3

The Rise and Fall of the Functional Approach to Marketing: A Paradigm Displacement Perspective

Shelby D. Hunt
Jerry Goolsby

Acknowledgment

Professor Stanley Hollander, who was on the senior author's dissertation committee and in whose honor this paper was drafted, might (will undoubtedly?) disagree with certain (almost all?) aspects of this chapter. Ironically (most fortunately?), Stan authored a paper entitled "The Marketing Concept: A Deja Vu" (1986) in the *Festschrift* honoring Reavis Cox. In his acknowledgment he notes:

> I am not entirely certain that Reavis Cox will agree with all of the points in this chapter, but he always encouraged considerable diversity of opinion among his students. Once, after I gave a paper at an AMA session in which he presided, someone approached him and in an attempt at academic one-upmanship said, "Your own student disagrees with you." I was prepared to defend my paper as purely Coxian, but Reavis ended the matter by saying, "That is the point of education."

Dear Stan, Déjà Vu; Déjà Vu?

The Functional Approach

Historically, four different approaches have dominated the study of marketing: (1) the commodity approach, (2) the institutional approach, (3) the functional approach, and (4) the managerial approach. One of these, the functional approach, has been described as "most contributing to the development of a science of marketing" (Converse, Huegy, and Mitchell 1952, 62). On the other hand, many popular marketing textbooks do not even list "function" in their indexes (Pride and Ferrell 1985; Berkowitcz, Kerin, and Rudelius 1986; Kotler 1986; Kinnear and Bernhardt 1986). McCarthy and Perreault's book (1986) is one of the few that discusses the functional approach in its introductory chapter. Why has the functional paradigm, which guided marketing thought for over half a century, almost vanished?

The purpose of this chapter is to analyze the anomaly of the "most significant" contribution to marketing science being so disregarded in current literature. We will do so by using the metaphor of the life cycle. That is, it is often claimed that products go through a life cycle of introduction, growth, maturity, and decline. Likewise, the functional approach to the study of marketing has gone through similar stages and an analysis of these stages will explain the rise and fall of the functional approach.

The Introductory Period: 1900–1920

The beginning of the twentieth century chronicles the beginning of university education in the business area and the concomitant development of formal instruction in marketing. The first course in marketing officially offered at an American university was "The Distributive and Regulative Industries of the United States" offered in 1902 at the University of Michigan and taught by Professor E. D. Jones (Bartels 1976, 22). Other courses were soon offered at the University of Pennsylvania, the University of Pittsburgh, the University of Wisconsin, and Ohio State University. Little is known about the teaching materials used in these courses, although it may be safe to assume that they were ad hoc in nature, since no formal body of literature on marketing existed.

Credit for the first scholarly article on marketing and the beginning of marketing's formal literature is commonly given to Arch W. Shaw for his article entitled "Some Problems in Market Distribution" (1912). This is not to say that there had not been previous publications (primarily in trade journals) on such things as selling and advertising. Rather, many believe that this article was the first systematic exploration of marketing in the sense that we use the term "marketing" today. Shaw was a businessman (founder of the Shaw-Walker Company, a manufacturer of office equipment), a publisher (founder of the magazines *System* and *Factory*), and economist. He despaired that his fellow economists focused all their attention on manufacturing and production since he believed that "the problems of market distribution are no less worthy of systematic study."

Shaw was particularly interested in distributors (he used the term "middlemen") and observed that institutions such as banks and insurance companies seemed to perform many of the activities that had historically been done by distributors. Shaw developed his "functions of middlemen" (see Appendix for lists of all authors' functions) as an effort to identify the useful services that middlemen historically perform. He pointed out that the rise of banks as "functional middlemen" could be explained by noting that they have assumed the traditional middleman's function of "financing the operations." Further, the rise of insurance companies could be explained by pointing out that they have assumed the traditional middleman's function of "sharing the risk." Shaw believed that conventional middlemen were retaining their competitive positions best in the functions of selling, assembly, assorting, and reshipping.

