



MARKETING PARADOXES: EXPLICATION OF SOME BASIC MARKETING PARADOXES

Mario Bogdanovic

University of Applied Sciences in Pula, Pula, Croatia

<https://orcid.org/0000-0003-3049-5342>

©MEST

JEL category: **M31**

*Dark wolf, what are you looking through those thick branches? I am looking to grab a lamb.
So grab, who bothers you? I am looking for a reason for the sake of the world.
Grigor Vitez*

Abstract

This paper aims to clarify the relationship between marketing and important economic/business categories and the internal relationship between two fundamental marketing principles. The author used a qualitative approach to determine the existence of mentioned paradoxes, i.e., using logic-verbal methods is usual in economic theory/philosophy where rational discussion is the essence of understanding economic phenomena and delivering significant insights. The results showed three existing contemporary marketing paradoxes. The first is the paradox of marketing and sales/entrepreneurship, i.e., a paradox between satisfying the wishes and needs of the customers and the salesman/entrepreneur. The second is the paradox of marketing and rational consumer/homo economicus because of their conflicting goals. The third is the intramarketing paradox, i.e., between old and new basic marketing principles, because of substantial incompatibility and dubious effect on consumer well-being. A limitation of this paper is the lack of a mainstream marketing approach that does not emphasize significant concepts contradictions and the absence of quantitative methodology for testing the theses/conclusions. The theoretically unsolvable marketing paradoxes solving can be facilitated by finding a dialectical compromise between achieving contradictory goals closest to the optimal win-win principle. Solutions where only one of the parties in the relationship should dominantly benefit (win-lose) are of no use.

Keywords: *marketing paradoxes, sales/entrepreneurship, rational consumer/homo economicus, new wishes creation, existing wishes and needs satisfying, win-lose, win-win*

1 INTRODUCTION

Although it is ideal when the goals of different economic actors are in the same direction, i.e., one-way, this is often not the case. Conflicting goals of the business and economic actors are

relatively common. The scarcity of resources and the demand for them are dominant facts (Samuelson & Nordhaus, 2007). A typical example is a goal of increasing profit by reducing costs (one side goal) at the expense of reduced utility and increased costs of another side. That is by the principle of one-sided utility maximization, i.e., by the win-lose principle. In game theory, win-lose situations result when only one side

Address of the author:

Mario Bogdanović

mbogdan2011@gmail.com



perceives the outcome as positive (Spangler, 2003). In the world of resource scarcity, this principle is dominant and usually marked by wisdom: *One man's loss is another man's gain*.

If there are conflicting variables in the utility equation¹ it is impossible to increase both critical variables and have a win-win final situation. Win-win outcomes occur when each side of a dispute feels they have won, i.e., both sides benefit from such a scenario (Spangler, 2003). It is not a win-win if such a good win-feeling should be achieved by mind manipulation when the factual situation for one side is a losing position. While increasing one size decreases the other, and vice versa (e.g., costs increasing reduces profit, increased profit needs reduced costs), a win-win cannot appear without human mind manipulation. In fact, in scarce resources, this is a mathematical-logical law.

A contradiction/paradox arises if undesirable variables and their regular direction of actions simultaneously try to be changed according to the wishes, wills, and needs of the actors. For example, the utility and income increase of one actor while reducing uselessness/harmfulness and costs of other actors in the relationship.

Thus, the paradox is a consequence of seeking maximum utility for all actors in a conflict (scarcity) when it is impossible due to the nature of conflicting variables and seemingly consistent goals. For example, maximum profit/satisfaction for the entrepreneur and maximum satisfaction of consumer desires and needs). Ignoring or denying such firm logical law or human desire to change such firm logical law creates paradoxes that can be natural, logical/mathematical.

It is well known that all situations in economics and business are not only mutually beneficial (win-win). Some are optimal for only one side and less beneficial or even harmful for the other (win-lose). So, no technique, ideology, manipulation, or panacea can turn it into a win-win situation. For example, if costs/spending are higher than savings potential investments must be lower. For one economic actor to get/have more prosperity (by redistributing goods/power, transferring harmful effects to another) other economic actors need to get/have less. Also, what is good/useful for one party (e.g., one individual/group) does not have to be for another party (e.g., another individual/group/society). High utility for one side, may not result in the same or equal utility for the other side. A utility for the individual/smaller part of the whole may also conflict with the usefulness of the whole. So, the benefits of the state budget, achieved, e.g., by increasing taxes, inflationary financing, and collection of import legal duties can be beneficial for some actors, and completely harmful to other actors (Samuelson & Nordhaus, 2007). In a situation of limited economic resources (they are always limited by something), for someone to have exceptional/maximum well-being, others must have lower/minimum well-being by the logic of limited economic resources.² In many business/economics situations, it is not possible, or even not socially (politically) desirable to always achieve a mutually beneficial win-win principle.³

Although contemporary marketing is considered a key business and economic function, we can note its dubious relationships:

a. Marketing with sales/entrepreneurship.

