
Periphery, What Periphery? Marketing to a State of Mind

Alistair R Anderson, University of Aberdeen
Sarah Jack, University of Aberdeen
Andrew MacAuley, University of Stirling

Introduction
Businesses, especially small business, which are located in the periphery are traditionally viewed as being disadvantaged. The condition of peripherality is viewed as creating disadvantage in terms of limited customer base, distance from markets and suppliers. The effects of space and time impose limitations in opportunities. This paper addresses the issues of peripheral marketing, arguing that changes in the periphery have produced impacts which require a reconceptualising of the marketing process. This process of review shows that the post-modern periphery has, instead of disadvantage, areas of new advantage which have to be captured and developed within the new marketing paradigm.

The key to comprehending these changes, and the implications and outcomes for marketing, is to recognise that the changes are happening at two distinct, but inter-related levels. First is the physical changes, the shrinking in time and distance, brought about by improving communication. Most relevant here are the aspects of information transfer and the improvements to transport. These combine to bring the periphery closer, in physical terms, to the core; they reduce the reality of distance. However more fundamental is the change in the perception of the periphery itself. Recently the very qualities which ostracised peripheral areas; the “difference” of periphery; remoteness; the lack of industrial and commercial infrastructure, have become areas of value in themselves. Customers seek out this “otherness” as contrast to day to day living. They have begun to cherish at a symbolic level the icons of the old and of the natural. Affluence seems to have turned the rationality of modernity upon its head, customers seek out that which is different; that which is rare; that which is perceived as natural and that which is rural. They have come to venerate and value the very differences associated with the periphery.

The Experience of Peripherality
Peripherality is relative. It depends on your starting point. The centre of your universe is most often where you physically are and beyond this are the concentric rings of your senses reaching out into the surrounding space. Harris is remote from Glasgow which in turn is, or is perceived to be, remote from London, even though the travel time by air is probably faster to central London than the drive time from many London suburbs. However to the person living in Harris, Barra may seem remote and in some senses London and Harris are just as remote from Melbourne. Curiously to a Scottish descendant living in Australia, Harris may feel less remote than London due to ancestral ties.

Thus, peripherality for any individual can initially be thought of a series of nested hierarchies, like Russian Dolls, one inside the other. However, once one moves beyond the national level where lies the pinnacle? London may be argued to be the core within the UK context but what is the next level up after that? For individuals it will be very varied; for the country it could be argued that on a geopolitical basis it is Brussels, the focus of the EU, then maybe the G7 group or NATO and the UN. Marketing has a difficult task in all of this to unravel these
perspectives and to use these perceptions of peripherality either as a marketing tool or as a target market for itself.

**The Periphery**
A number of authors have discussed the shift in terms of both population and business activity from the urban to the rural environment and more peripheral areas. For instance, Westhead (1995) illustrated that until the 1960’s the UK was essentially an urban economy, however, since this period a shift in employment away from towns and cities towards rural areas has occurred. Curran and Storey (1993) also described how until the 1960’s the United Kingdom experienced continuous urbanisation whereby towns and cities provided a home for an increasing proportion of the British population and the countryside experienced net out-migration. Similarly, Keeble and Bryson (1996) demonstrated that Great Britain experienced major locational shifts in the regional and urban-rural distribution of business activity, output and employment since the 1970’s. Reasons for this rural turnaround are provided by Keeble (1996) who stated that during the 1960’s the amenities and the quality of life which the countryside provided drew people to rural areas, who then set about providing their own jobs. Thus a version of environmental munificence which is opportunistic but limited, may occur. This, in turn, implies that in some instances businesses activities would not only be relatively easily to establish, but also to grow and develop within and from the periphery. Nevertheless, the general concept of peripherality is one of being on the fringe, the edge, which implies that peripheral areas may be of little importance.

