Elaborating the Role of Organizational Learning in Marketing Strategy Research

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Abstract

Although the concepts and results of organizational learning research have been incorporated into the context of marketing, the integration efforts have not been sufficient. In this paper, we discuss the Bell, Whitwell, and Lukas' (2002) typology of organizational learning and offer insights as to its usefulness for deriving future marketing strategy research questions. Although the typology has some limitations and waits for empirical testing, the authors believe that it is useful in developing a number of marketing strategy research questions relating to market-based learning. We present such key research questions and implications for future research directions.

Keywords: marketing strategy, competitive advantage, organizational learning, market-based learning

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INTRODUCTION

Organizational learning (hereafter OL) has increasingly been recognized among managers and academicians as a strategic base on which competitive advantages can be achieved and sustained in the marketplace through its interplay with marketing capabilities and outcomes (e.g., Baker and Sinkula 1999). Despite an extensive literature on organizational learning (e.g., Argyris and Schon 1978; Cyert and March 1963; Daft and Huber 1987; Dixon 1992; Huber 1991; Simon 1991; Walsch and Ungson 1991), OL still remains one of the most difficult areas for researchers to study (Palmer and Hardy 2000). Although previous studies have focused on defining OL and its various processes, a growing confusion has arisen as to definitions and conceptualizations of OL vis-à-vis various units of analyses (Palmer and Hardy 2000).

Reviewing the vast literature of OL related to marketing, Bell, Whitwell, and Lukas (2002) (hereafter BWL) propose that OL theory has four separate schools of thoughts (i.e., economic, managerial, developmental, and process) and each school has its own definitions of OL, semantics, principles, and areas of research focus, with a primary barrier being the application of OL theory in a unified and consistent way. In addition, they insist that once OL researchers acknowledge the existence of these four schools and begin to comprehend how they differ, it will become easier to see how OL can be used to solve problems.

Although their categorization has several weaknesses (e.g., conceptual overlapping between categories, measurement difficulties), it is valuable in elevating OL discussion to an advanced level. Nevertheless, this typology should not be adopted verbatim for a marketing strategy research perspective. Rather, requisite adjustments to the model are needed, accounting for current limitations of OL being applied in the context of marketing strategy.

The purpose of this study is to extend the ideas of BWL and provide some research ideas of marketing strategy related to their typology. Although BWL did suggest the areas in which their typology can be applied, we think there are more valuable rooms in the context of marketing strategy. This study first
discusses the strengths and weaknesses of the BWL typology. Based on this assessment, we then expand on the role of OL and suggest some important research questions in the area of marketing strategy research.

THE BWL TYPOLOGY

Problems with Extant OL Research: Definition-Related Confusion

In reviewing the various definitions of OL (see Table 1), we found that researchers seemingly have looked at the same issue from different perspectives. Accordingly, the definition of OL has proven elusive over the years (Palmer and Hardy 2000). Organizational theorists have studied learning for a long time and agree that OL is a process which unfolds over time. There remains, however, considerable disagreement among the theorists regarding their definitions of OL and other important matters (Crossan, Lane, and White 1999). In the area of marketing, especially marketing strategy research, this definitional ambiguity has not made the learning concept fully applied.

Some researchers hold that behavioral change is required for learning (e.g., Sinkula 1994); others insist that new ways of thinking are sufficient (e.g., Day 1994). Some scholars cite information processing as the mechanism through which learning takes place (e.g., Huber 1991), and others propose that shared insights, organizational routines, and organizational memory hold the key to learning (e.g., Stata 1989). Further, some think that OL entails common knowledge (e.g., Levitt and March 1988), but others believe that flawed, self-serving interpretations are actually the norm.

Summary of the BWL Typology

What may be the root cause of these conflicts over OL? BWL suggest that one reason for the limited convergence in definitions of OL is the diversity of research domains in which learning phenomena have been explored. They argue that owing to differences in domains, similarities and complementary
properties of research results might have been overlooked. Starting with a lexical analysis of the phrase "organizational learning," BWL distinguish the meanings and concepts of OL as both a noun and a verb. They conclude that the two concepts (i.e., "organizational" and "learning") are centered on two fundamental questions: what do we get from learning and how do we learn efficiently?