L. D. H. Weld was the second writer in this introductory period to propose a set of functions of marketing, defining the term as "the services that must be performed in getting commodities from producer to consumer" (Weld 1917, 317). In 1916 Weld delineated eight "functions of wholesale middlemen," and then in 1917 identified seven "marketing functions" (see Appendix). Like Shaw, Weld was an economist. However, while Shaw's background was in the industrial area, Weld's background was agriculture. His agricultural orientation explains the fact that one of his functions of wholesale middlemen was "establishing connections with country shippers." Weld was primarily concerned with explaining how agricultural products are marketed and justifying the existence of middlemen in the system. Weld's research tended to point out the useful services provided by marketing intermediaries such as those who trade in agricultural futures. The research was so controversial that he was called before a legislative investigating committee in Minnesota, which tried to prove that he had been instructed by the trustees of the University of Minnesota to teach his "dangerous doctrines about the efficiency of grain marketing" (Bartels 1976, 258).

In summary, the functional approach to marketing is as old as the formal study of marketing, itself. The originators of the functional approach, Shaw and Weld, did so because economists had ignored the topic of distribution, because distribution problems were deemed to be important, because there were changes developing in distributive institutions, and because of a desire to point out the usefulness of marketing institutions in distributing goods and services. Their lists of marketing functions differed, in part, because Shaw had an industrial marketing background and Weld's background was in agriculture.

The Growth Period: 1921–1940

The two decades between 1921 and 1940 represented a growth period for the functional approach to marketing. This growth accompanied the rapid rise of marketing as a subject taught at the university level, which itself paralleled the rapid rise of business education at the university level. For example, whereas only 1,500 students were graduated from schools of business in 1920, there were more than 18,000 graduates of such schools in 1940 (Hugstad 1983). The rapid rise of university education in business and marketing prompted the development of more formal teaching materials and textbooks on the subject.

The 1920s gave rise to seven textbooks on marketing. Duncan (1921) offered a list of marketing functions in his book, but adopted the institutional approach as its organizing structure. His institutional orientation probably explains why he felt moved to include such items as "the functions of the warehouse industry" in his list of functions. Like Duncan, Brown (1925) also included a list of functions of marketing. Unlike Duncan, however, Brown organized his book using a commodity approach and the functions of marketing were de-emphasized.

The other five writers authoring marketing textbooks in the 1920s adopted the functional approach for organizing and studying the subject. Cherrington (1921) believed the elementary activity of marketing was to bring buyer and seller together in a trading mood, using merchandise functions, auxiliary functions, and sales functions. He stressed that marketing should focus on functions rather than institutions because "functionaries are constantly changing, whereas functions are not" (1921, 50). Clark (1922) was the first author to group the various functions into the categories of exchange, physical supply, and facilitating functions. Clark acknowledged that his list of functions was derived from those of Weld. He was the only author of this period to acknowledge the fact that his list of functions was not an original contribution.

The functions of marketing outlined in Ivey's *Principles of Marketing* (1923) were virtually the same as those put forth by Cherrington. Ivey emphasized the marketing of manufactured goods and used functional analysis to explain the rise of specialized "functional middlemen." He noted that "before the industrial revolution each person whose task it was to get goods from the producer to the consumer performed a part of each function" (1923, 7).

Converse (1921) was one of the few authors of this time period who did not believe that all "functions" are always necessary: "The elimination of the middleman may or may not eliminate his function. Some of the functions may be transferred to others, while others may be eliminated." He believed that "the functional approach involves a consideration of the ways in which functions are performed, of the utility in the various functions, and of the agencies which can perform the functions to the best advantage" (1930, 31).

The final textbook of this period, Maynard, Beckman, and Weidler (1927), like Clark, adopted the organizing framework of exchange, physical supply, and auxiliary functions. However, to Clark's list they added the function of "collection and interpretation of market information." When modern writers refer to the "traditional functions of marketing," they customarily are referring to the lists and groupings of Maynard, Beckman, and Weidler.