¹ One variable is acting in one direction and the other one in the other, opposite/not the same direction.

² It is a simple fact that there are not enough economic resources even in societies of maximum well-being (Zelenika, 2007.) for the standard of living of the highest social class/caste (e.g., 1% of the richest). This legality is vividly illustrated by the existence of socio-economic formations throughout history to the present day, with socio-economic stratification based on fundamental relations: slave owner-slave; feudal owner-serf; employer/owner-hired labor/non-owner. Due to the nature of the limitations of economic resources and the nature/psychology of humans, there is a difference in the level of well-being of different social strata that range from maximum well-being to minimum (barely sufficient for life) well-being (Zelenika, 2007).

³ Win-win principle can be illustrated by the popular saying: *Let the wolf be full, and the sheep count!* Due to the nature of things, i.e., diverse/conflicting goals and possible negative effects due to unilaterally defined goals, in practice this is impossible. However, although in theory regarding the realization of win-win principles seemingly good solutions appear/may appear, e.g. figuratively/metaphorically speaking: *To make a wolf drink sheep's milk and so satiate*, in reality, it is used as a way of manipulation (fraud), and often results in the detriment of the deceived (manipulated) or figuratively/metaphorically speaking: *The sheep will be mutilated/ eaten, despite the promise of the wolf to the sheep that it will not die if it gives a little milk*.

- b. Marketing with rational consumer behavior/homo economicus.
- c. Intramarketing in principle conflict between new consumers' wishes creation and satisfying their existing needs and wishes.

There is almost no talk/writing about marketing paradoxes about sales, rational consumers (homo economicus), and intramarketing paradox about the two basic marketing principles (old and newer one, which is dominant in the placement of new technological products). They are very poor and in fragments elaborated, discussed, and written. There is also an obvious lack of sources on these topics. The observed two marketing paradoxes and one intramarketing paradox are discussed below.

2 MARKETING AND SALES/ ENTREPRENEURSHIP PARADOX

The marketing concept developed during the industrial revolution (18. and 19. century) so for the first time in history production of goods was separated from their consumption. Mass production, developing transport infrastructure, and growing mass media meant that producers needed to, and could develop more sophisticated ways of managing the distribution of goods (Brace, Moore, Perl, & Weaver, without year). Before the appearance of marketing, it was produced and sold mainly according to human needs (what people/customers need), and later due to the development of productive forces, and hyper production of goods and services (to absorb increased supply), efforts were made to stimulate human desires (which are unlimited by nature) in hedonism direction, so emerges marketing philosophy and marketing business practice. Therefore, the basic (needs) are supplemented with hedonism (desires), sales are supplemented and transformed by marketing, and a new

philosophy of satisfying customers' desires and needs arose.

The prime goal of marketing is to create satisfaction of customers/consumers (satisfying their wishes and needs⁴, i.e., creating customer well-being). The goal of sales is to create satisfaction for the seller/entrepreneur/business organization (by satisfying the wishes and needs of the entrepreneur). This creates a paradox between the possibility of maximizing the satisfaction of the wishes and needs of customers (marketing) and maximizing the satisfaction of the wishes and needs of entrepreneurs/business organizations (sales).

The source (cause) of this paradox between marketing and sales, is a contradiction between the goals of buyers and sellers/entrepreneurs (conflict of goals, conflict of satisfaction) since the customer wants a top product with a minimum price and the entrepreneur the maximum price with a product of minimum quality/costs) (Adams, 2000). To reconcile this contradiction, it is possible to theoretically claim that the marketing goal is profitable in satisfying the desires and needs of consumers, which is an oxymoron, because then logically it is actually about dominant satisfying the desires and needs of entrepreneurs/business organizations and sales.

To make these relationships clearer, it is good to see how marketing and sales achieve their goals. Marketing achieves its goals of satisfying the wishes and needs of customers in a way that maximizes the goals (satisfaction) of customers, so-called four basic marketing strategies (cf. Kotler, 1988; cf. Bennett, 1988, 117) by:

1. making the product⁵ according to the wishes and needs of customers,

⁴ Need is an objective lack (or surplus) of something in the body (Pastuović, 1999), usually refers to the physiological state of the body caused by a certain imbalance/heterostasis (e.g. need for water, food), may or may not have an experiential aspect (e.g. the body's need for a vitamin) (Petz, 1992, p. 325), and desire is a psychic sense of lack (or surplus) (Pastuović, 1999).

