Contemporary Marketing Practices research program: a review of the first decade

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Abstract
Purpose – The objective of the Contemporary Marketing Practices (CMP) research program is to develop an understanding of how firms relate to their markets in a manner that integrates both traditional and more modern views of marketing, and incorporates an understanding of both the antecedents and consequences of different practices. This paper aims to review its first decade.

Design/methodology/approach – The paper adopts a theoretical approach. It reviews the history of CMP research and its outcomes. The assessment concludes with a discussion of the program’s contribution to marketing knowledge and some issues and challenges for future research.

Findings – Now a decade old, the CMP research program has undertaken research in over 15 countries. The study finds that it has made a unique contribution to marketing knowledge by bridging the gap between theory and practice.

Originality/value – By adopting a multi-paradigm philosophy and a multi-method approach, a broad perspective has been achieved that integrates the traditional managerial view of marketing with relational and process arguments.

Keywords Marketing strategy, Relationship marketing, Communication technologies

Paper type General review

An executive summary for managers and executive readers can be found at the end of this issue.

Initiating contemporary marketing practices through the creative tension between theory and practice

Since the 1980s, a fragmentation of mainstream marketing has occurred. Greater emphasis is now placed on marketing processes, relationships with customers and relationships with other stakeholders including suppliers, channel intermediaries, and other market contacts (Wilkie and Moore, 2003; Vargo and Lusch, 2004). To reflect this perspective, the term “relationship marketing” (RM) was coined by Berry (1983). Within ten years of this, RM had gained support in the literature as a “new marketing paradigm”, with a number of special journal issues and books advocating RM as an essential practice (e.g. Sheth et al., 1988; Grönroos, 1990; Christopher et al., 1991; Houston et al., 1992).

While the arguments for a paradigm shift in marketing were persuasive, they did not support research at the University of Auckland in New Zealand. As one example, within Nicole Coviello’s PhD research on the internationalisation of entrepreneurial technology-based ventures, she examined the nature of marketing in these firms (Coviello, 1994). Her findings indicated that more successful firms facilitated their growth through use of network relationships, while less successful firms relied on a more transactional or “4P” approach to the market. Nevertheless, it was apparent that all the firms in her study employed an approach to marketing that involved a combination of classic transactional practices and a range of different relational practices. Further, unlike the debate prevalent amongst academics about which was the “correct” theoretical paradigm (i.e. transaction vs relationship marketing), the managers in Coviello’s research appeared comfortable with multiple (and parallel) marketing practices, and network relationships, (which were just one form of relational marketing used by the firms). This comfort with multiple perspectives was also identified through interactions with executive students and their coursework, which gave insight into the marketing practices of their organisations, as well as the influences on these practices.

The apparent gap between theory and practice stimulated a group of researchers at the University of Auckland (Nicole Coviello, Rod Brodie, Vicki Little and Richard Brookes) to rethink a number of issues. In particular, they began to question the academic debate dichotomising the transactional marketing approach and more process-based relational efforts. The debate that ensued at the University of Auckland first caused them to reassess how they interpreted marketing practice, and then led them to conduct a review of the then extant literature. This was designed to capture how marketing was described, defined or discussed, based on both historical and contemporary scholarly arguments. During the review process, they began to question their approaches to teaching marketing and in particular, how marketing was conceptualised and treated in the classroom. The outcome of this process was the 1996 launch of a more formal research program, now known as Contemporary Marketing Practices (CMP)[1]. The program’s original objective was to profile marketing practices in a contemporary environment, and to examine the relevance of relational marketing in different organisational, economic and cultural contexts. Over the last
transaction approach: These were:

and Hugh Munro identified six streams of research that synthesis led by Nicole Coviello in association with Rod Brodie An extensive and iterative process of literature review and from various theoretical perspectives in the academic literature. To achieve other marketing practices to exist beyond the simple relevance of “transactional marketing” and allow for a range of of “relational marketing”, they wanted to also examine the research and to balance theoretical arguments with evidence of arguments. Consequently, they decided to initiate what later both theoretical and empirical research to develop robust knew that to enter into the paradigm shift debate would require about the direction the marketing literature was taking, but Nicole Coviello together with Richard Brookes and Vicki Little The University of Auckland group, led by Rod Brodie and of Auckland in the early 1990s was that the theoretical view of What became apparent from the experiences at the University of Auckland in the early 1990s was that the theoretical view of “transaction vs relationship” marketing prevalent at that time was overly simplistic and a potentially dangerous dichotomy. The University of Auckland group, led by Rod Brodie and Nicole Coviello together with Richard Brookes and Vicki Little and their colleague Hugh Munro in Canada, were concerned about the direction the marketing literature was taking, but knew that to enter into the paradigm shift debate would require both theoretical and empirical research to develop robust arguments. Consequently, they decided to initiate what later became known as the CMP program. A guiding principle of CMP was to employ multiple perspectives in conducting research and to balance theoretical arguments with evidence of managerial practice. Furthermore, in examining the relevance of “relational marketing”, they wanted to also examine the relevance of “transactional marketing” and allow for a range of other marketing practices to exist beyond the simple transaction vs relationship marketing dichotomy.