In addition to textbook writers, other book and journal contributors such as Macklin (1924), Breyer (1934), Ryan (1935), and Fullbrook (1940) discussed the merits of the functional approach, offered their own lists of marketing functions, and generally promoted functional analysis in this growth period. The debate between the functionalists and those preferring a commodity or institutional approach to marketing study was decisively "won" by the functionalists. The functional approach to the study of marketing dominated five decades, as exemplified by the fact that the functionalist textbooks of Clark, Converse, and Maynard, Weidler, and Beckman (and their subsequent revisions) were the best-selling textbooks in marketing.

The reasons for the growth and eventual dominance of the functional approach were several. First, the United States was moving away from a purely agricultural economy toward a modern industrial society. Since the commodity approach to the study of marketing was heavily agriculturally oriented, it was less appropriate for the times. Second, most marketing scholars believed that the study of "functions" was somehow more fundamental than the study of the institutions that carried out those functions.

The third factor favoring the development and acceptance of the functional approach to the study of marketing was the onset of the Great Depression in the 1930s. The problems of excess supply in the production area in the United States economy prompted academicians and businesspeople alike to focus increasing attention on problems in the marketing of goods and services, rather than their production. Further, the Depression and its resulting financial consequences led to the merger of the National Association of Marketing Teachers with the American Marketing Society to form the American Marketing Association in 1937. In the prior year the two associations had joined forces to initiate the *Journal of Marketing*. Marketing had now become officially institutionalized and the functional approach was thought highly useful in analyzing problems of efficiency, competition, and government regulation in those years of economic distress.

The Period of Maturity: 1941–1970

The 1941–1970 period reflects the maturity phase of the functional approach's life cycle. As such, one would expect to find further refinements in the approach and, also, the seeds of its decline. The work of Alderson (1965) illustrates such further refinement. He adopted the methodological approach of anthropological functionalism to explore marketing systems. In so doing, he considered the functions of marketing that had been identified by previous writers as the "subfunctions which together constitute the function of marketing as a whole" (1965, 11).

Bucklin's *A Theory of Distribution Structure* (1966) can also be considered to be a further refinement of the functional approach to marketing. Bucklin's purpose was to explain the evolution of channels of distribution. His approach, which he identified as microeconomic-functionalist, was to identify the service outputs of the channel of distribution in terms of delivery time, lot size and market decentralization, and then to determine the functional activities necessary to produce those outputs: transit, inventory, search, persuasion, and production. He proposed that the purpose of the commercial channel of distribution was to minimize its total cost for any given set of outputs desired by the consumer.

Baligh and Richartz (1967) extended the mathematical development of the functional approach. They developed a mathematical model of the channel of distribution, drawing upon the original work by Balderston (1958). The Baligh and Richartz model is based on the key concepts of cooperation, competition, and their impact on "contactual" costs. The fundamental premise underlying their theory is that "exchange transactions are not costless and that in consequence there exists the possibility that these costs can be reduced" (Baligh and Richartz 1967, 6).

McGarry's well-known article on marketing functions (1950) both provided a refinement in the functional approach and, at the same time, the seeds of its demise. McGarry believed that the traditional functions of marketing gave a perspective that was too narrow in scope, too mechanistic, and did not grasp the dynamic task inherent in any marketing system. He proposed:

> The term "function" should be so defined as to meet the purpose for which it is used. The function of the heart is not simply to beat, which is its activity, but rather to supply the body with a continuous flow of blood. The term "function" should be restricted to the *sine qua non* of marketing, those things without which marketing would not exist.

McGarry (1950) proposed six functions of marketing: contactual, merchandising, pricing, propaganda, physical distribution, and termination. Note that these functions are much closer to what typical marketing managers actually do than such "traditional" functions as finance, risk, standardization, and grading. Without knowing it, McGarry was presaging the rise of the managerial approach to the study of marketing and the demise of the functional approach.