⁵ Here is adapted Kotler's opinion (1988) i.e., products include all types of offers, e.g. different types of services can be included, even persons (legal, natural) that provide a certain satisfaction to consumers (therefore

products are: business organization, institution, brand, logo, as well as a beautiful/capable man/child). Although it may be unusual for individuals to be products, it is because they provide a service of pleasure (positive emotions) that they offer to other people (similar to trees that can pleasure with flowers, leaves, and shade). After all, it has value for humans. Potential product is everything that gives/can give pleasure to humans, and what gives satisfaction/pleasure according to the marketing concept can be sold/charged.

2. making the price acceptable to the buyer (low enough, or sometimes, high enough for some prestigious products)⁶,
3. making the place and manner of purchase convenient/easy for the buyer and that the buyer has a pleasant shopping experience, and
4. promoting the product creating/stimulating a strong desire to buy the product.

So, using these four basic strategies, marketing achieves its purpose.

Sales achieve their goals to satisfy the wishes and needs of sellers/entrepreneurs similarly, but with cost rationalization and entrepreneurial interests/satisfaction, i.e.:

1. to make the product approximately (seemingly) according to the wishes and needs of customers, but as cheap as possible,
2. to make the price high as possible (achievable) i.e., maximal,
3. to make the place and methods of sale appropriate but concerning costs,
4. to make effective promotion (to create a desire to buy the product), but cheap (ideally if it is not needed, because then it costs nothing, and as a rule, the promotion makes up a significant part of entrepreneurial costs).⁷

It would be ideal for an entrepreneur not to need and not to have a marketing function (because of no costs) because that would maximize profits (as the difference between total revenue and total costs). In theory, this would be possible when products are sold by themselves, without marketing and sales functions (ideally without administrative sales costs). When demand is higher than supply, marketing is not needed, and when supply is higher than demand marketing is

needed, because products cannot find a buyer on their own, i.e., sales cannot happen by themselves. In theory, there should be no sales if there were automated *just-in-time* sales.⁸

Is it possible to maximize customer satisfaction (low price, high quality) and entrepreneurial satisfaction (high price, low quality/low cost) at the same time? If we consider the goals of the rational consumer and the rational entrepreneur or the producer, we can get a clear answer. Namely, for the rational consumer, the product should be of high quality and cheap, which is often logically and technically impossible (Adams, 2000). A rational economic actor/consumer buys cheaply (as cheaply as possible) and sells his products and services (results of his work/business in the context of residual income) expensively (at the maximum price, trying to increase the price of his own work/business combination). A rational entrepreneur behaves the same, buying inputs as cheaply as possible, and selling outputs as expensively as possible, also trying to minimize the cost of his own work/business combination. There is an evident conflict of goals/interests. Therefore, it is only possible to mitigate the conflict of goals/interests in the relationship between the customer and the entrepreneur and the inherent conflict of the goal/interest function. It is impossible to maximize both, customer satisfaction (low price, high quality) and entrepreneur satisfaction (high price, low quality/low cost), as these are conflicting goals. The paradox is apparent, and to alleviate the conflict a compromise is needed.

After the chapter, we can state that there is an evident paradox between marketing and sales/entrepreneurship.

⁶ Some prestigious products (e.g. cars, perfumery) sell well only if their price is high. It is a symbolic purchase where emotional, not utilitarian criteria are dominant. By making a symbolic purchase, the consumer builds an image of himself (Milas, 2007, pp. 41-42). There is also a paradox of increasing bread demand due to the general increase in prices because the poorer in such a situation can only buy more bread (to survive) at the expense of more expensive food (Jašić, 1998).

⁷ As a rule, any cost is harmful if it is not needed. Therefore, a rational entrepreneur does not have a positive emotional attitude towards non-value-added costs that can be avoided.

⁸ In this case the products go immediately to the customers and the price is deducted directly from the

customers' current payment account (purchase by standing order, for example by automatic payment of telecommunications services, etc.). This way of automated *just-in-time* sales is possible where there is a constant need/demand for a product and the willingness of the customer. However, this way of buying and selling is not possible in all types of buying and selling relationships, especially in those where there is no consent/willingness of customers. It is also possible somewhere, but some people do not accept the option of automated *just-in-time sales* (e.g. there are people that want to buy only by cash, without automatized electronic payment).

