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Author: *Veronica Johansson*

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Level	Final Thesis for Master of Business Administration in Marketing Management
Adress	University of Gävle
	Department of Business Administration
	801 76 Gävle
	Sweden
	Telephone (+46) 26 64 85 00
	Telefax (+46) 26 64 85 89
	Web site http://www.hig.se
Author	Veronica Johansson
Supervisor	Maria Fregidou-Malama, Ph.D.
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Abstract	*Aim*: Over the years, marketing has become a more and more important tool in politics in general. In order to campaign successfully – and become the President-elect - in the U.S. Presidential Election, marketing is indispensable. This lead to enormous amounts of money spent on marketing. The aim of this research is to contribute to existing knowledge in the field of political marketing through the analysis of how marketing is done throughout a political campaign. The 2008 U.S. Presidential Primary Elections, together with a few key candidates have served as the empirical example of this investigation. Four research questions have been asked; what marketing strategies are of decisive outcome in the primary season of the 2008 political campaigning, how is political marketing differentiated depending on the candidate and the demographics of the voter, and finally where does the money come from to fund this gigantic political industry.

Method: The exploratory method and case study as well as the qualitative research method have been used in this work. Internet has been an important tool in the search for, and collection of data. Sources used have been scientific articles, other relevant literature, home pages, online newspapers, TV, etc. The questions have been researched in detail and several main conclusions have been drawn from a marketing perspective. Correlations with theory have also been made.

Result & Conclusion: In the primary season, the product the candidates have been selling is *change*. The Obama campaign successfully coined and later implemented this product into a grassroots movement that involved bottom-up branding of the candidate. This large base allowed |

	for a different marketing strategy that implemented earlier and better organization in the caucus voting primary states resulting in an untouchable lead for the Obama campaign. The successful utilization of the Internet and social networking sites such as Facebook and YouTube led to enormous support, not least among the important group of young (first time) voters. It also served as the main base for funding throughout both the primary and the presidential season, effectively outspending the Clinton, and later, the McCain campaigns. This study has shown that there are differences in marketing when it comes to different presidential candidates even within the same party. Marketing activities and efforts also look different for different marketing groups. *Suggestions for future research*: This study was limited to the primary season; it would have been interesting to include the whole U.S. Presidential campaigning process from start to finish. In future research projects, it would also be interesting to see comparisons between political marketing in the U.S. and political marketing elsewhere, in Europe for example. *Contribution of the thesis*: This study contributes to increased knowledge when it comes to understanding the role of social media, grassroots movement, and bottom-up branding as a political marketing strategy. It also contributes to increased knowledge about political marketing in general. Furthermore, it shows the importance of marketing - and money - in American politics. Political parties as well as individual candidates may also find the results of this research useful for future campaigning.
Keywords	Political marketing, marketing, presidential election, primary election, strategy, grassroots movement, social networking.

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1. INTRODUCTION

In the introduction, the reader gets familiarised with the topic to be studied, i.e. political marketing. The purpose of the research, the research questions as well as the limitations are also described.

Over the years, marketing has become a more and more important tool in order to successfully manage a business. This is also the case in politics, both for Parties when it comes to attracting members as well as for individual candidates running for a certain post. In order to campaign successfully – and become the President-elect - in the U.S. Presidential Election, marketing truly is indispensable. This fact lead to enormous amounts of money spent on marketing in each presidential election process. And every new presidential election process, the amount increases substantially.

The aim of this research is to contribute to existing knowledge in the field of political marketing through the analysis of how marketing is done throughout a political campaign. The 2008 U.S. Presidential Election and a few key candidates will serve as the empirical example in this study.

On November 4, 2008, the people of the United States of America decided on who was going to be their next president for the following four years. By then, the "battle" between and within the different parties and the different candidates, had been going on for more than two years. And time indicates money. Indeed, enormous amounts of money have been spent, not least in the marketing of the different candidates and their campaigns.

Potential candidates with intentions of running in the 2008 presidential election had to create and register a campaign committee before receiving contributions. The most potential candidates formed exploratory committees (organizations established to help determine whether a potential candidate should run for an elected office) or announced their candidacies outright by November 2006. By October 2007, the consensus listed about six candidates as leading the pack. For example, CNN listed Hillary Clinton, John Edwards, Rudy Giuliani, Fred Thompson, Barack Obama, and Mitt Romney as the front runners. *The Washington Post* listed Clinton, Edwards and Obama as the Democratic frontrunners, "*leading in polls and fundraising and well ahead of the other major candidates.*" MSNBC's Chuck Todd christened Giuliani and John McCain as the Republican front runners after the second Republican presidential debate.

The goals of the campaign committees are to attract media attention and fundraising. Delegates to national party conventions are selected through direct primary elections, state caucuses, and state conventions. In previous cycles, the Democratic and Republican candidates were effectively chosen already by the March primaries, due to winning candidates collecting a majority of committed delegates to win their party's nomination. On March 9, 2008, the Republican Party announced that John McCain had won the majority of their

committed delegates and would be the Republican presidential nominee. However, unlike previous races, the Democratic presidential nominee was not known until June, when the last primaries and caucuses were held. The reason behind this unusual situation was that the race between the Democratic Part's two frontrunners, Barack Obama and Hillary Clinton, was very close. Hence, the decision on who would be the Democratic presidential nominee was finally decided by the superdelegates, that is, unpledged delegates free to endorse whomever they choose, and not by the primary voters per see.

The cost of campaigning for President has increased significantly in recent years. It has been reported that if all costs for both Democratic and Republican campaigns (including primary election, general election, and the conventions) are added together, they have more than doubled in only eight years ($448.9 million in 1996, $649.5 million in 2000, and $1.01 billion in 2004) (Wikipedia, 2008j). In January 2007, the now former Chairman of the Federal Election Commission (FEC), Michael Toner, estimated that the 2008 race will be a *"$1 billion election*," and that to be taken seriously, a candidate needed to raise at least $100 million by the end of 2007 (Wikipedia, 2008j).

Three candidates; Clinton, Obama, and Romney, raised over $20 million in the first quarter of 2007, and three others; Edwards, Giuliani, and McCain, raised over $12 million. The next closest candidate was Bill Richardson, who raised over $6 million. In the 2008 election, many candidates actively tried reaching out to Internet users through their own sites and through sites such as YouTube MySpace, Yahoo! Answers, and Facebook. Republican Ron Paul and Democratic Party candidate Barack Obama were the most active in courting voters through the Internet. On December 16, 2007, Paul collected more money on a single day through Internet donations than any presidential candidate in U.S. history with over $6 million. In October 2008, one month before the general election, the Obama campaign had raised $423 million and the McCain campaign has raised $185 million plus $80 million in public financing.

So why is this subject interesting and important? Marketing management usually deals with the running of a business. But marketing also exists in other arenas such as for example politics. However, not that much is known about how marketing is done when it comes to politics. It is believed to be both interesting and important to investigate in the subject. Another reason to why the field of marketing in politics is believed to be interesting is that politics indeed concerns us all. The way the nominating process developed in the 2008 U.S. Presidential race is unique in many ways which also make it an interesting subject to study.

The research intends to investigate in, and answer, questions concerning differences and similarities between political marketing and consumer marketing. More specifically, it also intends to study the 2008 U.S. Presidential nomination process and marketing strategies of special relevance, marketing differentiation as well as financial aspects.

1.1. Purpose/Aim

The aim of this research is to analyse the marketing used in politics, and, more specifically, in a political campaign. Furthermore, the intention of this study is to contribute to the existing knowledge in the field of marketing and politics. The empirical case chosen for this purpose is the 2008 Presidential Election in the USA – and more precisely, the Primary Elections and Caucuses during the nomination process. For this purpose, the following questions, *i.e.* key research questions, are developed.

1.2. Research Questions

The study is intended to answer the following questions:
1. What kind of marketing strategies are of decisive outcome in the primary season of the 2008 political campaigning?
2. Does the type of marketing differ within the Democratic Party, i.e., do the different candidates within the same party use different methods?
3. Is the marketing different for different demographic groups?
4. Where does the money come from?

1.3. Limitations

The focus of this study is on marketing in politics – and more specifically on the 2008 U.S. Presidential Elections. The study is limited to marketing during the nomination process, i.e. the primary season with its primary elections and caucuses. Furthermore, it will also be limited to analyzing the marketing performed by the campaigns of the two Democratic frontrunners Barack Obama and Hillary Clinton. The work focuses particularly on Barack Obama and his campaign. The Republican Party, as well as some of its candidates, might serve as comparative examples throughout the work. Since other parties are so insignificant in the U.S. compared to the two major ones, they will not be part of this study.

Politics in itself or the stance of the two major U.S. parties will not be part of this work. However, the U.S. presidential nominating and election process, concepts and phenomenon, major parties, theory of political campaigning, financing, advertisement, etc. are included in the report serving as a background in order to enhance the understanding of the U.S. Presidential Election process. This information is given in Appendices.

2. THEORETICAL DISCUSSION

In this chapter, the theoretical background is presented. Initially, a few words on the general aspects of marketing, such as definition, are mentioned. Afterwards, the field of political marketing is explored. First, the origins of political marketing are described and general information, such as for example the definition(s), is given. Similarities and differences between the political and the commercial marketplace are discussed. Then follow its process, several useful guidelines, and an example of a model imported from marketing management that can be used in order to analyze a party/candidate and its surroundings. Finally, some of the major criticism toward political marketing is discussed. The chapter ends with a summary and reflections on the theoretical findings and how they can be used in the study.

2.1. Marketing in General

The marketing literature offers numerous definitions of marketing, at the heart of them all, though, is the common core: the marketing concept (i.e. consumer-oriented approach) and the notion of exchange (Scammell, 1999, p.725). In 1985, the American Marketing Association (AKA) officially sanctioned the broad view of marketing, by adding "*ideas*" to the list of products suitable for marketing (Scammell, 1999, p.725). The definition became: "*Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organisational objectives*".

Marketing is about identifying and meeting human and social needs, while being profitable in the same time, simply said marketing is "*meeting needs profitably*" (Kotler and Keller, 2006, p.5). The 2004 definition by the American Marketing Association (AKA) stated that "*marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stake holders*" (Homepage of AKA, 2008). By 2007, AKA offered a new definition; "*Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.*" In the new definition, marketing is regarded as an "*activity*" instead of a "*function*". Furthermore, marketing is considered to be a broader activity, not only a department within a company. Finally, the definition also positions marketing as a long term provider of value rather than short term. Kotler and Keller (2006, p6) see *marketing management* as the "*art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value.*" Peter Drucker (1973, p.64-65, cited in Kotler and Keller, 2006, p.6), a leading management theorist, put it this way: "*The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself.*"

Marketing consists of actions undertaken to reach a desired response from another party – a business wants a purchase, a political candidate wants a vote, etc. (Kotler and Keller, 2006, p7).

Marketing deals with exchange, transactions, and transfers (Kotler and Keller, 2006). Exchange is the process of obtaining a desired product by offering something in return. A transaction is a trade of values between two ore more parties once an agreement is reached. In a transfer, nothing *tangible* is given in return. However, something is usually expected to be given in return. Professional fundraisers for example provide benefits to donors (or transferers), in the form of emails, magazines, invitation to events, etc. According to Kotler and Keller (2006), ten types of entities are being marketed: goods, services, experiences, events, persons, places, properties, organizations, information, and ideas.

