

Worlds of Consumption

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Consumer Engineering, 1920s–1970s

Marketing between Expert Planning and Consumer Responsiveness



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CHAPTER 1

Beyond the Mad Men: Consumer Engineering and the Rise of Marketing Management, 1920s–1970s

Jan Logemann, Gary Cross, and Ingo Köhler

By the middle of the twentieth century, corporate marketing had become a growing professional field and marketing experts increasingly shaped the way in which American companies understood their customers. No longer focused solely on sales and advertising, professional marketing increasingly entailed a broad array of business functions from product development and design to pricing and distribution. Marketing departments grew in number and size, and they increasingly relied on systematic market research to develop merchandise that fit changing consumer tastes. An entire new group of professional experts had appeared, offering their services as advertising consultants, market analysts, and market prognosticators to the consumer goods industry. As a "social technology," marketing now aimed not only at understanding consumers and analyzing their needs but also at shaping their desires. Especially since the economic crisis of the 1930s, marketers traded on the promise that they could socially "engineer" consumers and their behavior. I

The ascendancy of the "mad men" in mid-twentieth-century America—made famous more recently by the popular television series—has already received attention from historians.² Throughout the postwar boom years, the advertising industry on Madison Avenue developed novel ways of appealing to segments of the populace—from youths to African Americans—that had

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not previously been specifically targeted as consumers. Advertisers attempted to probe ever more deeply and consciously into the minds and psychological motivations of consumers.³ Already in the 1920s, the rise of professional U.S. advertising agencies had a transatlantic dimension, and historians of European business have discussed the American agencies as spearheads of an "Americanization" of European marketing.⁴ Yet these (m)ad men on Madison Avenue were but the tip of the iceberg for a broader shift in modern marketing on both sides of the Atlantic, which saw professionalized and increasingly creative approaches in areas ranging from market research and industrial design to corporate sales strategies and retail presentation. Looking beyond the (m)ad men employed by advertising agencies, we can find a broad array of expert professionals who as commercial designers, consumer psychologists, sales managers, or market researchers contributed to the rise of new systematic and creative forms of consumer-oriented marketing. These experts confidently saw themselves as "consumer engineers," selling their services and an enticing world of goods to consumers and corporations alike.

Marketing increasingly dissociated itself from older notions of educating people on how to make use of new products. Advertising gradually turned away from pure technical instructions and simple accentuations of a good's quality and benefits. Increasingly, marketing tried to touch the consumer emotionally, stressing the added values of social distinction, aesthetic appeal, and satisfaction of desires. The attempt to reach consumers at the level of their unconscious wishes and inner motivations required a new toolbox of social research methods and psychological analysis. The basic intention of consumer research, gathering information to better understand consumer behavior, was at times superseded by attempts at manipulating consumers. The rise of innovative research and the roots of marketing professionalization in part intersected with an overblown belief in the power of psychological methods to direct and control consumer behavior. The disparate nature of this transitional phase in the history of marketing has often been noted in the literature, but never systematically analyzed. The intention of this book is to give more concrete contours to this period of "consumer engineering."

We locate its beginnings within the interwar era with its crises and technocratic reform responses on both sides of the Atlantic. Consumer Engineering: A New Technology for Prosperity was the title of a 1932 book by two prominent U.S. marketing experts, Roy Sheldon and Egmont Arens. As commercial designers and advertising men, the authors urged American businesses to overcome the Great Depression by creating consumer demand with concerted marketing efforts, for example, by consciously integrating industrial design or state-of-the-art psychological research into marketing strategies. The streamlined shapes of 1930s industrial goods reflected their agenda as much as the motivation research or the subliminal psychology of advertising appeals did in subsequent decades. Consumer engineering, to its cheerleaders, promised to increase sales and usher in a period of abundance and

"adjusted life" in newfound affluence. Increasingly intricate market research and the exploration of consumer psychology aimed directly at "making goods desirable" and at inducing change in taste and "obsolescence." Consumer engineering claimed to put "the consumer" and his or her wishes ever more directly at the center of corporate marketing strategies by offering a wider range of products, pricing, and carefully tailored advertising. This understanding advanced a paradigm shift from narrowly conceived production-led strategies toward more consumer-oriented marketing management that—for the first time—took consumer needs and desires seriously as an important market factor.

Consumer engineering's cautious beginnings in the interwar years ushered in a period of self-assured marketing expansion after World War II. To their postwar critics, the consumer engineers were nothing more than "hidden persuaders" who manipulated consumers into a rat race of unending consumption through accelerated product cycles and "planned obsolescence."⁷ Mid-century merchandising, however, did not simply amount to corporate brainwashing but instead reflected a newfound belief in the power of professional marketing. Marketers now claimed they possessed the tools to avert market saturation and other forms of crisis. Sophisticated professional methods, consumer engineers claimed, would allow them to predict and even shape consumer behavior almost at will. With expanding full-service advertising agencies, new design studios, and market research laboratories and marketing departments emerging at consumer goods corporations, the decades from the 1930s to the 1960s came to represent a kind of "golden age" of self-confident modern marketing that ultimately reached beyond the United States to affect the entire Atlantic World.

