marketing scholarship from studying individual organisations to examining *networks* of organisations, and to conceptualising such markets themselves in terms of network structures (Mattsson 1997; Ford, Gadde et al. 1998; Håkansson and Snehota 2000; Gadde, Huemer et al. 2003).

The understanding of the *'rationality'* appears also significantly expanded. In the case of RM, neither rationality nor the urge to maximise self interest seem to have disappeared from the overall marketing equation, but the understanding of producer and consumer motivations seem to have become broader and richer[44]. At the business-to-consumer

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[43] With regard to epistemological commitment, advocates of the 'focused' view of RM are perhaps slightly less committed to positivism than scholars who have remained within the mainstream marketing framework. Case study research based on qualitative methods that do not purport to formally test hypotheses is for example starting to surface within the services marketing community (Perry 1998; Alam 2002; Alam and Perry 2002; Batonda and Perry 2003).

[44] The concept of rationality is a colossal issue dealt with very differently by different disciplines ranging from economics where it is about the calculation of economic self-interest (originally often viewed in the short-term), via psychology which often classifies behaviour motivated by reason as rational and behaviour motivated by emotions as irrational, to sociology where Habermas, for example, uses the term to distinguish between rational arguments (based

level, consumers are still seen as rational actors, but this rationality seems to allow much more room for emotions and engagement than what is typically assumed within mainstream economics and conventional marketing which, in turn, effectively expands the concept of *utility* beyond the outcome-oriented understanding of the notion that conventional marketing inherits from economics. Price is therefore not necessarily in all market situations the only issue for consumers – the opportunity to participate may in some instances provide utility in itself (Liljander and Strandvik 1997; Grönroos 2000) (see also 2.1.2)[45]. Consumers are perceived to enter into business relationships either because they wish to reduce choice, risk or uncertainty in a complex world (Sheth and Parvatiyar 1995), or because they acknowledge that long-term relationships may help to facilitate the achievement of goals that they would otherwise have been unable to attain (Bagozzi 1995). The RM perspective may thus be seen to represent a richer understanding of the individual and of *human nature* than the "mechanistic" view commonly said to characterise mainstream economics and conventional marketing (Ingebrigtsen and Pettersson 1979). Within RM people are assumed to be inherently social animals and, as such, they are viewed as more or less genetically predisposed to forming relationships. They are seen to do it instinctively, even if taking such a step is sometimes tantamount to what is in traditional economic terms considered irrational behaviour (Shrivastava and Kale 2003).

At the business-to-business level, RM represents a departure from the short-term rationality notion embedded in traditional price competition (competitive bidding) and conventional marketing. Companies and their managers (and owners) are still viewed as driven by economic self-interest, but they are now considered capable of distinguishing between short-and long-term views of this notion – which is also what makes them prone to enter into relationships that often entail more costs than benefits in the short-term (Morgan and Hunt 1994). These actors are described as having understood that short-term self interest may sometimes be detrimental to long-term market success and as

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on logic and evidence) and irrational arguments (based on prejudice, habit, etc.) (see also 1.2.1.a). There are also contributions to evolutionary and institutional economics as well as behavioural economics assuming more nuanced approaches to motivation (Sekler 1975; Rutherford and Samuels 1996; Galbraith 1999), and psychologists such as Herbert Simon (1957) who's famous contribution to discussions centring on rationality was his introduction of the notion of 'satisficing'. It is beyond the scope of this thesis to attempt to do justice to all the scholars who have contributed to the discussions of this colossal subject.

[45] Interestingly, this thinking seems to intersect with ideas coming out of political science where scholars have started to discuss the 'procedural utility' that citizens may gain from participation in political decision-making processes as compared to the 'outcome utility' gained from the vote and typically resting at the heart of traditional rational-choice models (see e.g. Stutzer and Frey 2006: 391-394). I return to discuss these issues in more detail in subsection 6.1.1.

having acknowledged that the interests of all the company's different stakeholder groups may impact on the extent to which the company achieves its long-term objectives (Gummesson 1997) (see also 4.2.1.h). RM does, however – much in the same way as conventional marketing – harbour normative prescriptive ambitions and although it brings a stakeholder focus to bear on what is studied, the vantage point from which the world is seen appears to continue to be that of owners or company managers[46]. These people seem however to have become somewhat wiser and more inclined to co-operate than they are assumed to be in traditional economics. Taken together, the world in which the 'focused' perspective of RM lives – services and business-to-business markets – seems to be different from the dog-eat-dog hypercompetitive realm of traditional economics and conventional marketing. It appears to be a more humane place – although not because it is founded on altruism of any kind. It rests instead on a serious questioning of the two perhaps most important 'axioms' on which conventional marketing is founded, namely that: a) competition is the most efficient driver of value creation and b) that maintaining 'an arm's length relationship' to consumers is vital to marketing efficiency (Sheth and Parvatiyar 1995: 399). RM rejects or relaxes these axioms and posits that mutual cooperation will lead to higher value creation and better marketing efficiency and that it therefore will be more profitable in the long term. Fig. 4b sums up the framework's central tenets or ground principles.

Fig. 4.b:   The View of Markets and Marketing as seen from the Relational Perspective
Inspired by Payne, Christopher et al. (1995: Introduction).



THE RELATIONAL PERSPECTIVE

• Simultaneous Production and Consumption

• Interaction and Long-term Relationships

• Interdependent Actors and Networks

• Collaboration and Competition

• Cross-Functional View of the Organisation

• Focus on Customer Retention + Acquisition

• Focus on Product as Both Process and Outcome
  (Value Creation through Customer Participation)

• Focus on Dialogue + Planned Communication

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[46] This appears to be less true for the business-to-business marketing community (e.g., the IMP group) which in its early days is often said to have been setting out on a purely descriptive mission (see e.g., Mattson 1997).

## 4.2 Relationship Marketing

### 4.2.1 Key Theoretical Concepts

Theoretical constructs emanating from the 'focused' perspective of RM tend to be more strategic than tactical in scope and there are thus few simple decision-making "tools" available within this strand of thought (Baines, Brennan et al. 2003). Emphasis has instead been put on descriptions of what actually constitutes an RM orientation of the firm and the strategies seen as facilitating such an orientation. The 'focused' approach also offers a much larger and more complex framework than conventional marketing. My investigation will for this reason have to be restricted to providing an overarching or synoptic account of what this version of the framework has to offer. When I in chapter 6.0 start a critical examination of the approach's potential virtues and vices with regard to the conceptualisation of party-centred politics, relevant constructs will be discussed in greater detail. This chapter will for the most part follow the structure of Fig. 4b and elaborate on the most important insights emerging from this approach to markets and marketing.

### 4.2.1.a Simultaneous Production and Consumption Processes and Their Consequences

Although RM is typically described as a departure from the exchange perspective of marketing (Sheth and Parvatiyar 1995), this does not mean that proponents of this approach have discarded the exchange notion altogether[47]. The fact that production and consumption are in many business-to-business and high-touch services contexts overlapping or partially overlapping processes appears, however, to have helped many marketing scholars understand the current move from large bureaucratically organised operations to more decentralised organisational structures. These tendencies are claimed to manifest themselves particularly within services industries, but are also in evidence throughout a number of huge global manufacturing companies at the business-to-business level (Peters 1992; Gummesson 1999). Tom Peters (ibid 1992: 9, emphasis added) claims that:

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[47] Elements of exchange are commonly described as part of the marketing equation. Business-to-business market actors and high-touch service providers may also offer ordinary goods or commoditised services together with their core activities – that is, they may engage in business processes variously characterised by exchange and co-production (Gummesson 1999; Grönroos 2000) (see also 2.1.2).

"Only a fickle, *decentralized* operation will survive in a fickle and *decentralized* global economy. One essential element of decentralization is the demise of central staffs. In fact, it is arrogant to believe that you can 'manage' at all from the centre in a fickle economy. *The best you can do is unleash the power of subordinate units with distinct personalities of their own*, induce subordinate units to keep spinning out new units – and then pray that the law of large numbers will guide you into the way of new market opportunities.'

Companies seem, in order to meet constantly shifting and complex market demands, to utilise organic and flexible networks which allow them to draw on larger bases of human resources without increasing their size or ownership. Gummesson (1999: 213) says that 'companies today strive to unify things that they have learnt to be contradictions': They try to be both 'local and global, both small and big, both centralised and decentralised, both stable and dynamic. They want to become bigger without growing. Management headquarters are kept down, and local organisations are functioning on a self-coordinating basis'. Such ways of organising commercial enterprises appear to revitalise the old term *'project organisation'*, and Gummesson (ibid: 219) goes on to claim that today 'the base organisation is increasingly dynamic and becomes more of a parent project for a series of subsidiary projects'. This is also a strategy claimed to provide the imperative 'closeness to the market' which is both observed and called for by scholars such Adrian Payne (1988: 753) and Peter Drucker (1988) (see also 2.1.2). Moreover, Gummesson (ibid: 218) reminds us that Gunnar Ehrlemark as early as in 1978 suggested that:

'To consciously keep the firm unmanaged and unmanageable to such an extent that its stability and development is created out of disturbances and disorder is perhaps the true skill in management.'

Several of the points incorporated in Fig. 4b appear in different ways and to varying extents to be following from the simultaneous production and consumption processes seen to characterise such realms: These are the conditions that seem to create the interdependence between market actors which, in turn, is suggested to temper competition and enhance the inclination to collaborate. At the same time, we may see examples showing that increased collaboration within an industry can contribute to more competition which in turn enhances the inclination to collaborate even further (Axelsson and Easton 1992; Day 1995; Gummesson 1997). The above insights have provided the RM research community with some core units of study.

## 4.2.1.b  Core Units of Study – Interactions, Networks and Long-Term Relationships

According to Harker (1999: 13) attempts to define RM have been varied and numerous, 'neatly reflecting the diverse academic and socio-political backgrounds of RM scholars'. Ten years ago he identified altogether 26 different definitions. This thesis leans on the two most recently provided by Evert Gummesson, one of the central advocates of the 'focused' perspective:

> 'Relationship marketing is marketing based on interaction within networks of relationships.' (Ibid 2002: 3)
>
> 'Relationship marketing is marketing seen as relationships, networks and interaction.' (Ibid 1999: 1)

As can be seen from the wording the most recent definition is normative in scope, whereas the oldest has a more descriptive ring to it[48].

As in all relatively youthful domains of academic enquiry, this research community seems to have had its share of challenges, chief among which appears to have been the task of establishing an agreement on what a business relationship really *is* and how it is *fostered*. Although the question continues to be widely discussed (Blois 1997; O'Malley and Tynan 2000; Blois 2003), there appears to be a growing consensus that relationship building in commercial markets is driven by two core ingredients – and they do not seem to differ much from the ones commonly seen as contributing to relationship building in general – namely *trust and commitment* (Sheth and Parvatiyar 1995; Rousseau, Sitkin et al. 1998). These two measures are described as the key mediating variables when market actors (be they organisations or individual consumers in high-touch services markets) pool their resources with other actors in the pursuit of shared benefits or risk reduction, and hence, prerequisites for the establishment of *loyalty* (stable relationships) and the achievement of long-term market success (Morgan and Hunt 1994; Doyle 1995; Grönroos 2000) (see Fig. 4g below). The existence of trust, loyalty and commitment does not exclude conflicts, but perhaps unsurprisingly, Anderson and Narus (1990: 56) find that in business-to-business markets channel members that trust their partners are more

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[48] This is probably a relatively accurate representation of how the domain has evolved over the years. Early studies – particularly in business-to-business marketing – tended to be more preoccupied with understanding markets than with marketing and consequently more descriptive than normative in scope (Mattsson 1997). The need for theory to be relevant and applicable in the real world of practical business has always haunted marketing scholars and it does not seem to be perceived as any less important by the RM community (Baker 2002; Gummesson 2002; Hunt 2002; Piercy 2002; Wensley 2002). The question of how to manage relationships seems thus to have moved quickly up the research agenda.

Fig. 4c: Key Mediating Variable Model of Relationship Marketing (Morgan and Hunt 1994: 22)
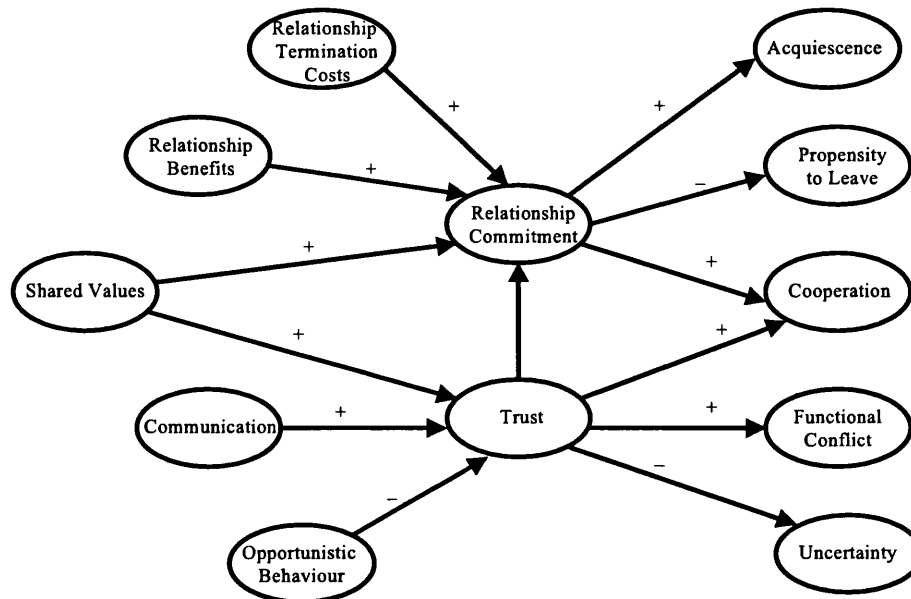


likely to work out their disagreements amicably and see conflicts of interest as unproblematic and just another part of doing business:

> 'Even firms in successful partnerships would readily acknowledge that disagreements are inevitable. Rather than allowing these conflicts to run their course capriciously, however, adroit partner firms develop mediating mechanisms to diffuse and settle their differences rapidly.'

It appears that a minimum measure of interpersonal contact needs to be in place for such outcomes to manifest themselves. Thus, "relationships" that are not based on interpersonal contact cannot be expected to follow the same route when conflict occurs, because successful conflict resolution seems to rely on genuine two-way communication processes (Barnes 1997; Barnes and Howlett 1998)[49].

The *focal relationship* is the one between the supplier or service provider and the customer, but advocates of the 'focused' approach to RM contend that in order to facilitate this core relationship, other stakeholders in the process, or actors impacting on it, must be included, consulted or taken into consideration if the organisation is to achieve long term success in the market (Christopher, Payne et al. 1991; Payne 1993;

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[49] This is also where some of the criticism levelled against the application of RM in markets for manufactured goods is located (both descriptively and normatively) because these markets seldom allow any direct communication between producers and consumers (O'Malley and Tynan 2000).

Morgan and Hunt 1994; Wilkinson and Young 1994; Gummesson 1999; Grönroos 2000) (see Fig. 4d below). This dynamic is also seen as driving the establishment and maintenance of larger networks (Gadde, Huemer et al. 2003). As stressed by Håkansson and Snehota (1995), however, where there are benefits and advantages, there are frequently *disadvantages* as well. Relationships often mean some loss of control; indeterminism; they can be demanding with regard to resources; they can preclude other opportunities; and they may present unexpected demands.

Fig. 4d:   The Firm and its Relationships (Morgan and Hunt 1994: 21)
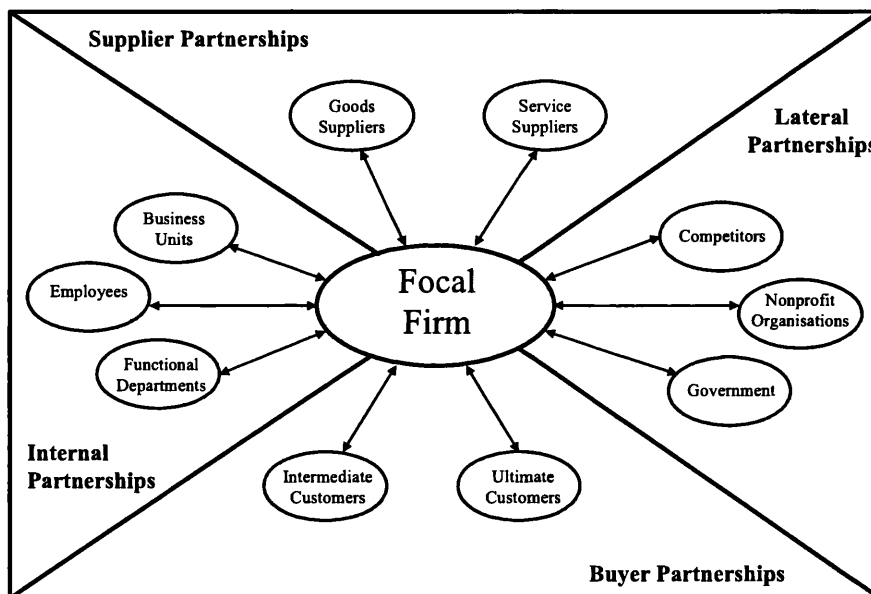


There are also *paradoxes* imminent in the pursuit of business relationships which make the management of them no easy task. Gadde, Huemer et al. (2003: 358) explain that the urge of companies to attempt to control relationships for their own benefit may in many ways be seen as the key mechanism driving network development, but paradoxically enough, the more successful a single company is in dominating its partners, 'the less innovative the network appears to become', and hence 'the less potential rewards can be reaped from it'. This point appears to be equally true for B2C high-touch services markets where it is often said that consumers seldom wish to be "managed" which, in turn, is most importantly seen as an expression of the importance of genuine reciprocity

and "win-win" strategies in the establishment of relationships (Fournier, Dobscha et al. 1998; Gummesson 1999; O'Malley and Tynan 2000; Newell 2003).

The central tenets advocated by RM scholars are that long-term relationships aid production processes (Morgan and Hunt 1994), enhance the quality of output or the ultimate service experience (Storbacka, Strandvik et al. 1994), and consequently they contribute to stable profit making (Håkanson and Snehota 1995; Gadde, Huemer et al. 2003). However, as pointed out by Grönroos (2000: 359) successful relationship handling requires the establishment of a 'service culture' within the organisation. Similarly, Berry (2000: 173) claims that 'services marketing starts from within' and it requires genuine *empowerment of employees* so that decisions affecting customer satisfaction can be taken as close to the consumer as possible and without unnecessary delay. Thus, at a strategic level, quality control becomes a keyword and there appears basically to be just one way of achieving this. Grönroos (ibid: 359, emphasis in original) explains:

> 'Since service quality is a function of the cooperation of so many resources – human as well as technological – a strong culture which enhances quality is a must for successful management of quality in a services context. Moreover, since it is more difficult to control quality in a service context than in manufacturing, very service-oriented and quality-conscious values are necessary in the organisation. In this way management can execute *indirect control by culture.*'

Handling business relationships appears thus to be a rather cumbersome task in which the employees of the firm play pivotal roles.

4.2.1.c The Cross-Functional Focus

The 'focused' view of RM lifts marketing from being an isolated business function, to becoming a cross-functional exercise involving all employees at all levels, and all relationships that ultimately impact on the end result are incorporated into the overall equation. The general task of marketing is seen as moved out of the marketing department and *into the line of the organisation.* The simultaneous production and consumption process characterising high-touch services and industrial markets seems to create a situation in which the bulk the organisation's marketing efforts is executed by operations and other functions outside the marketing department (see Fig. 4e below).

Fig. 4e:   Marketing as a Cross-Functional Activity in the Firm (Payne, Christopher et al. 1995: 5)
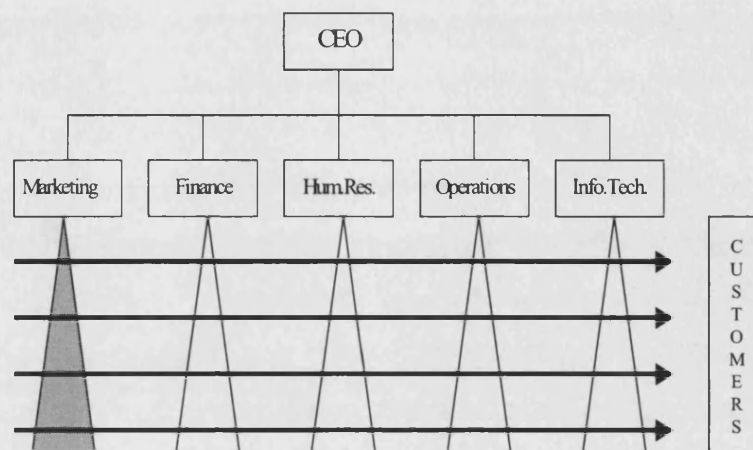


Acknowledging all this Gummesson (1991: 60) went on to introduce the term *'part-time marketers'* in order to draw attention to the fact that all employees have marketing tasks to tend to – whether they know it or not – and to the fact that the 'full-time marketers' of the marketing department have sometimes never experienced a face-to-face encounter with a customer. Moreover, the part-time marketers of an organisation quite frequently outnumber the full-time marketers many times over and they may work with everything from engineering to debt collection.

4.2.1.d  The Emphasis on Customer Retention

When marketing scholars started to understand the impact that interpersonal relationships have on market success within services/business-to-business contexts, it followed that strategies suited to develop and maintain such constructs should be prescribed (Storbacka, Strandvik et al. 1994). Consequently, another change emanating indirectly from the simultaneous production and consumption processes characterising these markets, was the shift of focus from customer acquisition to *customer retention* (Berry, Shostack et al. 1983; Christopher, Payne et al. 1991; Payne 1995; Gummesson 1999; Grönroos 2000). Ferguson and Brown (1991: 139), studying the marketing of associations, clubs and professional societies, for example argued that 'marketing efforts should be directed primarily at current members and only secondarily at attracting new members'. They go on to explain:

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The perceived importance of inter-personal relationships in RM thinking has also led scholars to study the connection between customer retention and *employee retention* (Grönroos 2000), and Reichheld (1995) finds that one of the most important means by which customer loyalty can be achieved is employee retention (see Fig. 4f).

Fig. 4f:    The Loyalty-based Business System (Reichheld 1995: 237)
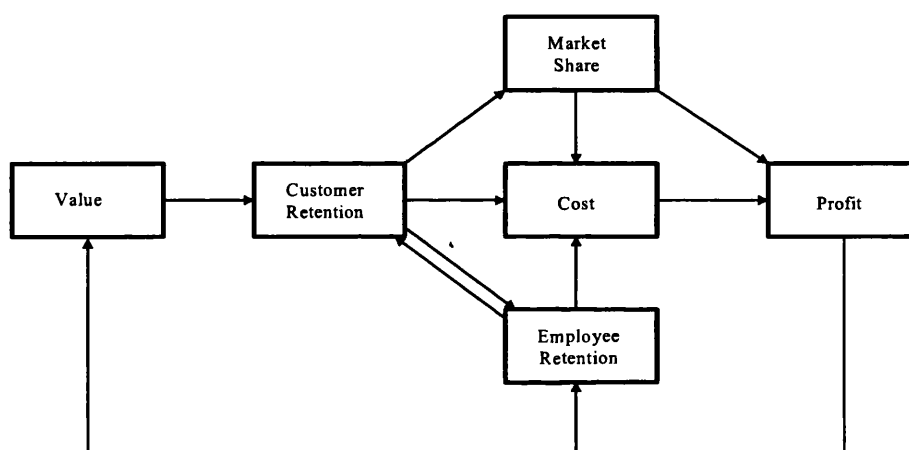


Following these observations, RM advocates claim that successful services firm should aim at maximising returns through the investment in and development of the company's *human capital.* In short, the argument goes that when employee retention is achieved for the right reasons – that is, resulting from empowerment, engagement and job satisfaction – customer retention will follow (Reichheld 1995; Ballantyne 2000; Berry 2000; Grönroos 2000; Ballantyne 2003). *Internal marketing,* which is seen as key to achieving cultural coherence has therefore been a topic of great interest to RM scholars. In short, this construct is seen as a prerequisite for external marketing and, along one dimension, it is also the means by which a fragmented and dispersed organisation is held together and constantly focused on overarching goals and objectives (Gummesson 2000). Along another dimension, internal marketing is defined as 'a relationship strategy for the purpose of knowledge renewal' (Ballantyne 2003: 1257), and thus a means by which to create true 'learning organisations' (Grönroos 2000: 222). Most importantly, this

thinking rests on findings indicating that mutual learning processes may help improve service quality, and thus the productivity of the firm. It is important to note that organisational theorists have long since pointed out that strong corporate cultures will not represent any competitive advantage if attempted created "artificially" in a top-down fashion. Barney (1986: 664), for example, says that:

> 'Only when it is *not* possible to manage a firm's culture in a *planned* way does that culture have the potential of generating expected sustained superior financial performance'. (Emphasis added)

Thus, internal marketing is not yet another tool with which management can manipulate employees to the perceived benefit of the firm. It represents a much more "organic" take on the management task, and is seen as inherently dependent on genuine *involvement, engagement, ownership and two-way communications processes*. Management control in this perspective becomes a measure which is resting on trust. As pointed out by Arrow (1974: 23), trust as a control mechanism 'is an important lubricant in a social system.... it is extremely efficient; it saves people a lot of trouble to have a fair degree of reliance on other people's word'. These trust mechanisms, it is argued, must however be facilitated through the establishment of strong positive service cultures, and internal marketing is the means by which RM scholars suggest that such cultures are developed (Grönroos 2000).

4.2.1.e Integrated Communication

In RM market communications is seen as an *integrated operation* in which the organisation attempts to influence the consumers' expectations and experiences through both mediated communication (planned [often advertising] messages at all levels) and unmediated dialogue (moments-of-truth) (Grönroos 2000: 281). The most *trustworthy* communications source – word-of-mouth – is beyond the direct control of the company. In the ideal model, this can only be influenced indirectly by ensuring that customers accumulate positive experiences every time they encounter a representative of the firm. If employee-customer interactions create too many negative experiences then negative word-of-mouth will follow (see Fig. 4g).

Fig. 4g: The Communication Cycle (Grönroos 2000: 270)
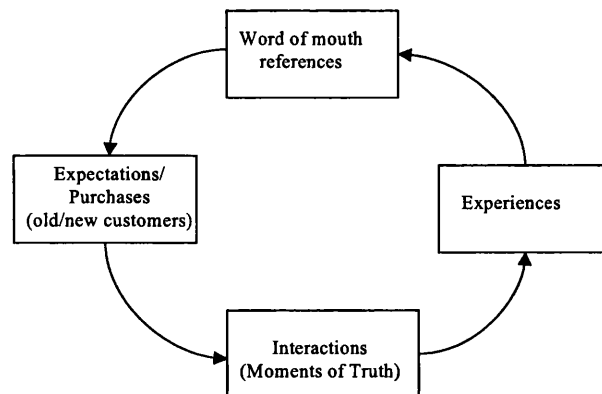


The general idea of integration and coherence in RM market communication does not seem to be substantially different from conventional marketing thinking at a mediated level. The difference is embedded in the fact that within RM it is unmediated interpersonal (often face-to-face) communication which is seen as the key to success, and it is not supposed to be a one-way street. The aim is nothing less than establishing real *dialogue* with the customers – an *interactive process of 'reasoning together'* (Grönroos ibid: 278) – which is an element that due to its contextual assumptions is entirely absent from conventional marketing thinking[50].

## 4.2.1.f   The Values and Ethics of RM

With its emphasis on win-win strategies, long-term collaboration and equality (Gummesson 1999), the 'focused' approach to RM offers a strategic reorientation of the entire firm that may perhaps be seen as going against the grain of contemporary business life in some parts of the world – exemplified in the two following quotes:

'The long-term relationships with customers and partnerships with suppliers, distributors and other network partners that may be needed, cannot be established in a sustainable way if the firm has shareholders who are

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[50] The extent to which such dialogue is seen as requiring face-to-face interaction between service providers and their customers, or whether it is perceived as achievable through the use of technological means such as the internet, is a topic frequently debated in the RM research community. Some contributors have claimed that service providers' increasing reliance on technology in the attempt to build business relationships can be counterproductive in that such arrangements may be perceived as communication barriers by their customers and ultimately result the erosion of trust (Rich 2002). There seems, however, to be an emerging acknowledgement in the research community that the issue is not an either/or question, rather it is a question of *how* the use of technology is infused in the service encounter. At the same time there seems to be broad agreement that technology cannot replace face-to-face (or mouth-to-ear, telephonic) interaction, irrespective of how intelligently it is used (Baines and Egan 2001; Gummesson 2002).

reacting on quarterly results and, in doing so, make management focus on short-term value-creating decisions.' (Grönroos 2000: 9)

'Traditional thinking has it that the purpose of the corporation is to maximise share-holder value. However, this simplistic view is tragically incomplete – and pursuit of this single goal can destroy a business, particularly when measurement systems focus on short-term rather than long-term shareholder needs. This flawed perspective is behind the accelerating downward spiral of layoffs and downsizings. It has resulted in a pursuit of profits at the expense of employees and customers – and it will backfire. In the words of Henry Ford, 'Business must be run at a profit.... else it will die. But when anyone tries to run a business solely for profit.... then also the business must die for it no longer has a reason for existence.' (Reichheld 1995: 234)

Ethics is an embedded dimension of all value systems, and marketers have for a long time been preoccupied with how this notion should be understood within business contexts. Peters and Waterman (1982) in their study of excellent companies, pointed out that virtually all the superior performance firms had a well-defined set of shared values – particularly ethical values. In a later study Hunt, Wood et al. (1989) found that strong corporate ethical values tend to create psychological bonds between the employee and the organisation, which in turn is seen as enhancing loyalty and commitment, ultimately resulting in better services and enhanced customer satisfaction. Thus, 'companies that promote high ethical values in their organisations may find themselves richer in loyal talent than ones that ignore or abjure such values' (ibid: 88). Although there are plenty of examples in the literature showing that at a practical level RM is sometimes more rhetoric than reality (Barnes 1994; O'Malley, Patterson et al. 1997; Gummesson 1999) – perhaps particularly when its strong ethical foundations are discussed (Kavali, Tzokas et al. 1999) – advocates of the 'focused' approach commonly demand to be taken seriously and at face value when they present their empirical findings and advocate their normative prescriptions. Kavali, Tzokas et al. (ibid: 579), for example, says that:

'We argue that the business philosophy of RM is capable not only of contributing genuinely to the strategic discourse of contemporary organisations, but also of playing the role of the social advocate by fostering mechanisms which will promote ethical behaviour and generate ethical introspection.'

## 4.3    Criticism, Dissent and Debate

### 4.3.1   Critique from the Outside

RM is sometimes by mainstream marketers depicted as a fad. Petrof (1997: 26), for example, sees the framework as just the most 'recent spin' on the old marketing concept. He argues that:

> 'Rather than promoting relationship marketing as a new philosophy, marketing theoreticians should chastise those who have not accepted, or have failed to implement, the marketing concept. Sanctioning the existence of another type of marketing misses the opportunity to officially condemn some of the negative characteristics the public has associated with marketing. It also fails to create a positive image of the profession'. (Ibid: 29)

RM is thus faced with the question – what's new here? Typically, such attacks on the research community have been countered by reference to empirical findings supporting Hirschman's (1970) earlier claim that some markets are characterised by simultaneous production and consumption processes and that within such contexts customers are not held at 'arms length': 'Relationships with customers are defined and treated as a fundamental asset, while value is created through numerous contacts between the partner firms. Relationships are not taken for granted but are actively and individually managed' (Gruen 1997: 35).

Moreover, the 'focused' approach to RM represents a more "organic" or somewhat "softer" approach to marketing than is sometimes appreciated. These elements of the philosophy have, for example, not gone down well with the simultaneously strong push for 'greater marketing accountability' and 'marketing metrics' – in the US led by the Marketing Science Institute and in the UK by the Chartered Institute of Marketing – that the new century has seen (Baines, Brennan et al. 2003: 148). Here the issue, in the name of accountability, is to measure all that can be measured; if phenomena evade measurement, they tend to be ignored or rejected as unscientific and, hence, either unreliable, undesirable, or both. Within such a perspective the RM community is open to the accusation that its membership is little more than 'happy-clappy, touchy-feely, weepy-creepy, born-again zealots' unwilling to subject their concepts and ideas to proper and rigorous scientific scrutiny (McDonald 2000: 29). According to Payne, Christopher et al. (1995: vii), marketing as a discipline has always been prone to a certain 'flavour of the month syndrome', and these scholars are consequently not surprised to note that there

are indeed 'some who would claim that relationship marketing is another of these short-lifecycle management phenomena'.

## 4.3.2   Internal Debate and Dissent

The most interesting debates concerning the virtues and vices of RM appears to go on within its own research community, and they seem to locate themselves in the rift between the 'focused' and the 'diffuse' approaches. Typically, advocates of the former perspective are worried about the tendency of stretching the concept beyond its original habitat of services and business-to-business contexts and into conventional markets for manufactured goods – these worries appear to be grounded in a serious questioning of the extent to which genuine business relationships can actually be developed within conventional consumer markets. The argument goes that the sheer scale of these markets; the separate production and consumption processes which characterise them; and, consequently, the dependence on technology that any attempt at relationship building will have to entail, are all prima facie evidence that RM is unsuited as an approach to marketing in such arenas at both descriptive and normative levels (Grönroos 1991; Barnes 1997; O'Malley and Tynan 2000). The "nature" and requirements of consumer goods markets would – it is argued – turn RM into just another tactical tool with which marketers may manipulate consumers for the sole benefit of their own organisations.

Even researchers who do not explicitly claim that the problem is rooted in contextual overstretch, put forward examples that are taken almost exclusively from consumer goods markets (Palmer 2002). Most importantly, so-called business relationships in this realm are said to lack the genuine reciprocal social bonds, participative and interactive long-term focus and the hands-on or face-to-face regular contact which genuine business relationships initially were assumed to exhibit (Barnes 1997; Mitchell 1997). O'Malley and Tynan (2000: 809) are worried that the framework's almost unlimited popularity might indirectly damage its further development and go on to argue:

'Given the diversity in operational approaches employed, and the lack of definitions, it has become impossible to delimit the domain. The boundaries are completely permeable and elastic. This has resulted in difficulties in identifying appropriate contexts for empirical research, and has exacerbated conceptual problems within the emerging discipline'.

At a certain stage it almost looked as if the framework – particularly as practiced – was about to choke on its own popularity and intuitive appeal. Forunier, Dobscha et al. (1998: 42) argue that RM may be facing a 'premature death' if both academics and practitioners do not face up to the principles it was initially founded upon. They report some typical examples of overstretch and proceed to draw the following conclusion:

> 'Unfortunately, a close look suggests that relationships between companies and consumers are troubled at best. When we talk to people about their lives as consumers, we do not hear praise for their so-called corporate partners. Instead, we hear about the confusing, stressful, insensitive, and manipulative marketplace in which they feel trapped and victimized. Companies may delight in learning more about their customers than ever before in providing features and services to please every possible palate. But customers delight in neither'. (Ibid: 43)

Even within typical RM settings such as high-touch services industries, scholars frequently caution that the term "relationship" needs to be interpreted and defined soberly, in order to genuinely aid the understanding of economic interpersonal attitudes and behaviour (Zolkiewski 2004). There is clearly a limit to the number of close relationships a company can be involved in and research shows that the depth and intensity of them vary strongly. Liljander and Roos (2002: 596) suggest that service relationships can be placed on a continuum that begins with 'true relationships' and continues through to 'spurious relationships'. The former, they claim, are characterised by the presence of trust, relationship benefits, the absence of negative bonds and result in commitment to the service provider. The latter, however, were characterised by inertia, trust deficit, weak or absent relationship benefits and the existence of negative bonds. Similarly, Smith and Higgins (2000: 91) remind us that 'relationships are inherently dynamic' by nature, and that customers and consumers bring their own experiences and personalities to bear on the development of these social constructs. Consequently, relationships tend to *evade management* in a traditional sense of the word. This is, however, generally accepted by advocates of the 'focused' approach and they typically argue that this is indeed true, and that the focus should not be on management, but co-management and reciprocity (Gummesson 1999; Grönroos 2000; Gadde, Huemer et al. 2003). Smith and Higgins (ibid: 92) sum up these insights thus:

> 'From this it will be clear that any analysis or assessment of a 'relationship' is situationally contingent. Marketers will need to understand what values participants bring to exchanges and how the participants within the episodes of the relationship understand their own role and that of others. The type and nature of this relationship will always be negotiable. Moving beyond the pre-ordained scriptures RM offers marketing an opportunity to escape from its theoretical strait-jacket. *Marketing as a body of thought can begin to consider a socially embedded individual who also consumes'*. (Emphasis added)

Protagonists of the 'focused' approach maintain, however, that RM was never designed to become the new cross-contextual cure-all of marketing. On the contrary, distinguished scholars such as Gummesson (1999: 11) and Grönroos (2000: 241), both explicitly state that the MMM-model is probably still the best suited concept to describe the workings of markets for manufactured goods. Moreover, as Gummesson (1994: 15) observes, 'not all relationships are important to all companies all the time', not even within services contexts. He goes on to counsel: 'Establish which relationship portfolio is essential to your specific business and make sure it is handled skilfully'. Although these scholars do talk about a "paradigm shift" in marketing, this has perhaps more to do with the misrepresentation services and business-to-business marketing situations face within contemporary academic curricula and textbooks (Gummesson 2002). The fact that such industries today represent the vast majority of contemporary businesses (Kotler 1997), is not easily read out of mainstream marketing textbooks, where such market situations are typically treated as add-ons and special cases and accorded similarly little attention. It is commonly argued that this misfit between what is taught in lecture theatres and the type of job contexts awaiting students after they have finished their degrees, only serves to increase the widening gulf between marketing academy and practice (Baker 2002). Since marketing is first and foremost an applied science this is perceived to be problematic.

Advocates of the 'focused' view of RM have consistently emphasised the importance of reciprocity and mutual gain as the most important foundation for a genuine business relationship (Ford 1990; Gummesson 1999; O'Malley and Tynan 1999; Grönroos 2000; Gadde, Huemer et al. 2003). This, it is argued, is what should be aimed for. In the cases where there is no significant mutual long-term gain to be reaped, then no genuine business relationship will follow. Since ethics is seen as pivotal to the successful implementation of RM, these scholars typically argue that in contexts where mutual gain and true relationships cannot be developed, serious providers in the market should admit to this fact and leave it to potential customers to decide whether they would still, for some reason or other, like to do spurious business with the firm. Fournier, Dobscha et al. (ibid) argue a very similar case:

> 'Finally, we must begin to confront our relationship goals honestly. We can't expect to develop intense, devoted relationships with every consumer of every product or brand we offer. Why pretend that we can? Let's put our relationship motives on the table: no fluff, no faked sincerity, no obtuse language, no promises we don't keep – just honesty about commercial intent. We want the customer's money – *let's tell them that, and let's tell them why the deal is a good one*'. (Ibid: 49: emphasis added)

Attempting to lure customers into deals or relationships which the provider knows beforehand will not result in any mutual gains would according to RM advocates ultimately backfire through dissatisfied customers and negative word-of-mouth (Gummesson 1999; Grönroos 2000). Thus, most of the contemporary criticism levelled against RM, appears in principle not overly problematic for protagonists of the 'focused' approach. Because of its strong ties to services and business-to-business market contexts, this research community profits from drawing on large scale empirical studies conducted over a period of almost three decades – most of it providing support for both its general assumptions and normative prescriptions.