The marketplace nowadays is drastically different from what "*it used to be*" in the days of mass production and/or consumption. Major societal forces have created new behaviours, opportunities, and challenges, such as changing technology through the Internet, intranet, extranets, etc; globalization; deregulation; privatization; customer empowerment; customization; increased competition; industry convergence; retail transformation; disintermediation created by online dot-coms such as AOL, Amazon, Yahoo, eBay, E'TRADE, etc; and reintermediation by existing companies when adding online services to their offerings (Kotler and Keller, 2006).

Celebrity marketing is a major business in today's marketplace. Every film star has an agent, a personal manager, a public relations agency. CEOs, politicians, musicians, also get help from celebrity marketers. According to Kotler and Keller (2006, p.8), management consultant Tom Peters has advised each person to "*become a 'brand'*". More background on marketing in general can be found in Appendix VII.

2.2. Marketing in Politics or Political Marketing

"*Political marketing is an exciting field,
which much unknown
and many aspects worthy of considerable debate.*" Lees-Marshment, 2006, p.124

"*To undertake political marketing is to undertake a journey but not to control its destiny.*"
O'Shaughnessy, 2002, p.1089

Political marketing analysis has its roots in a debate initiated by a pair of leading management theorists in the 1960s (Newman, 1999a; Wring, 1999, p.5). With the publication

of their ground breaking analysis of non-profit organizations in 1969, Philip Kotler and Sidney Levy challenged marketing's preoccupation with commercial activity (Newman, 1999a; Wring, 1999, p.5). Two years later, Kotler and Zaltman (1971) identified a new and distinct field of "*social marketing*" where non-profit organizations could benefit from the adoption of an approach pioneered in business. In the following years, analysts began to accept the need to study and develop understanding of the non-commercial sector (Newman, 1999a; Wring, 1999, p.6). Analysis of social marketing has since then entered into the subject mainstream. During the 1980s and 90s, research focused on public bodies such as charitable, religious, and governmental agencies. Interest also grew regarding party politics and, more specifically, how candidates campaign to win elections.

With increasing interest, academic literature also emerged in the field of political marketing (Savigny, 2007, p.123-124). Less than 20 years ago, "political marketing" was rarely found in academic journals outside the USA. Even there, the field was in its infancy (Scammell. 1999, p.718). The academic development of the political marketing discipline is at an early stage and, as yet, there is still much debate over the nature of the role of marketing and its applicability in political campaigns (Baines and Egan, 2001, p.32). The obvious overlap between politics and marketing apparent in much of the growing literature on U.S. campaigning written in the 1980s has revived management specialists' interest in the subject. Gary Mauser, Bruce Newman, Nicholas O'Shaughnessy are important scholars in the field and among those few that have developed the literature on political marketing in the U.S. (Newman, 1999a; Wring, 1999, p.10). There has been a broad and rapidly expanding international literature connected to political marketing, especially in the field of electioneering and political communications (Scammell, 1999, p.718). However, the political marketing literature tends to be specific to single countries, and indeed often to particular party cases (Butler and Collins, 1996, p.25). O'Shaughnessy (2002, p. 1087) states that different communities teach different things, and that the reception given to the export of American political marketing techniques in different countries is mixed. However Johnson (1997, cited in O'Shaughnessy, 2002, p. 1087) makes clear "*this is more a rejection of the idea of American-influenced elections than of the ethos of political marketing per se*".

The focus of political marketing has often been on managerial issues such as in the work of Kotler (1981), O'Cass (1996), Butler and Collins (1994), and Lock and Harris (1996), which have a strong marketing management focus (O'Cass, 2002, p.1026). O'Cass (2002, p.1026) continues by claiming that "*such areas of interest in the political-marketing literature have been related to the application of the marketing concept and of the structural and process characteristics of political marketing and marketing strategy*" and cites O'Cass, 1996; Butler and Collins, 1994; Lock and Harris, 1996; O'Shaughnessy, 1996. Some interest has also been shown to consumer research related to treating voters as consumers (Newman, 1985; Shama, 1973). Overall this body of work has contributed significantly to the

advancement of political marketing (e.g., Burton and Netemeyer, 1992; Butler and Collins, 1994; Lock and Harris, 1996; O'Cass, 1996) and to the understanding of the management of political parties and the behavior of voters (O'Cass, 2002, p.1025-1026).

Since the mid-90s a group of scholars from UK, Germany, and the USA, is trying to establish political marketing as a distinctive sub-discipline, offering new ways of understanding modern politics (Scammell, 1999, p.718).

O'Shaughnessy (1990) and Newman (1994) have imported models from the management marketing literature to chart contemporary political behaviour in the U.S. (Savigny, 2007, p. 123-124). The same has been done in the UK by Scammell (1995) and Lees-Marshment (2001a) according to Savigny (2007, p.123-124). These business models are used to describe contemporary electoral competition. One of the key concepts within these models is the "marketing concept" which essentially claims that the customer is at the centre of the product. This concept is largely accepted and applied within much of the political marketing literature (Savigny, 2007, p.124).

Unlike research going on in the U.S., which is increasingly sub-divided and focused on specific cases or campaign activities such as polling or advertising, the international literature tends to group the study of techniques together under the generic term "political marketing" (Newman, 1999a; Wring, 1999, p.10). Dominic Wring (1999, p.10), a senior lecturer in Communication and Media Studies at Loughborough University, UK, argues that "*the fact that several independent scholars from different democracies have recognised the growth of this phenomenon over the last two decades tends to reinforce the belief that there is a major change taking place in the way modern elections are being conducted.*". The phrase "political marketing" has become a recognised part of academic discourse (Newman, 1999a; Wring, 1999, p.7).

Political marketing is far from being universally accepted among political scientists at the conceptual level, even though a small group of political scientists are in favour of political marketing, arguing that it brings "*distinctive strengths lacking in orthodox political science treatments*" (O'Shaughnessy, 2001, p.1047, 1049). Political marketing is commonly misinterpreted as being only about 'political communication', but it rather is "*a potentially fruitful marriage between political studies and marketing*" (Lees-Marshment, 2001b, p.692). The broad scope of political marketing has not been widely accepted in existing literature (Lees-Marshment, 2001b, p.692; Scammell, 1999). Political marketing has even been accused, by those in the field of political science, of "*being nothing else other than presentational fizz and dismissed as a cute idea offering little more than trendy appeal*" (Lees-Marshment, 2001b, p.692). One explanation behind this accusation is that the majority of political marketers do focus only on political marketing communication (PMC) even though others acknowledge political marketing's greater potential (Lees-Marshment, 2001b,

p.692). Another reason is that the theoretical framework of marketing is not always empathized enough (Lees-Marshment, 2001b, p.692). The idea that marketing techniques can be utilised in political campaigning often brings disquiet to many, not least those who believe that "*politics has a higher purpose than commercial profitability*" or who acquaint marketing with "style" rather than "substance" or "image" rather than "issues" (Baines and Egan, 2001, p.27). The perceived view amongst many practitioners was that "*the differences from the mainstream were such that marketing required considerable adjustment in the political arena*" (Baines and Egan, 2001, p.28). These perceived differences have been documented by many (e.g. Reid, 1988; Butler and Collins, 1994; Lock and Harris, 1996; Egan, 1999; Baines *et al*., 1999a, cited in Baines and Egan, 2001, p.28). However, "*there is a crucial need for political marketing concepts to be based "…on both pillars: marketing and political science*" (Henneberg, 1995, p.5, cited in Butler and Collins, 1996, p.25).

Political marketing is often located within 'campaign studies' by political scientists (Scammell, 1999, p.719). There is agreement that marketing is significant in modern campaigns, but disagreement that marketing is the accurate theoretical framework within which to understand campaign processes (Scammell, 1999, p.720). In the field of 'political communication'[a], political marketing is seen primarily as a response to developments in media and communication technologies (Scammell, 1999, p.720). A third main approach on political marketing comes from management and marketing disciplines. According to Scammell (1999, p.722), Kotler argues that election campaigning has an inherently marketing character and that the similarities of salesmanship in business and politics far outweigh the differences. However, Butler and Collins (1999, cited in Baines and Egan, 2001, p.27) argue that simple application of "a marketing orientation" to political campaigning is perhaps an over-simplification.

The emphasis on strategy is the major contribution of the marketing literature, shifting the focus from the techniques of promotion to the overall strategic objectives of the party/organization, thus, reversing the perspectives of the other approaches – political marketing goes from being a subset of broader processes (communication, campaigning) to *becoming* the broader process (Scammell, 1999, p.723). This is a key argument of the rising sub-discipline of political marketing (Scammell, 1999, p.723; O'Shaughnessy, 2001, p.1049). Consequently, the prime drivers of change are not the media but campaigners' strategic

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[a] Political communication is a sub-field of political science "*that deals with the production, dissemination, procession and effects of information within a political context*". Some of the aspects studied within this sub-field are study of media and analysis of political speeches. Political science then, "*is a branch of social science that deals with the theory and practice of politics and the description and analysis of political systems and political behaviour*". Wikipedia, 2008 (http://en.wikipedia.org/wiki/Political_communication and http://en.wikipedia.org/wiki/Political_science)

understanding of the political market. Butler and Collins (1996) agree. According to them, the study of political marketing has concentrated on tactical issues in the campaign, and especially on communications. Instead, they attempt to shift the emphasis to the strategic level by recognizing the limitations of the other approaches. With this framework, fundamental issues such as competitive analysis, party/candidate positioning, and relevant strategic directions are brought to the political marketing context. The strategic framework offers "*an opportunity to move away from the merely tactical and see the reality of political management in a broader frame*". They finally conclude by stating that "*it is incumbent on the marketing community to encourage this approach rather than allow a narrow, and ultimately limited, perspective to prevail*" (Butler and Collins, 1996, p.35).

Political marketing is claimed to offer new and important ways of understanding modern politics. It has a desire to investigate and explain the behaviour of leading political actors, to understand the underlying processes, to create explanatory models of party and voter behaviour, as well as an interest in persuasion (Scammell, 1999, p.719). It has consequences for democratic practice and citizen engagement. Scammell (1999, p.739; Lees-Marshment, 2001b, p.707) concludes that political marketing "*offers a rational economic theoretical basis for explaining party and voter behaviour that is more broad and inclusive than either the conventional political science campaign studies or political communications approaches*".
There is accumulating evidence that the adoption of the marketing concept is precisely what has been happening in U.S. politics (and to a lesser extent in Britain and elsewhere) (Scammell, 1999, p.732). "*Going back to Franklin D. Roosevelt, all modern-day presidents have relied on marketing to a greater or lesser degree to communicate their messages to the American people.*" (Newman, 1999b, p.35). Basic marketing skills such as campaign buttons, posters, political rallies, campaign speeches, etc., have been used for years to familiarize voters with a name, a party, and a platform.

2.2.1. Definition of Political Marketing

Many phrases such as "political management", "packaged politics", "promotional politics", or "modern political communications", have been used to describe what is most commonly called "political marketing" (Scammell, 1999, p.718) Political marketing can be seen as something "*democratic parties and candidates actually do to get elected and that it is different from earlier forms of political salesmanship*" (Scammell, 1999, p.719). However, according to O'Shaughnessy (2001, p.1051) there is a risk of using the term political marketing "*too loosely, to refer to anything from rhetoric to spin doctoring, or simply to every kind of political communication that has its genesis in public opinion research*".