The first formal stage of CMP was to provide a strong theoretical grounding for the research program. To achieve this, a classification scheme of marketing practices was derived from various theoretical perspectives in the academic literature. An extensive and iterative process of literature review and synthesis led by Nicole Coviello in association with Rod Brodie and Hugh Munro identified six streams of research that underpinned the “newer” process-based relational perspectives (Coviello et al., 1997)[2], and distinguished them from the transaction approach: These were:

1. Services marketing research (e.g. Berry, 1983; Grönroos, 1990).
2. Research on inter-organisational exchange relationships:
   - IMP (e.g. Håkansson, 1982; Ford, 1990; Håkansson and Snehota, 1995; Möller and Wilson, 1995); and
   - buyer-seller relationships, resource dependency theory, social exchange theory (e.g. Dwyer et al., 1987; Anderson and Narus, 1990; Wilson, 1995).
3. Channels research:
   - vertical marketing systems (e.g. Bucklin, 1970);
   - control mechanisms (e.g. Brown et al., 1995); and
   - channel relationships (e.g. Buzzell and Ortmeyer, 1995).
4. Network research (e.g. Axelsson and Easton, 1992; Johanson and Mattsson, 1985).
5. Strategic management and value chain research (e.g. Normann and Ramirez, 1993).

6. Research on information technology within and between organisations (e.g. Scott-Morton, 1991).

Common to each of these six streams of research was their focus on management process. Together, they led to a view of marketing that reflected an integrative activity involving personnel from across the organisation, with emphasis on facilitating, building and maintaining a range of relationships over time.

In developing the classification scheme, the initial CMP group drew on the above literature to conduct a content analysis of previous uses of the various terms associated with marketing. This allowed them to identify two common themes (relational exchange and management activities), underpinned by nine dimensions pertaining to how firms relate to their markets[3]. Five dimensions were associated with relational exchange: purpose of exchange; nature of communication; type of contact; duration of exchange; and formality of exchange. The remaining four dimensions pertained to management activities: managerial intent; managerial focus; managerial investment; and managerial level of implementation.

Following the identification of these nine dimensions, the literature was re-analyzed in order to more clearly define each dimension. This resulted in four rather than two aspects of marketing practice being identified and consequently, the conceptualisation extended beyond the classic TM/RM dichotomy. Transaction marketing (TM) was defined as attracting and satisfying potential buyers by managing the elements in the marketing mix, and actively manages communication “to” buyers in the mass market in order to create discrete, arms-length transactions. Database marketing (DM) involves using database technology to create a relationship, thus allowing firms to compete in a manner different from mass transactional marketing. The intent is to retain identified customers, although marketing is still “to” the customer, rather than “with” the customer. Relationships per se are not close or interpersonal, and are facilitated and personalised through the use of database technology. In contrast, interaction marketing (IM) implies face-to-face interaction between individuals. As such, it is truly “with” the customer, as both parties in the dyad invest resources to develop a mutually beneficial and interpersonal relationship. Similarly, network marketing (NM) is “with” the customer but occurs across and among organisations. In this practice, managers commit resources to develop their firm’s position in a network of various firm-level relationships.

Importantly, it was only because the CMP classification scheme embraced a multi-theoretical approach that a comprehensive taxonomy could be developed, encompassing a range of marketing practices. This was possible because the authors did not take the view that the alternative aspects of marketing practices were mutually exclusive. Rather, the adoption of a multi-theory position meant that distinct boundaries were not drawn between each aspect of marketing, nor was each aspect implied to be independent and mutually exclusive. Rather, Coviello et al. (1997) attempted to highlight the similarities and differences between each, as determined by the relational exchange and management process dimensions derived from the literature. Thus, the CMP classification scheme used multiple theories to broaden the view of marketing and to identify, recognise and categorise the fullest possible range of relevant empirical phenomena.

In parallel to the conceptual developments emerging from the University of Auckland group, Jaqueline Pels from
University Torcuato di Tella in Argentina was reaching similar conclusions about the need for a multi-theoretical view. Consistent with Coviello (1994), Pels found that firms employed an approach to marketing that involved a combination of classic transactional practices with a range of different relational practices (Pels, 1999a). What is notable here is that Coviello focused on business-to-business (B2B) firms while Pels looked at consumer markets. Pels also integrated the interaction and network approach advocated by the IMP group to provide a view of marketing practice that was further developed by Pels et al. (2000) in a framework integrating the environmental context, the value proposition of sellers, the need structure of buyers and the marketing practices defined in Coviello et al. (1997). Their arguments explain how and why different exchange situations occur, and how mismatches may occur between a seller’s offer and the buyer’s needs, regarding marketing practice.

A further contribution to the initial CMP arguments was made by Coviello (1999), stimulated by group discussions about how to internationalise the research program. Drawing on a framework developed by Nasif et al. (1991), Coviello explored the various conceptual and methodological challenges in extending the CMP research across countries and cultures, including a discussion of the etic vs emic debate. This article also detailed the research protocol developed for CMP research, and a commentary was provided by Pels (1999b), since her experiences in Argentina were instrumental to the debate.