The work of O’Farrell and Hitchens (1988) supported this view when they described how peripheral regions are often viewed as “hostile environments” for new and small firms, due to a lack of resources, entrepreneurial and workforce skills. Keeble (1996) argued that successful, innovative and growth-orientated small firms are concentrated in core regions with few, if any, in peripheral environments. This may be the case, however, Townroe and Mallalieu (1993) indicated that the UK has a common infrastructure and most, even rural, areas are less than two hours driving time away from an urban centre large enough to provide necessary public sector and private sector business services. Nevertheless, it could be questioned how accurately this reflects the geography of peripheral Scotland.

If peripheral areas are constrained by lack of resources, it may appear absurd to run a business from a peripheral location. After all the imagery of peripherality is that it is limited and hostile, but, despite these apparent limitations, Jack and Bower (1997) illustrated that throughout peripheral areas of Scotland a number of fast-growing firms have developed their operations very successfully in recent years. They noted that although peripheral firms must operate within environmental constraints, they do have the ability to choose and shape their own business environments to achieve business success. This raises the issue of how the peripheral firm overcomes the apparent constraints, particularly with the perception of market distance.

Given the depth, and indeed the extent of peripherality, some theoretical exploration is justified. In the traditional view of the periphery space and time conspire to make the periphery distant, whilst social process serves to maintain the marginal role of outposts of capitalist development.
This social process can be described within the "gravitation" model which simply shows how higher order activities rarely survive in rural areas. It is essentially a spatial theory, linking geography and economic process. The consequences are straightforward, since it gives priority to those higher order activities which produce wealth and power. Bukharin (1972:20) makes the incisive point that no matter how important are natural differences, for example "natural resources", in the conditions of production may be, they recede more and more into the background compared to differences that are the outcome of the uneven development of productive forces. The absence of these higher order functions, axiomatically, reproduces the existing patterns of low order activities, primary industry and local servicing. These activities are largely unable to generate new innovative development, because there is little opportunity to add value. Further, the absence of these more attractive opportunities drains the human capital from the rural area. The most able cannot find openings which would give scope for their talents, so they too, gravitate towards the centres. (See for instance Boardy (1973) for empirical examples) A vicious circle, created in space over time, and driven by distance maintain the periphery in this condition of retarded development. Warnitz (1967:7) puts it dramatically "Space is a tyrant and distance enforces his rule."

Small firms in the periphery may also suffer from "gravitational" effects, though the economic aspects are more significant than social process. These are manifest in overcoming the friction of distance, the additional costs of being peripheral. "Separation in distance has always been not only a separation in time, but had been directly correlated with the expenditure of costs and effort," Giddens quoted in Cassells (1993:261). Gravitation limits income and growth in the aspatial environment of competition; peripheral firms must pay extra costs to manufacture or to service. Local markets are limited, hence limiting the scale of production; whilst larger suppliers and larger customers are often distant. Access to professional labour, advice and skilled labour is limited. Thus peripheral firms must tend to remain small.

Mason (1991:91) also points out that awareness of entrepreneurial opportunity is dependent on the stock of knowledge in the locality. Furthermore, commenting on the paradox of the apparent high rates of new manufacturing firms on the Scottish Highlands and Islands, (1991:76), he explained this, and the lack of new firms formation in finance, property and professional services sectors, (the higher orders), by noting that the core regions have the highest concentration of managerial and skilled staff. The entrepreneurial potential to add higher values in the peripheral regions is reduced because of the skewing of these occupational groupings. Significantly he also noted (1991:83) that the peripheral new businesses are often craft based, resource or tourist related and are not growth orientated.

These empirical effects of gravitation are clearly demonstrated in the quantitative work of Keeble (1990:38,40). He indicated that remote rural firms are small and report more problems with the costs of overcoming distance. Whitley (1986:171) made the same point and demonstrated that the peripheral regions of the European Community are, in general, characterised by an overproportional share of SMEs on labour intensive industries, because they cannot support larger enterprises. Perry (1982, 1987) came to a similar conclusion in his study of peripheral Cornwall. The "Industrialization of the Countryside" postulated in

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1Anderson 1995 provides an extended account of this "gravitation" process.
the 1980s, Fothergill and Gudgin (1982), which may have represented an ex-urban shift was, as Selman (1988) pointed out, to the perimeter, not to the periphery. As Healy and Iberlly (1985:147) demonstrated, although rural areas received (1960-1981) some 24% of new manufacturing jobs, only 3.9% of these went to the Scottish periphery. The emergent pattern is, on one hand, a broad sweep of capitalist development in which we may recognise a homogenisation of consumption. On the other, one of the core maintaining power and wealth, with a residual percolating to the periphery.