The object of this volume is to transcend the familiar, but increasingly barren debate between proponents of advertising and mass consumption, who saw a vehicle for democratic capitalism, and detractors of the new marketing practices, who saw nothing more than consumer manipulation.⁸ Instead, we ask more broadly about how and to what degree modern marketing managed to shape consumption practices and the culture of mass consumption, and in what ways marketing was merely a response to wider social and cultural dynamics. Simply put, did marketing shape the market or did the social dynamics of the market shape the marketing concepts? We seek to reassess the history of consumer engineering in a comparative and transnational framework that views the rise of marketing as part of a broader mid-century era of "high modernity," or what might be called the "age of engineers," which spans from the interwar decades to the 1960s. At a time when experts and technocrats were engaged in schemes to manage and change politics, society, and the economy based on an optimistic belief in the power of sciences and social sciences, marketing professionals were but one group among many engaged in attempts to "engineer" social relations. We still do not know much about their motives, methods, and professional self-perceptions, however. We therefore need to put the key economic actors and professions firmly at the center of historical research.

Exploring the work of store and product designers or the strategies of fashion or automobile companies, a more ambiguous picture of consumer engineering emerges. What critics saw as marketing manipulation can also be seen as part of a mid-century celebration of the potential of the sciences and the call for economic predictability through the steering of aggregate and individual demand. Corporate market making, Andrew Godley and Keith Heron suggest in their chapter, entailed genuine attempts to establish trust and goodwill between consumers and corporations in order to make consumer markets function. Thus, we transcend both the focus on advertising prevalent in earlier studies of corporate marketing and the narrow issue of whether merchandisers meet or manipulate demand. Instead, we look at the specific goals of innovators, at the challenges and problems faced by consumer product firms as they engaged increasingly stratified and fragmented consumer markets, and at the complex efforts of consumer movements to respond to marketing innovations.

CONSUMER ENGINEERING AS A PHASE IN MARKETING IN THE UNITED STATES AND EUROPE

Mid-century consumer engineering emerges as a distinct phase of acceleration and professionalization in a longer history of consumer marketing and an increasingly "fast capitalism" since the late nineteenth century. Looking at developed consumer societies in North America and Europe, especially at mid-century, the essays in this volume address four interrelated sets of issues pertaining to the scope, periodization, and character of consumer engineering, as well to its broader implications for business and social history in the transatlantic world.

First, we examine how changing notions of "the consumer" among marketing professionals impacted marketing developments in particular and modern consumer culture more generally. Tracing the history of efforts to engineer consumers and looking at the proponents and detractors of this work sheds new light on the development of mass consumption in the transatlantic world during the crucial period between the Great Depression of the 1930s and the multiple crises of the 1970s. Wedged between these two dramatic downturns in economic development were both the global catastrophe of World War II and the "miraculous" postwar boom years, which both in their own way contributed to an unparalleled expansion of mass consumption across the Atlantic World.¹¹

This book emphasizes the important linkages between interwar and postwar marketing developments. It identifies a longer, mid-century period of "high modernity" in marketing, which was characterized by a sustained belief in the powers of science, technology, and planning to bring about widespread

improvements in living conditions, an abundance of material goods, and continuously new and improved consumer products. Such notions coalesced with a specific Fordist mode of consumption based on household rationalization and mass-produced durable goods. This model of high modernist mass consumption, many economists and policy makers hoped at the time, would be the engine of perpetual growth, and marketing would thus provide a valuable social service. 12 This was the world in which consumer engineers rose to prominence. While historians have long focused on mass production as a central pillar of the mass consumption economy, new approaches to mass marketing from product merchandising to retailing and financing were equally important. What impact did the professionalization of market research, industrial design, and other aspects of modern marketing have on mid-century mass consumption? And what role was attributed to "the consumer" within a broader framework of technocratic high modernity?

Second, the emergence of consumer engineering and the professionalization of marketing were not particular to American consumer capitalism, as is so often assumed in works that posit marketing as a central facet of "Americanization." These trends need to be placed in a transatlantic context instead, so we ask about transnational transfers of marketing ideas and practices between Europe and the United States and vice versa. What impact, for example, did new consumer engineering practices have on European economies at a time when American consumer culture was making cross-Atlantic inroads in the context of the Cold War? Only a few studies have thus far traced the transatlantic diffusion of marketing practices and knowhow at the company level. Postwar marketing has only recently attracted the attention of European business history. The present volume significantly adds to this literature by studying both the multidirectional transfers of marketing ideas and their concrete, practical application. 14 Who were the principal actors involved in relaying marketing innovations? How did expert discourses translate into marketing practices at the company level?

