RESPONSIBILITY FOR THE FUTURE OF THE WORLD-
PARADIGM SHIFT IN THE THEORY AND PRACTICE
OF MARKETING

Resumen
In the last four decades quite a lot of scientific studies have been published about those
dangerous signs which threaten the future of our world. These manifests have only slightly
affected the field of marketing; no paradigm shift has taken place. The first part of the paper
deals with climate processes threatening the environment and the everyday life of the
population, and which may be important in shaping the future of marketing. There is a
strong relation between climate change and consumerism enforcing the research about the
responsibility and sustainability of consumption. The second part of the study tries to outline
those possible new trends in the theory and practice of marketing which are necessary to
meet the changing environmental needs.

Palabras clave: Cambio climático, medio ambiente, marketing social, consumo
responsible, marketing de sociedades, CSR.

Abstract
En las últimas cuatro décadas muchos estudios científicos fueron publicados sobre los
impactos medioambientales que amenazan el futuro de nuestro planeta. Estas manifesta-
ciones apenas han afectado el área de marketing, no ha habido ningún cambio
paradigmático. La primera parte del artículo trata de los procesos climáticos que amenazan
el medio ambiente y la vida cotidiana de la población, y que pueden ser importantes para la
formación del futuro del marketing. Hay una relación estrecha entre el cambio climático y el
consumismo que estimula la investigación sobre la responsabilidad y la sostenibilidad del
consumo. La segunda parte del artículo trata de esbozar las nuevas tendencias posibles en
la teoría y en la práctica del marketing que son necesarias para enfrentar las cambiantes
necesidades medioambientales.

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Keywords: Climate change, environment, social marketing, responsible consumption, societal marketing, SCR.

1. Introduction

At the end of the twentieth and the beginning of the twenty-first century lots of forecasts have been published about the short, medium and long term development of the world economy and social life. Parts of the scenarios outlined in these forecasts are optimistic; however lots of them predict rather dark decades facing the world. The pessimistic prognoses have tried to draw the attention to the ecological dangers threatening the earth but in sort of latent way they have predicted the financial, social, and economic crisis facing the world nowadays.

One of the problems of the optimistic economic scenarios is that they remain strictly within the boundaries of the area they analyze i.e. economy. A good scenario however is a multi-channel, multi-level, or “holistic” description of a process (Idier, 2000: 258). Those who analyze economic processes without examining their impacts and effects can get false results.

Senge, Smith and Kruschwitz (2008) draw a parallel between this one-sided analysis and the so called bubble economy. They argue that today we live in the bubble of the industrial age. In financial terms, a bubble is a phenomenon in which the prices of assets -be the shares of stock, real estate holdings, or other forms of capita- outpace the assets’ fundamental value (Senge, Smith and Kruschwitz, 2008: 3). When the dot-com bubble of nineties burst lots of experts wondered how so many people could believe in it. The answer is that the beliefs those inside and outside the bubble become so different that the enthusiastic insiders do not even listen to what people outside the bubble try to say. And if the bubble is surviving for a long time it is hard to believe that there is another alternative.

2. Ecological dangers

Many scientist and politicians have already driven the attention to the ecological dangers. It is enough to refer to the famous Bruntland Report, which was on the agenda of the 42nd Assembly of the UNO under the title “Our Common Future” in 1987. On the 19th page the report writes: “There are also environmental trends that threaten to radically alter the planet, that threaten the lives of many species upon it, including the human species. ….The burning of fossil fuels puts into the atmosphere carbon dioxide, which is causing gradual global warming. This ‘greenhouse effect’ may by
early next century have increased average global temperature enough to shift agricultural production areas, raise sea level to flood coastal cities, and disrupt national economies”.

Stern (2007) examines the evidence on the economic impacts of climate change and draws the attention to the necessary measures mankind has to do. He concludes that the basic life conditions are going to alter like the availability of drinking water, foodstuffs and new diseases are supposed to appear. Some regions of the world will face droughts while other regions will be flooded due to the raising level of oceans. The Stern report states that these damages unlike to the effects of wars or recessions will be irreversible.

According to Turek (2005) the discussion about sustainability and sustainable development started already in early seventies. He cites the report made by the scientists of the Club of Rome under the title Limits of Growth (Meadows, Randers and Meadows, 1972). Present experiences show that their forecast was exaggeratedly pessimistic since they predicted an earlier collapse. In 1972 the first international conference on the Human Environment was held, which brought together industrialized and developing nations to discuss the right of all humans to a healthy and productive environment. The conference resulted in the establishment an environmental action plan of the UN.