The genre "political marketing" may be seen to function at several levels, since it is both descriptive and prescriptive. Descriptive, since it "*provides us with a structure of business derived labels to explain, map, nuance and condense the exchange dynamics of an election*

campaign". Prescriptive, since many academics claim that "*this is something parties and candidates ought to do if they are to fulfil their mission of winning elections*". "*'Political marketing' may now be a recognised sub-discipline, but it is also a recommendation.*" (O'Shaughnessy, 2001, p.1047).

The general definition and understanding of political marketing suffer from significant confusion (Scammell, 1999; Lees-Marshment, 2001b, p.692). By 1999 there was still no consensus on a definition of political marketing, nor even that it is the most appropriate label for the subject (Scammell, 1999, p.718).

Political marketing is generally defined as "*facilitating the societal process of political exchange*", while political marketing management describes the '*art and science*' of successfully *managing* this (political) exchange process (Henneberg, 2004, p.226). Political marketing consists of (1) a network of commercial enterprises offering relevant consultancy services and of political organizations (parties, candidates, lobbyists, and PACs) that employ them, and (2) a set of practices that constitute the 'discipline' involved: political research, opinion polling, strategy development, etc. (Palmer, 2002). Activities in political marketing may comprise developing a strategic political posture for a party, micro-managing an election campaign, coordinating the spin on certain communications with "parallel" organizations and using political marketing research to focus marketing spending resources, etc. (Henneberg, 2004, p.226). Political marketing is "*the marketing of ideas and opinions which relate to public or political issues or to specific candidates*" (Butler and Collins, 1994, p.19).

Another definition of political marketing is that it "*is about political organizations adapting business-marketing concepts and techniques to help them achieve their goals*" (Lees-Marshment, 2001b, p.692). Political parties, interest groups, and local councils for example, are increasingly conducting market intelligence research to identify key citizen concerns, and change their behaviour accordingly in order to meet those demands and then communicate their "product offering" more effectively (Lees-Marshment, 2001b, p.692). Political marketing can also be defined as "*seeking to establish, maintain and enhance long-term voter relationships at a profit for society and political parties, so that the objectives of the individual political actors and organisations involved are met. This is done by mutual exchange and fulfilment of promises*" (Grönroos, 1990; Henneberg, 1996; cited in O'Shaughnessy, 2001, p.1048).

2.2.2. "The ABC's of Marketing"[b]

Political marketing can be seen as the permeation of the political arena by marketing (Lees-Marshment, 2001b, p.693). Marketing literature (Evans and Berman, 1994, p.399; O'Leary and Iredale, 1976, p.153; cited in Lees-Marshment, 2001b, p.693) acknowledges that non-profit organizations are "*substantially different to businesses*". However, transferring marketing principles from business organizations to non-profit organizations is a complex process and must be made with care (Rothschild, 1979, p.11, cited in Lees-Marshment, 2001b, p.693). Simply said, marketing approaches must be adapted (Scrivens and Witzel, 1990, p.13, cited in Lees-Marshment, 2001b, p.693). A non-profit organization, such as a political party, differ from a business in many ways: its goal is different, its performance is more difficult to measure, it may have several, conflicting, often undefined and unknown markets, it is conventionally seen as having normative roles or functions to play in society, and finally, its "product" is less tangible and is more complex to design, as well as envisage conceptually (Lees-Marshment, 2001b, p.693).

Researchers increasingly look to service-industry 'relationship marketing' theory to delevop models for politics. Political exchange dynamics have echoes in service marketing where the product often also is intangible, complex and not fully understood by its customers (Scammell, 1999, p.727). Successful marketing in many service sectors are associated with strategies that treat sales as 'exchange relationships' where trust is exchanged for fulfilled promises. Reputation, image, and leadership evaluations are all important factors in both politics and the service sector (Scammell, 1999, p.728). Media has a more active presence in politics than in any other service market, and is by far, the most important channel of political information and crucial for political image (Scammell, 1999, p.729). However, even though media complicates the exchange dynamics, it does not determine them – the main exchange remains that of party/candidate and voter(s) (Scammell, 1999, p.729).

2.2.2.1. Similarities & Differences between the Markets

According to Palmer (2002, p.350), the theory of political marketing "*rests in large measure on the perception of a parallel, or an analogy, between the marketing of consumer products and political persuasion*". However, this parallel is not unquestioned. One of those in favour of the analogy compare voting to an investment, others state the managerial similarity with competition, decision-making, communication channels, and persuasion (Palmer, 2002). Yet others produce political marketing models which are similar to marketing

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[b] The name of the heading is borrowed from Newman, B.I., *The Mass Marketing of Politics*, Sage Publications, 1999, Ch. 3, p. 35

models – a structure consisting of product, organization, and market; and a process consisting of value defining, value developing, and value delivering (Butler and Collins, 1994, p.19-34; and Butler and Collins, 1999, cited in Palmer, 2002, p.350). Palmer (p.350-351) continues by stating that those against the idea of an analogy, argue that the political 'product' has no practical value for the 'consumer', that the range of 'products' is very limited, that a large part of the labour force in politics consists of volunteers, that opposition is clearly defined, that the 'consumer' is more difficult to analyse, 'product positioning' is more difficult to perform, and finally, that re-branding is more complex due to ideology.

There are strong similarities between the business market and the political market according to Newman (1999b, p.36-37). First, both markets use standard marketing tools and strategies, i.e. marketing research, market segmentation, targeting, positioning, strategy development, and implementation. Second, the voter can be analyzed as a consumer in the political marketplace, thus using the same models and theories in marketing used to study consumers in the commercial marketplace. Third, both are involved in competitive marketplaces and therefore rely on similar approaches to winning. Intensity of competition is a driver of change in both politics and business according to Scammell (1999, p.726).

Two evident differences between the two marketplaces are difference of philosophy (goal) and follow up of implementation of marketing research results. The goal in consumer marketing is to make a profit, in politics; the overall goal, at least for democracies, is "*the successful operation of democracy*" (Newman, 1999b, p.36). However, electoral success is the major short-term goal of a party or individual (Lees-Marshment, 2001b, p.693). The difference between winning and loosing in business is based on huge variations and by contrast, in politics, this difference can be very small. Implementation usually is followed in business but in politics though, it is up to the candidates themselves to decide on the level of follow up (Newman, 1999b, p.36). Another distinction between political marketing and consumer marketing is that political marketing is subject to the mass or "free" media which may be influenced but not controlled. Thus, political marketing has to be viewed as a complex two-step communication process that influences the consumer directly but also indirectly through the free media (O'Shaughnessy, 2001, p.1050).

2.2.2.2. Same Principles

The same principles are true for both the commercial marketplace and the political marketplace: Successful companies have a market orientation and are constantly engaged in creating value for their customers by anticipating their needs and constantly developing innovative products and services that keep them satisfied (Newman, 1999b, p.35). Politicians do the same; they try to constantly create value for their voters by improving quality of life and creating the most benefit at the smallest cost ((Newman, 1999b, p.35). Innovation in the political marketplace is no different from innovation in the commercial marketplace. Without

innovation, a company, politician, or political party is doomed (Newman, 1999b, p.29).

2.2.2.3. The Selling of a 'Product'

Major corporations have marketing departments including sales representatives, marketing researchers, advertising specialists, direct marketing experts, etc. Their job is to develop marketing plans for existing products and brands and also to develop new products and brands. Marketing helps in the selling of the products – without marketing the sales would most certainly be a lot lower. Just like a company, a politician also sells something. The difference is that the politician sells ideas, himself or herself, as well as his or her vision (Newman, 1999b, p.36). These ideas are formulated into programs that are then marketed to the people. The candidate uses marketing professionals to convince the voters to vote for him or her and to buy into his or her vision for the country in question. The vote can be described as a "psychological purchase" (Butler and Collins, 1994, p.19).

Newman (1999b, p.36) argues further that: "*Today, similar to the business world, it takes a good marketing researcher, media strategist, and direct mail specialist, as well as a stable of consultants and a lot of money, to win in politics.*". One remark that can be made about the political product is that it is complex, abstract, intangible, and not easily unbundled by voters. It embodies "a certain level of promise about the future", an "attractive life vision", whose satisfactions are "long-term, vague and uncertain" (O'Shaughnessy, 2001, p.1048). The political 'producers' themselves may also dispute product characteristics, even in public and "*right up to the point of 'sale'* " (Scammell, 1999, p.727). Harrop (1990, cited in O'Shaughnessy, 2001, p.1048) sees political marketing as essentially a form of service marketing. Baines and Egan (2001, p.32) continue by acknowledging that political markets are distinctive but question the degree of distinctiveness from other high-credence, highly intangible service markets. Accordingly, marketing theory recognizes that intangible services are far more difficult to sell than physical products (Scammell, 1999, p.727).

2.2.2.4. The Voter as a Consumer

Often, expectations of customers – and voters – are influenced by the gaps in thinking that exist between their own perceptions and those of the service provider. Marketers have a hard work trying to shape these expectations. One gap exists between the *expectation of consumers and management's perceptions* of those expectations (Newman, 1999b, p.37). This gap might be difficult to measure in politics because candidates shape their perceptions of the electorate after pollsters have told them what these expectations are. In presidential primaries in particular, policies and promises are often changed in order to suit each area's or state's electorate even if the candidates' records suggest something different. Another gap exists between *quality specifications and service delivery* (Newman, 1999b, p.37). Politicians are

much more vulnerable to this gap than other service industries due to unexpected situations in which to respond – they might not be able to respond and deliver even if they perceive what is important to the voters. A third gap exists between *management perceptions and service quality specifications* (Newman, 1999b, p.37). Politicians do not always have complete control over staffing; civil servants often are in positions not affected by changes in elected officials. Setting agendas responsive to citizens' needs can also be difficult due to the fact that for example, the U.S. House of Representatives can shift majority from Democratic to Republican during the term of the incumbent president. Finally, a fourth gap exists between the *service delivery and external communications* when promises made do not end in tangible results (Newman, 1999b, p.38). This is common in politics since candidates "*often campaigns on platforms of promises that do not materialize into policy when he or she gets into office because of the bureaucracy in government or puffery on the part of the candidate as a means of getting into office*" (Newman, 1999b, p.38).

2.2.2.5. The Politician's Unique Service Obligations

According to Newman (1999b, p.38), there are three situations that are unique for politicians compared to other service providers. First, they are faced with uncontrollable situations such as a stock market crash, a military invasion, the death of another politician, accusations by a competing candidate, etc. The only way to respond to these uncontrollable situations is to act proactively by having an organization and policies flexible enough to respond. Secondly, politicians have dual roles, being both policymakers and campaigners. Activities and strategies very much depend on which of the two roles is played. As a policymaker for example, the politician counts on permanent staff, whereas as a campaigner, volunteers are hired on a temporary basis. The third difference is the type and level of communication used by the politician and his or her organization. Politicians must rely on mass media communications, public appearances, and direct mail procedures to get their message out. Usually the organization is the one making contact; however, the politician normally has more face-to-face contact than found elsewhere in the service sector.