Third, understood as a distinct phase of transatlantic marketing history, consumer engineering represented a shift toward "scientific marketing" and "marketing management" in both the United States and Europe. 15 Reassessing existing periodization in marketing history, which currently directs particular attention either to the decades around 1900 or to the 1960s and 1970s, the present volume asks when the corporate operationalization and institutionalization of consumer-oriented strategies truly emerged, that is, when the influence of marketing experts on corporate decision-making processes made itself felt. We try to trace the adaption and implementation of modern marketing in business practice. When did these experts consciously begin to carve out and define their roles in everyday business processes, laving claim to specific expertise in understanding and analyzing consumers? Professional advertising had seen growing influence since the late 1800s, 16 but the methodological tool kit of marketing vastly expanded in the time period under consideration, with dramatic leaps, for example, in consumer psychology, motivation research, and survey statistics. Following the Great Depression, marketing experts increasingly strove to impact decision-making not only in sales and distribution but also in pricing and styling as well as in engineering and product development.

By the later 1960s, as marketers increasingly claimed to serve individual consumer needs and desires, the overly boastful claims of consumer engineering receded, especially its confidence in being able to anticipate and manipulate consumer needs. New historiographical thinking about the question of manipulating or accommodating consumers has to recognize this change. Now, marketing management intended to create, engineer, and market goods with the consumer in mind and to arrange management processes in a way that put consumer demand front and center. But was the consumer truly in charge? To some degree, the contributions assembled here suggest that companies had to work hard to gain consumer trust and confidence, which were key to successful market making. For producers, understanding and engineering markets were instrumental in managing risk, especially as competition rose in increasingly saturated markets. Thus, on the one hand, "fashion intermediaries" such as department store buyers and magazine art directors kept producers in touch with changing consumer tastes.¹⁷ On the other hand, consumer engineering promoted the rise of "consumer experts" who claimed to speak and act on behalf of consumers, whether as part of a firm, as a consumer organization, or as consumption scholars and state regulators. 18 The rise of marketing management did not necessarily mean that consumers substantially gained in agency in the marketplace, but the broader analytic framework of this book takes us beyond the old dichotomy of agency versus manipulation in productive ways.

Fourth, the tension between expert control and consumer agency brings us back to broader questions regarding the interrelation between economic and social change. Historians of consumer culture can interpret the era of consumer engineering with its marketing-driven product innovations and frequent style changes as one stage in a longer trend toward increased acceleration in the turnover of ever new consumer goods or as a new form of "fast capitalism," as Gary Cross suggests in this volume. The roots of this development may be traced to early intuitive, but still unsystematic forms of product engineering and novelty marketing. These date back to the late nineteenth century and include such developments as extensive and continuously updated catalogs of recordings, the early "software" accompanying rapidly changing phonograph players. In other words, many trends that characterize consumer engineering did not actually originate during the middle decades of the twentieth century but instead became ever more dynamic and prevalent then.¹⁹

To what degree corporate marketing practices were responsible for this process of social and cultural acceleration or to what degree consumers themselves also had a collective and active hand in it remains contested.

Public policy certainly set the parameters for the expansion of mass consumption, as Lizabeth Cohen has shown for America's "consumers' republic."20 Consumer practices and tastes had their own autonomous cultural dynamics as well. Marketers and advertisers could try to influence or co-opt consumers, targeting specific segments such as youth, but rarely could they manipulate consumers at will.²¹ Department store buyers, audience scouts, and other fashion intermediaries had long engaged in tracking the pulse of shifting consumer tastes for business. Still, the advocates of consumer engineering were more convinced than preceding and subsequent generations of marketing experts that they could influence consumer behavior or "engineer consent" and goodwill for their goods and messages, as the public relations pioneer Edward Bernays put it in 1955.²² The validity of their "scientific methods" and of the social benefits of their mission hinged on an overt belief in the malleability of consumers and in the possibility of "producing" them.

MARKETING AS SOCIAL ENGINEERING?

Moving from changes in marketing to broader historical developments, we finally ask to what degree consumer engineering was a subset of more general social engineering efforts in fields such as architecture, urban development, state planning, and social reform. In many ways, our consumer engineers appear as one variant of the social engineers—those champions of high modernity—who firmly believed in the capacity of science and engineering to rationalize, modernize, and more generally reshape individuals and entire societies. Cutting across national and ideological boundaries, these experts and technocrats were at the height of their influence during the middle decades of the twentieth century.

Social engineering has emerged as an important historical paradigm for understanding and interpreting the mid-century era in transatlantic history, a paradigm which marketing historians can use as well.²³ Like the wayward youths or working-class tenants that social engineers sought to influence, consumers could be regarded as a social group in need of expert guidance in order to attain a happier, more fulfilled life. In 1930s America, this expertise could come from consumer engineers, who promised to improve the lot of consumers, corporations, and society as a whole. In interwar Germany, too, advertising experts such as Hans Domizlaff had begun to recognize marketing as a "Markentechnik" or "branding technology"—in Hartmut Berghoff's terminology, a "social technology" capable of shaping and manipulating individual and group behavior for commercial and political purposes.²⁴

Many mid-century consumer engineers were actually hesitant to accept consumer desires at face value as a guiding force for social development. Consumers, they believed, lacked foresight and innovative imagination, and they did not really know what they wanted. Experts—engineers, designers, marketers—were more likely to advance the cause of what they viewed as modern consumer civilization. Artists and academics, businessmen and administrators would be the architects of a rationally organized, yet also creative consumer modernity that would improve the masses' standard of living and uplift them, to use the parlance of the time. Much like urban planners, economists, and social workers, then, consumer engineers saw themselves as social engineers or technocrats harnessing the social sciences to create a better world. They legitimized their "education" of consumers and their "engineering" of consumer desires and behaviors by characterizing their practices as efforts to enable "democratic" access to the abundance of goods and experiences available in Western consumer capitalism.

