



## The Growing Power of Marketers in the Business World

**Within the field, marketing communications are on an uptrend, while channel management is declining.**

The late management guru Peter Drucker once said: “Because the purpose of business is to create a customer, the business enterprise has two – and only two – basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of the business.”

The business world is increasingly in agreement with this vision. Marketing is one of only two disciplines – with organisational behaviour – whose influence has been growing since the mid-1980s, based on an analysis of three leading business journals.

In our **paper** “Understanding Influence of Marketing Thought on Practice”, **Shane Wang, Joseph Ryoo** (both of Ivey Business School) and I analysed the abstracts of articles published in *Harvard Business Review (HBR)*, *Sloan Management Review (SMR)* and *Management Science (MS)*, since their first issues. We looked at 94 years of content for *HBR* and close to 50 years in the case of both *SMR* and *MS*.

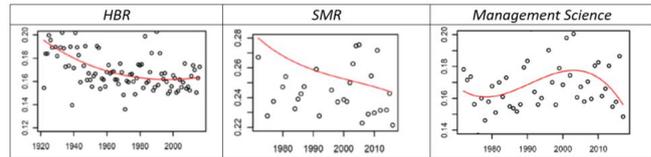
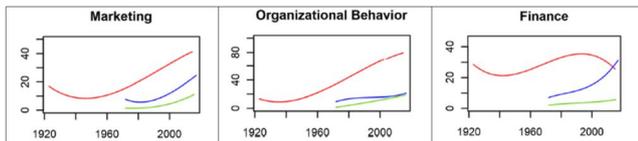
We chose to analyse the content of these three journals as they are the leaders in the field of management. Our assumption is that the content dynamics of these publications reflect the evolving interests of the business world. By addressing what is on the minds of executives, this content in turn

influences them. Therefore, we explore business journal content as a proxy for influence on practice.

Our textual analysis provided a bird’s eye view of the content that has shaped the thinking of general business practitioners (*HBR* and *SMR*) and the more quantitatively oriented ones (*MS*) over time. By general practitioners, we mean business consultants, brand managers, sales managers, product managers, etc. The quants are data scientists, customer insights specialists, risk modelers or operations research analysts, for example.

Overall, 8 percent of the 31,886 articles published in these journals dealt with marketing. This topic was especially well represented in *HBR*, with 16 percent of articles, in fourth place in terms of influence on practice, behind management, organisational behaviour and finance. Across the three publications, the total number of abstracts classified as marketing has been sharply increasing since the mid-1980s, a trend that started as early as the 1960s in the case of *HBR*. No other topic has done so well. Compare the trends for marketing, organisational behaviour and finance.

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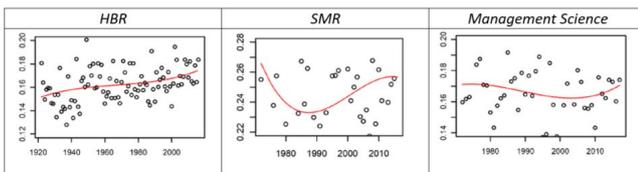
Number of abstracts per year in HBR (red), SMR (green), MS (blue)

What could explain this surge in interest for marketing content? We surmise that as baby-boomers reached adulthood, there were simply more Americans buying cars, household goods and all other types of consumables that required marketing in a time of affluence and growth. Also television became a staple in consumers' lives, boosting consumption and the role of marketers in shaping it.

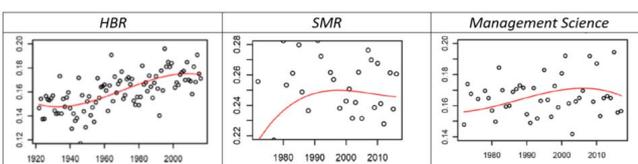
### Breaking down the marketing subtopics that have influenced practitioners

Looking at the marketing subtopics that influenced business over the years, we find only three that overlapped across our referenced publications: marketing communications, customer relationships and channel management. The only one consistently on an uptrend since the 2000s is marketing communications. Meanwhile, after a steady rise, the topic of customer relationships seems to have hit a plateau. Lastly, channel management has lost its early influence over the years.

In recent decades, marketing communications is on the rise, especially in HBR and SMR:



The topic of customer relationships has risen over time but is now at a plateau:



Channel management is in decline overall:

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We speculate that the emergence of social media – from social networks, online reviews, Google paid search to mobile marketing – sparked further interest in marketing communications. With the continuous creation of new platforms (e.g. short videos on **TikTok** and Instagram stories), we expect business practitioners to remain on the lookout for fresh marketing communications insights and solutions.

The subtopic of customer relationships has drawn considerable interest starting from the 1940s, continuing with the development of customer relationship management (CRM) systems and database marketing in the 1980s. Coverage peaked in 2004 and remained stable after.

As for the decline of channel management, it is possible that marketing channels are now largely in place. A firm like Amazon knows what it is doing by now in terms of distribution, for instance. The finer details may have turned into more of an operations problem over time, making the topic less salient for marketing thinkers.

### A glance at the future of marketing

Some two thousand years ago, a wealthy producer of liquamen (fish sauce) in Pompeii readily **advertised** his product, as shown by the floor mosaic that depicted amphorae with various taglines such as: "The best liquamen, from the shop of Scaurus." While marketing may be as old as commerce, its modern concept as a professional practice appears to have emerged in much more recent times.

In fact, the subject was largely treated as a branch of economics (and called **applied economics**) until universities began offering marketing courses in the early twentieth century. It has indeed come a long way.

Looking ahead, our textual analysis unveiled two emerging marketing subtopics that practitioners should deeply care about. The first one is social influence, which has already caught the interest of the quants reading *Management Science* based on our analysis. Nowadays, all business practitioners need to understand how consumers are influenced through various touchpoints across their customer journeys.

Metrics is the second emerging subtopic that should preoccupy business practitioners. Considering the myriad channels through which customers talk about or communicate with firms, organisations must be familiar with all the relevant metrics that can help them measure their return on marketing investments. By helping them to focus their efforts, metrics can be key to business growth and even corporate survival.

The subtopic of customer relationships may be plateauing, but the need to master the customer-related soft skills of marketing is far from disappearing in this age of fast-and-furious social media feedback. More than ever, businesses need to perfect the fine art of customer engagement. When consumers complain – think mishandled **luggage** or manhandled **passengers** in the airline industry – they must be promptly appeased. Brands can only do that if they have a deep ongoing relationship with their customers.

While marketing took a longer time to take off compared to other disciplines, its influence on general and quantitative practice has been consistently increasing over time. Going by the trend, marketing is likely to become more important and firms should understand that providing and managing customer value is imperative. There has never been a better time for marketing to bolster its standing as Drucker’s ideal of the “distinguishing, unique function of the business”.

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