3 PARADOX OF MARKETING AND RATIONAL CONSUMER/HOMO ECONOMICUS

With the marketing appearance, more and more are produced and sold according to the hedonistic nature of humans (desires), although this is in contradiction with the rational consumer (homo economicus) because human desires are huge/unlimited, and purchasing (economic power)/consumer income is very limited, so consumer behavior toward desires is irrational. It is irrational for the material and psychological well-being of consumers.

Therefore, marketing is also in conflict with rational consumers and the thrift (economy) of consumers/customers, the so-called homo economicus. Homo economicus (rational human) is adorned with the principle of *better is more* in profit, and *better is less* in loss/cost. There are objections that people do not always behave rationally, are not always selfish and driven by their profit, and are not always guided by logic, planning, and facts. Also, they are sometimes altruistic, driven by passions, with a lack of planning, impulsiveness, and that they are indecisive and negligent (they have weaknesses in decision-making), pieces of evidence from behavioral economics are insufficient to support the rejection of rational choice theory in resource and environmental economics (Đorić, 2022, 77 & 84).

Namely, the marketing goal is to find and create consumers, which achieves by strengthening the desires and needs and helping sales to meet the desires and needs of entrepreneurs (to achieve maximum sales or earnings). Marketing thus maneuvers between the wishes and needs of two parties (rational consumer and rational entrepreneur) which are in one significant part immanently mismatched (opposite direction of interest). The overlap of fields of interest, goals, and values is a mutually beneficial situation, and non-coverage means mismatched values, interests, and goals.

For marketing from the position of employer/entrepreneur, it is therefore not rational/desirable that consumers (people) have modest desires and needs because then they will buy less (creating low total income for the entrepreneur and consequently lower earnings).

The philosophical view that a rich/wise man has modest desires and needs (frugal) and that people should strive to be as frugal as possible (rational in spending) conflicts with marketing goals.

Therefore, marketing is contrary to the principle of economy and the economy of the rational consumer. Here we could conclude justifiably that maximum customer satisfaction is not the real/primary goal of marketing (this is a proclaimed, but not a real goal that is hidden, so we could talk about hypocrisy in principle). Namely, if the consumer were satisfied, marketing would achieve its goal, and this would be the reason for the termination of its existence (it should self-abrogate). This is also evident when considering the length of time consumer satisfaction. If it is very long or lifelong (e.g., cars, computers, furniture... last a very long time, e.g., 50 years or has human life duration), it is undesirable because it would mean low turnover of products and weak demand. This is a contradiction because the goal for the rational consumer (homo economicus) is that the product meets his needs in the long run. After all, it is also cheaper (more economical). Namely, it is not the same (economical) for a rational consumer to buy, for example, 5-10 cars instead of 1-2 in a lifetime.

All people behave most of the time rationally and within the mental model by which they interpret reality. If consumers internalize a mental model that distorts thrift/rational economical behavior (creates a mental model that is less or not rational) they become prone to irrational buying behavior. Therefore, a distorted perception of reality is possible, also buying above rational desires and needs (e.g., buying not necessary goods on debt by shifting repayments into the future). Buying on debt (credit) is therefore one of the most important social innovations in marketing, as it stimulates consumption but reduces consumer rationality.

We can conclude that maximizing the function of the marketing goal is possible only by strengthening the irrationality of people (to buy according to their wishes, not according to their needs). If such goal maximization is brought to extremes, market anomalies are possible. Therefore, marketing associated with sales can be unethical and manipulative (e.g., advertising and selling low-quality and even harmful products). That is practically achieved primarily by acting on the emotional-motivational complex of the consumer with the asymmetry of information possessed by actors in the sales business. The rational consumer aims to achieve individual well-being by the following basic principles:

1. Increasing their revenues. A rational man wants to sell or earn, not just buy consumer goods and be a mere consumer (reduce his earnings/wealth and so his economic safety)!

2. Reducing/rationalizing consumption (purchases). Any cost is bad/undesirable if it is not necessary!
3. Increasing savings (to invest and increase one's security and well-being)!⁹
4. Increasing investments. Savings investing brings future income and a sense of security and increases individual material and psychological well-being.

