

What is 'the greatest virtue'?

Some implications for marketing strategy.

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ABSTRACT

Academics and practitioners have written much about what they believe are the key characteristics of effective marketing and strategy, including their view of any distinguishing supreme virtue, practice or goal. Similarly, philosophers, theologians and others have long speculated about what would be the greatest virtue, practice or goal of individuals and/or groups, but this is seldom if ever done with any connection to marketing strategy. This paper aims to help fill this gap, and also to contribute to perhaps both better marketing strategy and more contented individuals from looking through this virtue lens. The paper concludes by suggesting some practical implications for marketers, general strategists and others in the combination of some valuable and great virtues.

KEYWORDS

virtue, marketing, strategy, marketing strategist, philosophy, management

INTRODUCTION

Marketers and strategists have been practising business, both virtuously and otherwise, since the beginning of commerce, and must have long pondered which business and personal approaches were more effective than others. Their corresponding academic disciplines are much more recent however, and their focus has been largely upon building a credible body of pragmatic knowledge from a disparate range of social science sources. Thus the emphasis has been much more on which techniques, tools and business decisions work better rather than on discussing any profound virtues of individuals or groups of marketing strategists.

However, Williams and Murphy (1990, p19) once commented that "the theory of virtue has a bearing on the kind of marketing mix decisions made by a firm or managers". However, this has largely been an isolated viewpoint.

Throughout recorded and even oral history, mankind has pondered the virtues they admire and despise, whether human, animal or organisational. It was inevitable that within this process we have wondered

about, or advocated strongly, what we believe to be the 'summum bonum' – the supreme good. What is the possible relevance and implications of this matter to marketing strategists?

METHOD

This paper is a theoretical piece, based on desk research, discussion, reasoning and contemplation. It is important to note that both the field of marketing and of strategic management have been eclectic and derivative social sciences, drawing much of their theory from parent disciplines such as economics, social psychology, politics, evolutionary biology and anthropology, and others. Thus it is quite reasonable for these two eclectic areas to also potentially draw valuable insights from virtue ethics and related viewpoints. In fact, some would argue that it is in fact inconceivable, and even irresponsible, for marketing and strategy to not draw from 'the wisdom of the ages' in terms of the great virtues that have been discussed (and lived) by significant people throughout history.

VIRTUE

The concept or attribute of 'virtue' is usually derived from two elements: firstly 'virtue' is the latin word for 'energy', and secondly, Aristotle (who originated the field of study known as 'virtue ethics') referred to virtue as a 'habit' of meritorious behaviour. The energy aspect was frequently equated with the energetic life-force provided by a/the Supreme Being, as well as the energetic passion that one ought to commit to both acquiring and developing beneficial habits.

It is easy to see that, as mankind and organisations modernised and acquired valuable skills and reputations in business, government, sport, warfare, science, medicine and the arts, many individuals and groups described hundreds of admirable virtues that they wished to aspire to or exploit. In such a situation, philosophers, theologians and powerful people (amongst others) endeavoured to sort out the better virtues from the lesser ones. It was inevitable that this fine tuning would include attempts to define the greatest virtue, 'summum bonum' (Drummond, no date) or the supreme sovereign virtue'. (Dworkin, 2002).

Such a pursuit however begs the questions: “virtue for what?” and “Habitual energy towards what purpose?” These are generally metaphysical questions beyond the scope of this paper. One pertinent point needs to be made in this respect, however. With personal and group virtues, the purpose is usually some lofty, admirable ones, with one or a few usually ranked above others (see below). However, in marketing and business generally, there is often a significant dispute over what is the greatest purpose and corollary virtue between i) winning the war and beating the competition, versus ii) profitability and the creation of wealth for the major stakeholders. Armstrong and Collopy (1994 p61) empirically show that this prioritisation oscillates over time within firms and industries, that the former is more popular than most people imagine, but that the latter is generally more successful.

Here we will need to presume that the purposes are likely to be more effective/successful marketing strategy and more virtuous behaviour vis-à-vis marketers undertaking strategic activities.

