

Two Challenges for the Three Dichotomies Model

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Abstract

The three dichotomies model, first proposed in Hunt (1976), restricts marketing science to the positive half of the positive-normative dichotomy. We argue that the "necessity challenge" of the positive-normative dichotomy in Robin (1977) stands, and that the positive half of the positive-normative dichotomy is virtually empty if all of the normative terms are removed. Thus marketing, as currently conceived, is not a positive science.

Introduction

First proposed in 1976, Shelby Hunt's three dichotomies (i.e., positive/normative, micro/macro, profit/nonprofit) model is a schema for classifying marketing phenomena, topics, and issues (Hunt 1976). After a brief flurry of debate (Etgar 1977; Hunt 1978, 1983; Robin 1977, 1978; Ross 1977; Arndt 1981), this model quickly became a truss in the conceptual structure of marketing. As a result, most marketing scholars now follow Hunt's recommendation (Hunt 1983, pp.31-33) that the three-dichotomies model serve as the general paradigm of marketing.

We wish to reopen this debate because we believe that it ended prematurely. We challenge the three-dichotomies models in two ways. First, we challenge the rule of thumb that Hunt (1978, 1983) uses to classify a sentence as either normative or positive. More than a matter of mere semantics, this rule of thumb is critical to Hunt's rebuttal of a criticism by Robin (1977, 1978): that the positive-normative third of the three-dichotomies model is "unnecessary and confusing" (Robin, 1977, p.138). Thus, without a new counterargument, Robin's

criticism of the three-dichotomies model stands.

Second, we argue that virtually all of what is now thought of as marketing science is normative. We propose a new rule of thumb that fares better than the original; we use this new rule of thumb to show that all of the problems, issues, theories, and research that is currently assigned to the positive half of the dichotomy should be reassigned to the normative half of the dichotomy. We also suggest other, independent reasons for thinking that marketing is mostly normative. Though our challenges may seem innocuous, the following claim stands or falls by them.

. . . the study of the *positive* dimensions of marketing can be appropriately referred to as *marketing science* (Hunt 1976, p.28).

If the positive-normative distinction is needless, then the existence of a positive science of marketing is suspect. Without a positive science of marketing, marketing scholars have misplaced many of their empirical efforts.

A Brief Review of the Robin-Hunt Debate

Hunt defends his three-dichotomies model against Robin's criticism by appealing to a rule of thumb for classifying sentences as either positive or normative. A brief review of the Robin-Hunt debate will highlight the crucial role played by this rule of thumb.

Robin argued (1977) that the positive-normative distinction is a red herring because explanations are scientific solely by virtue of fitting the Hempelian model of scientific explanations. To make a normative scientific

explanation, Robin said, simply insert a normative antecedent into a scientific explanation. He then concocted a marketing explanation that was supposedly both scientific and normative. In his example, the first of four antecedent conditions was, he claimed, normative.

Hunt responded (1978) by using a standard rule of thumb to show that the supposedly normative antecedent in Robin's example was, in fact, positive. Then he argued that even if the antecedent had been normative, the explanation could not have been scientific. (In technical terms, the explanans could not contain a normative sentence.) Thus Hunt reaffirmed the necessity of the positive-normative distinction.

Robin conceded (1978) that his example failed.

Did Robin capitulate prematurely? Without evaluating Robin's criticism, we now undermine Hunt's defense by challenging the rule of thumb. Specifically, we argue that the rule of thumb fails because it classifies clearly normative sentences as positive and clearly positive sentences as normative.

The First Challenge

What is a normative expression? Hunt suggests that

One signal (but not the *only* one) of a normative statement is the existence of an 'ought,' or a 'should,' or similar term (Hunt 1978, p.108).

Here is the supposedly normative antecedent in Robin's example (1977):

C_1 = Long-run profit maximization is the primary objective of the organization.