The goal of marketing for buyers/consumers to increase their spending on consumer goods (have at least some irrational consumption) is contradictory from the point of view of achieving individual well-being (individual thrift).¹⁰ Marketing seeks to identify and locate irrational consumers (so-called market segmentation) because this is much easier and simpler (cheaper) than achieving top-quality products (the best product in its category - the so-called differentiation) that are sold *alone*. Since completely rational people *in a permanent position* do not exist, there are very few of them, it makes sense to use marketing in identifying and gaining irrational consumers. Good advertising (promotion) can encourage purchasing of practically worthless and even harmful products. Some examples can be "men's water" elixir, stomach eliminator, corsets, absinthe, gambling - lotto.¹¹ A common strategy in marketing is to act on a person's emotional and erotic complex, technically called *a wide range of intellectual and aesthetic tendencies* (Adams, 2000).

As the chapter conclusion, we can state that there is an evident paradox between marketing and rational consumer/homo economicus.

4 PARADOX BETWEEN OLD AND NEW BASIC MARKETING PRINCIPLE

The standard old marketing strategy is: *Find the desire/need and satisfy it*. It is an old so-called *Technology pull* strategy. The disadvantage of this approach is that many people do not know exactly their wishes and needs, so a significant number of these wishes/needs remain unmet. Therefore, a new, more advanced marketing strategy is created: *Create a new desire/need and satisfy it*. So, according to the new contemporary marketing strategy creating consumer wishes becomes significant. It is a newer so-called *Technology push* strategy present in almost all new technological products (Byers, Dorf, & Nelson, 2015), especially high-tech products (e.g., printing machines, typewriters, airplanes, computers, laptops, printers, scanners, mobile phones, smartphones, smartphone card readers, drones, Kevlar clothing, nanotechnology products, new generation vaccines...), social innovations (e.g., banking products, electronic voting, internet products) and social entrepreneurship.

Considering the compilation of both marketing principles, one can conclude that old/new products can satisfy existing desires and needs

⁹ The problem noticed and explained by Keynes, J. M., is the so-called *savings paradox* which says that an increase in savings by an individual leads to his real decrease and that an increase in savings can reduce the overall wealth of the nation (Jašić, 1998, pp. 44-46). This paradox is being solved by investment. Ideally, investments should be productive, i.e., economical, which means that they maximize the return on investment. Unproductive investments, and failed investments, in particular, reduce wealth because they devastate/destroy material substances that could have been a creator of surplus value. Savings (treasure) itself, if it does not create surplus value, it is considered *dead capital* that reduces overall welfare (such a historical example was experienced by Spain (Landes, 2004). Human labor (past labor = culture and current labor) in all its forms (physical, intellectual, creative, spiritual/value) proves to be the most complex but the only factor in long-term well-being (Bogdanović, 2008).

¹⁰ Due to the phenomenon of *price scissors*, it was irrational to buy manufactured/industrially produced bread in the Republic of Croatia. For example, in 2021., the purchase price of wheat at harvest time (July 2021) was about 1 HRK/kg (.133 euro/kg), and the price of bread for which you need to spend approx. ½ kg of wheat for plain standard bread (white, semi-white)

weighing 1 kg and with a selling price of up to 10 HRK. After calculating all the costs, it turns out that it is most rational to buy wheat/flour and bake bread at home in approx. 1/3 of the price (hence the mass appearance of bakeries in the Republic of Croatia). This is also an economic paradox because mass industrial production should result in lower prices (it is a paradox that the individual/home price of bread is lower than the industrial one). The conclusion is that here in the bread business in Croatia someone makes an extra profit. Such a situation exists also with other products. It is especially irrational to produce and consume unnecessary/harmful products with pronounced externalities (for example, plastic packaging that accumulates unnecessary/harmful garbage). In addition to irrational production, it is also irrational to create jobs (employ people) that do not justify their income or create surplus value (fictitious jobs that have only cost). Market and political marketing have a great influence on the creation and maintenance of such irrationalities.

¹¹ In this context, political irrationalities, strategic irrationalities (strategic failures), and war irrationalities (attacks on a strong and/or tough opponent) can be mentioned. It is also worth noting old folk wisdom: *There is no profit from a smart/rational man!*

(*technology pull* marketing principle), but also a new product can create desires and needs (*technology push* marketing principle).