2.2.2.6. The Exchange Process

Newman (1999b, p.39; Scammell, 1999, p.722) argues that marketing often is described as an exchange process between a buyer and a seller, with the buyer exchanging money for the seller's product or service. In politics, the exchange process is centred on a candidate offering political leadership (through policies) and a vision in exchange for trust and support in the form of votes. Once in office, the same is offered in exchange for votes of confidence or approval ratings (Newman, 1999b, p.39).

2.2.2.7. Marketing Research

Newman (1999b, p.39) states that:

"*At the core of marketing is the belief that extensive research must be carried out to determine the needs and wants of the marketplace before a product or service is developed. Similarly, marketing research is used by political leaders to shape policy.*"

This process, although initially much more primitive, dates back as far as to the campaigning of the early 1800s (in the USA). Already in the 1820s and for a long time thereafter, interviews as pre-election "*straw polls*" (a term coming from the strong farming industry in the USA at that time, that revealed "*how the wind was blowing*"), were used in newspapers (Newman, 1999b, p.39). George Gallup was the first to introduce the world to polling in his Ph.D. dissertation studying newspaper reading habits, and in the 1930s he invented the political poll (Newman, 1999b, p.39). According to Niffenegger (1989, p.46), Eisenhower was probably the first to use "*positioning research*" in his 1952 presidential campaign by having Gallup surveying the electorate to determine the most pressing issues on voters' minds. Later, pre-elections polls became common. In 1968, Richard Nixon took marketing research to a new level when using data featuring a 26-item semantic differential scale to plot the voters' images held of him, Humphrey, Wallace, and the "*ideal president*" (Niffenegger, 1989, p.47). Then, by measuring the gaps between him and the ideal, Nixon was able to identify which traits he most needed to improve. He was also one of the first to target and track the crucial *swing voter* segment in *swing states*. Undecided voters most susceptible to campaign pleas in these areas were then tracked in order to concentrate marketing efforts on them.

Another tool is PINS (Political Information System), "*probably the most comprehensive political research system to date*" (1989), a highly integrated political planning and analysis system developed by Wirthlin since 1968 (Niffenegger, 1989, p.47). It was used by Reagan in the 1984 presidential race for example, as was focus groups. In addition to current survey data, PINS contained historical voting patterns for every county in the U.S. as well as demographic data. It also factored the relative strength of the party organization on a state-by-state basis as well as voter intention data, updated daily. Additionally, it had an impressive feature, its simulation capability allowing "*what if*" questions on various topics Niffenegger, 1989, p.47).

Opinion polls, called marketing research in the business world, are one of the most important tools in politics (Newman, 1999b, p.40). First, focus groups are used to fine-tune programs and policies, once this is done, marketing research is used to develop tactics and strategies before the issues are finally presented in public. There are several ways to colour the perceptions of voters. One tool is the "*push polls*" where, using a phone bank, thousands of voters are called and asked questions smearing or denigrating the opposing candidate with

the purpose of changing their perceptions (to the negative) about him or her (Newman, 1999b, p.40). 900 telephone numbers polls, where only the opinions of those who choose to call in and respond are measured, can also be used. These biased results can then change the opinion of others (Newman, 1999b, p.41).

Today, opposition research is indispensable for a political campaign in order to be successful. According to the company listings in *Campaigns & Elections*, a political consulting periodical, there are over 50 firms to hire for opposition research (Newman, 1999b, p.41). The work consists of finding out anything about the candidate's opponents that can be used against them. It is also a useful proactive tool for auditing the candidate's own past to look for possible vulnerable spots that needs to be protected and/or responded to.

The importance of marketing research is that not all products can be sold to all consumers. Hence, research is done to determine how to best satisfy the needs and wants of different key groups of customers. The same is true in politics. However, according to Newman (1999b, p.41), political leaders have a dilemma; the cost in approval ratings can be so large that they choose not to push though a certain legislation that they promised and/or believe in. Test markets can be used to "simulate' a market place that serves as a forecast of consumer behaviour. U.S. presidential candidates use this procedure during the primaries in order to shape the images and ideas to market once the nomination is secured. Test markets are usually carried out in specific cities with a demographic profile corresponding to the nation as a whole. Peoria, Illinois, is one of those cities (Newman, 1999b, p.42). Marketing research indeed is a useful tool. However, it has to be used with care; image or ideas can not only be built on polls.

Political marketing is by far the most controversial area in which consumer research is conducted (O'Cass, 2002, p.1044). The voter can be manipulated by politicians or special-interest groups, but, on the other hand (like other areas of consumer-behavior research), voter-behavior studies may offer a deeper understanding of voter needs and lead to the development of improved voter communications programs. (O'Cass, 2002, p.1044)

2.2.2.8. Focus Groups

The use of focus groups as a means of generating data in respect of public opinion has become increasingly influential in politics in recent years (Savigny, 2007, p.134, Newman, 1999b, p.40, Niffenegger, 1989, p.47). This goes hand in hand with the large acceptance of the principles of focus groups from business in political marketing. Focus groups are considered to be important by both practitioners and academia (Savigny, 2007, p.122). The use of marketing in politics is nothing new, but in recent years the political environment has become increasingly "marketised" (Savigny, 2007, p.123). As parties employ marketing techniques to achieve their goal, i.e. winning an election, the identification of public opinion is an essential element in informing contemporary electioneering. While surveys and

databases are used to identify, collect, and store data in respect of public opinion, the specific use of focus groups has accelerated in the last decade. This can in part be attributed to questions of reliability and perceived inadequacies of other methodologies – "*when polls get it wrong*" – and the need to revive credibility in respect of opinion research (Savigny, 2007, p.123).

The method of focus groups was developed during World War Two, and today focus groups constitute a significant tool for political marketers (Savigny, 2007, p.125-126). According to several sources, "*focus groups are accepted within marketing and market research as providing believable results at a reasonable cost, and have become an established method for commercially oriented organisations to collect information.*" (Savigny, 2007, p.126). As with other areas within political marketing, the methods associated with the activity of marketing have been transposed into the literature and practice of political marketing. The aim of a focus group is to provide a forum for information to be gathered and views to be aired, in order to gain an insight into and understanding of people's opinions on a particular issue (Savigny, 2007, p.126; Newman, 1999b, p.40). Furthermore, they are used to "*elicit people's understandings, opinions and views, or to explore how these are advanced, elaborated and negotiated in a social context*" (Wilkinson, 1987, p.187, cited in Savigny, 2007, p.126).

The key feature of a focus group, consisting of a moderator and participants that are encouraged to put forward and reason their views and opinions, is the active encouragement of group interaction. The groups are small, anywhere from 5 to 15 people (Newman, 1999b, p.40). Questions are open-ended and one-dimensional (with no hidden meaning), short and clear, using words the participants themselves would use. Sometimes pictures and imaginary scenarios can also be added. The use of focus groups is to uncover factors that influence opinion, behaviour or motivation and as a site to test ideas. They can also uncover feelings about issues in relation to both product and brand (Savigny, 2007, p.126).

Focus groups are widely used in contemporary political practice in countries such as the USA and the UK (Savigny, 2007, p.122, 126). They are seen as essential in electioneering. As noted by Newman (1999b, p.40; Savigny, 2007, p.128), there has been "*a general shift in recent years from reliance on polls to predict voters' behaviour to the use of marketing research to provide explanations behind the prediction*". This explanatory and predictive role is thus regarded as an important if not *the* function of focus groups, reinforcing the commitment to science. However, not all market research is conducted via focus groups, but they do provide a significant contribution to the identification of, and collection of information in respect of, voter preferences.

2.2.2.9. Needs & Wants

Marketing is a critical component to understanding what voters, citizens, or consumers want and need. However, in order to successfully identify needs, both current as well as possible future needs must be envisioned. Another aspect to take into consideration is that people can desire the same things or persons but for different reasons. Needs may also be both rational and emotional. The U.S. primary season provides an opportunity for the different presidential candidates to test out ideas to se what will sell to the voters. This is summarized by Newman (1999b, p.43): "*Just as a smart marketer makes sure that there is a need for his or her product before the marketer distributes it around the country, so must a politician be sure that voters are concerned with an issue before the politician decides to advocate it.*". Candidates need to adjust their message constantly depending on where they are since different voters and different states need and want different things. The message also needs to be adjusted depending on results in earlier primaries.

2.2.2.10. Market Segmentation & Targeting

Not everyone in a market can be satisfied. Market segmentation then, is a process that identifies the typical customer or voter. Targeting is the selection on which segment(s) represents the greatest opportunity, *i.e.* the target markets (Kotler and Keller, 2006, p.24; Newman, 1999b, p.44). Marketing effort is then concentrated in these target markets, where the message, product or person is most likely to be bought in. In the U.S., the Democrats have historically been the party of the poor and minorities and the Republicans have been the party of the rich and big business (Newman, 1999b, p.44). Programs and policies were then developed to satisfy the needs of these citizen segments. This has changed with marketing technology. Newman (1999b, p.44) argues that, it is possible "*to tailor messages to meet the needs of all constituents, regardless of group, regardless of group identification, the segmentation of people along party lines has been blurred, with each party trying to attract citizens from the competing party*". An example of this are the Reagan Democrats, Democrats that went Republican and helped Reagan win both 1980 and 1984. Another example is when Bill Clinton in 1992 identified the middle class as being a perfect target segment and then used the message of economic appeals to convince them to vote for him (Newman, 1999b, p.44).

2.2.2.11. Positioning

"*Positioning is the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market.*" (Kotler and Keller, 2006, p.310). The goal is to locate the brand or product in the minds of consumers in a way that maximize the

potential benefit to the company. Positioning is critical to the success of any product, changes and innovation must be incorporated regularly to keep the product flourishing in the marketplace. The same is true in politics (Newman, 1999b, p.45). Once the multiple voter segments are identified, the candidate has to be positioned in the marketplace. In the process of positioning, both his or her own as well as the opponents' strengths and weaknesses must be assessed. An example is Bill Clinton positioning himself as a "New Democrat" in 1992, someone who would change the way in which Washington works (Newman, 1999b, p.45). This same tactic is used in 2008 by Obama (Vote for Change).

2.2.2.12. Importance of Ideology

A politician's reputation is perceived in the same way as brand identities of products and services (Newman, 1999b, p.45). Reputation can be seen as *the only thing of substance*" that can be promoted to buyers in advance of sale (Scammell, 1999, p.728). The key difference between reputation and brand identities is that a politician's reputation is intimately tied into his ideology (Newman, 1999b, p.45). Extensive advertising is used by companies, political parties and candidates to label and define who the provider is and what makes his or her products, services or ideas different from the competition, hence, worth to buy. Historically, the ideology as a way of labelling was very common in politics and served as a connection between the politician, his or her party and the public. Ideology was based on fundamentally different ideas of how to run a government. Today, however, Americans prefer labelling themselves "independents" rather than "liberals" or "conservatives" due to the trend in shifting from one party to another. Furthermore, ideology is now driven by marketing (especially focus groups and polls) and not by earlier "party traditions" (Newman, 1999b, p.46).