**Empirical evidence challenging the transaction vs relationship dichotomy**

In developing the theoretical classification scheme for CMP, the intent was to empirically validate it with managers, and then seek an understanding of what marketing was practiced and why. The first empirical study was undertaken by Rod Brodie, Nicole Coviello, Richard Brookes and Vicki Little, and combined four case studies from Coviello (1994) with a survey of 134 New Zealand firms that measured the extent to which each of TM, DM, IM and NM were practised (Brodie et al., 1997). The respondents were managers attending the University of Auckland’s executive programmes, and indicated that for many firms, TM was relevant and practiced concurrently with various types of relational marketing. The evidence therefore challenged the dichotomous transaction versus relationship perspective as well as the notion of a “paradigm shift” towards relationship marketing since the findings demonstrated the co-existence of transactional and relational marketing. Consequently, Brodie et al. (1997) argued that it was erroneous to assume that RM necessarily replaced TM in a paradigm shift.

The general conclusions from this initial CMP empirical investigation were confirmed and extended in a number of follow-up studies undertaken by the original research group. Two publications that followed were Nicole Coviello, Rod Brodie and Hugh Munro’s study examining the influence of firm size with both Canadian and New Zealand samples (Coviello et al., 2000), and also Coviello and Brodic (2001) which compared marketing practices in business and consumer markets. These articles moved CMP from “general” profiling studies to comparing practices across different contexts. CMP research was also extended to Finland, Sweden and Thailand by Rod Brodie, Christian Grönroos and Tina Helenius (Brodie et al., 2001). Notably this cross-national research supported the original New Zealand study regarding the extent to which transactional and relational marketing were practiced, and the co-existence of transactional and relational marketing.

Finally, this phase of research culminated with a publication in the *Journal of Marketing*: “How firms relate to their markets: an empirical examination of contemporary marketing practice” by Coviello et al. (2002). This study used a sample of 308 firms from the USA, New Zealand, Canada, Sweden and Finland to integrate and extend previous CMP research and also position it relative to the traditional literature pertaining to marketing in different markets with different offers, and the emerging literature pertaining to the evolution of marketing. It also applied more sophisticated analysis and provided refinement to the findings from the earlier studies.

To summarise, the initial survey phase of the CMP research led to certain generalisations about contemporary marketing practice:

- While there is some support for consumer goods firms being more transactional, and business and service firms being more relational, there are many exceptions.
- Firms can be grouped equally into those whose marketing practices are predominantly transactional or relational or a transactional/reational hybrid. Each group includes all types of firms (consumer goods, consumer services, business-to-business goods and business-to-business services).
- Marketing practices tend to be pluralistic in that all of TM, DM, IM and NM are in evidence, and managerial practice has not shifted from transactional to relational approaches per se.

In parallel to the survey-based investigations undertaken in the first phase of CMP research, a number of qualitative studies were also conducted. The first of these involved Coviello and Brodie (1998) assessing a set of eight propositions developed by Grönroos (1996) by using 145 participant-observer cases written by their executive students together with data generated through electronic focus groups. This study provided rich qualitative evidence regarding the influence of context on the implementation of relational marketing. It also offered insight to managers’ perceived challenges and barriers to implementing RM.

Other case study investigations were also undertaken in an effort to understand specific sectoral influences. Examples include studies in wine (Lindgreen, 2001) and the distribution of dairy products and online shopping (Lindgreen et al., 2000). Such studies considered industry context more closely than did earlier CMP research, while others extended the early focus on marketing practices to encompass more specific topics such as innovation in marketing (Palmer and Brookes, 2002) and managerial perspectives specific to B2B (Palmer, 2002). These extensions complemented the findings of other qualitative research led by Richard Brookes which identified key trends impacting marketing practice (Brodie et al., 2000; Brookes, 2001), which were:

- increasing service aspects of consumer products;
- financial accountability, loyalty and customer value management;
- organisational transformation;
- retailing and systemic relationships; and
- interactive media and mass customisation.
At this stage of the evolution of CMP, the research program had developed from predominantly survey-based investigations to include a broader examination of practices and general influences, as well as context-specific (rather than cross-sectoral) studies. The program also began to use a mix of research methods in different contexts. This evolution in research interests and methodological approach was stimulated in part by the addition of new members to the research group; researchers with specific areas of theoretical or technical expertise. It also resulted from the original group’s desire to approach CMP research using a variety of complementary methods and theoretical lenses to understand marketing practice. Importantly, all CMP research up to the year 2000 was grounded in the classification scheme of Coviello et al. (1997). What was becoming increasingly apparent however was that the classification scheme needed updating in order to reflect developments in marketing practices and in particular, the increased use of interactive technologies. This led to the next major phase in CMP research.

Conceptual and empirical developments to include IT-enabled interactivity

The original classification scheme developed by Coviello et al. (1997) outlined four aspects of marketing practice: transaction, database, interaction, and network marketing. While development of the classification scheme took into account arguments regarding information technology within and between organisations (e.g. Scott-Morton, 1991), it was dominated by the then-prevalent interest in the use of database technologies to reach and target customers. Although Richard Brookes foresaw the need to allow for more sophisticated technology-facilitated practices in the original classification scheme, discussion was restricted to DM since the classification scheme was developed from the literature and the literature had not yet developed as regards other communication technologies.