Hunt (1978, 1983) suggests that

Clearly, it [C_1] is a *positive* statement, not a normative one. . . . If it were normative, it would state, 'Long-run profit maximization *ought to be* the primary objective of the organization' (Hunt 1983, p.108).

In Hunt's first statement (1978) of the rule of thumb, the presence of an 'ought' or a 'should' is posited as *one, but not the only* signal of normativity; thus other unnamed signals are acknowledged. But, if other signals exist, then C_1 cannot be "clearly" positive. Although C_1 contains no 'ought', no 'should', and no other similar term, the presences of other signals of normativity are possible. We would need an exhaustive list of every possible signal of normativity to prove that C_1 is not normative.

By using the rule of thumb to refute Robin's example (1977), Hunt (1978) momentarily elevates it to a stringent criterion. However, no rule can be both complete and incomplete within the same context; in a context, the rule of thumb may be applied either loosely or stringently. Let's consider both cases.

Case 1. Suppose the rule of thumb is applied loosely. We have shown that Hunt cannot use it this way to *prove* that C_1 is normative; thus Hunt's defense fails.

Case 2. Suppose the rule of thumb is applied stringently. Consider these counterexamples: (1) 'By tonight, it *ought* to be snowing in Chicago.' is positive, though containing the word, 'ought'; (2) '*Should* the next card be a heart, it would fill a flush.' is positive, though containing 'should'; (3) 'You mustn't steal.' is normative, though containing no 'ought' and no 'should'; and (4) 'Senseless brutality is evil.' is normative.

The rule of thumb clearly yields the wrong results for the above four cases. Because it fails when applied stringently, any counterargument that rests on this rule fails. Thus, Robin's argument (1977) against the positive-normative dichotomy of Hunt's three-dichotomies model remains unrefuted.

There are three reasons to propose another rule of thumb:

- (1) Integrity. To merely reject one rule without offering a replacement is not constructive.
- (2) History. A new rule of thumb should help us understand the strengths and weaknesses of the old rule. There is value in learning from the early efforts of others.
- (3) Efficiency. A new rule of thumb would give marketers a more accurate way of discovering whether their work is normative. No amount of empirical study can establish a normative claim; therefore, to know in advance that one's work is normative could save time, effort, and money. If a thesis is normative, its proponent should prefer less resource-intensive methods, such as decision-theoretic analysis and logic, over empirical techniques.

A New Rule of Thumb

Let us refer to C_1 as version 1 and to the Hunt's "normative" revision as version 2. We agree that version 1 and version 2 are indeed very different statements, but we believe that they are only different normative statements. In the same manner, '*Hamstringed* is correct grammar.' is a very different normative sentence from '*Hamstringed* should be correct grammar.'. One sentence says that speakers ought to use a certain word, and the other sentence says that the language ought to be a certain way. Both are normative. One is about a word, and the other is about the normative rules of using the word.

The disputed expression in version 1 is 'is the primary objective'. Version 1 could be a positive statement only if 'the organization' refers to a particular company, an obviously unintended reference. When version 1 mentions *the organization*, it is speaking of an exemplar or a standard of correctness for all organizations--"the well-run organization." For example, "Mr. Creosote parts his hair on the right side," would be construed as a positive statement because it merely reports a fact, whereas "the well-dressed modern executive parts his hair on the right side" would be construed as a normative statement.²

Suppose we find that long-run profit maximization is not the primary objective of organization XYZ. Would this refute version 1? No. It is exactly because version 1 is true that we may choose to criticize those of XYZ's decisions that failed to contribute to its long-run profit maximization. Version 1 does more than state a simple fact: it offers a reason for any company to act in a certain way.

Version 2, on the other hand, makes a second-order normative claim. In approving a value system that sanctions long-run profit maximization for organizations, it has stepped away from a relatively narrow value system and judged it from a broader perspective. It says, "These values are good."

The confusion in Hunt (1978) is now easy to explain. When version 1 is compared with version 2, they certainly look like very different statements. They are so different that we are lulled into thinking that version 1 must be positive.