Although the extension of RM to the realm of consumer goods appears to constitute the most genuine threat to the establishment and further development of its original philosophy within the marketing discipline, there is also scholarly awareness about the effects that unhealthy collaboration and cooperation may have (Gummesson 1999; Sheth and Sisodia 1999; Palmer 2001). In extreme cases networks of corrupt buyers and sellers may acquire sufficient market dominance to result in an overall loss of economic welfare (Palmer 1998). Anti-competitive legislation is indeed nothing new to developed markets and, according to scholars such as Gummesson (ibid: 77), this may result in the unhealthy development of what he terms 'power organisations' which may control entire industries, or worst case, 'power industries' which could control entire economies. Thus, there appears to be 'a fine line between collaboration and collusion' (Sheth and Sisodia, ibid: 84). Hunt and Lambe (2000: 32), however, argue that this fine line may be perceived as more significant than it really needs to be because RM so far has failed to ground its core thesis 'cooperate-to-compete' in a 'general theory of competition'. They claim that within the neoclassical theory of competition, which still tends to dominate marketing thinking, cooperation will necessarily be seen as 'anti-competitive collusion'. In a series of articles the first of these two scholars has together with various other researchers attempted to remedy this shortcoming through the development of a 'resource-advantage' based theory of competition[51], which to a much larger degree accommodates the impact broad relationship structures between the company and its environment is seen to have on competitive advantage (ibid: 33).

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[51] See also Penrose (1980) and Montgomery (1995) for similar work on the resource-based theory of the firm.

Taken together, a recurring theme in contemporary RM debate appears to be centring on the appropriateness and definition of the relationship metaphor to different commercial contexts. Within this theme, contextual overstretch, seems to represent one of the greatest worries. O'Malley and Tynan (2000: 25) put it thus:

> 'The first marketing theorists have been strongly criticised for implying that there was a generic marketing theory that could be applied in all marketing situations (and rightly so). Hence, the debate about the paradigm shift and the huge range of texts which discuss how marketing can (or should?) be practiced in a variety of contexts, e.g. international services and business-to-business. Are the proponents of the ubiquitous relationship marketing theory just falling into the same trap of assuming that relationship marketing can be universally applied? It could be suggested that they are.'

The extension of the field to consumer goods markets has thus 'stimulated ethical qualms within and beyond the marketing discipline' (Smith and Higgins 2000: 83). The use of sophisticated research techniques and the construction of loyalty programmes is seen as threatening to customer privacy and as potentially creating imbalanced relationships which rather than abandoning the manipulation tendencies inherent in conventional marketing concepts, add 'more worrying dimensions to manipulation' (O'Malley, Patterson et al. 1997: 552). Consequently, what is by marketers termed intimacy is by some consumers seen as intrusion. However, although there is a continuous call for more theoretical development, and a not insignificant amount of visible frustration tied to the slow pace with which marketing as an academic discipline absorbs new insights and brings them to bear on how concepts are taught and further researched (Gummesson 2002; Piercy 2002), this is perhaps one of the research communities within the discipline that experiences the least internal disagreement and dissent and which at the moment seems to be heading most confidently into the future.

## 4.4 Summary – A Comparison of the Two Frameworks

### 4.4.1 RM versus MMM – the Micro Context (Industry Level)

Although the managerial perspective of marketing differs from RM in a number of important ways, the frameworks do share the same conceptual starting point, namely the market. The development of RM was inspired by the acknowledgement that market dynamics tend to differ significantly from one industry to the other. Subsection 2.1.2 demonstrated that the real line of demarcation between market contexts does not appear to run between goods and services – rather it runs between high-touch labour intensive services on the one hand and markets for manufactured goods and commoditised services on the other – and the reason for this is found in the way in which production and consumption processes are commonly seen as being carried out within the respective contexts. Conventional marketing's theoretical grounding in the world of manufactured consumer goods was thus seen to delimit its relevance as a descriptive tool with which to understand the workings of high-touch labour intensive services/business-to-business contexts (Payne 1993; Grönroos 2000; Håkanson and Snehota 2000). Most importantly, consumer participation and collaboration are seen as prerequisites for production within the latter contexts, and are furthermore claimed to lead to higher value creation (Morgan and Hunt 1994).

The efficiency argument of conventional marketing is by advocates of the 'focused' approach to RM rejected on the basis that transactions are seen to involve 'transaction costs in search, negotiation and other associated activities' and these are in turn perceived to 'add to, rather than reduce the costs, and thus lead to inefficiencies instead of efficiencies' for firms within our contexts (Sheth and Parvatiyar 1995: 400). RM proponents argue that empirical research consistently shows that interdependencies reduce transaction costs and generate higher quality while keeping governance costs lower than an exchange approach would do in such markets (Heide and John 1992)[52]. These insights shifted the focus from competition and conflict to mutual cooperation as the most prominent drivers of action within such industries, and from independent actors

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[52] Transaction cost reasoning seems to have become most widely known through the work of Oliver E. Williamson (1981). The perhaps greatest challenges tied to this thinking are those connected to measurement and definitions of which transaction costs to consider in each case – the empirical story may therefore be more ambiguous than what is commonly claimed by RM advocates. The scope of this thesis does not allow any detailed engagement in such debates.

motivated by short-term self-interest alone to interdependent actors motivated by long-term self-interest through the pursuit of common interests (see Fig. 4h).

Fig. 4h:   Transaction Marketing versus Relationship Marketing (Sheth and Parvatiyar 1995: 400)
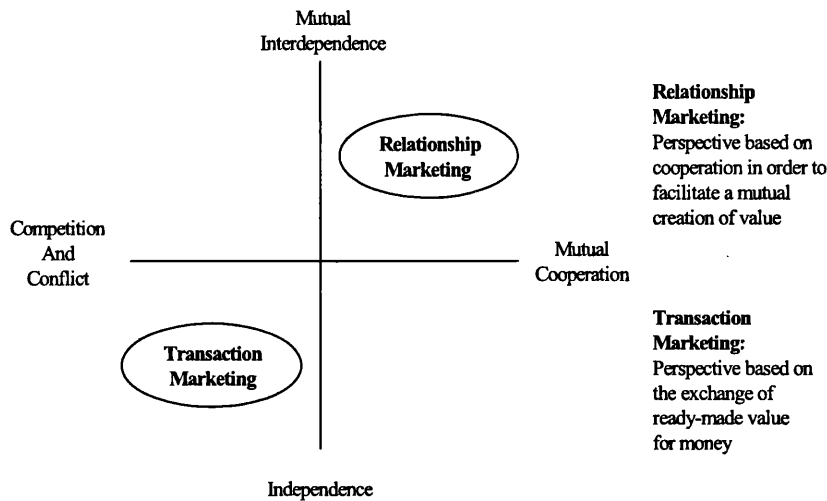


In these sectors, competition is seen as played out between networks of market actors, rather than between independent firms as envisaged by conventional marketing. Markets for manufactured goods (and commoditised services) as conceptualised by mainstream marketing do not assume consumer participation in production processes, and the producer "communicates" with consumers through the use of advertising and market research, but by the end of the day marketing man seems just as restricted as economic man – his real messages to producers are delivered, not by voice, but by exit (Hirschman 1970) [53].

Following from the above is that the pure exchange perspective is seen to be loosing both its descriptive and normative relevance in services/business-to-business market settings. Sheth and Parvatiyar (1995: 413, emphasis added), referring to numerous studies within these spheres, argue that:

'... the cooperative relationships amongst marketing actors are *not always for the purpose of exchange*. As several of these researchers show, the marketing actors cooperate to share resources and engage in joint value

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[53] As discussed in subsection 3.2.1.g, the managerial approach to marketing exhibits a somewhat ambiguous attitude to personal selling.

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creation, such as co-production, research and development partnering, co-marketing, etc. In these arrangements, exchange, if any, is incidental. The primary activity relates to value creation through joint action by participants in a relational engagement. *The outcome of this engagement is not necessarily an exchange of values; it is instead a process of value creation through cooperative and collaborative effort'.*

Attention is therefore shifted away from conceptualising marketing as outcome distribution to seeing it as a process of joint value creation (see Fig. 4i).

Fig. 4i:   Exchange versus Co-production (Sheth and Parvatiyar 1995: 412)
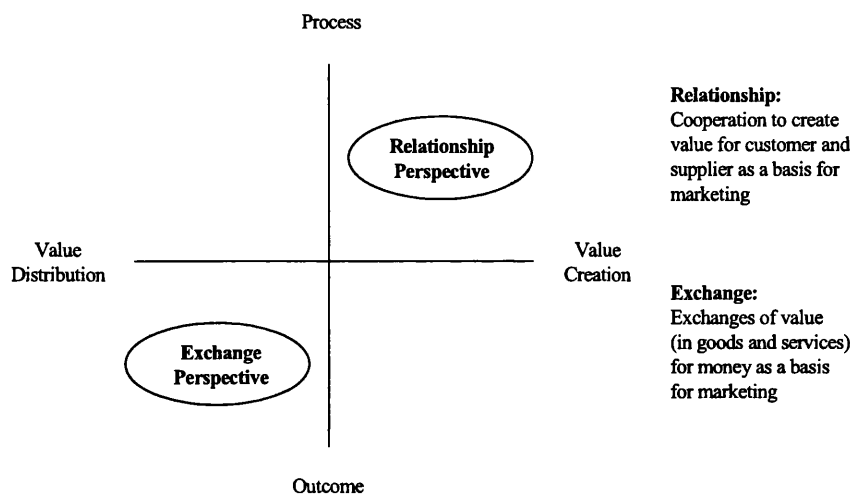


At a normative level, the simultaneous production and consumption processes in high-touch services industries and industrial markets represent the basic premise which is seen as necessitating the shift of focus to cross-functional organisational structures and decentralisation (Möller and Wilson 1995; Payne, Christopher et al. 1995; Gummesson 1999; Grönroos 2000). Without a strong presence in the local marketplace, it becomes difficult, if not impossible, to co-produce a sophisticated high-touch services offering[54]. The fact that the supplier and the customer are in it together also underpins the necessity of a focus on cooperation and reciprocity. The main focus in service competition is said to manifest itself through the continuous management of a series of moments-of-truth, moments of co-production where the role of technological and administrative systems is best seen as support mechanisms. Grönroos (2000: 373-75) sees marketing within such contexts as organised around three main elements: The first is concerned with '*giving promises*' (traditional external marketing), the next with '*enabling promises*' (internal

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[54] This does not mean that RM scholars dismiss the use of technology (e.g. the internet), rather it means that there seems to be a consensus that it cannot replace face-to-face/mouth to ear (telephonic) communication.

marketing), and last but most importantly, '*keeping promises*' (interactive marketing). The first element concerns the fact that customers' perceptions of service encounters are to a large degree dependent on their expectations. The firm itself, in part creates these expectations through conventional marketing activities such as advertising, sales promotion, pricing, etc. These activities are usually taken care of by the full-time marketers who are traditionally located in a marketing department, or by outside specialists such as, e.g., advertising agencies or market research firms. The second element refers to the process by which the organisation prepares its members or employees for part-time marketing responsibilities. This process is perceived to be of the utmost importance and as a prerequisite for successful external marketing. If there is divergence between what promises are given, and employees' perception of the prospects of carrying them out as promised, the organisation may effectively work counterproductively to given promises. In the RM model, empowerment of employees is therefore seen as critical; employees must be given authority, skills and motivation to handle customer contact situations in a satisfactory way for customers. Systems support is also critical, and lack of such measures is seen as potentially diminishing the positive effects of empowerment. The third element centres on the real "moments-of-truth", where customers interact with representatives of the organisation. This is the level at which promises are either kept or broken. Interactive marketing and keeping promises is according to this thinking the responsibility of all employees encountering customers either directly or indirectly, which since many of these employees are not part of any

Fig. 4j: The Two Frameworks Compared

| THE MANAGERIAL PERSPECTIVE | THE RELATIONAL PERSPECTIVE |
|---|---|
| • Separated Production and Consumption | • Simultaneous Production and Consumption |
| • Exchange and Singular Transactions | • Interaction and Long-term Relationships |
| • Independent Actors | • Interdependent Actors and Networks |
| • Competition and Conflict | • Collaboration and Competition |
| • Focus on Functions within the Organisation | • Cross-Functional View of the Organisation |
| • Focus on Customer Acquisition | • Focus on Customer Retention + Acquisition |
| • Focus on Product as Ready-Made Outcome (Value Distribution) | • Focus on Product as Both Process and Outcome (Value Creation through Customer Participation) |
| • Focus on Mass Communication | • Focus on Dialogue + Planned Communication |

marketing department, is precisely where the importance of Gummesson's (1990) notion of part-time marketers manifests itself. Taken together, RM represents a much more complex and multifaceted model of an approach to marketing than the MMM-model (see Fig. 4j above). Mostly this seems to result from differences in the "nature" and requirements of the contexts which the frameworks were initially constructed to deal with. However, what is seen as successful marketing is also in no small part dependent on the underlying values guiding the systemic contexts within which it is practiced.

### 4.4.2    RM versus MMM – the Macro Context (Systemic Level)

Marketing as a discipline has not traditionally engaged to any significant degree with macro-economic questions. Such issues have most commonly been viewed as located outside its disciplinary scope, and have typically – to the extent that they are mentioned at all – only been dealt with implicitly. However, if we are to fully understand the potential of our two marketing approaches, we need to briefly examine the contextual assumptions underlying them at a macro level. That is, what economic market cultures have given birth to them and what underlying value systems these bestow on them. This is also the level at which we, according to some RM protagonists, face the greatest impediment to the successful implementation of RM (Gummesson 1999; Grönroos 2000).

The American capitalist system, from which conventional marketing is most often said to take its underlying values, is commonly described as inherently short-term in scope. Although this is clearly a very brief description subject to a number of modifications, the statement seems defensible at an overarching level. This is a system in which profit-maximisation on behalf of shareholders is seen as a company's primary objective. Will Hutton (1995: 259, emphasis added) sums the US market system up in this way:

> 'There is tough anti-monopoly legislation, and the typical firm is owned by stock-holders, a majority of them financial institutions like pension funds, who trade their shares on the stock market while the company operates in a highly competitive arena for its sales. All companies can be expected to be taken over or merged when predatory companies buy their shares on the stock market, and this puts a high premium on *maintaining the growth of short-term profits and dividend pay-outs* to sustain the share price at all costs. Firms' relations with their suppliers are strictly market-driven, with contracts put out to tender and allocated to the lowest bidder'.

The core philosophy of RM does not appear to rest easily with such systemic values which is, in turn, perhaps the reason why within this marketing perspective, we do find a few examples that more explicitly address macro economical issues. The argument typically goes that long-term and stable investor relationships are imperative to sustainable success in the market (Reichheld 1995). While this is a generally accepted "piece of truth" within the 'focused' approach to RM, Gummesson (1999: 175) seems to acknowledge Hutton's point and notes that the extent to which Reicheld's argument is true, varies greatly between different countries and types of capitalist cultures. Drawing on a number of empirical studies done by other researchers he claims that:

> 'Germany and Japan have long-term stable owner relationships. Compared to the United States, Japanese stockholding is four times more stable and seven times more likely to be reciprocated. The loyalty of the American investor has been reduced as the turnover of investors has moved from 14 percent in 1960 to 52 percent in 1995. This means that today the average investor holds shares for less than two years, albeit with a variation of a few minutes to several decades. Maximum short-term return on capital has taken priority over long-term survival and shares are bought and sold as transaction goods, much like ice-cream on a hot day on the beach'.

A little later he suggests one of the underlying causes:

> 'Investment brokers are paid per transaction, meaning that the more frequently they can encourage big investors to buy and sell, the more they earn. So they are rewarded for transactions and owner promiscuity, not for long-term relationships and loyalty. This of course, is counterproductive to RM'. (Ibid: 179)

Although many European/Scandinavian and Asian market economies are commonly said to be much more cooperative and collaborative by "nature" than those of the US and the UK, increasing globalisation of financial markets seems to exert significant pressure on the former to conform to Anglo-Saxon ways of thinking competition and market dynamics (Hutton 2003).

Emerging from the foregoing review of the literature is a picture of the underlying systemic values which have given birth to these two marketing frameworks. Paradoxically enough, even though services and business-to-business markets may at a micro (industry) level be seen as characterised by co-production, collaboration and long-termism, organisations may well (if quoted on a stock exchange) find themselves in a macro context (the global financial market), which presupposes short-term transaction based values. Such a situation places company management between a rock and a hard place when it comes to prioritising between its objectives. Reichheld (1995: 234) argues that although the mission of the firm is to create value for investors, employees and

customers (and society at large, we might add), it is the customers who should be 'first among equals'. This is the group from which all cash flows originate, but since we have yet to develop a balance sheet that recognises the value of loyal customers and employees, these groups appear to this commentator to have become 'second-class citizens'. Therefore 'the quarterly earnings demands from shareholders, the only constituency with a system to measure results relevant to its concerns, prevail over the needs of customers and employees'.

Unsurprisingly perhaps, these systemic influences on marketing practices also tend to affect theoretical development and scholarly analyses. There are consequently voices in some quarters of the research community arguing for the importance of implementing continuous and rigorous measurement of relationship benefits so as to enable decisions on whether to stay in or opt out of alliances. Such thinking seems strongly at odds with the long-term time perspectives talked about by early services/business-to-business marketing scholars, and it chimes equally strangely with the underlying idea of RM as an approach which should contribute to the minimisation of opportunistic behaviour (O'Malley and Tynan 1999). To scholars such as Gummesson (1999) this type of approach to RM equals making sure that you have the divorce forms in hand on your wedding day and, furthermore, that you subject your spouse to careful critical scrutiny every morning. This would in all probability neither make for a good marriage, nor would it according to many RM advocates, promote prosperous business relationships (Morgan and Hunt 1994; Smith and Higgins 2000). Thus, the underlying philosophies and values of market systems may be as important to the successful implementation of RM as the "nature" of industrial contexts. When concepts migrate from one discipline to another, their underlying systemic values often migrate with them (Halbert 1965). Consequently, the underlying systemic values of theoretical concepts may sometimes threaten to change the "nature" of the new industry in which their proponents seek to implement them – which is in effect what I in this thesis have argued may be the result of implementing conventional marketing in party-centred contexts that are based on the workings of membership parties. Firstly, it may impact on the way in which these political contexts are understood and, secondly, this may in the long term also contribute to change in the way in which they are allowed and encouraged to develop in practice.

In the next chapter attention is turned to how conventional marketing has been applied to the conceptualisation of both politics in general and to party-centred spheres in particular and what kinds of normative prescriptions often follow from this way of understanding politics.

# PART III

# Political Marketing –

# Theorising Politics as "Market"

# 5.0    CONTEMPORARY POLITICAL MARKETING – REVIEW AND CRITIQUE

This chapter seeks to provide an overview of how the field of political marketing has developed thus far. The investigation starts with a brief look at how many political scientists and some marketing scholars have utilised marketing management theory in analyses of the political trends and campaign practices that have emerged over the last two or three decades (5.1). These contributions are predominantly descriptive or analytical in scope and are rarely preoccupied with theoretical development, but have – through the provision of large amounts of empirical data and insightful analyses – contributed significantly to the development of political marketing as a distinctive field of academic enquiry.

Section 5.2 provides a review and critique of some key examples of how managerial marketing is commonly applied in the development of political theory and concepts – often accompanied by generic ambitions or implicit claims to cross-contextual validity. The examples are chosen because: a) they are oft-cited, appear to be theoretically influential across systemic contexts, and are frequently utilised as foundations for empirical research, and b) they constitute typical illustrations of how this approach to politics – due to its underlying presuppositions – tends to produce descriptive misrepresentations or render significant parts of the political process within party-centred contexts theoretically invisible, and to result in normative prescriptions that, if implemented in practice, seem ill suited to maintain or further develop the intrinsic "nature" of such systems. This investigation is subsequently followed by a brief examination of two of the first attempts made at remedying some of these (in the research community) increasingly acknowledged shortcomings through the utilisation of relationship marketing (RM) theory in the conceptualisation of politics (5.3). In section 5.4 the chapter proceeds – by taking a step back – to revisit some influential and oft-cited economic approaches to politics in order to see how and to what extent contemporary political marketing may be seen as related to these early attempts at theorising politics and democracy in terms of market. Together, these accounts provide a useful historical and theoretical backdrop against which the subsequent development of the field can be understood. The chapter is drawn to a close by some brief discussions in which I assess the strengths and weaknesses of marketing management theory as currently appropriated in the theorising of both candidate-centred and party-centred politics (5.5).

## 5.1 Political Marketing: Descriptions and Analyses – A Brief Review

### 5.1.1 Campaign Studies and Political Communications

Margaret Scammell (1999) identifies two strands of political science research which in different ways and to varying extents have provided important input and contributed to the development of the political marketing literature – namely campaign studies and political communications studies. Marketing, she says, is by political scientists here typically treated as a subset of the former. The first comparative studies of election campaigning conducted from Europe started to emerge in the early 1990s (Bowler and Farrell 1992; Butler and Ranney 1992). The starting point of this line of enquiry is electioneering and 'the central concern is with a particular type of modern campaigning now evident across much of the democratic world' in which pollsters, professional consultants and media managers appear to play an increasingly important role (Scammell ibid: 719). The key question is 'do campaigns matter', and research efforts typically centre on continuity and change in political behaviour and differences and similarities between examined contexts (Farrell and Schmitt-Beck 2002: 13). Scholars preoccupied with this kind of research have been important contributors to the understanding of contemporary political marketing as practiced by political parties or candidates, but they have at the same time also raised questions about the value of marketing with regard to the theoretical understanding of political campaigns:

'A marketing approach does lend a vocabulary to the study of campaigns and helps provide a typology of actions, although sometimes it may seem that marketing language only serves to stress that political campaigns are intent on winning votes. Perhaps one of the biggest drawbacks to the approach is that in general it seems more an exercise in rationalising success or failure in the hindsight rather than being a theoretical tool.' (Bowler and Farrell Ibid: 6)

Farrell and Wortmann (1987: 314), in one of the first European attempts at testing out marketing as a framework for political analysis, come out somewhat undecided as well. Utilising Kotler and the managerial perspective, they claim that political marketing, although representing only one part of a larger process of change, should be seen as 'the evolution of party strategies in a changing electoral process'. They appear sceptical with regard to how effective consumer marketing might potentially be in achieving campaign objectives, and they seem to share the concern of later scholars who have argued that modern political marketing may contribute to 'an undue concern with the short term' and

deteriorate the quality of 'public debate' without in any serious way helping to clarify 'the choice for voters at elections' (Kavanagh 1995: 247, 248).

Much in the same way as campaign studies, the political communications literature typically treats marketing as only one aspect of a broader process. Scammell (1999: 720, 721) explains the differences between the two approaches thus:

> 'While campaign studies stress the increasing significance of campaigns for *election results*, political communications accent consequences for *citizen engagement* with the democratic process as a whole. [.] Political communications scholars tend to see modern politics and media as inextricably entwined'.
> (Emphasis in original)

A particularly influential contribution within this field is perhaps that of Swanson and Mancini (1996: 6-12) who introduce the idea of *modernisation* as a tentative explanation of emerging political practices. They see this as emanating from increasing social complexity and the development of 'specialised and competing subsystems' undermining traditional social structures in society resulting in parties shedding their ideological baggage and moving to centre stage. At the same time, the media arguably shift from being channels of communication to becoming autonomous political players in their own right which finally results in political communication being increasingly tailored to the needs and interests of the media. Scholars within the field have long been preoccupied with these tendencies; some emphasise the way in which political parties (and candidates) attempt to appropriate marketing tools and techniques in all aspects of the political process (Bennett 1992; Franklin 1995), others perceive the problem to be rooted in increasingly commercialised and market-driven media which colonise the sphere of politics and force parties to 'stage-manage' politics (Meyer 2002: 30). In order to describe their observations scholars often turn to the typology of the world of manufactured goods and use analogies to 'packaging' (Franklin ibid). Similarly, Lance Bennett (ibid: 6), lamenting the way in which American 'political candidates have been separated from their party loyalties by an elaborate system of individual funding from interest groups' (resulting in little room to build coalitions or even mobilise their own congressional parties around any issues of broader public interest), points to the challenges connected to the selling of 'these damaged political goods':

> 'Enter the technology of media management, with its Orwellian vocabulary of *spin doctors, damage control, sound bites, line of the day,* and *photo opportunities,* all orchestrated by the ever present *handlers* whose job it is to keep reporters as far removed from spontaneous contact with the candidate as possible.
> (Emphasis in original)

Political communications 'occupies a pivotal position for virtually all campaign-related research' and 'to a significant degree it is leading the agenda' (Scammell ibid: 722). It constitutes a critical approach which through its persistent concern with democracy; its belief in the importance of high-quality political communication to this end; and its view of the media as inextricably entwined with modern politics – seems to have provided the new field of political marketing with important analytical input.

### 5.1.2    More General Contributions

In addition to these lines of enquiry, there is a similarly growing amount of literature descriptively dealing with the phenomenon of political marketing in general (O'Shaughnessy 1990; Lock and Harris 1996; Newman 1996; Newman 2002; Palmer 2002), in recent years not confined to the US and Europe. Some of these contributions focus on one particular party's or candidate's "marketing efforts" (Newman 1994; Kavanagh 1995; Saunders 1995; Scammell 1995; Jamieson 1996; Sackman 1998; Wring 2001; Cotrim-Macieira 2005; Galindo 2005); others analyse how these practices are spreading across systemic contexts (Plasser, Scheucher et al. 1999; Baines, Scheucher et al. 2001), or they concentrate on particular elements of the phenomenon, such as the increasing use of market research by both parties and governments (Kavanagh 1996; Thorne LeClair 2000; Sparrow and Turner 2001); the use of segmentation and targeting strategies in political campaigns (Miron 1999; Rees and Gardner 2005); the effects of political advertising (Pinkleton, Um et al. 2002; Dermody and Hanmer-Lloyd 2006); the similarities between political marketing and propaganda (O'Shaughnessy 1999); the branding of political candidates or parties (Smith 2001; Lloyd 2006); the use of technology or the internet in political marketing (Jackson 2005); the connections between political marketing and political lobbying (Leighton 1996); or how marketing as currently practiced in politics may be seen to impact on political "consumption" (Dermody and Scullion 2001) – to mention but a scattered few.

However, some contributions have proved more influential than others. The political scientist Martin Harrop (1990), for example, early suggested that marketing represents a potentially helpful theoretical framework for political analysis. Harrop is often said to have been the first to introduce the idea of politics as services, and he argued that the

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most important thing political science can take from marketing is constituted in its knowledge of strategy. His theoretical analysis is anchored in conventional marketing which, in turn, leads to an understanding of politics as commoditised services – it becomes a question of distributing "prefabricated value". He is consequently inhibited from accounting for the co-production processes that are still taking place within party-centred contexts (see 2.1.3) which, in turn, also obstructs his ability to discuss the possible strategic implications this may have for political parties. Coming out of the marketing discipline, Nicholas O'Shaughnessy (1990) produced yet another important contribution to the establishment of the domain. In an analysis of the American political marketing phenomenon he offers a more comprehensive, deeply insightful but also critical account of how the application of conventional consumer marketing thinking has influenced the conduct of American politics and what these tendencies might continue to mean in the future. O'Shaughnessy has in later (individual and co-authored) works cast a sympathetic eye on RM and suggested that this framework may be both a more promising approach to the theoretical understanding of politics than conventional consumer marketing, and that it may provide the means with which to combat rising political cynicism and thereby help to re-enfranchise disengaged modern citizens (O'Shaughnessy 2001; Henneberg and O'Shaughnessy 2009).

Scholars researching the workings of political parties have also in significant ways contributed to the understanding of emerging political practices. A number of detailed studies provide us with important evidence of changes in party practices, particularly highlighting how "marketing" approaches have tended to change these organisations from within, both at strategic and operational levels (Kavanagh 1995; Scammell 1995; Wring 1996; Webb 2000). Deliberate and consistent applications of any specific marketing frameworks to analyses are however rare, and the few that we do see continue to rest on conventional managerial marketing constructs such as e.g. 'the marketing concept' (see 3.2.1.d) (O'Cass 1996; 2001; Marland 2005). The primary strength of these contributions is therefore perhaps not so much found in their application of marketing theory to political analyses, as in their historical comparative and empirically grounded illustrations of organisational behaviour – at both intra-organisational (such as leadership profiles, power structures, and membership management) and inter-organisational levels (relations with the media, with other parties, interest groups and business). As such, these accounts seem indispensable.

Similarly, there are seminal contributions focusing on the strongly related notions of the 'death of ideology' and the 'permanent campaign' (Blumenthal 1980; Nimmo 1999; Sparrow and Turner 2001). These notions refer in different ways to the observation that due to the overarching objective of staying in power, political administrations (governing parties) become geared to public opinion instead of ideology or any notion of strategy. Political figures such as Clinton and Blair are in this perspective seen as merely representing an ever changing assemblage of tactics, where the aim is to preserve an upper hand in the "market" by constantly managing the public agenda. Nimmo (ibid: 74), referring to assessments of Clinton's and Blair's handling of their time immediately after having been elected, puts it thus:

> 'The two assessments are telling. Both suggest that to campaign is to touch public opinion and be governed *by* it. To govern for its own sake, on the other hand, is to loose touch with public opinion. Hence, *governors risk office by governing.* So, contemporary leaders campaign not to govern; they govern to campaign'. (Emphasis in original)

Taken together, contemporary political marketing may be seen as resting on a rich inheritance of empirically grounded descriptive political studies coming from both its mother disciplines, albeit predominantly emanating out of political science (Henneberg 2002). Theoretical development appears – much in the same way as in other young research domains – to be lagging behind empirical research and a perceived lack of appropriate and good quality theory has led contemporary scholars to call for more work at this level (Butler and Collins 1996; Henneberg 1997; Lees-Marshment 2003; Henneberg and O'Shaughnessy 2007). The next section of this chapter proceeds to review and critically discuss some examples of the way in which managerial marketing has so far been utilised in the development of political theory. Concepts derived from this marketing perspective provide the theoretical foundations for most of the empirical research conducted within the field of political marketing today.

## 5.2 Managerial Marketing as Political Theory – Key Examples

### 5.2.1 Politics as Exchange – The Gap between Production and Consumption

Although political marketing as a field of academic enquiry may be seen as being grounded in campaign studies and political communications, political marketing protagonists preoccupied with theoretical development draw their central theoretical tenets from the marketing management literature. However, as indicated in earlier chapters, when theories are imported from one discipline into another, underlying assumptions and presuppositions travel with them into their new habitats (Murray, Evers et al. 1995). Contextual and meta-theoretical anchorage points of imported theories should thus normally be in need of careful scrutiny and eventual modification before imported theory is deemed appropriate within a new domain, discipline or context. As discussed in chapter 3.0, the introduction of *exchange*[55] as the core unit of study in marketing represented a theoretical move which seemed to provide the discipline with a way to bypass this simple "rule of conduct". This concept enabled contributors to this discipline to thoroughly expand the room for manoeuvre and appeared to justify the application of certain theories and concepts far beyond the original habitat of manufactured goods markets to almost all societal contexts in which some sort of exchange was seen as taking place (see 3.1.1 and 3.1.2). The managerial perspective's most central theoretical constructs have thus according to some scholars travelled into political theorising relatively unmodified (Dean and Croft 2001; Lees-Marshment 2003; Lloyd 2003), and the notion of exchange has become central to how politics is most commonly defined by influential contemporary managerial political marketing protagonists. Farrell and Wortman (1987: 298), for example, state that:

> 'The political market is a *system of exchange* in which two or more actors each possess 'something-of-value' which can be traded. The 'sellers' offer representation to their 'customers' in return for support. [.] The exchange occurs at election time when, to ensure maximum revenue, the sellers market themselves through an application of directed promotional activities.' (Emphasis added.)

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[55] The focus on 'exchange' is by political marketing scholars repeatedly claimed to distinguish marketing from economics where 'the market' is said to constitute the core object of study (Morgan and Hunt 1994; Henneberg 1997). We have seen that this claim is subject to some modification; the notion of exchange lies – either implicitly or explicitly pronounced – at the heart of *the view of markets* guiding most contributions to mainstream economics (see 1.1.2, 1.2.1.a, 3.2.1.a, 5.4.1 and 5.4.2). We have also seen that empirical research revealing fundamental differences in the workings of different commercial contexts has over the last three decades spurred a renewed focus on 'the market' within the discipline of marketing – most importantly exemplified by the emergence of research communities specifically concerned with services and industrial contexts (see 4.0).

Similarly, Harrop (1990: 277) leans on conventional consumer marketing when he says that marketing is about 'facilitating exchanges between an organisation and its environment'. Building on Niffenegger (1989), Wring (2002: 173) pursues the same line of thinking when he offers the following definition of political marketing:

> 'the party's or candidate's use of opinion research and environmental analysis to produce and promote a competitive offering which will help realise organisational aims and satisfy groups of electors *in exchange* for their votes'. (Emphasis added.)

In this definition we also see the explicit importance accorded to traditional market research within the managerial approach to marketing. Henneberg (1997: 65), representing one of the first attempts at establishing a broader and more holistic understanding of what political marketing should be seen as being about, draws partially on RM when he defines the subject matter, but also this definition retains the notion of exchange at its core:

> 'Political marketing seeks to establish, maintain and enhance long-term political relationships at a profit for society, so that the objectives of the individual political actors and organisations involved are met. This is done by *mutual exchange* and fulfilment of promises.' (Emphasis added.)

What seems to have gone largely unrecognised in the theoretically-oriented contemporary political marketing literature is that in accepting the notion of *exchange* as the key defining feature of "political markets", this work indirectly aligns itself with Schumpeter's minimalist view of democracy – seen as expressed through the selection and rejection of leaders (see 2.1.1 and 5.4.1). Such work is also aligned with orthodox rational-choice theory, implicitly building on the same view of markets, and thereby also accepting a description of citizens as exercisers of consumer power alone (the power to choose) and the focus of political theorising is narrowed down to a concern with the electoral competition (see 5.4.2) – the arena in which political exchange is seen as taking place[56]. The problem with both traditional economic and contemporary managerial marketing approaches to politics, I argue, is that they offer few if any theoretical tools with which to account for the simultaneous production and consumption processes that

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[56] Although contemporary political marketing protagonists repeatedly insist that marketing of politics is not confined to the electoral campaign (Butler and Collins 2001; Lees-Marshment 2001) – or to the electoral arena alone, for that matter (Henneberg 2002; Lees-Marshment 2004) – the continued focus on exchange seems not so much to have diverted attention away from campaigns as it has spurred scholarly interest in the way in which these now appear to be extended into the process of governing (Blumenthal 1980; Nimmo 1999; Sparrow and Turner 2001). Moreover, when political marketing is seen as extended into the cycle of government, 'the ultimate goal is assumed to be the same: to win the next election' (Savigny 2004: 23).

are said to be the key characteristic of party-centred politics (see 2.1.3.b). The application of models predicated upon such theories can thus be seen to render theoretically invisible a *significant* part (the services element) of what is effectively "on offer" within these "markets".

The following subsections provide a critical step-by-step investigation of how the marketing mix (perhaps the most frequently used concept in political theorising within this domain) together with some other important concepts drawn from the mainstream marketing literature, deal with what is within this perspective seen as the political exchange process (Henneberg 1997).

## 5.2.2 The Application of the 4Ps
### 5.2.2.a Political Production and the Political Product

The world of politics is by managerial political marketing protagonists commonly depicted as markets (much like those of manufactured goods or commoditised services) in which political parties (likened to commercial corporations) deliver prefabricated value (primarily with the help of mass communication) to citizens/voters (likened to consumers) who ultimately make their choices (purchases) in elections (Farrell and Wortmann 1987; Reid 1988; Wring 1996). How this value is conceptualised and what the "political product" is seen as amounting to tend to differ according to the systemic contexts which contributors relate to. It is variously regarded as the party (Lees-Marshment 2001; Wring 2002), the candidate (Kotler 1975; Shama 1976; Mauser 1983), the campaign platform (Newman 1994), policies, communications or images (Reid 1988), a service (Harrop 1990), or a brand (Smith and Saunders 1990; Smith 2001) – but it remains to be seen as something which is prefabricated by political elites in processes separated in time and space from the public. The justification for the utilisation of the means of competition – the 4Ps (see 3.2.1) – in political theorising is seen to be resting on the similarities between the selling of consumer goods and the process of getting elected (Shama 1976; Wring 2002). Managerial political marketing protagonists see this construct as providing both a description of how the "political product" makes its way from "producer" to "consumer" and a normative prescription for the successful implementation of the principles. The underlying assumption of this view is explicitly

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pronounced by Reid (1988: 38) who claims that there is no difference between 'buying a bicycle' and buying 'a political message'.

The most prominent example of how the "political product" is conceptualised by scholars workings within the American context is presented by Kotler and Kotler (1981; 1999) – here it becomes the candidate him-/herself. This view of the political product leads these scholars to suggest that political production is about 'developing a personality' for the candidate which, in turn, is equated with the necessity of developing a 'brand image' in a consumer market (ibid 1981: 27). The authors claim that the candidate needs to choose a 'product concept', which is the major theme around which the buyer's interest is built – the 'unique selling proposition', or the 'promised benefit' of the product. The question then becomes; 'does the candidate want to come across as the Hard-Hitting Reformer, the Mature Statesman, or the Deep Thinker?' (ibid 1981: 31). Any chosen concept will, however, tend to create support within certain parts of the electorate, whilst risking to alienate others. This is why Kotler and Kotler (ibid 1999: 15) proceed to suggest that:

> 'The candidate should not automatically seek the most ideal concept but rather should choose the one that puts him or her in the best position to offset the product concepts adopted by the other candidates. This is called *product positioning*. [.] Because the voter market is composed of many segments, the candidate should devise concepts that will influence a certain market share of each segment over his or her opponents' concepts.' (Emphasis in original)

These authors go on to argue that in order for the candidate to attract the broadest possible voter coalition he/she needs to be a 'market aggregator' rather than a 'market concentrator' (ibid 1999: 15). This strategy bears strong resemblances to Kirchheimer's (1966) catch-all party (see 5.4.3), and may also be viewed as a typical example of how the application of a mass marketing logic to politics tends to turn the "political product" into a communicational balancing act which is continuously negotiated through the media[57].

For scholars working on party-centred contexts, the political product is most often conceptualised as an amalgam of party image, leader image and manifesto (Henneberg 1997; Butler and Collins 2001; Lees-Marshment 2001; Wring 2002). These ingredients are commonly seen as "assembled" into coherent "political products" (policy promises)

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[57] According to some scholars, this often results in a focus on peripheral issues which draws attention away from more controversial matters that could potentially create dissent and debate (Nimmo 1970; Gitlin 1991).

by party management in close collaboration with professional consultants (mainly recruited from advertising and the media). Although European scholars to a large extent seem to agree that politics must be viewed as a services industry (see 2.1.2), most attempts at conceptualising party-centred politics continue to rely on managerial marketing theory (Lees-Marshment 2001; Smith and Hirst 2001; Wring 2002), which in turn brings the exchange focus to bear on what is studied. The political exchange process becomes one of votes for "service delivery" (Butler and Collins 2001; Lees-Marshment and Laing 2002). Service delivery is here seen as the implementation of policy promises through legislation and the public service system (Butler and Collins 2001). Such an approach builds on the notion of the rise of the political consumer, and according to Lees-Marshment and Laing (ibid: 5), in the British case, it justifies itself through the fact that:

'The British people want results: they want a product geared to suit their needs and wants and they want it to be delivered in a satisfactory manner'.

The marketing turn in politics is thus seen as an outward orientation in which the political product (irrespective of how it is defined) is seen as increasingly influenced by "market" factors (public opinion) which means that politicians and political parties become heavily reliant on market research and "product testing" (see i.e. Gould 1998 on focus groups) in order to "manufacture" policies that will be appreciated by the public or in order to "package" them in rhetoric suited to spurring voter support (Niffenegger 1989; Kotler and Kotler 1999; Lees-Marshment 2001).

The above ways of conceptualising the political product seem to produce theoretical dilemmas along four dimensions: Firstly, there is a contextual problem in that managerial marketing models' narrow focus on exchange inhibits them from capturing the simultaneous production and consumption processes which I have argued more appropriately characterise party-centred realms (party members' participation in the production of policy and representatives) (see 2.1.3). Researchers are consequently compelled (by the underlying assumptions of the models) to conceptualise the political product as a sort of prefabricated good or commoditised service; something which is "produced" in isolation from citizens, distributed across time and space through the public service system or through legislation, only to be "consumed" or evaluated at a distance (Butler and Collins 2001; Lees-Marshment 2001; Wring 2002). This, I suggest,

constitutes a distorted representation of what the political "services product" may potentially be seen to be about within such contexts when it is conceptualised through the use of services marketing theory (see 6.2.3 for a further development of this suggestion). Secondly, as discussed in the previous pages, the intangible "nature" of politics seems to produce a situation in which "product packaging" becomes a question of mass communications when the marketing mix is utilised in the conceptualisation of such processes – which in turn are issues that would normally be covered by the P for promotion in the mix's original habitat (Kotler 1997).Thus, the P for production no longer fulfils its original core function when applied to politics, which ultimately raises the question of whether this element of the mix is appropriate in political theorising at all.