By 2000, however, the situation had evolved and it was determined that the classification scheme needed to be extended to acknowledge IT-enabled interactivity. Using a similar literature-based approach to the development of the original framework, Nicole Coviello together with two IS colleagues at the University of Calgary, Roger Milley and Barbara Marcolin, pattern-matched the findings of a detailed content analysis back to the dimensions of the original classification scheme. To avoid confusing the term “interactivity” with “interaction,” they referred to this newly identified aspect of practice as “e-marketing” (eM). eM was defined as “using the Internet and other interactive technologies to create and mediate dialogue between the firm and identified customers” (Coviello et al., 2001, p. 26).[4] Thus, eM encompasses one-to-one marketing and allows for mass customisation. This article effectively provided a revised classification scheme for CMP researchers and included modifications to the original framework to allow for a clear distinction between eM and particularly, DM and IM. The new framework also became the basis for revisions to the original CMP survey instrument.

The first empirical research to apply the updated CMP classification scheme and measures was by Coviello et al. (2003). Their sample of 149 firms from the UK and New Zealand revealed four combinations of marketing practice. While one-third of firms emphasised a traditional TM approach to their markets, another third practiced eM in combination with TM and DM, and a final third integrated all of TM, DM, IM, NM and eM. The findings show that for most firms, the level of eM practice reflected the extent to which information technology played either a reinforcing, enhancing or transforming role in the organisation.

In parallel to the Coviello et al. (2003) survey study, qualitative research undertaken by Brady et al. (2002a, b) expanded on the original CMP framework with case research to investigate the assimilation of IT into marketing practices in Ireland. Their analysis indicated that IT played a variety of roles in marketing practice. A complementary study by Brookes et al. (2004) then analysed the qualitative data generated by Coviello et al. (2003). Their results showed a cautious approach to the adoption of new ITs with an emphasis on the information technologies that supported and reinforced current marketing situation/practices rather than transforming them. These results were consistent with the findings of Brady et al. (2002a, b).

In summary, this phase of the CMP research led to the following generalisations about contemporary marketing practice as related to eM:

- There has been a gradual increase rather than a rapid assimilation of eM practices.
- The assimilation of eM has largely come from supporting and enhancing existing marketing practices rather than the transformation of marketing practices.
- eM is playing an important integrative role in the marketing practices of a significant number of firms and across all practices.

In this special issue Brady et al. (2008) further explore how the IT dimensions of marketing can be refined by reviewing the latest developments in information communication technologies.

Linkages between practice and performance

As the research program became more established, the CMP research group (and reviewers) began to question how different practices might impact organisational performance. Thus, in addition to revising the original CMP survey instrument to include eM, core members of CMP developed and tested a range of performance measures for inclusion in all CMP survey work.

Two recent CMP studies have published results linking marketing practice to performance. The first was by Coviello et al. (2006), and involved a sample of 242 firms in the tourism accommodation sector. This study indicated that to acquire customers and achieve sales growth, an emphasis on TM and IM (and not DM, eM or NM) was required. They also found that it was success with customer acquisition rather than customer retention that led to profitability for these firms.

The second study undertaken by Brodie et al. (2007) provided a broader examination across industries. This study was a follow-up to the UK and New Zealand research from Coviello et al. (2003), and used data from two US samples collected in 2002 (n = 212) and 2005 (n = 139). The results showed that the penetration of eM was significant, with over two-thirds of US firms having medium or high levels of eM use. The results also showed the adoption of eM to be positively associated with improved acquisition performance, which, in turn, influences retention performance. Additional results also suggest that the implementation of eM increases the effectiveness and efficiency of DM and NM practices. Consistent with previous research, the success of eM was...
shown to come from the support and enhancement of existing marketing practices, rather than eM transforming the business model. The adoption of eM was therefore shown to largely be a consequence of its integration with other marketing practices. Importantly for CMP, linking the various marketing practice constructs to relevant performance measures enabled the research program to introduce a hypothesis-testing approach that employs structural equation modelling. This therefore allows a more comprehensive analysis of the factors that determine marketing practice and their consequences. As discussed in a later section, further work linking practices with performance is required.

Extending the investigation to emerging economies

At the same time that one part of the research group was focused on integrating eM and performance measures, Jaquie Pels championed an extension of CMP to emerging economies. The first study with Rod Brodie compared the marketing practices of multinational firms with local firms in Argentina (Pels and Brodie, 2003). In contrast to the three types of firms identified by Coviello et al. (2002), i.e. transactional, relational or hybrid, the Argentine findings showed five groupings of marketing practice. Two were referred to as “traditional/local” since they used very basic marketing methods, with one group serving business markets and the other consumer markets. The other three groups were referred to as “progressive” since they represented practices similar to those in the developed countries studied in earlier CMP work (i.e. transactional, relational or a hybrid). The first two of these groups were foreign-owned, while the hybrid group was characterised by locally-owned service firms.