2.2.2.13. Continuous "Product Development"

Success in politics, at least short term, is measured by the ability of a leader to move public opinion in the wanted direction. For this purpose, it is critical to identify target voters and satisfying their needs. However, winning in presidential politics not always imply winning as a country (or a world) (Newman, 1999b, p.46). New "product development" has to be a continuous process in order to continue to meet consumer and voter needs. This is especially true today with increased competition, changed consumer needs and tastes, new technologies, shorter product life cycles, etc. As suggested by Tom Peters, a company should be producing at least a dozen new ideas each month on how to improve each of its product lines and everyone should be involved in the process (Newman, 1999b, p.46). This may be applied in politics as well.

2.2.3. The Political Marketing Process & Planning

2.2.3.1. The Political Marketing Process & the "4P's"

Much of press coverage of past elections has focused on TV ads or public appearances. However, political marketing utilizes much more than just publicity and clever advertising techniques. According to Niffenegger (1989, p.46), it successfully integrates each of the "4P's" (product, price, place, promotion) of the marketing mix, guided by marketing research with sophisticated segmentation and simulation techniques. (This is different from a more recent source claiming that the 4Ps "*need considerable stretching to make much sense in politics*" (Scammell, 1999, p.725, footnote 50). In the MOP-SOP-POP or Lees-Marshment model, price and place are discarded since they do not make much sense for party behaviour according to her (Lees-Marshment, 2001b, p.696). However, Lees-Marshment admits that they have more utility for campaigns.) A simplified model of these concepts can be seen in Figure 1.
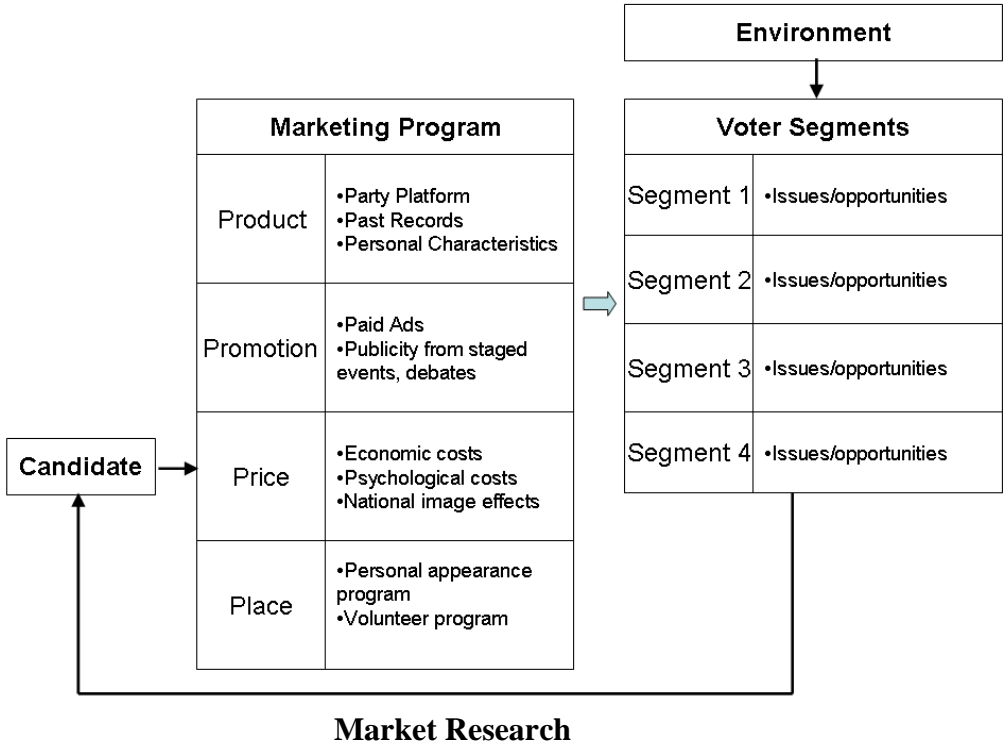
Figure 1. The political marketing process of the 4P's (reproduced from Niffenegger, 1989, p.46).

Product: Niffenegger (1989, p.47) argues that: "*The product offered by political marketers is really a complex blend of many potential benefits voters believe will result if the candidate is elected*.". The major benefits associated with a certain candidate are spelled out in the candidate's *party platform* and transmitted to the voter through media. The candidate's

past record and *personal characteristics*, as well as the *image of the party*, also influence voters' potential benefit expectations. Tailoring the product to fit the intended market segments is basically a product management job; in political marketing it is done by the political consultant (Niffenegger, 1989, p.48). The latter provides a complete package of candidate services including campaign management, polling, marketing, fund raising, advertising, and public relations.

According to Butler and Collins (1994, p.21), the marketing traits of the political product are considered in three parts: 1) person/party/ideology, 2) loyalty, and 3) mutability. Competence, back-up resources, past records, promises for the future, and degree of autonomy from the party line are important considerations when it comes to choosing a candidate. Political parties and candidates usually experience a continuity of support which means that winning first-time voters is of major importance. The loyalty also allows a certain degree of flexibility in shifting policy. On the other hand, it is a barrier to entry to new parties and groups and makes it difficult to convert from one party to another. Mutability, i.e. that the 'purchase' is alterable even in the post-purchase setting, is a notable property of political marketing.

Promotion: Promotion is often considered to be the most important marketing element for presidential candidates (Niffenegger, 1989, p.49). Enormous amounts of money are being spent on TV and radio ads for example; however, paid advertising is only a part of the promotion mix. Publicity, free campaign coverage by the news media, constitutes a large part and its reach can be enormous. News media is often criticized for not only "*documenting a candidate's position*" but rather "*moulding public opinion through the subtle selection and repetition of visual images*" (Niffenegger, 1989, p.49). Concentration and timing of media spending is also very important – it is about spending in a way that gives the most impact. The concentration strategy could involve choosing a "showpiece" state and concentrating a disproportionately high amount of media dollars and other promotional effort there, to produce an unexpected win (Niffenegger, 1989, p.49). Timing is about spending the heaviest amount of money when they will do the most good while encouraging the opposition to do the contrary. A *strategy of misdirection* – which is about catching the opponent off balance by changing the circumstances – can help the underdog "*to win a battle, if not the war*". (Niffenegger, 1989, p.49). Another promotional plan is *negative advertising* (Niffenegger, 1989, p.49). However, opinions on their utility differ. Some studies show that attitude and belief changes do occur with negative ads, while others claim them to rather backfire on the candidate paying for them (Niffenegger, 1989, p.50). Yet other sources claim that they might even cause voter apathy and low voter turnout.

Price: *"The price of a candidate can be thought of as the total of a number of costs associated with the candidate's election."* according to Niffenegger (1989, p.48). Economic costs are a major voter concern. These costs include possible tax or interest rates increases, cuts in government benefits, etc. There are also hidden psychological costs, such as religion or ethnicity, associated to each candidate (Niffenegger, 1989, p.48). National image effects, such as reduced (or increased) national pride due to the election of a particular candidate, is yet another possible cost (Niffenegger, 1989, p.48). A common strategy is trying to minimize the candidate's own expected cost, while maximizing the perceived cost of the opponent(s) (Niffenegger, 1989, p.48).

Place: Place strategy is about the methods or channels used to get a candidate across in a personal way to the voters (Niffenegger, 1989, p.48). In order to be successful, the place strategy must include a *personal appearance program* as well as a *volunteer worker program* (Niffenegger, 1989, p.48). The former details where the candidate will reach out to the voters, that is, at rallies, club meetings, dinners, factory gates, etc. The latter is used to *"extend the candidate in a personal way into local markets"* through canvassing, lawn signs, registering voters, soliciting funds, etc. (Niffenegger, 1989, p.48). Party members can also be used as surrogates to speak on behalf of the candidate. Covering a nation as large as the USA is a challenge. Earlier, "whistle stop" train tours were common (Niffenegger, 1989, p.48). Conferences at airports are another way of "making appearance" in many states in a short time. Satellite technology made it possible for simultaneous interviews with television news personnel in several states, just in time for the local evening news. The Internet is another great tool offering an enormous reach to possible voters in no-time.

Voter Segmentation: Many of the above mentioned marketing strategies can, with certain modifications, be applied for each of the different target voter segments. As defined earlier in this chapter, market segmentation is a process that identifies the typical voter. Targeting is the selection of the segments presenting the greatest opportunity (Kotler and Keller, 2006, p.24, Newman, 1999b, p.44). Segmentation even becomes micro-segmentation when a very specific group of people or city is targeted (Niffenegger, 1989, p.50). A specific strategy is then developed for each target market (or voter segment) in order to maximize voter impact.

Marketing Research: According to Kotler (1975, cited in Niffenegger, 1989, p.46): *"The typical office seeker must assess the voters' needs, interests, values and represent himself as the best perceived instrument for the voters to achieve their desires… Even if he could guess at the major issues, he is not likely to know their relative importance in the minds of various groups of voters."* Hence, as a minimum, the candidate must know what the key

issues are. He or she must also know which position on each issue will win the most votes among the target voter segments (Niffenegger, 1989, p.46). Market intelligence, or marketing research, is a difficult process. If it does not produce correct results, the designed product will be unsuccessful (Lees-Marshment, 2001b, p.700).

Ethics in Political Marketing: Niffenegger (1989, p.51) states that political marketing is both expensive and sophisticated. However, the ethics of using marketing to "*sell*" candidates is discussed. Political marketers often "*have both the financial resources and pressure-induced incentive to use creatively the latest technology and innovative strategies to succeed*" (Niffenegger, 1989, p.51). Additionally, everything is documented publicly which means that there is a huge and useful database on earlier elections available (Niffenegger, 1989, p.51).

There are ethical problems associated with political marketing according to O'Shaughnessy (2002, p.1079): "*Everyone has an opinion on the ethics of political marketing, and often it is an unflattering one /.../ political marketing and its ready public associations with the idea of manipulation has become one of those things it is fashionable to worry about...*". One area of anxiety, for example, as stated by O'Shaughnessy (2002, p.1079) is the idea that opinion is being bought by the richest rather than the best, thus offending democratic notions.

2.2.3.2. The Political Marketing Planning Process

Numerous authors have illustrated the relevance of particular aspects of marketing theory for political entities, such as for example the relevance of the marketing mix for political parties (Niffenegger, 1989; O'Leary and Iredale, 1976). However, according to Baines *et al*. (2002, p.6), Smith and Saunders (1990) identified that it is through the more strategic use of marketing techniques that the target markets' wants and needs, and the necessary policy decision-making to satisfy these wants more effectively, will truly emerge. Baines *et al*. (2002, p.6) continue by stating that:

"*The major political parties in the developed world are beginning to embrace the marketing concept and process. /.../ Nevertheless, marketing planning for political parties has, until now, been neglected in the literature and there appears to be a lack of consideration of the strategic components associated with political marketing campaigns (Butler and Collins, 1996; Farrell, 1996; O'Cass, 1997; Baines et al., 1999b).*"

Furthermore, Lock and Harris (1996, cited in Baines *et al*., 2002, p.6) suggest that "*political marketing as a discipline has to develop its own frameworks, adapting those from the core marketing literature and, second, that it has to develop its own predictive and*

prescriptive models if it is to inform and influence political action". Despite political scientists' estimations that local campaigning can affect the vote significantly, especially in first-past-the-post electoral systems like in the U.S., it has been neglected in earlier models and in political marketing literature in general (Baines *et al*., 2002, p.7).