The political concept of sustainability was popularized by the report “Our Common Future” of the World Commission on Environment and Development, better known as the Brundtland Commission, a United Nations organization headed by former Norwegian prime minister Gro Harlem Brundtland.

The Brundtland Commission's work provided the basis for the UN Conference on Environment and Development (UNCED) in Rio de Janeiro in June 1992, also known as the Earth Summit. As a result of this Summit the UN Frame Agreement on Climate Change was born, accepted practically only on 11th of December 1997 in Kyoto. The popular name of this agreement is Kyoto Protocol. It took more than seven year till it entered into force on 16 February 2005. 184 Parties of the Convention have ratified its Protocol to date. The Kyoto Protocol is a legally binding agreement under which industrialized countries will reduce their collective emissions of greenhouse gases by 5.2% compared to the year 1990. The goal is to lower overall emissions from six greenhouse gases-carbon dioxide, methane, nitrous oxide, sulfur hexafluoride, HFCs, and PFCs. The problem is the USA as the biggest environment polluting country has not ratified the agreement because as G.W. Bush said it would hurt US economy. The European Union was among the firsts. The agreement is valid by the end of 2012.

“Sustainability had been regarded 20-25 years ago as a short, fashionable trend by lots of politicians and scientific expert” -says the so called VAHAVA (VAHAVA is the Hungarian abbreviation of ‘Change-Impact-Response’) Report made by Láng and other scientists of the Hungarian Academy of Sciences (Láng, Csete and Jolánkaí, 2007: 17). Since then the planet is sending unambiguous alarm signals. The problem cannot be ignored. The global warming and climate change is a fact proved by scientific measures; disputes may go around how big share anthropogenic factors have in it. For today the majority of scientists collude that the greenhouse effect is the result of human activity.

The essence of the emergency can best be understood from the report of the IPCC (Intergovernmental Panel on Climate Change). The IPCC is Nobel Peace Prize
Laureate in 2007 for their efforts to build up and disseminate greater knowledge about man-made climate change, and to lay the foundations for the measures that are needed to counteract such change.

The figure publishes the Synthesis Report of IPCC describes the causes and effects of the climate change (Figure 1.)

Figure 1
Schematic framework representing anthropogenic drivers, impacts of and responses to climate change, and their linkages

![Schematic framework](image)


The effects of climate change are already tangible and it seems sure the emission and the growing concentration of greenhouse gases (GHG) in the atmosphere are responsible for those changes. Everybody and every human activity have a so called Ecological Footprint (EF) on the planet. The EF measures how much of the regenerative capacity of the biosphere is appropriated by human activities. It does so by calculating the amount of biologically productive area required to support a given population at its current level of consumption and technology.
A country’s Footprint is the total area required to produce the food and fiber that it consumes, absorb the waste it generates, and provide space for its infrastructure. Footprints are measured either in hectares (HA) or in global hectares (GHA), which are hectares of land with world average biological productivity (Moran et al. 2008: 10). According to a study prepared in 2003 calculating the population to 6 billion the average EF per capita was 1.9 GHA. In the UK this value was 6.29. The study comes to the conclusion that if everybody in the world would have the same size of consumption as the UK citizens, we would need three planets of this size (Ecological Footprinting, 2003). We may come to the same conclusion if we look at the per capita CO₂ emission. The per capita CO₂ emission in the US is above 25 tons carbon equivalent. In Europe this is around 10, the rest of the world’s average is 4.2 (IPCC calculation).

Nearly 2.5 billion people live in China and India. If they will have a European standard of living and a European size of consumption (and they are working on it very hard) our planet will not be able to bear this ecological burden.

Summarizing the discussion about the environment it can be concluded that the future of our world is rather unsteady.

3. Marketing of the future

The uncertain future of our world immediately raises the question: what can be done? The synthesis report of the IPCC says on page 59 that “there is also high agreement and medium evidence that changes in lifestyle and behavior patterns can contribute to climate change mitigation across all sectors. Management practices can also have a positive role”. It means that almost everybody and everything has responsibility in this process: population, governments, NGOs, and profit oriented organizations. The necessary changes will have a rather high impact on the marketing activity at every levels of the society.