The publication of McCarthy's *Basic Marketing* (1960) is widely cited as the "beginning of the end" for the functional approach. McCarthy organized his text along managerial lines using the Four Ps of price, place, promotion, and product. The emphasis of the book was on the problems of the marketing manager, rather than looking at the characteristics of marketing systems and their functions.

The 1960s represent a transitional period wherein books adopting the managerial approach existed side by side with those using the more traditional functional approach. Some authors attempted to merge the two approaches. For example, Staudt and Taylor (1965) proposed a list of "managerial functions of marketing." This approach was also taken in the 1965 edition of Converse, Huegy, and Mitchell. Nevertheless, by 1970 the functional approach had lost its dominant position.

The Period of Decline: 1971–Present

The 1960s' gradual decline in the use of the functional approach to teach marketing became precipitously steep in the 1970s. No new textbooks adopted the functional approach; only revisions of previously published, functionally oriented textbooks were available. By 1980, even the revisions of the functional textbooks were out of print and the triumph of the managerial approach was virtually complete. Why was the functional approach abandoned, when it had apparently served the marketing discipline so well for more than forty years? Two environmental factors can jointly explain the demise of the functional approach to marketing.

First, programs and courses of instruction across all areas of business education changed radically in the 1960s and 1970s. Many of these changes were precipitated by two classic studies conducted on business education: the Gordon and Howell (1959) report funded by the Ford Foundation and the Pierson (1959) report commissioned by the Carnegie Foundation. Neither study could find much good to report about business education in the United States. In particular, they found the "core" courses (such as marketing) to be too descriptive in content and not sufficiently analytical. Further, they strongly urged business schools to adopt a more professional-school, rather than vocational-school, approach: "Collegiate business education should educate for the whole career and not primarily for the first job. It should view the practice of business professionally in the sense of relating it to what we have in the way of relevant systematic bodies of knowledge" (Gordon and Howe 1959, 8).

Business schools in the United States responded dramatically to the recommendations of the foundations' reports. All of the areas, including marketing, attempted to decrease the descriptive content of their courses, increase their analytical and intellectual content, and adopt a more professional/managerial orientation. Consistent with the criticisms of the foundation reports, the functionally oriented textbooks in marketing were drearily descriptive.

Further, although they were not narrowly vocational, neither were they truly professional/managerial. Thus, the switch to a managerial orientation in textbooks was consistent with the trends in other business disciplines and prompted by the widely accepted criticisms of current business education made by the foundation reports.

The changing nature of competition in the American economy in the later part of the 1950s and in the 1960s also helps explain the demise of the functional approach. After World War II the United States was the only major nation of the world whose industrial structure was still intact. With ready markets in Europe and Asia, the most pressing problems for American industry lay in the area of production, not marketing. However, beginning in the 1950s, competition increased dramatically both within the United States and in the world markets. As a consequence, American industry once again turned its attention toward problems in the marketing arena. This led to the development and subsequent acceptance of the "marketing concept" and the rise of the professional marketing manager in American industry.

It is fair to say that the concept of the "marketing manager" with the responsibility of integrating pricing, promotion, product, and channels of distribution decisions, was virtually invented in the 1950s. Previous to this time, although there had been sales managers and advertising managers in abundance, these people were not marketing managers in the sense that the term is used today. Further, although there were many managers with the label "marketing," they seldom had "integrating" responsibilities. Therefore, the decline of the functional approach and the rise of the managerial approach to the study of marketing can be succinctly explained by pointing out that (1) the functional approach was too descriptive for the times; (2) the managerial approach was more analytical; (3) the managerial approach was professional, rather than vocational; and (4) the rise of professional marketing management in American industry created a strong demand for managerially trained marketing executives.