Another article authored by Pels et al. (2004) compared the practices of Argentine B2B firms with firms in the USA and New Zealand. The Argentine results showed many of the firms had similar practices to the B2B firms in the USA and New Zealand. However there were two differences. Overall, Argentine firms tended to have lower use of information technology in marketing and they placed a greater emphasis on face-to-face interaction. There was also a group of Argentine firms operating in less sophisticated business sectors, who used very basic marketing methods. More recently a study has been undertaken by Kofi Diaz in West Africa. The paper by Diaz et al. (2008) appears in this special issue and discusses the results of this investigation and compares them to the Argentinean research.

Stimulated by discussions with Jaquie Pels and Rod Brodie, Wagner (2005) undertook research in Russia. Russia provides an interesting contrast to Argentina because until very recently, the Russian economy was centrally controlled with very little contact with the West. Thus, the shift to a competitive marketing system occurred in an environment where there was far less experience with Western marketing practices. The results of this study showed contemporary Russian marketing practices covered only a narrow spectrum of the diversity of marketing practices observed in other nations, and the overall intensity of marketing activities was low in comparison with international benchmarks. Overall, the relevance of the traditional transactional marketing concept held for current practices and market conditions in Russia. Relational activities were considered as merely an “addition to” rather than “alternative option for” marketing.

Explaining CMP's methodological approach

As highlighted in earlier sections, CMP research has focused on the integration of a number of theories. By embracing this multi-theoretical perspective coupled with multi-method approaches, the CMP group has sought to encourage an interplay that involves applying both positivist and interpretativist methods (see recent arguments by Pels and Saren (2005) for a fuller discussion of this topic and how this philosophy underpins the CMP approach). Methodologically, one of the early and defining characteristics of CMP research was the diversity in methodological expertise of the research group. This ranged from those more comfortable with standardised questionnaires and large samples, to those more comfortable with in-depth case studies, participant-observer case vignettes, or use of a group decision support system or brainstorming in an interactive/online environment. CMP research was therefore able to draw on a broad range of research philosophies. This led to a “team-research pluralism” that allowed the group to achieve a more comprehensive understanding of what was occurring with marketing practices around the world. It was only by using a multi-method research approach that the complexity of marketing practices could be adequately investigated and traditional views challenged in a reasonable and robust manner.

In applying multi-method research, the CMP group initially used sequential designs with alternative methods being employed in stages, i.e. using results from one stage to feed into the next stage in the sequence. For example, the initial interpretive research based on Nicole Coviello’s PhD was used to help develop the CMP framework and then, the survey research that followed. The preferred CMP approach now however, is to use a “parallel design” where methods are carried out in parallel, with results feeding into each other simultaneously. For example, most CMP surveys are undertaken with middle managers, who act as participant observers for their organisations. In addition to responding to a structured questionnaire, they are required to reflect on the practices in their organisations and in so doing, provide qualitative assessments of their marketing practices, changes to marketing practice and influences on these practices. When analyzing the results, CMP researchers move back and forth between the statistical analysis of the quantitative data and the qualitative analysis of individual responses and groups of cases. When the research is reported, text units and other qualitative summaries of groups of cases can be used to augment the quantitative findings (or vice versa).

Importantly, as the CMP group’s understanding of marketing practices has evolved, so too has the application of methodological approaches. For example, as discussed by Little et al. (2006), qualitative research in CMP has moved beyond the traditional case method to apply action research with “living case studies”. An excellent example of this is the award-winning PhD of Little (2005). This approach has successfully facilitated both theory-focused knowledge development and student-focused learning outcomes. The survey instrument and other innovations have been incorporated to CMP’s approach to data collection and analysis. For example, while the survey data has traditionally been collected from executive students as part of their coursework (allowing for a large number of reliable responses), a growing interest in sector-specific studies has led to the development and use of an online email survey (e.g. Brady and Palmer, 2004), data collection through a web site.
(Coviello et al., 2006), and surveys that are customised on a sector-by-sector basis (see Coviello et al. (2006) as one example). In doing so, some CMP research now takes a more traditional approach to data collection by analyzing random samples of marketing managers in a sector (rather than using executive students).

Another methodological issue relates to the measurement model underpinning the multi-item CMP measures of transaction, database, interaction, network and eM. Each of the aspects of marketing practice was initially operationalised by a set of nine items, later reduced to five to seven items (per practice) after reliability analysis conducted in Coviello et al. (2002). These items were seen as being determined by the construct (i.e. a reflective measurement model). With the raised awareness of formative measurement models (e.g. Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003), the approach was revised following considerable debate within the research group; led by Rod Brodie and then facilitated by the addition of Heidi Winklhofer to CMP. Now, CMP treats the items as formative, i.e. the items determine (and are not determined by) the five marketing practices. In particular, the items are not necessarily interchangeable and omitting one item would be equivalent to omitting part of the construct. For instance, the study by Coviello et al. (2002) had to remove almost all items relating to the dimensions “type of contact”, “duration of exchange” and “formality of exchange” in order to obtain reliable reflective measures. This therefore altered the meaning of all four marketing practice constructs. Research such as Coviello et al. (2006) and Brodie et al. (2007) used both the new conceptual framework and the formative arguments.