The paradox between old and new marketing principles is that by old principle it should satisfy existing human wishes and needs (i.e., increase their well-being) and by a new principle, the human wishes should be created regardless of increasing their well-being, they can also diminish consumer wellbeing, but this is irrelevant for the opposite (supply) side. Therefore, these two principles are in contradictory/paradoxical relationship. This is most obvious if we discuss the so-called *dark side* (shortcomings) of new technological products. The negative side of new technology products is that in addition to the cost price (an expense that initially reduces an individual's savings and investment potential), they typically consume other valuable customer resources, such as:

- *increase economic risks* to consumers/technology users, such as the use of:
 - credit,
 - expensive compulsory (experimental) vaccines,
 - electronic money that is easy to block if the consumer behavior is undesirable/unfit (e.g., in Canada during the Covid-19 crisis),
- systematic electronic surveillance and social scoring (e.g., social credit in China) deepen existential threats and risks.
- *increase time risks*, i.e., reduce the free time of consumers/high-tech product users (e.g., unproductive multi-hour dealing with smartphones, computers/internet, new technological toys/programs-videogames, unfruitful hours of watching television). A specific problem is the creation of pathological psychological dependence/dominant psychological preoccupation with high-tech products because technologically trapped people no longer have enough time for other life roles (or their time is significantly limited/reduced).
- *increase health risks* because of deterioration of the physical condition due to reduced movement, obesity, the risk to psycho-physical health (due to dominant communication with electronic interfaces, reduced interpersonal communication, and changes in the perception of the world due to marketing promotion of the *perfect world*, high risk of shortening attention time, as well as reduced learning abilities, mental disorders, emotional crises, and illnesses such as

depression and anxiety). Also, there are other health risks due to ionizing and non-ionizing radiation (e.g., radiation from telecommunication and wireless networks), pollution by particles, nanoparticles, and substances with toxic, mutagenic, and unknown properties. New compounds, biological and chemical agents, GMO food, and industrial and municipal waste are present in the air, water, and soil, as well as in finished food products and medicines, with long-term known or unknown/risky effects on human health. For example, plastics and microplastics as technology products of the older generation are ubiquitous in new technology products (in mass use) and increase the risks to human health. There is more and more evidence of the negative impact of plastic on flora and fauna and the significant pollution of oceans and marine organisms by plastic. Currently, there is growing evidence of the negative impact of plastic on flora and fauna and significant pollution of the oceans and marine organisms with plastic.

- *increased additional now unknown risks*. New technology products can create additional risks which are now not known. For example, the industry creates garbage and externalities (pollution of air, soil, water, flora/fauna/humans) which were not known or not so obvious a couple of years ago and were not treated as a cost/risk for consumers. Today we have real *green risks* so consumers must pay for garbage remediation/pollution risks, although the industry is responsible for such risks (e.g., garbage remediation). Therefore, in the future is possible that consumers will have other risks from used products that today are unknown (e.g., economic in the form of additional taxes or health risks because of unknown effects on new *healthy* technology products).

Although the products of new technologies should be designed to increase overall individual and collective well-being (welfare), because entrepreneurship/selling interest marketing should create huge (irrational) wishes, consumer well-being becomes less important/irrelevant. Since new technological products have their disadvantages and dangerous sides and can bring hidden different risks for people and nature, the marketing principle of new desires unconditional creation promotes the manipulation of the human mind (non-critical thinking), so they should be treated dialectically (critically) and with caution.

Also, the creation of irrational human beings by the programming principle: “*You want this, this is what you need!*” is a dubious practice where the goal is not the well-being of the consumer but the entrepreneur/producer/seller. A similar principle is present in modern propaganda where new ideologies are created and normalized using the Overton window.¹² Thus, the modern marketing principle (creating new desires while providing such satisfaction), the Overton window (creating new thinking while normalizing), and creating problems with programmed (desired) solutions are the same principles of modeling human behavior and mind manipulation (Bogdanović, forthcoming).

Based on the above mentioned, it is increasingly clear that marketing (with the mission of increasing consumer welfare in the context of meeting their desires and needs)¹³ with the realization of the principle of creating new wishes has controversial, contradictory, paradoxical, therefore often negative impact on individual welfare (e.g., new technologies consumers), especially if marketing promote and sell problematic high-tech products in the asymmetric mode of communication (what is desirable it is communicated and even exaggerated, and what is undesirable is not communicated or even marketed as an advantage/potential utility).¹⁴

After the chapter, we can state that there is an evident intramarketing paradox between two famous basic marketing principles (old and new one).

5 CONCLUSION

This paper noted and discussed three theoretical types of unsolvable economic paradoxes in the marketing field:

1. **Marketing and sales/entrepreneurship paradox.** This contradiction is conceptual and cannot be resolved due to the essential difference between marketing goals (satisfying the wants and needs of customers)

and sales/entrepreneurship goals (satisfying the wants and goals of the sales/entrepreneur/business organization).