Whether working within corporations or for advertising agencies or more specialized consultancies, consumer engineers often genuinely believed that their work was improving the standard of living for millions of consumers and advancing modern civilization by making it both more efficient and enjoyable. Their goals were thus quite different from the proverbial "manipulative advertiser" focused on growing markets for corporate profits. Especially in the postwar years, consumer engineering was also a highly political endeavor. By the 1940s and 1950s, it became heavily intertwined with what historians today call the "Cold War social sciences" and the "cultural Cold War," a war fought as much with consumption statistics and kitchen exhibits as with nuclear deterrence. Not until the 1960s did the seemingly manifest superiority of material affluence and designed obsolescence begin to appear less self-evident. Across Western societies in that decade, new social movements began to offer a grassroots critique of technocratic elitism in government and business alike.

The marketing mind-set represented by consumer engineering now faced challenges on several fronts. By the late 1960s, the era of unbridled confidence came to a close, and the prominent return of crises cast renewed doubt on the power of the consumer engineers. Few marketing experts were still inclined to make grandiose claims, becoming somewhat more humble and sober in their self-assessments. In part, this was a response to a consumer movement that made it less socially acceptable to talk openly about manufacturing obsolescence and manipulating consumers.²⁶ This movement challenged the "waste makers" and alerted consumers to marketing fraud and deception, most prominently perhaps in the scare over subliminal advertising. Consumer advocates admonished producers to keep consumer needs in mind, and political consumerism called for educated and informed consumers to exercise control over their own decisions. At the same time, marketing science itself had become too sophisticated to maintain the fiction of outright expert manipulation. Media and communications scholars as well as behavioral economists stressed the social embeddedness of mass communication, the role of opinion leaders, and the place of audience participation in shaping the meanings of messages, experiences, and aspirations.²⁷ To be sure, marketing experts during the 1960s and beyond remained engaged in efforts to influence consumers, for example, by creating and altering brand images or by defining and targeting new consumer segments. But they were now less likely to perceive such work as outright manipulation. Many even succumbed to their own rhetoric, believing that they were merely interpreting and fulfilling latent consumer wishes.

Again, the rise of social engineering in the first half of the twentieth century and the revolt against expert rule since the 1960s were shared, transatlantic phenomena. Thus, to historians of transatlantic social relations, the history of consumer engineering offers a fresh perspective on postwar economic transfers and debates over "Americanization." ²⁸ In engaging these broad sets of issues, this volume thus seeks to explore the societal context of modern marketing both in Europe and the United States between the 1920s and the 1970s. By focusing on individual careers and on the transatlantic emergence of broad concepts and their practical implementation, the studies in this book show how new marketing approaches spread through companies and advertising agencies across the Atlantic World.

Marketing Innovation in the Context of Consumer AND BUSINESS HISTORY

The first section of the book situates the concept of consumer engineering within the development of marketing and mass consumption during the twentieth century. It weighs the aspirations of marketing experts to reshape consumption against the limits that their work encountered in practice. Jan Logemann's chapter traces the concept of "consumer engineering" and the emergence of professional marketing in the United States from the interwar years. Many mid-century marketing experts—several of them transatlantic émigrés—viewed consumers as malleable objects and encouraged companies to devise new strategies and methods to engineer the tastes of newly defined groups of consumers. The rise of market and consumer research was central to this development. Focusing on the impact of transatlantic émigrés in consumer research, such as Alfred Politz and Ernest Dichter, the chapter also stresses the transnational dimension of marketing exchanges and the impact of European developments on those in the United States from the 1930s into the postwar decades.²⁹

Looking at the larger trajectory of marketing innovations, the first section of this book also considers costs and benefits by contrasting the challenges faced by consumers with those faced by entrepreneurs. Both groups had very distinct perspectives on the meaning of marketing innovation and on the social and economic impacts of consumer engineering. The notion of a broader cultural acceleration of marketing as an outgrowth of "fast capitalism" stands at the center of Gary Cross' chapter. Taking the example of fashion goods and the music industry, Cross stresses that the phonograph and music records reflected an early acceleration of the process of commodification, creating shorter product life cycles, rising expectations for novelty among consumers, as well as the creation of a specific "teenage culture" in the United States. He notes that many of the themes of consumer engineering—from novelty and social segmentation to continuous improvement and ideas of obsolescence—had already emerged in American consumer culture by the early twentieth century. Arguing from the perspective of a social and cultural historian, he emphasizes the costs and benefits involved for consumers.