The fact that the marketing functions approach is no longer used to organize marketing textbooks does not imply that specific functions are no longer taught—for many of them still occupy prominent places in textbooks. For example, the functions of demand creation, buying (particularly consumer buying) and market information (market research) receive extensive treatment in most modern texts. Further, the functions of transportation and storage (physical distribution) receive some attention. However, the functions of finance, risk, standardization, and grading receive little or no treatment.

Conclusion

What is the prognosis for the functional approach to the study of marketing? Is it likely that it will, like the phoenix, rise from its own ashes? We suspect not. Today, the research streams closest to the study of marketing functions are transaction cost analysis applied to channels of distribution (Williamson 1975) and the study of macromarketing with its emphasis on marketing systems, the consequences of marketing systems on society and the consequences of society on marketing systems. These kinds of studies have been institutionalized in the *Journal of Macromarketing*. However, although work in this area focuses on marketing systems, efforts have not been directed at identifying the "essential" functions of those systems in the manner of Shaw, Weld, and their contemporaries. Rather, work in the macromarketing area has focused on economic development, public policy, trade flows, ethics, comparative marketing, environmental impacts, and systems theory (Venkatesh and Dholakia 1986).

In today's jargon, the marketing functions "paradigm" has played itself out. As a teaching paradigm for the first course in marketing, it has been superseded by the managerial approach. Similarly, as previously discussed, it no longer provides a major research paradigm for our discipline. The marketing functions approach served as our discipline well as its major integrative paradigm for over five decades. Now we have moved on—and this is as it should be.

Appendix
The Functions of Marketing: Representative Perspectives

1. Arch W. Shaw (1912). "Some Problems in Market Distribution." *Quarterly Journal of Economics*. 26, 706–765.
   "Functions of Middlemen."
   1. Sharing the risk.
      Each middleman takes title to the goods and assumes the risk of destruction of goods while in his possession and the risk of credit losses.
   2. Transporting the goods.
   3. Financing the operations.
      Many selling agents actually act as bankers, endorsing receivables and extending credit.
   4. Selling.
      Communication of ideas about goods.
   5. Assembling, assorting, and reshipping.
      Functions that render goods physically available to consumers so that aroused demand can be satisfied.

II. L. D. H. Weld (1916). *The Marketing of Farm Products*. New York: Macmillan.
"Functions of Wholesale Middlemen."
1. Establishing connections with country shippers.
2. Warehousing.
3. Sorting of goods as to quality, size, etc.
4. Knowing the needs of retailers.
5. Furnishing quick delivery of small units.
6. Financing country shippers.
7. Regulating flow of goods between various markets.
8. Furnishing "business machinery."

III. L. D. H. Weld (1917). "Marketing Functions and Mercantile Organization." *American Economic Review*. June. 306–318.
"Marketing Functions."
1. Assembling.
2. Storing.
3. Assumption of risks.
4. Financing.
5. Rearrangement.
6. Selling.
7. Transportation.

IV. Paul T. Cherrington (1921). *The Elements of Marketing*. New York: Macmillan.
"Marketing Functions."
1. Elementary activity.
   Bring buyer and seller together in a trading mood.
2. Merchandise functions
   a. Assembling.
   b. Grading.
   c. Storing.
   d. Moving.
3. Auxiliary functions.
   a. Financing.
   b. Assumption of risks.
4. Sales functions

V. Paul D. Converse (1921). *Marketing Methods and Policies*. New York: Prentice-Hall.
"Marketing Methods and Policies."
1. Selling.
2. Assembling.
3. Dividing.
4. Standardizing and Grading.
5. Packing.

6. Transporting.
7. Storing.
8. Financing.
9. Risk taking.

VI. C. S. Duncan (1921). *Marketing*. New York: Appleton & Co.
"Functions of Marketing."
1. Functions of middlemen.
2. The transportation function.
3. The functions of organized exchanges.
4. The functions of the warehouse industry.
5. The functions of commercial grading and inspection of commodities.
6. The function of market news.
7. The function of market price.
8. The function of financing distribution.