2. **The paradox between marketing and the rational consumer/homo economicus.**

Contrary to the idea and assumption that man is a rational actor in economic processes (the so-called homo economicus), marketing wants and needs an irrational consumer. The rational consumer is a contradiction to marketing because buying according to desires (which by the nature of things are almost unlimited), with income (which is limited) is not rational. It is not rational to promote a product with fictional characteristics that are completely different from the real ones (marketing is then not aligned with satisfying the wants and needs of the consumer, and the rational customer is rejected). The marketing treatment of people as irrational beings (consumers) is in contrast because rational people and societies primarily want to sell their products and services, accumulate values, and reduce their risks with a higher level of personal/social well-being.

3. **The intramarketing paradox between old and new marketing principles.** A new paradox arises with replacing the old classic marketing that followed the business principle *Find a desire and fulfill it* (technology pull strategy) with the principle *Create a new product (create a new desire/need) and satisfy the consumer* (technology push strategy). The paradox between old and new marketing principles is that by old principle it should satisfy existing human wishes and needs (i.e., increase their well-being) and by the new principle the human wishes should be created regardless of increasing their well-being, so the realization of such principle can also diminish consumer well-being, but this is

¹² The Overton window is a model for policy change. It can dramatically change public opinion i.e., from firstly inappropriate ideas, behavior can be normalized to the normal even desired idea, or behavior (e.g., homosexuality, hypocrisy, hostility, etc.). This is the process of how from an unthinkable idea, gradually through a radically, acceptable, reasonable, popular idea finally becomes policy on default. (The Overton Window, n.d.).

¹³ It is possible to critically note that marketing can't increase human well-being if human desires and needs are pathological. However, the task of marketing is not only to stimulate/promote pathological desires and

needs (e.g. various oddities) and normalize abnormal/strange behavior but also to discourage the above-mentioned undesirable behavior (so-called *anti-marketing*), because otherwise, it is a deviation of the original marketing mission and vision.

¹⁴ The consumer who decides to buy should also have mechanisms to verify the information offered to him, and if this is not the case, or there is only one monopolized/oligopoly source, it is very likely a matter of manipulation (fraud). A dark example is the purchase of an experimental vaccine that can have a markedly detrimental effect (e.g. the death of a customer/consumer).

irrelevant for the opposite (supply) side. These two principles are in contradictory/paradoxical relationships. This is most obvious if we discuss the so-called *dark side* (shortcomings) of new technological products. New contradictions between new and old marketing principles are mostly evident in incidental effects (externalities) from new technology products, that are not directly visible, such as increased economic, technology user time, and health risks for the buyer/consumer. Dealing with the potential risk and contraindication of the product for consumers is not in the description of marketing activity and this contradicts its mission of satisfying the wishes and needs of customers/consumers i.e., *maximizing/optimizing customers- well-being*. Marketing's new principle contradicts its old basic principle if it does not maximize/optimize the well-being of customers/consumers.

a dialectical compromise between achieving contradictory goals so that it is closest to the optimal win-win principle. Solutions that should dominantly benefit one of the parties (win-lose) are of no use. Namely, the win-win principle in an optimal sense is hard to achieve because each thing, decision, policy, and solution have its advantages and disadvantages (yin and yang) and as such different consequences for those concerned (shareholders on supply and demand side). Such a compromise that maximizes the satisfaction of all actors in the marketing and sales process, marketing and rational mind, creation of new wishes, and satisfaction of existing wishes is closest to the realization of the win-win principle. Achieving a compromise of opposing interests and goals is not a simple and easy task. The conflict of interests and the achievement of an optimal solution in a conflict of general and specific interests are still not satisfactorily resolved on a mental (philosophical), practical, political, legal, and business level.

Solving theoretically unsolvable marketing paradoxes can be alleviated in practice by finding