**Reconstruction of the Periphery**

Yet this same process of homogenisation paradoxically brings about a new significance for locality, Harvey (1989). Kumar (1995:123) referred to the new, or renewed, importance of place as a reaction to this flattening of space. “There is a rediscovery of territorial identities, local traditions, local histories - even where these are imagined or invented”. As Harvey (1989:306) commented, “there are abundant signs that localism and nationalism have become strengthened precisely because of the quest for the security that place always offers in the midst of all the shifting that flexible accumulation implies.” He sees a need for stability, "The new values placed on the transitory, the elusive and the ephemeral, the very celebration of dynamism, discloses a longing for an undefiled, immaculate and stable present. The match between this languishing and the image of rural culture is striking. Evidence of this is the quintessential Heritage Centres which blossom in every rural town. So we must see two processes at work. First the cascade of advanced capitalism which brings a sameness, but secondly the counterforce of uneven development in which places struggle to develop uniqueness. This dialectic has particular significance in the periphery where the tensions between the spread of conventional forms of development clash with a cherished local uniqueness. As Marsden (1992:219) cited Bye and Font (1991:14), "Rural space, for example cannot only supply a function of commodities or manpower supply, it becomes the main source for the provision of services (immaterial goods of non-product demand) and production factors which are relatively less commodified- air, water, tourism, leisure activities, healthy”.

We can trace and explain much of this new peripherality by reference to what Lash and Urry (1994) called the economy of space and signs. Rural places are symbolic of old orders and of naturalness. Umberto Eco (1987:8) claimed “there is a fusion of copy and original” and the copy seems more convincing in its extravagant bricolage of styles and objects. The very acme of this process, denigrated by Hewinson (1987) as the "Heritage Industry", must be the veneration of old industrial places, (which are now peripheral to modern development), become urban playgrounds and tourist spectacles. For example, San Francisco's Fishermans' Wharf recycles an old redundant and obsolete identity to become a smart tourist shopping mall. The prestige of an old identity, no matter how dubious, is commodified and resold with every tourist bauble. Old familiar identities are cherished. Foucalt, cited in Soja (1984:10) puts it, “we are in the era of juxtaposition, the epoch of the far and near, of the side by side, of the dispersed. From a marketing perspective this raises issues of how these firms operate to commodify these signs and symbols.

**Implications for Marketing**

This shift has implications for marketing; in terms of marketing from the periphery and in terms of marketing these peripheral qualities. In the former we see that what Giddens (1984, 1990) called “space-time compression” means that the periphery is becoming closer to the
core. Thus it can be argued that the remoteness which characterised the periphery is now less significant. Physically places are more accessible, the shrinking of core-periphery spans brings them closer together. Telecommunications are instantaneous, regardless of distance and hence space neutral. Road links speed time between places. Hence what is true of Canterbury is broadly true of Caithness in this dimension. Products, as Ritzer (1993) argued of MacDonalds, gain merit in their standardisation. This aspect can readily be analysed in terms of “high modernity”. Advanced capitalism’s efficiency requires that the periphery is integrated into the system, it cannot remain an isolated outpost. Simmel (1950) called this modern circulation, where train and foot has shifted up several gears to mass air travel and ubiquitous motorway. Thus as Harvey (1989) puts it, this is simply another round in the annihilation of space through time that has always lain at the centre of capitalism’s dynamic. We can characterise this space-time convergence as the thickening of networks, which are most conspicuous within cities and between cities. Hence globalization creates the “wired village of non-contiguous communities” of global cities (Lash and Urry, 1994:28) so that the disparity of core and periphery may grow rather than diminish.