Specifically, the BWL typology can facilitate developing and refining distinctions among learning theories having different

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Argyris and Schon (1978)</td>
<td>The process of detecting and correcting errors</td>
</tr>
<tr>
<td>Kiesler and Sproull (1982)</td>
<td>OL is organized by schemas that help the organization assimilate, process, and interpret information.</td>
</tr>
<tr>
<td>Fiol and Lyles (1985)</td>
<td>The process of improving actions through better knowledge and understanding</td>
</tr>
<tr>
<td>Levitt and March (1988)</td>
<td>Organizations are seen to be learning by encoding inferences from history into routines that guide behavior.</td>
</tr>
<tr>
<td>Stata (1989)</td>
<td>OL occurs through shared insights, knowledge, and mental models...[and] builds on past knowledge and experience - that is, on memory.</td>
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<tr>
<td>Senge (1990)</td>
<td>Two types of learning: adaptive and generative learning</td>
</tr>
<tr>
<td>Weick (1991)</td>
<td>OL occurs when groups of people give the same response to different stimuli.</td>
</tr>
<tr>
<td>Huber (1991)</td>
<td>An entity learns if, through its processing of information, the range of its potential behaviors is changed.</td>
</tr>
<tr>
<td>McGill et al. (1992)</td>
<td>The ability of an organization to gain insight and understanding from experience through experimentation, observation, analysis, and a willingness to examine both successes and failures</td>
</tr>
<tr>
<td>Dodgson (1993)</td>
<td>The way firms build, supplement, and organize knowledge and routines around their activities and within their cultures and adapt and develop organizational efficiency by improving the use of the broad skills of their workforces</td>
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</table>
orientations. Through surveying, organizing, and classifying the underlying schools of OL research, BWL grouped OL research into four schools: an economic view, a developmental view, a managerial view and a process view. They used OL outcomes and the chronology of the respective schools for creating their typology. Their typology shows the different trends of the four OL schools.

Table 2. The Summary of BWL Typology

<table>
<thead>
<tr>
<th>Schools of OL</th>
<th>Economic</th>
<th>Developmental</th>
<th>Managerial</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition</td>
<td>Learning accrues with continuous production.</td>
<td>Learning proceeds in a series of interlinked sequences that provide the necessary foundation for moving to each successive stage.</td>
<td>An optimal way of learning exists.</td>
<td>Learning is grounded in the cognitive and behavioral capabilities of individuals and is socially constructed.</td>
</tr>
<tr>
<td>Level of analysis</td>
<td>Lower level of learning (but ambiguous)</td>
<td>Higher-order learning</td>
<td>Higher-order learning</td>
<td>Both levels</td>
</tr>
<tr>
<td>Point of view</td>
<td>Cost leadership</td>
<td>Evolution process</td>
<td>Changing organization</td>
<td>Information processing; Organizational cognitive theory</td>
</tr>
<tr>
<td>Key activities or guideline</td>
<td>Information gathering; Memory storage</td>
<td>There are stages that must be followed to achieve learning.</td>
<td>Had better follow a set of prescriptive guidelines; Organizational changing activities</td>
<td>Information gathering, interpreting, sharing and storing</td>
</tr>
<tr>
<td>Learning types</td>
<td>Incremental learning (Quantitatively focused)</td>
<td>Step-wise learning (Qualitatively focused)</td>
<td>Punctuated equilibrium</td>
<td>Learning process formation</td>
</tr>
<tr>
<td>Learning outcomes</td>
<td>Tacit knowledge; Cost reduction; Organizational memory</td>
<td>A series of interlinked sequences</td>
<td>Changing culture</td>
<td>Learning process Memory</td>
</tr>
</tbody>
</table>

* This table is created and modified based on Table 1 of BWL (2002) paper (p. 73).
The characteristics of each school are presented in Table 2.

