

# Seiji Tsutsumi, A Critical Marketer in Japan: His Philosophy and Marketing Activities

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## Abstract

**Purpose** – The purpose of this paper is to explore some features of marketing activities and marketing thought by a Japanese critical marketer, Dr. Seiji Tsutsumi.

**Design/methodology/approach** – A biography.

**Research limitation/implications** – This paper finds the existence of a marketing practitioner, who kept a critical mind-set despite a huge success in retail business in Japan. The research should be supplemented by other biographical research in many countries.

**Keywords** – Critical marketing, retail marketing, Japanese marketing, consumer society

**Paper Type** – Extended abstract.

## Introduction

Dr. Seiji Tsutsumi (1927–2013) was a prominent executive in the Japanese retail and service industries, and a critical thinker in marketing, consumer culture and politics in Japan at the same time. He was also a famous poet and novelist in Japan and under the pseudonym Tsujii Takashi was awarded several literary prizes, but when he was involved in business and its criticism, he gave a real name. Despite establishing a huge business group representing Japan, composed of department stores, superstores, shopping centres, convenience stores, specialty stores, and many service companies, Seiji Tsutsumi retained a critical attitude to marketing and consumer society. This summary will focus on his criticism and try to give a historical interpretation of his critical marketing.

## Background and marketing activities

Seiji Tsutsumi was born into a wealthy family. His father, Yasujiro Tsutsumi (1889–1964), made a fortune by developing real-estate and railway businesses before the Second World War. Yasujiro became a member of the House of Representatives before and after the War and its Speaker after the War (Havens 1994; Yui, Maeda and Oikawa 1996). A feud against father was one of the main motifs of Seiji Tsutsumi's novels (e.g. Tsujii 2004, see Yui 2014).

When Seiji Tsutsumi was a student of the Faculty of Economics, Tokyo University in the end of the 1940s, he got involved in the left-wing movement. Under the political upheaval in Japan soon after the Second World War, he became a member of the Japan Communist Party in 1949, but was ousted next year due to severe struggles between the factions inside the Party (Ando 1976). After recuperating from tuberculosis, he became a private political secretary of his father, and got engaged in Seibu Department Store on his father's orders in 1954. This store was located in Ikebukuro, a non-rich area of Tokyo famous for black markets after the War. When he accepted his father's appointment, he raised two stipulations to his father: setting up the labor union in this company and recruiting university graduates (Tsujii and Ueno 2008: 28–29); both were rare in retail business at the time. This can be seen as the start of his philosophy of business, what he later called 'a republican form of management (*keiei kyowa-sei*)' (see Havens 1994, Yui 2010).

Seiji Tsutsumi's business and marketing activities had two fundamental features. First, his businesses developed rapidly and remarkably along with miraculous economic growth from 1955 to 1973 in Japan, and the appearance of the so-called mature economy as a result of this economic growth. He developed networks of many retail formats, including Seibu Department Store, Seiyu Store (from 1956, later Seiyu) as a Japanese-type superstore or what the Japanese called 'general *super*' (see Usui 2014), Family Mart (from 1978) as a convenience store, Parco as a fashionable shopping centre,

and Muji as a world famous specialty store. As well as these retail developments, he also expanded his businesses to the service sectors, such as Restaurant Seibu (from 1974), Seibu Urban Development (from 1972, later Seiyō Environment Development), Seibu Credit (from 1980, later Credit Saison), Seibu Allstate Life Insurance (from 1975 by alliance with Sears Roebuck), Intercontinental Hotel (from 1988) and so forth. In the process of this development, Seiji Tsutsumi established a company group named the Seibu Distributive Group (*Seibu Ryutsu Group*) in 1971, and changed it to the Saison Group in 1985 because the group was no longer categorized with ‘distributive industry (*ryutsu sangyo*)’, suggesting retail of tangible products. The concept of ‘comprehensive life industry (*seikatsu sogo sangyo*)’, which meant the group would be involved in any dimensions of consumers’ life, became the main philosophy of this group (Saison Corporation 1992). The member companies of the Saison Group grew to 141 under the control of 12 main companies in 1989/90 (Koyama 1991: 390–391). The name of Seiji Tsutsumi came to symbolize a huge business group representing Japan.