VIRTUE AND MARKETING STRATEGY

To gain some further insight into virtue and its possible relevance and usefulness for marketing strategists (if any), one approach is to attempt to identify the main virtues within each component part of the exercise i.e. the greatest virtue(s) of successful marketing; the greatest virtue(s) of strategy; of competition and successful evolution; and then the greatest personal virtues of individuals (and maybe groups). An overview of the ones suggested in this paper from the literature is presented in Table 1.

Table 1. The Greatest Virtues across 4 Categories.

<p style="text-align: center;"><u>Marketing</u></p> <ol style="list-style-type: none"> 1. Customer satisfaction maximisation. 2. Efficient and effective exchange. 3. Efficient and effective market control. 4. Maximisation of profit and other organisational goals. 	<p style="text-align: center;"><u>Strategy</u></p> <ol style="list-style-type: none"> 1. Shareholder wealth maximisation. 2. Achievement of the organisation's mission and vision. 3. A persistent and profitable sustainable competitive advantage. 4. Strategic fit (for conservative org.) and strategic intent/stretch (for risk-welcoming org.)
<p style="text-align: center;"><u>Competition, Evolution and Systems</u></p> <ol style="list-style-type: none"> 1. Survival/success for the fittest and the most adaptable. 2. Natural selection and within-group altruism. 3. 'The invisible hand' of capitalism. 4. A dynamic, open complex adaptive system. 	<p style="text-align: center;"><u>Personal Virtue</u></p> <ol style="list-style-type: none"> 1. The Golden Mean. 2. The Golden Rule. 3. Love (especially across-group altruism and transcendental) 4. Key Others (Prudence, Courage, Integrity...)

MARKETING

Most marketing books and articles, whether written by academics or practitioners, focus on the virtues of effective marketing (as they see it) to the organisation, rather than the virtues to the marketer themselves or to the major stakeholders such as the various customer groups. In fact, Robertson (2005) argues that most disciplines have a bias towards the practitioner and against their respective stakeholder, cynically stating that Marketing 101 could often be renamed "How to exploit consumers", HRM101 "How to manipulate employees", and Finance101 "How to cheat the shareholders".

An examination of the mainstream marketing literature indicates that, while most authors do not use the term 'virtue' in this respect, there is considerable agreement that the greatest virtue of marketing is the attainment of one or (preferably) more of the four items listed in Table 1 (Aaker and Mills 2005, Kotler 2004, Wilkie and Moore 1999).

STRATEGY

Similarly, the strategy literature also does not use the term 'virtue' in this respect either, but leading authors seem to argue for the supremacy of one or most of those listed in the Table. (Porter 1985; Hill, Jones and Galvin 2004).

COMPETITION, EVOLUTION AND SYSTEMS

Both marketing and strategic management are widely accepted as being inseparable from their competitive, evolutionary and systemic undertones, and here again there are certain key attributes or virtues supported in the literature (Smith 1897, Rand 1959, Young 2004) as summarised in Table 1.

PERSONAL VIRTUE

While textbooks and articles in the business (and many other) disciplines have often been absent or reluctant to discuss personal virtues, others have not. While many of these people have been philosophers, theologians and the like, it is important to realise that practically none of them have maintained that the great virtues they espouse should definitely not be applied to business (nor incidentally have any implicitly stated that these key virtues do, or should, apply to marketing strategy).

The first 'great virtue' in Table 1, is "the Golden Mean", the middle way that comes from balance and the avoidance of extremes, advocated in particular by Confucius, Buddha and Aristotle (Buddhist Promoting Foundation 1966, Murphy et al 2006). This virtue is usually combine with prudence and wisdom, as these virtues are required to recognise and chose the Golden Mean or 'happy middle way'.

Secondly we have "the Golden Rule" also known variously as the virtuous practice or habit of only 'doing unto others what you would like them to do to you'. Interestingly this virtue is advocated by practically all the world's main religions without exception (Marcic 1997, Rost 1986, Burton and Goldsby 2005), yet it is also the most disputed as the greatest virtue because it appear to presume that one knows how the other person would like to be treated or that all people wish to be treated the same way as the person applying

the Golden Rule. Clearly both of those presumptions could not be supported empirically, anecdotally nor logically. Nevertheless, 'the Golden Rule' may well be the most popular espoused virtue ever. Yet an examination of marketing strategy and business textbooks shows that this is not shared by textbook writers.

Thirdly there is the virtue of 'love', famously supported as 'the greatest thing in the world' by St. Paul and Plato (Marcic 1997, Grobe 1992, Drummond, no date), though also within all the major world religions (Marcic 1997). Most challenging here are the 'love' that puts the Truth and 'the Kingdom of God' first and foremost, as well as love of one's neighbour and one's enemies (including unconditional, across-group altruism), (Soule 2002).

Finally there is a small group of other virtues that tend to be more frequently identified as the ultimate virtue, such as prudence or common sense wisdom (Arjoon 2002, Pieper 1966, MacIntyre 1984), courage (Gandhi, in Marcic 1997, Walston 2005), gratitude (Cicero, in C.S. Sentinel 2005), and integrity/lack of hypocrisy (Husted and Allen 2000, Masters 1999, Erwin 1995, Chun 2005).

There is no space within this paper for a discussion of the relative merits or demerits of these and other virtues, either in and of themselves, or in terms of their general relevance. However, it is pertinent to briefly speculate about the implications for all of these virtues for marketing strategy.

SOME IMPLICATIONS FOR MARKETING STRATEGY

The first thing that needs to be said is that generally there is no obvious case against any of the virtues listed under the 'Marketing', 'Strategy' or 'Competition etc' headings. The empirical and practitioner support for them, by and large, has been strong and persistent. This does not mean that there is no disagreement whatsoever about their relative roles in different situations.

Evolutionary theory, for example, has implications not only for marketing theory but also for individual marketers and their customers. "Like the evolutionary road pursued by the rest of creation, the road of personal and spiritual development is also a climb toward greater fitness and greater adaptability." (Duffy

2002, p2). Thus, while we are familiar with the need (and many of the techniques) for enhancing a firm's competitive fitness and adaptation strategies, virtue ethics suggests that marketers should deliberately enhance their own fitness and adaptability, and also facilitate their customers' business, personal and spiritual development as well in order to help their survival and ongoing success.(Stewart 2003)

The second thing to emphasise is the view that "the nature of business does impose limitations on virtues; there is an especially business ethic". (Erwin 1995, p 833). Thus we must always be careful when presuming that everyday-life virtues should automatically apply in business. The great Christian virtue of "rendering unto Caesar what is Caesar's, and unto God what is God's" seems to be particularly appropriate here. However, this paper would be arguing that marketing strategists would need to be very careful not to render unto Caesar what is God's under the excuse that 'anything goes' within this 'special business ethic'.

However, there are valuable implications for marketing strategy of incorporating the personal virtues within them, and a few examples will have to suffice on this occasion.

'Love' has often seemed to some as a ludicrously impractical virtue in the tough world of marketing or business, yet Marcic (1997) has provided an entire book on the business application of this virtue, including a number of the world's successfully companies. Eric Fromm (1976, p52) once wrote that "to love is a productive activity. It implies caring....knowing, responding, affirming, enjoying:...it is a process, self-renewing and self-increasing". This definition is quite compatible with marketing strategists enhancing their productivity by caring about their products, their customers, and their marketing mix decisions, knowing more about market needs, responding well, and enjoying the satisfaction of being a virtuous and effective marketer.

Just as employees do not generally like to be seen as 'resources' by the Human Resources Department, so customers also generally do not like to be seen as 'the target market to be attacked or exploited'. Such treatment defies several of the key virtues.

Similarly, the philosophy and practice of 'servant leadership' where one places 'service' as the primary purpose of business (Greenleaf, Armstrong 2003, Simons 1994), could be more widely and precisely applied to marketing strategy, especially with regard to 'being of service to people and the community.' For those who consider this naïve and impractical, they should study the commercial success of the global company Servicemaster (Marcic 1997) as one example.

The possibility of the marketing strategist acting more as a steward, trustee or guardian for both the customer and the environment has been broadly suggested in the green marketing literature, but the full implications and possible benefits should still be elaborated upon .A more expansive across-group altruism might well result in business actually evolving towards perhaps a spiritual development phase as advocated by evolutionary biologist John Stewart (2003).

This and many other 'tough' decisions for marketers and strategists would require more detailed attention being given to encouraging the practice of 'courageous marketing' (Jackson 1990). As one example of the link between the virtue of courage and business marketing strategy, a recent study by The Israel Electric Company and Darby University (Seri and Kreindler 2005 p1) "found a very high correlation between a team's overall courage level, reflected in each of the 5 Courage factors, and its readiness to consider and adopt new communication and organisational technologies. Teams that exhibited the highest levels of purpose, will, rigor, risk and candour (the 5 Courage factors) were most apt to be innovators, both in their ability to recognise the use and value of new technologies and in their ability to command the respect that thought-leaders need to get less venturesome colleagues intrigued about the potential of new ideas and technologies. The correlations were statistically significant beyond the $P < .0001$ level." Here we see supporting evidence that nurturing courage as a virtue could help many of the innovative and demanding marketing strategies such as new product development, the marketing-technology interface, the implementation of new IMC technologies, and so on.

Advertising and market research are both vitally important tools of the marketing strategist, and both depend as much on credibility as they do on technique and implementation. Million of dollars are wasted

on adverts and research reports that fail on integrity grounds more than on practitioner skill. Witness the reactions to medical products research that has been sponsored by the drug companies, as one example. Consider also the collapse of Arthur Anderson Worldwide from a single integrity problem in their New York office. These are not just instances of inadequate public relations or sloppy auditing and recruitment; marketing strategists in these organisations cannot do their jobs without detailed attention to the great virtues.

In a recent major review of marketing metrics entitled “What value Marketing?” by the Australian Marketing Institute [AMI, 2004,pg 2]- which involved substantial surveying of CEO’s and Marketing Directors- the AMI concluded that the main marketing “metrics should be linked to strategy, and should include as a minimum four key elements: return on marketing investment, customer satisfaction, market share in targeted segments, and brand equity”. In other words, marketing as a profession, and marketing strategists themselves, needed to provide value in these 4 main areas. This paper contends that it is a virtue to provide value, and that one of the values that anyone can achieve is virtuous action. They then elaborated on this by identifying the key metrics for best practice used by leading organisations. In terms of financial marketing metrics they identify sales, profit, and relative share of marketing investment. With regard to brand equity metrics, the main ones are relative brand market penetration; relative brand perception, affinity and familiarity scores; relative brand availability in retail outlets; and relative brand loyalty, churn and retention. As for marketing innovation metrics they list measures of commitment to strategic goals; measures of how innovative the culture is such as the level of a learning organisation and ‘a freedom to fail’ in experimenting for the customers benefit; and innovation outcome measures such as the number of new initiatives, new products launched and the percentage of total revenues from recent new launches. Finally, there are sales employee-based metrics such as measures of customer empathy and service, the perceived adequacy of resources supporting the sales effort, and so on. Firstly it should be said that this itemised list is a good one in terms of the main virtues of effective marketing and strategy. Secondly, there are some encouraging signs of attention to personal and group virtues in there, such as

customer empathy and willingness to experiment for the customers benefit. These are very commendable. This paper would like to see the same sort of virtuous thinking applied to much of the rest of the itemised list, and would argue that this would even better answer the original question: “ What value Marketing?”.

In the US, The Foundation for a Better Life, an organisation affiliated with well-known marketing strategist Philip Anschutz (Chairman of Qwest Corporation) has funded billboards which specifically promote character virtues. Thompson comments (2002, p20):“Among the billboards for Hooters and Metabolife, will virtues sell? Who knows, but maybe they’ll seep into the collective subconscious. We can certainly use them”.

CONCLUSION

There is no dispute that the most effective marketing strategists have been able to exhibit the best of the main virtues of marketing, strategy and competition. However, they should not rest on their laurels. As this paper has started to indicate, there is enormous potential for marketing strategy to take on and tailor the greatest personal virtues as well as to imbed them in time into their theory and practice. In addition, it is about time that marketing and strategy textbooks include the relevance and usefulness of the great virtues. Medical texts laud the great virtuous medicine specialists like Albert Schweitzer, David Livingstone and Florence Nightingale. Social work, theology and psychological texts emphasize their famous caring practitioners. The same is true of other professions who pride themselves on their pragmatism . Marketing and strategy should give more attention to their greatest virtues.

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