**Weaknesses and Strengths of the BWL Typology**

The BWL typology attempted to provide a clear definition of OL and its foundations in order to further facilitate the use of OL in the academic research area of marketing. In reviewing the BWL typology, however, we could find several weaknesses.

First, the four schools often overlap conceptually. For example, the development school and the managerial school posit a similar pattern of learning processes. However, each school maintains a distinctive focus of interest, and each differs in terms of its assessment of what is required to achieve effective OL (BWL 2002: 73). Second, it is still very difficult to measure OL from the respective school perspectives. The conceptualization of each school must become more specific and clearer so that adequate measurement tools can be developed. The third weakness is that the relationships are unclear between a firm’s marketing efforts and the outcomes of respective schools. In other words, what kinds of performance outcomes can be attained by OL relating to marketing? This question may trigger numerous future research efforts that address the use of the BWL typology. Fourth, BWL did not consider the nomological nets of constructs examined in previous OL studies, but they had already acknowledged this limitation in the paper. Specifically, there was little discussion of the determinants and consequences of OL. Addressing this weakness may provide a fruitful direction for future research. The fifth weakness is that the afore-mentioned weaknesses of conceptual overlaps and measurement difficulty lead to the difficulty of implementing any follow-up empirical test on the model of the learning process and outcomes. However, advancing the typology will enable us to develop clearer conceptual research questions pertaining to OL and marketing issues. Finally, the issue remains unclear of which OL typology is appropriate under what conditions.

However, their effort does provide a strong foundation for OL. That is, BWL provides a good example of adapting and synthesizing different theoretical roots into a cohesive framework. This feature of the typology may suggest many implications regarding the role of OL in other business research.
Table 3. Summary of Weaknesses and Strengths of the BWL Typology

<table>
<thead>
<tr>
<th>Weaknesses</th>
<th>Strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conceptual overlaps among schools</td>
<td>Conceptual conversion efforts</td>
</tr>
<tr>
<td>Measurement difficulty</td>
<td>Foundation for combined definition</td>
</tr>
<tr>
<td>Ambiguous outcomes</td>
<td>Various outcomes</td>
</tr>
<tr>
<td>More complex nomological nets: relationship with other constructs</td>
<td>Offering foundations for extending nomological nets in the context of marketing strategy research</td>
</tr>
<tr>
<td>Hard to implement empirical studies</td>
<td>Providing good foundations for examining various marketing research issues</td>
</tr>
<tr>
<td>The difficulty in deciding which typology is appropriate under what conditions</td>
<td>Good examples of adapting and combining the different theoretical roots; Easy to follow-up and understand</td>
</tr>
</tbody>
</table>

areas, including marketing.

The weaknesses and strengths of this typology are summarized in Table 3. In the following section, we delineate selected research questions of importance as to the role of OL in marketing strategy research area.

DERIVING THE RESEARCH QUESTIONS OF MARKETING STRATEGY BASED ON THE MPLICATIONS OF BWL TYPOLOGY

Although BWL (2002) mentioned several managerial implications based on their typology and provided directions for future research in the new product development area, we believe that their typology may well have value in other marketing strategy research areas. To determine the specific areas in which we derive the research questions of marketing strategy, we relied upon Srivastava, Shervani, and Fahey’s (1999) suggestion that new product development, supply chain management, and customer relationship management are core business processes leading to firm’s performance. We do not derive the research questions in the new product development area given BWL's
(2002) treatment, whereas we add our inquiries in the areas of generic importance to marketing-strategy-making (Lee et al. 2006; Menon et al. 1999) such as sustainable competitive advantage (SCA), market segmentation, and strategic alliances.

