

## The Administered Public Recreation Marketing Concept

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**Abstract.** The article focuses on four major assumptions that underlie the alternative conceptualization of public recreation marketing. It explains (1) the redistribution system within recreation resources are allocated; (2) the organizational structure of recreation agencies; (3) the ways in which public recreation agencies interact with local governments and citizens; and (4) the code of ethics and its influence on the behavior of recreation professionals. Finally, the article attempts to integrate these assumptions into an alternative definition of public recreation marketing that is termed “administered marketing.”

**Keywords.** Administered marketing, Redistribution, Public recreation.

**JEL.** C38, I19, L52.

### 1. Introduction

Lovelock & Weinberg (1978) noted that by the end of the 1970s there was no longer any serious controversy among marketing scholars about the appropriateness of the concept for the public and nonprofit sectors. However, despite this apparent agreement among marketing academics, public administrators and academics in public administration areas, including recreation field, have not unanimously embraced the utility of the concept of public sector marketing (Rossman & Schlatter, 2015). Roberto (1991), an active proponent of marketing, observed: “Marketing’s recent and growing participation in public sector management has received a bipolar love-hate evaluation.” The opponents’ position was perhaps best articulated by Walsh (1994) who suggested the need to redefine public marketing “...if it is to be specifically public service marketing rather a pale imitation of a private sector approach within the public sector.” The purpose of this paper is to develop an alternative conceptualization of public recreation marketing.

### 2. Conceptualization of Public Recreation Marketing

Crompton (1983) defined recreation marketing as: “a set of activities aimed at facilitating and expediting exchanges with target markets”, while O’Sullivan (1981, p. 1) preferred to borrow Kotler’s (1975) broader definition of marketing as “human activity directed towards satisfying needs and wants through exchange processes”. This conceptualization of recreation marketing rests on several fundamental concepts: (1) the organization as a resource converting mechanism, (2) voluntary exchange, (3) the notion of publics, (4) the marketing mix, (5) the marketing environment, and (6) equity (O’Connell, et al., 2015).

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### 3. Limitations of the Conceptualizations

Opponents of marketing argue that application of the marketing philosophy to increase revenues and improve efficiency distorts public recreation agency objectives, contradicts the social service ethic, and invites commercialization of the public recreation field (Godbey, 1991; Schultz, et al., 1988). For example, Schultz et al. (1988, p. 54) believe that the philosophy of marketing is to convince people that “their desires are real needs and they must have what is for sale.” Godbey (1991, p. 56) contends that “marketing public services differs from similar efforts in the commercial sector in a fundamental way—the public sector must market for more than economic profit.”

### 4. Development of an alternative conceptualization

#### 4.1. *The Redistribution System of Recreation Resources*

Von Mises (1944, p. 84) once ironically observed: “The truth is that the government cannot give if it does not take from somebody.” For generations, property and sales taxes levied on citizens have been the primary sources of both operational and capital funds for public recreation agencies. The annual collection of taxes and the expenditures of some of them on recreation services confirm that the recreation field is part of the public sector, which also has been referred to as the bureaucratic or redistributive sector (Dalton, 1971).

The commonly recognized center or leadership refers to the city council or other elected legislative body, and/or the city manager or other form of government chief executive officer. As well as preferring the right to vote for political and administrative leadership, membership of the group is defined by rules. These rules can be family or kinship ties; citizenship with a state; or residency with a community.

#### 4.2. *The Public Recreation Organization*

In contrast to profit oriented recreation organizations that tend to be open-ended systems with wide discretion, public recreation agencies tend to be closed-ended systems with a relatively narrowly defined mission. An agency is not primarily concerned with citizens’ willingness to pay or with an excess of revenues over costs. Public managers are concerned with being responsible stewards of taxpayers’ Money (Rossman & Schlatter, 2015).