One anonymous reviewer suggested changing the original rule of thumb to "All positive statements are most accurately stated with the use of the words 'should' or 'ought', whereas all normative statements can accurately be expressed using the words 'should' or 'ought'." If we assume that "the most accurate" rephrasing is knowable, then this recommendation unintentionally supports

our challenge. By accurately rephrasing C₁, we get version 3:

The typical organization should maximize its profits in the long run.

Version 3, the maximization rule, is clearly different from Hunt's version 2, which says that companies ought to adopt the maximization rule. Thus, we have two normative statements, two levels of normativity.

In general, we agree with both Hunt and with the anonymous reviewer that marketing theories should be stated as clearly as possible. We do not, however, believe that a simple translation is always the best way to spot normative statements.

Instead, let's start with the dictionary. The following definitions appear in *The Random House Dictionary of the English Language* (1987):

normative. *adj.* 1. of or pertaining to a norm, esp. an assumed norm regarded as the standard of correctness in behavior, speech, writing, etc. 2. tending or attempting to establish such a norm, esp. by the prescription of rules: *normative grammar*. 3. reflecting the assumption of such a norm, or favoring its establishment: *a normative attitude*.

norm, *n.* 1. a standard, model, or pattern. 2. general level or average: *Two cars per family is the norm in most suburban communities*.

This last definition contains two very contrasting senses of 'norm'. Taken one way, 'norm' itself may be positive. Such a *positive norm* is an empirically discoverable *average* of behaviors or of characteristics; divergence from this average entails no disvalue. Hence, positive norms are observable and measurable. Taken the other way, 'norm' is normative. A *normative norm*, such as a standard of correctness, is not empirically

discoverable; divergence from a standard of correctness is, ipso facto, a cause for censure.

Notice, however, that the term 'normative' itself does not suffer from the same ambiguity as 'norm'. 'Normative' only refers to what we have called normative norms: standards of correctness.

A sentence that provides a standard of correctness is one that does more than merely say something—it actually does something. For example, if an employer says to her prospective employee, "I'll see you tomorrow," her words do more than report an interesting fact: they hire. J. L. Austin (1962) called such sentences *performatives*. Performatives are the proper subject of the study of pragmatics (as opposed to semantics).

Now we see why the familiar rule of thumb fails. The rule is semantic, not pragmatic, and no purely semantic definition could possibly succeed, because the same sentence may be normative in one context and positive in another. For example, in talking about a particular store manager, one might say, "He should run a price promotion." Depending on the context, one could mean either of the following: (1) "I predict, knowing his business philosophy, that he will run a price promotion;" and (2) "He is duty-bound to run a price promotion in this situation." Meaning (1) is positive, because if the manager does not run a price promotion, the speaker was wrong in stating a prediction of fact. But meaning (2) is normative, because if the manager does not run a price promotion, the speaker could still claim to have been right; he could blame the manager for an error of judgment.

Thus, the positive-normative distinction is not a semantic distinction, but is context-dependent (i.e., pragmatic). This consideration explains why the familiar rule of thumb must always admit of counterexamples.

A merely positive statement of fact can never, except elliptically, supply a reason for acting. Statements of fact must be coupled with value statements before they motivate action.

Therefore, we would like to suggest another, but this time pragmatic, rule of thumb: *All normative sentences and only normative sentences offer a reason for action.* For example, here are three positive statements: The sales associates of a department store proposed a wage increase of one dollar an hour; the store manager counter-proposed a wage increase of fifty cents an hour; the sales associates rejected the store manager's counter-proposal. These statements supply no reason to praise or blame either of the negotiating parties. But the following statements do contain such reasons. Store Manager: "I generously offered to meet more than half of their crippling demands, but they stubbornly refused to listen to reason." Sales Associates: "He tried to buy us off with a stingy fraction of what we needed, but we stood firm for what was right."

