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H2H

MARKETING

THE GENESIS OF
HUMAN-TO-HUMAN
MARKETING

H2H Marketing

Philip Kotler • Waldemar Pfoertsch •
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H2H Marketing

The Genesis of Human-to-Human
Marketing

 Springer

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Foreword

The book introduces us to the theme of human integrity and honor in the context of the marketplace. The book emphasizes that human values of trust and service to others are the foundations of human economic activity rather than the sale of commodities and luxuries. The book has reframed marketing as a way of solving crucial human problems, by emphasizing that human beings should be given primacy over the products we engineer or the profits we make.

For scholars and practitioners of marketing and business, the book takes one through a refreshing journey of exploring what truly constitutes human integrity in marketing. It encourages us to question our approach to marketing—from a consumeristic frame to a service-dominant frame. It invites us to approach marketing as a tool for the holistic development of human societies and for meaningful viable business.

To achieve business goals, respecting the individual/human subject is fundamental rather than accelerating consumerism. The H2H marketing model evolved in this work is unique in several ways. Influenced by design thinking, service-dominant logic, and digitalization, it explains why marketing needs renovation. Further, it emphasizes how marketing needs to be practiced—as a mindset, operational process, and management task characterized by a human-to-human interaction. Finally, it espouses the importance of trust and empathy in stating what marketing should be used for. I believe that the publication *H2H Marketing* is more than a book; it is a way of life that forces traditionally understood notions of marketing to be dispelled and replaced by human-centric approaches with wider social implications.

Christ University
Bangalore, India

Fr Thomas C. Matthew

Preface

How does the future of marketing look like? Marketers around the world have been wondering. Many things have rattled the principles of marketing, and this is just the beginning of the re-orientation. The power of the customer has increased through the spread of the Internet, and tech companies are trying to utilize the scope of applications to change the habits of customers fundamentally. The 2020 Coronavirus Pandemic has added new uncertainties and brought new insights and geared the customer more to the real essentials of a human being. Around the globe, information creation and distribution have initiated new dynamics in markets, and customers have become more aware of options and possibilities available to them. In various degrees, digitalization has reached every corner of the world. Marketing automation and the use of artificial intelligence (AI) are making their way into everyday life. Marketing science now has the challenge to create new approaches to address the current situation.

Evolving and expanding from business-to-business (B2B) marketing, we have developed a new concept for human-to-human (H2H) marketing. With this publication, we wanted to bring together our cumulative experience and insights to help to form a better way of marketing. We are combining the latest marketing concepts, advances in design thinking, and newest service-dominant logic approaches, as well as the latest insights into digitalization.

During the last few years, we intensively researched in these areas, writing articles and books, designing and conducting courses, and working on many industrial and consumer strategy projects. It became clear to us that the way marketing was understood and how it was implemented was essentially responsible for its success. We concluded that the “mindset” in marketing was responsible for its outcome. To stay relevant and powerful, marketing thinking has to shift.

Over the years, marketing concepts have changed to create value and to stay relevant. Under the current circumstances, it is necessary to have a clear value orientation for any marketing activity. It has to be aligned with a focus on people-for-people benefits. The creation of human-to-human marketing establishes a new approach that puts human beings at the center of marketing. It taps into the conscious and subconscious priorities of humans as a means to successful marketing. Marketing should work for the people, not against them.

Many marketing concepts do not achieve the goals of this new human-to-human (H2H) mindset. Push marketing oriented on the 4P marketing mix no longer fits into the realities of the digital world. The Internet is bidirectional, if not multidirectional. Customer knowledge, customer pull, or even user-generated content is playing an increasingly important role. Logically, marketers must cleverly adapt to the influences of digitalization. Therefore, in this book, we introduce a new “H2H marketing model” to describe and clarify the approach needed to develop a new concept for H2H marketing.

A Few More Didactic Hints

This book is based on a German language publication called *Das neue Marketing Mindset* (Springer-Gabler 2019) from Waldemar Pfoertsch and Uwe Sponholz. It introduced the principle of storytelling, which we would like to use in this English publication too.

We do this because a story told can attract the readers’ attention much more easily than a factual address. Over thousands of years, man has handed down knowledge through storytelling, and this method is being used increasingly in modern business today. Our storytelling approach is diagrammed in Fig. 1. All figures and Tables in this publication are compiled by the authors. Therefore, we do not mark them individually as “Authors’ own figure” or “Table compiled by author”.