The purpose of marketing planning is "*the identification and creation of competitive advantage*" (McDonald, 1989, cited in Baines *et al*., 2002, p.7). Political marketing planning aims to determine how to generate and retain public support for party policies and programmes. Competitive advantage is created through the determination and conduct of the party's positioning strategy and the consistent communication of this strategy in defined local key areas as well as through broadcast media. Five factors associated with strategic marketing planning are useful when it comes to marketing planning in the political arena (Palmer, 1994, cited in Baines *et al*., 2002, p.7-8) namely, 1) marketing position analysis, 2) objective setting, 3) strategic alternative evaluation, 4) strategy implementation, and 5) monitoring and control. For the market position analysis a determination of how voters perceive the parties and individual candidates in different areas of the electoral battleground is required. Which issues to compete on and which voter and citizen groups to target is part of the objective setting. The strategic alternative evaluation deals with segmentation, targeting, and optimisation of the message to best suit different voter groups. Implementation, monitoring and control are also part of the political marketing planning factors once market position analysis, objective setting and strategy are decided upon.

Baines *et al.* (2002, p.8) propose a marketing planning model that can be used for political parties operating in constituency-based electoral systems (particularly first-past-the-post) around the world. This framework, seen in Figure 2, needs to take into account the realities of the environment and allow for rapid change. It should incorporate the detail of the various political phenomena in order to reflect the reality of the campaigning process.
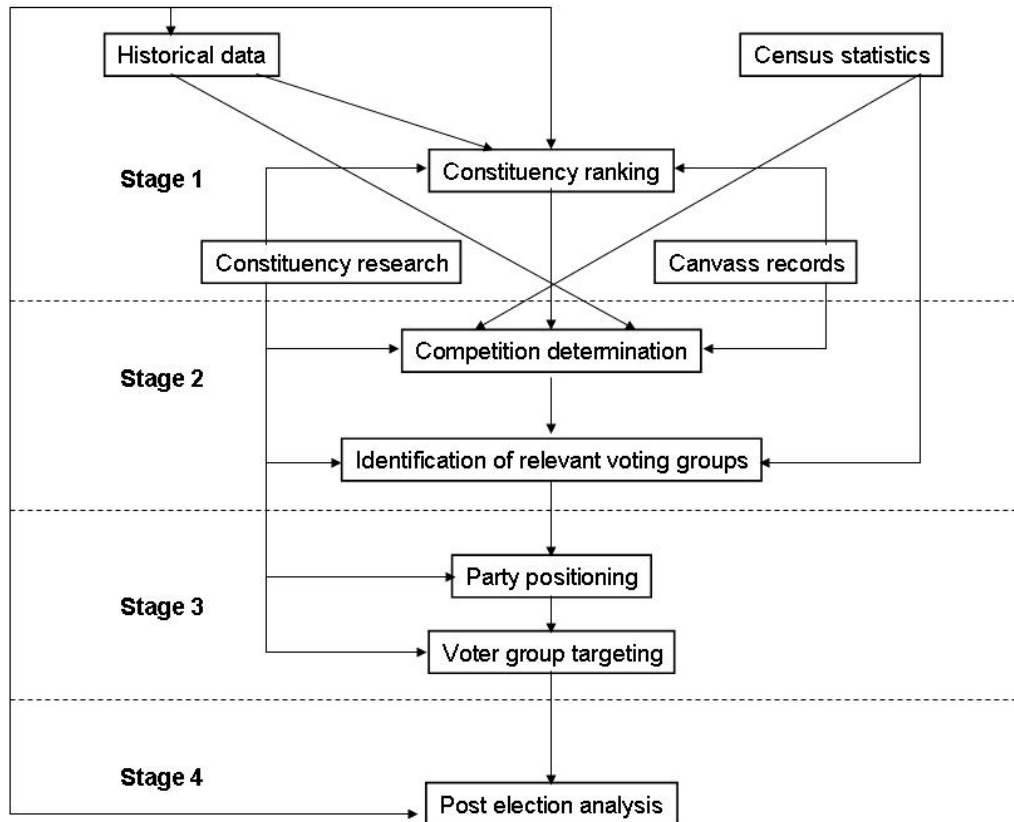
Figure 2. Political planning model for local campaigning (reproduced from Baines *et al.*, 2002, p.8).

As can be seen in Figure 2, stage 1 of the planning model consists of information gathering and constituency identification; including historical data of previous elections, census statistics (monitoring of the demographic structure of a constituency), constituency ranking (in terms of the sizes of their potential majorities since a simple majority is needed in first-past-the-post electoral systems), constituency research (full understanding of the current position of the major parties within a constituency), and canvass (targeting individual voters in the get-out-the-vote) records. Stage 2 consists of competition and voting group determination; including determination of which party presents the biggest threat within each individual seat and segmentation of relevant voting groups (those which are most important in either securing a seat or changing a seat's allegiance) (Baines *et al.*, 2002, p.9-11).

Planning model stage 3 deals with party positioning (or "*connecting*" with voters) and voter group targeting. Party positioning is a crucial aspect of the political marketing process. The political strategists decide on which issues are important from a voter perspective and how to deliver the appropriate message in order to persuade the electorate. The campaign theme is the single, central, idea that is communicated to voters "*to sum up the candidate's connection with the voters and their concerns and the contrast between your candidate and the opponent*". It also has to be consistent with the party's or candidate's policies, statements,

and ideology. Finally, planning model stage 4 consists of the post-election analysis. Previous successes and failures must be incorporated in future planning strategy in order to be successful. Post-election analysis deals with whether or not the correct voter segments were targeted successfully and why the electorate voted the way it did. Constituency results may also be used to check the accuracy of the earlier ranking (Baines *et al.*, 2002, p.11-12).

Baines *et al.* have attempted to demonstrate that in order to reach and communicate with those voters who are most likely to change their allegiance inside and outside the election cycle, political strategists need to use a structured and planned approach. They also hope that the above described framework illustrates how parties across the world can more effectively co-ordinate their campaign activities so that "*local campaigns are speaking with the same voice as the national campaign*" (Baines *et al.*, 2002, p.12-13).

2.2.4. Political Marketing Guidelines

In the setting of the 2000 U.S. presidential election, Bruce Newman (2001a) has developed a set of ten political marketing guidelines:

- Guideline 1: Understand what voters are looking for
- Guideline 2: Marketing is all about making an emotional connection with people
- Guideline 3: We live in an age of manufactured images
- Guideline 4: Use one central vision to connect to the candidate's issues and personality
- Guideline 5: Talk about voters' concerns, not your own
- Guideline 6: Voters constantly want change
- Guideline 7: Market yourself to the media
- Guideline 8: Avoid verbal gaffes at all costs
- Guideline 9: Get support from party elites
- Guideline 10: Perform well in the debates

According to Newman (2001a, p.215), "*the greatest marketing challenge to a candidate continues to be moving public opinion in a desired direction*". Consequently, marketing guidelines will need to be closely followed in order to insure victory.

One of the most important aspects to consider by a candidate is what the voters are looking for (guideline 1). *Honesty* and *credibility* are the top qualities in a president according to the average citizen. Newman continues by mentioning other important characteristics and issues including: "*prudent and intellectually honest leaders; leaders who will exercise their powers to the fullest when emergencies arise; and will place the country and the Constitution ahead of their own personal or partisan interest*" (Newman, 2001a, p.210). What voters want also varies with time and depends on who the most recent presidents have been. Another challenge for the candidate is to connect emotionally with the voters (guideline 2). It is about

creating likeability and using the power of personality rather than talking about voters' concerns. Those for whom it comes naturally to "*speak from the heart*" have a great advantage here (Newman, 2001a, p.211).

Manufacturing an image (guideline 3) of honesty, compassion, and toughness, in the minds of the people, is something the candidates strive to succeed with. "Poll-driven" campaigns try to create an image that is "all things to all people", seldom with good results. Rather it points towards a leader unsure of him- or herself. It is also important to create an image of a winner; the candidate has to show that he or she seems prepared to be a president, he or she should act in a way a potential president should (Newman, 2001a, p.211-212). The image of a politician is made up of the subjective understanding a citizen has of the person and his surroundings. Symbols like a politician's hairstyle and clothing provide vivid illustrations of the candidate's image. How he or she comes across in public when speaking to a crowd or responding to questions from journalists is perhaps most important to the image. According to Newman, the danger of politics moving into an era of manufactured images is that it will be more difficult to make an informed choice in the political marketplace (Newman, 2001b, p.966-969).

Communicating complex issues in an easily digestible way for the voters is another part to consider. This can be done through a clear vision statement (guideline 4). In earlier presidential races, phrases or visions such as "*Morning in America*" (Reagan, 1980), "*A Thousand Points of Light*" (Bush, 1988), and "*It's the Economy Stupid!*" (Clinton, 1992) have been used successfully. In the 2008 presidential race, Obama is using phrases such as "*Yes we can!*" and "*Change we can believe in*" referring to the change of Washington, change of politics, etc., electing him would imply. The vision statement has to be reiterated enough to stand out (to the point that all candidates now try to identify themselves with change). People want to know who their candidate is and what he or she stands for. An additional positive effect of the creation of an effective vision statement for a candidate is that it makes possible negative attachments of labels made by the opponent more difficult (Newman, 2001a, p.212).

Voters' concerns are the topic to discuss rather than your own (guideline 5). A candidate could also try to shift the spotlight to the opponent's bad records and non popular stand on issues (Newman, 2001a, p.212-213). Every election is a reaction to the pervious one – voters constantly want change (guideline 6). Often there even exists a "fatigue" of the incumbent candidate or party or politic due to the fact that voters still remember recent unfulfilled promises and/or scandals. This is something that can and should be used by the opposition. A candidate from the same party as the incumbent president often has to distance him- or herself from the former on certain issues in order to show that the agenda is "new" (Newman, 2001a, p.213).

Market yourself to the media (guideline 7). Decades ago, candidates should be marketed as "unattainable heroes". Today, they should rather be "real people", exposing themselves on

talk shows, etc. This switch makes journalists and TV hosts/hostesses strong opinion builders, thus, giving them enormous power. Hence, a candidate has to be Mr or Mrs "Nice guy" to them (Newman, 2001a, p.213-214). One of the biggest mistakes a candidate can make during the course of a campaign is to (unintentionally) say something than is not meant to be picked up by the media (guideline 8) (Newman, 2001a, p.214).

It is important to receive support from the party elite (guideline 9). It is of great advantage to get endorsements from the party elite, since this means more money and also help in building momentum. To get early endorsements and having a relatively unified party behind you are other advantages. An added benefit of a financially rich campaign early on is that it reduces the number of rivals (Newman, 2001a, p.214). Finally, guideline 10 concerns the importance of performing well in debates. Voters usually consider it interesting to follow debates and see the candidates live, see "who they are", see how they perform under pressure, and deciding who seem to have the leadership abilities to lead the nation. The candidates have to find the right balance between being aggressive and combative versus too hesitant and constrained. They should also try to deliver convincing sound bites. Furthermore, they should seem relaxed and confident and showing neutral facial expressions (Newman, 2001a, p.214-215).