VII. Fred E. Clark (1922). *Principles of Marketing*. New York: Macmillan.
"The Marketing Functions."
1. Functions of Exchange.
   a. Demand creation (selling).
   b. Assembly (buying).
2. Functions of Physical Supply.
   a. Transportation.
   b. Storage.
3. Auxiliary of Facilitating Functions.
   a. Financing.
   b. Risk Taking.
   c. Standardization (and grading).

VIII. Paul Wesley Ivey (1923). *Principles of Marketing*. New York: Ronald Press.
"Functions of Marketing."
1. Assembling.
2. Grading.
3. Storing.
4. Transporting.
5. Risk taking.
6. Financing.
7. Selling.

IX. Theodore Macklin (1924). *Efficient Marketing for Agriculture*. New York: Macmillan.
"Classification of Marketing Services and the Utilities Which They Create."
Elementary Utility is created by the farmers' services through their individual farm operations in contrast to marketing services below.

Utility of:	Created wholly or patly by marketing services of:
1. Place	1. Assembly
	2. Grading and Standardizing
	3. Packaging
	4. Processing
	5. Transporting
	7. Financing
	8. Distributing
2. Form	1. Assembly
	2. Grading and standardizing
	4. Processing
	7. Financing
3. Time	1. Assembly
	2. Grading and standardizing
	3. Packaging
	4. Processing
	6. Storing
	7. Financing
4. Possession	1. Assembling
	2. Grading and standardizing
	3. Packaging
	4. Processing
	6. Storing
	7. Financing
	8. Distributing

X. Edmund Brown (1925). *Marketing*. New York: Harper & Brothers.
"Functions of Marketing."

1. Purchasing.
   Assembling.
2. Selling.
   Distributing.
3. Traffic control.
   a. Shipping.
   b. Delivery.
4. Storing and Warehousing.
5. Standardization.
   a. Sorting.
   b. Grading.
6. Financing.
   Utilization of credit facilities.
7. Risk taking.
   Underlies all business activity.

XI. Harold Maynard, W. C. Weidler, and Theodore Beckman (1927). *Principles of Marketing*. New York: Ronald Press Co.
"Marketing Functions."
1. Exchange.
   a. Demand creation and selling.
   b. Buying (assembly).
2. Physical Supply.
   a. Transportation.
   b. Storage.
3. Auxiliary Functions.
   a. Finance.
   b. Risk bearing.
   c. Standardization and grading.
   d. Collection and interpretation of market information.

XII. Paul D. Converse (1930). *The Elements of Marketing*. New York: Prentice-Hall.
"Typically Marketing Functions."
1. Buying (possession utility).
   a. Determining needs.
   b. Finding a seller.
   c. Negotiation.
2. Selling (possession utility).
   a. Creating demand.
   b. Finding a buyer.
   c. Advice to a buyer as to use of product.
   d. Negotiation.
   e. Transfer of title.
3. Transporting (place utility).
4. Storing (time utility).
5. Standardizing and grading (possession utility).
6. Assembling (place utility).
7. Dividing (time utility).
8. Packing (time utility).
   General business functions involved in marketing.
9. Financing.
10. Risking.
11. Recording.

XIII. R. F. Breyer (1934). *The Marketing Institution*. New York: McGraw-Hill.
"The Marketing Functions and Utilities."

Marketing Functions	*Utility Created, Direct or Indirect*

1. Quality Determination Function	1. Form (direct or indirect). Possession (indirect).
2. Storage function.	2. Time (direct).
3. Contactual function.	3. Possession (indirect).
4. Negotiary function.	4. Possession.
5. Measurement function.	5. Possession (indirect).
6. Packing function.	6. Form (indirect).
7. Transportation function.	7. Place (direct).
8. Financing function.	8. Time (indirect).
9. Payment function.	9. Possession (indirect).
10. Risk bearing function.	10. Possession (indirect). Form (indirect). Time (indirect). Place (indirect).