Reflections on CMP: its characteristics and contribution

In reviewing the history of CMP we are able to identify a number of characteristics unique to the research program and also specific contributions to marketing knowledge. This section discusses these issues and concludes with ideas for future research. We first reflect on the six characteristics of the CMP research program that we believe have influenced its development and helped differentiate it from other research programs.

Creative tension between theory and practice

A cornerstone characteristic of the CMP research program rests in the creative tension between theory and practice. Now over a decade old, CMP research has achieved what might be considered to be a virtual cycle linking academic arguments with business relevance on an international scale. This has been achieved using “practice” as the unifying umbrella, with an emphasis on research-led teaching with practicing managers.

Pluralism in philosophy and method

A second important characteristic of CMP is their philosophic stance regarding the need to employ a multi-theory and multi-method approach. The development of the original CMP classification scheme and its further refinement to include eM has been based on theoretical contributions from multiple streams of research and a range of disciplines and theories which continue to help inform CMP. With regard to the multi-method approach, the following quote from Huberman and Miles (2002, p. 396) is of particular relevance to CMP:

Quantitative and qualitative inquiry can support and inform each other. Narratives and variable-driven analyses need to interpret and inform each other. Realists, idealists and critical theorists can do better by incorporating other ideas than by remaining pure. Think of it as hybrid vigor.

Adopting a philosophy that draws on both positivistic and interpretative methods has been challenging, and the CMP group is aware of the dangers of confused paradigmatic and methodological compromises where “everything falls between the cracks.” To avoid this, the CMP program has used sequential and parallel designs involving eclectic research teams. More recently, further attention has been given to the philosophical justification of using a multi-theory and multi-method approach (Pels and Saren, 2005).

International emphasis

The third characteristic of CMP is their strong international emphasis and the group now includes participants from every continent. While the initial conceptual foundations were based on a synthesis of the US, European, British and Australia/New Zealand literatures, the empirical work has extended beyond that. Over the last decade, the empirical research has diffused organically and without deliberate strategy for market expansion, to the following countries: 1997 New Zealand; 1998 Canada, Finland, Sweden; 1999 Thailand, Argentina; 2000 UK, Ireland, other South American countries; 2001 US, Germany; 2002 Russia; 2003 West Africa; 2005 Australia, China.

Lack of formal structure allowing for flexibility and opportunism

The CMP group is organised around an informal network that allows for considerable flexibility and opportunism in the research program and its development. The majority of the interactions amongst the group are by email with researchers meeting at international conferences. The group has adopted a project-based approach that involves forming project teams with the specific aim of completing research on topics of interest targeted to specific journals. Usually, new members become part of this loose network by meeting CMP researchers at conferences, reading CMP publications and contacting CMP researchers by email. While Rod Brodie and Nicole Coviello provided leadership in the earlier stages of the research, the network has become more organic over time, with different members providing leadership as required (and relative to different research interests).

Importance of research-led teaching

A fifth characteristic of CMP is their emphasis on active discussion with managers through research-led teaching and teaching-informed research. The majority of the people in the CMP group are experienced teachers of executive programs. Since conception, CMP research efforts have been integrated with teaching activities to achieve a continuous cycle that connects research and learning. Central to this process have been “living case studies” and action research, as well as ongoing feedback from the survey data, from and into the classroom. For further insight there is an article in this special issue by Little et al. (2008).

Role of postgraduate research

Finally, one of the key tools to achieving conceptual depth and rigor in CMP has been through postgraduate research activities. In particular, this has involved a number of the participants completing PhDs related to CMP. Examples
include Nicole Coviello, Robert Davis and Vicki Little at the University of Auckland, Roger Palmer and Adam Lindgreen at Cranfield University and Mairead Brady at the University of Strathclyde. CMP research has also been included in PhD colloquia and postgraduate research seminars at a number of business schools worldwide, signifying its recognition as a contribution to current debates in marketing.

In terms of CMP's contribution to marketing knowledge, a content analysis of the citations for CMP research on Google Scholar shows that the work by the CMP group has challenged traditional views of marketing practice. It is now widely accepted that transactional and relationship marketing approaches are practiced by all types of firms and can coexist. The following quote by Jayachandran et al. (2005, p. 179) is illustrative of this change in perception:

"Traditionally, it was assumed that firms in the business-to-business sector and those involved in marketing services had greater motivation to build relationships with their customers. However, Coviello and colleagues (2002) find firms compete using transactional, relational, or hybrid approaches regardless of whether they supply services or goods in the consumer or business-to-business arenas."

Indeed, CMP arguments regarding the co-existence of marketing practices are now widely acknowledged (Styles and Ambler, 2003; Spekman and Carraway, 2006; Fruchter and Signé, 2004, 2005; Gok, 2007; Ang and Buttle, 2006; Harker and Egan, 2006). Equally, researchers have adopted the typology of relationship marketing practices developed by the CMP group (Wengler et al., 2006), and acknowledge the special role of database marketing (Chaston and Mangles, 2003; Wehmeyer, 2005). Moreover, CMP has stimulated further work on the combination of marketing practices in cultural contexts (Styles and Ambler, 2003), business contexts (Walsh et al., 2004) and served as a foundation for a more detailed typology of service relationships (Laing and Lian, 2005).