2.2.5. A Political Marketing Model – The MOP-SOP-POP Model

According to Jennifer Lees-Marshment (2001b, p.692), political marketing "*is a marriage between political science and marketing. It borrows the core marketing concepts of product, sales and market-orientation, and techniques such as market intelligence, and adapts them to suit traditional tenets of political science to produce an integrated theoretical framework.*". In accordance with this, she argues that there are three different approaches or orientations to choose from by a party to gain supporters, namely product, sales, and market-orientation:

- A party that takes a takes a *product-orientation* (product-oriented party or POP) *argues* for what it stands for and believed in.
- A *sales-oriented* party (SOP) focuses instead on *selling* its arguments and products to voters.
- And finally, a *market-oriented* party (MOP) *designs its behaviour* to provide voter satisfaction.

This is referred to as the MOP-SOP-POP model (Lees-Marshment, 2006, p.119). Even though literature have been focusing on results from research made of major parties in Great Britain (Lees-Marshment, 2001a) the model is considered to be valid and useful for U.S. politics (parties and candidates) too. According to Lees-Marshment (2001b, p.701), it is the

most recent political marketing model, also offering a wider range of behaviour than existing models.

Traditional political science literature is a helping hand in understanding the nature, goals, product, market and behaviour of a party (or an individual candidate). It is generally accepted that electoral success is the major goal of party or individual (Lees-Marshment, 2001b, p.693). Furthermore, since the perspective is long-term, the aim is to win not just one – but successive elections. The market is complex. It consists of voters whose support a party needs to achieve electoral success, i.e. those eligible to vote, limited to the section of it required to win office after taking into account electoral rules, boundaries and seat distribution (Lees-Marshment, 2001b, p.694). Any other part of the population with influence upon this electorate must also be taken into consideration, such as, for example, children. The demands may be very different and conflicting. Party members are another important part of the market; loyal and active members generate votes according to earlier studies of memberships of the British Conservative and Labour Party. (Whiteley *et al*, 1994; Seyd and Whitley, 1992; cited in Lees-Marshment, 2001b, p.693). Even though their interests may vary, party members want electoral success, so they can actually help the party achieve its goal (Lees-Marshment, 2001b, p.694).

The product then is the party's "behaviour", offered at all times at all levels of the party. Revising political science literature makes it possible to reason that a party's product includes the leadership, the Members of Parliament or MPs (representatives elected by the voters to a parliament), candidates, membership, staff, symbols, constitution, activities such as party conference and policies (Lees-Marshment, 2001b, p.694). Political science offers a number of models to help explain and analyse the approach taken to their chosen "behaviour", such as Duverger's *mass party* (1954), Downs (1957) *rational-choice party*, Kirchheimer's (1966) *catch-all party*, Panebianco's (1988) *electoral-professional party* and Katz and Mair's (1995) *cartel party* (Lees-Marshment, 2001b, p.694). Political marketing is built on these models, particularly the Downs rational-choice basis (Lees-Marshment, 2001b, p.694, Scammell, 1999, p.726). However, it also integrates different directions from marketing and incorporates different sub-fields of the political science family, such as political communication, party policy and party organization (Lees-Marshment, 2001b, p.694).

Lees-Marshment states that; "*Marketing is concerned with the relationship between a firm's products and resources and the response to it from consumers, or the market, and all influences upon that relationship.*". It is about how organizations plan and make decisions (Kotler, 1972, p.49; Webster, 1992, p.2; cited in Lees-Marshment, 2001b, p.694) and aims to help an organization compete with its rivals to obtain a certain market share, in order to secure consumer spending (Lees-Marshment, 2001b, p.694). All areas of a company's behaviour is concerned, not only the sales department. Correspondingly, political marketing is as broad, and concerned with more than just communication. This is also congruent with political

science, since political parties are studied in terms of their organizational structure, leadership, policy, electoral support, not just campaign efforts (Lees-Marshment, 2001b, p.695).

Marketing uses a process to depict activities performed by a company. These activities are presented as a "marketing mix" or "4Ps": product, pricing, promotion, and place. Certain stages overlap with political studies (Lees-Marshment, 2001b, p.695). For example, parties' use of polls, compared to the stage of market intelligence, has become a notable area of study for political science. The marketing process connects it to the communication and design of behaviour.

The use of political marketing can increase political parties' chance of achieving their goal of winning general elections (Lees-Marshment, 2001b, p.695). They can change their behaviour, such as for example policy, organizational structure, and leadership, to respond to the market, by being product, sales or market-oriented. According to Lees-Marshment (2001b, p.695), the majority of political marketing studies suggests that marketing equals a market-orientation, but that marketing literature reveal that even if that is currently the case, each orientation can be appropriate depending on the goals and market for the individual organization. They are also equally interesting when it comes to studying organizational behaviour.

Marketing offers three orientations – product, sales and market – to explain business behaviour. These orientations can also be applied to party behaviour. To be noted is that this "three party concept" should not be seen as the "total truth" but rather as a simplified picture of reality that provides greater understanding and indicates what behaviour to look for. There are overlaps both in stages and orientation (Lees-Marshment, 2001b, p.700).

A *product-oriented business* concentrates on producing the best product it can, as efficiently and cheaply as possible, and assumes that it will then sell (Lees-Marshment, 2001b, p.695). If it does not, the business would blame the customer for lack of appreciation and for being ignorant. Correspondingly, a *product-oriented party* argues for what it stands for and believes in. The party assumes that voters will realize the superiority of its ideas, hence voting for it. The party does not change its ideas or product even if it fails to gain electoral success or membership support (Lees-Marshment, 2001b, p.696).

A *sales-oriented business* designs its products the same way as the product-oriented one, but puts more effort into selling the product. Sales-techniques, such as advertising and direct mail, are used to persuade buyers. The demand is created rather than responded to and the time perspective is short-term. The *sales-oriented party* focuses on selling its arguments to voters – it does not change its behaviour or product to suit what people want, but tries to make people want what it offers (Lees-Marshment, 2001b, p.696). This is done by using the latest advertising and communication techniques available and by using market intelligence to understand voters' response to its behaviour.
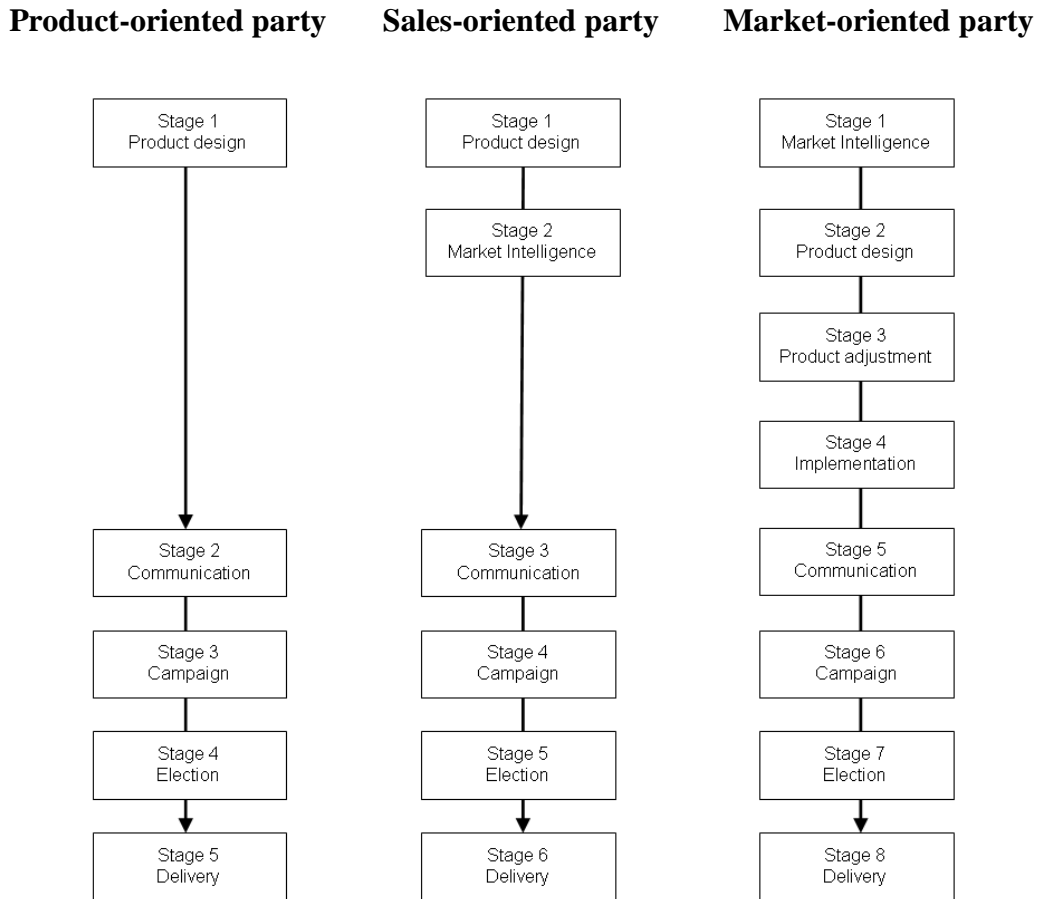
A *market-oriented business* instead, designs its product to provide consumer satisfaction

to achieve its long-term goals. The product is tailored and modified in response to changing customer needs which makes the market-orientation much more likely to satisfy customers and will stand a better chance of securing their long-term customers (Lees-Marshment, 2001b, p.695). A *market-oriented party* designs its behaviour to provide voter satisfaction (Lees-Marshment, 2001b, p.696). It starts by using market intelligence (opinion polls) to identify voter demands, and then designs its products to suit those demands. It needs to ensure that it can deliver the product on offer. If it fails to deliver, voters will become dissatisfied and the party will risk loosing electoral support in the long term. It also needs to adjust its product carefully. A market-oriented party therefore designs a product that will satisfy voters' demands, that meets their needs and wants, is supported and implemented by the internal organization, and is deliverable in government (Lees-Marshment, 2001b, p.696). Ormrod (2006, p.110, 112) criticises this market-oriented party to be one where "*only short-term, expressed voter needs and wants are considered to be important*". This however, is argued by Lees-Marshment (2006, p.120) not to be true. Furthermore, she continues by saying that "*a market-oriented party is not about removing all ideology, or just following public fashion, but about being responsive; respecting voters and reflecting on the party's own behaviour. A market orientation in politics should incorporate judgement, leadership, professionalism and ideologies, as long as they are executed in response to voter concerns.*" (Lees-Marshment, 2006, p.123).

Research (of UK elections) has shown that the greater the market-orientation the greater the success a party achieved in a general election (Lees-Marshment, 2001b, p.707). Clearly, the nature of the opposition is important. A party may win without being completely market-oriented if the competition is less market-oriented. A sales-oriented party may also win over a product-oriented party, if no party is market-oriented.

Ormrod (2006, p.115) argues that in political systems structured around the candidate rather than the party (such as in the English and U.S. national electoral systems), and where a commercialized and adversarial mass media considers politics to be "*a strategic game*" (Strömbäck and Nord, 2005, p.19, cited in Ormrod, 2006), the market-oriented party may well be the superior party to adopt; otherwise, the characteristics of Lees-Marshment's sales-oriented party (internal development of policy, market intelligence to uncover the most effective advertising methods, communication and so on) may be a wiser choice.

To achieve the three orientations, political parties engage in various activities, going through a marketing process. This is illustrated in Figure 3 below. To be noted is that the marketing process presented here differs both from marketing itself but also from previous studies of political marketing (where marketing is not always changed that much). Pricing and place from the 4Ps for example, are discarded since they do not make much sense for party behaviour according to Lees-Marshment.