It is important to distinguish a “core area of mission” related to the central doctrine underlying activities of a public agency, and “an extant mission” related to the entrepreneurial activities of public agencies (Capon & Mauser, 1982). A core area of mission is usually associated with those services that are financed directly and fully from the general fund. An extant mission relates to such activities as self-efficient programs and services partially paid for directly by citizens. A core area of mission, e.g. to provide recreational services to a community, is unlikely to change without significant political changes. However, the extant mission can change as many times as an agency’s management believe is necessary to better serve the recreation needs of the community, provided that city council approves it.

#### 4.3. *The Interaction with its Environment*

Many conceptualizations of public sector or nonprofit marketing tend to be based on the exchange concept that invites an economic type of analysis. From a redistribution system perspective, the exchange interpretation of public sector marketing is inadequate. First, it shows only a small proportion of the full set of relationships that exist between government and citizens, by focusing only on the direct organization-service beneficiary relationships. According to this perspective, the agency is the center of the universe and government is a sputnik rotated around

## Journal of Economics Bibliography

the agency. This is the microeconomic system type of analysis where marketing refers to agency A inducing behavior in interest group B, not for B's benefit, but for A's since success of A's marketing efforts is measured by profit earned by A (Dixon, 1978). Because the organization is the primary unit of such an analysis the administrative role of government is minimized and limited, so the public parks and recreation agency is incorrectly perceived to be the initiator of all marketing efforts and government is incorrectly perceived as an implicit constraint to such efforts.

Dixon (1978) argues that the application of microeconomic analysis to the activities of public agencies creates confusion. The public recreation agency, which is a subsystem of the larger redistribution system, is perceived to absorb this redistribution system so the agency becomes the dominant system and government a subsystem. The redistribution system implies that a public agency is a subsystem of the redistribution system. A redistribution perspective analyses interaction between government, public agency, and citizens as a top-bottom hierarchical relationship, where the government is the center of the universe, and the public agency, as well as non-profit and profit organizations, are sputniks rotated around it.

From the within relation perspective, which is characteristic of the redistribution system, it is important to understand these relationships as top-bottom organized and involving two relatively independent steps. The first step is the collection of taxes from bottom to the top, and the second step is the delivery of services from top to bottom. If these premises are accepted, then the *quid pro quo* notion of dyadic exchange and rules of generalized reciprocity are logically replaced with the concept of redistributive justice and forms of equity. The role of government as central political authority becomes dominant and the public agency assumes an appropriate place and role within the larger redistribution system.

### 4.4. *The Motivation of Recreation Professionals*

Employees join a public recreation agency because they believe it is in their self-interest. Government is perceived as an employer who hires labor as a factor of production to deliver services to the community. However, this appears to be the only similarity between the motivations of personnel in private profit-seeking organizations and those in public agencies. There are arguments that suggest that a public recreation agency should be driven by concerns for the public interest rather than by employees' self-interest. In the private firm individuals combine for the primary aim of making a profit. Von Mises (1944, p. 64) noted that: "under the profit motive every industrial aggregate, no matter how big it may be, is in a position to organize its whole business and each part of it in such a way that the spirit of capitalist acquisitiveness permeates it from top to bottom." The interpretation of self-interest motivation as giving license to an unlimited spirit of acquisitiveness has been criticized as being immoral, egotistic, and selfish.

Implementation of the will of the majority by the state implies the use of benevolence and malevolence motivational methods such as fear and love (Boulding, 1973). Collection of taxes under a redistribution system to finance the provision of recreation and park services reflects the will of the majority. Those who agree to pay taxes expect government to deliver quality recreation services. Those who disagree with it are forced to pay taxes anyway or be prepared to accept legal actions for not paying taxes.

## 5. The Concept of Administered Marketing

The historical root of administered marketing is administered trade. Under administered trade "prices, as well as all other terms, had been negotiated with the

## Journal of Economics Bibliography

king before any transactions could take place” (Arnold, 1957, p. 168). Historical records document that under the system of administered trade the king “fixes the price of every sort.” After “the terms were agreed upon and the king’s customs paid” the merchant had “full liberty to trade, which is proclaimed throughout the country by the king’s cryer” (Arnold, 1957, p. 168). Although records of administered trade stem from the eighteenth century, they seem to aptly describe the modern regulation policies of local government regarding collection of taxes and the approval of fee structures for some government services including parks and recreation.