Organizational Learning and Sustainable Competitive Advantage

In a turbulent environment where the future is less predictable (de Geus 1988) and technological changes are rapid (Dodgson 1993), OL is increasingly perceived as a source of competitive advantage and intellectual capital (Appelbaum and Goransson 1997; Senge 1990). Because an organization’s learning, as a source of intellectual capital, depends on a number of organizational conditions such as climate, culture, structure, methods of innovation and knowledge exchange (e.g., Nonaka 1991), it is more difficult to duplicate or imitate OL than other organizational resources such as technology. Some authors have claimed that learning may even be the only SCA (de Geus 1988; Stata 1989) as it is not readily imitable and creates an organizational ability to rapidly respond to changes in external environments. Despite these arguments, many early studies linking OL and SCA are highly conceptual. Their conceptual premise can be summarized such that, if organizations have a unique and effective OL process and capability, this can form the basis of SCA. In addressing this premise through the BWL typology, two research questions logically follow:

**RQ1:** Can all four schools of OL indicate creation of SCA?

**RQ2:** How can organizations develop SCA according to each school of learning?

Heretofore, many marketing studies have argued that OL can be used to provide superior value to customers (Day 1991; Dickson 1992; Fiol and Lyles 1985; Garvin 1993; Senge 1990; Sinkula 1994). Specifically, Slater and Narver (1995) argued that the critical challenge for any business is to create the combination of culture and climate that maximizes OL on the way to creating superior customer value. In addition to this premise, additional marketing strategy research efforts may be warranted to answer the afore-mentioned questions.
For example, the economic school of learning emphasizes the repetition of work flow and production processes. Through this, firms can achieve tacit knowledge which in turn, forms the basis of their SCA. In this case, SCA can be achieved through the learning outcomes such as tacit knowledge of reducing cost. In contrast, the developmental and managerial schools of learning argue that the optimal learning is achieved through evolution of the organization and experiences of the firm’s managers. For both of these two schools, experience and capabilities of managers might be considered a source of SCA. The process school of learning insists that effective processing of information is the key to learning. So, the unique and effective learning process can form the firm’s SCA. The process school could also be used to examine the issue of which characteristics of information, i.e., importance, being tacit, or difficulty to be imitated, make up the important determinant of SCA. In conclusion, it appears that all four schools of OL could provide SCA through different processes and outcomes of OL.

Organizational Learning and Segmentation

Recently, many organizations have prospered by offering low-cost, standardized products and services (Christensen and Raynor 2003). For example, automobile companies have tried to merge and acquire competitors in order to provide their products at lower costs through the economies of scale created by large production plants.

From the consumer point of view, taking advantage of the reduction in search costs induced by the Internet, many customers have become more sensitive to the prices of products and services. Further, the Internet provides customers with access to a virtual world of new manufacturers and retailers. Provided with such changes in availability in information and choice options, customers are demanding more individualized solutions to their various wants and needs. Therefore, organizations in the age of information must learn to offer customized products and services to diverse customer segments without paying cost penalties for high-variety, low-volume operations (i.e., mass customization (Pine 1993)). In attempting to accommodate these trends, customer segmentation processes
naturally become more complex, time consuming, and difficult to accomplish. In this environment, then, on what bases should firms segment their customers? Are firms’ old assumptions about their customers still valid or do they need to modify their approach to customer segmentation? It seems highly plausible that the firm’s ability to learn, combined with the collective experiences and knowledge of its managers and employees, will lead to more effective and efficient segmentation processes relative to competitors who might possess less well-developed learning processes. Based on the above discussion, we can address the following research questions:

**RQ3:** How can each school of OL help the marketing department of company or brand manager to conduct effective and/or efficient segmentation?

**RQ4:** Which school of learning may provide the most managerial implication in terms of market segmentation process?

In order to properly segment their customers, organizations must learn continuously about their customers and the market. *The economic school of OL* may make little contribution to segmentation because it is solely focused on improving by learning through trial and error. However, *the developmental and managerial schools* may indicate that at a certain point, not only organizations can have such capabilities as sensing customers and the market but managers can suggest useful directions for segmentation through their experiences and knowledge.