It also raises the issues of how firms can market the quintessential qualities associated with peripherality. These qualities are often immaterial, in the sense that they are cultural goods. They are however, far from immaterial in the sense of added value, as we discuss below. As Soja puts it,(1989:245), “Time and space, the “once” and “there” are being increasingly played with and packaged to serve the needs of the “here” and “now”’ a semiotic blanket so fragmented and filled with whimsy and pastiche. A significant point which we cannot pursue here is the complicity of producers and consumers. Lash and Urry 1994:15 explain this by pointing out that it is consumers who aestheticize what was originally non-aesthetic. It is tourists who “brand” the countryside; it is incomers who raise the valuation of the rural cottage. Professional marketers merely latch on to, and enhance, the consumers’ semiotic work of transformation, (Urry 1990).2

Marketing the Mix from the Periphery
Product Issues
Peripherality itself can be included in the marketing effort either as part of the augmented product/service or as intrinsic to the product/service itself. Thus, for example, providers of accommodation to tourists benefit from the beauty of the natural environment within which they are located. Likewise craft based industries, for example, woodturners can add meaning to their products by being based in the environment from which much of their material is drawn. Ceramic works will draw inspirations from local history to create figures of past life. Textile producers can use natural colourings from the environment - lichens, seaweeds etc. - to fix the landscape into the very fabric of the clothing visitors will take away with them. Visual representations of favourite views can be captured in sketches and paintings and so elements of the periphery can be taken back to adorn the walls of the home.

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2 Pierre Bourdieu’s (1989) “Distinction” provides a fascinating account of the generation of middle class values.
This relationship between the craftworker, the visitor and the environment is captured in a sentence from a guide to craftworkers in the Western Isles ‘The link that exists between all craftworkers here is a wish to produce articles of good quality while living in these beautiful islands.’ The consumption of the periphery has also an informal dimension to it, for example, people will remove driftwood, stones even plants in order to take with them some representation of the periphery as they return to their normal locale. Their experiences within the periphery will give meaning to the object, in excess of the intrinsic object.

Many products constructed from materials found in the periphery are taken away to be consumed and re-consumed time after time as the product falls into the gaze of the purchasers and their friends. Thus, the product provides a link to memories of a trip which will be very personal but at the same time signify a link to and a need for a wildness beyond every day relative sterility of the urban core. So we see that this is clearly the aesthetic consumption of cultural goods.

Thus, there is beneath the surface an interesting interplay going on between the periphery and the core. In part the periphery is fulfilling a romantic notion which probably dates to the Victorian painters of the 19th century and to such paintings as the Monarch of the Glen by Landseer. These painters provided a link to the more remote part of the British Isles before the advent of the train which created the possibility for more people to experience such areas for themselves.

It is significant that arcadia can be found in Utopia; without exception literary utopias are rural. Huxley, Morris and Carlyle all share the idyll. So as Kumar's 1991 discussion on the creation and values of Utopias points out, Arcadian myth is deep-rooted. The notions of rurality which finds physical form in the countryside, are inevitably bound up with pre-industrial legend.

The Romantics found the countryside a rich and malleable medium for their imagery. So that the notion of arcadia is now fused into the conceptions of countryside. It remains a malleable concept, its moral elevation, beyond the everyday, permits the fluid evolvement of new and modern higher normative levels. Today concern has moved round to the environment, but the environment is inevitably intertwined with the countryside. Indeed the countryside for many is the last tangible arcadian "environment".

The pervasive use of rural themes in advertising provides further powerful examples of "rural" influence. We are exhorted to eat in "country kitchens or to wear "country" styles. Time after time we see the bucolic image summoned up to impart some normative superiority to products which are largely irrelevant to rurality. "The Country Diary of an Edwardian Lady" sold 2.6 million copies and seventy five million pounds worth of associated merchandise, Hewinson (1987). Wiener (1981), examined how Worthington Brewers used every rural cliché during its three year series of advertising which characterised its beer as rural and traditional. "The men of the cities yearn for things of the country ... old turf, quiet villages and abiding peace ...to them in their canyons of stone and steel comes Worthington brewed in the age long English tradition, redolent of the countryside, friendly and shining clear as the English character itself", (Illustrated London News 13.6.36.) Producers use rural association to add value to their products.

