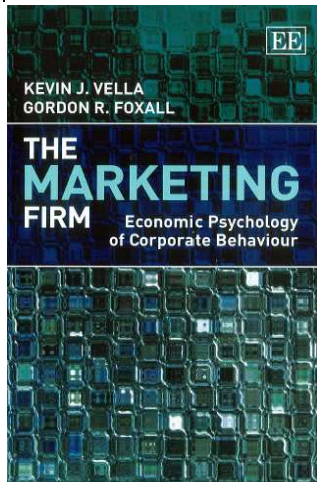


***The Marketing Firm: Economic Psychology of Corporate Behaviour by Kevin J. Vella and Gordon R. Foxall, Cheltenham, UK and Northampton MA, USA:  
Edward Elgar Publishing, 2011, ISBN 978 1 84844 415 7***

Book review by Constantin Oprean  
Lucian Blaga University of Sibiu



The first chapter thus discusses Foxall's (1999a) view on the complexity of the marketing firm and the marketing relationships that it facilitates, an analysis that transcends Ronald Coase's classic "transaction costs" approach, according to which the transaction is regarded as the basic unit of analysis and which holds that transaction-cost economizing is central to the study of organizations. The whole range of experimental designs, from traditional laboratory findings to more open investigations of consumer behaviour is thereby applied by the book's authors both to the determination of boundaries, as between firms and markets, and to the organization of internal transactions, including the construct of employment relations. Chapter 2 focuses on specifying a model of the firm in the light of the Behavioural Perspective Model. Since firms are dependent on several forms of relationships, the examination of firm-stakeholder, supplier-consumer and competitor relationships becomes crucial in this approach. Consumer behaviour analysis combines theories from the fields of marketing, consumer research, and behavioural economics and interprets real-world consumer behavior in terms of experimental and survey research. From consumer behaviour to corporate response, this chapter shapes an operant theory of the marketing firm informed by consumer and firm behaviour within functional markets

operating in a vigorous competition environment.

Methodology and measurement (detailed in Chapter 3) embraces operant behaviourism, which enhances the credibility of the overall study project, and follows a structured research design framework with greater theoretical cohesion. The evaluation that follows in Chapter 4 and its four sets of derived research propositions (antecedents' proposition, reinforcement management proposition, scope management and competition propositions) come full circle in the operationalization of the theoretical construct. The economic behaviour is operant in Foxall's view, as both the positive and negative consequences that it generates determine largely its future recurrence. Hence, the price, product, promotion and place define the marketer's behaviour, which can be positively or negatively reinforced or punished. These marketing "mix elements" (Kotler et al.2001) have context-specific effects on the setting or reinforcement management of marketers. In chapters 5 and 6, the authors then discuss the data and reflect on the marketing firm, showing that firms come under the control of several antecedent events. Chapter 7 evaluates the explanatory power of the theory and maintains that operant psychology and economic and applied disciplines provide a robust framework which generates a better understanding of firm behaviour, despite the number of limitations and issues that have emerged in the process of designing and conducting the overall study.

In summation, *The Marketing Firm* provides an expert analysis and represents a stepping stone in behaviour analytic approach applied to firm behaviour. In careful but firm steps, the editors and authors manage to leverage the power of case study design in firms' behaviour and to successfully detail a credible research methodology which expands and deepens the existing state of theory of the marketing firm.

Foxall, G.R., 2007, Explaining Consumer Choice, Coming to Terms with Intentionality, in *Behavioral Processes* 75(2), pp 129-145.

Foxall, G.R., 2010, Invitation to Consumer Behavioral Analysis, in *Journal of Organizational Behavior Management* 30(2), pp 92-109.

Constantin Oprean  
Professor  
"Lucian Blaga" University of Sibiu