

Radaev, Vadim

Article

Note from the editor

economic sociology_the european electronic newsletter

Provided in Cooperation with:

Max Planck Institute for the Study of Societies (MPIfG), Cologne

Suggested Citation: Radaev, Vadim (2012) : Note from the editor, economic sociology_the european electronic newsletter, ISSN 1871-3351, Max Planck Institute for the Study of Societies (MPIfG), Cologne, Vol. 13, Iss. 3, pp. 2-3

This Version is available at:

<https://hdl.handle.net/10419/155991>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Note from the editor

Dear reader,

When I analyzed the content of the *Newsletter* over all years I noticed not only a remarkable deficit of papers devoted to the substantive links with the contemporary economic theory but also an absence of papers on relations between economic sociology and marketing research although markets have been acknowledged as a main sociological object so many years ago.

When doing research on market relationships I started to come across these papers increasingly often and saw a lot of substantive overlap. Use of categories of 'relational exchange' and/or 'embedded exchange' may serve as a good example. I realized that there were a large number of relevant marketing research papers which were unknown to economic sociologists despite an important paradigm shift in marketing research from promotional to relationship aspects.

It is remarkable that the term "relationship marketing" was formally introduced in the beginning of the 1980s (Berry, 1983). Distinction between transactional and relational exchanges was also drawn into the core of marketing research at that time which coincided with the years when new economic sociology developed its major research programme based on the concept of social embeddedness for the next decades.

It was not accidental given two disciplines had some common sources of inspiration in the contractual theory of Ian Macneil (1980) and critical evaluation of the transaction cost approach of Oliver Williamson (1994). But having some common roots, economic sociology and marketing research took different paths. And even dealing with similar subjects, today they rarely trespass disciplinary boundaries in an explicit way. Instead, they do many things in parallel. It is true that marketing scholars have borrowed some categories from sociology, including the notion of embeddedness from Mark Granovetter, but mutual exchange of ideas is very limited.

Sociologists claim to study relationships. It has been announced that sociology of markets comes first and foremost in the form of a relational sociology (Fourcade 2007). However, we should admit that marketing scholars have

been more active so far in studying many relational aspects of the market exchange.

I believe that marketing research with its traditional 'distributive bias' and focus upon exchange and marketing channels could be complementary in some important elements to the economic sociology that still has a certain 'production bias'. Keeping it in mind, I would like to use this issue for presenting at least some relevant ideas of relationship marketing and to build some bridges between this perspective and economic sociology.

For this reason, we publish a review of relationship marketing studies presented by Jagdish Sheth, Atul Parvatiyar, and Mona Sinha and aimed at introducing the main insights of relationship marketing for economic sociologists. They provide basic definitions and explain a fundamental shift in the dominant paradigm and orientation of marketing from manipulation the customers to long-lasting collaborative relationships. The authors trace the origins of the relationship marketing school of thought and relevant practice. A process model of relationship marketing is described and major research directions of relationship marketing are pointed out. You might be a bit disappointed when in this very comprehensive and highly professional review of studies in relationships marketing you will find virtually no reference to sociological research although many topics would be familiar to sociologists and relevant for sociology of markets.

This relevance is demonstrated in the following review of Zoya Kotelnikova. She points to some common theoretical roots of the new economic sociology and relationships marketing. The author describes many common research interests they have including their focus on relational aspects of the market exchange viewed as ongoing process accompanied by formation of long-lasting ties between exchange partners; active use of the network approach; studying motivation of the market participants; stressing the importance of communication and information exchange. Thus, in spite of many substantive differences, the proponents of economic sociology and relationship marketing might have many reasons to pay closer attention to what is being done by their neighbors.

There is one more related issue which is largely neglected by economic sociologists focusing more on production and since recently on financial markets. That is the organization of retail market. It is remarkable that there was only one paper on the sociology of retailing in the *Newsletter* during all these years despite the fact that retail trade is one of the largest and most dynamic industries that transforms the global economy nowadays. To fill this gap we took an interview with Professor Gary Hamilton who recently published, with his colleagues, a very stimulating volume *The Market Makers* (Hamilton, Petrovich, Senauer, 2011).

In his interview, Hamilton provides an alternative explanation of the Asian miracle of the end of the 20th century. He argues that export-led industrialization in South-East Asia was not so much a product of the “developmental state” but a result of global retailers’ impact on Asian contract manufacturing. He describes the main developments of the retail revolution(s) and effect of introduction of lean retailing on transformation of the global economy. Hamilton claims a necessity for sociology to avoid a production bias and see through the lens of exchange how the real markets work. He emphasizes the importance of research on the social factors relating to consumption and

on the link between final consumption and the organization of intermediate demand generated by the big buyers.

References

- Berry, Leonard L.**, 1983: Relationship Marketing. In: Leonard L. Berry, G. Lynn Shostack, and Gregory D. Upah (eds.), *Emerging Perspectives on Service Marketing*. Chicago, IL: American Marketing Association; 25-48.
- Fourcade, Marion**, 2007: Theories of Markets, Theories of Society. In: *American Behavioral Scientist* 50 (8): 1015–1034.
- Hamilton, Gary/Misha Petrovic/Benjamin Senauer, (eds.)**, 2011: *The Market Makers: How Retailers are Reshaping the Global Economy*. Oxford: Oxford University Press.
- Macneil, Ian R.**, 1980: *The New Social Contract: An Inquiry into Modern Contractual Relations*. Yale University Press: New Haven, CT.
- Williamson, Oliver E.**, 1994: Transaction Cost Economics and Organization Theory. In: Smelser, Neil/Richard Swedberg, (eds.), *The Handbook of Economic Sociology*. New York: Russell Sage Foundations; 77-107.

Vadim Radaev
radaev@hse.ru