Thirdly, marketing as here depicted becomes a reactive exercise in which production is carried out primarily on the basis of market research – in conventional consumer marketing there is 'no value independent of what the consumer determines' (O'Shaughnessy 2001: 1048). This is problematic within the political realm (irrespective of systemic context) and there seems to be broad agreement that the development of a political content cannot follow 'a strict voter-orientation' (Henneberg 2002: 117). Henneberg attempts to resolve this dilemma by conceptualising the political product as comprising two separate elements; one (ideology, important policy, etc.) which he sees as 'marketing-irrelevant' in that changing around the values that a party stands for may lead to loss of credibility in the "market", and another; 'the packaged element', constituted in the 'issue agenda, candidate personality and the corporate culture of the party' which he sees as more susceptible to "market testing" and modification (ibid: 117). He goes on to contend that 'if the party chooses a location near the ideology-orientation end, only isolated marketing instruments can be used and an integrated marketing-orientation is ruled out' (ibid: 118). This take on the subject matter signals a functional view of marketing resulting from the underlying exchange focus (see 3.2.1), which I argue is problematic (at both descriptive and normative levels) when applied to party-centred politics because it tends to isolate marketing from other functions within the organisation.

Fourthly, there is the problem of product quality. Since the P for production seems to fall short of dealing with basic political production processes – it also fails to explain how the notion of quality may be theoretically conceptualised and ensured within the sphere of

politics. Product quality represents a core concern of the first P within its original habitat (Kotler 1997), but is an issue so far not explicitly addressed by contemporary political marketing scholars. For scholars focusing on party-centred contexts, it seems that since the political product is seen as "prefabricated value" of an especially important (to all of society) sort, the production of political content tends – if accusations about opportunism, lack of leadership and manipulation are to be avoided (O'Shaughnessy 1990; Bennett 1992) – to become a "no-go" area for normatively oriented political marketing scholars – or in Henneberg's (ibid: 117) words; something that is 'marketing irrelevant'.

## 5.2.2.b   The Price of Politics

The second P designating price is often by political marketing scholars seen as the one element of the marketing mix least applicable to politics. Some contributors have dismissed this variable altogether because it is seen as adding little understanding to the analysis, planning and implementation of campaigns (Farrell and Wortmann 1987; Lees-Marshment 2001), whilst others have come up with creative ideas on how it might be conceptualised within the political realm: Wangen (1983) takes the variable to mean the way an organisation raises campaign finances and attracts members. Niffenegger (1989: 48) argues that 'the price of a candidate can be thought of as the total number of costs associated with the candidate's election'. He distinguishes between 'economic costs' such as possible tax increases, increases in interest rates and cuts in government benefits, and 'psychological costs' such as voter feelings of national, economic and psychological hope or insecurity. The latter measures reflect Reid's (1988) contention that voting should be perceived as a psychological purchase, which in turn echoes researchers such as Himmelweit et al. (1981) (see 5.4.2). A central point in this way of conceptualising "political pricing" is, however, distinctly at odds with the marketing impact pricing decisions are normally perceived to have within commercial spheres, for Niffenegger (ibid: 48) goes on to claim that:

> 'A common strategy is for candidates to attempt to minimise their own expected costs while maximising the perceived costs of their opponents'.

This point demonstrates that 'pricing' decisions too have a tendency of becoming a question of communications when applied to politics. In the commercial sphere, however, it is generally much more difficult to manipulate the perception of a

competitor's pricing policy, and to the extent that attempts are made, it would be seen as a promotional exercise referred to as comparative advertising (O'Shaughnessy 1990; Kotler 1997). Such activities are, particularly among practitioners, commonly considered questionable tactics because of the risk of opening up unanticipated counterproductive agendas.

Following Downs, Henneberg (2002: 119) argues that instead of discussing price, political marketers should turn to opportunity- and transaction-cost approaches (see 4.4.1) which he sees as having a far better potential with regard to explaining political clearing mechanisms:

> 'The political "price" has to be understood in the sense of reducing the electorate's perceived opportunity costs, which can determine inhibition barriers. These barriers can prevent the implementation of a behavioural intention. Therefore, facilitating the exchange process in terms of costs means for the organisation to minimise opportunity costs of voters' electoral decision-making process as well as of the electoral act itself. In addition, it also means enhancing the direct benefits from political involvement and the voting process as a symbolic act'.

It would seem that whichever way the pricing-P of the marketing-mix is conceptualised in the theorising of politics, it tends to represent a considerable stretching of the original concept. This has not prevented managerial political marketing protagonists from arguing that it provides a fruitful supplement to the understanding of political processes. Wring (2002: 180), for example, holds that:

> 'Despite the fact that pricing is the least tangible aspect of a marketing strategy, it is nevertheless a useful concept which complements the other variables. Precisely because it is a "mix", pricing can be seen to interlock and overlap with the other strategic tools, particularly those concerned with communications and product management'.

Opinions such as these are perhaps best seen as illustrations of how deeply embedded contemporary managerial political marketing is in the transactional exchange perspective of the "political market". Empirical findings indicating that party-centred political "markets" are guided by far more relational, interactional and co-productional dynamics (Scarrow 1996; Widfeldt 1999; Dalton and Wattenberg 2000) which, in turn, would render a measure such as "price" a much less relevant aspect to focus on in the conceptualisation of politics, seem so far to be little discussed in the literature.

## 5.2.2.c  Place and Promotion

The third P for 'place' concerned with distribution issues faces similar problems when adapted to politics – actually to the extent that Kotler and Kotler (1981: 32) do not bother to discuss it separately but examines it together with Promotion – concluding that decisions should centre on three main points; 'paid advertising, personal appearances and volunteer programmes'. They argue that the candidate 'would do well to increase exposure by appearing before as many voters as possible'. However, it is added that 'a heavy emphasis on personal appearances is not wise when the candidate bores, confuses, or disappoints voters' (ibid: 33). With regard to volunteers the following recommendations are provided:

> 'Although a candidate cannot be in two places at one time, he or she can use surrogate speakers and volunteer workers to reach voters. A speakers' bureau, consisting of various supporters who are articulate and individually effective with different types of groups, can be formed. *Every attempt, however, should be made to match the speaker to the audience:* an older person for senior citizens, a woman for women's organizations, a college student for younger voters. Studies of personal selling effectiveness show that effectiveness is optimized when there is a match between the speaker and the audience'. (Ibid: 33, emphasis in original)

Additionally, these authors see the distribution of politics as being about having in place ordinary volunteers to do the necessary footwork in a campaign. Place and Promotion decisions in politics should according this view centre on *what, where, when* and with *whom* to *communicate.*

Theoretically applied to party-centred systems, promotional and distributional issues seem to be equally difficult to keep apart: Sometimes distribution is seen as being about making 'product surrogates' (because of the intangible nature of politics) available to the public – Henneberg (2002: 119) explains:

> 'These surrogates must also be distributed. This can mean "candidate-placing" in a literal sense – for example by determining the channels of distribution with which the candidate gets in contact with the electorate (or with specific target groups). Meetings, speeches, party conferences and the selection of appropriate media are related to this distribution function....This function will increase in complexity with the arrival of new media – for example email, web TV and the Internet'.

Wring (2002: 178) includes the workings of local party offices in the distribution efforts of a political party, but again he notes that there is considerable overlap between the Ps:

> 'It should be noted that, precisely because it is a political marketing "mix", some of the activities that may constitute part of one variable can be found in another. In this way, the methods of the distribution policy closely mirror those of a promotional strategy in that both are reliant on tools such as direct mail despite having different aims'.

This cannot be said to be true of the marketing mix within its original habitat. In conventional manufactured goods contexts the 4 P's are set out to deal with distinctly separate elements of the marketing process (Kotler 1997), and overlap of the type here referred to would thus not normally occur. It is therefore unclear what the author means by 'having different aims', because what he is pointing to appears to be more clear evidence of the marketing mix turning into communications issues when applied to the intangible world of politics. Since the political product is seen as prefabricated value, the marketing task within such a conceptualisation of politics becomes one of how well one manages to influence the media and the public through the media – or a way of bridging the gap between production and consumption[58].

From the marketing mix which is tactical in scope (Kotler 1997) – although by managerial political marketing protagonists sometimes referred to as 'strategic' (see Wring 2002: 180) – attention is now turned to an investigation of how managerial approaches to strategy are most commonly cross-contextually utilised in the theorising of contemporary politics.

### 5.2.3  Politics and Strategic Positioning

Both marketing scholars and sympathetic political scientists frequently claim that marketing's perhaps most significant contribution to politics is encapsulated in its emphasis on strategy (Harrop 1990; Scammell 1999). Scammell (1999: 723) explains:

> 'It shifts the focus from the techniques of promotion to the overall strategic objectives of the party/organisation. Thus it effectively *reverses* the perspective offered by campaign studies/political communications approaches. Political marketing is no longer a subset of broader processes: political communications becomes a subset of political marketing, tools of promotion within the overall marketing mix. This is a key premise of the emerging sub-discipline of political marketing. The prime drivers of change in campaigning practices and communications are not the media, nor American influence (important as these are), but campaigners' strategic understanding of the political market'.

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[58] The other Ps – emerging from research done on services and megamarketing (see 3.2.1.c) – have so far not attracted any scholarly attention in the political marketing community and will for this reason not be discussed here.

There is, however, not a lot of work on the strategic aspects of political marketing so far. To the extent that such works do exist, both descriptive contributions focusing on contemporary political trends (Farrell and Wortmann 1987; Harrop 1990; Kavanagh 1995; Hayes and McAllister 1996), and the few attempts at theoretical conceptualisation, continue to rely on conventional marketing management theory (Butler and Collins 1994; Butler and Collins 1996; Butler and Collins 2001; Smith and Hirst 2001; Sparrow and Turner 2001). This tends to produce an understanding of strategy which at a normative level appears to encourage the implementation of *centralisation strategies* – often seen as justified by the need for control in the process of establishing a competitive advantage or a clear position in the market relative to that of ones competitors. Mauser (1983: 270), advocating the use of strategic positioning procedures to map the competitive terrain of a political campaign, claims that:

'In the past 20 years, marketers have developed a body of knowledge and technical expertise directly related to the analysis and persuasion of large groups of people. Marketers routinely use sophisticated techniques for surveying the public and identifying opportunities for new products or problems with the current product line. Moreover, marketers have developed powerful tools for designing offerings to fit the needs they identify, as well as methods of communicating the advantages of the new products. *Much of this expertise is readily applicable to political campaigning.*' (Emphasis added)

Thus, conventional marketing is seen as constituting a professional (as opposed to the "amateurishness" of traditional party work) approach to the analysis and management of political campaigns and parties (Butler and Collins 1994). Market research, segmentation, targeting and positioning techniques have thus come to be seen as maybe the most important strategic management tools that modern political parties and candidates can make use of (Smith and Hirst 2001). Generally, European scholars appear to conform to the (initially) American view that the use of traditional market research is pivotal to strategic planning and the process of getting elected (Lees-Marshment 2001; Wring 2002). Declining partisanship, volatile electorates and growing competition are elements commonly seen to justify an increased spend on focus groups, surveys and other conventional types of market intelligence (Sparrow and Turner 2001). Again, these contentions rest on the assumed separated production and consumption processes in which feedback does *not* flow automatically from consumers to producers, but has to be collected through separate explicit processes (Kotler 1997) (see 3.2.1). Critical questioning of the validity and strategic value of conventional market research in the conduct of politics is curiously rare, although it is frequently debated within the

marketing discipline itself, particularly within services/business-to-business marketing research communities. Gummesson (1999: 66), for example, argues that:

> 'Both marketing literature and managers can give the impression that market surveys and research techniques, particularly the use of quantification and statistical formulas provide first-class knowledge about customers and the effect of marketing activities. Closeness to the customer seems to be of little significance. In my view it is the other way around: *The interaction with customers is the single most important source of marketing knowledge and the cry for more market research is often a sign of failure'.* (Emphasis in original)

Nevertheless, the belief in market research as a tool necessitated by a claimed need for more strategic segmentation and tactical targeting appears to prevail in contemporary political marketing scholarship (Hayes and McAllister 1996; Smith and Hirst 2001; Sparrow and Turner 2001), to the exclusion it seems, of interest in other more direct sources of strategic market input, such as, for instance, interaction between party-members/representatives and the rest of the public (see 4.2.1).

A typical example of how managerial strategic positioning concepts are being applied to politics is provided by Butler and Collins (1996). In an initially descriptively oriented contribution these scholars suggest that the so-called 'market-niching' concept may add to our understanding of competitive party-centred politics. This concept distinguishes between four positions, namely the 'market leader', 'the challenger', 'the follower' and 'the nicher', and focuses on how individual actors (parties) should aim to exploit the market potential relative to their competitors. The authors explain (ibid: 42):

> '...once a party becomes either leader, challenger, follower or nicher in its own market, then certain strategic directions become appropriate. For example, a niche party, be it left, right or centre, will need to calculate the relative merits and effects of widening or deepening its appeal. Similarly, a challenger must be clear about the strategic directions appropriate to its market position. The upper echelons and managers of political parties who adopt such a framework should be able to make decisions of a long-term nature without the clouding that arises from a less strategy-driven rational approach to their "market position"'.

However, such strategic concepts define markets as aggregations of competitors (as opposed to consumers) and, in an oft-cited article, a distinguished marketing scholar provides us with a forceful argument for why such approaches may represent a problematic way to describe and explain the competitive dynamics of a market (Webster Jr. 1988: 34):

> 'The points of emphasis in these strategic planning frameworks may not be as significant as the points left out. Most importantly, the customer seemed to be largely out of the picture. Markets were defined as aggregations of competitors, not customers. Product positioning and product quality were barely mentioned when defining markets and thinking about opportunities for building market share. The internal development

of new businesses, driven by consistent commitments to research and development, played second fiddle to growth through mergers and acquisitions. The building and maintenance of marketing channels and distribution arrangements received little strategic attention, as did the development of long-term customer franchise'.

According to this author, formal strategic-planning approaches such as the one here advocated by Butler and Collins, tend to emphasise corporate business strategies while downplaying, if not ignoring, the sub-functional and structural organisational strategies necessary to implement them. Butler and Collins' suggestions seem to confirm Webster Jr.'s (ibid.) concerns: There are, for example, no suggestions as to how the importance of product quality to the strategic positioning of a political party is to be accounted for and, similarly, no attempts at describing the organisational strategies which would be necessary to implement suggested solutions. In other words, the suggestion represents a strategic approach where attention to consumers/customers (the state of the market), employees (party-members and activists), research and product development appears to go entirely unaccounted for – to the benefit of a principal focus on competitors and market share (Webster Jr. 1988; Ferguson and Brown 1991; Grönroos 2000).

At a normative level, three key problems arguably emerge from the utilisation of such strategic tools in politics: The most urgent one is that it may ultimately lead to the organisation getting stronger in an increasingly deteriorating market because no strategic attention is accorded to market development and maintenance (Webster ibid). Viewed in the light of rising cynicism, declining party memberships and plummeting voter turnouts, Butler and Collins' suggestion would at this level appear to represent a strategic move that could potentially add to the democratic "malaise" currently perceived to feature in Western political "markets" (see 1.1.1 and 2.1.3.b). Secondly, the approach presupposes a centralised mode of operation which tends to neglect the role of party members in both production and the general task of marketing which may, in turn, leave the organisation de-energised and discouraged from positive participation and political innovation (Zeithaml and Zeithaml 1984; Ferguson and Brown 1991; Reichheld 1995; Grönroos 2000). Thirdly, the transactional exchange focus seems to produce prescribed strategies aimed at customer acquisition rather than at customer retention (see 3.2.1 and 4.2.1) which incidentally also appears to mirror that which is frequently seen to happen in practice. This has led political analysts such as Hayes and McAllister (1996) to question the theoretical insights guiding current segmentation and targeting practices, the theoretical validity and practical helpfulness of these instruments in strategic political

positioning processes, and, consequently, indirectly also the professional competence of the vast array of media specialists, advertisers, pollsters and public relations consultants assisting political parties in their struggle for office:

> 'From a marketing point of view, the central problem is that political advertising is currently targeted to the wrong group of individuals. By concentrating their efforts on undecided voters, the least aware or least partisan group, political campaigns have chosen a segment of the electorate that is the least likely to be persuaded by either their product or marketing efforts'. (Ibid: 144)

There seems so far to have been very little critical questioning of the type of strategic theory currently utilised in political theorising or of how the underlying assumptions and values of imported concepts may impact on our theoretical understanding of the strategic opportunities embedded in the systemic workings of different political contexts. The political marketing literature's reliance on conventional marketing seems to have produced strategic concepts which describe political strategy entirely in communicational or promotional terms (Butler and Collins 1996). The emphasis that conventional marketing puts on exchange and competition seems also to have resulted in a one-sided focus on the electoral competition in descriptive or prescriptive approaches to both strategic and tactical political marketing. Although it is commonly noted that political marketing is not restricted to campaign periods (Henneberg 1997), this has so far done little to foster the introduction of theoretical concepts which could account for the strategic implications of such insights. Moreover, political marketing protagonists often seem to have little faith in the strategic impact of such concepts when implemented in practice. Butler and Collins (1994: 32), for example, claim that:

> 'It seems safe to say that the effect of marketing strategies on voting on most occasions is marginal. The recipients of messages, however well packaged and targeted, are far from neutral or easily influenced. If conversion is the criterion, most marketing effort is wasted'.

In this study I will turn to an assessment of whether RM provides a better foundation for an investigation of decentralisation strategies by focusing on the development of party organisations, customer retention, "product" development and "market" maintenance. This approach may provide both a more fruitful theoretical description of what is commonly seen to be going on within party-centred systems and offer strategic insights more appropriate for the marketing of political parties within such contexts (see 6.0 and 7.0).

## 5.2.4 The Marketing Concept and Party Strategies

Drawing on the early contributions of Keith (1960), several managerial political marketing (PM) protagonists (Henneberg 1997; Lees-Marshment 2001; Wring 2002) have attempted to utilise another strategic construct drawn from mainstream marketing in theoretical conceptualisations of party behaviour, namely the 'marketing concept'. This is a strategic and philosophical concept which emerged in an article where Keith (ibid) – the then director of Pillsbury Company – described the company's evolution through three managerial phases; they started out in the production-oriented stage, proceeded to the sales-oriented stage, before finally ending up in the market-oriented stage in which the organisation had become a stronger entity geared to the satisfaction of customer needs and wants (as opposed to their previous focus on internal production processes and sales) (see 3.2.1.d). The concept as presented by Keith seems, even within its own discipline, to have been subject to misunderstandings, curiously partial readings and quite substantial criticism[59].

These misunderstandings seem to have travelled with the concept into contemporary political marketing theorising. Several scholars have contended that parties should be seen as evolving through the originally suggested three eras of marketing sophistication, and that the ultimate goal should be to become truly "market-oriented" organisations (Lees-Marschment 2001; Henneberg 1997; Wring 2002) which, because the latter notion is misconstrued to be synonymous with a strong reliance on market research, tends to produce political dilemmas at both theoretical and practical levels: Firstly, this tends to reduce politics to a reactive exercise which in turn creates worries about opportunism and lack of leadership (O'Shaughnessy 1990). Secondly, it appears to drive out critical questioning of what actually constitutes the "political product" and innovative contemplation of how political production processes could possibly be conceptualised in market terms without risking to corrupt the integrity of political parties. Thirdly, it seems

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[59] Most importantly, the concept is often seen as applicable in all market contexts and under all conditions and is, furthermore, often perceived to mean that all *production* should be based on market research (revealing customer needs and wants) *alone*. Such readings of the concept have been thoroughly repudiated by a number of distinguished marketing scholars (Kaldor 1971; Baker 1976; Bennett and Cooper 1979; Hirschman 1983; Houston 1986; McGee and Spiro 1988; Webster Jr. 1988). Kaldor (ibid: 19, emphasis. added), for example, says that: '...the marketing concept is an inadequate prescription for marketing strategy, because it virtually ignores a vital input of marketing strategy – *the creative abilities of the firm*'.

to promote the assumption that technological development in communications and the ubiquity of the media has rendered party-members obsolete in political production and marketing processes, which ultimately appears to further reinforce the notion of political marketing as synonymous with mass communications. The marketing concept, as here interpreted, arguably has no means by which to accommodate party-members as the potentially active political co-producers/marketers (of policy, representatives and turnout) that they are still perceived to be within many party-centred contexts based on the workings of membership parties (Budge and Keman 1990; Scarrow 1996; Widfeldt 1999; Scarrow 2000) (see 2.1.3).

A full-blown theoretical application of this understanding of the marketing concept to politics is provided by Jennifer Lees-Marshment (2001: 28) who depicts a product-oriented party as one which would refuse 'to change its ideas or product even if it fails to gain electoral support'. A sales-oriented party will according to this scholar neither 'change its behaviour to suit what people want, but tries to make people want what it offers' (ibid: 29). However, Lees-Marshment goes on to argue that a market-oriented party is not simply following opinion polls. Nevertheless, if there is dissent within the party, party management is advised to show opinion polls to members because then they 'might accept that in spite of the arguable value of the party's current policies, voters will not support them, and thus *help engender a market-orientation rather than a product-orientation*' (ibid: 33, emphasis added). The author proceeds – in the words of Lancaster and Massingham (ibid: 195) – to suggest:

> 'If a market-oriented organisation has applied the concept and techniques of marketing, i.e. identified customer needs, produced appropriate products, priced, packaged, promoted and distributed the product correctly, then consumers should want to buy the product rather than the firm having to rely on intense selling'.

This claim appears to constitute a significant misrepresentation of market realities, whichever context is focused on (see 3.0 and 4.0). Within conventional marketing theory selling is covered by the third P for promotion, and can either be mediated (advertising or public relations) or face-to-face encounters between buyers and sellers. The proliferation of advertising which the world has experienced over the last 3-4 decades may, I suggest, be seen as evidence that the need for selling is not something which sophisticated packaging, correct pricing and convenient distribution channels will do away with. Moreover, informed and positive sales work constitutes a pivotal part of the marketing

process even in the distribution of ordinary consumer goods, as for example illustrated by the often long negotiating processes and face-to-face encounters between manufacturers and distributors needed to get a new product onto the shelves of a retail chain (Gummesson 1999). Conceptualising the strategic opportunities of political parties as restricted to responding to market research seems also to neglect the important fact that these actors do not merely wish to adjust to change – most importantly perhaps, they wish to influence the course of change – as do most commercial actors as well (Zeithaml and Zeithaml 1984; Houston 1986; McGee and Spiro 1988). Thus, as descriptive theory the marketing concept too appears to have little to offer in terms of understanding the strategic opportunities of political parties. Moreover, a full implementation of it as here suggested – prioritising the goals of non-member constituencies at the expense of party-members – may distort the entire raison d'être of political parties and consequently also undermine their positions in the "market" (Ferguson and Brown 1991).

## 5.2.5 Marketing, Ideology and Strategy

Another contention resting on the perceived importance of market research to the end of satisfying customer needs and wants which appears to be influential in descriptive, analytical and normative political marketing scholarship is the proclaimed increasing strategic irrelevance of ideology in the conduct of politics. Although this notion can be traced a long way in political theorising (Kirchheimer 1966) (see 5.4.3), and although analytical work seems to confirm such tendencies in the practical conduct of contemporary politics (Blumenthal 1980; Nimmo 1999), it seems that managerial political marketing protagonists may also have indirectly contributed to reinforcing this assumption at a theoretical level (see 5.3.3). Butler and Collins (1996: 42, emphasis added), arguing in favour of their strategic positioning concept, for example, says that:

> 'What this type of strategic framework offers is an opportunity to move away from the merely tactical and see the reality of political management in a broader frame. It is incumbent on the marketing community to encourage this approach rather than allow a narrow, and ultimately limited, perspective to prevail. *By cutting through the thicket of democratic political ideology*, marketing theory provides a clearer view of the long-term competitive positions and strategies of political parties'.

Although these scholars in a later revision of this work explicitly point out that their mission is purely heuristic (Collins and Butler 2002), my review of the 'niching concept'

applied to politics by these scholars (see 5.2.3), seems to suggest that it exhibits limitations which may ultimately distort or fail to add to our understanding of the role of ideology in the strategic positioning of political parties. The fact that the business equivalent to ideology – often described in terms of shared value systems – has for the last two or three decades been singled out as one of the perhaps most critical contributors to market success by a number of prominent management gurus (Peters and Waterman Jr. 1982; Drucker 1988; Handy 1998), should perhaps instead encourage us to hold on to the "messy" concept of ideology in political theorising. Strong "ideologies" are according to these scholars very much in evidence within successful business organisations. In an organisational perspective a shared value system is viewed as closely connected to corporate culture and organisational unity (Grönroos 2000). The former is seen as maybe the most important building block in the construction of the latter, and both are depicted as important production assets and critical to market success. Strong cultures, it is argued, tend to inspire internal debate, discussion and engagement, and thus also *innovation and competitive advantages* (Drucker 1988; Peters 1992; Grönroos 2000).

These organisational aspects of ideology and their importance to sustainable market success seem so far little discussed in contemporary political marketing theorising. Most commonly, a market-orientation based on market research appears to be implicitly perceived as a potential substitute for ideology in contemporary politics[60]. The paradox implicit in such a view is that if implemented in practice, *strategic positioning would no longer be possible*. Market positioning presupposes that there is something to position and this something cannot, it seems, just be defined as "anything the consumer happens to suggest" or as the equivalent to public opinion (Peters and Waterman Jr. 1982; Peters 1992; Grönroos 2000). Firstly, this would represent a difficult "entity" around which to construct the 'unique selling proposition' called for by scholars such as Smith and Saunders (1990: 299) and Kotler and Kotler (1981: 31). Secondly, strategic efforts are long-term activities (Grönroos 2000), and if market research constitutes the *sole* foundation for production, actors would have left themselves with *only tactical tools* with which to negotiate their positions in the market (Gummesson 1999). This, I suggest, represents an important observation and one that appears not to be fully taken into

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[60] Ultimately signalling a shift from an inward- to a more outward-looking orientation of political parties (Lees-Marshment 2001).

consideration by managerial political marketing protagonists – either at descriptive or normative levels. It is at the same time precisely the situation in which some contemporary political candidates and parties have been seen to be placing themselves (Nimmo 1999) (see 5.1.2) – a phenomenon that I shall return to discuss in chapter 7.0.

Taken together, the single most important lesson that marketing might contribute to politics seems not so much to be strategic thinking in general, as it is the importance of strong and unambiguous product-concepts backed up by a shared internal value system and the concerted efforts of a unified organisation to successful strategic positioning in a market (Grönroos 2000). This appears to be a point which has so far been underplayed in contemporary normatively oriented political marketing scholarship – perhaps primarily because of a prevailing ambiguity concerning what constitutes the "political product". The potentially multifaceted nature of this construct when conceptualised as a particular type of high-touch services will be examined and discussed in the next chapter (see earlier discussion in 2.1.2 and 6.2.3).

## 5.3 Relationship Marketing and the Theorising of Politics – A Brief Review

Although this chapter has so far focused on the political marketing literature's strong reliance on conventional consumer marketing theory, some scholars have long been sceptical with regard to the virtues of this approach to politics, and a seemingly increasing number of these have started to mention RM as a perhaps more productive approach to the conceptualisation of politics in terms of "market" (Henneberg 1997; Dean and Croft 2001; O'Shaughnessy 2001; Henneberg 2002; Lilleker, Jackson et al. 2006; Henneberg and O'Shaughnessy 2009). There are, however, still very few substantial attempts made at theoretical development (modelling), and the few that do exist make little (if any) distinction between party- and candidate-centred contexts and have subjected the exchange perspective drawn from conventional marketing to little critical scrutiny. Instead, it appears that RM is presented in such a way as to exhibit generic qualities similar to those so far implicitly or explicitly accorded to economic and managerial marketing approaches to politics.

### 5.3.1 Two Oft-cited Contributions

Henneberg (1997; 2002) represents one of the first theoretical contributors who claims to be applying RM to the theorising of politics. He offers a framework which is aimed at both description of the political marketplace and prescription for party/candidate behaviour. The most important insight that this account draws from RM is perhaps constituted in the "reintroduction" of the notion of loyalty in the theoretical understanding of voter behaviour:

> 'Reintroducing loyalty structures would therefore be the foremost goal of any political marketing strategy. Achieving a position of attracting loyal voters, i.e. reducing the voting fluctuation of the party's electorate, would create a dominant (and sustainable) position in the electoral market'. (Ibid 1997: 242)

However, since the account still mainly views marketing as being about *exchange* and thereby the distribution of prefabricated value (see 3.2.1.a); continues to utilise marketing mix logic which ultimately tends to suffer the same destiny as Kotler and Kotler's (1999) Ps when adapted to politics – leaving the author with a function-oriented approach to marketing (see 3.2.1.b); and therefore tends to neglect the cross-functional organisational

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aspects considered a key characteristic of the RM approach (see 4.2.1.b), he ends up with an understanding of voter loyalty which seems comparable to what is in conventional marketing most commonly referred to as brand loyalty. This appears, in turn, to be something which the author sees as achievable through market research and the careful targeting of mediated communication. Although mentioned in passing, the role of party members in the development and maintenance of voter loyalty seems not to be seriously taken into consideration. The author's reliance on the underlying assumptions of managerial marketing is further exemplified in his application of the strategic concept of 'market-niching' (see 5.2.3), in the appropriation of 'the marketing concept' (see 5.2.4), and in his view of ideology as 'marketing irrelevant' (see 5.2.5)[61].

A stronger, more comprehensive and coherent attempt at applying the RM framework to politics is provided by Dean and Croft (2001). Drawing on Christopher et al.'s (1991) 'six-market model', Dean and Croft go on to adapt it to approximate the British party system. They argue that an RM approach to politics provides a closer descriptive fit with this political reality and suggest that it could also be prescriptively used to 'maximise electoral participation and so legitimise the whole political process' (ibid:1206). They contend, similarly to what I have suggested elsewhere (Johansen 2001; 2005), that RM at a normative level may have the capacity to provide an attractive antidote to public cynicism. The 'six market model' originally conceptualises the organisation and its relationship to six different markets, but in their amended version Dean and Croft are able to identify all together seven different "political markets": One (the internal market) which they, in keeping with RM philosophy (see e.g. Ferguson and Brown 1991), consider to be the party's primary market and which is the only one that they see as directly controllable; two that are considered only partially controllable (the voter market and the media market); and four which are seen as falling into the 'uncontrollable' category (trade unions/business, pressure groups, peer groups and civil servants). Focusing on the internal market, Dean and Croft (ibid: 1207) claim that 'the enigma for a political party is how to allow the diversity of party members, activists and elected members a say in the nature of the product-offering, while still maintaining a degree of apparent unanimity for the consumption of less-controllable groups'. They suggest that

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[61] Henneberg has followed up on this initial interest in RM and politics and in later works also focused more on the party organisation and its members (Henneberg and O'Shaughnessy 2009) (see also 7.1.3).

the relationship between the voter and the party will vary in accordance with 'the amount of participation the voter undertakes' (ibid: 1208).

The six market model's main strength, the way it is here appropriated to examine party-centred politics, is perhaps first and foremost that it seems to comfortably accommodate all actors directly or indirectly influencing the political process which, last but not least, means that it recognises the important and influential role of the media without according it a role as the sole conveyor of political information. In sum, this contribution is perhaps the first fully developed attempt at conceptualising a political context through the use of an RM theory. This study draws on some of these insights when I proceed to further examine the possible virtues of this framework to the conceptualisation of party-centred politics (see 6.0 and 7.0). However, since Dean and Croft's contribution is in the form of a short article there are important aspects of the political process that are not explicitly addressed and accounted for; such as, for example, the "nature" of the political product within party-centred contexts, the process of political "production" and "consumption", the role of part-time marketers, the relationship between employee and customer retention, etc. (see 4.2.1).

The next section revisits and further examines some historical accounts which seem to have had a strong influence on the way in which the notion of exchange has come to prevail in the theorising of politics in terms of market.

## 5.4 Politics as Exchange – Historical Justifications for this Prevailing View

### 5.4.1 Democracy as Market – Schumpeter Briefly Revisited

As briefly discussed in subsection 2.1.1, Schumpeter's (1943) market model of democracy was to become highly influential within political science and he is often cited and relied upon by contemporary political marketing scholars to justify similarity claims between the workings of markets and politics (Henneberg 1997; Wring 2002). Most importantly, Schumpeter (ibid: 250) rejected the notions of 'the will of the people' and the 'common good' so central to the classical doctrine of democracy on the grounds that in reality neither of these constructs exist. He saw citizens in general as ignorant, irrational and incapable of producing a meaningful consensus on what constitutes the common good; consequently, there is no will of the people that can serve as a beacon for its representatives. In order to remedy what he saw as the most important shortcomings of classical democratic theory – that is, its unrealistic underlying assumptions about the intellectual and moral capabilities of the masses – Schumpeter suggested that 'the deciding of issues by the electorate' should be made 'secondary to the election of the men who are to do the deciding' (ibid: 269). The role of the people is to produce government which will, in turn, take it upon itself to establish the common good and democracy itself becomes a process by which prospective leaders compete for the peoples' votes[62].

According to Schumpeter, this way of conceptualising democracy represented a great improvement of the then prevailing classical view and it also enhanced our understanding of how much it was reasonable to expect from it. Key elements of the theory are rationality, leadership and freedom of competition: Rationality is seen as a prerequisite for political decision-making and a capacity which the masses simply do not in general exhibit – campaigns and political salesmanship is therefore needed to cajole people to the polls. In the eyes of Schumpeter – together with the 'political boss'– this represents 'the essence of politics' (ibid: 283). On the issue of leadership Schumpeter has the following to say:

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[62] It is through this method – through taking citizen participation in the development of public policy out of the political equation and making it into a process of choice between leaders instead – that Schumpeter implicitly applies his view of markets to the conceptualisation of democracy. Democracy became a question of taking part in the electoral competition where votes were *exchanged* for the provision of leadership. In short, Schumpeter separated "supply" from "demand" in politics.

Political competition he saw as a concept which can be likened to that of a free market – everyone is free to compete for leadership in much the same way as 'everyone is free to start another textile mill' (ibid: 272). Although he clearly acknowledged that competition can be distorted within both contexts (through fraud or competition being restrained), the value of the criterion is not seen as 'seriously impaired thereby' (ibid: 271). Schumpeter's political thinking was firmly anchored in his economics research which initially centred on the entrepreneur: 'he argued that change in economic life always starts with the actions of a forceful individual and then spreads to the rest of the economy' (see also Swedberg 2000: xi). The self-introduced political entrepreneur is therefore central in his approach to democracy. Although he did discuss political parties, his view of these organisations often appeared to be reductionist and cynical: 'Party and machine politicians are simply a response to the fact that the electoral mass is incapable of action other than a stampede, and they [parties] constitute an attempt to regulate political competition exactly similar to the corresponding practices of a trade association' (Schumpeter 1943: 283). His rather pessimistic view of democracy was strongly influenced by the times and context in which he wrote; totalitarianism, the world war, mass propaganda and the conditions prevailing in major democracies such as the US and Britain in the early to mid-twentieth century[63].

Criticism levelled against elitist democratic theory seems most importantly to have centred on its perceived normative shortcomings. Walker (1966: 288, 289) argues that in their quest for a theory more in correspondence with empirical reality, protagonists of this thinking have transformed the concept of democracy from a 'radical into a conservative political doctrine' by changing its normative ideals. The prime goal of democracy is no longer an enlightened citizenry engaged in 'the development of public policy', instead the emphasis shifts to the needs and functions of the system as a whole and 'stability and efficiency' concerns become the centre pieces of the democratic

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[63] See Margaret Scammell (2000: xxii) for a more detailed account of 'democratic elitism'.

process. Criticism, notwithstanding, Schumpeter's view of democracy seems to have travelled confidently onwards in political theorising – irrespective of systemic context[64].


## 5.4.2 Politics and Economics – An Emphasis on Demand

Following Schumpeter's dealings with the macro elements of the equation, others proceeded to conceptualise the micro level of the political process through the utilisation of neoclassical microeconomics. Although premised on the work of Adam Smith, the neoclassical revision of economics transformed his dynamic model of economic life into 'a deductive model of static equilibrium which emphasised the demand side of the economic process rather than the supply side. Consumers became elevated to a position of sovereignty in the model, and their behaviour was reformulated into a process of rational choice' (Whitehead 1991: 63). The most cited and influential contribution within this line of enquiry is that of Anthony Downs (Downs 1957: 29, emphasis added), who proceeded to construct an economic theory of democracy in which he draws directly on Schumpeter for Adam Smith's "invisible hand" metaphor:

> 'Similarly, the social meaning or function of parliamentary activity is no doubt to turn out legislation and, in part, administrative measures. But in order to understand how democratic politics serve this social end, we must start from the competitive struggle for power and office and realise that the social function is fulfilled, as it were, *incidentally* – in the same way as production is *incidental* to the making of profits'.

The underlying assumptions of neoclassical economics (see 1.2.1.a) made it possible to construct a model of electoral competition; voters assessment of 'utility income' (comparing the utility they have received from incumbents to what they would have received if the opposition had been in power) were seen as providing 'a space within which parties jockey for position' (Harrop and Miller 1987: 146, 148). The significance of Downs' contribution is most importantly perceived as constituted in the conversion of the market metaphor in political analysis into an 'explicit formal model with all the advantages that such explication conferred. It generated specific hypotheses about

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[64] In modern Western societies there still appears to be empirical evidence supporting Schumpeter's view of citizens' as politically ignorant and uninterested – true, it is argued, for fairly large minorities in both the US and Europe (Putnam 2001; Wattenberg 2002; Pattie, Seyd et al. 2004). In this thesis the aim is not to find fault with Schumpeter's argument in this regard. Instead the aim is to shed light on the fact that significant minorities in party-centred contexts are willing to and actually do participate in conventional politics far beyond the act of voting (see 2.1.3), and investigate whether normative services marketing theory may yield insights which could help suggest means by which the negative tendencies with regard to both party memberships and voter turnout can be countered within the contexts under consideration in this study.

electoral politics which could be empirically tested, and it opened up the possibilities of rigorous scientific work involving mathematisation and the use of sophisticated statistics' (Almond 1991: 35). Like all theories it is incomplete, but it had the virtue of providing political actors – including voters – with instrumental agency. The big shift is away from social-psychological models of voting which posit that political choice is largely determined by socio-economic factors such as family background, religion, social networks, etc. [65]. The importance of agency is also pointed to by scholars working with theories within the discipline of social-psychology. Himmelweit et al.'s (1981) work, representing the perhaps most oft-cited early contribution, relies on consumer behaviour theory and portrays the voter as an informed consumer. In contrast to later rational choice models, this approach focuses on voters' policy preferences and their search for the party that offers the best match to these preferences – similar to how consumers look for the product which best fits their needs. These scholars claimed that most citizens treat elections like shopping expeditions, and that they are on the lookout for fresh ideas as well as old favourites. Although voters' information may be lacking in quality and perhaps even be downright false, they are seen to be making conscious, individual and instrumental choices (ibid).