In parallel to the substantive conceptual and empirical contributions of CMP, there has also been strong academic interest in CMP's multi-method approach and CMP authors have presented a number of invited seminars and workshops to PhD students and faculty at business schools in the USA, UK, Europe, Asia and Australasia. A further way of diffusing knowledge and building the CMP group has been the active participation of CMP researchers in academic conferences. This has included refereed, invited, special session and/or plenary presentations at major conferences including AMA, EMAC and ANZMAC, as well as more specialist meetings such as the International Colloquium on Relationship Marketing (ICRM).

While a key focus of CMP has been on producing academic journal articles, there have also been a number of publications used for teaching and more general business reading. For example, Brookes and Palmer's (2004) book entitled The New Global Marketing Reality provides rich coverage of CMP-related issues. Other examples include chapters in general marketing textbooks (Brodie et al., 2000; Cravens et al., 2000) or chapters in specialist books (e.g. Pels et al., 2005), including reprints of academic articles (e.g. Palmer and Pels, 2005a, b). There are also a number of examples where CMP has played a major role in informing the teaching of executive courses. These include courses taught by Richard Brookes, Vicki Little, Roger Palmer, Jaquie Pels, Nicole Coviello and Rod Brodie at the University of Auckland, Cranfield University, Aston University, the University of Calgary, the University Torcuato Di Tella and other institutions. The innovative approaches used are outlined in Little et al. (2006) and discussed further by Little et al. (2008) in this special issue.

Finally, a number of members of the CMP group have been involved in consulting to industry and making presentations at various organisational and industry seminars. For example, Roger Palmer has had a major role with the UK Chartered Institute of Marketing (CIM) in developing curriculum, and both he and Rod Brodie have made presentations at industry seminars for CIM. Richard Brookes regularly presents to ESOMAR and most CMP researchers are regular presenters at industry conferences or to individual organisations.

Future directions for CMP research

Now that the CMP program has been in existence for over ten years, it is appropriate to give thought to future directions. The recent CMP meetings in Dublin 2004, Milan 2005, Nottingham 2005 and Athens 2006 have served as a basis for this thinking. The overall conclusion from these deliberations has been that CMP has benefited from being an informal global network, and there is little perceived need to formalise the organisation. It is believed appropriate to continue to work under the unifying/umbrella concept of “practice” to ensure on one level, a consistent theme to the research, but on another, the ability to leverage the diversity of experiences, perspectives and research skills of CMP researchers, within a philosophy of pluralism. While it is recognised that coordination is important, a formal leadership structure is considered unnecessary at this stage of CMP evolution. Last but not least, it is believed that the CMP research culture of questioning or challenging established and conventional wisdom is both healthy and necessary.

In terms of future challenges, it is recognised that CMP classification scheme was first developed over a decade ago. While it has been revised (to include IT-enabled interactivity), CMP's conceptual foundations require ongoing review and redevelopment in order to remain contemporary. With any such revision, is it important to pay attention to the underlying theories in marketing, strategic management and organisational theory that underpin contemporary practices.

There has also been discussion about what may be the next major challenge to motivate the group in the same way as the “marketing management versus relationship marketing” debate and “IT transformation versus IT evolution” debate have been central issues in earlier phases of the program. The recent international discussion surrounding what Vargo and Lusch (2004) refer to as the Service Dominant Logic (SDL) has started to provide this challenge. For example, the invited book chapter by Brodie et al. (2006): “From good- towards service-centered marketing: dangerous dichotomy or an emerging dominant logic?” challenges the Vargo and Lusch (2004) notion of “dominance” and suggests an alternative multiple logic may be a more appropriate way to interpret the changes that are taking place in marketing practice. The notion of multiple logics is more closely aligned to what organisational and strategic management researchers refer to as configuration or contingency theory. The theory suggests that rather than there being the dominance of one strategy, practice or perspective, a wide range of possibilities can co-exist due to the diversity of opportunities. Thus, successful firms are those that allow for flexibility and can adapt to different opportunities. Further discussion of the use of multiple logics is provided by Pels and Saren (2005, 2006).
In addition, Saren and Pels (2008) and O’Driscoll (2008) explore these issues in this special issue.

In December 2006 the CMP researchers met with members of the Marketing in the 21st Century (MC21) research group in a Special Session at an EMAC/ANZMAC research symposium at the annual ANZMAC conference in Brisbane Australia to the integration of research about the SDL into the two groups’ research programs. The MC21 program was started at Aston Business School in the UK by Graham Hooley and his colleagues, and the program quickly escalated to 16 countries around the world. The program’s focus has been on operationalising the resource-based view of the firm to understand the impact of tangible and intangible impact resources on marketing performance so it has a lot in common with the CMP research program. Further collaborations between the two groups will be explored as the set their research agendas for the next phase of their research. The papers presented at this research symposium will be available in an issue of the Australasian Marketing Journal to be published in 2007.

Another area of marketing practice that has not been given explicit consideration is social marketing. In this special issue Domegan (2008) explores this.