*The process school* has the potential of making a key contribution to segmentation. It specifies that organizations can develop more effective segmentation techniques and know-how through their learning structures and processes as well as their memory. For effective segmentation to occur, information gathering and information interpretation will be particularly important. So, if a company has a well-developed learning process, it is better able to systematically identify and develop good information sources. In addition, its ability to interpret acquired information is likely to be much enhanced relative to its competitors having inferior OL capabilities. Thus, the process school could be used to examine the relationship between the
market-based learning capability and the effectiveness and/or efficiency of firms’ market segmentation processes. For example, organizations can be evaluated in terms of such issues as whether they can decide which information sources are right and whether the level of information interpretation or market-based knowledge is adequate for useful segmentation.

Organizational Learning and Supply Chain Management

Supply chain relationships become more complex in their scope and represent an ideal area in which OL activities can yield synergy and competitive advantage (e.g., Kale 1986; Kotabe and Murray 1990; Levy 1995; Parkhe 1991; Venkatesh, Kohli, and Zaltman 1995). According to Hauser, Simester, and Wernerfelt (1996), advantage in the marketplace can be derived from being involved in a chain of inter-related relationships (“a chain of customers”) among the users, buyers, and suppliers. OL can enhance the effectiveness of this chain of customers through cross-functional strategy development teams (Monczka, Trent, and Handfield 1997).

To date, limited efforts have been made to integrate OL and supply chain management. Inside the organization, members of this supply chain or chain of customers (users and buyers) serve each other in an effort to maximize value delivered to the external customers (e.g., Griffin and Hauser 1992; Hauser, Simester, and Wernerfelt 1996). Related to this discussion, we can propose the following research questions:

**RQ5:** How can the four schools of OL be applied to examine the relationships between OL and output of supply chain management?

**RQ6:** How can SCM managers achieve their efficiency goal according to each school of learning?

*The process school* of learning appears to have dominated the supply chain management research area so far. To some extent, the work of Day (1994) integrates the management view of the chain of customers with research in marketing. Day (1994) takes a process school view of organizational learning capabilities, suggesting that learning capabilities can be classified as outside-
in processes (e.g., market sensing), spanning processes (new product development), and inside-out processes (manufacturing or human resources). He points out that in a market-driven firm all processes are focused on providing superior value to internal or external customers.

In addition, the economic school of learning could be used to provide an insight into the speed of value delivery, i.e., fast process with which SCM efficiency is achieved. Similarly, the developmental and managerial schools will also provide some solutions for the issues of technology development speed and other paradigmatic changes in supply chain management. Over the past decade, advances in information technology have had profound effects on a number of supply chain management issues. During the implementation-phase, management leadership, understanding, and communication of the benefits of new technology are the key to the success of new IT-based supply chain initiatives. In other words, these substantive phenomena wait for explanations based on organizational learning and absorptive capabilities which produce a rapid implementation of SCM activities (Cohen and Levinthal 1990).

Organizational Learning and Customer Relationship Management

The rapid rate at which product innovations can be improved and/or imitated shortens the duration of maintaining product-based advantages. On the other hand, precisely because nurturing customer loyalty is usually resource-intensive, difficult to manage, and takes a long time, loyal relationships can provide a durable advantage (Day 2000a, 2000b, 2003; Day and Bulte 2002). Therefore, developing and maintaining committed customer relationships has emerged as an important requirement for attaining sustainable competitive advantage. Although many studies have examined the implications of CRM use, advanced by the information management science and management researchers (Day 2000a), marketing scholars begin to dominate in theorizing and empirically testing the relationships among antecedents and consequences of CRM activities (Boulding et al. 2005).