Andrew Godley and Keith Heron's chapter, by contrast, notes the costs for businesses and entrepreneurs involved in market-making innovations. Using institutional economics and transaction cost theory, Godley and Heron stress the importance of interaction between companies, marketing professionals, and the consumer. Marketing communication, they argue, was essential in forging relationships of trust to overcome information asymmetries between the two parties of producer and consumer. Without market making, that is, without articulating what a given product innovation could do for the consumer, potential markets could—and often did—easily fail. In this sense, proactive marketing was integral for innovation, with advantages not only for businesses but also for consumers, who stood to benefit from innovation. Overall, the first section of this book underscores that marketing innovation was both a precondition for and a consequence of the dynamics of accelerated consumer capitalism. While this process saw a clear intensification in mid-twentieth-century America, it was part of a longer trajectory of consumer capitalism since the late nineteenth century.

Consumer Engineers and Transatlantic Exchanges at Mid-Century

These changes in marketing and consumption were not just an American phenomenon. A new group of professional marketing experts was emerging on both sides of the Atlantic during the interwar years. The chapters in the second section of this book provide examples of individual consumer engineers and explore their respective roles in transatlantic exchanges. Their careers reveal a variety of professional self-perceptions, ranging from the aesthetic pioneer who created consumerist dreamscapes to designers who understood themselves as interpreters of consumer preferences to the rational expert who sought to turn sales and consumption into a science.

Taking the case of Victor Gruen, a Jewish architect and designer with a background in the socialist milieu of Vienna, Joseph Malherek provides an example of the influence of European émigrés on the conception of new places of consumption in mid-century America. Gruen promoted the idea of "engineering" the shopping experience, and he imagined shopping malls both as places set aside purely for consumption and as communal spaces for newly built suburbs. Here, consumer engineering entailed creating new

physical spaces and environments for consumption. Bernard Gallagher's chapter focuses on the émigré Walter Landor, from Germany, a packaging designer who worked for large American corporations in industries ranging from food and beverages to airlines and financial institutions. Landor's work, Gallagher argues, hinged on the integration of systematic consumer research in his design work. His firm exemplified the growing importance of corporate image and product personality in mid-century marketing, connecting consumers to a brand. Responding to the rise of supermarkets and an increasingly visual consumer culture, Landor's packaging and graphic designs accentuated the fine line between integrating consumer tastes and preferences, on the one hand, and creating emotional appeals that guide and direct our buying behavior, on the other.

Despite their emphasis on aesthetics and emotions, retail architects such as Gruen and packaging engineers such as Landor saw marketing and design as efforts to make consumer behavior more predictable and "rational," a need that had resonated on both sides of the Atlantic since the interwar years. Uwe Spiekermann's chapter stresses the importance of business journals such as the German *Verkaufspraxis* for increasingly transnational connections in marketing. Such trade journals frequently propagated "American" methods of rationalization in production and sales. At the same time, though, American ideas were significantly transformed and adapted to German business practices. In light of such observations, we need to refrain from overly generalizing narratives of consumer engineering as "Americanization." In different forms, then, trends toward rationalization in distribution and more systematic marketing could be found in Europe as well as in the United States during the interwar period.

THE COMPANY LEVEL: CHANGING MARKETING PRACTICES IN POSTWAR EUROPE

Shifting the focus from individual marketing experts to corporate marketing practices in postwar Europe more broadly, the next three chapters illustrate the vibrant and multidirectional transatlantic exchanges that shaped the field of marketing. European companies employed many of the same marketing techniques long associated with "American-style" consumer engineering. The section begins with a contribution by Sabine Effosse on the widespread introduction of consumer credit in France after World War II. Price marketing and sales financing became important to fostering demand in postwar France as well. Here, the electronics sales financing company Cetelem was particularly influential in popularizing credit as a marketing tool. Effosse's chapter pays especially close attention to marketing efforts directed at women, a previously neglected target group among French credit experts.

To consumer engineers, then, creating markets entailed more than mere advertising. Next to offering financial incentives, the development and styling

of new products and brand images became crucial for the business success of consumer goods producers. Even smaller, tradition-oriented German manufacturers, such as the shoe company Adidas, embraced new marketing techniques and paid heed to transatlantic trends, as Thomas Turner shows. The shoe manufacturer reacted to increasingly differentiated markets and in turn accelerated this trend by widening the range and selection of shoes on offer to include a variety of athletic and leisure shoes for numerous target groups. Such targeted marketing was combined with lifestyle marketing by the 1970s, contributing to the transatlantic success of this German family firm. Still, Turner argues, Adidas focused on technological innovation rather than merely engineered styling. He emphasizes the role of the product as a communicative icon and central intermediary between consumers and business. Far from being a story of straightforward consumer engineering, Adidas' rise from niche market to mainstream consumer product was about marketing following broader trends in leisure culture, not the other way around.