If there really were "crippling" demands, "generous" offers and "stubborn refusals," then the store manager had reason to complain. If there really were attempts at "buying off," if the fraction really was "stingy," or if the sales associates really did "stand firm" for what was "right," then the sales associates had reason to feel justified. But of course, 'crippling', 'generous', 'right', 'firm', and 'stingy' go beyond the positive and the factual. By introducing value-laden expressions, one can always transform positive sentences into normative sentences without once using a 'should' or an 'ought'.

The Second Challenge

Even if the original criticism in Robin (1977) is met, a second challenge looms: What currently constitutes the positive science of marketing? We will argue that almost all marketing phenomena are normative phenomena, almost all marketing issues are normative issues, almost all marketing

theories are normative theories, and almost all marketing answers are normative answers.

Obviously, the implications of this challenge reach far beyond mere taxonomy. If marketing is normative, neither its criteria nor its aspiration should be those of a positive science.

An objection similar to the one we shall raise appears, and is dealt with, in Hunt (1983, p.27):

Some writers have suggested that *the positive/normative dichotomy is a false dichotomy because we cannot escape from our own value systems.* This premise is probably true: we probably cannot escape from our value systems. Nevertheless, the premise does not imply that the positive/normative dichotomy is false. . . . Granted, marketing cannot be value-free. But this does not imply that. . . we should not attempt to separate how managers do in fact make marketing decisions from how they *should* make those decisions. The importance of the positive/normative dichotomy as a goal for clear thinking and analysis is in no way impaired because that goal is, in principle, not completely attainable.

We have no quarrel with the major thrust of this passage. In fact, we suggest that marketing could, in principle, become value-free; that nothing forbids us from escaping our own value-systems; and even that we must do so, if we ever aspire to establish a single marketing fact.

The point we wish to argue is: *Marketing language is so saturated with value-laden terms and marketing theories are so thoroughly imbued with normative claims that no translation into positive language is conceivable.* We shall illustrate this point with five concepts that we hope everyone will agree are so blatantly normative that little argument is needed: ownership, obligation, rights, values, and needs.

Ownership is a normative term. Ownership can exist only within a normative framework—a web of promises and obligations. Only persons can own property, because only persons have property rights within a value system established by a set of laws.

Regardless of how we try to reword the concept of *ownership*, we cannot avoid using another normative concept. For example, one anonymous reviewer suggested substituting *a sequence of steps leading to possession for ownership*. But *possession* is also a normative term. Besides, no mere sequence of steps could establish ownership; otherwise a stage actor who performs the same steps would own the prop after the play. Our proposed rule of thumb classifies sentences about ownership as normative, because mere ownership is a reason for acting a certain way (not stealing, for instance).

Obligation is a normative term. To owe is to have a reason to perform some deed or to transfer some property. Outside of moral, legal, political, or other normative contexts, no obligations exist.

But if the concepts of ownership and of obligation are normative, how could the concept of *exchange* be other than normative? What can people exchange (within a marketing context) but the ownership of products or the obligations incurred by services? Exchange can only occur within a framework that sanctions ownership and legitimizes the transfer of a title from one owner to another. Again, our new rule of thumb would tag exchange as

normative. To exchange is to have a reason to not to "take back."

One anonymous reviewer suggested that we could depict an exchange at a vending machine in purely positive terms, e.g., inserting coins into a machine, pressing a button, and so forth. We agree that many marketing phenomena have positive facets; however, we argue that limiting ourselves to these positive facets means ignoring the facets that interest marketers. A metal slug might produce the same effect as a coin, but using a metal slug in a vending machine is not a marketing event. It is fraud. Thus, a positive description of a marketing event may not convey any marketing information.

Richard Bagozzi (1975) and others argue that exchange is the central notion of marketing (Hunt 1983, pp.128-129). Those marketing scholars must therefore concede that if exchange (usually called "exchange of values") is a normative concept, marketing must be irremediably normative. But even those marketers who do not acknowledge that exchange is the central notion must admit that it is very important.