WORKS CITED

- Adams, S. (2000). *Dilbertovo načelo* (The Dilbert Principle). Zagreb: Algoritam.
- Bennett, P. D. (1988). *Dictionary of Marketing Terms*. Chicago: American Marketing Association.
- Bogdanović, M. (2022, Fall). Destructive organizational communication and manipulation: Emergent forms, consequences and coping in the function of smarter organizational solutions. *Romanian Economic and Business Review*, 17(3), pp. 20-39.
- Bogdanović, M. (2008). Prilog teoriji ljudskog kapitala: Koja svojstva radne snage treba smatrati bitnim sastojcima ljudskog kapitala? (Contribution to the theory of human capital: What properties of the workforce should be considered essential components of human capital?). *Ekonomija/Economics*, 15(1), pp. 45-81.
- Brace, S., Moore, H., Perl, S., & Weaver, J. (n.d.). *Marketing (Chapter: A brief history of marketing)*. Foundation Degree South West. Retrieved from <https://media3.bournemouth.ac.uk/marketing/02defining/01history.html> (downloaded, 05. 10. 2022.).
- Byers, T. H., Dorf, R. C., & Nelson, A. J. (2015). Tehnološko poduzetništvo: Od ideje do tvrtke. (ed. Sergej Lugović), translation of the 4th edition of the original publication *Technology Ventures: From Idea to Enterprise*. Zagreb: Tehničko veleučilište u Zagrebu.
- Đorić, Ž. (2022, Mar). Bihevioristička ekonomika i ekološka perspektiva sa osvrtom na EU (Behavioral economics and ecological perspective with a focus on European Union). *Ekonomске ideje i praksa*, (44), pp. 75-101. Beograd: Ekonomski fakultet Univerziteta u Beogradu. doi:10.54318/eip.2022.zd.305
- Jašić, M. (1998). *Paradoksi i zagonetke u ekonomiji* (Paradoxes and enigma in economics) [online]. Ekonomski fakultet Beograd, 1. Edition. [accessed: 2022-06-08]. Retrieved from: https://www.academia.edu/6691117/Paradoksi_u_ekonomiji.
- Kotler, P. (1988). *Upravljanje marketingom 1*. (Marketing management 1). Zagreb: Informator.

- Landes, D. (2004). *Bogatstvo i siromaštvo naroda: Zašto su neki tako bogati, a neki tako siromašni* (Wealth and Poverty of the Nations: Why Are Some So Rich and Some So Poor). Zagreb: Masmedija.
- Milas, G. (2007). *Psihologija marketinga* (Psychology of marketing). Zagreb: Target d.o.o.
- Pastuović, N. (1999). *Edukologija: integrativna znanost o sustavu cjeloživotnog obrazovanja i odgoja* (Educology: an integrative science of the lifelong learning system). Zagreb: Znamen.
- Petz, B. (1992). *Psihologijski rječnik* (Psychological dictionary). Zagreb: Prosvjeta.
- Samuelson, P. A., Nordhaus, W. D. (2007). *Ekonomija* (Economics). 18th Edition. McGraw-Hill/Mate d.o.o.
- Spangler, B. (2003, Jun). *Win-Win / Win-Lose / Lose-Lose Situations. Beyond Intractability*. Eds. Guy Burgess and Heidi Burgess. Conflict Information Consortium, University of Colorado, Boulder. Retrieve from <https://www.beyondintractability.org/essay/win-lose>.
- The Overton Window. (n.d.). A Brief Explanation of The Overton Window. Retrieved from <https://www.mackinac.org/OvertonWindow> (15. 06. 2022.)
- Zelenika, R. (2007). *Znanje-temelj društva blagostanja: obrazovna i znanstvena industrija* (Knowledge – the foundation of a welfare society: educational and scientific industry). Rijeka: Ekonomski fakultet Sveučilišta u Rijeci.

Received for publication: 16.11.2022
Revision received: 09.12.2022
Accepted for publication: 03.01.2023

How to cite this article?

Style – APA Sixth Edition:

Bogdanovic, M. (2023, 01 15). Marketing paradoxes: Explication of some basic marketing paradoxes. (Z. Cekerevac, Ed.) *MEST Journal*, 11(1), 9-18. doi:10.12709/mest.11.11.01.02

Style – Chicago Sixteenth Edition:

Bogdanovic, Mario. "Marketing paradoxes: Explication of some basic marketing paradoxes." Edited by Zoran Cekerevac. *MEST Journal* (MESTE) 11, no. 1 (01 2023): 9-18.

Style – GOST Name Sort:

Bogdanovic Mario Marketing paradoxes: Explication of some basic marketing paradoxes [Journal] // *MEST Journal* / ed. Cekerevac Zoran. - Belgrade – Toronto : MESTE, 01 15, 2023. - 1 : Vol. 11. - pp. 9-18.

Style – Harvard Anglia:

Bogdanovic, M., 2023. Marketing paradoxes: Explication of some basic marketing paradoxes. *MEST Journal*, 15 01, 11(1), pp. 9-18.

Style – ISO 690 Numerical Reference:

Marketing paradoxes: Explication of some basic marketing paradoxes. **Bogdanovic, Mario**. [ed.] Zoran Cekerevac. 1, Belgrade – Toronto : MESTE, 01 15, 2023, *MEST Journal*, Vol. 11, pp. 9-18.