It seems worthwhile to list the participants of this very serious game. With a certain level of generation three parties can be listed:
- Consumers with their consumption;
- Profit oriented companies, and
- Governments and other bodies of regulation.

3.1. The consumers

People who have been socialized to measure and demonstrate personal and family success and happiness in increased consumption of material goods. Studies made in the field of consumption sociology discuss the transformation going on in the function of consumption. In modern societies consumption has become one of the organizing powers of the society; it has more and more become one of the determining factors of demonstrating the identity, the social status, and showing that a person is belonging to a certain class.

According to Corrigan the means of the differentiation can be explained on two maps, on the map of social positions, and on the map of lifestyles. People are positioned on these maps according to these dimensions and differences. Every consumer transaction produces some social difference. The question is why certain goods have a strong differentiation power and others are neutral in this respect (Corrigan, 1997: 28).

It is important to mention the empirical researches of Georg Ritzer made about the specialties of the fast food restaurants (McDolnaldization of the society), about the effects of credit card use, and about the new phenomenon in consumption...
4. consuming goods and services that contribute positively to the health and well-being of women and children;
5. increasing the development and adoption of energy and water efficient appliances, public transport and other demand-side measures;
6. the production and sale of new goods and services adapted to global environmental constraints; and
7. lifestyles that place greater value on social cohesion, local traditions and non-material values” (Robins and Roberts, 1998).

3.2. Sustainable consumption

Ray C. Anderson founder and managing director of Interface Inc. says: “We are guilty we all are guilty. The day will come when people like us will be jailed for our crimes” (Bakan, 2004). His ideas which he represents in the film The Corporation while reading the book “The Death of Birth” could be instructive to all company managers. Looking for sustainability is not a merit, it is an obligation; and not doing is will be a crime in the future. The question is what rational lies behind this notion.

“As sustainable consumption integrates a range of social, economic and political practices at the individual, household, community, business and government levels that support and encourage:

1. reducing the direct environmental burden of producing, using and disposing goods and services;
2. meeting basic needs for key consumption goods and services, such as food, water, health, education and shelter;
3. maximizing opportunities for sustainable livelihoods in the South;

As mentioned earlier sustainability, sustainable consumption, and environment friendly behavior have been discussed already for four decades among scientists of different fields. All of these topics are rather interdisciplinary touching economists, biologists, chemists, engineers, and even jurists. A lot of international measurements of sustainable consumption have already been published.

Nyberg and Stø (2000) made a survey among young people living in countries of...
different stages of development. They were looking for answers to the following questions:

1. How much young people recognize the relation of their own consumption and protection of environment?
2. Who are according to them responsible for the sustainable development?
3. Do they believe that they can do something for their own future?
4. Are there some common objectives and trends among young people coming from different cultures?
5. What are the main differences among cultures?
6. What they regard as the main task of governments and international organizations?

10000 questionnaire were distributed in 24 countries. 8000 were returned from which they could use 5322. The questionnaire consisted of 13 items in the following topics:

1. Personal interest.
2. Consumption habits.
3. Their view about the future.
4. Possibilities to act.

Processing the questionnaires the most important result was that according to the respondents the biggest challenges for the youth in the future are: reducing the environment pollution, improving the quality of life and health, and maintaining human rights. The first two coincides with criteria of Fien (www.unescobkk.org/fileadmin/user_upload/esd/documents/workshops/kanchanburi/fien_tsf.pdf). 84% of the respondent valued the reduction of environment pollution as an issue of key importance. In the case of quality of life its share was 75%, while human rights received 66%. The priorities showed important differences among countries. In Argentina, Mexico and in the CEE countries the restoration of social justice (for example stopping children work) got heavy weight. By the Chinese, Indian, Philippines and Mexicans respondents high priority was given and establishment of human life conditions to the increased population. In general, the respondents from the developing countries assigned high priority to the equalization of social differences among rich and poor.

The questionnaire deals with the motivation factors of the consumers’ purchases. Important role is played by the quality (78%) and price (71%). Fashion was mentioned only by 48% of the respondents. Environment friendly attribute of the products as an influencing factor of the purchase was mention only by 40% of the respondents.

The socially responsible consumer was already defined in mid seventies first by Webster (1975: 188): “A consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change”. Attempts have been made for the measurement of the socially responsible consumption, even those measurements which can calculate the interrelation of climate change and consumption. On the Internet people can find Footprint calculators and can measure the size of their own carbon footprint (http://footprint.wwf.org.uk/).