XIV. Edmund D. McGarry (1950). "Some Functions of Marketing Reconsidered." *Theory of Marketing*. Reavis Cox and Wroe Alderson, eds., Homewood, Ill.: Richard D. Irwin. 265.

"Functions of Marketing."

1. Contactual.
   The searching out of customers.
2. Merchandising.
   Adopting products to users' wants.
3. Pricing.
   For acceptance of customers.
4. Propaganda.
   Persuasion to select the product.
5. Physical distribution.
   Basically transportation and storage.
6. Termination.
   The change in the custody of and responsibility of goods.

XV. E. Jerome McCarthy (1964). *Basic Marketing—A Managerial Approach*. Homewood, Ill.: Richard D. Irwin.

"Functions of marketing."

1. Exchange functions.
   a. Buying.
   b. Selling.
2. Physical distribution functions.
   a. Transporting.
   b. Storing.
3. Facilitating functions.
   a. Grading.
   b. Financing.
   c. Risk taking.

d. Market information.

XVI. Paul Converse, Hix Huegy, and Robert Mitchell (1965). *Elements of Marketing*. New York: Prentice-Hall.
"Marketing Functions"
1. Movement of ownership—creating possession utility.
   a. Buying.
      1. Awareness of needs.
      2. Selection of means of satisfying needs.
      3. Seeking sources of supply.
      4. Negotiating prices and terms.
   b. Selling.
      1. Stimulating consciousness of needs.
      2. Creating desire for means of satisfying needs.
      3. Making goods or services available to prospective buyers.
      4. Adjustment of offering to needs.
      5. Negotiating price and terms.
   c. Transfer of title and payment.
   d. Risking.
2. Movement of goods—creating place and time utility.
   a. Transporting.
   b. Storing.
   c. Grading.
   d. Dividing.
   e. Assembly of orders.
   f. Packing.
3. Marketing Management.
   a. Formulating policies.
   b. Providing organization.
   c. Providing equipment.
   d. Financing—providing capital.
   e. Supervising and controlling activities.
   f. Risking.
   g. Securing information, especially by accounting and research.

XVII. Thomas A. Staudt and Donald A. Taylor (1965). *A Managerial Introduction to Marketing*. Englewood Cliffs, N.J.: Prentice-Hall.
"Managerial Functions of Marketing."
1. Market Delineation.
   Determining who the relevant buyers are and other relevant quantitative factors that serve to define the market.
2. Purchase Motivation.
   The assessment of those direct and indirect factors which underlie, impinge upon, and influence purchase behavior.
3. Product Adjustment.

Those activities which are engaged in to match the product with the market in which it is to be purchased and consumed.

4. Physical Distribution.

   The actual movement of goods from points of production to points of consumption.

5. Communications.

   The transmitting of information and messages between buyers and seller to the end that the most favorable action climate for the seller is created in the marketplace.

6. Transaction.

   The activities which must be performed between the time a meeting of the minds occurs among the parties concerned and the actual transfer of ownership.

7. Post Transactional.

   The activities which assure satisfaction of the product in use, and the follow-through activities which provide feedback for more effective performance of marketing operations on a continuing basis.

References

Alderson, Wroe. 1965. *Dynamic Marketing Behavior*, Homewood, Ill.: Richard D. Irwin.

Balderson, F. E. 1958. "Communication Networks in Intermediate Markets." *Management Science*, 4 (January). 154–171.

Baligh, Helmy H. and Leon E. Richartz. 1967. *Vertical Market Structures*. Boston, Mass.: Allyn & Bacon.

Bartels, Robert. 1976. *The History of Marketing Thought*. Columbus, Ohio: Grid.

Berkowitz, Eric, Roger Kerin, and William Rudelius. 1986. *Marketing*. St. Louis: Times Mirror/Mosby College.

Breyer, R. F. 1934. *The Marketing Institution*. New York: McGraw-Hill.