Few industries relied on the professional tools of consumer engineering, from market research to industrial design, as much as large automobile producers. They repeatedly turned to new marketing strategies, especially when faced with crisis situations. Ingo Köhler's chapter discusses the emergence of professional and scientific market research as a central force behind the emergence of modern, consumer-oriented product strategies in the automobile industry. He demonstrates that manufacturer competition in Germany increased as markets reached saturation in the late 1950s and 1960s. This prompted firms to engage in research on consumers to create brand loyalty. However, the carmakers' power to "engineer the consumer" also proved limited. As marketing attempted to appeal to an expanded notion of consumer lifestyles, different strategies stressed both emotion and rationality in brands and models. Similarly to Turner, Köhler emphasizes the transition toward a strategy of marketing management by the early 1970s that was more subdued in tone, but even more encompassing in its scientific approach—a significant caesura in the development of modern marketing. At least in part, we can argue, this shift in company marketing practice was also a response to broader societal shifts in buying behavior and consumer attitudes. A pluralization of consumer habits increased the uncertainty of corporate decision-making and called the confident claims of some consumer engineers into question.

CREATING RATIONAL CONSUMERS? CONSUMER ENGINEERING AND THE CONSUMER MOVEMENT

The ideas of consumer engineering were both challenged and advanced by consumer movements, which had interwar roots but gained traction during the 1960s. The conflicted relationship of consumer activists with ideas of consumer engineering stands at the center of the final section. Taking examples

from Sweden, West Germany, and Belgium, these chapters analyze the often contradictory images of the consumer's role in the marketplace that came out of the emerging consumer advocacy movements. Empowering consumers through knowledge or institutional frameworks was seen as one way to protect them from the manipulative reach of "hidden persuaders." Many consumer activists, however, very much engaged in engineering consumer behavior themselves, efforts with roots in the same reform agenda of quality, rationalization, and efficiency that had given rise to consumer engineering in the interwar period.

Social actors from the state and civil society brought their own ideas about rational, engineered consumption to the table. In countries with relatively strong traditions of consumer policy, their ideas could significantly influence mass marketing and mass production. Orsi Husz and Karin Carlsson's chapter analyzes the changing conception behind IKEA kitchens. They show that the firm's emphasis on functionality in its marketing and design was not only a response to mass consumer capitalism in the United States but was instead also influenced by social welfare policies rooted in the interwar Swedish rationalization movement and ideas of progressive social engineering. The "classless IKEA kitchen" marketed globally since the 1970s can thus be interpreted as the outcome of a sociopolitical and commercial vision—the manifestation of a particularly Swedish form of consumer engineering.

This tension between embrace and rejection of new forms of mass marketing extended well beyond the Scandinavian model of social capitalism. Consumer movements elsewhere in Europe sought to curb the perceived manipulation of consumer engineers while also pursuing their own strategies to forge informed and rational consumers. Kevin Rick traces the rise of German consumer advice centers (*Verbraucherzentrale*) in the 1950s and their efforts to organize collective consumer action and to train consumers to behave in an informed way, for example, by educating them on strategies for comparison shopping. Established to promote growth by enabling individual, rational choice, these government-sponsored centers exemplify the involvement of states as actors in shaping consumption regimes and in influencing consumer behavior.

In the book's final chapter, Giselle Nath presents the example of two competing Belgian consumer organizations—one liberal, the other social-democratic—and their product testing efforts. She shows the importance of consumer movements as a counterweight to corporate consumer engineering. Although testing products was in many ways a rather technocratic process, both consumer movements also became engaged in politics as they attempted to "educate the consumer." In their efforts to formulate their own ideas about consumer interests, however, consumer organizations, too, pursued strategies of consumer engineering.

* * *

By the 1970s, at the end of the period under investigation in this volume, a more differentiated conception of modern consumer societies on the part of consumer goods companies converged with more complex understandings of consumer psychology in the marketing profession to challenge overt consumer engineering approaches. At the same time, state regulators and social protest from the environmental to the consumers' movement also contributed to the demise of an overly optimistic view of professional marketing's capacity to stimulate "insatiable demand." Marketing management continued to become more influential in subsequent decades, but the era of the consumer engineers had passed, as Ingo Köhler shows. How do we account for this shift? Did demand manipulation become less important as production became more flexible and targeted?³⁰ The empowered consumer as an active participant in the marketing process certainly became the new prevailing fiction of marketing thought. Yet, did the 1970s truly mark the end of manipulative consumer engineering schemes or did they simply live on in different guises? After all, some advertisers today still very much like to entertain the idea that they have the power to shape the desires and actions of millions of consumers, and some of their critics are similarly inclined to indulge such fantasies.³¹ While the 1970s may have shattered high modernist optimism for social engineering schemes and belief in the power of consumer experts, the crises of that decade also encouraged a search for new marketing methods and, to recall Arens and Sheldon's 1932 phrase, new "techniques for prosperity."

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Notes

1. On the longer history of marketing and market research, see, for example, Hartmut Berghoff, Philip Scranton, and Uwe Spiekermann, eds., *The Rise of Marketing and Market Research* (New York, 2012). The idea of marketing as a social technology is developed in Hartmut Berghoff, ed., *Marketinggeschichte: Die Genese einer modernen Sozialtechnik* (Frankfurt a.M., 2007).