CRM, when narrowly and tactically defined (Payne and Frow 2005), is a technology used to blend sales, marketing, and
service information systems with an overarching goal of building
closer relationships with customers (Plakoyiannaki and Tzokas
2002). CRM can facilitate customer interaction, enabling the firm
to coordinate all points of communication so to present the
customer with the desired image, message, and information (Lee
2000). Until recently, marketers were able to stratify customers
for deciding their means of interaction with customers. For
example, larger, more valuable accounts were often assigned to
specific salespeople. Smaller accounts were accessed and
serviced by pooled salespeople. Certain customers only received
mailings. Business account teams dealt primarily with
wholesalers and large retailers. Now, customers are utilizing
multiple channels to access firms in order to make purchases,
access service, and obtain company information (Moriarty and
Moran 1990). In other words, marketers are now less able to
control how or with whom a customer contacts the firm.
Potentially, an account relationship carefully nurtured by a
salesperson can be damaged by a poor web-site or devastated by
rude phone interaction with a finance or accounting employee.
Likewise, technology perspective has helped researchers
examine the performance outcomes of effectively using CRM.
However, the rich literatures in marketing that have focused on
such issues as the concept of value (Levitt 1960), exchange
(Bagozzi 1974), relationship marketing (Berry 1983; Morgan and
Hunt 1994), market orientation and learning (Day 1994; Kohli
and Jaworski 1990; Narver and Slater 1990; Vories and Morgan
2005), and customer management (Johnson and Selnes 2004;
Sheth 2005), have contributed to making the status of CRM from
a technology to strategic management process (Boulding et al.
2005; Payne and Frow 2005).
Based on the above discussion of CRM, we can develop the
following research questions:

**RQ7:** How can each school of learning be used to specifically
examine the relationships
between OL and CRM effectiveness?

**RQ8:** How can CRM managers improve relationship building
and maintenance capabilities through learning process
according to each school of learning?
The economic school could be useful in providing an insight into the adoption speed of CRM implementations. The school’s emphasis on cumulative exposure to organizational processes is naturally suited to an investigation of efficiency issues. The developmental school is especially concerned with the paths by which organizations progress from lower to higher levels of learning. Thus, it would be very interesting to examine whether organizations that adopt pre-packaged CRM systems are disadvantaged by taking a shortcut that involves skipping their own development of CRM-related learning.

Managerial views of learning can account for differences in firm-specific or industry-specific level of CRM objectives and implementation. This school of thought could be used to examine the issues of CRM adaptability. Some organizations are likely to use CRM software very well, but others are not. What may explain this difference? The managerial school could help with elaborating the examination of this question. The process school can also shed a light on the relative importance or performance implication of sub-information processing capabilities for various types of information that can be generated through CRM. CRM systems generate massive amounts of information, so it becomes critical for the organization to develop the means to interpret, share, and store the right information in the right places and to make this information accessible to the right person at the right time (Jayachandran et al. 2005).

Organizational Learning and Strategic Alliance

The growing interests in strategic alliances as well as OL have evolved into a distinct line of inquiry, focusing on how organizations learn from their partners and develop new competencies through strategic alliances. Considering the four schools of OL proposed by BWL, several implications can emerge for the relationships between OL and strategic alliances. Previous research suggests that knowledge and information generated from OL can be used for successful strategic alliance performance (Atuahene-Gima 2005). However, the following research questions still need to be answered and explored.

RQ 9: How can each school of learning improve the
performance of strategic alliance?

**RQ10:** Which type of specific learning outcomes can help for managers to manage the strategic alliance process?

For example, *the economic school* highlights the importance of learning speed. Thus, the thoughts of this school could be used to provide some insight into the question of how quickly firms learn from their strategic partners. *The developmental school* is focused on the evolutionary processes of an organization’s learning. The school may highlight the potential constraints of organizational routines on subsequent alliance developments, such as developing core rigidities (e.g., Atuahene-Gima 2005; Leonard-Barton 1992). Thus, the developmental school could be used to examine the issue of whether an organization’s previous actions with strategic alliance will pose barriers for making effective alliance outcomes.