3.3. The profit oriented organization

The first and most important goal of the profit oriented organizations is to produce more and more profit for their owners and this objective is in strong correlation with the increase of sales and increase of consumption. Since the danger of ecological changes has emerged and as it has become the concern of civil
organizations the social responsibility has started to appear in the strategy of companies (CSR) as well.

There are a lot of good examples for the responsible behavior of companies. The best example is the Swedish car industry: 15% percent of all cars sold in Sweden in 2007 can run on ethanol, the Swedish car manufacturers, including the largest truck manufacturer Scania, offer flexible-fuel cars or trucks, which run on either ethanol, gasoline, or a blend. (Sweden’s oil dependency is now only 30%, compared to that of 85% in the US). Other big companies like Coca Cola, Nike, DuPont also boast of their efforts to protect the environment. GE recently could decrease its yearly energy costs by USD 13 millions just by introducing their own made energy saving bulbs in its facilities. Big multinational companies already attach a sustainability report to their financial statements.

3.4. Governments and other bodies of regulation

The third type participants of this game are the elected leaders of the population (governments and other bodies of regulation). Their role is twofold: regulation and persuasion.

The today’s situation is illustrated in Figure 2.
4. Future trends in marketing

Looking at the environmental and ecological dangers it looks almost sure that traditional marketing will undergo radical changes. The most striking future trends are listed in the following.

4.1. Social marketing will gain in importance

Government, NGOs, civil organizations will have the obligation to influence consumption, to promote a change for sustainability. Social marketing will arrive to that stage what Kotler and Levy (1971) characterized in the early seventies with the notion “de-marketing”.

The share of social marketing both in academic research and in the practice is rather small compared to the business marketing. “The evolution of social marketing has been somewhat hindered by a lack of definitional clarity and consensus. It has often been confused with related –but quite distinct– marketing concepts such as societal marketing, socially responsible marketing and non-profit marketing (MacFadyen, Stead and Hastings, 2003). In addition to this, the term ‘social marketing’ is sometimes erroneously used to refer simply to the promotional aspect of multi-component interventions or to campaigns that are purely communications-based” (McDermott, Stead and Hastings, 2005: 545).

One thing is sure: the definition of social marketing and the elaboration of its means and method is an urgent task of the academic research. The emergence of social marketing means a sort of paradigm shift in marketing theory and practice. The essence of marketing has been so far to create, deliver and promote more and more tangible and intangible goods to satisfy customers’ needs. Any kind of marketing effort to reduce consumption seems very contradictory for marketing experts. Beside the need to clarify the objectives of social marketing urgent necessity of “retooling” of this new type of marketing has emerged. The traditional four Ps need a rather new and different approach (Paettie and Paettie, 2008):

- The first P is not a product but a proposal or offer (use bike instead of cars, the new is not always better than then the existing one, etc.).
- The second P the price cannot be regarded as customers’ monetary cost, rather a kind of energy, or psychological cost of changing existing behavior patterns.
- The third P is in this new concept is not the availability of goods, but the way how to access the socially more beneficial alternatives.
- And the fourth P is not promotion but a very comprehensive social communication.

Summarizing the above it can be stated that the marketing of the future will pay greater attention to social marketing. How successful this new theoretically well supported marketing will be, how it can stand out from the utter of the dominant business marketing is rather questionable.

4.2. Bigger attention of the research on sustainable consumption

The ecological sustainability of our planet requires radical changes in the consumption patterns. There is not enough convincing results in the research about what type of consumption should be avoided what type should be preferred by the population. Researches have started and partial results have already been published (Schaefer and Crane, 2005; Webb, Mohr and Harris, 2008; and others), but the picture is not clear, yet.

The fact is clear however that pricing mechanism as proposed by the neoliberal economics is not efficient enough to
optimize economic processes with the ecological necessities (van Dam and Apeldoorn, 1996; Gáspár, Gervai and Trautmann, 2003).

The marketing of the future will pay more attention to the research of sustainable consumption and to the methods of its measurement. These researches by their nature should be interdisciplinary involving the co-operation of other human sciences and even natural sciences. The responsibility of these researches will be very high: the arguments of social marketing and even the direct regulations and rules of governments will be based on the results of these researches.