Much criticism has been levelled against the economic and related approaches to politics. Firstly, Harrop and Miller (1987: 147) claim that the inability to explain 'why people vote' at all when the utility gained from each vote is marginal 'has been a particular embarrassment to rational choice models'.[66] This, they argue, is equally true for both pure rational choice models such as Downs' and consumer models like the one presented by Himmelweit et al.. Both strands of thought tend to skip one of the stages in the process in that they are dealing with *how* voters decide without first addressing the question of *whether* and *why* they bother to decide at all (Harrop and Miller ibid). Secondly, there is the information cost problem – the fact that information is not freely

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[65] Party identification models (see Lazarsfeld, Berelson et al. 1944; Campbell, Converse et al. 1960) emerged from empirical findings showing that 'a significant minority of the electorate vote for their party without any rationalisation at all in terms of attitudes to issues or candidates' and that these propensities to vote for a particular party are shaped at a very early age through group membership and family influence (Harrop and Miller 1987: 132). The important difference between these approaches and rational choice models manifests itself in that the former sees voting as an 'expressive' act, whereas in the latter cases it is viewed as an 'instrumental' act – that is, 'voters choose the party which comes closest to their own interests, values and priorities' (ibid: 130). However, both strands of thought appear to represent a Schumpeterian view of democracy (expressing itself through the electoral competition alone) – party identification as here depicted does not seem to be conditioned by any active membership activities.

[66] The paradox inherent in Downs' theory was that the more rational political parties behaved (moving centre ground to capture the 'median voter' and maximise their share of the vote), the less rational it became for voters to vote (Savigny 2004).

available and without cost in the real world – which created even more obstacles for Downs. In an attempt to meet this criticism the author provided a number of suggestions; rational voters may for example judge parties on ideology rather than on detailed proposals or, rather than forming their own judgements, electors may rely on other people's opinion or media outlets with similar values to themselves. Harrop and Miller (ibid: 147, emphasis added), view these suggestions as paradoxical because confronted with the information cost problem:

> 'Downs' voter *develops a standing party commitment*, relies on trusted social groups to inform judgements and does not search systematically for information…..The problem with Downs' journey is that his conclusion invalidates his premise. His conclusion is really that rational people would not bother to be rational voters – all well and good except that he is supposed to be offering a theory of rational voting'.

The exchange perspective characteristic of both economics and conventional marketing (see 1.1.2, 1.2.1.a, and 3.2.1.a) seems to have reinforced the position of the electoral competition as the prime object of study in political research (see 2.2.1). It appears, however, to have been the neoclassical revision of economics – with its narrow focus on economic instrumental rationality and consumer sovereignty – which provided the "final" justification for the application of market models to the theorising of politics (Whitehead 1991). Perhaps most importantly this is because of the notion of agency that the models appeared to provide. Critical discussions pertaining to the virtues or "quality" of the *type* of agency offered to citizens through the use of economic concepts do not appear to take up much space in this part of the political science literature. As pointed out by Hirschman (1970: 19, emphasis added):

> 'Exit and voice, that is market and non-market forces, that is, economic and political mechanisms, have been introduced as two principal actors of *strictly equal rank and importance*'.

Economists approaching the sphere of politics from this angle have thus typically assumed that consumer sovereignty (the exit option alone) represents a power potential which is just as potent as what, following Hirschman in this thesis, I have referred to as citizen power (both voice and exit options available) (see 2.1.3.b). The fact that the former actually represents a reduction of political agency for citizens/voters as compared to having available both voice and exit options does not appear to have been widely discussed in the research community[67]. Much in the same way as Schumpeter's work is

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[67] Perhaps in no small part due to the fact that compared to party identification models which accord citizens with very little agency, the rational-choice approach seemed to constitute a significant improvement.

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by contemporary political marketers frequently used to justify the similarities between the workings of markets and democracy (Henneberg 1997; Wring 2002), Downs' thinking has become a 'popular analytical starting point for many strategists' wishing to understand current party behaviour (Wring 2002: 181). Both appear to have had significant influence on many contemporary political marketing scholars.

## 5.4.3   Political Parties as Marketers – Demand meets Supply

It is now commonly acknowledged that the functioning of markets is closely connected to the workings of organisations (see 4.2.1). This is an insight which appears to be significantly underplayed in most economic approaches to politics which typically, like Downs (1957: 26) depict 'each party as though it were a single person', and in contemporary political marketing which tends to identify with party management and treat the rest of the organisation as a "black box". Despite a growing body of research on party sociology (Dalton and Wattenberg 2000; Farrell and Webb 2000; Bartolini and Mair 2001; Baston 2001; Diamond and Gunther 2001), there are few theoretical conceptualisations of the role of political parties in what is often referred to as an increasingly competitive political "marketplace". Most contributions are analytical by nature and only in very few cases are there attempts made at theorising the organisational aspects of party competition. That is, conceptualisations of how the party as an organisation relates to itself (members/employees), competitors and to ordinary voters, and how this behaviour may be seen to influence the workings of the "political market" as a whole[68].

Kirchheimer (1966) – perhaps the most widely cited of modern writers on parties – represents a partial exception to the above claim. In an initially descriptive account, he showed how political parties – in the wake of the post-war social welfare consensus,

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[68] As discussed in previous chapters (1.1.2 and 2.1.3), although the party-oriented literature of political science certainly distinguishes between party-centred and candidate-centred political systems at an analytical level, this distinction has not penetrated to the *level of theory*. Nor does Scarrow's (1996 – perhaps one of the most prominent contemporary writers on political parties) distinction between membership parties offering opportunities for members to participate in intra-party production processes (the existence of which is the key factor distinguishing the systems under consideration in this study from candidate-centred systems) and mass parties that do not offer the same participatory opportunities to their supporters, seem to have inspired theoretical development which could help to distinguish between the workings of such political spheres. This study offers some theoretical concepts aimed at beginning to fill this theoretical void.

rising affluence, social mobility, etc. which ruptured the class/religious divides characterising pre-war societies – had become non-ideological market-driven 'catch-all' organisations. Kirchheimer depicts a party which has torn asunder the close links with its traditional grass roots. It has drastically reduced its ideological baggage with the aim of attracting a maximum number of voters; shifted from being a bottom-up to becoming a top-down administrated organisation in order to strengthen the leadership's room for manoeuvre; the role of party-members is downgraded in order to avoid them distorting the party's broad image in the "market"; and the focus on specific denominational clienteles is thus dismissed in favour of an appeal to the population at large.

As noted by Peter Mair (1997: 36), however, Kirchheimer's contribution has often been 'subject to a curiously partial reading'. In taking on board his predictions, most scholars have tended to emphasise the ideological implications of his argument to the general neglect of the 'arguably more crucial organisational developments which were lying at the heart of the original thesis'. The organisational elements of his analysis become more visible when Kirschheimer's contribution is viewed in a marketing perspective. Firstly, it becomes clear that what he claims to observe are party organisations increasingly acting as though they were commercial goods manufacturers delivering prefabricated value to consumers (see 3.2.1); parties that to a lesser extent than before are focused on the provision of participatory opportunities to their grassroots[69]. On the surface these entities seem initially to have looked much more efficient to Kirchheimer than their "uncontrollable" predecessors. Here lies a catch, though, because as previously discussed, according to largely empirically grounded services and business-to-business marketing theory (see 4.2.1) – in such contexts, this may just not be the case. Moreover, Kirchheimer seems to implicitly acknowledge this. This is where he presents his perhaps most interesting finding: He suspects that mediated communications may not be powerful enough to compensate for the lack of loyal and engaged party members, in which case (paradoxically enough) the party is 'driven back to look for a more permanent clientele' (ibid: 193). The catch-all party appears therefore to meet with some real challenges after having transformed itself into a lean, "efficient" and more business-like device – encapsulated in the fact that politics may not be as easily "sold" as cornflakes.

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[69] Kirchheimer observes a party which, much in line with Schumpeter's approach to democracy, focuses on 'the mobilisation of the voters for whatever concrete action preferences leaders are able to establish rather than *a priori* selections of their own' – thus, in the world of the catch-all party 'leadership selection' becomes the prime goal (ibid: 198, emphasis in original).

In order for the party to meet this challenge he points to interest groups. These are the actors which he perceives as most capable of providing political parties with 'mass reservoirs' of potential supporters (ibid: 193). Seen from a marketing stance, Kirchheimer's perhaps most prominent contribution lies in the fact that he implicitly points to a dynamic which demonstrates that the *political arena can potentially be seen as stratified in a similar way as a commercial market*; that is, there are end-users, there are suppliers and there are sub-suppliers[70].

Kirchheimer's seminal article together with Panebianco (1988: 262-7) – who argued in favour of a professionalisation and rebalancing of power within political parties so that leaders could have the autonomy required to implement their preferred strategies – represent two of the perhaps most influential contributions to our understanding of the organisational aspects of the market logic that is currently said to be spreading across an increasing range of countries (see 1.1.1); both accounts are oft-cited and frequently referred to by contemporary scholars interested in politics and political marketing (Henneberg 1997; Webb 2000). Political marketing protagonists and sympathetic political scientists often interpret this development as an expression of political parties' successful adaptation to their environments. Peter Mair (1997: 11, mainly referring to European countries), for example, argues that:

> 'On the one hand, as individual parties have moved from being relatively closed communities to more open, catch-all and professionally driven structures, they have proved better equipped, *at least in principle*, to respond to shifts within the wider society. No longer obliged to listen almost  exclusively to their own distinctive clienteles, and no longer burdened with the particularistic demands associated with those clienteles, the parties have become more flexible and adaptable... The parties now find themselves more capable of fine-tuning their appeals. Indeed, for all the criticism that may be levelled against the banalities involved in the emergence of the catch-all party (Kirchheimer 1966), and in the adoption of electoral-professional organisational structures (Panebianco 1988), it should not be forgotten that these were models adopted precisely in order to afford political leadership more room for manoeuvre and, eventually greater success. In other words, as the age of the amateur democrat has waned, and as the less grounded and more capital-intensive party organisations have come increasingly under the sway of professional consultants, marketing experts and campaigners, they have *clearly improved both the pace and the extent to which they can adapt to changes in their external environments*'. (Emphasis added.)

There lies, however, an implicit assumption about how efficiency and productivity are best promoted in this analysis and it is traceable to a manufacturing logic à la Porter (1985). As discussed in subsection 4.4.1, the traditional managerial way of describing productivity and efficiency is considered inapplicable to sophisticated high-touch services contexts because in these areas theoretical descriptions need to accommodate

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[70] The possible theoretical implications of this point are examined when I investigate how and to what extent an RM perspective may aid a better understanding of party-centred contexts in terms of "markets" (see 6.3.2).

both internal and external production input in order to provide an accurate understanding of how such measures are promoted (Grönroos 2000). Mair's claim to efficiency rests only on the former. It would therefore appear that what by this author (and others, see Webb 2000) is viewed as more efficient political parties, may amount to the opposite when seen from a services marketing perspective (Gummesson 1999; Grönroos 2000). Viewed from the latter angle, I suggest that modern political parties *as here depicted* seem – neither in principle nor in practice – to be better equipped for success or adapted to their "markets" than their predecessors. Firstly, they appear to find themselves much farther away from their core "markets" than they used to be. Secondly, they seem to make less efficient use of their available human capital (members, activists, supporters) which may impact on both their ability to innovate and carry out necessary market development and maintenance activities – and this could finally also affect the probability of short-term electoral success. In the contexts under consideration in this study (systems exhibiting strong membership parties that allow, encourage and facilitate party members' participation in intra-party production processes, i.e. the production of policy and representatives), a services marketing approach may offer a more fruitful way of understanding these political realms – at both descriptive and normative levels.

## 5.5 Managerial Marketing and Politics – An Overview

### 5.5.1 Strengths and Weaknesses – Some Brief Discussions

The foregoing investigation seems to confirm the strong kinship between contemporary marketing management approaches to politics and rational-choice theory that other scholars have also pointed to (Savigny 2004). Most importantly, this kinship appears to express itself through the different approaches' shared view of markets (see 1.1.2) – represented in the presupposed gap between production and consumption – which in turn has led to an emphasis on approaches which focus on exchange in the analysis of what is studied[71]. This view of markets also finds support in the writings of revisionist democratic theorists such as Schumpeter (see 5.4.1). It appears that his view of citizens as incapable of political participation beyond the vote – that is, his separation of "political supply and demand" – may in no small degree have paved the way for the establishment of a market metaphor based on what would today be referred to as a manufacturing logic in political theorising (see 3.2.1). In the subsections below I provide some supplements to my previous discussions of the descriptive strengths and weaknesses of managerial marketing as currently utilised in theoretical conceptualisations of candidate-centred and party-centred politics. The investigation follows the levels of analysis outlined in section 2.3.

#### 5.5.1.a Political Systems – "Industry" Level Analysis

In much the same way as rational-choice theory, managerial political marketing puts the emphasis on the electoral competition – it represents an approach which sees 'elections as markets' (Collins and Butler 2002: 4). Its underlying focus on exchange seems to compel conceptualisations of politics in terms of markets where supply is separated from demand. Thus, managerial marketing has the means with which to account for the competitive workings of political actors on the supply side of the "market" and the behaviour of voters on the demand side, but the descriptive capabilities of the approach appear to end at this point. Because the aim of the theory is not focused on intra-organisational processes, there are no theoretical means with which to account for the

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[71] The application of marketing management theory to politics does, however, add a normative (prescriptive) element that seems inconsistent with rational-choice theory which is normally considered as an 'analytical toolkit' (Savigny 2004: 21) and it adds more means with which to describe the political competition (4 Ps as opposed to price alone).

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cases in which citizens participate in intra-party production processes – that is, cases in which supply and demand may be seen as being overlapping or partially overlapping (see 2.1.3.b and below).

The descriptive theoretical strengths of managerial political marketing would therefore appear to manifest themselves within political contexts where the exchange perspective may be more prominent than other facets of the political process. That is, in countries where the perception of a gap between political production and consumption is strong – such as in the US where democracy itself tends to be seen as most importantly expressed through the workings of a plethora of elections in which citizens choose between parties represented by self-introduced political entrepreneurs (see 2.1.3.a). American citizens arguably have few opportunities to influence the production of political *representatives* or *policy* and they appear consequently in conventional politics to be left with a choice option very similar to that which is facing them in commercial consumer goods markets – a situation which may in turn be captured through the use of models focused on exchange. The system itself seems to make American citizens into political "choosers" in conventional politics – in line with Schumpeter's prescriptions, it would seem – they take part in the selection and rejection of leaders.

The exchange perspective appears, however, less suited to (on its own) describing the relationship between interest groups and elected politicians within the same context. This is one of the areas of American politics which typically generates most critical scholarly concern (Bennett 1992), but paradoxically perhaps, also the part of the US system which may to a certain extent be seen to exhibit services market features. Here there are actors (interest groups) demanding high-touch services (i.e. proposed, promoted or prevented legislation) from politicians – but interest groups are *not* out to "buy" prefabricated value from politicians. On the contrary, through direct face-to-face interactions and deliberation between politicians and their lobbyists, interest groups attempt instead to influence legislation as much as possible in return for financial support (Bennett ibid). That is, interest groups are also (to varying extents) influencing the "production" of what Congress will ultimately vote on[72]. Thus, this appears to represent a "submarket" of

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[72] What separates these co-production activities from the workings of party-members and associated organisations in party-centred contexts is the amount of money often involved in the American case – this is also the issue much of the contemporary critique is focused on (O'Shaughnessy 1990; Bennett 1992). Seen from a marketing perspective it seems

American politics where the exchange perspective seems to loose some of its descriptive value. The existence of such a political "services market" located within the US system, notwithstanding, the centrality of elections, the introduction of primaries and the further strengthening of the system's competitive features through campaign-funding legislation disfavouring political parties (see 2.1.3.a), appear to have improved rather than weakened the overall conceptual fit between the managerial marketing approach to politics and the US system at "industry" level.

What seems to be a descriptive strength within one context appears to become a theoretical liability in others. With its emphasis on competition and exchange, managerial marketing appears to be too blunt a theoretical instrument to describe party-centred contexts in terms of markets. This is most importantly due to the fact that – pivotal as the existence of electoral choice certainly is within all democratic systems – there is arguably *more* than this "on offer" for citizens within party-centred "electoral markets" (see 2.1.3.b, 6.1.1 and 6.2.3).

## 5.5.1.b  Parties and Citizens – Organisational Level Analysis

Marketing management theory from the start has been significantly less preoccupied with what organisations *are/do* than with what they *should do* (Hunt 1976). Descriptions of the nature of commercial corporations are therefore mostly limited to a view, inherited from traditional economics, in which such actors are commonly depicted as independent players competing with other independent players with the aim of delivering prefabricated value at maximum profit to markets predefined on the basis of market research (Kotler 1997). Marketing as a discipline – again much the same way as this tradition in economics – identifies with the owners/management: What is good for the company, is ultimately good for society (Ingebrigtsen and Pettersson 1979). Such goods manufacturers are most commonly described as hierarchically structured and functionally oriented – marketing itself is seen as a function, separated from other functions in the organisation, preoccupied with bridging the gap between production and consumption (see 3.2.1). This, I have argued, represents a view of organisations which is ill-suited to capture the workings of more participatory-oriented membership parties (see 2.1.3.b). As

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possible to argue that lobbyism in America represents the existence of a real (commercial) services market where influence may be bought for money.

discussed throughout this investigation, scholars utilising this theoretical framework are typically compelled to describe the party as synonymous with party management and, to the extent that party members are incorporated into theoretical descriptions, they end up being depicted as "promoters" (doing leafleting or mobilising the vote) (Lees-Marshment 2001; Henneberg 2002; Wring 2002). Because the focus is different there are no theoretical concepts available within managerial marketing with which to capture the role that party members and associated organisations (i.e. unions, etc.) play in political production processes (representatives and policy), and there are no tools which could enable a theoretical description of parties' simultaneously competitive and collaborative relationships with other parties within such spheres.

Although the managerial view of organisations also seems to fall very much short of contributing a theoretical understanding of local American parties[73], the role that these organisations play in national politics (presidential elections) appears to some extent to explain why scholars have advocated the virtues of managerial marketing in describing the workings of US politics (Kotler and Kotler 1981; Newman 1994; 1999). Since American parties as organisations are so withdrawn from the public at a national level (Scarrow 1996), it seems possible to argue that they resemble commercial goods manufacturers preoccupied with delivering prefabricated value to citizens in terms of candidates which are in effect "political products" in themselves. It seems equally possible to argue that this "value" (the candidates) is subjected to "product testing" in the market (through primaries) in which citizens are invited to "sample" different "product-versions" before the party finally decides which version to launch onto the market[74].

Whether conventional marketing may be seen to have anything significant to offer political science in terms of theoretical descriptions of the strategic and tactical opportunities open to political candidates or parties, seems also subject to contextual questioning. At a strategic level, managerial marketing concepts' strong focus on market share (see 5.2.3 and 5.2.4) renders it very difficult to apply these concepts to capture the strategic decisions pertaining to the fostering of organisational unity and product- and

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[73] Local American parties represent complex multi-layered organisational structures which may frequently differ significantly from state to state, and although they do not have memberships in the same way as their European counterparts or allow their supporters to influence the production of policy or the selection of representatives, a lot of Americans participate in local party activities (Grant 2004).

[74] This process could perhaps be compared to commercial goods manufacturer's pre-testing of products with different flavours in order to see which will be most appealing to consumers and thus create the most sales.

market-development facing membership parties within party-centred contexts. Such concepts seem, however, descriptively less problematic within candidate-centred systems such as the US. Again it seems possible to argue that within "first-past-the-post" systems, where the competitive workings of interest groups are considered as important to democratic legitimacy as voter turnout and where party organisations play a less prominent role, market share may perhaps provide a sufficiently robust description of the strategic opportunities open to political candidates for the purposes of analysis of the US context[75]. At a tactical level, managerial marketing seems to face greater credibility problems when attempting to justify its descriptive usefulness in political theorising (see 5.2.2). I have suggested that all of the 4Ps of the original marketing mix tend to turn into communication issues when applied to political theorising (see 5.2.2.), and it seems equally so for both party-centred and candidate-centred systems. Nicholas O'Shaughnessy (2001: 1051) acknowledges this problem and argues that the term political marketing is often used to loosely to describe 'anything from rhetoric to spin doctoring, or simply to every kind of political communication that has its genesis in public opinion research'. The question remains: why apply these constructs to political theorising at all?

## 5.5.1.c Citizens and Parties – Consumer Level Analysis

Again, much in the same way as rational-choice approaches to politics, managerial marketing provides a certain degree of agency to citizens – consumer power. Although "managerial marketing man" is commonly considered to be a more three-dimensional being than "economic man" – that is, his behaviour is viewed as influenced by more than price (i.e. emotions, lifestyle, status, relations, etc.) – he remains (as in neoclassical economics) depicted as an independent, rational and utility-seeking shopper (see 1.2.1.a and 3.1.2). He is active in the sense that he does choose. Managerial marketing theory therefore typically claims to place the consumer's needs and wants at the centre of the business process (Levitt 1960), and this is also where many political marketing scholars anchor their descriptive and normative theoretical cases. Thus, consistent with orthodox

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[75] See Truman (1951) and Dahl (1956) on the competitive workings of interest groups as legitimising factors of democracy. However, the focus on market share in conventional strategic marketing concepts does not seem descriptively sufficient to account for the strategic options of British membership parties, notwithstanding the fact that the UK is also a majoritarian system. Party leaders of membership parties seem to face a much richer reservoir of strategic opportunities than what is commonly suggested in strategic concepts derived from managerial marketing (see 7.1.1 and 7.1.2).

rational-choice assumptions, political preferences appear in theoretical political marketing scholarship to be taken as a given – they are assumed to be 'fixed, expressed and identifiable' – hence the focus on market research (Savigny 2004: 30).

Most importantly, managerial marketing brings a mass marketing perspective into political theorising; politics becomes a question of choice and "outcome consumption" (see 2.1.2) and nearly all attention is drawn to distant voters. Again, it seems possible to argue that this perspective has some descriptive allure within contexts where prefabricated value is the main thing "on offer" in the realm of conventional politics and where citizens have been conditioned as choosers and "outcome consumers" through the workings of the system – the US seems again to constitute a case in point (see 2.1.3.a). If American citizens wish to participate more actively in influencing national politics (beyond leafleting in campaigns) they seem largely compelled to take their action elsewhere – namely into the world of single-issue groups and protest politics (Swanson and Mancini 1996; Lloyd 2001). That citizens as seen from a theoretical perspective – be they American or from elsewhere in the world – can be reduced to rational, self-interested political shoppers geared to short-term utility, appears however, today to be more questionable than ever (Dalton 2002).

Managerial marketing's main focus on consumer satisfaction seems in some cases to result in descriptions of the "political consumer" where he is accorded more power than he may actually be seen to have within such a perspective (Hirschman 1970) (see also 5.4.2). The possibility that citizens may be deceived or manipulated and the fact that the managerial marketing literature at a normative level is largely focused on the way in which organisations can influence the preferences of consumers (Lovelock and Weinberg 1988; Kotler and Andreasen 1996), is a point less explicitly addressed by political marketing scholars preoccupied with theoretical development. Taken together, it seems that contemporary political marketing's contribution to the understanding of citizen behaviour – much the same way as orthodox rational-choice – is impaired by a reluctance to address the impact of the institutional contexts in which political preferences are formed. The possible role that other actors (such as parties, interest groups, the media, and other political and semi-political actors) may play in political preference formation is downplayed and not easily conceptually accounted for. Thus, while contemporary managerial political marketing approaches do add to our understanding of political mass

communications in a way that may be regarded as being responsive to the questions posed by the theories, they seem to have less to offer in terms of explaining how general participation in the political process and voter turnout may be seen to be achieved.

## 5.5.2  Closing Comments

The theoretical limitations of managerial marketing approaches to politics which this investigation has revealed do not appear to be new to most political scientists, but criticism is not commonly expressed in the form of critical questioning of the cross-contextual applicability claims or ambitions that these approaches tend to carry with them (see 5.1.2 and 5.4.2). Shortcomings (at both descriptive and normative levels) appear instead by antagonists to be perceived as evidence of the general inadequacy of market models in explaining the political process, or they appear to be viewed as the price we have to pay in order to provide a theoretical account of the competitive elements of political processes (see 5.4.2). The generic ambitions and cross-contextual validity claims typical of the early economics approaches to politics together with contemporary political marketing's strong kinship with these, may partly explain why contemporary criticism is seldom expressed by reference to differences between political systems. It may, however, in no small degree also be due to the strong emphasis that conventional marketing puts on prescriptions – the provision of theoretical tools aimed at guiding strategic and tactical behaviour. This rich theoretical "toolkit" has, it has been argued here, sometimes drawn attention away from questions pertaining to the contextual validity of concepts, wherever they are applied (see 3.3).

Up to this point (chapters 1-5), the discussions have been presented for furnishing the ground and providing the background and input for the developmental theoretical endeavour which is the subject of the remaining chapters.

## 6.0    A RELATIONAL APPROACH TO PARTY-CENTRED POLITICS

The study has now reached the point where it is possible to examine whether, how and to what extent developments in services/business-to-business marketing theory may help remedy some of what has been argued to be the shortcomings of contemporary political marketing theory as also applied to my chosen contexts – i.e., *party-centred contexts constructed around the workings of inclusive membership parties allowing, encouraging and facilitating party members' and associated members' participation in intra-party production processes*. In other words, attention is turned to the first of the two research questions (see 1.2.2). For such an alternative approach to be of conceptual value it would need to constitute a significant improvement on existing models with regard to the theoretical understanding of these contexts. Most importantly, I set out to investigate the extent to which it is possible to meet the objectives outlined in subsection 1.2.3:

- Show how intra-party production processes (representatives, policy and voter turnout), and thereby also political consumption processes, can be theoretically captured and conceptualised in a way that is a closer approximation of the political spheres under consideration in this study.
- Account for the simultaneously collaborative and competitive relationships existing between parties, and between parties and other political and semi-political actors in such political "markets", and thereby contribute to lifting other important aspects of the political process into a theoretically more open space.
- Offer an innovative conceptual understanding of how the different dimensions of citizen participation may be seen as being linked to measures such as democratic quality and legitimacy.

This chapter presents the result of a *creative process* where the aim has been to develop a theoretical political marketing framework capable of descriptively responding to these objectives. The process has been held contextually on track by a *comparative exercise* in which the conceptual efforts have been distilled in the light of how selected political science models and democratic theories commonly describe the phenomena or behaviour to be theorised. My investigation throughout this chapter and the next will sway back and forth between the levels of analysis outlined in Fig. 2e of section 2.3 (production level, organisational level and industry level) and already utilised in section 5.5. Each section of the chapter is drawn to a close with a brief preliminary discussion of how the specific suggestions can be seen to meet the theoretical objectives at that particular conceptual level. Towards the end of the chapter there is a section in which this endeavour is subjected to critical and reflexive scrutiny with the aim of assessing the overall descriptive and conceptual applicability of a modified RM framework as suggested here when it is appropriated for the analysis of party-centred politics (6.4). The chapter is drawn to a close with a brief summary of the findings (6.5).

## 6.1 The Citizen as Consumer or the Consumer as Citizen – A Starting Point

### 6.1.1 Supply and Demand – Power, Rationality and Utility

In 1966 American political scientist Jack Walker lamented the way in which elitist democratic thinking was crowding out classical theory in scholarly discourses:

> 'In short classical democratic theory is held to be *unrealistic*; first because it employs conceptions of the *nature of man* and the *operation of society* which are utopian, and second because it does not provide *adequate, operational definitions* of its key concepts. [.] The concept of an *active, informed, democratic citizenry*, the most distinctive feature of the traditional theory, is the principal object of attack.'
> (Walker 1966: 285, emphasis added)

This investigation has demonstrated that political contexts constructed around the workings of strong and inclusive membership parties represent a democratic 'operation of society' which is different from systems founded on more elitist thinking. It has also shown that within such contexts the concept of an 'active, informed democratic citizenry'– declining party memberships notwithstanding, it would appear – may be a more realistic basis upon which to engage in theory building than initially suggested by Schumpeter and his followers (see 2.1.1, 2.1.3 and 5.4.1). A key characteristic of these contexts seems to be the existence of membership parties allowing citizens (party members) access to the "supply side" of the political arena – they are invited to take part in producing the alternatives (both policy and representatives) which all voters ultimately choose between on Election Day (see 2.1.3). The question then becomes: can a relationship marketing perspective aid the development of 'adequate, operational definitions' or concepts that capture the workings of such democratic contexts in a way which may contribute to distinguishing them theoretically from more elitist systems such as the more strongly candidate-centred US? This investigation starts at the level of the consumer or the citizen.

In subsection 4.1.2 it was suggested that RM does embrace the assumptions (implicit in traditional economics and conventional marketing) that consumers are driven by strategic instrumental rationality and that they are looking for ways in which to maximise their utility. The framework does however call into question the 'reductionist individualism' assumption on which these approaches have rested (Marquand 1988: 264). It arguably offers a more three-dimensional view of consumers where they are seen by nature as being community based and relationship-oriented beings vested with moral and

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intellectual capabilities that enable them to both deliberate with and learn from each other; they are interested in, willing to and capable of entering into co-production processes together with high-touch service providers in which the aim is nothing short of *'reasoning together'* (Grönroos 2000: 278); they are prepared to accept joint responsibility for the ultimate outcome of such processes (Grönroos 1990; Gummesson 1991; Wikström 1996); and they are seen as deriving satisfaction or utility from both the participatory process and the outcome of it (see also 2.1.2). RM's focus on direct face-to-face interaction, long term relationships and dialogue seems to rest on the acknowledgement that if what is good for me is somehow bad for others, then it might not be good for me either in the long term. Thus, the strategic 'instrumental rationality' which the approach inherits from economics appears in effect to be lifted out into the community and reality checked through dialogue or a form of 'discursive rationality' à la Habermas (1974) – these two together now constituting the backdrop against which both producers and consumers can be presumed to judge what is in their best long-term interest. This seems to be the point from which the focus on win-win strategies is emanating in normative relationship marketing theory (Payne, Christopher et al. 1995; Brandenburger and Nalebuff 1996; Gummesson 1997; Sheth and Sisodia 1999; Grönroos 2000; Christopher, Payne et al. 2002). RM appears to be theorising a human being who is *more verbally inclined, psychologically more mature and more long-term* in the pursuit of his/her own self-interest than traditional "economic man" or conventional "marketing man" have commonly been considered to be. In short, the RM consumer is presented as a person vested with political power (Hirschman [1970: 18] sees 'voice' as a 'political mechanism'); in addition to his power to exit he is conceived to have gained the power to deliberate on the supply-side of the market and thereby also to have acquired the power to influence the shape and form of the end product. Fig. 6a below attempts to capture this "politically empowered consumer"[76].

This is the person who in Hirschman's words is both a 'quality-maker' and a 'quality-taker' (see 1.2.1.b). He holds the concerted powers of both voice and exit through access to both supply and demand sides of the market; he is driven by both strategic

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[76] This is not to suggest that the RM literature in any active or explicit way relates to, discusses or aims to fulfil Habermas's rationality criteria. The psychological and discursive preconditions that agents must manifest to meet Habersmas's conditions as participants in communicative rationality are exceptionally demanding and this part of his thinking on communicative action has also been met with substantial criticism from many quarters of the social sciences. For a recent example, see Rienstra and Hook (2006).

Fig. 6a: The Politically Empowered Consumer – The Consumer as Citizen

**THE CONCERTED POWER OF VOICE AND EXIT**
**Access to Supply-Side Deliberation and Demand-Side Choice**

Strategic Instrumental Rationality
Discursive Rationality

**PROCESS UTILITY**
**OUTCOME UTILITY**
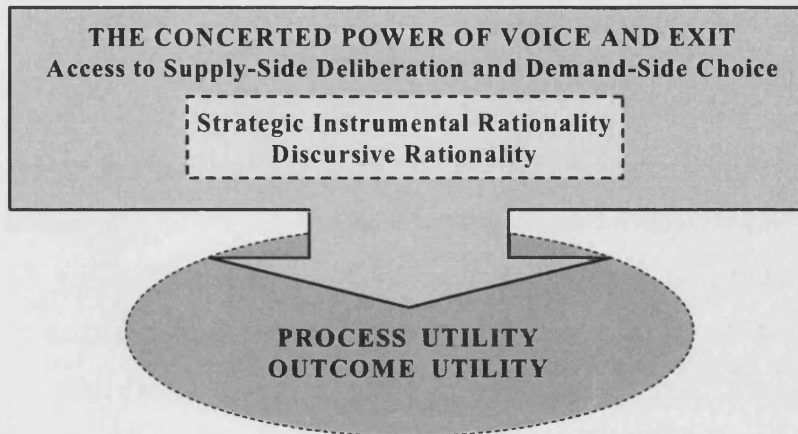
instrumental rationality and discursive rationality; and he is geared to both process utility and outcome utility. Taken together, there is now an alternative to seeking to force-fit the "citizen as consumer" (exit option alone) concept drawn from traditional economics and conventional marketing models into contexts where citizens may be expected to have more than consumer power available to them if they so choose (see 2.1.3). RM's view of the nature of man and of the consumer (in services/ business-to-business markets) as a potentially "politically" empowered person seems therefore to provide a starting point which is better suited to understanding the workings of party-centred politics than the one most often applied in the contemporary PM literature.

### 6.1.2  Preliminary Comments

That political contexts constructed around the workings of inclusive membership parties represent systems in which political *demand* is *effectively* part of, *partially* part of or *potentially* part *of supply*; that the models currently applied (also) to the theorising of such spheres presuppose a situation in which demand is *separated* from supply in both time and space; and that supply and demand sides of markets represent different power positions (exit + voice versus exit alone) has, as discussed in previous chapters, so far attracted little theoretical attention from within the political marketing research community. It is important to note that the relationship marketing insights which are drawn on here, emanate from empirical findings demonstrating that within sophisticated

high-touch services/business-to-business market settings consumers/customers need to *participate* in order to make the production process work (see 4.1.1). This is the point from which the consumer takes his or her expanded power. His or her ability to exercise this power seems in most cases contingent on the existence of locally-based service providers willing to and capable of facilitating productive participation on the supply-side of the market (see 2.1.2) which, incidentally, appears to strongly resemble the political reality of the party-centred contexts under consideration in this study – here such service providers come in the form of inclusive membership parties (Budge and Keman 1990; Selle and Svåsand 1991; Scarrow 1996; Widfeldt 1999; Scarrow 2000). *Access* seems therefore to be a pivotal keyword.

## 6.2 The Membership Party as a "Market" Actor

### 6.2.1 Its Overarching Raison d'être – Its "Business Idea"

Managerial marketing's anchoring in the realm of manufactured goods, separated supply and demand and the resulting pride of place it accords to market research is, as discussed in the previous chapter (see 5.2.2, 5.2.3, 5.2.4 and 5.2.5), problematic when applied in the analysis of party-centred politics. Membership parties within such contexts are not merely interested in adjusting to change or responding to "market" demands (see 5.2.2) – they wish to shape political preferences in order to influence the course of change in society through the exercise of representational power in positions gained through electoral competitions (Lewin 1970). In order to understand membership parties as "market" actors and capture their reason for being, it seems firstly important to understand the *method* or means by which they go about achieving these objectives. There is a need to accommodate the fact that they do it through member recruitment – members who are expected to do all the production and, at the same time, constitute the reservoir from which the party will select leaders and other representatives who will ultimately front their competition for political offices at both local and national levels (Budge and Keman 1990; Mair 1990; Mair 1997; Dalton and Wattenberg 2000). That is, they are designed to facilitate citizen participation in political production processes (see 2.1.1, 2.1.3, and 5.2.4); they are constantly developing their policy platforms in order to aggregate and bring a whole array of different political interests together around some common concerns; and they often bring with them a set of distinct ideological beliefs (shared values) pertaining to how they would like society to work. In sum, the membership party equals its members – there are no hired guns at the top administrating the membership – memberships administrate themselves through their elected leaders within the contexts under consideration in this study (see 2.1.3).

This is difficult to capture and conceptualise with the help of conventional marketing models. The RM literature offers important insights into the production and consumption of high-touch services that allows us to theoretically "open up" the party as a membership organisation and capture its reason for being – or what is in Fig. 6b below termed its overarching "business idea". I suggest that membership parties may be understood as firstly preoccupied with facilitating citizen participation in political deliberation processes through which they will subsequently go on to produce

Fig. 6b: The "Business Idea" of the Membership Party



**FACILITATING CITIZEN PARTICIPATION IN POLITICAL DELIBERATION PROCESSES**

Driven by:
Ideology, Competiton and Collaboration

Producing:
Visions of the "Common Good",
Representatives and Leaders

Competing with:
Other Visions, Representatives and Prospective Leaders

**PARLIAMENTARY/GOVERNMENTAL REPRESENTATION**
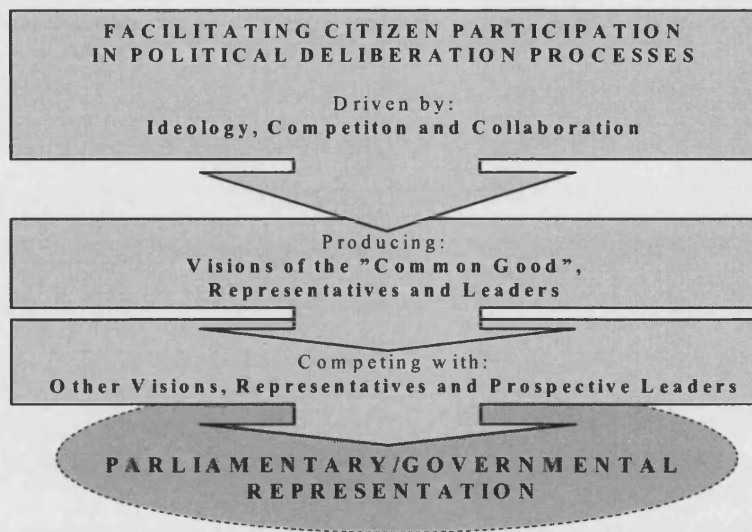
*ideologically based visions of the common good* – the notion so thoroughly dismissed by Schumpeter (see 5.4.1) – *as they see it*, and representatives and prospective leaders capable of conveying such ideas to the wider electorate. In this model such processes start at grass roots level; they include all members and associated members who wish to participate; they are driven by both collaboration and competition; and the visions will ultimately compete with other visions of the common good in free and fair elections. The model envisages an organisation with a "business idea" that is anchored in a *services mission;* the ultimate aim is presumed to be governmental and parliamentary representation, but it is now possible to understand this objective as being achieved through the facilitation of participatory democracy – which appears to be more commensurate with how such organisations' reason for being is commonly described by political scientists devoted to the study of political parties (Budge and Keman 1990; Selle and Svåsand 1991; Scarrow 1996; Widfeldt 1999; Scarrow 2000).

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## 6.2.2   Understanding the Organisation

'In working with RM, marketing and organisation began to stand out as two expressions of the same thing.'
(Gummesson 1999: 205)

When a conventional marketing perspective is applied to party-centred contexts it not only becomes difficult to understand the "business idea" of the membership party, the organisation itself tends to become invisible – or it becomes a theoretically empty vessel – most importantly because the organisation is not of central interest in this marketing perspective. An illustrative example of what happens when such thinking is appropriated in the analysis of party-centred politics is provided in Fig. 6c below – here Dominic Wring (2002) adapts Niffenegger's (1999) work in a conceptualisation of the political marketing process. As can be seen from this model, marketing becomes detached from the organisation and is depicted as constituted in putting together a favourable marketing mix on the basis of market and environmental research; party members go unmentioned; supporters are depicted as distant voters; and the party itself is conceptualised as if it was the "island" that Håkansson and Snehota (1989) have shown to be misrepresentative of businesses.