Both the managerial and process schools have dominated the literature on OL and strategic alliance. *The managerial school* has focused on an organization’s capabilities for adopting new knowledge, on managerial inventions based on newly created knowledge, and on its capability to manage the requisite information. This school of thought implies an interest in exploring the issues of how information can effectively be managed in strategic alliances (i.e., Inkpen 1996; Khanna, Gulati, and Nohria 1998). *The process-based view* of learning emphasizes the importance of effective and efficient information processing. Accordingly, this school can provide an implication as to examining the issues of personal role and ability to get and interpret the information from outside organization. The process school could be used to examine several issues of how information is transferred across partners (i.e., Appleyard 1996; Selines and Sallis 2003), how information is acquired from the parents of the joint venture itself (i.e., Lyles and Salk 1996), and how information collaborating efforts per se develop over time and affect collaborative outcomes (e.g., Doz 1996; Johnson, Sohi, and Grewal 2004).

**The Next Steps for OL Research: Performance**

The BWL framework offers an attractive approach to
developing a theory of the marketing strategy theory which expressly responds to emerging changes in both organizational and competitive contexts, with the intent of explaining the integrative definition of OL. The framework also suggests that OL contexts can no longer address only managerial outcomes as the criteria of success. Instead, it suggests that the goals of learning are different according to the four schools of OL, such that the outcomes will also vary. The outcomes of the four schools of OL must connect to not only marketplace performance measures such as brand loyalty, but also with financial dimensions, like reduction of vulnerability and volatility of cash flows (Lehmann 2004; Rust et al. 2004). Although the BWL framework presents some outcomes of each learning school (e.g., tacit information, cognitive processes), there remains a need to examine learning outcomes in terms of effectiveness and efficiency under each school of OL, such as customer satisfaction, loyalty, and financial performance. We believe that we can answer the following research questions, if we apply the definitions of four schools of learning to examine the relationships between learning and performance:

**RQ 11:** What are the specific outcomes of each school of learning?

**RQ 12:** How can each school of learning improve the marketing performance?

*The economic school* emphasized the importance of the learning speed. The school focused on cost reduction and high level of profit achievement. Both the *developmental and managerial schools* are interested in developing an effective learning organization through management systems and the firm’s previous experience and knowledge. The outcomes of both schools will be the degree of available knowledge of managers and organizational memory. Further, *the process school* emphasizes development of the organization’s communication capability and improvement in the efficiency of its learning system as the outcomes of learning.
CONCLUSION

The BWL approach provides a good example of combining definitions from different perspectives. They attempt to develop and integrate the different perspectives of several research streams, suggesting the research implications in the context of a marketing area such as new product development. When borrowing concepts from other areas, it is important for marketing scholars to apply these concepts in a careful and thoughtful manner. In terms of borrowing and conversion, BWL appears to be a very good example in showing how to apply outside concepts to marketing research issues. Nevertheless, we caution that the typology has some limitations and needs to be empirically tested.

Despite its limitations, the BWL typology of OL may hold broad implications for many additional marketing research areas because their classification is based on broadly different academic areas. In other words, the BWL typology can be utilized for increasing the influence and contribution of market-based learning in the context of marketing strategy research. For example, there are various important marketing-strategy-making processes such as market information process, supply chain management process, customer relationship management process, and the process of developing and managing strategic alliances (Lee et al. 2006; Menon et al. 1999), while some of these processes are considered core business processes determining firm performance (Srivastava et al. 1999). Accordingly, it would be interesting and desirable that the future marketing research should examine the relationships between organizational learning processes and these marketing-strategy-making processes.

With this utilization in mind, we derived major research questions of marketing strategy in terms of organizational learning processes. Specifically, we presented the important research questions as to the roles of organizational learning in the areas of sustainable competitive advantage, segmentation, supply chain management, customer relationship management, and strategic alliances. In addition, we emphasized that the intermediate learning outcomes must be related to such firm
performance as market and financial outcomes. We noted that although much progress has been made, as witnessed by the number of OL research articles in the marketing area, many unanswered questions remain to be addressed, including the questions we presented in this paper.

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