It is easy to forecast that this kind of research on changing consumption patterns will result in dispute both in the domestic and international political arena, as well. It is enough to refer to the domestic statement of President G. W. Bush, or to refer to the endeavor of the emerging countries (China, India, Thailand, etc.); they will feel the proposal to reduce consumption as taking away something from them which the industrial countries have enjoined for decades or centuries.

4.3. The change of business marketing—the revolution of societal marketing

It also not difficult to forecast that in the corporate strategy of the big multinational companies sustainable development and socially responsible marketing (CSR) will have a dominant role. They do not have other choices since anti globalization movements, the pressure of governments, consumer movements, green organizations enforce this change. An Internet survey including 25000 respondents from 175 countries showed that 71% of them were not satisfied with the present state of the environment, and 67% is expecting further deteriorating (Amine, 2003: 374).

After the UNO summit about the sustainable development (www.johannesburg-summit.com) in 2002 (under the title: 3P—people, planet, prosperity) the global companies regard obligatory to deal with environmental problems. Their efforts and results are usually published as an appendix of their financial statements. Some of these companies can even make a competitive advantage by focusing on sustainability. An article of Business Week (January 2, 2008) cites Toyota, GE, Walmart as positive examples. These companies require sustainability also from their suppliers. As a result a virtuous business cycle starts companies seeking sustainability look for sustainable products and services, which provides further opportunities for sustainable companies. And “at the end of the day, when companies compete on sustainability, the planet will be the big winner” states the article (Douglas, 2008) very optimistically.

The matter of fact is that the real situation is not so optimistic. It is really true that social responsibility has appeared in the marketing communication of the big companies and philosophy of CSR is diffusing into the strategy of many corporations, but few companies has reached the point when they are ready to say that the customer is not always right. Just have a look at the most environment polluting car industry: Toyota or Honda (which got in 2007 the title of the “greenest car manufacturer of the year”) can rightly boast of their hybrid cars, but they do not want to stay out of the business to satisfy the increased demand of the gasoline eating SUVs (Like Toyota Land Cruiser V, or Honda Pilot).

The positive picture is spoiled by the fact that lots of these big companies have outsourced their most polluting activities to less developed countries, which decrease their own footprint but the total footprint remained the same (or even worsened) globally.
In the future we have to count with the activity of global companies coming from the emerging countries. They have or will have to adapt their activities according to the norms of Corporate Social Responsibility, it is sure however that they also do not want to stay out of those business possibilities should they be polluting or not which were used by the Western companies earlier.

Summarizing, it is almost sure that the idea of sustainable development and social responsibility is diffusing and this is the trend which will shape the marketing of the future. The change is not revolutionary but scientist and politicians have to welcome every incremental change. It is their responsibility to research and manage this field and should not leave it as the private hobby of a few natural scientists. The change has started all over Europe: we can find centers of sustainability at the major Universities in France, England and Germany or even in Hungary.

4.4. Moving sustainability and social responsibility into the marketing curriculum of higher education

From the future trends of marketing it looks sure that the modules of sustainability and social responsibility are or will be obligatory parts of the marketing programs of the business schools. In Hungary we can find these subjects already incorporated into the master programs. And it is the trend also internationally. The article of Bridges and Wilhelm (2008) gives a comprehensive picture about the situation is the United States; they also give suggestions how these fields should be involved and what educational methods are the best to teach them.

5. Conclusions and summary

It has a high probability that the world is facing and ecological danger because of the climate changes. It depends on the whole society, on consumers and participants of the economic life how these unfavorable processes can be altered or how the world can adapt itself to them. In the mitigation and adaptation marketing will play an important role. Social and societal marketing will gain in importance in the future. The responsibility of the academics will be to support the management of these processes with reliable researches and widespread education.

Success will depend on the co-operation of all parties: governments, NGOs, academics, and representatives of corporations should come to a common platform in elaborating and realizing global programs and campaigns. This co-operation will not be easy as it was proved by the summit called together by President Sarkozy at the end of 2007. On thing is sure: what Jean-Louis Borloo the minister for the environment and sustainable development told in an interview with the newspaper Le Monde (AFP, Sept. 27, 2007) “Our biggest challenge is to reorganize society before dwindling resources force us towards a society of restrictions”.

6. References


**Images**

Page 177:  [http://derecortes.wordpress.com/2008/04/22/dia-de-la-tierra/](http://derecortes.wordpress.com/2008/04/22/dia-de-la-tierra/)