Expressions defined in terms of exchange must also be normative. What is *buying* and *selling* but an exchange of money for goods or services? What is money but a promise? What is a promise but an obligation?

Rights and *values* must also exist within a normative framework. Some theories base human rights on a divine decree, others ground them in the authority of a monarch, others attribute them to the intrinsic value of the human soul, and still others explain them in terms of society's value system. Whatever their source, rights are normative concepts, and therefore they place strict limits on how we should treat other humans. For example, it is sometimes said that every right entails a duty.

Needs are normative as well. Being hungry is a neurological (that is, positive) state, but

needing food is not. To point to another person's need is to give an emotional appeal for action on behalf of that person. To claim a need is to offer a reason for acting.

Similar arguments apply to the following concepts: price, purchasing, the poor, economic development, marketing concept (it depends on consumer needs), advertising, promotion (as marketers use the term), goods, public goods (that is, owned by public institutions), commodity, product (as used by marketers), power and conflict (within channels of distribution), law, profit and non-profit, election, institution, firm, and, of course, market.³

Our point is simply this: *How much marketing theory remains if marketers are forbidden to talk about buying, selling, values, needs, or any other normative concepts? Not much.* In fact, on the positive half of the schema (Hunt 1976, p.21), the only marketing phenomena remaining are (1) case studies of marketing practices; (2) aggregate consumption patterns; (3) whether marketing functions are universal; and (4) comparative marketing.

Summary and Conclusion

In summary, we sympathize with the goals for marketing science expressed in Hunt (1976, 1983), but we question the progress marketers have made toward meeting them. We suspect the prevailing opinion that marketing is at least partially positive is an artifact of the rule-of-thumb criterion of normativity: The lack of blatantly normative terms (such as 'ought' and 'should') in most marketing literature seems to confirm this common opinion. However, we have shown that *hidden* normative terms compose an enormous part of marketing language and thought.

At this point, you may be asking the question, "Even if your argument is correct, what does this have to do with my research?" Hunt (1983, p.363) offers a somewhat disturbing answer to this question.

Although the usefulness and logic of normative decision theories can be validated, such theories cannot be empirically tested. . . . Because normative decision theories do not contain lawlike generalizations, they cannot explain and predict phenomena and, therefore, they cannot generate empirically testable hypotheses (Hunt 1983, p.363).

Thus, if we are correct, most of our empirical studies in marketing have been conducted on empirically untestable propositions. This possibility should cause each of us some concern.

We are not the first to argue that marketing is overwhelmingly normative. In the past, earlier forms of this argument met with the charge that sloppy thinking explains the confusion (Hunt 1978). We agree that careful thinking could, in principle, be used to distinguish between the normative and positive parts of marketing. Marketing, however, is such a tangled skein that if we remove the normative threads, the cloth of modern marketing theory will disintegrate.

We ask other marketing scholars to help us find marketing explanations with no normative expressions. We sincerely hope that many such examples exist, though we have yet to find one. If no such explanations exist, then the only way to make marketing positive is to start anew.

Footnotes

1. Sometimes we will discuss words and sometimes we will discuss concepts. To distinguish the two, we adopt the philosophical convention of using single quotation marks to set off the letter, word, or sentence under discussion. Complete sentences

enclosed in single quotes always carry their own punctuation, and no punctuation that is part of the surrounding sentence may appear inside. Thus, we could write the one-word sentence, 'Speak.'. Double quotation marks are used "normally," as are single quotes within double quotes.

2. Of course, even this expression could be positive. For example, in a room of five sloppy persons and one executive, the expression 'The well-dressed modern executive' actually selects an individual. The sentence is positive.
3. One anonymous reviewer suggested that the appearance of normativity arises as an artifact of an overly broad context. Had we confined ourselves to the narrow marketing context, each of our examples would have failed. Our response: If marketers confine themselves to too narrow a context, they will miss the fact that their science is normative. It would be as though utilitarian ethicists became so charmed by pareto optimality that they forgot that they were crafting a value system.

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