- 2. See, for example, Thomas Frank, The Conquest of Cool: Business Culture, Counterculture, and the Rise of Hip Consumerism (Chicago, IL, 1997); and Dawn Spring, Advertising in the Age of Persuasion: Building Brand America 1941–1961 (New York, 2011).
- 3. See, for example, Jason Chambers, Madison Avenue and the Color Line: African Americans in the Advertising Industry (Philadelphia, PA, 2008); and Lawrence Samuel, Freud on Madison Avenue: Motivation Research and Subliminal Advertising in America (Philadelphia, PA, 2010).
- 4. See Harm Schröter, Americanization of the European Economy: A Compact Survey of American Economic Influence in Europe since the 1880s (Dordrecht, 2005). Early developments in Germany: Alexander Schug, "Wegbereiter der modernen Absatzwerbung in Deutschland: Advertising Agencies und die Amerikanisierung der deutschen Werbebranche in der Zwischenkriegszeit," Werkstatt Geschichte 12 (2003): 29-52.
- 5. Roy Sheldon and Egmont Arens, Consumer Engineering: A New Technique for Prosperity (New York, 1932).
- 6. Sheldon and Arens embraced the notion of obsolescence, sharing in a wider discourse around that concept during the early 1930s. See, for example, Bernard London, Ending the Depression through Planned Obsolescence (New York, 1932). See also Giles Slade, Made to Break: Technology and Obsolescence in America (Cambridge, MA, 2009).
- 7. Most prominently: Vance Packard, The Hidden Persuaders (New York, 1957), and The Waste Makers (New York, 1960). Accounts of consumer engineering in interwar America include Jeffrey Meikle, Twentieth Century Limited: Industrial Design in America, 1925-1939 (Philadelphia, PA, 1979); and Charles McGovern, Sold American: Consumption and Citizenship, 1890-1945 (Chapel Hill, NC, 2006).
- 8. The classic critique is Stuart Ewen, Captains of Consciousness: Advertising and the Social Roots of the Consumer Culture (New York, 1976). For a sophisticated intellectual history of the debates over mass consumption, see Daniel Horowitz, The Anxieties of Affluence: Critiques of American Consumer Culture, 1939-1979 (Amherst, MA, 2004).
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- 10. See, for example, Roland Marchand, Advertising the American Dream: Making Way for Modernity, 1920-1940 (Berkeley, CA, 2008); or Spring, Advertising in the Age of Persuasion.
- 11. On the transnational dimension of consumption during World War II, see Hartmut Berghoff, Jan Logemann, and Felix Römer, eds., The Consumer on the Home Front: Second World War Civilian Consumption in Transnational Perspective (Oxford, UK, 2016).

- 12. For the United States, see Robert Collins, More: The Politics of Economic Growth in Postwar America (Oxford, UK, 2000); and Robert J. Gordon, Rise and Fall of American Growth (Princeton, NJ, 2016).
- 13. See, for example, Victoria de Grazia, Irresistible Empire: America's Advance Through Twentieth-Century Europe (Cambridge, MA, 2005).
- 14. On transatlantic exchanges in marketing, see especially Christian Kleinschmidt, Der produktive Blick: Wahrnehmung amerikanischer und japanischer Management- und Produktionsmethoden durch deutsche Unternehmer 1950–1985 (Berlin, 2002); and Ingo Köhler, "Overcoming Stagflation: Innovative Product Policy and Marketing in the German Automobile Industry of the 1970s," Business History Review 84 (2010): 53–78. See also Harm Schröter, "Zur Geschichte der Marktforschung in Europa im 20. Jahrhundert," in Geschichte des Konsums, ed. Heinz Gerhard Haupt, Claudius Torp, and Rolf Walter (Wiesbaden, 2004), 319–36; Ursula Hansen and Matthias Bode, Marketing und Konsum: Theorie und Praxis von der Industrialisierung bis ins 21. Jahrhundert (Munich, 1999); and Peter Borscheid, "Agenten des Konsums: Werbung und Marketing" in Die Konsumgesellschaft in Deutschland: Ein Handbuch, ed. Heinz Gerhard Haupt and Claudius Torp (Frankfurt a.M., 2009), 79–96.
- 15. On the history of marketing in a comparative perspective, see Roy Church and Andrew Godley, eds., *The Emergence of Modern Marketing* (London, 2003); and Berghoff et al., eds., *Rise of Marketing*.
- 16. See, for example, Roland Marchand, Advertising the American Dream: Making Way for Modernity, 1920–1940 (Berkeley, CA, 1985).
- 17. Regina Blaszczyk, ed., *Producing Fashion: Commerce, Culture, and Consumers* (Philadelphia, PA, 2008).
- 18. Alain Chatriot, Marie-Emmanuelle Chessel, and Matthew Hilton, eds., The Expert Consumer: Associations and Professionals in Consumer Society (Aldershot, 2006).
- 19. On the prehistory of consumer engineering, see, for example, Gary Cross and Robert Proctor, *Packaged Pleasures: How Technology and Marketing Revolutionized Desire* (Chicago, IL, 2014). See also Roman Rossfeld, "Unternehmensgeschichte als Marketinggeschichte: Zur Erweiterung traditioneller Ansätze in der Unternehmensgeschichtsschreibung," in *Marketing: Historische Aspekte der Wettbewerbs- und Absatzpolitik*, ed. Christian Kleinschmidt and Florian Triebel (Essen, 2004), 17–42.
- 20. Lizabeth Cohen, A Consumers' Republic: The Politics of Mass Consumption in Postwar America (New York, 2003).
- 21. For the 1960s, see, for example, Frank, Conquest of Cool.
- 22. Edward Bernays, The Engineering of Consent (Oklahoma City, OK, 1955).
- 23. On the concept of social engineering, see, for example, Kerstin Brückweh et al., eds., Engineering Society: The Role of the Human and Social Sciences in Modern Societies, 1880–1980 (Basingstoke, 2012).
- 24. See Berghoff, ed., Marketinggeschichte.
- 25. Mark Solovey and Hamilton Cravens, eds., Cold War Social Science Knowledge Production, Liberal Democracy, and Human Nature (New York, 2012); and Greg Castillo, Cold War on the Home Front: The Soft Power of Midcentury Design (Minneapolis, MN, 2010).