We start with the “Call for Adventure” to introduce the current state of marketing and ask ourselves where marketing is heading. “Marketing-Quo Vadis?” is not a theoretical question. It leads to the fundamental understanding of our profession by addressing the need to change. We look at the evolution of the marketing mix and its consequences. In recent years, other concepts and ideas have emerged, which need to be considered. Raj Sisodia, Jag Sheth, and David Wolfe provided us with inspiration and encouragement with their study *Firms of Endearment*.

Marketing cannot neglect the sustainability challenge; it needs to find appropriate dimensions to judge its own principles. Built upon this, our own observations and reflections of applied marketing in the field as consulting



Fig. 1 The genesis of H2H marketing as a story

companies enabled us to develop the H2H marketing model and the evolution to the H2H marketing concept. After the “call for adventure” and description of the current state of marketing, we continue the “great journey” with the development of the “new marketing paradigm” and the presentation of the H2H marketing model. In the initial version of this publication, H2H marketing model was called the “Bangalore model” because it was developed on the Christ University Campus in Bangalore. Synonym to the acronym H2H, we used the term “*mensch* marketing”. The American language noun “*mensch*” originates from the Yiddish: *מענטש* *mentsh*, which emphasizes a human-orientated behavior. The website for this book is also called [Mensch Marketing](#).

This new model adds design thinking (DT) as an innovation method for any marketing activity. As a first step, its human-centered mindset should lead to human-centered marketing. Secondly, its toolbox and process-oriented approach can bring marketing even further to meet current human needs. This is also true for service-dominant logic (S-DL) concept, which we want to see bundled with all marketing activity. S-DL is also human centered and delivers the theoretical basis for H2H marketing. As the third step of the H2H marketing model, we see current developments of digitalization as a great opportunity for redirecting the focus of marketing to a more stakeholder-oriented concept. This new way of marketing management in the form of H2H marketing needs some brave actions, which we introduce in the elements of H2H marketing. As in any good story, the hero needs the right attitude, which in our case is called H2H mindset.

The foundation for this mindset is trust, which we see this as the key currency for any business transaction in a hyper-connected world. In detail, we

present profound insights into a map of the unknown terrain that will be explored in our journey. The “solution and return” of the story is then told through the introduction of the operative marketing, which focuses on the H2H process and the necessary steps in the new forming of the marketing mix. It is an iterative process, based on new technological capabilities through the digitalization and deep thinking in H2H marketing. This marketing approach challenges the core competencies needed to create and deliver meaningful value propositions to customers and other collaboration partners. At the end of the story, we offer new solutions to finding meaning in the troubled world we live in. This will provide a path for the future for many companies led by our hero—H2H marketing mindset. To illustrate feasibility, case studies are mentioned in this publication and are fully displayed in the upcoming *H2H Marketing Case Study Collection*.

This book addresses global decision makers, executives, professors, students, and the curious general audience. At the end of each chapter, we ask questions to reflect on, which depend on your personal situation and perspective, and which we, therefore, cannot give a blanket answer for in this book.

Please note, in our writing, we use the female form (she, her) for simplicity and uniformity, but it should be understood as gender-neutral! In admiration of excellent management thinkers like Vargo & Lusch, Michael Porter, and many more whom we have met and worked with, we are concerned with the sustainable improvement of the world and people-oriented marketing. Such thought leaders, together with ongoing technical developments, give us inspiration, which we would like to discuss and adapt to in the future through lively exchange.

Many thanks go to our collaborators and helpers from our all around the world. This publication was created in cooperation with Maximilian Haas. Special thanks go to Guido Morhardt and Yoshiyasu-Simon Kono for creating the design language of the figures.

For updates and further information, contact our website or the authors: <https://mensch.marketing/>

The website is built like a magazine and will feature special topics and provide updates and serves as our co-creation platform for researchers and practitioners. Various chapters of the book are offered for a limited period for free download. We are looking forward to be in touch with you.

Longboat Key, FL
Stuttgart, Germany
Schweinfurt, Germany
August 2020

Philip Kotler
Waldemar Pfoertsch
Uwe Sponholz

Endorsements

“A compelling and comprehensive message about how marketing can serve society and not just the consumer. The human-centric perspective in *H2H Marketing* enlarges and enables the company to serve the customer more holistically as a human who is also an employee, a supplier, an investor, and a citizen.”