Fig. 6c:   'The Political Marketing Process' as seen by Wring (2002: 175)
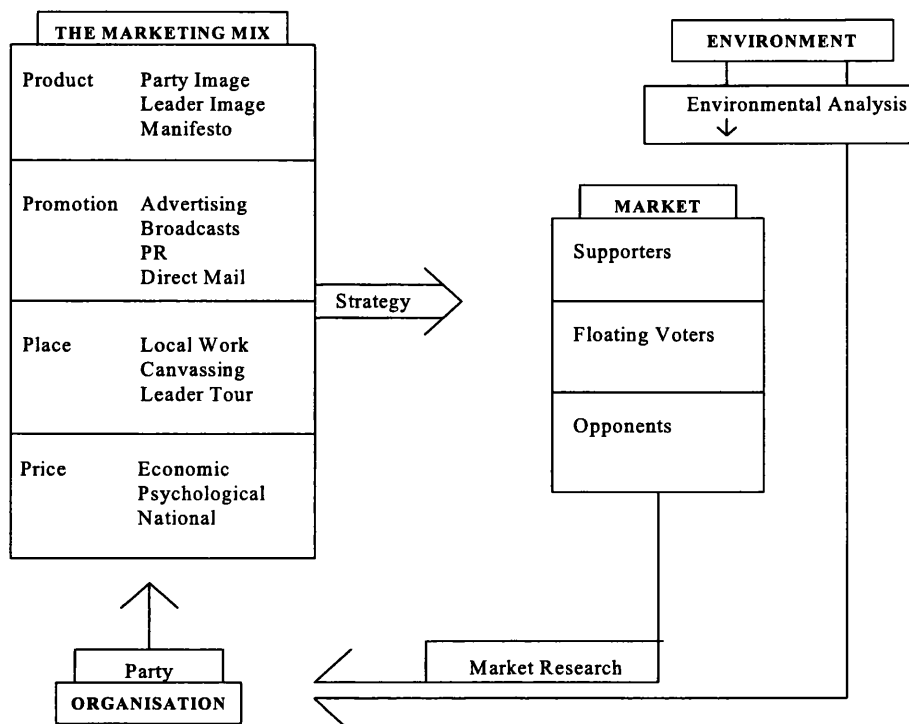
An RM approach enables a different way of seeing organisations. In the following three models this appears to offer a better fit with how membership parties are commonly described in the party-oriented literature of political science. Firstly, it is possible to capture their *decentralised modes of organisation* (Scarrow 1996; Widfeldt 1999; Scarrow, Webb et al. 2000) (see Fig. 6d below). Viewed from an RM stance, this represents the "natural" way to organise a high-touch services organisation because it can be seen to facilitate the simultaneous production and consumption processes constituting the core ingredients of its operations; it appears also to be what services marketing scholars mean by closeness to the market and it is correspondingly what may be conceived of as a genuine market orientation in sophisticated services contexts (Zeithaml and Zeithaml 1984; Webster Jr. 1988; Ferguson and Brown 1991; Webster Jr. 1992; Gruen 2000).

Fig. 6d:   The Membership Party as a High-Touch Service Provider
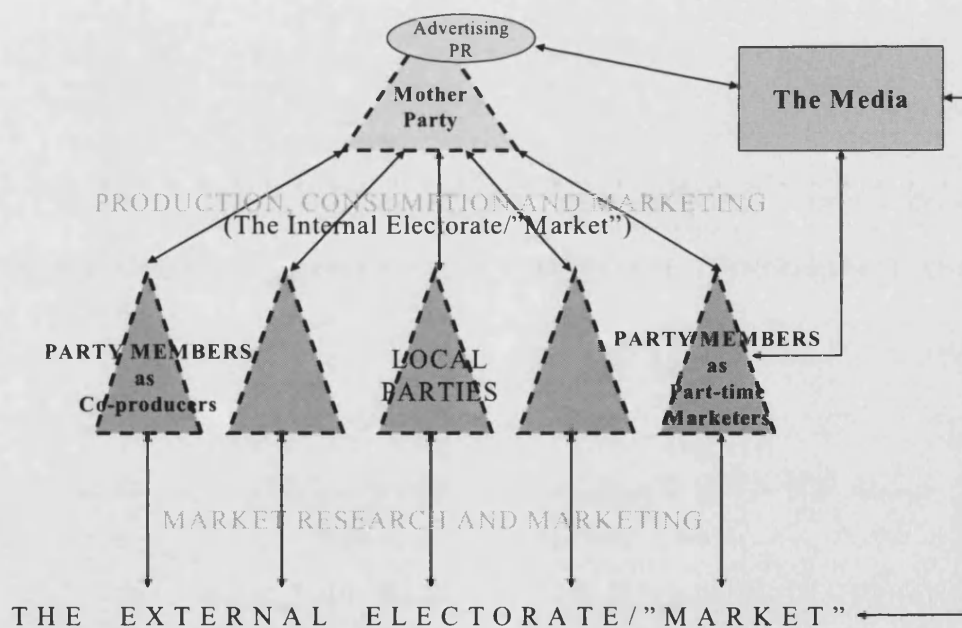


In this model I show that there are no watertight boundaries between the party and the electorate within the contexts under consideration in this study. The party *contains* a part of the electorate (the internal "market" – party members are voters too) while most of the electorate remains on the "outside" (the external "market" – ordinary voters). In the internal "market" demand has become part of supply and party members and associated members take on roles as co-producers, marketers and "consumers" of both the

participatory experience and what is eventually put on final offer by the party. That is, production, consumption and marketing have melted into one process. Visualised from an RM perspective, mediated communication is not the party's most important means of contact with the external electorate (contrary to what is often assumed when conventional marketing is applied), and market research (input to policy production) and external marketing are activities which are also seen as having merged into a simultaneous process taking place in the interaction between party members and the public (see further discussion of this in 6.2.4).

Secondly, the *network features* commonly said to be typical of membership parties – they seem to have been active relationship builders since their emergence in the early 20th century (Budge and Keman 1990; Meyer 2002) – are another characteristic which can be accounted for using this approach. In Fig. 6e below, Morgan and Hunt's (1994) conceptualisation of an organisation's network of relationships is adapted in order to capture these features (see also 4.2.1.b). The fact that such relationships are in the RM literature conceptualised as resting on trust, commitment and loyalty (see 4.2.2.e), appears also compatible with how the workings of party-centred contexts are commonly depicted in the party-oriented part of the political science literature (Budge and Keman 1990; Mair 1990; Scarrow 1996; Widfeldt 1999).

Fig. 6e:   The Membership Party in a Network Perspective (Adapted from Morgan and Hunt 1994: 21)
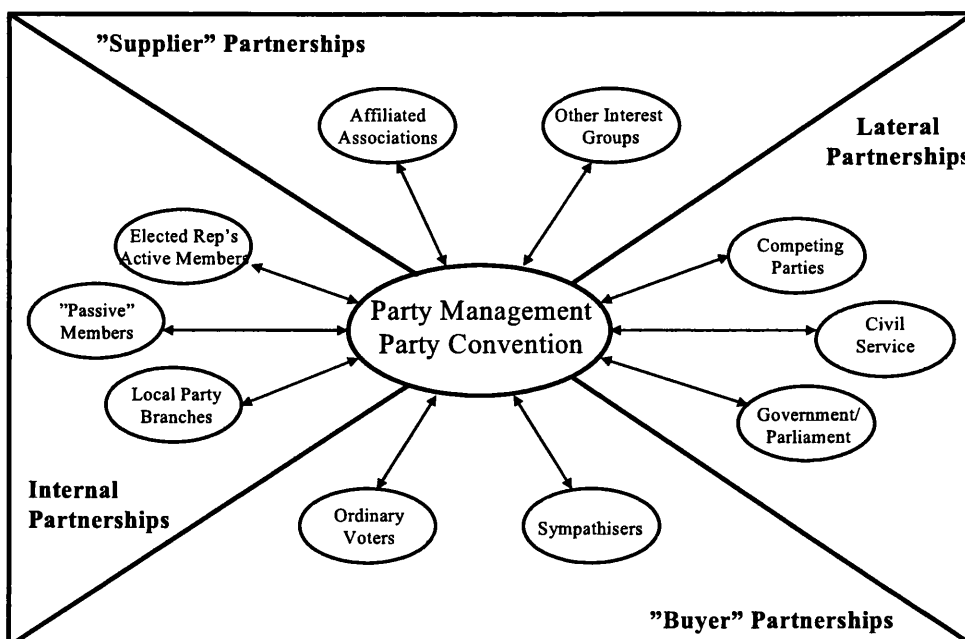
Viewed from an RM perspective, the core relationships are internal (party members of all guises); these are, in turn, expected to facilitate and enrich the party's relationships with other stakeholder groups and contribute to both the production and marketing of the organisation's output (Ferguson and Brown 1991). Most importantly, however, the fact that RM embraces this network perspective facilitates the accommodation of the simultaneously competitive and collaborative relationships existing between membership parties ('lateral partnerships' in the model – well exemplified by the many coalition governments frequently seen within such systems) and between parties and interest groups ('supplier partnerships' in the model – exemplified by the often close relationships fostered with, for example, agrarian groups, the church, etc.) within our chosen contexts (Scarrow, Webb et al. 2000).

Finally, an RM approach enables the accommodation of the *task-oriented* "nature" of these organisations. The framework's view of marketing as integrated in the organisation's production processes has led to a view of the organisation as an *ongoing set of processes* which in some cases also penetrate the boundaries of the formal organisation (Håkanson and Ford 2002; Gadde, Huemer et al. 2003) – a type of situation which in turn seems to have revived the idea of the project organisation (Gummesson 1999). Gummesson claims that the 'base organisation' within services and business-to-business market contexts is 'increasingly dynamic and becomes more of a parent project for a series of subsidiary projects' (ibid: 217). When membership parties are compared to this way of seeing the organisation they are likely to represent a very good theoretical fit. Few, if any, other organisations in modern societies (commercial or otherwise) seem to the same extent to be *designed* to establish large purpose-driven project groups – governments may perhaps be thought of as project groups – in a matter of hours and, in the same way, to dissolve them and absorb their participants back into the organisation on equally short notice, as such actors appear to be (Budge and Keman 1990; Scarrow 2000). There seem to be other examples as well; the parliamentary party (all the party's representatives in parliament) is also a group which will be reconfigured after every election[77]; coalition-governments seem to be prominent examples of how such project groups may penetrate the formal organisation and "live their lives" across the boundaries

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[77] Most (if not all) of the political contexts under consideration in this study (i.e., those constructed around the workings of strong and inclusive membership parties allowing, encouraging and facilitating party members' and associated members' participation in intra-party production processes) are also some form of parliamentary systems (see 1.1.2).

of or at the interface of several different organisations; and workgroups involving associated organisations (i.e. environmentalist groups, unions, etc.) seem to provide good examples of how such processes extend beyond the membership party and – in the words of Gummesson (1999: 220) – 'unite it with the market'[78]. Fig. 6f below conceptualises membership parties in terms of the project organisations they appear in effect to resemble.

Fig. 6f:   Membership Parties as Project Organisations
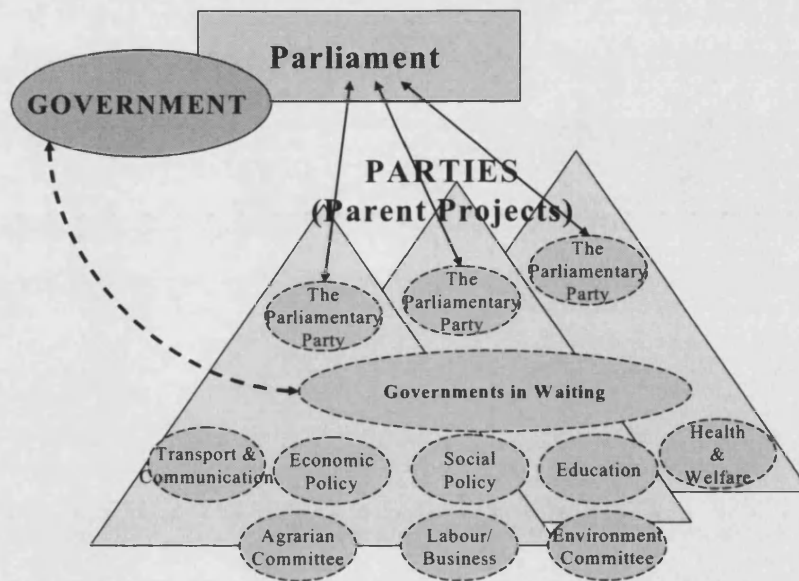


Taken together, RM's view of services and business-to-business market contexts as exhibiting simultaneous production and consumption processes seems to have necessitated a focus on how these processes are facilitated which, in turn, appears to have spurred an increased scholarly interest in the interrelated behaviour of organisations and consumers (see 4.0). These insights have here helped to lift the membership party as an organisation into a theoretically more open space, with the result that we should now be well placed to discuss what the "political product" may be seen as amounting to within the contexts considered here.

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[78] There is also a line of research called CoPS (complex product systems) in the innovation literature which posits a similar sort of project organisation which would fit the description here (see e.g. Hobday, Bessant et al. 2003).

## 6.2.3   The Political "Product" – What's on Offer?

When services are understood in terms of both process and outcome and production and consumption are seen as two elements of a joint process (see 2.1.2 and 4.0), there is a space opened up in which party members' and associated members' participation in policy production and the selection of representatives can be captured and theoretically visualised. In this perspective the "political product" stops being *mainly* the outcome of an exchange; it stops being *principally* about the distribution of prefabricated political ideas, programmes or images; and perhaps even more important – it is no longer seen as *mainly* available on Election Day. RM does not dismiss the idea of exchange altogether which as will be discussed, can help to address the observation that most citizens do not seem to wish to participate in democratic processes beyond the vote (see 2.1.3). An RM approach to party-centred politics allows a conceptualisation of the "political product" which is much more nuanced than what is commonly suggested in traditional economic or managerial market models of politics – and in Fig. 6g, I illustrate the multifaceted "nature" of this "product".

Fig. 6g:   The Constituent Parts of the "Political Product" within Party-Centred Contexts
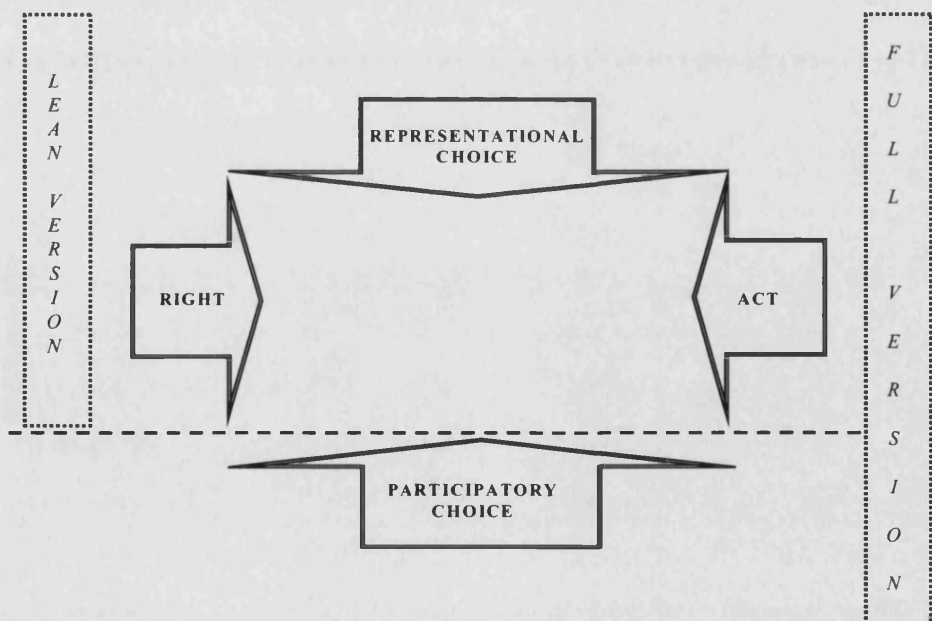


In this model the "political product" is theorised as manifesting itself in two fundamentally different versions: A *lean version* (above the dotted line in the model)

constituted in the *right* to vote, the *act* of doing so, together with some sort of *representational choice* – this version is available to all eligible voters on Election Day and it requires no participation over and above the vote. This is akin to the "political product" seen as prefabricated value; it is available through singular transactions and it may arguably be captured through the use of exchange-based marketing theory (see 3.1.2). Viewed from an RM perspective, this is theoretically less problematic than it would initially seem. Typically in the commercial world, services are perceived as containing both "hardware" (prefabricated) and "software" (process) elements – an observation exemplified through, for example, the workings of typical high-touch service providers such as management consultants or financial advisers (Gummesson 1999; Grönroos 2000). Both these groups of professionals commonly offer a number of standardised or commoditised service "packages" which can be purchased more or less straight off "the shelf" (Lovelock and Gummesson 2004). At the same time there exists an opportunity for the customer to – in collaboration with the service provider – redefine and co-produce the offering in ways which alter the ultimate outcome of the process, and he/she will consequently end up purchasing a different "product" from that of any other customer.

At this level the "political product" emerges in its *full version* through the availability of *participatory choice*. It is effectively transformed into a high-touch services offering and the *utility* for party members can be understood as constituted in both the participatory process and in the outcome of this process (see also 4.1.2). Interestingly, this thinking intersects with recent research within political science where scholars interested in the participatory elements of the political equation have started to discuss the relationship between 'procedural utility' and 'outcome utility' (Stutzer and Frey 2006: see particularly pp. 391-394), and it provides theoretical insights which may help to explain why millions of party members continue to play such an important role within the contexts under consideration in this study (see 2.1.3). Fig. 6h below attempts to capture and conceptualise the connection between what I have termed 'process utility' and 'outcome utility' and to show how these two together may be seen to make up the 'augmented political experience' (the full version of the political "product") which party members have available through participation in intra-party production processes as seen through an RM lens (see 6.2.4 for a further discussion).
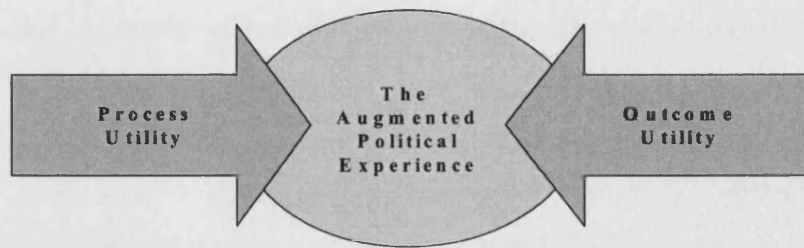
This model provides an indication of the full services potential of a membership party as seen from an RM perspective. The extent to which party members realise this potential will of course vary in accordance with how much participation the individual wishes to put in (Dean and Croft 2001). Some members will merely pay their fees, some will show up at party-meetings from time to time and engage in low-level activities such as leafleting and door-to-door canvassing, but others will be highly engaged in committee work and policy production, work themselves up the party hierarchy and end up becoming elected representatives themselves – indeed providing them with much different "political products" from what they would otherwise have been able to enjoy. Fig. 6g captures the services element – the participatory opportunity – of the political offering without losing sight of the fact that for most citizens voting is still the only means by which they will attempt to influence the development and governing of local and national society. It does, however, also show that in case citizens within such systems happen to dislike everything on offer they have more than the *exit* option available to them; they may join (or indeed form) a party and try to influence it from within through the use of *voice*.

Some analysts would perhaps object to the inclusion of the 'right to vote' in Fig. 6g because this is something which is not provided by political parties, but by the state. Here it may be helpful to draw a parallel to the telecommunications industry. In many (if not all) modern Western societies the air waves are in essence seen as representing a potentially commercial arena that nobody initially owns; consequently, it is often conceived of as the property of the state. In order to do business within such a sphere (provide broadcast or network services, etc.) a licence or concession from a government body is needed – this will in turn determine what kinds of services that can be provided. This, I suggest, may be seen as similar to the conditions under which political parties

within our contexts are working: They can be viewed as "licence- or concession-holders" within the "democratic industry"; they are allowed to provide their services according to a given set of national rules provided by the state. The state may in effect be seen as a provider of concessions which ultimately facilitate the right to vote, and within party-centred systems, I suggest that political parties may be seen as concession holders *giving meaning to* and *potentially enhancing the quality of* this right to vote (see Fig. 6i) – which in turn, I argue, seems to justify the inclusion of this element in Fig. 6g.

Fig. 6i:   The Relationship between Parties and the State
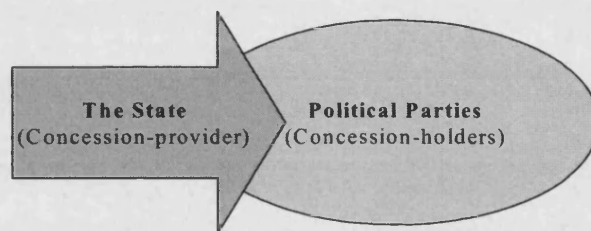


Having identified the constituent parts of the *party-centred "political product"* it is now possible to provide a more nuanced definition of it:

> **The "political product" is in essence an *opportunity to influence* the development of local and national society. In party-centred contexts it is provided by membership parties and available in terms of a "high-touch services offering" where citizens may participate in both the production of policy/representatives and through the electoral vote (both supply- and demand-side participation) and it is available in the form of a "commoditised service" where citizens participate in elections (demand-side) alone. The *quality* of the "product" is ultimately a question of power and dependent on *how much and what kind of participation* is invested in this pursuit.**

Fig. 6j illustrates the "nature" of the party-centred political offering from the vantage point of the way it is possible to see it from a relationship marketing perspective.

Fig. 6j:   The Party-Centred "Political Product" as a Whole
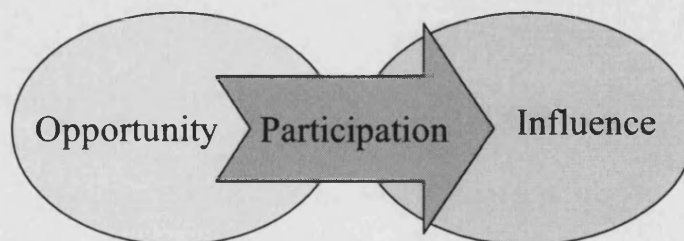
Subsection 6.2.2 showed how citizen participation (party members and associated members) on the supply-side of the "market" results in production, consumption and marketing becoming integrated processes when it is viewed from an RM perspective, and Fig. 6k below attempts to capture and accommodate the different elements of these processes in greater detail.

Fig. 6k:    The Production Processes of a Membership Party
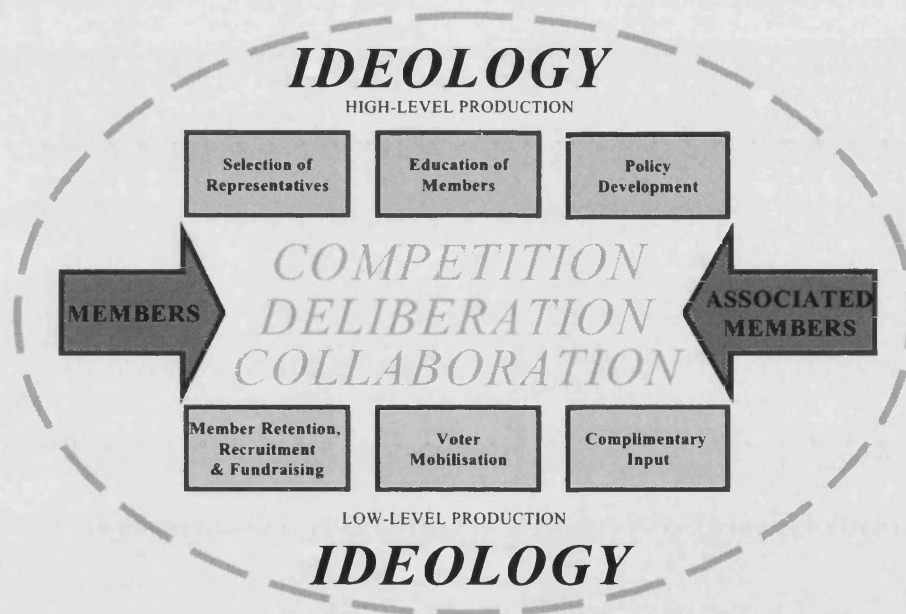


Citizen participation need not be particularly sophisticated activities in order to be considered significant contributions to the production and marketing of a membership party's output as seen from a services marketing perspective. What is in this model designated with the label '*low-level production*' is, for example, constituted in activities aimed at retention of existing members, the recruitment of new members, and fundraising; the mobilisation of voters; and the production of what is termed 'complementary input'. The first element aims to capture the organisation-building activities which political scientists claim party strategists within the contexts considered in this study still allocate much time and resources to (Scarrow 2000), and it is similarly something which many RM scholars say successful services organisations are involved

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in on a continuous basis (Zeithaml and Zeithaml 1984; Ferguson and Brown 1991; Gruen 2000). The second element aims at capturing the production of social stimulants for basic participation in electoral competitions; the production of promotion (members encouraging people to vote) through face-to-face encounters between party members and the public where the former may be seen as vouching for the party. What is here designated with the label 'complementary input', can be conceived of as constituting *all* types of small and simple contributions from coffee making at party meetings, initiating and engaging in political chats down-the-pub to the conveying of feedback picked up in the neighbourhood. Constant year round interaction between party members and the general public would in RM terms be seen as producing small 'moments-of-truth' in which the public would experience face-to-face encounters with party-values and ideas (Grönroos 2000). During such encounters politically interested ordinary citizens/voters also have the opportunity to express their opinions to party representatives and thereby perhaps indirectly influence policy production. Such simple and unpretentious activities would from an RM perspective be seen as contributions to both production and marketing processes within a services organisation – activities which Gummesson refers to as part-time marketing (see 4.2.1.c). Unsurprisingly perhaps, in the commercial world such direct encounters with consumers are also commonly described as one of the most effective channels for market research there is, and would be considered equally important means for market development and maintenance (Gummesson 1999). Internally, such low-key activities would from an RM angle be seen as contributing to the renewal of the "social glue" which is considered so vital to the maintenance of highly decentralised services organisations (Normann and Ramirez 1993; Palmer 1994; Grönroos 2000). Viewed from this perspective, party-members in all guises, including the group which cynics often refer to as "armchair activists" (passive members), are understood to take on roles as 'part-time marketers' through advocating the views of or expressing their support for the party in all social situations where this would be considered unobtrusive and "natural" (Ferguson and Brown 1991).

What is in Fig. 6k referred to as *'high-level production'* would typically be represented through the workings of committed party members who – whether they put themselves up for election to committees, work groups, etc. or not – will take an active direct part in the general education of members and in the production of policy and representatives. At this level political production processes will (perhaps) by "nature" tend to be "loud",

simultaneously competitive and collaborative exercises, often characterised by internal dissent, power struggles, ideological struggles, long-term versus short-term perspective struggles, special-interest struggles, etc., but also by long processes of deliberation, mutual persuasion and consensus building (Budge and Keman 1990; Widfeldt 1999). The contentious and competitive dimension of intra-party production processes has by some scholars been perceived as a particularly problematic point when marketing concepts are theoretically appropriated for the description of party-centred politics. Scammell (1999: 727), for example, says that:

> '... political "producers" themselves may dispute product characteristics, in public and right up to the point of "sale". One may think immediately of the Conservatives in the 1997 general election, in open conflict over European policy. It is hard to imagine a parallel in business, of company directors publicly squabbling about their product as the goods are being dispatched to the shelves'.

This study acknowledges such critical questioning of the descriptive value of conventional marketing theory as appropriated across varied political contexts, and Scammell's objection is particularly helpful because it illustrates that membership parties are unlikely to act as if they were goods manufacturers. Her example seems instead to be illustrative of organisations in which the ongoing process of political service production and consumption has merged into the simultaneous activity which it is in the RM literature claimed to be within the scope of high-touch services industries (see 4.2.1). Party representatives may in such cases of open conflict in effect be seen as in the process of both producing and consuming political services in that they are attempting to influence (process) the shape and form (outcome) of what is eventually put on offer by the party. The fact that such "production processes" sometimes spill into the media may of course be challenging to the party. In the next chapter I return to this to examine what kind of managerial implications this may be seen to have for the organisation (see 7.0). At this stage, however, it seems clear that an RM perspective does allow us to capture and theoretically visualise many aspects of the complex production processes of membership parties – the key actors of the contexts under study in this thesis.

An RM approach has allowed some pride of place to be accorded to the concept of ideology in Fig. 6k. Although this concept has in recent years been declared "dead" several times, and is by political marketing scholars utilising conventional marketing models sometimes said to be marketing irrelevant (see 5.2.5 and 5.3.1), it appears to continue to play a significant role in modern politics (Pedersen, Bille et al. 2004).

Moreover, the business equivalent of ideology (shared value systems) represents one of the perhaps most important ingredients in a successful services operation as seen from an RM angle. *Coherent visionary thinking* and *shared value systems* are commonly described as the major success factors particularly in sophisticated intangible services production because they help guide employee behaviour and are thereby also understood to aid the development and maintenance of a consistent service quality over time (Barney 1986; Gummesson 2000; Ballantyne 2003). A clear and coherent ideology would in such a perspective be seen as aiding the entire political production process of the party and as contributing to internal marketing – which as discussed in previous chapters – is described as the means by which the organisation is kept together, constantly focused and in the continuous learning process that allows it to develop and innovate (see 4.2.1.d). All this would, in turn, be described as a prerequisite for external marketing. Thus, a political party without a clear and coherent ideology would according to RM firstly have problems producing coherent, credible and innovative policy programmes which, in turn, would create problems when the "output" (political ideas and policy proposals) of the party is subsequently conveyed to the external electorate/"market". Fig. 6l below illustrates how the internal and external marketing process of a membership party might be seen from an RM perspective.

Fig. 6l: Internal and External Marketing of a Membership Party
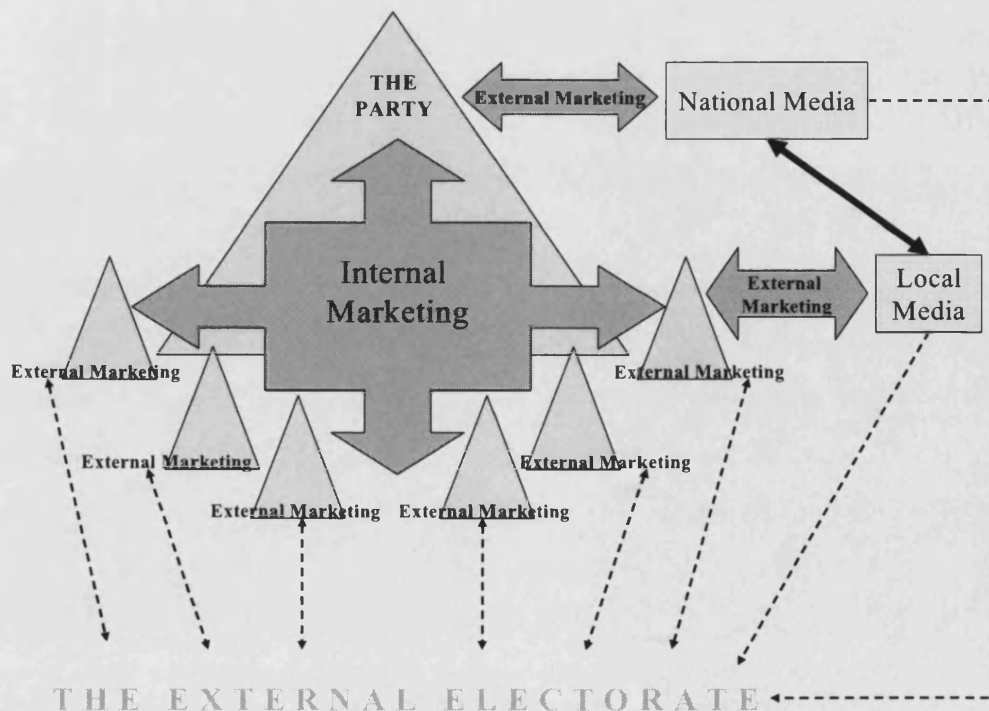
The workings of party members and associated members (i.e. union members, etc.) would according to RM thinking be of pivotal importance to both these processes – they would all be considered co-producers of political content and representatives and they would be seen as part-time marketers both internally and externally.

### 6.2.5  "Production" of Legitimacy and Democratic Quality

The concepts of legitimacy and democratic quality – which are for democratic theory such pivotal constructs – have so far attracted little attention from the political marketing research community. Conventional marketing does not appear to embrace any theoretical concepts that facilitate an analysis of such notions. As I illustrate below, an RM approach seems capable of shedding some theoretical light on the way in which legitimacy and democratic quality are established ("produced") within party-centred contexts. An RM approach makes it possible to draw upon insights derived from models of high-touch services production where the quality of "the product" is commonly seen as predominantly determined by the quality of the process by which it comes into being (see 2.1.2 and 6.2.3. Fig. 6n illustrates this point.

Fig. 6m:  Process Quality and "Product" Quality in Services Production
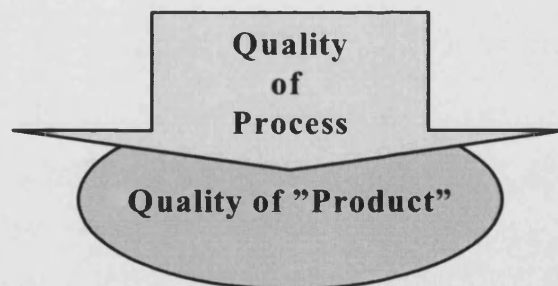


In Fig. 6n below I utilise these insights to demonstrate how democratic legitimacy may – when viewed from an RM angle – be seen to manifest itself at three different levels within party-centred contexts and how legitimacy within such a perspective can be connected with both the quality of the "political product" and the quality of democracy itself. The latter appears to bear close a resemblance to what RM scholars mean when they speak about the health and vitality of the market (Gummesson 1999). The model

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starts out with the intra-party production processes which in our contexts are represented through what has previously been termed the 'full version' of the political services offering (see 6.2.3). Allowing and facilitating party members' participation in the formation of policy and the selection of representatives may be seen as producing what I term *'primary-level legitimacy'*. The next level enables – through the use of RM's focus on inter-organisational collaboration (see 4.2.1) – the accommodation of the simultaneously competitive and collaborative interactions between parties and interest groups which are typically said to characterise the contexts examined here (Budge and Keman 1990; Thomas 2001). Associated interest groups of different guises (i.e. unions, etc.) may, much in the same way as independent party members, be seen to influence and thereby to contribute to legitimising what the party puts out on "final offer" – this is termed *'secondary-level legitimacy'*. These two levels of legitimacy – both "produced" on what in a marketing perspective would be seen as the supply-side of the market – will in this perspective together contribute to *the quality of the "political product"*. Voting – "produced" on the demand-side of the "market" – has been designated with the label *'tertiary-level legitimacy'*. When this is added it becomes possible to capture what *the quality of democracy* would amount to within our contexts as seen from an RM perspective (see 2.2.2). As discussed in subsection 2.2.2, there is an ongoing rather polarised debate within political science on what should be seen as the primary source of democratic legitimacy – deliberation or voting.

Fig. 6n: Process Legitimacy, "Product Quality" and Democratic Quality within Party-Centred Contexts



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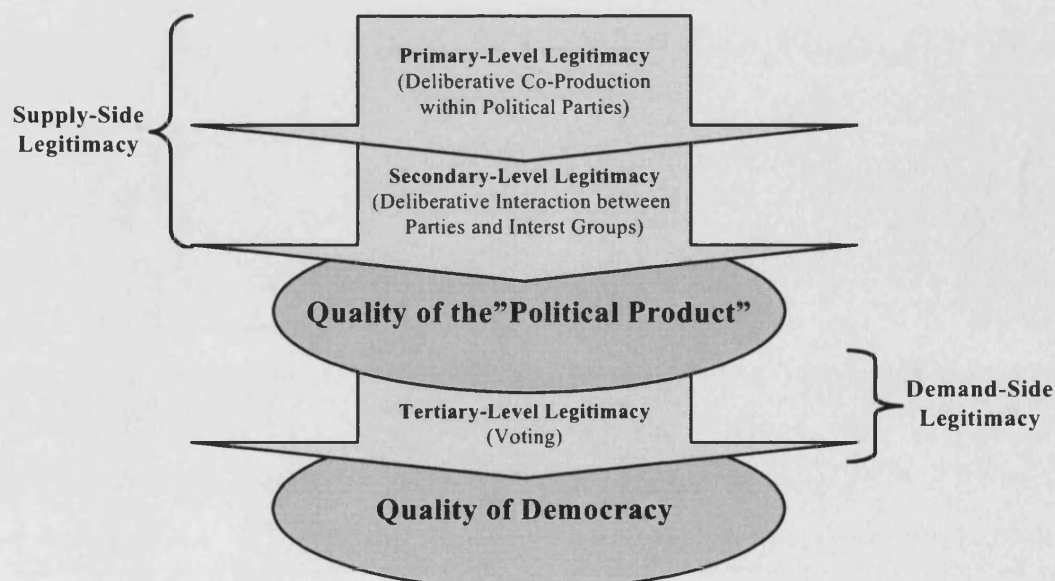
The model suggested here offers an understanding of how both these measures – when viewed from an RM angle – may be seen to contribute to legitimising political decisions within party-centred systems. That is, it illustrates how the different dimensions of legitimacy may be seen as connected to both the quality of what is put on offer and how all this may be understood to affect the overall quality of democracy within such systems. It is possible to accommodate both sides of this debate and visualise how and where political decisions are in effect legitimised within party-centred systems.

The importance of voter turnout to democratic legitimacy is however an issue not accorded much theoretical attention in the contemporary political marketing literature. There are for example few mentions in the literature of the fact that in commercial markets, *maximising market share* is seldom considered to be a sufficient objective for an actor that wishes to stay successfully in the market in the long-term. In commercial contexts maximising profits is usually (if not always: see Simon [1957] on satisficing) the ultimate goal and a high market share is of little comfort if business is conducted at a loss in the long term. This is a point that may be useful in the understanding of political "markets" as well. Winning elections (market share) seems in some depictions of contemporary theoretical political marketing to be detached from a conceptualisation of the "profits of politics". Thus, at a normative level there is a tendency to develop prescriptions aimed at short-term electoral victory alone (see 5.2.4) – an objective which may render the importance of market development and maintenance theoretically invisible and which, if implemented in practice, may also threaten legitimacy. Following relationship marketing's strong focus on participation it is here suggested that "market success" within party-centred spheres would benefit from being viewed in light of – not only the number of votes gained or electoral victory – but also *the turnout with which it is won*. This way electoral participation would become the explicit part of the legitimacy-equation that political scientists often consider it to be (see 2.2.2). In figures 6o and 6p below I develop two conceptual models with the aim of capturing the nuances of how demand-side legitimacy may be seen as being established within party-centred political contexts. It is here conceived of as the relative strength of parties and governments and it manifests itself in the ratio between votes gained and turnout. In the first model the core construct is termed "party solidity" and in the latter "government solidity". At party level, membership turnout is included in the equation in order to provide a picture of how well the party has managed to mobilise and draw on its own supporters. In its natural

habitat solidity normally refers to the economic resources which determine how well the organisation will be able to deal with for example long-term fluctuations in the market. In the political sphere, these models would show the party's or the government's overall basic support and, in turn, indicate their room for manoeuvre – i.e., illustrate the legitimacy they could be seen as having in their own constituency/the electorate, respectively.

Fig. 6o: Ratio between Voter Turnout and Votes Gained – "Party Solidity"
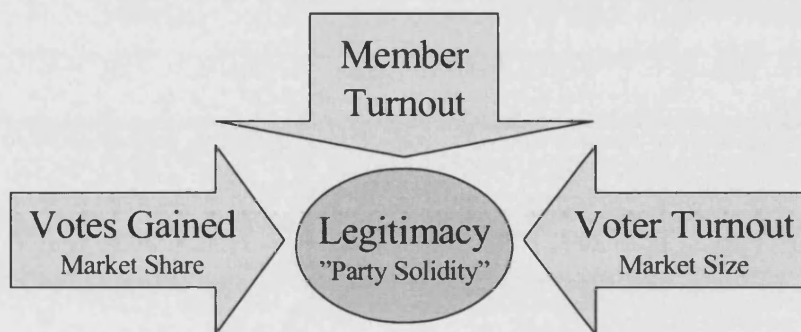


Fig. 6p: Legitimacy as the "Profits" of Politics – "Government Solidity"
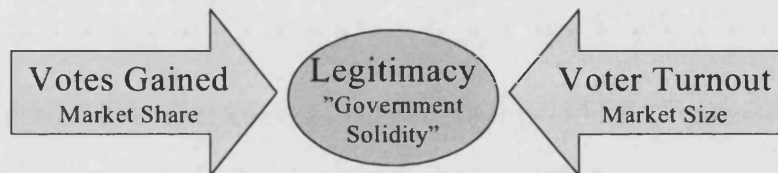


## 6.2.6 The Use of Voice and Exit

The existence and utilisation of the voice option seems to be the key idea on which membership parties and party-centred democracies are resting. The party member appears also to resemble someone close to the "prototype" of the consumer-member Hirschman (1970) is talking about; the consumer as both a quality-maker and a quality-taker (see 1.2.1.b). Moreover, these individuals seem to continue to be considered pivotal to the overall success of membership parties and the maintenance of party-centred political systems (Selle and Svåsand 1991; Widfeldt 1999; Scarrow 2000). As illustrated

in the previous subsection (Fig. 6m), their participation in intra-party deliberative policy-making processes does in effect contribute to legitimising the "political product" in a way in which political offerings in candidate-centred systems are not and, at the same time, members represent the reservoirs from which membership parties draw candidates for public offices. An increased use of the exit option (increasing defection rates) by party members or a failure of parties to enrol new members would in much the same way as suggested by Hirschman – viewed from a RM stance – result in a relative deterioration of the party's output. The migration of – or failure to attract – intellectual or human capital would according to this marketing approach negatively affect both the service experience of remaining members (less input into deliberative processes) and the party's ability to innovate; it would thereafter leave the party with an "end product" which is not as well legitimised (quality assured) as it could have been; it would mean smaller reservoirs of talent from which to produce (educate and train) representatives and draw capable leaders; and in the end, arguably, leave the party more vulnerable and consequently at a relative competitive disadvantage (Ferguson and Brown 1991; Grönroos 2000).