- 26. On the consumer movement as a transnational force, see Matthew Hilton, Prosperity for All: Consumer Activism in an Era of Globalization (Ithaca, NY, 2009). For the pioneering movement in the United States, see Lawrence Glickman, Buying Power: A History of Consumer Activism in America (Chicago, IL, 2009).
- 27. See, for example, Elihu Katz and Paul F. Lazarsfeld, Personal Influence: The Part Played by People in the Flow of Mass Communications (Glencoe, IL, 1955).
- 28. The argument for Americanization through mass consumption and mass marketing is presented most prominently by de Grazia, Irresistible Empire. For a comparative perspective, see also Susan Strasser, Charles McGovern, and Matthias Judt, eds., Getting and Spending: European and American Consumer Societies in the Twentieth Century (Cambridge, MA, 1998).
- 29. On the transatlantic dimension of marketing exchanges in market research and commercial design, see also Jan Logemann, "European Imports? European Immigrants and the Transformation of American Consumer Culture from the 1920s to the 1960s," Bulletin of the German Historical Institute 52 (2013): 113-33; and Jan Logemann, Engineered to Sell: European Emigres and the Making of Consumer Capitalism, 1920s to 1960s (Chicago, IL, 2019).
- 30. On the rise of flexible production regimes, see Steven Tolliday, ed., The Rise and Fall of Mass Production (Cheltenham and Northampton, MA, 1998); and Michaele Priore and Charles Sabel, The Second Industrial Divide: Possibilities for Prosperity (New York, 1984).
- 31. On the 1970s decline of "manipulative" consumer engineering and the shift to identifying narrow consumer groups, see Norman Kangun et al., "Consumerism and Marketing Management," Journal of Marketing 39 (1975): 3-10; Daniel J. Sweeney, "Marketing: Management Technology or Social Process?" Journal of Marketing 36 (1972): 3-10; Philip Kotler, Marketing Management: Analysis, Planning, and Control, 2nd ed. (Englewood Cliffs, NJ, 1972); and Köhler, Overcoming Stagnation, 59-61. On new segmentation strategies based on the AIO or VALS-Approach, see William Wells and Doug Tigert, "Activities, Interests and Opinions," Journal of Advertising Research 11 (1971): 27-35; J. T. Plummer, "The Concept and Application of Life Style Segmentation," Journal of Marketing 38 (1974): 33-37; and Thomas Drieseberg, Lebensstil-Forschung: Theoretische Grundlagen und praktische Anwendungen (Heidelberg, 1995).

Twentieth Century Marketing—Aspirations and Limits, Costs and Benefits



CHAPTER 2

Professional Marketing as "Consumer Engineering"? A Concept in Transatlantic Perspective

Jan Logemann

In 1971, the German-American market researcher Alfred Politz, an early pioneer of random sampling in consumer surveys, drafted a book-length manuscript on his experiences in the field of marketing titled "How to Produce Consumers—Methods and Illusions." Over the course of his career, from the 1930s to the 1970s, Politz had seen the marketing profession in the United States become a good deal more methodical. Yet this Berlin-trained physicist turned marketing consultant scoffed at the pseudo-scientific veneer that many marketing experts attached to their work by 1970. "The word 'research," he wrote, "implies a sort of glamorous intellectual sophistication, and marketing research is a symbol of the modernity of the marketer. Marketing research has become a status symbol, and as such it need not perform; it need only exist." But despite such misgivings, Politz, too, firmly believed in the possibilities of "scientific marketing," which could increase "advertising efficiency," identify the "most important product properties for consumer appeal," discover the "most efficient product design," and craft an "image" for products that created loyalty to brands in "daily consumption behavior."³

To Politz, the key to marketing success was statistically sound consumer research. He did not believe, however, that this research existed to actually find out "what the consumer wants." Part of the problem, he thought, was that "consumers do not know what they want and why they act. If the uninfluenced opinions of consumers in the year 1800 had determined

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