Redistribution is the central concept underlying administrative marketing. A city council, as an elected and commonly recognized political authority collects property and sale taxes from citizens and deposits them into the general fund. After taxes have been collected, they are distributed among the different services delivered to the community. Government establishes the department of parks and recreation, finances it, determines its goals, mission, and rules, and authorizes it to provide services for the community including some that require fees. A department of parks and recreation is a bureaucratic closed-system agency with a clearly defined mission, moral principles, hierarchical structure, and internal arrangements designed to effectively implement the mission.

A professional administrative marketer is someone who seeks to understand, plan, and manage redistributive arrangements. She or he would not be expected to focus upon selling the agency’s services and generating revenue, but to look at the agency, its mission, and its problems in a rational manner: identifying objectives; discovering the recreational needs of citizens through research; weighing the opportunities and constraints; determining the resources available to the agency and exploring alternative sources of resources; examining the various ways, in which client requirements can be met and the amount of human resources and type work that needs to be done.

Additionally, an administrative marketer would be concerned with the resources, efforts, and time that citizens, donors, and partners are willing to contribute; location of the agency’s facilities and scheduling of times when these services are offered; behavior of employees in accordance with established moral standards and, finally, control mechanisms which help to determine if the agency is functioning as planned, or whether changes and adjustments are required in response to new citizen demands. All of this is embraced in the following definition of administered marketing:

Administered marketing is the analysis, planning, implementation, and control of programs designed to facilitate redistributive arrangements within a community for the purpose of achieving established community objectives.

## 6. Conclusion

The concept of administered marketing differs from existing conceptualizations in several important ways. Conceptualizations of nonprofit marketing can be characterized as a continuum. On one side would be located perspectives that consider marketing as a set of tools for managing exchange (Rossman & Schlatter, 2015). Marketing is perceived as being concerned with satisfying clientele needs and, hence, the marketing is defined as identifying and fulfilling visitors needs through the integrated use of marketing tools with the goal of creating consumer satisfaction, which is the organization’s primary goal (Kotler, 1975).

At the other end of the continuum are perspectives that do not consider marketing to be defined by with exchange processes. These perspectives discard both the voluntary exchange of values and marketing concept as means for meeting

## Journal of Economics Bibliography

visitors' needs. According to these conceptualizations, marketing is a set of tools designed to induce behavior change. From this premise, the marketing concept is defined as inducing changes in existing patterns of behavior. Persuasive communications and adapting to existing patterns of behavior are seen as marketing's two primary characteristics. This perspective distinguishes between a core area of mission and an augmented mission and argues that tools of persuasion are central to achieving the core area of mission, while marketing and sales orientations are appropriate for the augmented mission activities (Rados, 1981).

Between the continuum extremes, there are conceptualizations that incorporate elements of both extremes. For example, Dixon (1978) does not accept the conceptualization of marketing as a management technology, arguing that marketing is a social activity and a social science concerned with study of such market activities as buying and selling. A similar conceptualization but with different nuances is offered by Pandya & Dholakia (1992) who positioned their approach in the political economy paradigm developed in the marketing literature by Arndt (1981). Their perspective advocates conceptualization of social marketing based on both exchange *and* redistribution and reciprocity arrangements.

Administered marketing is a synergetic concept. It accepts the premise of supporters of exchange conceptualizations that marketing is a management technology. However, it rejects the concept of voluntary exchange as being universal and as underlying all of marketing activities. Instead, it recognizes the concept of redistribution, but does not accept that it is merely another form of exchange. Economic anthropologists, historians and public scholars derive it from the classic notion of redistribution with all the rules and premises that comprise this system.

## Journal of Economics Bibliography

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