Fig. 6q:   Exit Effects on Output Quality and Competitive Advantage for Membership Parties
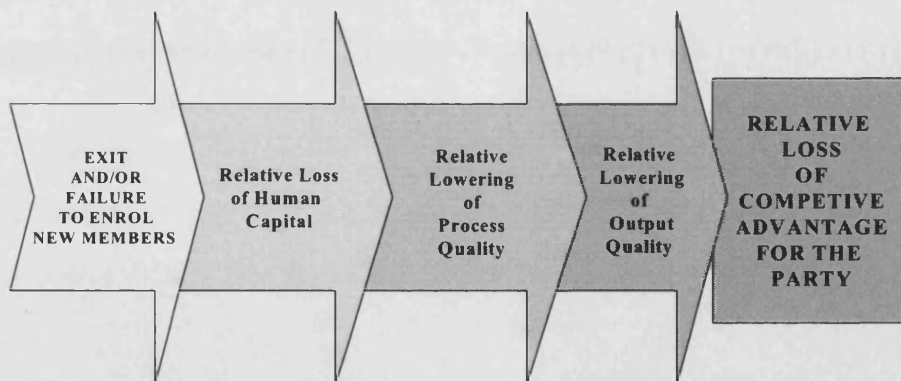


Fig. 6q above illustrates how – when viewed from a RM perspective – increasing defection rates might impact on the membership party's output quality and thereby its overall competitive advantage in the "market". Party members' collective use of the exit option, or parties' collective failure to enrol new members and include them in intra-party production processes would, according to this model, in the end also affect the quality of democracy as a whole (the health and vitality of the "market") because less

people would have been included in the process of producing what is ultimately put on offer by the parties. That is, ordinary voters would be understood to be facing poorer, less legitimised alternatives to choose among.

## 6.2.7 Preliminary Comments

Several findings emerge from the investigation so far. Firstly, through the use of an RM perspective it is possible to accommodate many of the complex organisational workings of membership parties and lift their overarching *raison d'être* – being facilitators of local participatory democracy (Budge and Keman 1990; Scarrow 1996; Widfeldt 1999; Scarrow 2000) – into a theoretically more open space. RM's services marketing legacy allows a conceptualisation of these actors as democratic service providers in the business of both facilitating local democracy and competing for office. This is also a marketing framework which allows us to understand the educational role that these organisations are, by party-oriented political scientists, typically said to play within these specific political spheres. Through the use of RM it has been suggested that these educational processes should be seen as internal marketing and it has been shown how such activities within this perspective can be understood as a prerequisite for the external marketing efforts of the party. An RM approach has also allowed a visualisation of the network and task-oriented properties of membership parties, and it has provided a way in which to theoretically account for the simultaneously collaborative and competitive relationships they foster with other actors within our spheres. Most importantly at this level, however, an RM perspective provides a conceptual structure that when appropriated in the party-centred contexts under consideration in this study offers a way in which to understand the complex political production processes (of representatives, policy, voter turnout and legitimacy) commonly said to characterise such spheres in marketing terms.

RM's view of the consumer together with the framework's focus on integrated production and consumption processes appear to be the key factors facilitating an understanding of the services "nature" of the "political product". The framework is, at the same time, flexible enough to accommodate the possibility that the "political product" (also within these contexts) may still at a basic level (lean version) be understood as the production and distribution of prefabricated ideas or values. Secondly, the approach

helps to shed light on the important fact that within party-centred contexts the "political product" is potentially something which is *not* available to citizens mainly on Election Day. To party members these services must be seen as available on a year round basis through the opportunity to participate in all the activities which the party initiates or through initiatives taken by party members themselves within their local party organisations. This contributes to *shifting the descriptive focus* of political marketing from campaigns and elections to *the everyday aspects* of being in the "business" of running a political party. This way of conceiving of the "political product" seems to represent a better fit with how party-oriented political scientists commonly describe the workings of such organisations than what is typically offered through the lens of conventional marketing models.

In the next section of this chapter I proceed to pull together the arguments developed thus far so as to conceptualise the party-centred "market" as a whole.

## 6.3    Understanding Party-Centred Systems as "Markets"

### 6.3.1    The Idea of the Market Revisited

From the outset of this investigation it has been argued that an appropriation of marketing within an analysis of politics would need to start with a good understanding of the contexts ("markets") which the researcher seeks to reveal. Building on Hirschman (1970) and key strands of the RM literature, I have argued that markets should not be conceived of as being driven by very similar and simplified forces – a claim also widely acknowledged in economics and explicitly pronounced by Hindess (1987: 150):

> 'What is shared by all markets is little more than the fact that something is marketed in them. Otherwise they are highly differentiated. Markets always operate under specific institutional conditions, which vary considerably from one case to another.'

In using the phrase 'something is marketed in them', Hindess seems implicitly to have revealed the lowest common denominator of all markets; they exhibit the dynamics of demand and supply represented through people's existing and/or potential needs and wants and through other people's ability and willingness to satisfy these at a cost and at a given price. In the idealised model of a market for manufactured goods where supply and demand are separated in both time and space, the price is viewed as the (clearing) mechanism – the "invisible hand" or driving force – by which the market will clear itself of shortages and surpluses and establish a balance (equilibrium) between the two (O'Neill 1998; Kay 2004). In high-touch services markets where interdependent market actors facilitate overlapping or partially overlapping production and consumption processes (supply and demand) the simplicity of price as a proxy for the dynamics of the market seem inadequate to fully understand the "nature" of clearing mechanisms even in an idealised market. The "invisible hand" of price competition is within such contexts better understood when *supplemented* by the conception of a collaborative "visible hand" manifesting itself through the establishment of long-term relationships based on dialogue, trust and commitment (Morgan and Hunt 1994; Hosmer 1995; Cowles 1996; Halliday 2004). Markets may thus be seen as arenas for both exchange and co-production, and market clearing mechanisms are in effect representing the exercise of the *different sorts of power* available in particular market situations – consumer power (exit) and/or political power (both voice and exit) (see 6.1.1).

In subsection 6.2.3, I was, with the help of a RM approach, enabled to show that the "political product" can be understood as being available to citizens in two fundamentally different versions within party-centred contexts; it can be available as sophisticated services offerings or as sets of prefabricated ideas about how society ought to be governed – both provided by membership parties. The choice will ultimately determine how much influence citizens are envisaged as having in the political process – in effect a choice between two different *power perspectives*. This is something which traditional economics and conventional marketing approaches to politics have so far not been able to capture theoretically. Thus, in order to further our theoretical understanding of party-centred systems in terms of "markets", this observation needs to be incorporated into the conceptual framework in this study.

According to Ingebrigtsen and Jakobsen (1997: 21, 22) there are basically three approaches to the understanding of markets: a) They can be conceived of in terms of physical places where producers meet consumers. b) They may be seen as representations of existing and potential demand within a given commercial sector or nation. c) Or they can be conceptualised in terms of different economic systems exemplified by the differences between mixed economies (such as Scandinavia) and much more market-driven economies (such as the US). The authors argue that the last of these approaches is more fundamental than the other two because marketing deals with a phenomenological area which is applicable within different economic systems. In the view of these scholars, theories which aim at describing and explaining different marketing phenomena are themselves very much influenced by the framework conditions defined by the economic system from which they have emerged. This insight may be seen as underlying this study's general critique of how conventional marketing is currently and frequently appropriated to underpin the description, analysis and prescription of/for political behaviour across systemic contexts (see 1.2.1, 2.1.3 and 5.0). Failing to differentiate between systemic framework conditions will, it seems, make it difficult to understand variations in supply and demand mechanisms and consequently also affect our ability to understand the workings of power within a given context.

In the following I proceed to establish an understanding of the party-centred "market" as a whole. I start with a consideration of the second of the above definitions, before going on to consider how the overarching workings of supply and demand may be seen as

manifesting themselves within the specific contexts under study in this thesis (approach a) above).

## 6.3.2 The Party-Centred "Market" as a Whole
### 6.3.2.a Political "Markets" as Targets

The conception of markets as targets represents a prescriptive way of defining markets – it constitutes the market potential (estimated demand) as seen from the supplier's point of view (Prahalad and Ramaswamy 2004: 136). This is perhaps the most common perspective utilised in contemporary political marketing theorising and analysis and, since most contributions rest on conventional marketing, they tend to assume that the target markets of a political party are *all* located outside the boundaries of the organisation (see 5.2). An illustrative example of what happens when a relationship marketing approach to "political markets as targets" is utilised in the understanding of party-centred political contexts, is provided by Dean and Croft (2001) (see 5.3.1 and Fig. 6r below).

Fig. 6r: A Relational View of the Party-Centred Market as Target:
Dean and Croft's (2001: 1206) Multiple Markets Model
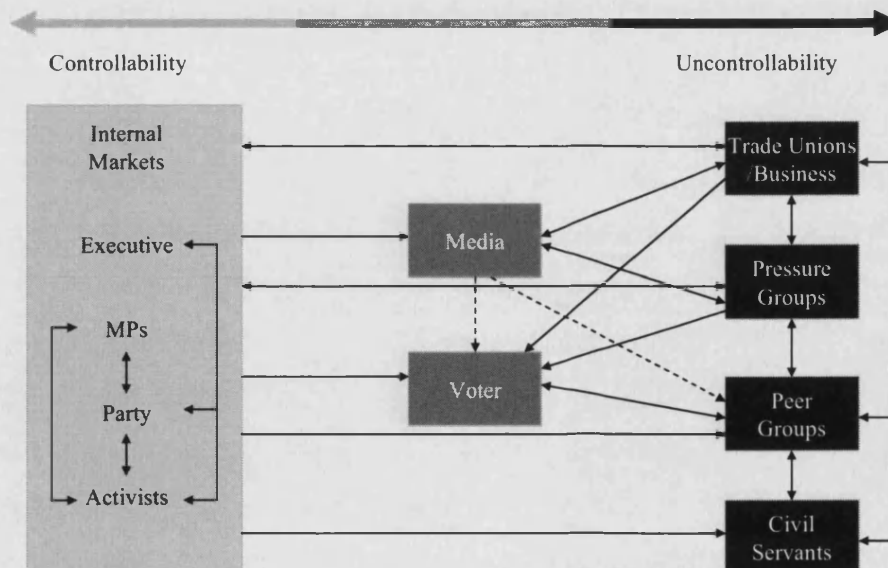


These scholars have drawn on Christopher, Payne et al.'s (1991) six markets model and adapted it to approximate the British party-system (see 5.3.1). It is immediately possible

to see the difference between this model and the one offered by Wring (2002) and presented at the beginning of subsection 6.2.1. Wring depicts the party as a "black box" or an empty vessel, party members become invisible and he locates supporters as part of the outside market, whereas in Dean and Croft's model, internal markets are conceptualised as by far the most prominent of the party's target markets – which is very typical of how many RM scholars depict the target markets of sophisticated services organisations (Ferguson and Brown 1991). Dean and Croft appear to acknowledge the overlapping production and consumption processes that are said to characterise the membership party and claim that: 'The enigma for a political party is how to allow the diversity of party members, activists and elected members a say in the nature of the "product offering" while still maintaining a degree of apparent unanimity for the consumption of less-controllable groups' (ibid: 1207). The inclusion of controllability in the model may perhaps best be seen as evidence of the way in which various RM models at a normative level continue to carry with them their own managerial dimensions (Mattsson 1997) (see also 4.2.1).

## 6.3.2.b  Political "Markets" Understood as Places where "Producers" Meet "Consumers"

This represents a descriptive approach to the conceptualisation of markets which to a much lesser extent adopts the viewpoint of a particular actor, but instead aims at a more overarching understanding of the workings of specific contexts. Henneberg (2002: 114) claims to be inspired by RM perspectives when he provides such an account of the political "market" as a whole. He terms this arena 'the supra-market of politics' (see Fig. 6s below) – a sphere which he sees as being made up of three different sub-markets, namely, the 'electoral market', 'the governmental market' and 'the activism market'.

This contribution represents the perhaps most detailed theoretical conceptualisation of politics in terms of "markets" available within the political marketing literature at the time of writing. The model is however based on a view of markets as driven by competition and of marketing as being about the exchange and distribution of prefabricated value – i.e., the author appears to see supply as separated from demand at all levels of the "market". Although there are some weaknesses in the depiction of this model (e.g., it appears to lack arrows between the party, the government and the legislature ['legislative' in the model] and between the media and the government),

Fig. 6s: Henneberg's 'Supra-Market of Politics' (2002: 114)
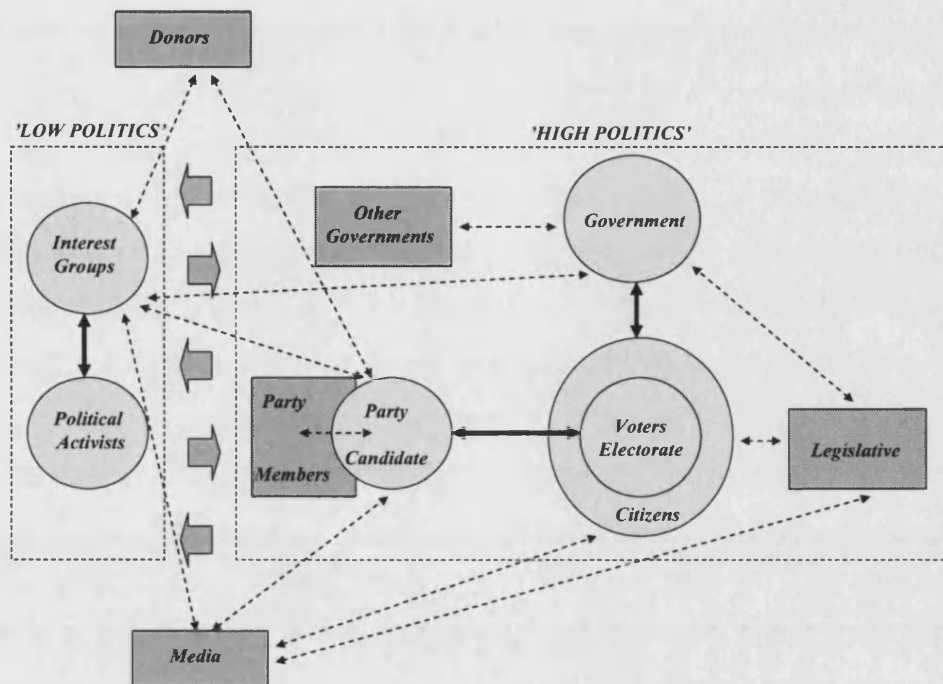
Henneberg's contribution is an important reminder that an understanding of political contexts in terms of "markets" needs to go well beyond the electoral competition. In this thesis where it is argued that a theoretical understanding of politics in terms of "market" must also reveal the workings of power within such spheres (expressed through the extent to which different actors may be seen to influence the supply-side of the equation), the primary strength of Henneberg's model of the 'supra-market' lies in its implicit or potential understanding of the drivers of supply and demand that the distinction between 'high' and 'low' politics appears to suggest. This is, however, not a point explicitly discussed by the author or made manifest in the model. He depicts the relationship between parties and interest-groups as driven by competition which, in turn, makes it difficult to understand the workings of party-centred "markets" where such players are often in close collaboration with each other (Scarrow, Webb et al. 2000). The primary weakness of this model seems thus to lie in its lack of stratification of the "market". Fig. 6t below attempts to follow through on Henneberg's distinction between 'high' and 'low' politics in order to show how the workings of supply and demand (power) may be seen as manifesting themselves within the party-centred spheres of politics.

Fig. 6t: The "Sub-markets" of Party-Centred Systems Viewed Separately

SUPPLY

**THE ELECTORAL "MARKET"**
(Political Parties, Associated Organisations, Eligible Voters)

Supply of: Participatory Services and/or Parliamentary/Governmental Representation

Citizen Power: Exit + Voice

DEMAND

FINAL SUPPLY

**THE GOVERNMENTAL/ PARLIAMENTARY "MARKET"**
(Parties in Government or Parliament - Local or National)

Supply of: Implemented Policy and Legislation

Citizen Power: Exit

**THE NON-ELECTORAL "MARKET"**
(All other Political/Semi-Political Organisations, Voters and Non-Voters)

Supply of: Participatory Services and/or Representation in the Chain of Demand

Citizen Power: Exit + Voice

DEMAND

In this model Henneberg's 'activism market' has become 'the non-electoral market' and his 'governmental market' has had the word 'parliamentary' added to its name. The latter is done because parties in proportional electoral systems – which many party-centred nations are – may in the case of a minority government exercise significant power in parliamentary positions (Budge and Keman 1990; Scarrow, Webb et al. 2000). In some party-centred countries there are small parties which never make it into parliament or government because of threshold rules (Mair 1997), but they may nevertheless compete in local elections and sometimes make it into local or regional governing bodies. The 'electoral market' must therefore, I suggest, be seen as representing the first level of supply which subsequently will feed into *final supply* (the governmental/parliamentary "market") when the party-centred "market" is viewed as a whole, whereas 'the non-electoral market' (interest groups of all guises) will represent *demand* (see also 6.3.2.e). Viewed separately both the electoral and the non-electoral "markets" would according to the definitions set out in subsection 2.1.2 qualify as high-touch "services industries" because both parties and (most) interest groups facilitate member participation in the production of organisations' output (an exception to this "rule", is e.g. Greenpeace) and citizens would thus be understood to preside over the power of both voice and exit. In the

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governmental/parliamentary "market" citizens are understood to have the power of exit alone – that is, if they dislike what is currently "on offer" they would have to take their demand over to the competition or exit the market altogether. However, when a RM perspective is appropriated in the party-centred case it is possible to envisage the emergence of yet another political "sub-market".

## 6.3.2.c   The Political "Business-to-Business Market" – Collaboration and Competition

One of the shortcomings of conventional marketing approaches as traditionally and currently applied to the analysis of party-centred contexts lies in the models' reliance on competition as the driver of action in markets. Such a starting point makes it difficult to accommodate the reality of many party-centred democracies because, within such spheres, actors within 'the non-electoral market' are often directly or indirectly included on the supply side of the 'electoral market'. This is, as previously discussed (see 2.1.4), firstly exemplified by the close relationships that many membership parties foster with interest groups in different guises (unions, agrarian groups, the church, etc.). Secondly, such systems often include labour and business associations and other significant interest groups in the legislative process – a practice often referred to as the corporatist model – and constituted in governments or parliaments sending proposed legislation out on so-called "hearing-rounds" where groups that would be heavily influenced by their implementation are allowed the opportunity to comment or make their potential objections heard (Lijphart 1999). Such practices represent direct opportunities to influence legislation and there are numerous examples of proposed legislation having been stopped as a result of negative feedback from involved interest groups (Munk Christiansen and Rommetvedt 1999). Seen from an RM stance, this information introduces a new stratum into our understanding of the political "market" as a whole; there is in effect also a *political "business-to-business services market"* in need of theoretical accommodation. Although Fig. 6u below focuses on the channels for collaborative action this is not to imply that competition is done away with – the model should be seen as resting on the idea of simultaneous collaboration and competition (Gummesson 1997). The model attempts instead to demonstrate what Kirchheimer implicitly uncovered (see 5.4.3); namely that some political systems can be seen as stratified in a very similar way as commercial business-to-business markets. That is, they consist of suppliers, sub-suppliers and end-users. In this model I have excluded the end-

Fig. 6u:   The Party-Centred "B2B Services Market" – The Chain of Supply

Organised Demand as Sub-supply    Supplier Level I    Supplier Level II

Organised Labour

Single-Issue Groups

NGO's

Organised Business

PARTY

Government

PARLIAMENT

"OUTPUT"
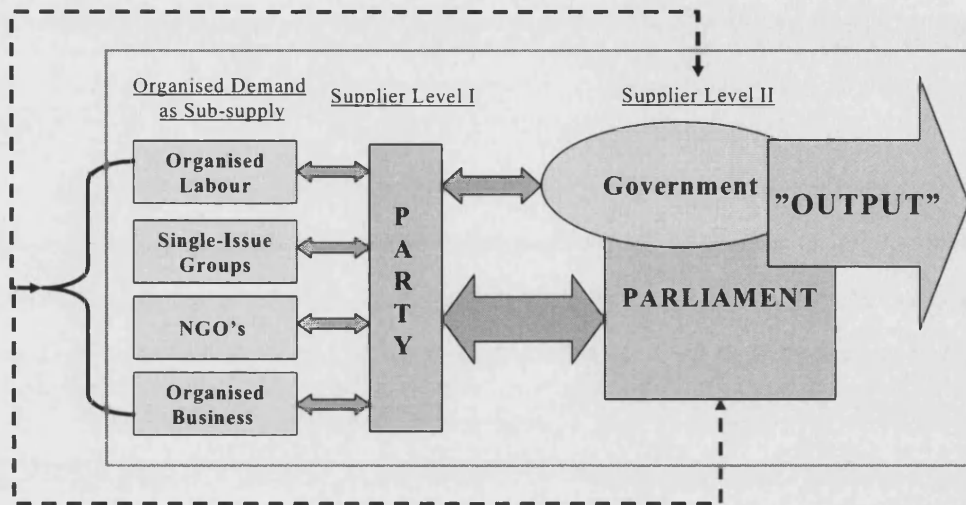
users because my main concern is to show the way in which a RM perspective allows us to capture the role that some actors in 'the non-representational market' – which viewed separately must be seen as representing demand – play as *sub-suppliers* of political input in the 'electoral and governmental/parliamentary markets' within party-centred systems. It is here important to note that the existence of this political "business-to-business market" seems to be contingent on the workings of membership parties that allow and facilitate demand-side participation in supply-side activities in what has been termed 'the electoral market'. Parties are the only actors that can be voted for and that provide parliamentary and governmental representation, and they are consequently also the only actors that can facilitate interest group participation in what would be considered supply-side activities in this conception of the party-centred "market" when viewed as a whole. Without membership parties, interest groups would have to resort to lobbying – which is a demand-side activity often driven by a dog-eat-dog competition for resources and attention (Swanson and Mancini 1996). This model also attempts to account for the differences that exist between corporatist party-centred systems such as the Scandinavian countries where interest groups have the opportunity of influencing policy both directly through collaboration with the end-suppliers (in hearing rounds – the dotted lines between sub-supplier level and government/ parliament) and indirectly through collaboration with parties, and majoriarian systems such as the UK where the main way of participating in *supply-side* activities for interest groups is through political parties.

The former realities are thus represented by the whole model, whereas the latter is represented through what is depicted within the "box" in the model.

## 6.3.2.d    The Party-Centred Electoral "Market" – Transactions or Relations?

As shown in subsection 6.2.3, the "political product" may – when viewed from a RM angle – be seen as available in two fundamentally different versions within party-centred contexts. There is demand for and supply of both political "high-touch services products" and political "commoditised services" (prefabricated ideas). This observation feeds into our theoretical understanding of such spheres in terms of "markets" – the electoral market may in effect be seen as divided into two different "sub-markets": One *electoral services market* which is characterised by overlapping supply and demand; interdependence, participatory interactions and long-terms relationships; networks of organisations; and simultaneous collaboration and competition, and another which may perhaps be called the *electoral spot-market* based on: separated production and consumption processes and discrete transactions between "suppliers" (parties) and "consumers" (voters). Such a spot-market would within the contexts considered here continue to bear relational hallmarks at the supplier level because, although this sphere may be seen as driven by competition for votes, independent voters will still have to relate to political parties that often tie themselves into tight coalitions with other parties – reflecting the fact that within proportional party-centred systems a single party will seldom be able to win a clear majority and establish government on its own (Scarrow, Webb et al. 2000).

Fig. 6v:  The Party-Centred Electoral "Spot- Market"



Competing and Collaborating
MEMBERSHIP PARTIES
(Providers of Prefabricated Ideas
and Representation)

OUTCOME
(Representation)

ELIGIBLE
VOTERS

Price of
Outcome:
Vote

Clearing Mechanism:
Trust Qualified through Interaction
with Party Representatives,
Media Representations and Word of Mouth
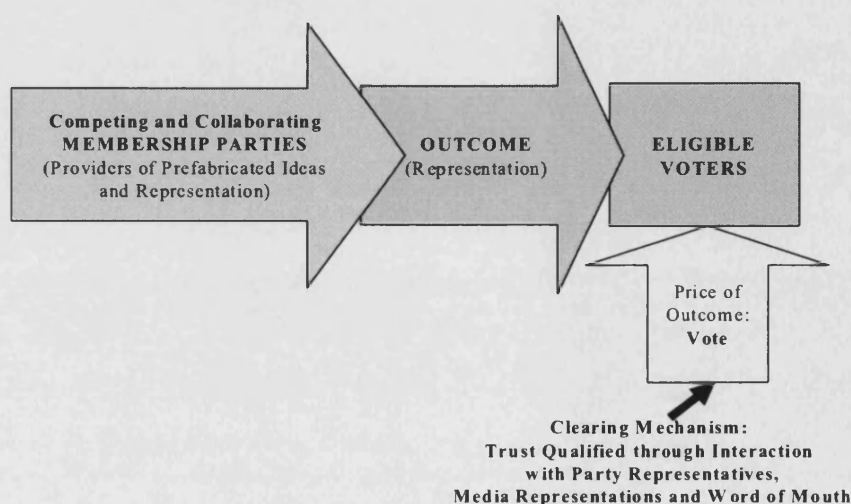
Fig. 6w: The Party-Centred Electoral "Services Market"
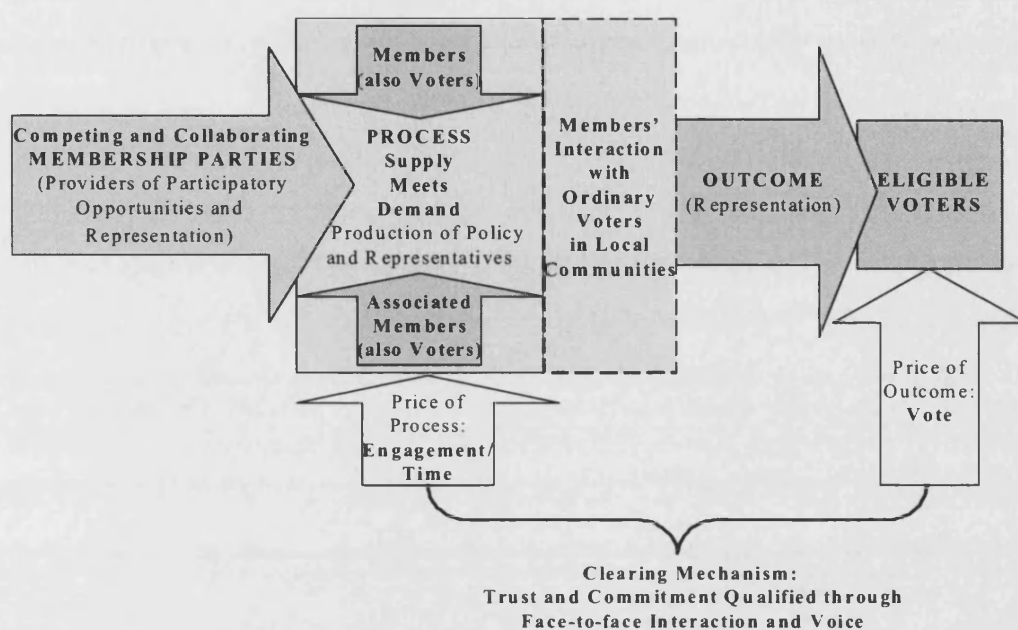


Figures 6v and 6w above aim to illustrate how the workings of these two "electoral markets" may be seen from a RM perspective. Although the market concept of clearing mechanisms does not sit very comfortably with politics (see 6.4.1 for a further discussion) – following RM thinking in both these models – it is here suggested that if politics is conceptualised in terms of "markets" then the main clearing mechanism might be seen as constituted in *trust* (Hosmer 1995; Cowles 1996; Lewicki, McAllister et al. 1998; Michell, Reast et al. 1998)[79]. The extent to which politicians and political parties are able to establish a trustworthy image of themselves in the "market" would, when seen from this angle, be understood as resting primarily on the degree of proximity or closeness they have to voters (Payne 1988; Morgan and Hunt 1994; Grönroos 2000). This seems to indicate that there is a need to differentiate between the types of trust it may be possible to establish in these two "sub-markets": In the former model (the spot market) voters are seen as having to build their trust on the interactions which they may/may not have had with party representatives in the local community; how the party is portrayed by the media; and general word-of-mouth. This is ultimately an assessment of how capable the party is envisaged to be in governing the country if given "the vote of

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[79] Trust is also a concept which in recent years has moved to the centre of debate among democratic theorists (Cohen 1999). According to Mark Warren (1999: 310) it is becoming 'increasingly clear' that certain kinds and amounts of trust are necessary to the 'stability, viability and vitality' of democratic systems – i.e., it seems to constitute a key factor in keeping them workable and well-functioning.

confidence"[80]. In the 'electoral services market' party members and associated members of parties may establish their trust in direct dialogue and through long-term relationships and they will not only be assessing the party's trustworthiness with regard to governing but also how well it includes members in the intra-party production process and thereby ensures the quality of the party's general output. Thus, although both these "sub-markets" may perhaps be seen as ultimately cleared at voting level, when the 'electoral services market' is viewed from a RM angle it may also be understood as "cleared" at an organisational level through parties' enrolment of members.

## 6.3.2.e  The Party-Centred "Market" – All "Sub-markets" Taken Together

In Fig. 6x below the different sub-markets are integrated into one stratified party-centred "political market" as it can be understood from a RM perspective. Here it is possible to show how and where supply meets demand and where these forces still may be considered separated in both time and space. What was in the previous subsection termed the political 'business-to-business market' – the chain of supply where organised demand

Fig. 6x:   The Stratification of the Party-Centred Political "Market"



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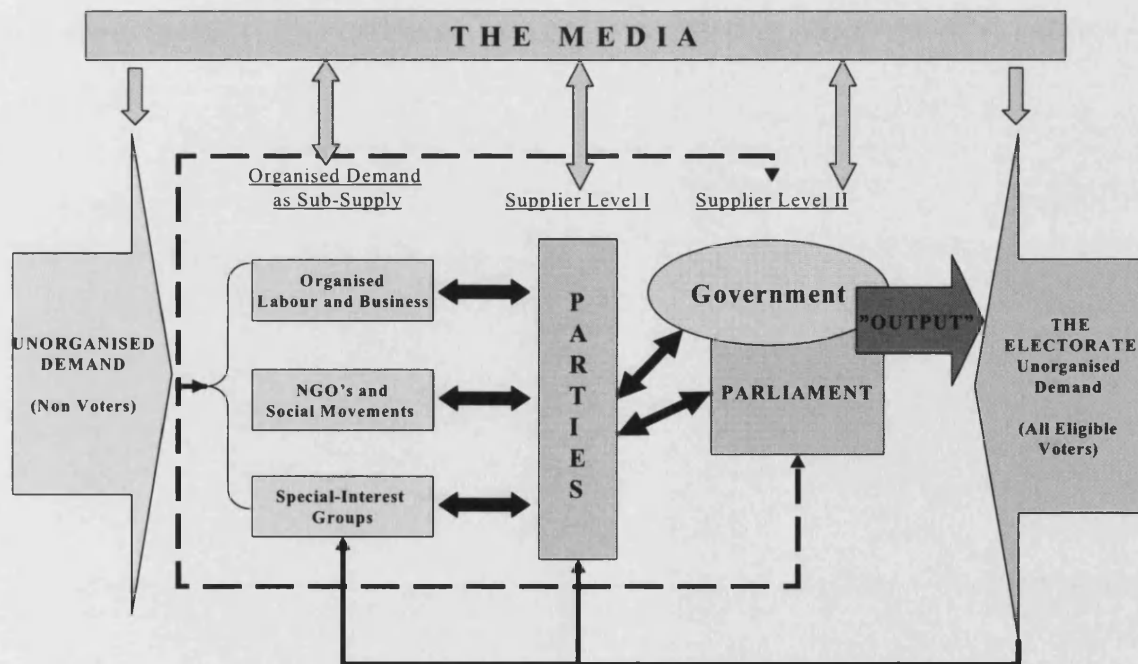
[80] The common expression "vote of confidence" seems to provide further support for the idea of 'trust' as a fruitful concept with regard to understanding "clearing mechanisms" when politics is conceptualised in terms of "markets".

is included – constitutes the core of the model. To this is added 'unorganised demand' on both the *input* and *output* sides of the model: On the former side, the fact that non-voters (also formally a part of the electorate) may sometimes be politically interested people who for various reasons have exited 'the electoral market' and redirected their demand to the 'non-electoral market', is provided for. Demand on the output side (the electorate) is at a fundamental level seen as all eligible voters. The electorate may, in turn, be seen as segmented into ordinary (unattached) voters; a group of people that might be thought of as "the politically indifferent" (which together with non-voters on the input-side of the model may be seen as representing growth potential in the electoral "market"); and finally, voters who are also party members and/or members of organisations that from a RM perspective would be considered sub-suppliers of political input to parties in the political 'business-to-business market' (the arrows from 'the electorate' to 'parties' and 'organised demand')[81].

To complete the picture, this model also acknowledges the ubiquitous position of the media in modern politics and shows the reciprocal relationship existing between these actors and actors in what in this chapter is conceptualised as a political chain of supply (Franklin 1997; Bennett and Entman 2001; Meyer 2002). As pointed out by Dean and Croft (2001), not only are political parties, interest groups and governments to varying extents reliant on the media to get their agendas conveyed to distant voters/citizens, political parties may also be seen as pivotal sub-suppliers of editorial material to the media. The media need 'politicians and their parties as much as they need sports personalities and show business stars' (ibid: 1208). However, as pointed out by these authors and others (see e.g. O'Shaughnessy 2001), and as made explicit in Dean and Crofts model in subsection 6.3.2.a, the media may be influenced but not completely controlled. Paradoxically though, in an age where the partisan press appears to be history, the media are driven by commercial interests, and one might expect the relationship between parties/government and the media to be difficult to explain using RM theory (depicting business relationships as resting on trust, commitment and loyalty, see Morgan and Hunt 1994) – the commercial pressure put on media organisations seems to be in the process of creating the opposite result. Media owners' demand for efficiency and high

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[81] Again, note that the dotted line going between 'Organised Demand as Sub-Supply' and 'Supplier Level II' in this model is intended to be representative of corporatist systems (e.g., the Scandinavian countries, Austria, the Netherlands, Germany, etc.), and will to a much lesser extent explain the workings of majoritarian party-centred contexts such as the UK.

returns on investment appears to mean less human resources, less investigative journalism and less independent analysis, resulting in a situation in which media organisations are increasingly co-producing their editorial content with their political "sub-suppliers" – exemplified by press-releases prepared by the spin-doctors of parties or governments being printed with just minor amendments or slight brushings-over (Beckett 2008; Davies 2008). Moreover, the importance of individuals' networks of professional contacts – the survival of which must be seen as anchored in a minimum of loyalty (Morgan and Hunt 1994) – seems "always" to have been a pivotal element of practical journalism and it appears no less so today.

It is nevertheless *difficult* to conceptualise the realm in which political actors and the media meet as a political *"sub-market" in its own right*. While there may be much interaction and interdependency between these players, they fill adversarial roles – the media are among other important things supposed to be democratic "watch-dogs" that hold parties and governments to account (Scammell and Semetko 2000) – and the realm in which they meet seems therefore to lack the level of *predictability* that a market metaphor would necessitate in order to add theoretical understanding. Politicians cannot, for example, expect to receive the coverage that they wish for from the media – even if they may have been partially part of the production process. On the contrary, they may rely on being frequently questioned, misunderstood, misinterpreted and/or misquoted (Meyer 2002). This, I argue, is an exchange/co-production environment which is difficult to capture through the use of supply and demand-thinking (see also 6.4.1). I have for this reason accorded the media a position in the model which is intended to illustrate their importance in a way that does not compromise their (ideally) independent "nature".

### 6.3.3 Preliminary Comments

In this section I have considered whether an RM perspective provides a way in which to understand party-centred political contexts in terms of "markets" without at the same time theoretically compromising their systemic "nature" (see 2.1.1 and 2.1.3) – which I have argued is the outcome when conventional market models are utilised in the theoretical understanding of these contexts – and the result is a positive assessment. The framework's focus on the interdependence of market actors in services/business-to-

business markets brings with it insights on competition, collaboration and supply and demand that help visualise the way in which the party-centred "market" is stratified – and that also illustrate how the workings of supply and demand within such "markets" may also be conceived of as expressions of power. Firstly, it has been possible to capture and offer a conceptualisation of how membership parties both compete and collaborate with interest groups in a way which seems to represent a closer approximation of what is commonly said to characterise the workings of party-centred democracies – this represents a systemic practice which is here suggested can be conceptualised in terms of a business-to-business "market" where the power of interest groups to participate on the supply-side (as sub-suppliers of political input) of the 'electoral market' is visualised. Secondly, RM has provided insights which help to capture the differences between party-centred politics as high-touch "services markets" and as arenas where "prefabricated ideas" are exchanged for votes. Again it is possible to indicate what kinds of power may be available through the choices that citizens make. Taken together, an RM perspective helps to shed conceptual light on the party-centred political processes that conventional market models have typically tended to render theoretically invisible. The approach consequently provides an understanding of party-centred politics in terms of "markets" that seems more in line with what party-oriented political scientist commonly say is happening within such political realities – in turn, producing the positive side-effect that it is possible to distinguish these political realms theoretically from candidate-centred systems such as the US.

## 6.4 Market Models and Politics – Critical Analysis and Discussion

### 6.4.1 Some General Conceptual Reflections

"In the Beginning there was the Market, the Market was with God, and the Market was God."
(John. 1:1 somewhat rewritten - inspired by Williamson 1987: 87)

The pervasiveness and persuasiveness of different types of market models as conceptual tools with which to understand non-market spheres seems often to have prevented critical questioning of their contextual validity, their general helpfulness and the assumptions, values and connotations which they tend to bring with them from the world of commerce. These features may sometimes create more confusion than understanding or they may contribute to trivialising or distorting our understanding of important segments of society. Although there are certainly many critics (see 1.1.4), these voices often are crowded out by the protagonists advocating the superiority of such approaches in the understanding of (it would seem) virtually all walks of life. Imported into the theorising of politics such models tend to bring with them both philosophical/ethical problems (as discussed in subsection 1.1.4) and conceptual challenges of a more general character, as I now discuss.

