Complete the Circle of Marketing Channels Planning: Strategies for Private, Public, and Personal Markets

Marketing channels planning is the centerpiece of every business model. No business can survive without a marketing channel to direct the flow of value from supply to demand. In fact, this essential “value chain” sustains all societal interaction. Although closed-minded thinking has limited marketing channels planning to the private sector, leading business scholars foresee a circle of “shared value” that encompasses all of society. These inclusive value chain strategies enable business enterprises to serve civic and community markets through commercial channels. Similarly, an inclusive value chain helps non-business enterprises improve the capability of civic and community channels. So, like the popular UPS ad campaign, completing the circle of marketing channels planning means learning to love the entire 360 degrees of societal logistics.

“The solution lies in the principle of shared value, which involves creating economic value in a way that also creates value for society by addressing its needs and challenges. Businesses must reconnect company success with social progress. ... It’s not on the margin of what companies do but at the center. We believe that it can give rise to the next major transformation of business thinking.” (Michael Porter & Mark Kramer, Harvard Business Review, Jan/Feb 2011, p. 64)

Since Plato’s Republic a tri-polar model of society has been the ideal. Historically, three societal functions pursued separate planning, based on their roles: (a) private sector commerce, (b) public sector civics, and (c) personal sector community. Whereas the private sector channels distribute market-based resources, public sector channels deliver non-market government responsibility, and personal sector channels develop home-based renewal in the social commons. Collectively, the three society angles comprise a circle of commercial, civic and community markets. Despite a tradition of dividing planning by sector, even Adam Smith the father of modern capitalism sought to balance “wealth of nations” markets with “moral sentiment.”

In the American business era it was Peter Drucker, the great business leader and scholar, who sounded the clarion call for business planners to strategically partner with public and personal sector stakeholders. Since the 1930s, Drucker’s book titles read like a fortune teller of holistic markets, foreseeing the “end of economic man,” “future of industrial man,” “new society,” “next economics,” “social ecology,” “plant (business) community,” “individual enterprise,” and
“new realities.” Regrettably, Drucker’s advice went unheeded, allowing Plato’s societal order from Greek Antiquity to survive through most of the 20th century.

Conventional wisdom held that the application of private sector markets in the public sector would create conflict between the goals of civic institutions and commercial investment. Similarly, personal sector community generally regarded commercial markets as the domain of work and money intruding on the freedom of home. The personal sector is perhaps the least familiar market to many business planners, even though they interact in community markets everyday. It serves the sphere of home life and community involving family, faith, friends, and fun. Personal sector functions also include home-based public sector activities (e.g., education, health, safety, etc.) and home-based private sector activities (e.g., crafts, hobbies, trading, etc.).

The Circle of Marketing Channels Planning

Fast-forward to the 21st century and markets have become hybrid channels spanning the entire circumference of private, public, and personal sector exchange. Enlightened corporate social responsibility made market mechanisms more palatable to public sector institutions. At the same time, a social movement towards individual liberty and sustainable community embraced personal sector markets. These hybrid markets channel societal resources between suppliers and customers in commercial, civic, and community markets.

A wide variety of marketing channel configurations and resource flows are now designed to serve particular societal needs. The growth of municipal outsourcing, social entrepreneurs, and community enterprise highlights the opportunities that exist in unconventional marketing channels. In recent time, the post financial crisis has expanded the scope of business planning to design marketing channels for cooperative state ventures serving public markets and collaborative social networks linking personal markets.

So, the question that forward thinking business managers should ask is, do their strategies complete the circle of marketing channels planning ... or merely plot a narrow angle? Designing business models for circular value chains leads to meaningful, measurable, and malleable
marketing channels synergy. But first, business managers must wrap their minds around a diversified portfolio of strategic, state, and social capital investments.

Completing this 360-degrees marketing channels planning circle involves three phases:

1) **Heuristic Self Analysis** – Reflect on the time spent with commercial, civic, and community interaction in your individual life to uncover rules-of-thumb for creating value that make the circle of marketing channels planning *meaningful*.

2) **Historical Strategic Analysis** – Review the marketing channels plans and practices of your current company, as well as other organizations, to map the value scope of the private, public and personal sector markets served. This strategic map makes the circle of marketing channels planning *measurable*.

3) **Holistic Societal Analysis** – Reset the vision of societal sectors from compartmental to collaborative resource flows and realize their “shared value.” This future vision makes the circle of marketing channels planning *malleable*.