Turning to methodological developments with CMP survey research, the previously noted shift from a reflective to a formative measurement model underlying the various marketing practices has certain consequences. In particular, treating the items of the (now five) aspects of marketing practice constructs as formative requires different ways of assessing measure reliability and validity (Diamantopoulos and Winklhofer, 2001). Consequently, coefficient alpha and confirmatory factor analysis (see, e.g. Coviello Winklhofer, 2001) are no longer appropriate. Instead Coviello et al. (2006) and Brodie et al. (2007) follow the first step of the procedure detailed by Diamantopoulos and Winklhofer (2001) to assess reliability and validity. In particular, each formative item is correlated to a generic item representative of the specific marketing practice. Although this approach has been suggested as a “… basic level to obtain an initial idea of the quality of individual indicators” (Diamantopoulos and Winklhofer, 2001, p. 272), a more rigorous approach to item validation has so far not been attempted. Future work could consider including some generic reflective measures of marketing practices to validate the formative items by means of a multiple causes model (MIMIC) (Diamantopoulos and Winklhofer, 2001).

Furthermore, data collected from various countries have been merged or compared without prior statistical checks for measure equivalence and little discussion as to the etic vs emic dimensions of the research. Additional work in this area is advised to adopt a more rigorous approach to various equivalence issues since similarities and differences can only be examined once measurement equivalence has been confirmed (e.g. Little, 1997; Vandenberg and Lance, 2000) if indeed, an etic approach is to be followed (Coviello, 1999). This issue is particularly relevant in countries with very different cultural and/or historical backgrounds (see earlier examples regarding Argentina or Russia) where an emic approach to research may be more appropriate. Although detailed guidelines on establishing equivalence for reflective measurement models are available (e.g. Steenkamp and Baumgartner, 1998), no guidelines have so far been developed for formative measurement models. Thus, this is a major limitation affecting the findings of any cross-country comparison or merging of datasets using the marketing practice measurements. Future work should highlight potential problems as well as search for appropriate procedures.

Moving to other measurement issues, one of the underlying objectives of the CMP project is to assess whether firms subscribe to a specific type of marketing practice or whether they use a combination of practices. For example, it has been suggested that the use of DM is linked to eM. A strong correlation between these two constructs is used as evidence to support such a proposition. The correlation between these two constructs might however, have been caused or amplified by “… common method variance (i.e. variance that is attributable to the measurement method rather than to the constructs the measures represent)” (Podsakoff et al., 2003, p. 879). In particular, the consistent scale format (i.e. Likert scales, semantic differentials), and the fact that all predictor and criterion variables are measured at the same point in time, at the same location and evaluated by the same rater, are all potential sources for common method bias (see Podsakoff et al., 2003). More recent work by the CMP group (Coviello et al., 2006) has acknowledged this as a potential limitation and tested for common method bias. In that study the results revealed little reason for concern. However future research needs to pay attention to this issue.

Finally, as reported earlier, it is now widely acknowledged that firms employ a combination of techniques and as a consequence, a number of marketing practices are highly correlated (e.g. DM and eM). Although this is an interesting finding in itself, it complicates the detection of any mediating effect. For instance, in the Brodie et al. (2007) study which aimed to see whether DM’s impact on firm performance is direct, partially, or fully mediated via eM, the high correlation between DM and eM (0.711) reduced the power of a test when both are included as predictor variables i.e. in the partial-mediation model (see MacKinnon et al., 2002). Thus the effect of low power had to be taken into consideration when interpreting results and future research needs to pay attention to this issue. We suggest that in addition to addressing these measurement issues, qualitative research could provide rich insight as to how managers perceive and/or distinguish between eM and DM.

Conclusions
As the participants in CMP Research Program look forward, they can reflect on what has been a very productive first decade. The research has been extended to over fifteen countries and it has made a unique contribution to marketing knowledge by bridging the gap between theory and practice. This has come from developing an understanding of how firms relate to their markets in a manner that integrates both traditional and more modern views of marketing, and incorporates an understanding of both the antecedents and consequences of different practices. By adopting a multi-paradigm philosophy and a multi-method approach, a broad perspective has been achieved that integrates the traditional managerial view of marketing with relational and process arguments. In the last section of the paper we have identified a set of conceptual, methodological and empirical research issues that provide focus for this unique research group in continuing to bridge the gap between theory and practice.
Notes

1 Further details about the participants, research philosophy and other aspects of the CMP research program are available at: http://cmp.auckland.ac.nz

2 It is interesting to note that almost a decade later, Vargo and Lusch (2004) draw on a similar seven streams of research to develop their theoretical premises about the service dominant logic.

3 Coviello et al. (1997) initially identified 12 dimensions, but these were eventually reduced to nine. This was the result of discussions with marketing managers as the measures of marketing practices were developed for survey purposes.

4 Some readers might wonder about the timing of Coviello et al. (2002) (Journal of Marketing) and Coviello et al. (2001) (Journal of Interactive Marketing), since the former uses the original rather than the updated classification scheme, but was published later. This is because the Journal of Marketing article had been in review for some time before it was accepted, while, in contrast, the Journal of Interactive Marketing paper was published quickly.

References


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