**Pricing Issues**
The predicament in pricing is the nature of price and value. Whilst most products are more expensive to manufacture in, or distribute from, the periphery this may be a superficial view. The intrinsic value, as we have discussed, should be assessed on a different scale from costs. The measure should be that of value obtained from peripherality, a richer source of “otherness”, a distinctive quality of experience.

We might begin by looking at the valuation of art as a preliminary paradigm. The cost of paint and canvas seems irrelevant in valuing a painting. The core attribute is the experience of beauty, which appears to be related to the experience of peripherality. What price will a customer place upon experience; what is the tariff for the consumption of the countryside: what is the fare to realise fulfilment? Clearly we are asking a very different question from what is the price of a set of plaster ducks, we are asking what is the value of experiential consumption and “possessing” part of the periphery.

In the popular perception remoteness means expensive, yet in reality the relationship is more complex. Fuel, for example, may not be any more expensive as it may be subsidised by the core. In any case those living in the remote areas accept that distances are greater and travel necessary. The locals accept any price differential as part of life and the visitor expects higher prices and so can only be pleased if the difference is little or none. For products bought as mementoes then price becomes less important as the value in the product is not its monetary worth to the customer.

**Communication Issues**

In a sense the periphery sells itself. The image of the periphery is hijacked by many advertisers to enhance their products. Cars on open deserted roads perhaps travelling in bad weather only to find some warm and friendly welcome at a remote farmhouse, a romantic imagery of the lost idyll. Thus, communication strategies can both sell the periphery and use its meaning to the urban population to sell products to them. In this way they are tapping into what the periphery subjectively means to people.

It is probably easier to sell the periphery to those outside it, because from the cramped urban perspective the periphery will be like an oasis. Whereas those involved in it will enviably see the downside of remote living. The Scottish Tourist Board had a very effective campaign a few years ago on the London Underground using images of wild open spaces, again attempting to sell the “experience”.

Those who own businesses in remote areas can help to facilitate consumption by providing maps and guides to particular features to promote their businesses. Thus, for example the Outer Hebrides Crafts Association have produced a map to the locations of their members workshops and studios. This assists visitors to find the sites and in addition provides information on hotels and eating places.

IT has for many years been seen as the great white heat of hope for the periphery. It allows the possibility of remote working for certain jobs where a central location is not always necessary. Traditionally this has been associated with the individual designer, inventor etc.
However, a more formalised use of the lower cost base of the periphery is allowing the location of call centres outside of London and the South East. While many of these locate to regional urban centres there is a trickle down effect, which includes a recently announced BT call centre in Stornoway. Clearly, in communications based industries like these the distance is collapsed and becomes irrelevant to the provision of services via a call centre. Unlike products or services which use the periphery directly or to augment their offering to the customer these call centres are not offering anything to do with the periphery to the customer who will probably not even know where their ‘caller’ is based. All the benefits are to the company organising the service, such as cheaper and more willing labour and lower rents.

The Internet promises to revolutionise many areas of marketing communications. In the future when more people are on-line in their own homes then the possibilities of marketing directly to people in peripheral areas becomes greater. From the customers viewpoint they can have 24 hour access and distance is irrelevant. Markets will be transformed for the purchasing of music, videos, travel insurance and banking services. Indeed for some products the delivery will no longer be confined to postal or courier services as, for example, music can be downloaded directly into the home. Thus, the periphery will become meaningless, as virtual space becomes the environment for some transactions.