Secondly, and more importantly, Seiji Tsutsumi tried to make his retail/service businesses culture-oriented from the outset. For Seibu Department Store, he invited French designers including Louis Feraud (1959), Ted Lapidus (1960) and Yves Saint-Laurent (1963), and in the Sixties also held fine art events including the Paul Klee Exhibition, Salvador Dalí Exhibition, German Expressionism Exhibition, Henri Rousseau Exhibition, Fernand Léger Exhibition, and so forth. The success of these events led to the establishment of the Seibu Museum of Art inside the Seibu Department Store in 1975. In 1969, he opened a fashionable shopping centre, Parco, directed by his friend, Tsuji Masuda (1926–2007), by buying the neighbouring building of Seibu Department Store and organising a combination of many fashionable shops targeting stylish younger generations. In 1968 and 1973, Seibu Department Store and Parco established themselves in Shibuya Tokyo, which had some wealthy, quiet areas but was occupied by a strong competitor, Tokyū Department Store. Parco in Shibuya started Seibu Theatre (later Parco Theatre) with about 500 seats inside the building, where musicals and plays began to be staged even before the opening of Shibuya Parco itself. Park Avenue (*Koen Dori*) leading to Parco, the town Shibuya and what was called Parco Culture became a sign of fashion-oriented consumer culture in the 1980s, as indicated by many commentators (e.g. Kitada 2002, Miura 2006, Yoshimi 2008).

In the meantime, Seiji Tsutsumi introduced a new retail format called ‘*Mujirushi Ryohin*’, meaning high-quality goods with no brand, in 1983. This became known as Muji outside Japan. The idea originally began as a private brand for Seiyū, a chain of superstores in the Seibu group, in 1980. Tsutsumi defined that the concept of Muji or Mujirushi Ryohin should seek, firstly, an anti-establishment ideology, secondly, a consistent image (minimalistic and simple but artistic designs, as ‘*muji*’ in Japanese connoted plainness), and thirdly, economy-oriented goods (Koyama 1991: 464, see also Yui, Tatsuki and Ito 2010: 88). Seiji Tsutsumi intensified the concept of anti-establishment products. He explained later, ‘It was quite difficult to penetrate the idea into the company, no matter how I emphasised that these products were oriented to anti-establishment. ... When the concept of ‘anti-establishment’ is broken down, it is composed of two aspects. First, the objection to the American-style affluence that almost all people aspire to. Another is the rejection of fashions and vogues, although there are plenty of fashions and vogues on the streets nowadays; and this should be a cool attitude in the end. Anti-American prosperity and anti-vogues are the two main “anti” factors’ (Tsutsumi and Miura 2009: 97 and 99). Almost 7,000 items Muji provided were plainly designed, and not oriented to convenience, luxury or waste. Rather, ‘we provide the products as if half-completed ones; then please think about how to use them yourself’ (Tsutsumi and Miura 2009: 100). The idea can be seen as consistent with his criticism of consumer society explored below.

Despite the prosperity of his business, the Saison Group had to be dissolved due to severe financial problems in 2001. Yui, Tatsuki and Ito (2010: 18, 31 and 40) analysed this failure and suggested that Seiji Tsutsumi’s organisational philosophy, ‘a republican form of business (*keiei kyowa-sei*)’ which was to avoid hierarchical dominance by the core companies over the member companies, and ‘a rhizome-like organization (*rhizome-gata soshiki*)’ in which each independent company freely shared ideas and connected with each other underground, rather overlooked the situation where nobody knew or controlled the whole body of the Saison Group that expanded so widely. As a result, the burst of the so-called ‘bubble economy (1986–1991)’ exposed huge deficits of member companies; In particular the losses of Tokyo City Finance, a nonbank financial company, and Seiyō Environment Development, a company of development for real estate, were too huge to be compensated. This problem led to the dissolution of the Saison Group 1999 to 2003, and Seiji Tsutsumi compensated by giving his whole fortune. After this event, he never returned to the business world, while he continued the activities of a poet and novelist and an active political commentator.

**Critical thinking of marketing and consumer culture**

Seiji Tsutsumi continued to keep a critical mind-set both as an activist of the left-wing movement and as a successful executive in business, He recollected:

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Whether the organization is a bureaucratic office or a private enterprise ... it imprisons people in non-humanistic or de-humanistic faces. People tend to obey the orders of the organization by repressing their objections based on their true sensitivity.

We can replace the term 'organization' here with 'revolutionary ideas' or the performance of 'what you ought to be (Sollen)'.

When I was a member of the revolutionary party, I repressed the objections welling up from inside myself as they were caused by the vestige of my petit bourgeois feelings, and tried to overcome these objections to become a real revolutionary.

When I tried to continue to be an executive, I also turned down the objections that sprung from my sensitivity by using as leverage what I ought to do for companies' profits and not being defeated by strong competitors (Tsutsumi 2000: 30–31).

Seiji Tsutsumi tried to theorise his objections while he was a famous executive of the retail and service businesses. His efforts produced two theoretical books, *A Perspective Drawing for Changes* (1979, rev. ed. 1985) and *Criticism of Consumer Society* (1996).

The first book discussed the essential feature of the distributive industry. According to him, 'the distributive industry exists on the boundary between the theory of capitalism and the theory of humanity'. 'The distributive industry has two contradictory features; it has the features that must be industrialized to this point, and must not be industrialized from this point'. In this sense the distributive industry is essentially 'the marginal industry' (1979: 344; 1985: 301).