Brown, Edmund. 1925. *Marketing*. New York: Harper & Brothers.

Bucklin, Louis. 1966. *A Theory of Distribution Structure*. Berkeley, Calif.: University of California Institute of Business and Economic Research.

Cherrington, Paul. 1921. *The Elements of Marketing*. New York: Macmillan.

Clark, Fred. 1922. *Principles of Marketing*. New York: Macmillan.

Converse, Paul D. 1921. *Marketing Methods and Policies*. New York: Prentice-Hall.

———. 1930. *The Elements of Marketing*. New York: Prentice-Hall.

Converse, Paul D., Hix Huegy, and Robert Mitchell. 1965. *Elements of Marketing*. New York: Prentice-Hall.

Duncan, C. S. 1921. *Marketing*. New York: Appleton & Co.

Fulbrook, E. S. 1940. "The Functional Concept in Marketing." *Journal of Marketing*, 9 (January). 229–237.

Gordon, Robert, and J. E. Howell. 1959. *Higher Education for Business*. New York: Columbia University Press.

Hollander, Stanley C. 1986. "The Marketing Concept: A Deja Vu," in George Fisk, ed., *Marketing Management Technology as a Social Process*. New York: Praeger Publishers. 3–29.

Hugstad, Paul S. 1983. *The Business School in the 1980s*. New York: Praeger Publishers.

Ivey, Paul Wesley. 1923. *Principles of Marketing*. New York: Ronald Press Co.

Kinnear, Thomas, and Kenneth Bernhardt. 1986. *Principles of Marketing*. Glenview, Ill.: Scott, Foresman & Co.

Kotler, Phillip. 1986. *Principles of Marketing*. Englewood Cliffs, N.J.: Prentice-Hall.

Macklin, Theodore. 1924. *Efficient Marketing for Agriculture*. New York: Macmillan.

Maynard, Harold, W. C. Weidler, and Theodore Backman. 1927. *Principles of Marketing*. New York: Ronald Press Co.

McCarthy, E. Jerome. 1960. *Basic Marketing*. Homewood, Ill.: Richard D. Irwin.

———. 1964. *Basic Marketing: A Managerial Approach*. Homewood, Ill.: Richard D. Irwin.

McCarthy, E. Jerome, and William D. Perrault, Jr. 1968. *Basic Marketing*. Homewood, Ill.: Richard D. Irwin.

McGarry, Edmund D. 1950. "Some Functions of Marketing Reconsidered," in Reavis Cox and Wroe Alderson, eds., *Theory in Marketing*. Homewood, Ill.: Richard D. Irwin.

Otteson, Schuyler F., William D. Pauschar, and James M. Patterson. 1964. *Marketing: The Firm's Viewpoint*. New York: Macmillan.

Pierson, Frank C. 1959. *The Education of American Businessmen*. New York: McGraw-Hill.

Pride, William, and O. C. Ferrell. 1985. *Marketing*. Boston, Mass.: Houghton Mifflin.

Ryan, F. W. 1935. "Functional Elements of Market Distribution." *Harvard Business Review* 13 (October). 137–143.

Shaw, Arch. 1912. "Some Problems in Market Distribution." *Quarterly Journal of Economics*. 26, 706–765.

Staudt, Thomas A., and Donald A. Taylor. 1965. *A Managerial Introduction to Marketing*. Englewood Cliffs, N.J.: Prentice-Hall.

Venkatesh, Alladi, and Hikilesh Dholakia. 1986. "Methodological Issues in Macromarketing." *Journal of Macromarketing* 6 (Fall). 36–52.

Weld, L. D. H. 1916. *The Marketing of Farm Products*. New York: Macmillan.

———. 1917. "Marketing Functions and Mercantile Organization." *American Economic Review* (June). 306–318.

Williamson, Oliver E. 1975. *Markets and Hierarchies: Analysis and Antitrust Implications*. New York: The Free Press.