**Relationship Marketing**

According to Liu (1995) market orientation emphasises competitiveness based on identifying customer wants and offering products which are different from, or better than, competitors. One way in which this can be achieved is for the market-oriented firm to draw upon all functional areas to create a competitive advantage (Preston Jones (1995). Thus the peripheral firm may need to find and develop its competitive advantage to a greater extent. Morris and Lewis (1995) suggest that marketing affects the success of entrepreneurial ventures, and/or entrepreneurial approaches affect the success of marketing efforts, thus it would seem vital for marketers to understand entrepreneurship. After all marketing in the smaller firm can often be viewed as an integral part of managing entrepreneurial activities and one justification for adopting an entrepreneurial marketing style is that SMEs face specific constraints which set them apart from larger organisations (Chaston, 1997). Nevertheless, Jack, MacIntosh and Anderson (1998) suggested that to an extent, the small firm may be in an advantageous position when it comes to marketing, particularly since they stay close to the market. McGowan and Rock (1995) referred to how the small firm owner looks to respond to customer’s needs and wants as they develop, and that networks are important for gaining information about developments in their respective market places. Jack and Bower (1997) found that peripheral SMEs listen to and meet the customers’ requirements which helps to build, maintain and retain customer loyalty: they interact with the local community by using and developing networks which feed in to the community details regarding the firm and its achievements but also helps to market the firm and its products. Although these factors may be common to many small firms, they do appear to specifically support the requirements of peripheral survival. But, perhaps, more importantly is the notion of both customer and community relations. From a marketing perspective peripheral firms attempt to build relationships with their customers and with their community. Thus for the peripheral firm the traditional marketing tools may not be as important as for urban firms.
So how does this affect the peripheral firm when attempting to market their activities? Morris and Lewis (1995) implied that change is a catalyst for entrepreneurial activity. In stable environments there is little need to develop creative responses to changing conditions. There are fewer rewards for innovative behaviour and, perhaps more importantly, fewer penalties for the failure to innovate. In contrast, under conditions where survival is dependent on an effective response to market variations, innovation and entrepreneurship must occur. But the discussions presented by Jack and Anderson (1997) implied that the periphery is changing, the effects of peripherality are “subjectively experienced” and that by being entrepreneurial the peripheral firm can convert limited resources into a rich environment. According to Chaston (1997) small firms can enhance their overall performance by adopting an entrepreneurial marketing style.

This implies that one way in which the peripheral firm may be successful is by developing relationships, not only with its local community but also in terms of customers and suppliers. However, Buttle (1996) illustrated that traditionally relationships between customer and supplier have been characterised as confrontational or adversarial. Despite such adversity, the marketing literature has more recently proposed that the way forward for businesses is relationship marketing. This is about healthy relationships, characterised by concern, trust, commitment and service (Buttle, 1996). Wray, Palmer and Bejou (1994) illustrated that relationship marketing has been hailed by some as a paradigm shift which moves attention away from individual buyer-seller transactions towards on-going relationships. It could be argued that these are all important factors associated with peripheral success, in that they combine the differences surrounding peripherality, discussed earlier, to advantage.

In view of our earlier discussions regarding the peripheral firm and their “exploitation” of their competitive advantage, relationship marketing appears to complement their activities very well. After all enduring relationships with customers cannot be duplicated by competitors, and therefore provide for a unique and sustained competitive advantage (Buttle, 1996). Nevertheless, Buttle (1996) gave a number of requirements for successful relationship marketing to take place: a supportive culture is necessary for relationship marketing to flourish; internal marketing and the need to convert employees to relationship marketing; an understanding of customer expectations and a flow of information into the business community because expectations change over time; sophisticated customer database, providing information in an actionable format for the development and monitoring of relationship marketing strategy and tactics; new organisational structures and reward schemes, managers placed to build long-term relationships with clients, more deeply understanding their expectations and constructing financial, social and structural links to the firm. These aspects also seem to fit the qualities that we associate with peripherality.

**Implications**

In post modern, post necessity society “goods” are no longer simply “goods” but experiential. Not simply consumed as utility but as collection of experiences. New areas of demand in consumption and collection of these symbols. Hence, the periphery is undergoing a “new evaluation”, telecommunications are making the periphery “closer” and peripheral firms appear to compete in terms of, differentiation and not direct competition.
From the discussions presented it would appear that the experience of the periphery is acutely one of relationships. Developing these with customers, suppliers and the community are important. Coupled with the implication that in the periphery is important, we can conclude that relationship marketing is the way in which many firms based in the periphery should build and develop their activities. Networks and relationships involve people, they involve trust. But yet again these qualities are peripheral!

References:
