‘Gift vs. commodity’ debate revisited

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ABSTRACT
The purpose of this article is to offer some new insights into the ‘gift vs. commodity’ debate. It examines the assumption that commodities and gifts represent two different realities, as first proposed by Marcel Mauss and later elaborated by Chriss Gregory and other anthropologists. It analyzes the conjecture that commodity-exchange is an exchange of alienable, impersonal and anonymous items, devoid of moral and social considerations or obligations, and therefore different from gift-exchange. A detailed analysis conducted along five basic dimensions that traditionally distinguish gift-exchange from commodity exchange reveals that contemporary marketing very often adds to commodity-exchange various elements that are traditionally attributed to gift-exchange only: market-exchange is not always impersonal, but can aim at creating certain types of social bonds and mutual obligations between exchange parties. The commodity, like the gift, can possess a quality of the giver, and manifest a form of inalienability from the giver (producer or seller) which is otherwise characteristic of a gift. Besides that, similarly to gifts, commodities not only continue to embody the identity of the giver but can also impose this identity upon the receiver (a buyer) and vice versa.

KEYWORDS: Mauss, Gregory, gift, commodity, market-exchange, commodity-exchange, gift-exchange, gift-economy, market-economy

Introduction
Social anthropology traditionally distinguishes between two types of exchange in human societies. This distinction is based upon the degree of sociability that is involved in the exchange (Kaplan 1997). The origin of the so-called ‘gift vs. commodities’ debate springs from the idea of Marcel Mauss that asserts that there exist two types of exchange relations: commodity relations and gift relations (Mauss 1954; Kaplan 1997). Mauss’ seminal essay (1954) on the gift inspired numerous scholars and commentators. Mauss questioned the postulation adopted by the advocates of ‘free market’ economics that human beings are basically driven by an aspiration to maximize profit in the form of material possessions, pleasure, and comfort (i.e. utility), and that all human interactions and their motivations can consequently be analyzed in economic terms.
He noted that social anthropologists had researched and described societies in which their entire economic life was based on completely different principles; that is, societies in which most objects moved back and forth among members of society as gifts, on the basis of what looked like unselfish generosity. In those small-scale societies, gift-exchange was at the basis of their entire economic system, where goods were ‘traded’ without clear calculation of who has given what and how much to whom. Mauss proposed the distinction between ‘gift exchange’ and ‘commodity exchange’, which has been broadly accepted in mainstream social anthropology. He classified societies on the basis of the form of exchange that dominated their economic actions and only in recent years have some scholars started to question this basic distinction. The idea that gift-exchange is a form of economy contrary to that of the market-exchange was later most systematically developed by Gregory (1980; 1982; 1997), who claimed that gifts belong to the sphere of the household and personal relationships, while commodities belong to the sphere of trade and impersonal relationships.

Gregory’s formulation (1982: 12) of the distinction between commodities and gifts is to a great extent based on the work of Karl Marx:

Marx was able to develop a very important proposition: that commodity-exchange is an exchange of alienable things between transactors who are in a state of reciprocal independence [...]. The corollary of this is that non-commodity (gift) exchange is an exchange of inalienable things between transactors who are in a state of reciprocal dependence. This proposition is only implicit in Marx’s analysis but it is [...] a precise definition of gift exchange.

According to Gregory, commodity-exchange creates quantitative relationships that enable the exchange parties to remain independent after the transaction is over. On the other side, gift-exchange creates qualitative relationships between givers and receivers that make them reciprocally dependent. Therefore, gift exchanges also keep the exchange partners indebted after the transactions have been completed. They cannot ‘walk away cleanly’ as is the case of commodity exchange.

Following from this conceptualization, commodity-exchange (or market exchange) are transactions with a low degree of sociability and a high degree of impersonality among exchange participants. In cases of commodity exchange, the economic value of items that are transacted is very important, while social relations are subordinated (Gregory 1982; Kaplan 1997). Commodity-exchange is a transaction that usually takes place among strangers where the exchange transaction enforces no lasting social obligation or personal relationship. It is therefore assumed to be a commercial transaction devoid of almost all social considerations. It avoids the feeling of obligation and gratitude that is involved in gift-giving. In commodity exchange, after the exchange transaction is over, the transactors are not obliged to have any further mutual social relation or obligation. The only obligation that the seller has is to deliver sold items to the buyer, and the only obligation the buyer has, is to pay the agreed amount of money to the seller. A bottle of milk pur-
chased at a supermarket does not build any obligation to buy milk there for a second time. Commodities are also supposed to be devoid of symbolic uniqueness that a gift possesses. In principle, it does not matter whether a bottle of milk is purchased from a store A or from the store B (Carrier 1991).

Gift exchange, conversely, is transacted when exchange parties want to establish some kind of relationship. According to Mauss, gift creates reciprocal relationship between the giver and the receiver, while economic value is subordinated:

The exchange of presents did not serve the same purpose as trade or barter in more developed communities. The purpose that it did serve was a moral one. The object of the exchange was to produce a friendly feeling between the two persons concerned, and unless it did this, it failed its purpose (1954:18).

By accepting a gift, the receiver becomes invariably indebted to the giver, and has social and moral obligation to return the gift. The purpose of giving and accepting gifts is therefore to create and to cement social relationships among members of society. Unlike anonymous commodities, gifts are held to be inalienable: a gift is not just ‘a watch’ but ‘a-watch-that-my-father-gave-me-for-my-birthday’. Moreover, gifts not only continue to embody the identity of the giver but also impose this identity upon the receiver (Carrier 1991). As a result, the receiver, in bearing (a part of) the identity of the giver, becomes subordinated (‘indebted’) to the latter.

Following this dichotomy, we have on one side commodity exchange, which is prevailing in our capitalist societies, where exchange of goods is devoid of almost all social or personal considerations. On the other side, there is gift exchange, which creates or reinforces social relationships between individuals. In social science, commodity-exchange usually stands for economic rationality and commercial profit making, while gifts are acknowledged to be carriers of social concerns and moral obligation. ‘Commodity vs. gift’ is in this sense often used as metaphor for ‘market vs. non-market’ (Lapavitsas 2004:33).

**‘Gift vs. commodities’ debate**

The sharp distinction between gifts and commodities has been questioned by many social scientists in recent years. Even though the distinction between gifts and commodities can be useful for analytical purposes, several scholars have suggested that the mutually exclusive contrast between gifts and commodities is unjustified. They suggest that this radical opposition should be abandoned. In their view, the dichotomy between ‘their’ (i.e. traditional societies) socially embedded, culturally determined gift-economy and ‘our’ (i.e. Western societies) impersonal, rational market economy is based on Western ethnocentric premises, the artificial formalization of the concept of ‘pure gift’ in the West and the romantisation of gift-exchange in traditional societies (Appadurai 1986: 11; Carrier 1990: 20; Parry 1986: 465; Parry and Bloch 1989: 8).

One group of criticisms centres on the idea that the concept of gift-economy actually originates from the romantisation of gift relations in non-Western societies. Frow
(1997), for instance, hinted that the division between gift-exchange and market-exchange is actually founded on the nostalgic portrayal of traditional societies as based on social altruism that gives rise to gift-giving as a basis for entire social organization. Some other scholars have suggested that gift-exchange probably involves much more economic calculation than Marcel Mauss had assumed. This economic calculation in gift-exchange can be seen both in traditional societies as in capitalist societies (Humphrey and Hugh-Jones 1992). Gell has stated that conventional definitions overemphasize the contrast between gift-exchange and commodity exchange, and that “[…] gift-exchange is much more like commodity-exchange than [Gregory] is prepared to recognize” (1992:144).

Bourdieu (1977) has also noticed that very often the only thing that makes gift-exchange different from simple barter is the mere lapse of time between gift and counter-gift. According to this idea, it can essentially be said that a gift is merely an indirect delayed exchange of goods or services. This argument was pushed further somewhat by Arjun Appadurai in his famous introduction to the book The Social Life of Things (1986). He noticed that what social anthropologists have described as gift-exchange in small-scale societies, is in reality not simply a generosity, but – like commodity-exchange – just a matter of self-interested calculation. Appadurai suggests that “[…] the exaggeration and reification of the contrast between gift and commodity in anthropological writing has many sources.” One of them is “[…] the tendency to romanticize small-scale societies [and] the proclivity to marginalize and underplay the calculative, impersonal, and self-aggrandizing features of non-capitalist societies” (1986: 11). According to this group of scholars, gift-exchange is after all not that different from market exchange, because on a long run, both of them utilize the same rational, self-interested premises.

Another group of scholars has offered a different kind of criticism to the idea that capitalist societies are caracterised by rational, selfish, impersonal market exchange, while small-scale societies are characterized by gift exchange. In examining gift-commodity dichotomy, this approach scrutinizes the role of gifts in industrial societies (Carrier 1992; Cheal 1988; Miller 2001). These authors suggest that the standpoint adopted by Gregory and Strathern ‘trivializes’ gift behaviour (Cheal 1988: 6). Their main objection is that industrial societies have very substantial economic expenditure on gifts. For example, Christmas gifts in the United States represent one of the most important economic motors for retail sales (Hunt 1997). Therefore, they say, it is not correct to trivialize gift behaviour in capitalist societies, and think it is just some kind of minor appendage to life there (Cheal 1988; Bailey 1971; Miller 1995). In western societies, we can find many examples of exchange transactions that have characteristics of gift-economy: sharing of knowledge in the scientific community (Bergquist and Jan Ljungberg 2001), free sharing of files and information on the internet, etc. (Kollock 1999). Apparently, the market economy contains a rather significant amount of transactions that are based on the principle of reciprocity and strongly resemble that of the gift-economy.

In analyzing the distinction between gifts and commodities, some other social scientists tried to arrive at a form of compromise on this matter. They say that commodity-exchange and gift-exchange do not strictly represent two entirely different and mutually exclusive societal forms, but rather just two ideal types of exchange. In reality, any economy
will be a mix of these two types of exchange. Bloch and Parry (1986) linked commodity-exchange and gift-exchange to short-term and long-term cycles of exchange, arguing that both types of exchange, rather than being mutually exclusive, tend to co-occur in individual societies. Thomas (1991) and Miller (2001a) also stated that the two types of transactions are intertwined with one another and frequently there are components of both present in any particular exchange situation. Carrier suggested that “[…] society contains a capitalist-sphere, a sphere of Maussian commodity exchange, existing together with a non-capitalist sphere, a sphere of Maussian gift exchange, though […] this dichotomy is a simplification of a muddier reality” (1995: ix).

**Analysis of commodity-exchange**

In examining the differences between gifts and commodities, most authors have focused on showing that gift-exchange can contain features that are otherwise attributed to commodity-exchange. According to Strathern the gift is more under attack than the commodity (1993: 6) and the purpose of my analysis is therefore to examine whether market-exchange transactions contain elements that are usually attributed to gift-exchange.

For my analysis, I utilized theoretical method with special emphasis on the comparative textual analysis and a multidisciplinary approach. Since marketing textbooks provide the basis for marketer’s activities, they were included in analysis as well. I decided to analyze market transactions – especially marketing strategies – along some dimensions that traditionally distinguish market-exchange from gift-exchange (Mauss 1954; Gregory 1980; 1982; 1997; Strathern 1992, Weiner 1992, Carrier 1991). In defining a gift, Carrier (1991:122) utilizes Mauss’ (1954) and Gregory’s (1980) writings and defines a gift as (1) the obligatory transfer, (2) of inalienable objects or services, (3) between related and mutually obligated transactors. The starting point of my analysis is the observation that, in the last couple of decades, consumer choice in market economies is not anymore simply directed by mere price and the physical characteristics of a product, but also by other features, which are very often not tangible. Those intangible features spoil the sharp contrast that traditionally distinguished commodities from gifts. Contemporary market-exchange is no longer only about selling better products for lower prices than the competitor does. Porter’s influential work (1980) describes three general types of strategies that businesses in market-exchange nowadays generally use to gain competitive advantage over competitors: cost leadership strategy, differentiation strategy and focus strategy.

Porter (1980) defined them along two dimensions, which he termed ‘strategic scope’ and ‘strategic strength’. Strategic scope applies to the size of the targeted market. Strategic strength applies to the core competency of the company, where Porter recognized two most important competencies: product differentiation and product price. Following this, we can say that in selling commodities, companies most often pursue two strategies: price competition and product differentiation (Norman 1987).

In some businesses, the selling price is central and may be by a large amount the most important factor by which customers compare competing products. To be competitive in such business, a company has to ruthlessly control its production and distribution
costs to achieve lower prices than its competitors do. Price competition is typical (but not limited to) in trading commodities like electricity, wheat, petrol, corn, coal, iron, etc. For a buyer, electricity is simply electricity, does not matter where it comes from, or who is selling it. If we leave aside the quality of service among different providers, the buyer chooses the product solely on the basis of its price, regardless of the origin of electricity (even that is changing nowadays with introduction of so-called ‘green electricity’ or ‘eco-electricity’, which takes into consideration the origin of electricity). In this kind of trade, the seller can be competitive only by offering lower prices than his competitors do. By competing in price, the seller admits that his product is in no way different from other similar products i.e. it is in no way unique. Other similar products can, therefore, be perfect substitutes. This type of trade neatly fits into the traditional concept of an impersonal market-exchange of anonymous commodities.

For the contemporary consumer, this kind of trade rarely occurs, because commodities are now usually differentiated in some way other than price. Most sellers usually try to differentiate their product (or service), i.e. present it as somehow unique and incomparable to other similar products. By adding extra value to its product or service, a seller can charge a unique (much higher) price compared to a non-differentiated similar product. As Levitt puts it (1969: 2):

The new competition is not between what companies produce in their factories, but between what they add to their factory output in the form of packaging, services, advertising, customer advice, financing, delivery arrangements, warehousing, and other things that people value.

Due to differentiation, commodities are in most cases no longer merely anonymous, impersonal, lifeless, alienable items, but are infused, rather, with qualities that can resemble features of the gifts. For instance, companies often strive to endow their goods (or services) with some kind of personal quality, almost a personality that is usually closely linked to the values that the company represents (Dowling 2004: 229). The company protects the ownership over those distinct characteristics through registered trademarks, patents and copyrights (Kotler and Keler 2006: 274). We can notice a striking similarity to what Mauss writes about gifts: “Things have personality, and personalities are in some manner the permanent possession of the clan” (Mauss 1954: 44).

In anthropology, the similarity between gifts and commodities was closely examined by Carrier, who suggested an analytical distinction between commodity and possession. He demonstrated that in catalogue advertising some commodities are personalized and manipulated to become a possession. (1990: 693). He noted that the commodity can be alienated, while the possession is inalienable, because it shows the attachment of persons to objects. Carrier (1990; 1992) suggests that contemporary market practices let prospective customers think they are switching from commodity-exchange to a gift economy.
Commodities and social relations

Mauss wrote about the purpose of gift exchange:

The exchange of presents did not serve the same purpose as trade or barter in more developed communities. The purpose that it did serve was a moral one. The object of the exchange was to produce a friendly feeling between the two persons concerned, and unless it did this, it failed of its purpose (1954: 18).

Commodity-exchange is in, this sense, supposed to be devoid of almost all social or personal considerations (Mauss 1954, Gregory 1982, Kaplan 1997). The buying a bottle of beer is not motivated by the desire to have a strong, lasting and loving relationship with the seller; it is motivated only by the desire to have a bottle of beer. However, the process of selling is very often not completely impersonal, because successful selling depends upon the ability of the seller (or the producer) to inspire trust and to create a relationship with customers. In the last decades, marketing has evolved from impersonal ‘production’, ‘product’ and ‘selling’ concepts, to the customer-centred ‘marketing concept’ which emerged in the 1950’s (McKitterick 1957; Borch 1957; Keith 1960). Recently, it has evolved to the ‘holistic marketing concept’ that aims at establishing strong and lasting relationships with customers (Janeìè 1999). The four components of holistic marketing are relationship marketing, integrated marketing, internal marketing, and social responsibility marketing (Kotler and Keler 2006: 17). In recent decades, marketing activities tend to decreasingly use the mass-market activities that were prevalent in the 1950s, 1960s, and 1970s and increasingly utilize new approaches that actually imitate marketing practices from more than a hundred years ago, when sellers still knew their clients by name. In particular, the fast development of the internet enabled marketers to personalize their selling approach and thus fulfil the customer’s desire for personalization (Locke et al. 2000).

Nowadays, companies are inclined to put much more emphasis on retaining their customers than several decades ago. They increasingly rely on personal bonding to capture and hold their customers. They aim at establishing strong and permanent relationship between buyer and seller. When selling at set prices to anonymous customers, mass advertising is chosen. When selling high value goods to individuals, personal bonding is preferred (Offer 1997: 465). The result of various customer retention practices are loyal, returning customers who are strongly attached to company’s products or services. The reason a producer (or a seller) wants to establish a relationship with customers is actually very simple: companies know it is much easier and cheaper to sell to existing customers, who already know them, who trust them, who know their level of quality, than to acquire new customers, who know nothing about them, or are maybe even suspicious about them. It is estimated that attracting a new customer can cost up to five times more than what it costs to keep a current customer happy. The key to retaining customers is relationship marketing (Kotler and Keler 2006:168). The idea of building mutual relationships in market transactions is nicely epitomized in the following quotes from Philip Kotler, one of the
world’s leading authorities on marketing: “The marketer’s goal is to build a mutually profitable long-term relationship with its customers, not just sell a product” (Kotler 2003: xiii) and “[…] the cornerstone of a well-conceived marketing orientation is strong customer relationships. Marketers must connect with customers – informing, engaging, and maybe even energizing them in the process” (Kotler and Keler 2006:139).

Companies use various strategies to establish strong and permanent relationships with customers, for instance direct marketing, loyalty programs, relationship marketing and customer service. They also use personalization in production or at least try to create an impression of personalization. In direct marketing they frequently use personalized letters or marketing campaigns that are carefully camouflaged to look like personal communication (Offer 1997). This kind of strategy may assume various forms, depending on the degree of personalization that promotional material is trying to emulate. Promotional letters often do not look like traditional impersonal promotional material, but rather like a personal letter. Also, through skilful marketing, firms are creating an impression that the only purpose of their business is selfless service and not making money. It is very common that a catalogue begins with a personal introduction from CEO (with his photo and his signature at the end of his letter) in which he explains that the only purpose of his company is to offer the best possible service to valued customers and to help them solve their problems.

In loyalty programs companies offer cumulative rewards proportional to the volume of their purchases to customers, such as the ‘frequent-flier miles program’ that major airline companies offer to their customers, or little stickers that supermarket chains give to their buyers in proportion to the money spent on their purchases. After collecting a certain number of stickers, a customer is eligible to buy certain items at deeply discounted price (Dowling and Uncles 1997; Raphel 1995).

Relationship marketing is about having rich, multi-faceted relationships with customers and marketing partners (Kotler and Keler 2006: xxx). One of the most important goals of marketing is to develop profound and permanent relationships with everyone that could, in any way, affect the success of the company’s marketing actions. The purpose of relationship marketing is to build mutually satisfying and long-term relationships with the most important and crucial partners. That includes not only customers, but also other marketing partners (distributors, suppliers etc.). The purpose of relationship marketing is also to retain business partners. Relationship marketing builds strong ties among the parties on all levels: social, economic, technical, etc. (Gummesson 1999; McKenna 1991; Christopher et al. 1991).

Customer service aims to create a loyal customer base and demands excellent service (Christopher et al. 1991). Customer service also establishes a sort of long-term relationship with customers, because customers feel they are taken care of by the company even after the act of purchase is over. If customers have any problems with purchased product or service, they are not left on their own, but are helped and assisted by customer service.

In recent decades, selling has moved to personal approach. Sellers very often aim at creating strong and permanent relationship between buyer and seller for the sake of increasing customer retention. We can see that market exchanges are nowadays not nec-
necessarily impersonal, but aim at creating social bonds between buyer and seller, which is one of the characteristics of gift-exchange.

**Commodities and moral or social obligations**

Giving a gift creates asymmetry in a relationship, and indebts the receiver, who is obliged to make a counter-gift sometimes in the future (Mauss 1954; Berking 1999: 8). Cycles of exchange create a relationship, as well as social and moral ties between both parties involved in reciprocity. According to Mauss (1954), reciprocity does not inevitably mean full reciprocity between two individuals. Reciprocity can also engage the social obligation to give, accept, and reciprocate within the social network (cf. Gouldner 1960; Levy 1959). Relationships always imply some moral and social obligations. When two people meet and establish a relationship, they cannot just walk away and forget about the whole thing, unless they have no intention of continuing the relationship. It is expected that they constantly re-affirm their relationship, cultivate it and grow it. Relationships create a web of interactions and obligations that sustain and promote the relation that has been established. It is supposed that in market-exchange, the only obligation that the seller has is to deliver sold items to the buyer, and the only obligation the buyer has is to pay the agreed amount of money to the seller. Besides that, both exchange parties are not supposed to have any other obligation at all. A customer goes to the shop, buys a bottle of beer and walks out of the shop. The buyer and the seller are not obliged to have even the slightest social interaction or moral obligation towards each other; this is in a stark contrast to gift-giving. However, a closer analysis reveals that distinction between gift-exchange and contemporary commodity-exchange is not so straightforward.

As demonstrated earlier, companies usually try to engage their customers into a long-lasting relationship and create loyal clients. Customers are often placed into a more or less subtle web of relationship with the company. If a consumer goes to the shop to buy a beer, we can detangle several elements that may, in spite of the seemingly impersonal purchase, indicate that some kind of relationship had already been established. If he has bought a particular brand of beer and not just any beer, it shows that he already has some attachment and preference for that particular brand, and therefore already some kind of relationship with the company that produces that beer. If he has already bought the beer in that particular shop several times before, he may have already established some kind of relationship with this particular shop – therefore he is a returning and loyal customer.

Once a company has established a long-term relationship with customers, it has a variety of moral and social obligations that relationship brings. One obligation is to satisfy customer’s expectations by continuing (or ideally even improving) what was initially delivered to them. Unless the seller wants to sell only once and then disappear, the vendor has a permanent obligation to the customer to sustain the level of quality, service, reputation, prestige etc. that his product or service represents in order to keep loyal customers (Porter 1985; Christopher et al. 1991). According to Kotler and Keler, successful marketing requires that companies not only create, deliver and capture customer value but also sustain customer value (2006: 41).
On the other side, a well-served buyer feels obliged to be a loyal and returning customer. A customer that is highly satisfied usually develops loyalty and emotionally feels (to a smaller or greater extent) obliged and tied to the company (or its product). When the company introduces new products, he is more likely to buy them. He is more prone to upgrading existing products. The loyal customer also costs less to serve, compared to new customers (ibid.: 145). Companies are well aware of the fact that loyal customers have very strong emotional attachments to the chosen brand or product. High satisfaction or delight creates an emotional bond with the brand or company, not just a rational preference (ibid.: 146). That is one of the reasons sales personal are trained to be nice, kind and helpful. Personal selling is a very effective selling technique. It allows various relationships to occur and develop between buyer and seller. This can vary from a brief selling relationship to a profound personal friendship that can be established between exchange parties. The result of personal selling is that the buyer feels to be under some kind of obligation for having listened to the seller (ibid.: 556).

The sense of obligation is not limited only to buyer-seller relationship, but extends to buyer-producer (the company) as well. A customer’s resolution to be loyal or not to be loyal is the sum of all elements and events that he encountered with the company. Satisfied and loyal customers will very often feel obliged to talk positively about the producer and its products. Frederick Reichheld (2003) says in his famous article that the only thing that really matters when talking about successful selling is the question “Would you recommend this product or service to a friend?” Loyal buyers are also not very receptive to competing offers from other companies and are more indifferent to price. Loyalty is defined as “A deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behavior” (Hamel 1996). A deeper analysis reveals that contemporary market-exchange transactions tend to create mutual (social or moral) obligations between buyer and seller (or producer). That is a situation resembling gift-exchange more than impersonal market-exchange.

**Giving a part of oneself?**

A gift is never an anonymous item, but always contains some quality of the giver:

Hence it follows that to give something is to give a part of oneself […] one gives away what is in reality a part of one’s nature and substance, while to receive something is to receive a part of someone’s spiritual essence (Mauss 1954: 10).

Companies often attempt to do the same: commodities are in most cases not just some anonymous items, but strive to remind the buyer of the producer. Most often the company’s logo or trademark is much bigger and more prominent than name of the item itself, so that the buyer knows he is buying *Budweiser*, not just a beer. In the last decades, market has become hypercompetitive, forcing companies to heavily differentiate their
products. Marketing, therefore, puts great efforts in presenting a product as unique through the process called ‘branding’ (Dowling 2004: 207; Keller 2003). Branding creates differences among similar products by adding certain aspects to a product or service. By doing so, it facilitates differentiating this particular product or service from similar products or services of other producers. The differences that the brand adds or emphasizes may be symbolic, functional, rational, emotional, etc. Sometimes they are related to a particular performance of the product or service and sometimes to what the brand stands for (Aaker 1996). Through marketing activities, consumers are taught various characteristics of the branded product: its name, what the product does and – last but not least – why consumers should care about it. In doing that, branding creates mental constructs and helps consumers to more easily organize the knowledge they have about products and services. Although a brand is created through marketing activities, it is something intangible that ultimately exists in the minds of consumers (Kotler and Keler 2006: 275; Aaker and Joachimsthaler 2000).

Branding can be applied to virtually everything: physical goods (a shampoo, a soup, automobiles, etc.), a service (banks, medical insurance, airlines etc.), a store, a person (a politician, a rock star, a writer, a scientist, etc.), a place (a city, a national park or a country), an organization, or an idea (Kotler and Keler 2006: 276). Everything can be branded, even generic commodities like (bottled) water, salt or sugar. By the means of branding, an item (or a service) is not an anonymous commodity anymore; it is not just a stereo, it is a Sony; it is not just a car, it is a Mercedes; it is not just water, it is Evian. The last example can (due to very successful branding) cost more than some beers, which require much more processing.

A company can pursue different strategies in building a brand. The two extremes of a brand relationship continuum are represented by two distinct strategies: individual names and umbrella (‘blanket’) family names. These two strategies are sometimes called a ‘house of brands’ and a ‘branded house’, respectively (ibid.: 296). By following the first strategy, a company does not attempt to connect its own reputation to the product’s reputation but rather establishes product’s brand separately. If the product turns out to be unsuccessful or fails to provide good quality, the company’s image or name is not damaged. In the analytical sense, the second branding strategy is more interesting: most companies pursue some variant of the ‘blanket family names’ branding strategy. In this case, company ties its own reputation to its products and uses company’s well-established brand as the basis for marketing its products. There are several advantages in such approach since it decreases marketing cost because there is no need for intense advertising to produce brand-name recognition. The producer easily adds credibility to its product through organizational association (ibid.: 297; Keller and Aaker 1998). With this strategy, customers can make conjectures about the product based on the knowledge of the parent brand (Kim and Sullivan 1998).

Branding often infuses commodities with a kind of personal quality – almost a personality – that is usually closely linked to the general image of the producer (Dowling 2004: 229; Palmer 2000:100). Nowadays, commodities very often tend to bear traits of the giver (the producer or the seller), and therefore exhibit the feature that was traditionally
considered to be in the domain of gifts. Branded commodities, thus, obviously blur the sharp distinction between traditionally defined concepts of ‘anonymous commodities’ and ‘personal gifts’. Along with this particular feature, we can locate another characteristic of branded commodities that resembles a gift: value added to commodity as a result of branding. A gift has always some extra (symbolic) value added to it and the branded commodities are similar in this. The branded commodity always has some additional value added to it compared to generic, non-branded commodity, either financial, emotional, intellectual, psychological, symbolic, etc. (Kotler and Keler 2006: 274). In marketing, this is called Brand Equity – the value that the brand adds to the branded product (or service), compared to an equivalent non-branded product (Keller 2007; Aaker 1991).

David Aaker, who invented the concept of brand equity, describes it as a compound of characteristics that are connected to the brand and add (in a positive or negative manner) value to the product or service (1991). Brand equity is established on differences in consumer response. That is to say, if no differences arise in consumer response, then the branded product can basically be categorized as generic version of the product, which can thus be substituted by any other similar product. In that case, a company can compete with other similar product only by setting a lower price. Differences in reaction are a result of customer’s understanding about the brand and everything that has become associated with the brand.

There are different ways of studying brand equity: one approach is based on the economic principles of signalling (Erdem 1998), but there are other approaches that study brand equity from sociological, anthropological, or biological perspective (McCracken 1986; Fournier 1998). Higher brand equity results in greater brand loyalty, which provides predictability and security of demand for the firm and creates barriers to entry that make it difficult for other firms to enter the market. Customers who are loyal to a certain brand are usually willing to pay a higher price, even 20 to 25 percent more (Jacoby et al. 1971; Davis 2000; Bello and Holbrook 1996; Sullivan 1998; Slywotzky and Shapiro 1993). Coca Cola is a good example of high brand equity. It is one of the most valuable and most respected brand names in the world. That is the reason customers are willing to pay a premium price for it, much more than for a generic cola drink, which essentially tastes just about the same. For most consumers, Coca-Cola is not just some cola drink: it is Coca-Cola with correspondingly higher price compared to generic cola drinks. I have observed that in certain parties it is considered ‘cheap’ and almost insulting to the guests to serve an inexpensive, generic cola drink because Coca Cola is not merely about the taste but about the image, prestige and what it represents in the minds of consumers.

A commodity with high brand equity is worth more, compared to similar generic products. Its additional value is not only emotional, symbolic or intellectual, but also financial. A branded commodity clearly displays that it does matters who the producer (or seller) is; it is not just another product: it is infused with the reputation and other characteristics of the producer, which adds symbolic and financial value to that product (this applies if ‘blanket family names’ strategy was used in branding the product). In this case, the characteristics of the producer are transferred to a generic commodity, and infuse it with features of the producer. We can see that on this dimension of analysis, the distinc-
tion between what we traditionally consider to be a personal gift and anonymous commodity is very often blurred. Branded commodities also contain some quality of the producer: his reputation, public image, quality, and have additional value added to it.

**Imposing identity**

According to Marcel Mauss, the giver not only gives a gift, but also a part of himself. Therefore, the gift is permanently tied to the giver: “The objects are never completely separated from the men who exchange them” (1954: 31). Mauss traced the power of the gift in its indestructible tie to the giver. According to Mauss, even traditional folk habits show that commodity-exchange should be freed from personal attachment:

Numerous other French customs show how it is necessary to detach the thing sold from the man who sells it: a thing may be slapped; a sheep may be whipped when sold, and so on. (ibid.: 64)

A commodity is, therefore, supposed to be the opposite of a gift, because it does not contain anything of the giver (the producer or the seller); hence, it cannot transfer the giver’s identity to the buyer. Two of them are – at least ideally speaking – completely separated. If a consumer buys a kilogram of sugar or salt, this particular new object in his possession does not affect his identity. However, commodity-exchange serves much broader purpose than just providing someone with subsistence items. As Carries states: “Clearly there is much more in our relationship to objects than sheer utility” (1995: 1). Several scholars, including Thorstein Veblen, Jean Baudrillard, Pierre Bourdieu, and others have stated that commodities are not mere anonymous items. They are, instead, carriers of meaning. Commodities possess symbolic values, which we use in constructing personal and social identities. Therefore, by obtaining particular commodities, people display membership in a certain group and establish distinctions between themselves and others who possess other objects. Therefore, people do not buy commodities only for practical, utilitarian reasons. Anthropologist Daniel Miller writes: “‘Shopping’ is a term we use to denote a network of activity, of which the actual point of purchase of a commodity is but a small part” (1998: 14). There are several reasons why we buy. The fast development and eclecticism of the modern study of consumer goals has led to important but very fragmented insights, because various researchers have highlighted different issues (Huffman et al. 2003: 9). There are four different main theories of consumer behaviour: means-end chains theory, social identity theory, behavioural decision theory and attitude theory (ibid.: 10). Campbell, who reviewed the sociological literature on consumption concluded:

Generally, we may say that special emphasis tends to be placed on those theories that relate consumption to issues of identity and, within this, to those that represent consumption as an activity, which conveys information about the consumer’s identity to those who witness it (1995: 111).
Different researchers utilized different theoretical frameworks, ranging from psychoanalysis to social constructionism. Commodities were found to play a paramount role in the construction of selves and identities (Jackson 1994; Nava 1992; Reekie 1993; Swanson 1995; Willis 1991; Wilson 1992). In relation to sociological studies, cultural studies and various consumption studies, anthropology also developed interest with the symbolic dimensions of contemporary consumption (Miller 1995a). The origin of this approach can be located in ideas of Barthes (1972) and Baudrillard (1981; 1983; 1998) who emphasized that the role commodities play as signs that are encoding the mythology of consumer ideologies.

Philosopher Jean Baudrillard was especially interested in the meaning that advertising adds to objects. He argued that this added meaning then stimulates consumers to purchase commodities as a means of constructing their personal identity. In his book, The Consumer Society (1998), he proposed that by purchasing and consuming commodities, a consumer situates himself or herself within a system of signs.

The symbolic approach was later advocated by anthropologist Mary Douglas. With her publication The World of Goods (1979), Douglas in collaboration with Isherwood expanded the analysis of consumption in contemporary consumer society to the full range of commodities: “Instead of supposing that goods are primarily needed for subsistence plus competitive display, let us assume that they are needed for making visible and stable the categories of culture” (Douglas and Isherwood 1979: 59). According to Douglas, the utilitarian function of commodities distracts from their essential function, which is to help people to find their place in the world:

Forget that commodities are good for eating, clothing and shelter; forget their usefulness and try instead the idea that commodities are good for thinking; treat them as a nonverbal medium for the human creative faculty (1979: 62).

Following the ideas of Pierre Bourdieu (1984), Mary Douglas (1996) proposes that contemporary identities are not constructed through a direct relationship with the material world but rather through the consumer’s relationship with the symbolic sphere of consumption. Consumers derive their social identities and sense of place in the world through their consumption activity. Human needs are satisfied not only by practical applicability of consumer goods, but also by the symbolic function they possess, the identities they construct, the social relations they build and the gratification they provide. Buyers frequently select and use brands that have a brand personality consistent with how one views oneself, how one would like to view oneself or how one thinks others see him (Sirgy 1982). These effects may also be more pronounced for publicly consumed products as compared to privately consumed goods (Graeff 1996; 1997).

In practice, we can often see that the consumer is aware of who is the producer of a particular commodity, even in the case of some very minute and disposable item such as batteries. Duracell batteries are heavily advertised as reliable and durable. If a consumer decides to buy Duracell batteries instead of cheap Chinese batteries, by doing so he
proclaims (at least) to himself (if not to the world) that he the values quality that Duracell represents. Certainly, there might be several reasons and motivations for buying expensive Duracell instead of cheap batteries, but even if one buys Duracell batteries for purely utilitarian reasons (durability), by doing so the consumer re-affirms his position of a person, who values quality, durability and reliability that Duracell batteries represent. The brand identity of the Duracell company, embodied in Duracell batteries, is utilized in re-affirming person’s core values and identity.

As demonstrated earlier in this article, commodities are in most cases not just some plain, anonymous objects. Producers (or sellers) usually make a great deal of effort to differentiate their products by the means of branding. If the ‘branded house’ strategy is used, branding infuses the commodity with some quality of the producer and gives it a distinct flavour that distinguishes the commodity from other similar items produced by other manufacturers. This extra symbolic value that is added to commodity is then used by consumers for building their social, cultural and personal identities. If one buys a Mercedes car, the prestige that Mercedes represents is transferred to the owner whose prestige automatically rises with the mere fact that he now owns a Mercedes car, which embodies the prestige, tradition, quality, etc. of the producer. The identity of the producer (Daimler-Benz) is embodied in the product (a Mercedes car) which in turn affects one’s identity when one buys and owns this particular car. The symbolic value of commodity is derived from the producer or the seller in a similar manner as the symbolic value of the gift is derived from the giver.

Conversely, customers also to some extent affect the corporate identity of the producer. The symbolic exchange is bi-directional, because exchange of gifts “[…] imposes an identity upon the giver as well as the receiver” (Schwartz, 1996: 70). Most often companies do not try to sell to all consumers, but carefully determine the main market segments. The next step is to evaluate each segment and target only those market segments that are relevant to the company (Kotler and Keler 2006: 30). Company’s brand identity is connected to how customers should see the company, while company’s image is the way people see the company or its products. (ibid.: 41). Companies put great effort in building a distinctive image in the minds of their target consumer group (ibid.: 9). For instance, Jennifer Aaker’s analysis of major brands indicates that the main image of CNN is competence; MTV is characterized by excitement; Levi’s main theme is ruggedness and Campbell’s sincerity (Aaker 1997).

Marketing is usually tailored specifically to the relevant target consumer group. If a company is producing children toys, it is very likely that its corporate brand will be designed according to the target group: the company’s image, its logo, promotional materials and public relations will most likely clearly show that the company is producing children toys and not, for example hi-tech military equipment. The symbolic exchange between the producer and its target consumer group is bi-directional. If a company is pursuing market segmentation, the characteristics of its target consumer group will affect the way the company will be presenting itself and its products. Conversely, the characteristics of the producer will contribute to the identity of the consumers. We can see that similarly to gifts, commodities not only continue to embody the identity of the giver but also impose this identity upon the receiver (a buyer) and vice versa.
A significant idea in Mauss’ description of gift-exchange is what Gregory (1982; 1997) refers to as inalienability. Whenever the object is sold in market-exchange, the new owner completely acquires the ownership over the object he bought. The object of exchange therefore becomes alienated from its previous possessor. However, the object that is exchanged as a gift is not alienated from the giver. As Mauss has stated: “The gift received is in fact owned, but the ownership is of a particular kind” (1954: 22). Gregory (1982; 1997) and Weiner (1992), in coming back to Mauss’ conceptualization, became two main proponents of the gift-exchange theory that utilizes the idea of inalienability: “Non-commodity (gift) exchange is an exchange of inalienable things between transactors who are in a state of reciprocal dependence” (Gregory 1982: 12). Weiner (1992) also discriminates between two types of possessions, alienable and inalienable. Inalienable items “[…] are imbued with the intrinsic and ineffable identities of their owners which are not easy to give away” (Weiner 1992, 6). She writes: “Inalienable possessions attain absolute value that is subjectively constituted and distinct from the exchange value of commodities or the abstract value of money” (ibid.: 191). Marilyn Strathern (1992) also stresses the inalienable characteristics of the gift and therefore maintains the distinction between gifts and commodities as indispensable.

In spite of traditional anthropological view that holds commodities to be alienable, we can find examples of market-exchange that do not precisely fit into this conceptualization. There are commodities that are traded for money, and yet they cannot be alienated from the producer, such as artwork. The buyer becomes only a possessor, a keeper, a guardian of the artwork, but never its complete owner (Platenkamp 2007). The artwork cannot be alienated from the author who created it, even though he finally sold it in what is considered to be a pure market-exchange transaction. The artwork will always be attributed to its author, never to its possessor, even though the buyer paid for it and can do whatever he likes with it, even destroy it. We can see that in case of the artwork that was not given away as a gift but rather sold in pure market-exchange transaction, the commodity involved (the artwork) manifests a form of inalienability that is otherwise characteristic of a gift.

Besides the artwork, which always bears the mark of the producer, we can find this feature expressed in other commodities. Branding has been known for centuries and helped to differentiate the products of one manufacturer from those of another. In Europe the first precursor of branding was the obligation that medieval guilds imposed upon craftspeople to put trademarks on their manufactured goods to protect consumers and themselves against substandard quality. In the production of artwork, branding started when artists began to sign their works (Interbrand Group 1992). Brands allow consumers to assign a product or service to a particular manufacturer or seller (Kotler and Keler 2006: 274). Even though competitors may sometimes without difficulty copy the product designs and manufacturing processes of a successful product, they can have extremely hard job in matching or duplicating the impressions in the minds of customers that are the result of many years of product experience and marketing activity. To companies, brands therefore represent extremely an important portion of legal property that can strongly
influence consumer behaviour (Bymer 1991). Therefore, a brand can often serve as the legal protection for unique characteristics of the product (Bagley 1995). A branded commodity is usually strongly connected to its producer and it is impossible (or at least unreasonable) to separate the branded commodity from its producer, because the removal of the brand would reduce the value (symbolic, monetary, emotional) of the product.

A spectacular demonstration of the influence that brand has on consumer’s perception of the product is seen in the common outcome of ‘blind’ taste tests in product sampling tests. One group of subjects tests a product without having knowledge of its brand, while the other group of subjects tastes the product while having knowledge of its brand. Experience in those blind tests shows that the two groups evaluate the same product differently in spite of the fact that the product they tasted was exactly the same. Consumers will often distort information to be consistent with prior brand and product beliefs (Russo et al. 1998; de Chematony and Knox 1990; Janiszewski and Osselar 2000). A closer look reveals that the quality of inalienability is also present in branded products, because branded products always remains connected to their producer. Commodities can therefore also manifest a form of inalienability that is otherwise one of the characteristics of a gift.

**Conclusion**

The basis for the anthropological understanding of commodities was laid out by Mauss in 1925, when commodities were still pure representatives of impersonal market relations. However, recent decades have brought increasingly personal approaches in commodity-exchange that do not neatly fit into classical gift-commodity dichotomy.

As numerous scholars have already asserted, the distinction between gifts and commodities is not as sharp as was traditionally believed. A detailed analysis conducted along five basic dimensions that traditionally distinguish gift-exchange from commodity exchange, throws more light on the relation between gifts and commodities. Gift-giving strategies and simulated intimacy are more and more often extended to seemingly impersonal commodities of market exchange. Companies try to personalize their appeal by introducing various elements of gift-giving into their sales strategies. The analysis reveals that contemporary marketing very often adds to commodity-exchange various elements that are traditionally attributed to gift-exchange only: market-exchanges are not always impersonal, but can aim at creating certain types of social bonds between seller and buyer, not unlike those that are considered characteristic of gift-exchange. Market-exchange also tends to create mutual obligations between buyer and seller – a situation which is much more indicative of ‘gift-economy’ than that of ‘impersonal market-economy’. The commodity, like the gift, possesses a quality of the giver (producer or seller), embodied in for instance the trade-mark or brand name. Most commodities also manifest a form of inalienability from the giver (producer or seller) which is indicative of a gift. Besides that, similarly to gifts, commodities not only continue to embody the identity of the giver but also impose this identity upon the receiver (a buyer) and vice versa.

The gift-commodity dichotomy was first conceptualized almost a century ago, but commodity-exchange has significantly evolved and changed since then. After World
War II, the distributive theory of marketing started to decline. The centre of attention started to move from distributive functions to other aspects of marketing (Parvatiyar and Sheth 2000: 10). If market-economy of the early 20th century was characterized by mass production of anonymous and impersonal commodities, later stages of market-economy introduced an increasingly more personal approach in presenting and selling commodities (Sheth and Parvatiyar 2000: 137). Commodities are increasingly marketed and traded in a manner that does not rigidly fit into traditional conceptualization of commodity-exchange. Companies that understand the gift-economy have, in this regard, more chance to succeed in the market economy (Offer 1997: 468).

The analysis shows that contemporary market-exchange transactions very often contain features that are traditionally attributed to gift-exchange. Therefore, even though there is consensus, that the market-economy depends primarily on impersonal, rational economic logic, market-exchange relations also very often utilize qualities of gift-exchange among exchange participants. We can see that commodities are often not pure representatives of presumably impersonal market relations, but rather give rise to relations that can resemble those of gift-exchange.

References


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**POVZETEK**

Članek podaja nove uvide v odnos med darovi in tržnim blagom. Preverja ali darovi in tržno blago zares predstavljajo dve ločeni in različni kategoriji, kot je to prvi predlagal Marcel Mauss in kasneje nadgradil Chriss Gregory ter ostali antropologi. Članek preveri resničnost predpostavke, po kateri naj bi menjava tržnega blaga predstavlja menjavo odtujljivih, neosebnih in anonimnih predmetov, ki v procesu menjave ne ustvarjajo nikakršnih moralnih ali družbenih obvez in naj bi zato bila takšna menjava drugačna od menjave daru. Podrobnna analiza petih znacilnosti, ki tradicionalno ločujejo menjavo daru od menjave tržnega blaga pokaže, da sodobni marketing pogosto doda menjavi tržnih dobrin elemente, ki tradicionalno pripadajo zgolj menjavi daru: tržna menjava ni vedno neosebna, temveč pogosto stremi k ustvarjanju družbenih vezi ter vzajemnih obligacij med prodajalcem in kupcem. Podobno kot dar, tudi tržno blago lahko vsebuje del identitete dajalca ter izraža neke vrsto neodtujljivosti od dajalca (proizvajalca ali
prodajalca), kar je sicer značilnost daru. Poleg tega tržno blago – podobno kot darila – ne samo, da ohranja identiteto dajalca, temveč lahko to identiteto tudi prenaša na prejemnika in obratno.

KLJUČNE BESED: Mauss, Gregory, dar, tržno blago, tržna menjava, menjava tržnega blaga, menjava daru, ekonomija daru, tržna ekonomija.

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