Firstly, the value of the concept of clearing mechanisms – the existence of which is together with the concepts of supply and demand, usually considered a key characteristic separating markets from non-market spheres – may from some vantage points be questionable[82]. Is the sphere of politics in need of clearing itself of any shortages or surpluses in supply and demand? What kind of "political price" are we looking at in order for the sphere of politics to clear itself of excessive demand – and even more challenging perhaps – how would we understand excessive demand in the political realm? Is it helpful thinking of plummeting voter turnouts in terms of a decline in political demand – and if so – in what ways might political parties lower the "price" in order to boost demand? Similarly, what would amount to a surplus or shortage of supply – an over/under-establishment of political parties? Questions such as these are not easy to

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[82] This is a concept which not many mainstream marketing scholars relate to. The introduction of the exchange notion is seen to render such traditional economics concepts irrelevant to marketing; as previously discussed, a view which in effect untied marketing from the particular characteristics of markets and made it into a framework which was claimed to be cross-contextually applicable (see 3.1.2 and 3.1.3). The empirically grounded services and business-to-business marketing inheritance of RM seems to have shown that there are differences in the workings of contexts (markets) that are highly marketing relevant and that effectively change the way in which marketing may be seen as being successfully conducted. Insights on supply, demand and clearing mechanisms seem over the last two or three decades to have been gaining increased relevance within marketing thinking.

resolve empirically– which would perhaps to some observers constitute sufficient evidence of the general disadvantages of market metaphors in the theorising of politics to dismiss them as non-applicable within such segments of society (see 1.1.3). This study illustrates that representative democratic systems do exhibit mechanisms that appear to resemble the workings of supply and demand in markets and they are, arguably – even if the shortage/surplus notions discussed above seem difficult to appropriate for the theorising of politics – also highly reliant on what may be thought of as well-functioning clearing-systems (elections). Moreover, party-centred contexts appear equally reliant on well-functioning clearing/settlement mechanisms at the organisational level too. Most importantly, because electoral competitions within such systems are constructed around the workings of membership parties and in order for these organisations to continue playing this pivotal role, it would seem that they need to maintain their ability to recruit new members and innovate. Perhaps it could be argued that clearing mechanisms in politics should refer to the forces that keep the particular type of democratic system under study workable or well-functioning. This is the line along which in subsection 6.3.2.d I argued when it was suggested that 'trust' may be a useful concept with regard to the understanding of clearing-mechanisms if politics is conceptualised in terms of "markets" (see 6.3.2.d). It is also thinking which appears to resonate well with an argument put forth by political analyst Roger Mortimore (2002). He contends that the British people's trust and confidence in politicians and political institutions is currently too low for the health and viability of the system – implicitly suggesting, it would seem, that lack of trust in "political markets" could result in the "markets" not being able to clear themselves to the general satisfaction of the people. This seems to underpin the problems that sometimes emerge when theoretical concepts are imported from one discipline into another – in this case it demonstrates that when appropriated for politics, clearing issues tend to become entangled in questions of legitimacy[83].

Secondly, there are equally significant challenges tied to the appropriation of the "product" concept for political theorising; it is for example difficult to think of a commercial market in which products are available one single day every forth/fifth year and where one is allowed just one purchase. Thus, when in this study – much in the same way as political marketing contributors inspired by conventional marketing (Butler and

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[83] This connection is possible to infer from the model (Fig. 6m) developed in subsection 6.2.5 of this chapter.

Collins 2001; Lees-Marshment 2001; Wring 2002) – I have suggested that there is also a 'political spot-market' in which the "political product" can be understood as a commoditised service (e.g., policy promises) that can be exchanged for votes on Election Day, I also have put forth the implicit suggestion that satisfaction with a choice would subsequently rest on an assessment of how well the implementation of such promises is fulfilling a given set of needs. Fulfilment of policy promises is however just one possible outcome of voting whichever political context is focused on. Ideally, this is a strong possibility if the party is seriously committed to a certain policy programme *and wins* the election, but this process can be distorted by a number of factors that are not amenable to short-term political adjustment (international economic trends, EU-regulations, etc.) – a fact also explicitly acknowledged by Butler and Collins (ibid). If the "political product" is conceptualised as policy fulfilment and a party fails to win, a non-party member within a majoritarian system such as the UK, will have "paid" without receiving anything in return – which effectively transforms politics into *a lottery, not a market*. This is perhaps one of the greatest theoretical shortcomings of market models as appropriated for the understanding of politics. In candidate-centred majoritarian ("winner-takes-all") systems (e.g., the US) – which some critical observers sometimes see as exhibiting "lottery" features (see Lijphart 1999: 2, discussion of majoritarian plurality rule) – the notion of a "political product" and the market metaphor appears to be theoretically very evasive. If one happens to be a party member in a majoritarian system also exhibiting relatively strong membership parties (such as the UK) and a party fails to win, it is possible to argue that one has still received a "political product" and that it is constituted in the satisfaction derived from whatever intra-party participation the member has chosen to engage in. That is, even if a party fails to win the party member will have received the 'political services product' as it has been defined in subsection 6.2.3 of this study.

The "product" concept comes into its own right when applied to proportional party-centred systems (Lijphart 1999). Here it is possible to argue that even if a citizen has chosen the 'lean version' of the "political product" (voting alone) and the chosen party fails to win, there is something to be gained from what is, by some scholars, thought of as the political "buying process" (Henneberg 1997). Within such systems parliaments often exercise significant power and a party's representatives may nevertheless well be placed in a parliamentary position where (sometimes significant) influence on legislation and political decision making can be had (Budge and Keman 1990). Thus, within such

systems it appears that – more than "buying" policy fulfilment when they go to the polls – ordinary voters, operating in what I have termed the party-centred 'spot-market' – can be understood as "buying" *the opportunity to choose supplemented by an ideological direction* through his/her choice of party. This is also one of the reasons why it is argued here that ideology is as important in politics today as it ever was (see 5.3.5 and 6.2.3)[84].

Following from the above it seems that politics cannot be conceptualised in terms of "markets", unless there is a party-member within a majoritarian system also exhibiting inclusive membership parties or there is a proportional party-centred system – in which cases something may be received from the political "buying process" even if a party fails to win. Other political contexts are difficult to think of in terms of markets because one may end up "paying" (voting) without receiving anything even remotely resembling what was "ordered". This would in many commercial market situations provide the consumer with a legal right to cancel the purchase and claim his/her money back – a concept which would seem to create significant challenges if applied in the theorising of politics[85]. However, while there are certainly both conceptual limitations and philosophical/ethical problems tied to the appropriation of market models for the theorising of politics (irrespective of systemic context, it would seem) and, while this study may when viewed from a critical angle be seen as "adding insult to injury" in this regard, it also illustrates that there are helpful and interesting insights emerging from a closer examination of the presuppositions that different models carry with them into a new habitat.

## 6.4.2 Some Meta-Theoretical Reflections[86]

> 'While pragmatists would argue that how we construe the world is an outcome of social construction, they would also point to how an *ontologically real external reality* intervenes and imposes pragmatic limits upon our discursive analysis.' (Johnson and Duberley 2000: 160, emphasis added)

Following the pragmatic approach that Johnson and Duberley refer to in the above quote, this investigation has rested on the assumption that the explanatory power of theories or

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[84] Interestingly, Pedersen, Bille et al. (2004: 369) also find that 'the most frequent reason given [for enrolment] was the party's ideology'. The importance-of-ideology-claim put forth here seems thus to be supported by empirical findings.

[85] The concept of the party-centred electoral "spot-market" developed in subsection 6.3.2.d seems to lose much of its resemblance to a market – and consequently also its theoretical explanatory power – when applied to a majoritarian system such as the UK

[86] 'Metatheory points to how any mode of engagement with the world is laden with *a priori* commitments.' (Johnson and Duberley 2000: 77, emphasis added).

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concepts must be assessed against the ontological real external realities which they aim to describe or explain (see 1.3.3). Correspondingly, it was first contended (see 1.1.3 and 1.2) and then through an examination of the relevant literatures subsequently documented (see 2.1.1 and 2.1.3), that there *are* some fundamental differences between the workings of party-centred (as defined in this study) and candidate-centred (such as e.g., the US) political realities. These differences are frequently acknowledged by political scientists devoted to the study of political parties, but they do not so far appear to have penetrated to the level of theory. Most importantly, they manifest themselves through the way in which membership parties within the former systems facilitate citizen participation in the production of policy and political representatives on the supply-side of the "market"[87]. The market models most commonly utilised in both traditional and contemporary conceptualisations of party-centred political contexts seem to rest on meta-theoretical presuppositions which appear to be in fundamental conflict with this key contextual characteristic. These presuppositions, in turn, express themselves predominantly at an *ontological level*[88]. Firstly, through the models' view of the world (markets seen as characterised by separated supply and demand; independent actors; exchange and singular transactions; and as driven by conflict and competition); secondly, through their image of man (consumers seen as choosers and exercisers of exit-power alone); and, finally, through their external ethical commitment (i.e., the view that what is good for the company is "automatically" good for society as well) (Ingebrigtsen and Pettersson 1979). I suggest that such presuppositions hinder the development of a comprehensive theoretical understanding of party-centred political contexts in terms of "markets" – which as discussed several times throughout this thesis, has been a very influential way of making theoretical sense of politics.

RM brings with it a different ontological outlook. My investigation has demonstrated that this perspective's view of the world and image of man are the *key factors* facilitating the alternative theoretical understanding of party-centred politics in terms of "markets" that has been developed in this chapter. The framework's view of high-touch services/business-to-business markets as mostly characterised by overlapping supply and

[87] This opportunity for demand-side actors to participate in supply-side activities seems not in the same way available to citizens within candidate-centred systems such as the US.

[88] Although there are also differences in the epistemological commitments of the marketing frameworks under consideration in this thesis (see 3.1.3 and 4.1.2), these appear to be marginal. They are not directly relevant to this investigation and for these reasons, are not discussed here.

demand; interaction and long-term relationships; and as driven by both collaboration and competition, brings with it insights on the workings of organisations within such contexts that in this study have helped to facilitate an understanding of the participatory elements of the party-centred political process that conventional market models tend to render theoretically invisible. The more three-dimensional image of man (as an individual potentially vested with the concerted powers of both voice and exit) that follows from RM's view of the world, has been equally pivotal in the establishment of, I suggest, a richer and more nuanced theoretical understanding of the behavioural workings of citizens/party members and ordinary voters within party-centred contexts.

RM's ontological outlook also results in a significant shift with regard to external ethical commitments. This is grounded in the acknowledgement that if what is good for the company is somehow bad for consumers or society at large, then it might not be good for the company in the long-term either. Although the *vantage point* from which the normatively-oriented RM literature views the world appears to differ little from that of conventional marketing (it remains mainly a view of the world as perceived by the company manager or the owner, see 4.1.2), there is a strong advocacy of high ethical standards in the literature. This is, most importantly, because such behaviour is – in the interdependent, co-producing "power-sharing" RM universe – said to be the most profitable strategy[89]. Correspondingly, the descriptively oriented RM literature see these individuals (company managers or owners) as less inclined to manipulate consumers and to focus on short-term gains. They are conceived of as understanding the expanded power position that consumers take from overlapping production and consumption processes, and also as understanding that manipulation or short-termism may hold the potential of "backfiring" in the longer term. The increased focus on ethics (compared to conventional marketing) and win-win strategies that RM exhibits (see 4.2.1.f) – is therefore mostly anchored in some sort of pragmatic utilitarianism at both normative and descriptive levels.

More than signifying the coming of a paradigmatic shift within the marketing discipline, the emergence and development of RM seems to rest on the acknowledgement that there are indeed different "worlds" out there, they are not driven by exactly the same forces,

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[89] Hence the framework's stakeholder focus and emphasis on win-win strategies (see 4.2.1).

and this, in turn, has diminished scholarly belief in a generic framework of marketing. RM and conventional marketing take their ontological presuppositions from the 'real external realities' which they were initially designed to deal with (Johnson and Duberley 2000: 160) – i.e., services/ business-to-business markets and markets for manufactured consumer goods. Interestingly, RM is geared to the understanding of a world (the latter types of markets) that Hirschman (1970) – who's ideas the RM research community seems heavily indebted to[90] – turned to traditional political science in order to find appropriate concepts with which to explain. As previously discussed (see 6.1.1), he saw the voice-option as a political mechanism which as a concept added to the theoretical understanding of certain types of commercial markets:

> 'A close look at this interplay between market and non-market forces will reveal the usefulness of certain tools of economic analysis for the understanding of political phenomena, and *vice versa*. Even more important, the analysis of this interplay will lead to a more complete understanding of social processes than can be afforded by economic or political analysis in isolation.' (Ibid: 18, emphasis in original)

The conceptual development in this study is therefore helped by the fact that the realities from which RM takes its ontological outlook are contexts which are themselves driven (or potentially driven) by 'political mechanisms' and which have also been made theoretical sense of through the use of political concepts[91]. Perhaps the RM approach developed here may be perceived of as a having facilitated the revitalisation of the voice-option in political theorising.

### 6.4.3 Revisiting the Main Research Question – Conclusion

> 'It is intrinsically worthwhile to unmask an accepted depiction as inadequate and to make a convincing case for an alternative as more apt. [...]Political theorists have an ongoing role to play in exhibiting what is at stake in accepted depictions of reality and reinterpreting what is known so as to put new problems onto the research agenda. *This is important for scientific reasons when accepted descriptions are both faulty and influential in the conduct of social science. It is important for political reasons when the faulty understandings shape politics outside the academy.*' (Shapiro 2004: 213, emphasis added)

This thesis sprang out of the initial observation – much in line with the first of Shapiro's concerns emphasised in the above quote – that conventional exchange-based market models (be they of economics or marketing origins) tended to *significantly* misrepresent

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[90] His contribution is disappointingly seldom directly referred to in the RM literature (see Gummesson 1999: 70 for an honourable exception).

[91] Overlapping supply and demand was after all – as shown by Hirschman (1970) – considered an anomaly within commercial markets by mainstream economic theorists.

and/or render *key* parts of the party-centred political process as commonly practiced throughout significant parts of the democratic world (see 1.1.3) theoretically invisible; they seemed furthermore to be highly influential within both political science and contemporary political marketing; which, in turn, contributed to the cementation of a distorted theoretical understanding of the systemic workings of such political realities. That is, the participation of demand-side actors in supply-side activities – the key characteristic of party-centred politics – had gone theoretically unaccounted for. While I explicitly acknowledged that no theory or concept constitutes a perfect fit with reality (see 1.3.5), I considered it worthwhile to investigate the extent to which RM – which looked like a promising perspective given the way in which party-oriented political scientists commonly describe the systemic workings of such contexts – might offer theoretical insights that could help remedy some of the theoretical shortcomings of conventional market approaches as currently also applied in the theorising of party-centred politics. The big question (research question 1) in this study was therefore:

> **In what ways and to what extent, may a relationship (services and business-to-business) marketing approach provide insights that could aid the construction of a descriptive marketing framework which would improve our conceptual understanding of the workings of party-centred political contexts in terms of "markets", and thereby also help to distinguish them theoretically from candidate-centred systems such as the US?**

A complex theoretical investigation enhanced by the creative analysis in this chapter illustrates that the appropriation of this alternative marketing approach for party-centred politics does contribute to a significant theoretical illumination of the systemic workings of these political realities. This alternative way of conceptualising party-centred political contexts has also made it possible to distinguish them theoretically from candidate-centred systems such as the US. Firstly, the contextual investigation undertaken in chapter 2.0 suggested that when party-centred (as here defined) and candidate-centred (such as e.g. the US) political systems were viewed from the two different market perspectives, conventional market models seemed possible to utilise in the description of candidate-centred systems[92], whereas RM appeared to be more commensurate with the party-centred contexts at the centre of attention in this study. The subsequent investigation furthermore has shown that when these two types of political contexts are viewed in the light of these two market perspectives it becomes possible to argue that

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[92] There seemed at least not to be any fundamental misfits (at supply/demand level) between the way in which the workings of the US political system is generally described by American political scientists and the conventional market models often used in the theoretical conceptualisation of them (see 2.1.3).

they represent – not only different political systems – but two different *"qualities of democracy"*[93]. These two "qualities" manifest themselves in whether or not citizens have the opportunity to participate in the production of policy and representatives on the supply-side of the "market", and through the different types of power that this entails for citizens (exit power alone or the concerted powers of voice and exit). Thus, a descriptive RM approach seems to have helped shed theoretical light on the fact that party-centred systems (as here defined) appear – through the workings of inclusive membership parties – to have put into practice one of the most pivotal normative ideals of classical democratic theory, namely the opportunity of *'individual participation in the development of public policy'* (Walker 1966: 288, emphasis added). The framework's strong focus on the organisation has provided a way in which to capture and theoretically understand how this supply-side participation is achieved or organised. An RM approach to the theorising of party-centred politics has facilitated the provision of some of the 'adequate, operational definitions' or concepts that classical (participatory) democratic theory is said to be lacking (Walker 1966: 285).

Following Shapiro (in the above quote) the ultimate question seems now to have become; how convincing is this alternative approach to the theorising of party-centred politics in terms of "markets"? Utilising a services marketing perspective for the purpose of understanding political spheres which in terms of size may arguably be seen as predominantly transaction-based may by some observers be perceived as an attempt at conceptualising "the tail as wagging the dog". As discussed in the contextual chapter, the opportunity to join (or form) a party is open to all voters within the contexts under consideration in this study, and as discussed in subsection 2.1.3, industries come in all shapes and sizes and so do high-touch services sectors. Insofar as a majority of party-centred citizens seem to prefer what has in this study been termed the 'lean version' of the party-centred political offerings is in this case irrelevant. What is relevant is the fact that there are participatory political services on offer within party-centred contexts. These are available on a year round basis for the citizens who wish to make use of them. They are facilitated through the workings of membership parties. This is, by political scientists devoted to the study of parties, often said to be the key feature distinguishing these

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[93] Again, it must be noted that quality does not necessarily mean good or bad – it may simply refer to different product characteristics – as in linen and silk. It is possible that party-centred political systems (the way these contexts are defined in this study) potentially offer *more* power to citizens than candidate-centred systems such as the US. It is beyond the scope of this study to discuss whether *more* should be considered a good or a bad thing.

political contexts from candidate-centred systems such as the US. Moreover, a RM perspective is flexible enough to accommodate the dual "nature" of the electoral realm within these systems – i.e., it is possible to capture the services elements of party-centred political realities without losing sight of the more transactional aspects of the equation. It is therefore also possible to maintain that this alternative marketing perspective contributes to a significant theoretical illumination of the workings of such political realms.

The extent to which the implementation of conventional market models within party-centred contexts can be said to have started to 'shape politics outside the academy' – the second of Shapiro's concerns emphasised in the quote at the beginning of this subsection – is an issue which I have only discussed very briefly. While there are certainly scholars claiming to have evidence in support of such a view (see 1.1.1, 2.1.3 and 5.2.3), this study does not rest on any such evidence. I have restricted myself to the claim that *if* such models were implemented in practice they may over time threaten to change the participatory (overlapping supply and demand) "nature" of these political systems because they carry with them norms that presuppose a world in which demand and supply processes are separated in both time and space (see 1.2.1.a). Such a development would – as seen from an RM perspective – in turn, entail a relative loss of democratic power for citizens within party-centred political contexts.

## 6.5 Summary – Party-Centred Politics Re-Conceptualised as "Market"

The most important insight that this study takes from an RM approach to an analysis of party-centred politics is its focus on the workings of overlapping supply and demand or co-production. This is the key point from which the perspective takes its insights on simultaneous competition and collaboration and its acknowledgement of the importance of long-term relationships and dialogue. It is also the key factor enabling a theoretical distinction to be made between party-centred contexts and candidate-centred systems such as the US – which in turn makes it possible to establish theoretical support for the difference-claims typically made by many political scientists and political marketing scholars when they speak about these two types of political systems – even as they may at the same time continue to refer to Schumpeter and apply other conventional models in their analyses of both types of contexts. RM provides an opportunity to conceptualise party-centred contexts in terms of "markets" in a way that renders visible the key characteristic of their systemic "nature" – i.e., the fact that citizens (party members and associated members) may if they so choose take part in producing what is finally put on electoral offer. An RM approach seems to open up to an understanding of the supply-side of party-centred politics which has so far not been developed; an understanding which is difficult to facilitate through the use of conventional market models – most importantly, due to their focus on exchange and their underlying presuppositions about separated supply and demand in markets (see 2.1.1 and 5.4.1). The development of this RM approach also renders the use of rational-choice models and conventional marketing models in the understanding of party-centred contexts (an absolute condition being that they are constructed around inclusive membership parties) less relevant given the research questions posed in this study. Taken together, an RM approach to party-centred political contexts seems to provide a more nuanced theoretical understanding of these realms in terms of "markets" at the same time as it allows us to distinguish them from candidate-centred systems such as the US.

In the next and concluding chapter of this thesis, I elicit a few of the most important and overarching managerial implications that follow from the discussion so far; that is, I address the second research question in the introductory chapter.

# 7.0    SOME NORMATIVE IMPLICATIONS AND A CONCLUSION

In the first section of this final chapter (7.1), attention is turned to the study's second research question; that is, I discuss what may potentially be the most important normative implications (for membership parties) of theoretically understanding party-centred political contexts in terms of "services markets". After this (7.2), I proceed with a summary of the findings emerging from the study and a brief recapitulation of the research contributions and limitations (7.2). The chapter is drawn to a close by the provision of some thoughts on possible or potential issues for further research and the kinds of inter-disciplinary challenges that may face the political marketing research community in the future.

## 7.1 Normative Implications for Membership Parties

### 7.1.1 Addressing the Second Research Question

The introductory chapter provided an initial discussion of how an increased application of conventional marketing principles or procedures is often said to characterise the way in which political candidates, parties and government administrations in many (Western) countries now go about their campaigning activities, the running of their organisations and, in the latter case, the process of governing (O'Shaughnessy 1990; Kavanagh 1995; Scammell 1995; Nimmo 1999). A significant part of the scholarly work within the political marketing research community is consequently preoccupied with empirical analyses and investigations of the extent to which and the various ways in which these principles are applied within different political systems, and last but not least, what consequences they seem to bring with them. It was considered worthwhile to supplement the conceptual development at the centre of attention in this study with a brief investigation of what such an RM-aided understanding of party-centred political contexts in terms of "services markets" would mean for *the marketing* of membership parties in practice. The aim is *not* to provide a strategic political marketing framework applicable to any specific organisation or country. Instead I am seeking to provide a principled understanding of *whether* and *in what possible ways* an RM approach to party-centred politics would *differ* from the conventional marketing models that are now most commonly prescribed for political actors irrespective of systemic context (see 5.2). The implementation of such prescriptions is often claimed by critical scholars to be exacerbating a negative development within many established party-centred (and otherwise) democracies. This development is typically exemplified by reference to decreasing party memberships, a dramatic decline in citizens' trust or confidence in politicians and political institutions, rising public cynicism towards politics in general and plummeting voter turnouts (see 1.1.1). It was therefore asked:

> What kinds of overarching normative implications does a relationship marketing approach have for political parties within such contexts, particularly with regard to:
> - The problems currently associated with the 'crisis of parties' – such as decreasing memberships?
> - Problems of increasing cynicism, declining trust, low voter turnouts and the possible threat to democratic legitimacy that such a development may signify in the long-term? (see 1.2.2)

Few (if any) scholars seem to suggest – or claim to have any conclusive evidence – that the implementation of conventional marketing techniques in contemporary politics is the

(only) cause of these negative trends (see 1.1.1), and this study does not rest on the existence of such evidence (see 2.3). Nevertheless, there appear to be persistent indications that the emergence and proliferation of some of the campaigning practices that are now said to be spreading across the democratic world, together with the way in which *some* membership parties are increasingly organising their internal power structures (see 1.1.1, 2.1.3.b, 2.1.3.c and below), may in significant ways have contributed to this development. The extent to which such practices or tendencies of organisational change are most accurately described as marketing activities or as being derived from a marketing logic has, however, sometimes been questioned. Nicolas O'Shaughnessy (2001: 1051-52, emphasis added), for example, says that:

> 'Political marketing can be used *too loosely* to refer to anything from rhetoric to spin doctoring, or simply to every kind of political communication that has its genesis in public-opinion research. It has become a useful hold-all, a glad-bag of disparate entities that at an earlier phase in history would have been called populism or propaganda, or when used in a strictly business context, would go under headings like "corporate communications" or "public relations". [.] What is being done *to communicate the policies* of the British government actually bears limited resemblance to anything that would be described by textbooks of consumer marketing, or inscribed in its practice. Labour are specialists, certainly, in the manipulation of free 'media' or 'spin', the art of affixing a desirable interpretation on to a still fluid situation, and the rhetorical and symbolic strategies that might further such manipulation. But it is comparatively rare that a business will need the arts of "spin" in communicating with its public.'

This observation seems to support the analysis in subsection 5.2 where it was concluded that when conventional market models are appropriated for politics, the exchange perspective that they are grounded in, together with the intangible "nature" of the subject matter (politics itself), tend to turn all of the 4Ps of the marketing mix into issues of mass communications. This is also where many political marketing scholars now appear to see most of the disengagement and/or disenchantment problems as being located in practice. The British case has long been under study (see e.g., Kavanagh 1995 ) and more recently, Dean and Croft (2001: 1198) suggest that 'the fundamental reliance in modern campaigning on the tools of mass communication may engender feelings among voters of ennui and remoteness from the political process'. In a similar vein, Savigny (2006: 95) finds that the mainstream British parties' commitment to mass communications and marketing during the 2005 General Election campaign resulted in a seeming 'convergence of the parties' policy platforms' which, in turn, effectively hindered, or left very limited room for, debates about ideologically-based political issues. Exploring the use of negative advertising in British politics, Dermody and Scullion (2003: 95) come to the conclusion that whatever short-term electoral gains may be reaped from such activities, they create both cynicism and apathy; they contribute to 'alienate voters from

the political process'; and they may thereby in the longer-term 'undermine the liberal democratic principles upon which Western democracy is based' (see also Dermody and Hanmer-Lloyd 2006). Others see important similarities between the appropriation of marketing techniques for politics and the spread of new public management thinking and practices in public services sectors, arguing that 'the features of liberal representative democracy, particularly the role of deliberation, informed assent and accountability, have been neglected'. This, in turn, is seen as producing problems of 'social fragmentation' (Collins and Butler 2003: 61). Henneberg and O'Shaughnessy (2009: 21) go as far as to say that 'much of what occurs in elections is so blatantly manipulative that it probably does more harm than good: solving things at a plastic level. Voter apathy is the response'. In summing up a detailed study of the 2005 British General Election, Lilleker, Jackson et al. (2006: 253, 264, emphasis added) draw the following conclusion: 'If *marketing equates with promotion* then it would appear quite unproblematic to conclude by congratulating the political parties for their enhanced use of commercial marketing'. The development is perceived as having contributed to a growing gap between the governors and the governed, and even though these scholars also see the media as complicit in the creation of voter disengagement, they maintain that 'political marketing, as currently practised in the UK, is one key cause'.

The British case (particularly New Labour) seems also to provide a good example of what is commonly referred to by interested political scientists as the 'crisis of parties' – i.e., rapidly decreasing party memberships and a corresponding loss of grass roots legitimacy (see 1.1.1 and 2.1.3.b). The story of the transformation of the British Labour party into New Labour appears most importantly to be about the centralisation of intra-party power structures in the name of control, manageability and efficiency – a process often referred to as a modernisation of the party (Shaw 1994; Seyd and Whiteley 2002; Fielding 2003; Shaw 2003). According to Seyd and Whiteley (ibid) – the perhaps foremost authorities on the British Labour party – this "modernisation" process is, in effect, most importantly constituted in the substitution of the participatory democratic model (which the party was initially constructed around) by a plebiscitary model. They go on to explain (ibid: 173, emphasis added):

> 'Plebiscitary politics is really designed to legitimize decisions already taken by the leadership and is not in any meaningful sense a deliberative process involving grassroots party members. In this kind of politics a small group of people around the leadership decide *which issues* will be put to a vote of the members, and

they decide on the framing and the wording of the questions. [.] This model is one in which the members are assigned the role of *reacting to initiatives taken by the centre*, not one in which they initiate their own proposals. [.] *The price is clear*. If *voice* is eliminated as an effective strategy for the party members, not only does the leadership rapidly get out of touch and begin to make mistakes, but it leaves the members with only one strategy if they want to make their concerns felt – the *exit* strategy (see Hirschman 1970).'

Viewed from a marketing stance, the term "modernisation" seems in cases such as this to be short for the application of classical exchange-based market logic to intra-party production/decision-making processes. If all membership parties implemented such internal market logic, it would appear to change the core "nature" of the party-centred democratic "industry" from being about the facilitation of high-touch participatory political services to a core centring on the distribution of prefabricated political ideas through mass communications. The step-motherly treatment that party members are often given in the contemporary political marketing literature[94] and, in recent years, the very common claim that this group of citizens has outplayed its role in modern politics (see e.g. Webb 2000), could correspondingly be seen as a subtle endorsement of such a development. The Schumpeterian view of democracy seems to have established itself as the democratic norm in scholarly discourses – i.e., democracy is primarily seen as constituted in a choice between competing prefabricated political ideas or policy programmes in elections – and in such a scenario there appears indeed to be little need for party members in this technological day and age.

Although neither of these practices nor the dismal consequences that they are claimed to produce or bring with them are to the same extent in evidence within all the party-centred contexts under consideration in this study (see also 2.1.3.b and 2.1.3.c)[95], the second research question aimed to shed light on how the relationship marketing (RM) approach that is central to the conceptual development in this thesis would tackle such democratic challenges at a normative level. In other words: How would the redefinition of party-centred political contexts as high-touch services "markets" impact on the strategic behaviour prescribed for membership parties?

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[94] They are often neglected, just mentioned in passing or (most commonly perhaps) discussed only in terms of a canvassing resource during campaigns – very seldom (if ever) are they in the literature seriously considered or discussed in terms of co-producers of political content and representatives.

[95] Examining the British and Swedish cases, Jesper Strömbäck (2007) for example finds that the use of such marketing techniques is much more widespread among parties in the former country than in the latter – something which he explains by reference to media regulations (i.e., the legality of political advertising), electoral systems and the inclusiveness of membership parties – i.e., the extent to which they include their members in the production of policy and representatives. There is also evidence of higher citizen satisfaction with democracy and trust in politicians and political institutions within consensus than majoritarian electoral systems (Anderson and Guillory 1997), and consensus systems have on average tended to foster higher electoral turnout than their majoritarian counterparts (IDEA 2004).

## 7.1.2 Competing for Office through the Facilitation of Participatory Democracy

> 'Liberal democratic theory argues that the active participation of citizens is not only a good in itself, but is also functional to the success of a liberal democracy. Translating this ambition into reality in modern democracies is, however, exceptionally difficult. For the ambition to be realised there needs to be a set *of readily available opportunity structures for citizen participation,* matched with a set of *citizen attitudes towards participation'.* (Richardson 1995: 116, emphasis added)

The appropriation of RM theory for the understanding of party-centred politics has, in this study, helped to shed theoretical light on an important fact which is not often debated either in political marketing or in political science/democratic theory circles – namely, that it has significant power implications *where* (in the "market") such 'opportunity structures' for participation are made available to citizens. It has done so through the use of supply and demand logic which, in turn, has been held up against the party-centred and candidate-centred systems and helped to demonstrate that the former make available broader and deeper opportunities for participation than do the latter. That is, candidate-centred systems lack the opportunity for citizens to take part in the production of policy and representatives on the supply-side of the "market" which is, within the former systems, facilitated through the workings of highly decentralised membership parties.

At a normative level, an RM approach to party-centred politics would basically do two things: 1) It would call for the maintenance and further development (strengthening) of such opportunity structures and  2) it would encourage (due to presupposed overlapping "production"/"consumption" processes) a set of 'citizen attitudes towards participation' (see Richardson quote above) that would focus on supply-side co-production in addition to demand-side exchange and thereby differ substantially from the passive ("purchasing only") consumer attitudes which are commonly encouraged by conventional market models of politics (see 5.2 and 5.4). Seeing membership parties first and foremost as high-touch political service providers and their most central services offering as constituted in the encouragement and facilitation of citizen participation in political "production" processes (representatives and policy), shifts the marketing focus of the party from mass communication about prefabricated political ideas directed at distant voters to interactive co-production processes with party members (and associated members), and from the electoral competition to the everyday business of running a membership-based party (see also 6.2.7).

Thus, the application of conventional marketing in politics tends to create centralisation of power structures (in the name of organisational control and manageability, see 1.1.1), a strong reliance on classical market research (polling), and mass-mediated manipulative propaganda-like political communication activities geared to what Henneberg and O'Shaughnessy (2009: 21) refer to as 'renting the allegiance of their voters'. In contrast, an RM-oriented party would focus on organisational development; the decentralisation of its operations and power structures; the inclusion of party members (and associated members) in intra-party production processes and, through this, instil in the membership a feeling of "ownership" and loyalty towards the party. It would exhibit a collaborative attitude towards other political or semi-political organisations with similar ideological (value) preferences or shared interests. The most effective path to positive electoral results would according to RM thinking go through the maintenance and continuous development of the party's membership base – both in terms of numbers and general levels of engagement. This would enhance the organisation's ability to innovate and provide it with a richer reservoir from which to draw representatives – and both these elements would, in turn, enhance the party's competitive position (advantage) in the "market"[96]. An RM-oriented party's marketing tasks would therefore start from within an inclusive and co-production-oriented and stakeholder-focused[97] organisation (Berry 2000).

## 7.1.2.a    Internal Marketing – Developing the Organisation

'Most associations miss *their most important market – current members.* [.] Marketing efforts should be directed primarily at current members and only secondarily at attracting new members.
(Ferguson and Brown 1991: 139, emphasis added)

The implementation of relationship marketing thinking in the practical conduct of politics calls for a return to what Dominic Wring (2005: 13) refers to as 'the politics of organisation'. The successful production and marketing of high-touch services is by RM scholars commonly seen as being reliant on several equally important factors: According to Grönroos (2000), the most important key to success for a high-touch services provider

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[96] Instead of using the term 'competitive advantage', RM scholars sometimes speak about 'collaborative advantage' (Moss Kanter 1994: 96).
[97] Important to note is that even though an RM-oriented party would focus its operations primarily on its members (which could perhaps be likened to "shareholders") – its policy-objectives/positions would according to the theory be geared to the interests of society at large (all stakeholders). This thinking is therefore very compatible with the 'aggregation of political interests'-role commonly accorded to traditional political parties by political science (Dalton and Wattenberg 2000: 5).

rests on the organisation's ability to establish a *genuine services culture* – again, this insight rests on the acknowledgement that within high-touch services industries, production, consumption and marketing are effectively three dimensions of a simultaneous process. Such an organisational culture should, in turn, be grounded in an established set of shared values – the maintenance and development of which is in much of this literature commonly seen as the most effective way of ensuring a consistent or coherent *services quality* in market situations characterised by overlapping production and consumption processes (Ballantyne 2000; Berry 2000; Gummesson 2000). The application of RM in practical party-centred politics might therefore bring with it a renewed focus on ideology – in effect potentially providing a "dying" political concept with "the kiss of life" – the proclaimed "death of ideology" according to such thinking should be denounced (Grönroos 2000). Political parties would instead be advised to fine-tune their ideological foundations – their views of what a good society should be like – most importantly (as seen from a normative RM stance), because this would constructively further their positioning efforts in the "market" and help to establish the 'unique selling proposition' called for by scholars such as Smith and Saunders (1990: 299) and Kotler and Kotler (1981: 31).

In order to establish a genuine services culture, high-touch service providers are secondly advised to *decentralise* their operations and their *power structures* which, in turn, means that membership parties would need to *re-empower* (or continue to empower) their members in order to facilitate the organisation's interactive production/consumption processes. The *empowerment* of employees and members and the organisation's corresponding ability to hold on to and further develop (i.e., provide education and training opportunities) this *human capital* is often said by RM scholars to be a prerequisite for successful high-touch services production and marketing – both internally and externally (Dunne and Barnes 2000). It would positively impact on the organisation's ability to innovate; to successfully recruit new members and make them stay loyal; and it could have implications for the efficiency with which the organisation is capable of absorbing feedback from the community (the "market"). According to Dunne and Barnes (ibid: 208, 213, emphasis added), 'employee involvement and commitment [loyalty] are obtained through the creation of "ownership" of the responsibility for quality service delivery within and outside the firm'; paradoxically perhaps, these scholars consequently come up with the advice that a high-touch services organisation

should establish an organisational culture that resembles '*more of a participative democracy*' than a classical organisational bureaucracy.

Organisational market actors in services or business-to-business markets strive to establish long-term relationships with their customers or partners – and customers are willing to and interested in entering into such relationships – because there is a win-win potential inherent in them (Morgan and Hunt 1994; Gummesson 2000). Such bonds provide the company with better prospects of living up to customer expectations. In the case of business partners, they promise to enable the achievement of objectives that would be difficult to obtain individually; and, in both cases, they provide a way of reducing risk and ensuring continued profits (Bund Jackson 1985; Storbacka, Strandvik et al. 1994; Cowles 1996; Barnes 1997; Gouthier and Schmid 2003). Retaining employees/members is therefore the primary goal of a high-touch service provider (Rosenberg and Czepiel 1984; Bhattacharya 1998). In the case of political parties, an RM-oriented approach to internal marketing would focus on the opportunity to participate; to take part in decision-making; to put one's "stamp on" or influence the outcome of events – in short, it would be encapsulated in the availability of the voice option on the supply-side of the "market".

Taken together, the internal marketing efforts of an RM-oriented membership party would be focused on the creation of loyalty through member inclusion and involvement. Many RM scholars caution, however, that loyalty cannot be instilled in an organisation from the top down – loyalty is *the result* of the existence of shared values and inclusion. Education and training of employees, on the other hand, is something which is central to RM thinking – but again, the advice is that this needs to be voluntary and perceived as positive opportunities for personal development by the company's employees rather than as a way in which management attempts to manipulate or control the rest of the organisation (Barney 1986; Berry 2000). Inclusion would in a truly RM-oriented party need to be more than lip-service – attempts at manipulation according to RM-philosophy would stand a real risk of back-firing – i.e., indirectly encouraging the membership to use its exit-option.

## 7.1.2.b   External Marketing – Party Members Meeting the Public

> Building value-laden relationships with existing members is *not lost on potential members*. As a matter of fact, often the *most credible promotion* for an association is what a satisfied member tells a prospective member.'   (Ferguson and Brown 1991: 140, emphasis added)

There are seldom (if ever) any watertight boundaries between internal and external marketing activities in the case of high-touch services organisations (Gummesson 2000; Ballantyne 2003). Externally, the general idea in RM is that the retention of employees helps retain customers through competent co-production and fulfilment of their expectations, and satisfied customers help to recruit new customers through positive word-of-mouth (Ferguson and Brown 1991; Reichheld 1995; Gruen, Summers et al. 2000). Thus, the core philosophy rests on the acknowledgement that organisations do not develop relationships – people do. A large and vital membership-base provides the party with an army of – not only co-producers and canvassers during campaigns – but with year-round advocates who interact with ordinary voters in their local communities on a continuous basis. The external marketing efforts of an RM-oriented membership party would most importantly be focused on the efficient utilisation of these resources through encouraging and facilitating the active participation of party members of all hues in local political discourses; the setting of new local political agendas; conveying the views of the party to the public – in the workplace, down-the-pub, among friends and relations, etc.

In RM, external marketing centres around the encounters and interactions between employees (members) and customers (ordinary voters). These constitute the moments-of-truth that are considered so critical to the organisation's reputation in the market and which, as services marketing scholars have pointed out, are typically 'almost entirely the responsibility of operations and other nonmarketing functions' within the firm (Grönroos 2000: 375). Party members would therefore be considered part-time marketers whose encounters with the public are of the utmost importance to the party's overall position in the "market" (Gummesson 1991). Again, the aim is to create positive word-of-mouth, recruit new members and, through engaging in two-way deliberative discourses with members of the public, both gather feedback from the community (an activity which would by RM scholars such as Gummesson [1999] be seen as the most important source of market research for the party) and actively influence the political views of ordinary voters.

The wholesale reliance of political parties on external marketing consultants and media experts as seen from an RM stance would benefit from being toned down by the parties. Grönroos (1994: 5), for example, goes as far as to claim that 'the establishment of a 'separate marketing department' or the outsourcing of marketing tasks to external consultants, may result in the rest of the organisation being 'alienated' from the overall marketing task. Mediated mass communications is, according to RM thinking, the least effective means by which to be in contact with potential new customers and should, for this reason, be considered as a supplement to the interactive inter-personal efforts engaged in by members of the organisation in local markets (Gummesson 1999). The latter activities are in the RM literature viewed as the most important and effective external marketing activity a market actor can engage in because credibility – a keyword in professional relationship building – is often seen as most efficiently established through face-to-face contact (Berry, Shostack et al. 1983; Cowles 1996).

According to RM scholars such as Grönroos (2000), external services marketing is firstly about the making of promises (see 4.4.1). However, when the party is defined as a high-touch provider of political participatory opportunities, then policy fulfilment is no longer the most important promise made – this would only be possible to follow up after an electoral result that places the party in a position (government or parliament) where its representatives can seek to fulfil such promises. The external marketing efforts of an RM-oriented party would firstly be geared to "delivering" on the participatory-opportunity-promise. Its external marketing efforts would therefore ultimately be aimed at lifting as many of its existing and potential supporters as possible *out of* the "political market for commoditised services" where they only demand prefabricated political value and *into* the "high-touch political services market" where parties make available participatory opportunities. The development said to be in evidence in contemporary politics is a steady migration of citizens from the latter into the former – and if some of the more worried scholars are to be believed (see e.g. Dermody and Hanmer-Lloyd 2006) – ultimately from the former and out of conventional politics altogether. The implementation of RM-thinking in the everyday operations of membership parties appears to hold the potential of countering such a development. In short, this is because an RM-oriented party would re-connect with its own grass-roots; re-involve them in intra-party production processes and focus on substance (ideology and the production of policy and representatives) instead of packaging; contribute to re-politicising local

communities and, through all this, re-vitalise local democracy and thereby also enhance engagement and participation at a national level.

All this (subsections 7.1.2.a and b) is not to suggest that an RM approach to party-centred politics would render electoral campaigns superfluous – we are not talking of any clear-cut shift from a campaign-focus to a party-focus in conventional politics. Rather it is to illustrate that an RM-oriented political party would first and foremost anchor its electoral campaigns in the party's membership base. This is the level at which the most important electoral "battle" would be seen as taking place – i.e., the electoral competition would be seen as won or lost at a grass roots level (Ferguson and Brown 1991). So-called "distant" ordinary voters are still very important to the party, but a truly RM-oriented party would put significant efforts into minimising the distance between the party and these voters and it would be seen as achieved through the work of the party's local branches and their members. The now commonly stressed importance of the media would still be acknowledged, but it would be toned down and allocated a position in an overarching and more balanced communications-equation (see Grönroos 2000 and 4.2.1.e).

## 7.1.2.c   Strategic Balancing Acts – Some Important Issues

In a detailed study of the British case Dennis Kavanagh (1995: 21) finds that the behaviour of political parties guided by conventional marketing is characterised by four main features;

> 'the subordination of all goals to that of electoral victory;
> the reliance on survey and focus-group research to guide the party's appeal to voters;
> the pre-eminence of the mass media as the means for reaching voters;
> the importance of communications specialists in campaign terms.'

The stakeholder-focus of RM and the labour/people-intensive "nature" of high-touch services operations make such organisations much more challenging to manage than what would normally be considered the case for producers of commoditised services or ordinary goods (see 2.1.2 and 4.0). In the case of politics, membership parties are faced with some important strategic balancing acts – fortunately, none of them appear to present anything significantly new to political parties.

*"Market Share" versus "Market Development" – Electoral Victory versus Legitimacy:*

Although electoral victory (or a favourable electoral result) would be as important to an RM-oriented party as to any other political actor, the former would aim to balance the interests of all its stakeholders which most importantly means that it cannot (as in the above quote) subordinate all goals to that of electoral victory. Running an RM-oriented party that is firstly geared to the provision of political participatory services means that the health and vitality of the "market" itself moves to the fore. This in turn means that the marketing focus of the party needs to be balanced between "market share" and "market development and maintenance". As pointed out in chapter 2 (see 2.2.1), staying successfully in a market over time rests not only on the standing of a "product", but also on the standing of 'the whole class of products' or the reputation of the entire industry that the company belongs to as well as the company itself (Mortimore 2002: 1). This means that the RM-oriented party would be equally interested in electoral victory and the legitimacy with which it is won.

*Collaboration versus Competition:*

Such insights mean that a successful RM-oriented party would also need to be willing to collaborate with competing political parties on issues which are in the interests of all. This should make it less prone to cheating, sleaze and slander during campaigns and, thus, perhaps help restore public respect for the importance and relevance of politics and political parties in general. Gummesson (2000: 29), however, cautions that a successful relationship 'requires each party to think of the other party as a partner rather than an adversary' – irrespective of the fact that RM presupposes that 'you both collaborate and compete, inside as well as outside the organisation'. There is therefore a strong need to balance competitive and collaborative forces both internally and in the organisation's interaction with external stakeholders and competitors.

*Being Led by the "Market" versus Leading the "Market"*

As pointed out by Henneberg and O'Shaughnessy (2009), an RM approach to the practical conduct of politics, represents a departure from conventional marketing's view of what amounts to a market-orientation (i.e., delivering on what consumers say they want). In RM a truly market-oriented organisation has established closeness to the market through decentralised operations/power structures which allows it both to facilitate the co-production processes characteristic to a high-touch services organisation

and to keep an "ear to the ground" with regard to emerging needs in the market. The challenge is to balance political leadership with an attentive or responsive attitude towards all the various needs in society. Henneberg and O'Shaughnessy (2009: 20-21) suggest that the implementation of an RM philosophy in the practical conduct of politics 'could reduce the perceived need for political expediency. Politicians would seek genuine relationships. Sales (votes) would follow as a by-product.' Surveys, focus groups and polling would consequently be much less relevant tools with which to gather feedback from the "market" (Gummesson 1999).

*Party Members versus Distant Voters:*

It may seem as if distant voters become irrelevant to membership parties when they are approached from an RM angle, but this is not the case. On the contrary – they are as important as ever – and a positive electoral result (within consensus systems it is very rare that a single party achieves a majority alone) is still the overarching objective for the party. The main difference between a party guided by conventional marketing and an RM-oriented membership party is constituted in the fact that mass communications would loose its pre-eminence as a means through which to be in contact with distant voters. The RM-oriented membership party focuses on its members not least of all because they are considered the most efficient means by which to reach distant voters and establish more lasting relationships with them (Reichheld 1995).

*Service Quality – Management Control versus Employee Empowerment:*

Finally, there is the question of services quality. How should the organisation go about both defining what kinds of services the party wishes to provide (opportunities to participate in the selection of representatives and the formation of policy, opportunities to educate oneself, opportunities to put oneself up for elections of different sorts, etc.) and what should be seen as amounting to the right quality of these services (i.e., in effect a choice between participatory and plebiscitary models, or high-touch services and commoditised services) and how should the organisation go about securing or maintaining coherence and consistency with regard to whatever standards are agreed upon? In subsection 2.1.2 it was shown that within labour intensive (often) intangible services sectors, quality will by definition vary from one service encounter to another because the skills, the levels of engagement and the attitudes of both employees and

customers will impact on the final outcome. In conventional marketing which is geared to the production, distribution and exchange of prefabricated value, a common answer to quality questions is often the implementation of conventional control mechanisms and the curbing of the individual employee's level of influence. In high-touch services production, conventional control-mechanisms have proven counterproductive and answers have instead tended to focus on the need for 'trust' and centred on keywords such as 'control by culture' (shared value systems), 'self-management' and 'empowerment' (Grönroos 2000: 359) – this rests on the acknowledgement that there is no adequate or efficient way of controlling such a high-touch services operation from the top down with conventional means (Barney 1986). According to RM thinking there is only one way, and it goes through the establishment and maintenance of shared value systems, the empowerment of employees and the positive workings of mutual trust (Morgan and Hunt 1994; Grönroos 2000).

### 7.1.3 Tightening the Normative Screw – Back to Basics

'Political relationship marketing is a critical orientation for political parties to adopt if they are to refresh their membership lists and retain voters' allegiance and trust as well as providing legitimacy to the overall party system.' (Henneberg and O'Shaughnessy 2009: 21)

Taken together, RM represents in effect a departure from Schumpeter's normative idea of democracy (see 5.4.1). When applied to politics the framework suggests – contrary to the view of Schumpeter – that the election of "men" who will ultimately do the deciding on behalf of society at large, should be made secondary to the deciding of issues (policy formation) by the electorate and indeed to citizen participation (party members and associated members) in the "production" of the representatives (fellow members) that will subsequently be put up for various types of elections (internally and externally). RM seems much more compatible with the participatory ethos of classical democratic theory – which is also the place from which party-centred political systems appear to take their organising principles and underlying philosophy – the RM-oriented party would therefore only secondarily be geared to delivering prefabricated political ideas to distant voters.

The almost universal decline in aggregate party memberships which has been in (particular) evidence over the last two or three decades, seems to indicate that in their

eagerness to become more market-oriented and skilled in the "arts of modern marketing", contemporary membership parties have – to varying extents, but effectively (see 2.1.3.b and c) – left behind their "old" political-salesmanship skills. This seems to be the most viable explanation for the decline in aggregate memberships since, as was illustrated in subsections 2.1.3.b and 2.1.3.c, membership parties within most party-centred contexts seem to have remained both open and inclusive and they appear to continue to offer their members genuine opportunities to participate in intra-party production processes – the British Labour party seems here to be the exception confirming the rule (Scarrow 2000). It would therefore appear that – together with socio-economic factors such as rising affluence, social mobility, etc. (see e.g. Inglehart 1997) – the decline in aggregate party memberships could be an indication that members to a lesser extent than before are encouraged to recruit new members. Membership recruitment looks as if it may have been outsourced to professional recruitment agencies – the heavy involvement of professional consultants by different party managements may have led party members in general to believe that "the marketing" of the party is all taken care of[98].

Fortunately, the philosophy advocated by RM scholars seems not to be new to traditional membership parties. Paradoxically, when viewed from an RM perspective, "old" political parties (perhaps around the 1960s which, in Europe at least, is the period most often referred to as the hey-day of parties) appear (intuitively) to have had a much sounder understanding of the "nature" of high-touch services production and marketing than their contemporaries. Again, Henneberg and O'Shaughnessy (2009: 23) draw some important conclusions:

> '…we seem to have substituted rented allegiance for relationships. This is a vacuum political marketing must seek to fill and we cannot just do this through the confetti of posters, campaign ads and such simulacra, since mass mobilisation will not easily be achieved via the media alone. It needs membership, the act of joining, and of performing some service for the cause: since this stimulates retrospective self-justification and therefore strengthens adherence. [.] A face to the party in every home can only be achieved with volunteers, the local party members and their friends. But campaigns fought principally in the mass media cannot really leave people with a sense that they "own" their government in the old way, or are responsible for what it does in their name (as the eighty per cent of the British population who did not vote for the Labour government in 2005 would doubtless testify). This degree of alienation could have interesting future consequences, none of them, it seems, benevolent.'

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[98] Interestingly, there is empirical evidence providing clear indications that members who are recruited by existing ones, tend to be both more active and much easier to retain (i.e., they stay loyal over time) than those recruited by anonymous agencies (Seyd and Whiteley 2002) – which incidentally is also an insight resting at the heart of RM (Ferguson and Brown 1991; Gruen, Summers et al. 2000) and something which chimes well with marketing jargon such as the old saying that "people buy people first".

There seems to be both hope and concrete suggestions in the research community that the implementation of RM may offer relief to contemporary political parties as they try to fight off an increasing membership- and thereby also a legitimacy-crisis. This investigation has illustrated that the main reason for this is that the RM literature would instruct membership parties to go back to being just that. There are also suggestions that a re-vitalisation of the parties could help re-politicise modern democracies, reinstate a feeling of responsibility and political efficacy in modern citizens/voters and thereby also provide an antidote to public cynicism (Dean and Croft 2001). To Henneberg and O'Shaughnessy (2009:22), an RM approach to politics paves the way for a re-invention of the 'folkways of an earlier political generation' and they go on to explain:

> 'At one time the party was a social identity definer, but the decline of class-based politics has entailed the demise of the mass-membership party. The UK Labour Party forged close union links while the Conservative Party was a middle-class social network, a social club in the provincial regions. Party functions were social functions. Relationships were mediated through this. Thus there was once indeed a kind of relationship between different political actor groups, since the party performed as a social nexus at the local level, or it was the public political expression of private trade union involvement.'

Thus, a starting-point from which contemporary political parties can re-engage their memberships is by re-establishing the social functions which they once used to nurture – i.e., they can yet again become friendly social meeting places where people have the opportunity to encounter like-minded citizens with shared views of the world. Such meeting places were once also the perhaps most important "hot-spots" for member recruitment for the parties and they should therefore be highly inclusive and open to members and non-members (followers, sympathisers) alike.

Furthermore, within normatively oriented RM-theory there are plenty of suggestions (Ferguson and Brown 1991; Gruen 1997; Gruen, Summers et al. 2000; Christopher, Payne et al. 2002) which support the idea that the establishment of high-touch membership parties would be the most viable way to encourage genuine citizen participation in conventional politics and thereby also to enhance both the quality and legitimacy of democracy in general – and a way in which the alienation of citizens currently in evidence across a number of established democracies may be countered. There is also evidence to suggest that within labour-intensive services markets, market actors' ability and willingness to include and facilitate their customers' active participation in the production process, is key to market success (Grönroos 2000; Gummesson 2002; Grönroos 2006). If high levels of citizen participation together with

the quality and legitimacy of democracy itself are seen as key criteria, it is certainly possible to find support (in the RM literature) for the claim that party-centred political systems (the way they are defined in this thesis) represent a better way of organising democracy than systems that are lacking such organisational structures and which are focused on the electoral competition (exchange) alone.

Therefore, although RM does not represent any practical short-cut to the re-vitalisation of democracy or electoral victory and it seems quite far from constituting any panacea for the practical conduct of politics in general, given a specific set of conditions (i.e., within systems featuring locally based inclusive membership parties) it does seem to represent a substantive way forward. One which may – although it would no doubt continue to be paved with all the strategic challenges that such paths often are (lacking as it is in neat P's and other tactical tools) – through laborious "footwork", long hours and much dissent lead in the right direction. In other words: An RM-oriented membership party would start engaging in traditional party-work again. Contrary to what is sometimes claimed by contemporary political marketing scholars leaning on conventional consumer marketing (see e.g., Lees-Marshment 2001), there are no practical or theoretical justifications to suggest that production and sales are activities which have become obsolete when a company becomes truly market-oriented (see 5.2.4). Within services and business-to-business marketing, there has been a renewed understanding that production – far from having become irrelevant – instead must be acknowledged as an activity in which the greater part of the marketing (sales) process is grounded. An RM-oriented membership party would focus strongly on "production" and "sales" – both internally and externally (Houston 1986; Ferguson and Brown 1991). In effect, a continuous process of co-production and mutual "selling"; or in more Habermasian (1974) terms – mutual persuasion – in which ideally the better argument, policy proposal or best qualified/suited representative would be accepted, adopted or elected.

It is difficult to see how such an approach could work without inclusive membership parties facilitating real supply-side participation. Even though many RM scholars argue that the framework has generic properties which would make it suitable for implementation in ordinary consumer goods markets as well as services and business-to-business contexts (see 4.1.1), there are others strongly arguing the opposite case (Barnes 1997; O'Malley and Tynan 2000; Baines and Egan 2001; Baines, Brennan et al. 2003).

Within political systems lacking such participatory opportunity structures on the supply-side of the "market", an RM approach could very well boil down to the building of databases instead of relationships (Henneberg and O'Shaughnessy 2009). Correspondingly, if the gap between reality and rhetoric becomes too wide, this could easily lead to more cynicism rather than less – in that the marketing efforts of political actors would be perceived as having become more manipulative than ever – i.e., as making use of more subtle and, consequently, more sinister tools in the deception of electorates (O'Malley and Tynan 2000).

## 7.2 Conclusion – Party-Centred Politics Re-Conceptualised as "Market"

### 7.2.1 Research Contributions and Critical Reflections on the Research Process

#### 7.2.1.a Research Contributions

In this study I have offered a problematising re-description – a theoretical rethinking – of how a particular type of political context may be more accurately understood in terms of "market". According to the distinguished American political scientist Ian Shapiro (2004: 212), such an endeavour is in effect:

> '...a two-step venture that starts when one shows that the accepted way of characterising a piece of political reality fails to capture an important feature of what stands in need of explanation or justification. One then offers a recharacterization that speaks to the inadequacies in the prior account. When convincingly done, prior adherents to the old view will be unable to ignore it and remain credible.'

Although the initial objective of the study was primarily to enrich the field of *political marketing theory and political marketing management theory*, the broadness and inter-disciplinary scope and character of the project resulted in theoretical insights and several framework models and concepts which serve to enhance the existing knowledge base – and can serve as a grounding for further research – within the areas of *political theory* and *democratic theory*. More specifically, this undertaking has resulted in the following:

- Firstly, it has been possible to challenge and offer an alternative to the 'citizen as consumer' logic that has been so influential in political science (rational-choice theory) and conventional marketing models of politics and which has been applied and considered generically relevant or valid across systemic contexts. This has helped to capture and conceptualise the *expanded power position* (voice + exit) that is offered to party members (and associated members) within party-centred democratic contexts through the workings of membership parties as compared to the choice/exit power which is available to citizens through the vote. Correspondingly, it has also been possible to establish an improved understanding of the rational utility and other forces (i.e., social forces) that may be understood to be driving citizen participation (behaviour) in such "markets".

- Secondly, it has been possible to theoretically "open up" and establish a conceptual understanding of the membership party as an organisational actor in a "market" – something which previous market models of politics have, due to their focus on prefabricated value and exchange, effectively hindered. It has been

possible to capture its overarching reason for being; its decentralised role as a high-touch service provider; its network/stakeholder focus; and its project-oriented "nature". Consequently, it has been possible to conceptualise the dual nature of the political services offering within party-centred political contexts (high-touch versus commoditised services) and through the development of several models offer a more detailed understanding of how the production and marketing processes may be seen as being played out within/across the boundaries of a membership organisation such as a political party.

- This study has yielded models aimed at enhancing our understanding of how democratic legitimacy may be seen as being produced within party-centred political contexts, how this measure would – as viewed from an RM stance – connect with democratic quality and a conceptualisation of how the use of the exit-option by party members is likely to affect the party's ability to produce and its competitive position in the "market".

- Several framework models have emerged that capture the different spheres which may be seen as making up the party-centred context as a whole and which illustrate the interplay between these political arenas in terms of "markets".

- It has also been possible to illustrate how the workings of supply and demand may be seen as constituting different dimensions of power relations within the context of nationally embedded political systems.

Taken together, the study – through the introduction and appropriation of theory that enables a distinction to be made between the workings of candidate-centred and party-centred contexts has contributed (directly and indirectly) to both the political marketing literature and to political science perspectives. Through comparisons and discussions of the ontological foundations of both specific economic theories and conventional marketing models of politics – the project has illuminated some of the principal differences between two types (qualities) of democracy. It challenges claims to cross-contextual relevance and validity that often implicitly, and sometimes explicitly, accompany these literatures and develops an alternative way of theorising a particular type of political context in a way that creates an improved foundation for future research.

- An interesting bi-product of the study – for democratic theorists in particular – is the finding that even though the ways in which different democratic systems are organised vary greatly across the globe, it is possible to follow Lijphart's (1999) approach and argue that they may be seen as falling into two overarching categories: 1) The ones that are constructed around the workings of membership parties encouraging and facilitating citizen participation in the production of policy alternatives and representatives and 2) those where self-introduced political entrepreneurs or exclusive parties (offering no [or very little] supply-side participatory opportunities to citizens) advocate prefabricated political ideas that the electorate is ultimately invited to vote on. This difference between political systems – in effect, a distinction between two overarching qualities of democracy represented by the types of political power that the each make available to citizens (voice + exit versus exit alone) – seems to transcend that of electoral systems (consensus versus majoritarian) which Liijphart has introduced in that the latter distinction may be accommodated within the former[99].

Taken together, the arguments developed in the thesis provide a foundation for future empirical research which could begin to corroborate the insights developed here and also to inspire further theoretical development.

## 7.2.1.b  Critical Reflections on the Research Process

'…but if the problematizing redescription assumes a theory that seems convincing only to partisans of her priors, or is validated by reference to evidence that is projected from her alternative theory, then it will be judged tendentious by the rest of the scholarly community. [.] It is important, therefore, to *devote considerable effort* to making the case that will persuade the skeptic of the superiority of the proffered redescription over the accepted one.'   (Shapiro 2004: 212, emphasis added)

All research projects have their problems and limitations. This is particularly true of doctoral research which is always limited in scale and scope. The initial interest in the issues examined in this study sprang from that part of the political marketing literature

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[99] The significance of these insights appears to be well illustrated in the British case: Here we have a majoritarian system which – through its membership parties – makes available the concerted power of both voice and exit to citizens who wish to make use of it and which in spite of the bias that is built into its electoral arrangements has developed from being a two-party system into becoming what is effectively a three-party system. This is something which appears in no small degree to be resulting from the local grounding and strong and persistent organisational/participatory membership focus of the Liberal Democrats (Bennie, Curtice et al. 1996; Ingle 1996; MacIver 1996; Russell and Fieldhouse 2005).

which offers empirical analyses and critical commentaries on the ways in which conventional marketing is often practiced by contemporary political actors across systemic contexts. From these, for liberal democracy sometimes rather gloomy reports, came the acknowledgement that the models commonly utilised as grounding for empirical analyses and as foundations for theoretical development within the field of political marketing were resting on a view of markets – and therefore *projected a view of democracy* – which stood in stark contrast to the participatory democratic philosophy/ ethos which appeared to have inspired both the establishment and the further development of political contexts constructed around the workings of inclusive membership parties (here; party-centred contexts) and the way in which these political spheres were effectively said to work in practice. The "nature" of the discrepancy between models and the phenomena in need of explanation made it clear that in order to further our theoretical understanding of party-centred political contexts in terms of "markets" – new theoretical development would be needed. Otherwise, there seemed to be a risk that the field would continue to cloud over, misrepresenting significant parts of the explanandum.

However, this theoretical study has – perhaps to an even greater extent than empirical work would have been – every step of the way, been exposed to the risks that Ian Shapiro points to in the above quote. The research process becomes an extreme balancing act between engaging critically and reflexively with all the relevant literatures and the task of according the alternative theory under examination and consideration a fair chance to put forward its best case. This dilemma is not alleviated in an inter-disciplinary study where – not only is the *explanans* (RM theory) derived from a different disciplinary universe and ontological habitat from the *explanandum* (party-centred democratic contexts) – the study also represents another attempt at appropriating market logic for the explanation of non-market spheres. That is, the theory is derived from the often manipulative world of commerce and applied to the vulnerable – and for all of society – precious sphere of democracy. I see the latter worries as well justified and confess ownership of them myself. Although, in this study, through the use of RM and its core insights on the workings of markets (supply and demand, voice- and exit-options, collaboration and competition, etc.), I have been able to shed light on and improve our theoretical understanding of party-centred politics, I remain doubtful about the general helpfulness of the application of more marketing jargon to the practical conduct of politics. It seems

to detract or draw attention away from the general democratic idea that politics should be capable of "marketing" itself through a mixture of *inclusion, collaboration* and *competition*. Is politics not constituted in the production and introduction of *persuasive* ideas about the organisation of society and is not the persuasive force of the idea built into the idea itself and the vigour and credibility with which it is forwarded? The cry for marketing techniques appears, on the one hand, to neglect the persuasive force of the political idea or ideology itself and, on the other, to ignore the fact that in commercial markets the amount of packaging goes down as the risk and value of products go up (Gummesson 1999). That is, the more risk there is connected to the purchase for the consumer the greater the need to "look inside" the packaging before s/he makes a decision. Too much fancy packaging may indicate that we are about to be deceived or seduced. Similarly, the increasing use of marketing jargon in media descriptions of politicians and political processes may signal to citizens that politics is something which it is not (or at least, should not be) – i.e., a pursuit of self-interest (power, money) alone.

What "saves" this study from "adding insult to injury" in this regard is the RM framework's view of marketing as something that is (within high-touch services industries) integrated in the production process (i.e., it recognises the persuasive force in the inclusiveness of the process and the political idea itself) which, in turn, is facilitated through decentralised organisations. As pointed out by Henneberg and O'Shaughnessy (2009: 20), 'the essence of what it [RM] offers is a social connection and involvement'. Paradoxically, while marketing scholars have since the 1970s enhanced their understanding of markets through insights derived from a political concept (the voice-option), other marketing scholars, economists and sympathetic political scientists have, through an increased use of economic or market-based concepts, effectively clouded over and diminished our understanding of significant parts of the party-centred political process. It is tempting to lean on Hirschman (1970: 19) again:

> '...economists have claimed that concepts developed for the purpose of analyzing phenomena of scarcity and resource allocation can be successfully used for explaining political phenomena as diverse as power, democracy and nationalism. They have thus succeeded in occupying large portions of the neighbouring discipline while political scientists – whose inferiority complex vis-à-vis the tool rich economist is equalled only by that of the economist vis-à-vis the physicist – have shown themselves quite eager to be colonized and have often actively joined the invaders.'

In this study, I have suggested that the appropriation of RM to party-centred politics must not be seen as a new economic invasion of the political science field – rather, it may

perhaps more accurately be perceived of as the "home-coming" of an initially political concept (the voice-option) – and an acknowledgement of the participatory organisational structures that need to be in place on the supply-side of the "market" in order for citizens to make use of it.

## 7.2.2 Further Research – Teasing with Trivia or Risking Relevance?

'There is a crisis in democracy when people perceive politics as something which happens to them rather than something over which they exert ownership, and such a crisis was created in part by the substitution of political marketing tools for face to face contact.' (Henneberg and O'Shaughnessy 2009: 5)

Many scholars have pointed to the relative youthfulness of political marketing as an academic field of enquiry and many opinions have been voiced with regard to what kind of issues further research should be focused on. There are, however, persistent worries about the research community's continued reliance on managerial consumer marketing, the dominating tendency of focusing research on campaign applications of marketing instruments and the 'stagnation in knowledge development' which this is seen to result in (Henneberg 2008: 151). There is also concern about the mainstream literature's implicit, but wholesale, adoption of the ontological and epistemological underpinnings of commercial consumer marketing, how its ambition to prescribe political behaviour tends to conflict with normative (positivist) political science perspectives which typically aim for prediction and generalisations and how this has all led to 'conflated ontological and analytical assumptions' which threaten to 'undermine the utility' of the models that are generated within the research community (Savigny 2007: 44). In recent years, concern has also been voiced about the American and British dominance that characterises the theoretical underpinnings of the domain and about the tendency (of models) to assume a cross-contextual 'generalisability that does not exist' (Strömbäck 2007: 63). However, all new fields of academic enquiry appear to experience varying degrees of "teething" problems and there are also many constructive, albeit differing, suggestions as to how political marketing should proceed into the future (Butler and Collins 2007; Henneberg and O'Shaughnessy 2007; Strömbäck 2007; Strömbäck 2007; Henneberg 2008; Henneberg and O'Shaughnessy 2009). The thesis is now drawn to a close with some remarks concerning further research based on, or related to, this study.

The conceptual development in this study has – through its insistence that markets are not all the same and by providing a rich set of conceptual illustrations and a number of discussions of how and why this is important to the continued theorising of various political contexts in terms of "markets" – opened up a new research agenda which has not previously been approached within the field. I have focused on the differences between the workings of "markets" and argued that the choice of marketing framework (at both descriptive and normative levels) should be informed by the "nature" and requirements of the contexts which one aims to describe or where models are to be applied. The appropriation of RM in the world of party-centred politics must be seen as a first step towards more discussion of the differences and similarities between the two overarching types of "political markets" (party-centred and candidate-centred contexts) or, as pointed out previously (see 2.1.3.c,  p. 78), the two organisational/behavioral marketing approaches identified and compared in this study. This theoretical distinction calls for further context-specific theoretical development and empirical research. Most importantly, the "market" (contextual) insights brought to the fore in this investigation seem to suggests that scholarly attention should be given to the more substantive parts of the political equation – i.e., to issues concerning different modes of participation, the motivation of party-members of all guises and the workings and availability of the different kinds of political power identified in this study. All this, I argue, would also present the research community with more room to address some of the problems which have been voiced by scholars concerned about the future stability, representativeness and legitimacy of established democracies  (such as, the alienation of citizens/voters, the spread of cynicism, plummeting turnouts and decreasing party memberships) and to make comparative enquiries into how these tendencies may be seen to manifest themselves within systems grounded in the two organisational approaches identified here.

The research community may also benefit from reducing the attention that is given to campaigns and the use of advertising and other conventional marketing tools and techniques. Instead research resources might better be allocated to investigations of the everyday business of running membership parties and other political and semi-political organisations and how different organisations' choice of marketing approach affects the

way in which they wage their campaigns. There is, for example, relatively little data generated through the use of qualitative methods on the motivations and experiences of party members either within political science or in the political marketing literature. The studies that have been conducted on such issues are mainly quantitative by "nature". Comparative studies on how the power issues (exit power versus the concerted power of both voice and exit) may play out within different democratic contexts would also, I suggest, contribute insights that could help researchers make value judgements that could influence the way in which new democracies (e.g., Palestine, Iraq, Afghanistan, etc.) are established and the further development of established democratic systems around the world. That is, RM and the organisational insights that it brings with it may inspire theoretical research that could influence the way in which democracy is promoted, organised and further developed in parts of the world that have yet to establish democratic rule and thereby contribute to the establishment of qualitatively richer and more robust democratic systems. Such research could also inspire and help remedy some of the problems that membership parties within the party-centred world are currently struggling with and help them enhance their position in the eyes of citizens. Instead of teasing with trivia – which is what is sometimes subtly ("between the lines") indicated by concerned scholars (Henneberg 2008; Henneberg and O'Shaughnessy 2009) – this is the kind of relevance that I suggest the political marketing research community may now be ready to start engaging with.

### 7.2.2.b Possible Future Challenges

There is one particular challenge connected with the introduction of RM to the conceptualisation of politics. The quest for generic research and cross-contextual applicability could haunt the political marketing research community – much in the same way as mainstream marketing itself for a long time held onto the notion that markets were the same theoretically and that the exchange perspective on marketing was appropriate in most, if not all, contexts. As was shown in section 4.3, the intuitive appeal of RM has within the marketing discipline itself resulted in the development of a rift between those who maintain that the framework is only applicable to services and business-to-business markets that exhibit overlapping (or partially overlapping) production and consumption processes and those who argue that RM has the potential of becoming the new be-all and end-all of marketing. The same could happen within the

political marketing research community – i.e., we could see attempts to stretch or force-fit the RM framework onto systems ("political markets") that do not provide citizens with supply-side participatory opportunities and within which its explanatory power would be weakened. Attempts at contextual overstretching could, I suggest (in line with the arguments of O'Malley and Tynan 2000), result in a questioning of the framework's value and overall credibility. Political marketing would then again risk becoming mainly concerned with communications techniques, albeit shrouded in RM rhetoric. Further research on RM and the organisational insights it yields may hold the promise of inspiring organisational changes that could enhance the political influence and efficacy of citizens within contexts that do not presently exhibit membership-based political parties.

## APPENDIXES:

## Appendix 2A

Source:
Mair, P. and van Biezen, I (2001) 'Party Membership in twenty European Democracies, 1980-2000, *Party Politics,* Vol.7, no. 1, p. 15

Party memberships: Summary data, by country

| Country, year | Electorate | Total party membership | Membership as % of electorate (M/E) |
|---|---|---|---|
| Austria | | | |
| 1980 | 5,186,735 (79) | 1,477,261 | 28.48 |
| 1990 | 5,628,099 | 1,334,554 | 23.71 |
| 1999 | 5,838,373 | 1,031,052 | 17.66 |
| Belgium | | | |
| 1980 | 6,878,141 (81) | 617,186 | 8.97 |
| 1989 | 7,039,250 (87) | 644,110 | 9.15 |
| 1999 | 7,343,464 | 480,804 | 6.55 |
| Czech Republic | | | |
| 1993 | 7,738,981 (92) | 545,000 | 7.04 |
| 1999 | 8,116,836 | 319,800 | 3.94 |
| Denmark | | | |
| 1980 | 3,776,333 (81) | 275,767 | 7.30 |
| 1989 | 3,941,499 (90) | 231,846 | 5.88 |
| 1998 | 3,993,099 | 205,382 | 5.14 |
| Finland | | | |
| 1980 | 3,858,533 (79) | 607,261 | 15.74 |
| 1989 | 4,018,248 (87) | 543,419 | 13.52 |
| 1998 | 4,152,430 (99) | 400,615 | 9.65 |
| France | | | |
| 1978 | 34.394,378 | 1,737,347 | 5.05 |
| 1988 | 36,977,321 | 1,100,398 | 2.98 |
| 1999 | 39,215,743 (97) | 615,219 | 1.57 |
| Germany | | | |
| 1980 | 43,231,741 | 1,955,140 | 4.52 |
| 1989 | 48,099,251 | 1,873,053 | 3.89 |
| 1999 | 60,762,751 | 1,780,173 | 2.93 |
| Greece | | | |
| 1980 | 7,059,778 (81) | 225,000 | 3.19 |
| 1990 | 8,050,658 | 510,000 | 6.33 |
| 1998 | 8,862,014 | 600,000 | 6.77 |
| Hungary | | | |
| 1990 | 7,824,118 | 165,300 | 2.11 |
| 1999 | 8,062,708 (98) | 173,600 | 2.15 |

Party memberships: Summary data, by country – continued:

| Country, year | Electorate | Total party Membership | Membership as % of electorate (M/E) |
|---|---|---|---|
| **Ireland** | | | |
| 1980 | 2,275,450 (81) | 113,856 | 5.00 |
| 1990 | 2,471,308 (89) | 120,228 | 4.86 |
| 1998 | 2,741,262 (97) | 86,000 | 3.14 |
| **Italy** | | | |
| 1980 | 42,181,664 (79) | 4,073,927 | 9.66 |
| 1989 | 45,583,499 (87) | 4,150,071 | 9.10 |
| 1998 | 48,744,846 (96) | 1,974,040 | 4.05 |
| **Netherlands** | | | |
| 1980 | 10,040,121 (81) | 430,928 | 4.29 |
| 1989 | 11,112,189 | 354,915 | 3.19 |
| 2000 | 11,755,132 (98) | 294,469 | 2.51 |
| **Norway** | | | |
| 1980 | 3,003,093 (81) | 460,913 | 15.35 |
| 1990 | 3,190,311 (89) | 418,953 | 13.13 |
| 1997 | 3,311,190 | 242,022 | 7.31 |
| **Poland** | | | |
| 2000 | 28,409,054 (97) | 326,500 | 1.15 |
| **Portugal** | | | |
| 1980 | 6,925,243 | 296,123 | 4.28 |
| 1991 | 8,222,654 | 417,666 | 5.08 |
| 2000 | 8,673,822 (99) | 346,504 | 3.99 |
| **Slovakia** | | | |
| 1994 | 3,876,555 | 127,500 | 3.29 |
| 2000 | 4,023,191 (98) | 165,277 | 4.11 |
| **Spain** | | | |
| 1980 | 26,836,500 (79) | 322,545 | 1.20 |
| 1990 | 29,603,700 (89) | 611,998 | 2.07 |
| 2000 | 33,045,318 | 1,131,250 | 3.42 |
| **Sweden** | | | |
| 1980 | 6,040,461 (79) | 508,121 | 8.41 |
| 1989 | 6,330,023 (88) | 506,337 | 8.00 |
| 1998 | 6,601,766 | 365,588 | 5.54 |
| **Switzerland** | | | |
| 1977 | 3,863,169 (79) | 411,800 | 10.66 |
| 1991 | 4,510,784 | 360,000 | 7.98 |
| 1997 | 4,593,772 | 293,000 | 6.38 |
| **United Kingdom** | | | |
| 1980 | 41,095,490 (79) | 1,693,156 | 4.12 |
| 1989 | 43,180,573 (87) | 1,136,723 | 2.63 |
| 1998 | 43,818,324 (97) | 840,000 | 1.92 |

**11,671,295**

## Appendix 2B

Participation in party activities during the last year, and holding party or public office (percentage)

| Percent who: | 1991 | 2000 | Significance |
|---|---|---|---|
| *Internal activities:* | | | |
| Participated in study circle arranged by the party | 9 | 8 | 0.354 |
| Subscribed to the party newspaper or magazine | 34 | 31 | 0.037 |
| Were member of executive committee in municipal or local branch | 13 | 13 | 0.834 |
| Held other office in municipal or local party branch | 11 | 9 | 0.033 |
| *External activities:* | | | |
| Tried to recruit new members | 15 | 12 | 0.009 |
| Delivered party leaflets, sold lottery tickets, helped Organise a party street stall | 23 | 25 | 0.150 |
| Discussed the party's policies with non-members | n.a. | 55 | |
| Took part in demonstrations or other public events arranged by the party | 11 | 13 | 0.152 |
| Wrote in the press, defending party policies or criticising other parties' policies | 6 | 8 | 0.002 |
| Worked for the party in the 1989 national election campaign (1991) or in the 1999 local election campaign (2000)* | 30 | 35 | 0.004 |
| Was member of the municipal council | 6 | 5 | 0.278 |
| Was Deputy member of the municipal council | 3 | 7 | 0.000 |
| Was member of a municipal committee | 15 | 13 | 0.085 |
| *Financial support:* | | | |
| Bought lottery ticket from the party | 68 | 47 | 0.000 |
| Donated money to party election funds (beyond membership fee) | 26 | 24 | 0.154 |
| Unweighted N | 1,890 | 1,721 | |

Notes: Weighted figures. *Members entering their party in 1990 and 2000 are excluded from the calculations. Unweighted N (1991) = 1,796;  Unweighted N (2000) = 1,668
n.a. = not applicable

# Appendix 2C

Source:
Scarrow, S. (2000) 'Parties without members? Party Organization in a Changing Electoral Environment', in *'Parties without Partisans. Political Change in Advanced Industrial Democracies'*, Dalton, R. and Wattenberg, M. (Varey), Oxford: Oxford University Press, p. 98

Organisational Density by Party*

| | Basic Party Units per Local Government Unit | | |
| --- | --- | --- | --- |
| | 1959 | 1989 | Change |
| **Austria** | | | |
| SPÖ | 0.82 | 1.41 | + 0.59 |
| ÖVP | 1.49 | 1.79 | + 0.30 |
| FPÖ | 0.45 | 0.62 | + 0.17 |
| **Denmark** | | | |
| SD | 0.92 | 2.42 | + 1.50 |
| V | 1.15 | 3.39 | + 2.24 |
| KF | 0.39 | 1.19 | + 0.80 |
| **Finland** | | | |
| KESK | 4.86 | 7.87 | + 3.01 |
| SKDL/VAS | 3.68 | 2.62 | - 1.08 |
| SDP | 2.66 | 3.12 | + 0.46 |
| **Germany** | | | |
| CDU | 0.25 | 1.09 | + 0.84 |
| SPD | 0.36 | 1.17 | + 0.81 |
| CSU | 0.10 | 0.33 | + 0.23 |
| **Italy** | | | |
| DC | 1.57 | 1.63 | + 0.06 |
| PCI | 5.26 | 1.42 | - 3.84 |
| PSI | n/a | 1.03 | n/a |
| **Netherlands** | | | |
| KVP/CDA | 0.83 | 1.04 | + 0.21 |
| PvdA | 0.94 | 1.03 | + 0.09 |
| VVD | 0.41 | 0.84 | + 0.43 |
| **Norway** | | | |
| DNA | 3.22 | 5.13 | + 1.91 |
| H | 0.78 | 1.37 | + 0.59 |
| KRF | 0.70 | 1.03 | + 0.33 |
| **Sweden** | | | |
| S | n/a | 10.46 | n/a |
| FP | 1.26 | 2.21 | + 0.95 |
| M | 2.20 | 5.94 | + 3.74 |

* For each country, table show three parties which won most votes in first national election after Jan. 1960

Sources: Katz and Mair 1992; Humes and Martin 1961: exhibit 2; Norton 1994: 40

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