Based on the theory of capitalism, the distributive industry should be modernized and industrialized. Thus, the idea of 'the revolution of distribution (*ryutsu kakumei*)', 'the revolution of the distributive industry (*ryutsu sangyo kakumei*)' and 'the information revolution of distribution (*ryutsu joho kakumei*)' successively appeared in Japan from the early 1960s onwards, and modern retail formats such as supermarkets, superstores and chain stores were introduced on a large scale and carried out the system of mass distribution and mass consumption based on the mass production. This theory of capitalism materialized an affluence society in Japan, involving modernisation, rationalization, standardization and the increasing scale of economy on the one hand, and diversification in market on the other. Nevertheless, this must be far distant from 'the individualistic process of life of a human being' which Karl Marx defined as the essence of consumption (Tsutsumi 1985: 309–310).

This question induced him to publish the second book, *Criticism of Consumer Society*, which won him the title of Doctor of Economics from Chuo University. The aim of this book is 'deconstruction of the concept of consumption', which was vaguely expressed as 'the theory of humanity' in the former book.

In the so-called consumer society, the act of consumption itself is the target of manipulation by capitalism as features that constitute the relationships within the market.

As the twentieth century is known as 'the century of advertising agents and theme parks', marketing supporting these activities is just a skill to sell the products that are produced massively, and is in turn a skill to direct and commercialize the signs of consumption. To tell the truth, the society called 'consumer society' is merely the society for producers, and the society representing the direction of market trends by capitalism. In order to change a paradigm of the industrial society, the phase of marketing should also be fundamentally changed.

In order to criticize consumer society from the current perspective of global society and to reorganize the paradigm of the industrial society, we should get back to the fundamental meaning of consumption to exclude representation of consumption with symbols, and establish the fundamental concept of consumption as realization and fulfilment of the self (Tsutsumi 1996: 24–25).

Thus, Seiji Tsutsumi critically explored the concept of ‘developmentalism’ in the Japanese economy, expressions of symbols in advertisements, consumption of signs, and differentiation of images, and changes in Japanese-style management, by mobilizing his extensive knowledge of theorists such as Friedrich *Hegel*, Karl Marx, Adam Smith, Jean Baudrillard, Roland Barthes, Karl Polanyi, and many Japanese philosophers. His theoretical exploration inevitably included self-criticism. ‘This book is a criticism of industrial society based on my experiences, and also a criticism of myself who was involved in this society as an executive’ (Tsutsumi 1996: 205).

While self-criticism by a successful executive led many people to be puzzled, it can be said that his self-criticism was an attempt to go beyond the critiques which some serious commentators aimed at Saison Group marketing. They indicated, for instance, ‘Park Avenue in Shibuya became an advertised and commercialised space as a result’ of Parco’s marketing (Miura 2006: 127); ‘we cannot review the current art scene in Japan except the Seibu Museum, the Art Vivant, and Parco Publication, which are, in a broader sense, all advertising media for Seibu’ (Watanabe [1986] 2012: 185); and ‘any culture and art become kinds of advertising when they have the backing of Saison Group’ (Miura 1991: 445). Seiji Tsutsumi himself tended to welcome this type of criticism, and his second book can be seen as an attempt to extend this criticism.

Nevertheless, while his second book was exploring many criticisms of capitalistic marketing and consumption, he could not push what he considered as the desirable consumption patterns and marketing thought to the front of his thinking. He could only suggest some clues. Seiji Tsutsumi preferred to collect first-class economists, management theorists and academics in many other fields, but his contact with the Macromarketing School was only primitive. He was invited to a conference on marketing and development in 1995 and met a few US macromarketing scholars for the first time. Mentioning the names of Nikhilesh Dholakia and Fuat Firat, he noted his impression: ‘The Conference on Marketing and Development, which invited these scholars and was held at Saitama University in July 1995, should be memorised as a prior notice of the arrival of a new era of marketing study’ (Tsutsumi 1996: 232, fn.2). As such he clearly recognised macromarketing as ‘a new marketing thought’ (Tsutsumi 1996: 193). It is no longer clear whether his criticism could have developed further if he had contacted many macromarketing scholars in depth.

### Conclusion

Seiji Tsutsumi raised a fundamental question in his later years, ‘Can we call the society in which only secular desires are satisfied a utopia?’ (Tsutsumi 2000: 211). As this query suggested, he continued to be an idealist, a dreamer and a criticism-minded figure even though he was expelled from the left-wing movement and became a representative executive (*Nikkei Ryutsu Newspaper* 1996). Seiji Tsutsumi was a unique critical marketer in Japan, and his search for the ‘ethics of capitalists’ (*Yomiuri Newspaper* 1997) influenced the Japanese business and marketing world. We should move forward along the same path of critical thinking about marketing and consumption to which Seiji Tsutsumi devoted his life.

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