—Jagdish N. Sheth is the Charles H. Kellstadt *Professor of Marketing at the Goizueta Business School, Emory University, Atlanta, GA, USA*

“Perhaps too often forgotten, people are always at the core of all aspects of marketing. *H2H Marketing* builds on that rich insight to offer a creative and long overdue reexamination of marketing.

Thought-provoking and inspiring, its focus on human-to-human interactions will change how marketers can and should approach their craft.”

—Kevin Lane Keller, E.B. Osborn *Professor of Marketing, Tuck School of Business, Dartmouth College, Hanover, NH, USA*

“Sui generis, marketing has always been focusing on the customers. However, corporations often focus predominantly on their product portfolio and try to maximize sales instead of concentrating on customers’ needs and wants and their problems by offering innovative and value-adding solutions. Today’s customers’ needs and wants—in particular when it comes to Gen Y and Z—often transcend traditional functional and emotional benefits as they call for more encompassing stakeholder value management-oriented companies which are acting responsible with respect to the environment and society as well as the world as a whole. In this innovative book, the authors demonstrate how enterprises can live up to this kind of human-to-human marketing approach.”

—Marc Oliver Opresnik, *Professor of Marketing, Technische Hochschule Lübeck, Germany*

“There is nothing more exciting than the evolution and creation of our planet’s biosphere. Humans are one result of this deep time process. And as it seems—we could be the big disrupter. Therefore, we all should welcome smart wake-up calls in our specific professional and personal lives. This book is a great offering to dedicated marketing experts and branding brains to understand the deeper meaning of purpose creation. It also offers you a bright spectrum of tools to do our transmission work in the human fabric.”

—Achim Kuehn, *Head of Group Marketing and Corporate Communications, Herrenknecht AG, Schwanau, Germany*

“H2H Marketing is a paradigm change in marketing. The book helps to see marketing as what it essentially always has been: a human-to-human interaction. Incorporating the ground principles of value co-creating, this book provides the much-needed actionable marketing tools for a new customer-centric era.”

—Patrick Planning, *Professor of Business Psychology, Stuttgart Technology University, Stuttgart, Germany*

“We live in a world where people are flooded with thousands of advertising messages every day. H2H Marketing thinks ahead and focuses on the valuable interaction between humans instead of unethical business approaches to message potential customers whatever the cost.

What I find most exciting about the book is how the authors break down the walls between the core elements and innovative approaches of marketing to create a holistic and balanced picture of the future of marketing without losing its roots.

The scientific foundation of the articles in conjunction with clearly stated instructions for a practical implementation of the contents makes this book a required reading for marketing professionals.”

—Christian Koch, MS, *Marketing Manager, Müller—Die lila Logistik AG*

“In the end it comes back to where it all should start—finally a human-centric approach of marketing. This book reveals impressively how design thinking, the service dominant logic, and digitalization serve as building blocks of H2H Marketing. Rethinking existing marketing strategies with the eyes of this new paradigm will lead to striking insights. Everybody who was waiting for the next leap in marketing will be inspired by this book.”

—Adam-Alexander Manowicz, *Professor Business and Mathematics, Bielefeld University for Applied Science, Bielefeld, Germany*

Herzlichen Glückwunsch, lieber Waldemar! Das sieht ja toll aus 😊

—Prof. Dr. Thomas Cleff, *HS PF Pforzheim University, Dean of the Business School, Pforzheim, Germany*

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About the Authors



Philip Kotler is one of the leading authorities in marketing. He was the S. C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management, Northwestern University, Evanston, Illinois. He received his Master's Degree at the University of Chicago and his PhD Degree at MIT, both in economics. He did postdoctoral work in mathematics at Harvard University and in behavioral science at the University of Chicago.

Professor Kotler is the author of *Marketing Management: Analysis, Planning, Implementation and Control*, the most widely used marketing book in graduate business schools worldwide; *Principles of Marketing*; *Marketing Models*; *Strategic Marketing for Nonprofit Organizations*; *The New Competition*; *High Visibility*; *Social Marketing*; *Marketing Places*; *Marketing for Congregations*; *Marketing for Hospitality and Tourism*; *The Marketing of Nations*; *Kotler on Marketing*; *Building Global Bio Brands*; *Attracting Investors*; *Ten Deadly*

Marketing Sins; Marketing Moves; Corporate Social Responsibility; Lateral Marketing; and Marketing Insights from A to Z. He has published over one hundred articles in leading journals, several of which have received best article awards.

Professor Kotler was the first recipient of the American Marketing Association's (AMA) "Distinguished Marketing Educator Award" (1985). The European Association of Marketing Consultants and Sales Trainers awarded Kotler their prize for "Marketing Excellence." He was chosen as the "Leader in Marketing Thought" by the Academic Members of the AMA in a 1975 survey. He also received the 1978 "Paul Converse Award" of the AMA, honoring his original contribution to marketing. In 1989, he received the Annual Charles Coolidge Parlin Marketing Research Award. In 1995, the Sales and Marketing Executives International (SMEI) named him "Marketer of the Year."

Professor Kotler has consulted for such companies as IBM, General Electric, AT&T, Honeywell, Bank of America, Merck, and others in the areas of marketing strategy and planning, marketing organization, and international marketing.

He has been Chairman of the College of Marketing of the Institute of Management Sciences, a Director of the American Marketing Association, a Trustee of the Marketing Science Institute, a Director of the MAC Group, a former member of the Yankelovich Advisory Board, and a member of the Copernicus Advisory Board. He has been a Trustee of the Board of Governors of the School of the Art Institute of Chicago and a Member of the Advisory Board of the Drucker Foundation. He has received honorary doctoral degrees from Stockholm University, the University of Zurich, the Athens University of Economics and Business, DePaul University, the Cracow School of Business and Economics, Groupe H.E.C. in Paris, the University of Economics and Business Administration in Vienna, the Budapest University of Economic Science and Public Administration, and the Catholic University of Santo Domingo.

He has traveled extensively throughout Europe, Asia, and South America, advising and lecturing to many companies about how to apply sound economic and marketing science principles to increase their competitiveness. He has also advised governments on how to develop stronger public agencies to further the development of the nation's economic well-being.



Waldemar A. Pfoertsch is professor emeritus of international business at the Pforzheim University, Germany, and lectures about B2B marketing and industrial brand management. He is lecturer at the Mannheim Business School, Tongji SEM, Shanghai, and TUM (Technical University Munich), Heilbronn. He also teaches at the Indian Institute of Management Calcutta (IIMC), ITM, Sweden, and Graduate Business School of ESAN, Lima Peru. From 2007 to 2010, he was professor of marketing at China Europe International Business School Shanghai (CEIBS). His other teaching positions have been at the Executive MBA Program at the University of Illinois, Chicago. He was visiting Associate Professor at Kellogg Graduate School of Management, Northwestern University, and Lecturer for Strategic Management at Lake Forest Graduate School of Management. He has taught online with the University of Maryland-Graduate School. At the start for his career, he was Research Assistant at the Technical University of Berlin.

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His professional career began at the Institute for Trade Research at the University of Cologne, initially as a researcher and later as head of department of the newly founded consulting division of the institute. He then moved to Alliances Management Consultants in Paris, a small consulting firm specializing in providing strategic advice to large service providers. From there he went to FAG in Schweinfurt, where he was significantly responsible for the development and implementation of a global service concept.

For years, he has supported companies with design thinking workshops and consulting projects. He is also shareholder and founding partner of incito management consulting and Bodystance GmbH. He uses the second company to test his conceptual ideas of H2H marketing.

Maximilian Haas worked as research assistant at Pforzheim Business School before starting work as a consultant. He graduated 2019 in International Business at Pforzheim University. His interests lie mainly in the area of branding and international business.

List of Abbreviations

4Cs	Consumer, Cost, Communication, Convenience
4P	Product, Price, Place, Promotion
5As	Aware, Appeal, Ask, Act, Advocate
5Cs	Communication, Channel, Cost, Customer Solution, Community
5Es	Evolve the Solution, Exchange the Knowledge, Expand the Value, Extent the Access, Engage the Brand
A2A	Actor-to-Actor
AI	Artificial Intelligence
AR	Augmented Reality
B2B	Business-to-Business
B2B2C	Business to Business to Consumer
B2C	Business-to-Consumer
BFD	Brand-formative Design
CB	Collaborative Branding
CBV	Customer-Based-View
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMO	Chief Marketing Officer
CPS	Cyber-Physical Systems
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
CVP	Cost Volume Profit
CX	Customer Experience
CXM	Customer Experience Management
DT	Design Thinking
e-commerce	Electronic Commerce
ERP	Enterprise Resource Planning
EY	Ernst & Young

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f-factor	Factor for Friends, Family, Followers, Facebook, etc.
FMOT	First Moment of Truth
FoEs	Firms of Endearment
FP	Fundamental Premise
G-DL	Goods-Dominant Logic
H2H	Human-to-Human
HPI	Hasso Plattner Institut
IDEO	Innovation Design Engineering Organization
IoT	Internet of Things
IT	Information Technology
MBV	Market-Based-View
MVC	Minimum Viable Content
NGO	Non-Governmental Organization
P&L	Profit & Loss
POV	Point of View
RBV	Resource-Based View
ROI	Return on Investment
RRM	Review and Rating Management
SAVE	Solution, Access, Value, Education
S-DL	Service-Dominant Logic
SIVA	Solution, Information, Value, Access
SMART	Specific, Measurable, Achievable, Reasonable, Time-bound
SoLoMo	Social Local Mobile
STP	Segmenting Targeting Positioning
UBI	Universal Basic Income
UGC	User-generated Content
UX	User Experience
VBV	Value-Based-View
VR	Virtual Reality
VUCA	Volatility, Uncertainty, Complexity, Ambiguity
YMCA	Young Men's Christian Association
ZMOT	Zero Moment of Truth

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The Current State of Marketing

We believe marketing can change the world for the better. During the last decades, marketing experienced many revolutionizing changes that added to the quality of life for many people. However, changes have not all been for the better. Due to some unethical practices of over-zealous profit-minded marketers, the current image of marketing, as perceived by employees and customers, has deteriorated to a point where “most people associate negative words, such as ‘lies,’ ‘deception,’ ‘deceitful,’ ‘annoying,’ and ‘manipulating,’ with marketing”.¹ Public scandals, like falsified market research results, add further aggravation to this bad image.²

A general lack of trust prevails, which results in the exact opposite of what marketing is trying to achieve. Brands like Amazon, Airbnb, FlixBus, Mercedes-Benz, Salesforce, Tesla, Whole Foods Market, or Uber could not survive if customers would not place their trust in them. Amazon digitally displays more than 350 million different products and promises, to be delivered after a customer pushes the purchase button without ever having seen the product physically. Such an act of trust had to be earned with much effort on Amazon’s part. Without trust, it becomes nearly impossible for a company to build a meaningful relationship with the customer on a human level. The belief by many today is that consumer marketing rarely keeps its promise about the customer and market orientation and, instead, practices a

¹ Sheth, J. N., & Sisodia, R. S. (2005). Does marketing need reform? p. 10 in Marketing Renaissance: Opportunities and Imperatives for Improving Marketing Thought, Practice, and Infrastructure. *Journal of Marketing*, 69(4), pp. 1–25. <https://doi.org/10.1509/jmkg.2005.69.4.1>.

² See also Kotler, P. (2017). *Criticisms and Contributions of Marketing*. Retrieved from <https://www.marketingjournal.org/criticisms-and-contributions-of-marketing-an-excerpt-from-philip-kotlers-autobiography-philip-kotler/>.

tendency to outsmart and trick customers rather than convincing them in an honest way.³

Taking this into account, it does not come as a surprise that the diminishing importance and credibility of marketing departments have been proven empirically.⁴ The founder of marketing in Germany as a scientific discipline, Professor Meffert,⁵ points out that marketing is meant to be a “dual management concept” – on the one hand a corporate function and on the other hand a “corporate governance concept” that integrates the “market-oriented coordination of all operational functional areas.” While this dual understanding is predominant in scientific discourse, marketing in professional practice is more and more limited to the corporate function, while a leading function is successively denied.⁶

This problem is not new: Marketing has been struggling with diminishing importance for some time now. Already in 2005, Sheth and Sisodia postulated that “marketing has come to view itself too narrowly and, in many cases, merely as sales support”.⁷ Meffert warned: “Restricting marketing to a sales-supporting instrument does not do justice to the dual leadership claim of marketing and carries the danger that marketing orientation is only anchored operationally, but not strategically, in the company and its corporate culture”.⁸

Many researchers see shareholder value orientation⁹ as the primary reason for this development. According to them, successful, market-oriented corporate management and the shareholder value approach are not mutually exclusive. Problematic developments arise when firms, in pursuit of short-term capital gains, try to save costs and reduce marketing budgets, which in the short term does not have a negative impact on customer loyalty. In the long

³ Sheth & Sisodia (2005), *op. cit.*

⁴ Homburg, C., Vomberg, A., Enke, M., & Grimm, P. H. (2015). The loss of the marketing department's influence: is it really happening? And why worry? *Journal of the Academy of Marketing Science*, 43(1), pp. 1–13. <https://doi.org/10.1007/s11747-014-0416-3>.

⁵ Meffert, H., Burmann, C., Kirchgeorg, M., & Eisenbeiß, M. (2019). *Marketing: Grundlagen marktorientierter Unternehmensführung Konzepte – Instrumente – Praxisbeispiele* (13th. ed.), pp. 12–13 Wiesbaden, Germany: Springer Gabler.

⁶ Benkenstein, M. (2018). Hat sich das Marketing als Leitkonzept der Unternehmensführung wirklich überlebt? – Eine kritische Stellungnahme. In M. Bruhn, & M. Kirchgeorg (Eds.), *Marketing Weiterdenken: Zukunftspfade für eine marktorientierte Unternehmensführung* (pp. 49–64). Wiesbaden, Germany: Springer Gabler.

⁷ Sheth & Sisodia (2005), *op. cit.*, p. 11.

⁸ Meffert et al. (2019), *op. cit.*, p. 14.

⁹ Benkenstein (2018), *op. cit.* and Rebecca Henderson (2020). Reimagining Capitalism in a World on Fire, New York, USA: PublicAffairs. “WHEN THE FACTS CHANGE, I CHANGE MY MIND. WHAT DO YOU DO, SIR?” Shareholder Value as Yesterday's Idea.

run, however, the image, brand positioning, and customer loyalty suffer considerably.

1.1 Marketing: Quo Vadis?

The corporate management of a market-oriented firm is often subject to criticism because it only reacts to market developments instead of proactively shaping market developments in a resource-oriented manner. For marketing to yield effective results, firms ought to aim for a healthy mix between market orientation (market pull) and resource orientation (technology push) instead of clinging to only one perspective. Marketing needs to be both market-oriented and resource-oriented. Both aspects form part of a marketing mindset that should infuse the entire company, not only the marketing department.

A few companies like Whole Foods Market and Patagonia have this mindset. In all its offerings, a positive customer experience is the overriding goal. Seamless access to products, services, software, content, and solutions is the core of all their offerings. Similar approaches can be found in B2B companies such as SKF (Svenska Kullagerfabriken) Gothenburg, Sweden, and Schaeffler Technologies, Herzogenaurach, Germany, also known as Schaeffler Group. Another positive example has developed in recent years: Microsoft. Under the leadership of Satya Nadella, the company changed from a “blue screen” company to becoming very customer-oriented. In this context, we would like to mention Salesforce and its founder and Co-CEO Marc Benioff. He’s an angel investor in dozens of tech start-ups and a prolific philanthropist and delivers a vision for the need for a new kind of marketing, one where businesses and executives value purpose alongside profit and that changing the world is everybody’s business.

In addition to the aforementioned lack of market orientation, marketing in its corporate function is being questioned increasingly.¹⁰ Partly, this is due to the behavior and the capabilities of the marketing experts themselves. While consuming big budgets, marketers are often struggling with low efficiency and effectiveness. In addition, as the results of measures are hard to quantify, the lack of professional accounting for the often badly spent financial resources create the impression of marketing being lavish and ineffective.¹¹ Strategic tasks of high importance, e.g., parts of the business development process, are

¹⁰ Sheth and Sisodia (2005), *op. cit.*

¹¹ Sheth, J. N., & Sisodia, R. S. (2002). Marketing productivity: Issues and analysis. *Journal of Business Research*, 55(5), pp. 349–362. [https://doi.org/10.1016/S0148-2963\(00\)00164-8](https://doi.org/10.1016/S0148-2963(00)00164-8).

no longer assigned to marketing departments,¹² instead, marketing gets reduced to the conception and execution of sales policy instruments, mostly in the area of communication.

It must be understood that these changes are not due to the diminishing significance of marketing but are associated with a misinterpretation of the role of marketing by both practitioners and academics. At a symposium on the question: *Does Marketing Need Reform?* Rajiv Grover, the holder of the Sales and Marketing Chair of Excellence at the University of Memphis, concluded:

If marketing is defined as satisfying the expressed and latent needs of customers, it is well accepted out there, so marketing is not really being marginalized. But marketers are being marginalized, in the sense that many strategically important aspects of marketing e.g., pricing, ad budgeting, new product decisions are being taken away by other functions in the organization.¹³

Marketing must return to the core of value creation tackling long-term problems that profoundly affect people's lives. Even though being equipped with good intentions, marketers often fall into the trap of several malpractices. They find that "the bulk of 'marketing in practice' differs greatly from the normative construct"¹⁴ and that marketers are following practices that only reap positive results for one party at the expense of the other – *unethical marketing* at the expense of the customer or *inane marketing*, what they describe as "marketing actions [...] so poorly thought out that they leave the company vulnerable to exploitation by increasingly deal-savvy consumers"¹⁵ at the expense of the marketer – or, even worse, marketing measures that are just wasteful and of no benefit at all. When the customers are losing out and the organizations wins, most of the time the gains are short-lived. The company can achieve short-term profits, until other competitors arrive or government regulations are becoming necessary. This is clearly not an ethical way to conduct marketing activities.

The most ruthless example is the price increase of more than 5000% of the AIDS treatment Daraprim. In 2015, Turing Pharmaceuticals jacked up the price for this life-saving medication from \$13.50 to \$750 per dose and clearly

¹² Voeth, M. (2018). Marketing und/oder marktorientierte Unternehmensführung? In M. Bruhn, & M. Kirchgeorg (Eds.), *Marketing Weiterdenken: Zukunftspfade für eine marktorientierte Unternehmensführung* (pp. 67–78). Wiesbaden, Germany: Springer Gabler.

¹³ Sheth and Sisodia (2005), *op. cit.*, p. 11.

¹⁴ Sheth, J. N., & Sisodia, R. S. (2007). Raising Marketing's Aspirations, p. 141. *Journal of Public Policy & Marketing*, 26(1), pp. 141–143. <https://doi.org/10.1509/jppm.26.1.141>.

¹⁵ Sheth and Sisodia (2007), *op. cit.*, p. 141.

downed the not so ethical orientation of Martin Shkreli, the company’s CEO. If the customers are short-term winner, this is clearly not so smart for the product or service providers; it becomes inane on a long-term basis. When both sides are losing, then we talk about wasteful marketing. We are gearing for long-term gain for the customer and the company, and when it is oriented to the people, we talk about H2H Marketing (see Fig. 1.1¹⁶).

To our understanding, it is the task of any Chief Marketing Officer (CMO) to create the highest benefits for their customer and the company. This could be achieved if they work for a higher purpose by creating Human-to-Human Marketing. Sonya Oblisk, CMO of Whole Foods Market said, “We’re always striving to better understand our customers’ passions when it comes to food.”¹⁷ She belongs to the group of CMOs who drive for customer orientation and growth. She sets new standards for how marketing should be, moving away from product-led to experience-led business. Linda Boff of General Electric (GE) is steering the 130-year-old industrial conglomerate to a true customer-centric way of doing business. With no doubt, GE and other similarly large established enterprises like Unilever and Caterpillar are struggling with their marketing strategy.

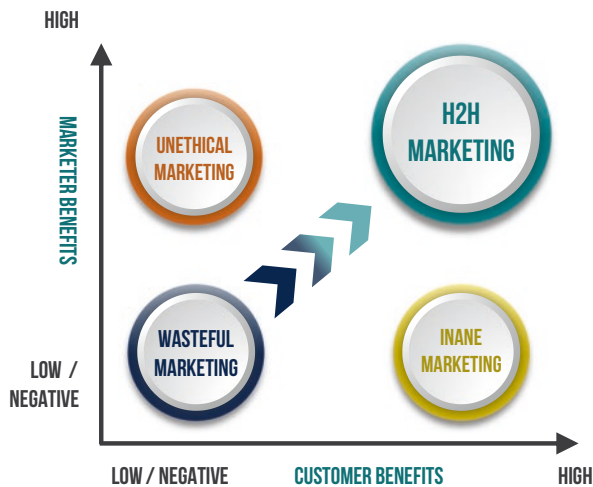


Fig. 1.1 H2H marketing orientation

¹⁶Adapted from Sheth and Sisodia (2007), *op. cit.*, p. 142.
¹⁷Wholefoodsmarket (2020). *Quality and Transparent Sourcing Drive Millennial Food Choices, According to New Whole Foods Market Survey*. Retrieved from <https://media.wholefoodsmarket.com/news/quality-and-transparent-sourcing-drive-millennial-food-choices-according-to>.