Product-oriented party　　　Sales-oriented party　　　Market-oriented party

Product-oriented party	Sales-oriented party	Market-oriented party
Stage 1 Product design	Stage 1 Product design	Stage 1 Market Intelligence
	Stage 2 Market Intelligence	Stage 2 Product design
		Stage 3 Product adjustment
		Stage 4 Implementation
Stage 2 Communication	Stage 3 Communication	Stage 5 Communication
Stage 3 Campaign	Stage 4 Campaign	Stage 6 Campaign
Stage 4 Election	Stage 5 Election	Stage 7 Election
Stage 5 Delivery	Stage 6 Delivery	Stage 8 Delivery

Figure 3. The marketing process for product, sales, and market-oriented parties (Reproduced from Lees-Marshment, Jennifer, The Marriage of Politics and Marketing, Political Studies, Vol. 49, 2001b, p.697)

As can be seen in Figure 3, the different orientations have different stages and sometimes different order of stages (Lees-Marshment, 2001b, p.696). A ninth stage – maintaining a market orientation – was added in 2005 (Lees-Marshment, 2006, p.122). "*Ensuring space and time to think about product design/development for future policies*" could be one way of maintaining a market orientation (Lees-Marshment, 2006, p.124). Appendix VIII gives further explanations on the political marketing activities identified in Figure 3.

Market intelligence, or marketing research, is a difficult process. If it does not produce correct results, the designed product will be unsuccessful (Lees-Marshment, 2001b, p.700). Product-adjustment is complex but not impossible. Implementation is not easy to do within any organization, especially a political party. Adopting a market-orientation and following public opinion will probably arouse some opposition, yet, it is important to have a broad (majority) acceptance, otherwise voters will perceive that mixed message. Delivery is difficult. There is a widespread belief that parties never keep their promises once in power,

and there are many barriers to overcome. Governing is never easy (Lees-Marshment, 2001b, p.700).

The sales-orientation helps to explain why political marketing often is seen as nothing more than spin-doctors and sound-bites and why it can be criticized as being noting new. This approach focuses on using selling techniques. Unarguable, if political organizations adopt this focus they will be likely to produce the most effective presentation of the political product because they put all energy into communication. Furthermore, communication is designed in conjunction with results from market intelligence and can be used with marketing techniques, such as target marketing and direct mail. Another important aspect is that such parties engage in persuasion and try to make voters want what they offer, which is the criticism conventionally surrounding political marketing (Lees-Marshment, 2001b, p.699). The market-oriented party that suggests design of the product according to voter demands, instead of arguing their case, works against traditional views of politics (Lees-Marshment, 2001b, p.699). But, it can also be seen as something good for democracy since the party is more responsive to the people.

Until the 1990s the common view of political marketing was that it was purely about the use of sales techniques in election campaigns. Lees-Marshment claims having changed that with her political marketing orientation-model. According to her, the model provides "*a broad and complex framework to discuss how political parties utilise marketing techniques and concepts from start to finish, incorporating a range of behaviour and activities throughout a parliamentary term; considering members, voters, leaders; policy, organisation and ideology*" (Lees-Marshment, 2006, p.119). She continues by claiming that a testament to its success is that the model has been applied successfully, using all three party types, by scholars to a range of countries beyond its UK origins (Lees-Marshment, 2006, p.119). Nevertheless, initially it was not planned to use the model in any other country other than the UK. Today, USA is among the countries that have been tested with the model (Lees-Marshment, 2006, p.121). Lees-Marshment argues further that "*political marketing, in both market and sales-oriented forms, is being used around the world*". She continues by stating that the Lees-Marshment model remains a useful means of investigating its presence and effectiveness in relation to a range of systematic features and potential causal factors (Strömbäck and Nord, 2005, cited in Lees-Marshment, 2006, p.122). However, a criticism that can be made toward the model is that it lacks empirical operationalisation due to the complexity it would imply (Lees-Marshment, 2006, p.120). The model's contribution is expected to be in "*laying the foundations of political marketing concepts rather than to provide the final operationalisable model to test the orientations of large-scale organisations*" (Lees-Marshment, 2006, p.121).

In summary, as argued by Scammell (1999, p.726, Lees-Marshment, 2001b, p.701), political marketing does not claim complete innovation but "*looks to marketing literature for refinements of the economic model*". Lees-Marshment (2001b, p.701) continues by stating that "*combining concepts with a marketing process, political marketing provides a fuller picture of how political parties behave.*". Marketing, for example, offers the activity of market intelligence to explain *how* parties identify voters' demands. Lees-Marshment argues further that the design of a party's behaviour according to three different orientations that her model offers – product, sales and market – accounts for a wider range of behaviour than existing models. Hence, this model makes political marketing more comprehensive since parties can stand for what they believe in, trying to convince voters, or follow voter's opinions. In conclusion (Lees-Marshment, 2001b, p.707), "*the political marketing process connects these strands together with the two stages of communication and campaign; it also brings together market intelligence, product design and communication which previous party models have sometimes neglected to do*". Nevertheless, political marketing has yet to demonstrate effectiveness clearly (Lees-Marshment, 2001b, p.707; Scammell, 1999, p.736-737).

The model was designed to capture the behaviour of major political parties within the UK. However, it has also shown its usefulness elsewhere (Lees-Marshment, 2006, p.119). The use and effectiveness of each of the three party-orientations will depend on the individual party's type, dominant goal, and the country's notion and structure of party, nature of the market, as well as institutional factors like the electoral and party system. Political marketing also has the potential to be applied to other areas of politics such as to interest groups, local government, parliament, the civic service, public policy and the public services (Lees-Marshment, 2001b, p.709). Political marketing may have unresolved issues to address but it also has much more potential than has previously been articulated (Lees-Marshment, 2001b, p.709).

Political marketing asks different questions, such as how political organizations listen to the people they seek to serve, communicate, determine what they offer to the public and achieve their goals. It reconnects study of an organization and its market. It analyses politics from a supply side in conjunction with understanding of demands (Lees-Marshment, 2001b, p.709).

2.2.6. Weaknesses & Criticisms of Political Marketing

Political marketing is subject to both weaknesses and criticisms. According to Scammell (1999, p.735-738) these fall into five main categories: 1) problems with agreed definitions, 2) inadequacies of marketing explanations of electoral success, 3) difficulties of testing marketing models, 4) ambiguity of evidence of deliberate marketing consciousness in campaigns, and finally, 5) normative concerns at marketing's consequences for democratic practice. These categories will be explained in more detail below.

First, there is no consensus on definition. There is agreement on the central importance of the marketing concept, but there is wide dispute about the nature of "exchange". According to scholars from mainly marketing background, political marketing is not poll-driven politics as critics call it, but rather more of a matching exercise between voter wants and internal wants and goals for the party (or candidate). Another related problem concerns the transfer of marketing models to politics since the "political product" has not been clearly defined.

Second, a marketing perspective can identify which party/candidate waged the more rational campaign, tests can be done on product development, positioning, market segmentation, targeting and promotion, and some assessments can also be made of campaign success. Nevertheless, causal explanations of electoral success are missing, mainly due to methodological problems since proving cause is almost impossible to do. Political science scholars recognize this problem while marketing scholars sometimes argue that "*marketing made the difference*".

Thirdly, there are difficulties of testing marketing models. Marketing models of voting behaviour are fundamentally a sub-category of cognitive psychology consumer models with adjustments to better suit service and political markets. According to Scammell, they are usually designed more for practical use by candidates and parties in the development of party strategy than for *post hoc* explanations of voting behaviour. She continues by stating that they have been used to examine candidate campaigning in the USA by Newman, but that it is a weakness that "*there has been no post-election testing of marketing models against more conventional political science models of voting behaviour*" (Scammell, 1999, p.737).

Fourthly, "Is the marketing deliberate or not?" Investigations into party use of marketing point to the appeal and use of business methods and technologies in political marketing. However, little direct evidence of engagement with marketing *theory* and less knowledge of the 'marketing concept' have been found. Scammell continues:

> "I have argued elsewhere that campaigning knowledge evolves as a kind of political folk wisdom, based on experience, observation and the elite actors' preferred explanations of results. Within this, there is a noticeable reluctance of practitioners to accept that marketing is entirely appropriate to the specific conditions of an electoral campaign. Much U.S. campaigning practice, for example, is not completely explicable in conventional marketing terms and some aspects make more sense within the practitioners' preferred analogy of warfare. This may indicate that political marketing still has much to do in terms of developing an industry-specific model. Ironically, it may also mean that marketing is less suited to its main focus of study, campaigns, than it is for the longer-term analysis of party positioning strategy." (Scammell, 1999, p.738)

It seems that political marketing is borrowing methods and technologies from business without using marketing theory and knowing little about the marketing concept. This indicates

that political marketing still has maturing to do in order to develop its own specific marketing model.

Finally, marketing's consequences for democratic practice are disputed. It has been argued that the increased use of marketing in politics is contributing to a depoliticisation of the political process, inhibiting democratic debate, expression and choice (Savigny, 2007, p.134). The political communication literature generally tends to be suspicious toward marketing in politics – one source claiming that it makes citizens into "*armchair consumers of politics*" (Scammell, 1999, p.737). According to this view, citizens are "*active, rational and engaged*" while consumers are "*passive and vulnerable to emotional manipulation*". Others instead, believe marketing to make parties more responsive to voters' wishes and contributing to the design of more voter-friendly communications, thus, actually democratise politics. However, all agree that effects of marketing can be deliberate narrowing of the political agenda, emphasis on message rather than arguments, and more negative campaigning (Scammell, 1999, p.737).

Indeed, political marketing holds a difficult position in between the two distinct disciplines marketing and political science. There seem to be a constant obligation to justify and defend research, as well as practice, in the field, against criticism of its use of marketing concepts and instruments in the political arena (Henneberg, 2004, p.225). Criticism is found on both sides and is associated with both research and practice. Henneberg (2004, p.228) has described 11 principal critical arguments of political marketing and political marketing management.

The principal critical arguments concerning *practical application* of political marketing are:
- Statement 1: (Through the use of political marketing management) elections can be bought
- Statement 2: (With political marketing management politics has become) packaging without content
- Statement 3: (With political marketing management politics has become) populism and no leadership
- Statement 4: Politics is not about selling (political marketing management has the wrong mindset)
- Statement 5: Voters vote differently (due to political marketing management)
- Statement 6: Campaigns have become personal and negative (due to political marketing management)

Other arguments concern the *theory* of both political marketing as well as political marketing management:
- Statement 7: Too much communication focus (in the research)

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- Statement 8: Research insinuates management practice
- Statement 9: Non-sophisticated research (in political marketing)
- Statement 10: (The political arena is) not a marketing domain
- Statement 11: Value discussions are not grounded (due to lack of theoretical and ethical framework)

These statements are collected from both marketers and political scientists. Henneberg (2004, p.225) argues that, "*While marketing theorists are more concerned with the state of political marketing theory, political scientists concentrate much of their criticism on aspects of political marketing management as it is experienced in practice.*". The reasoning behind Statement 1, i.e. elections can be bought, is that today's elections are won by the candidate or party that has the "*slickest and most professionally run*" campaign management (Henneberg, 2004, p.229). This type of campaign management is costly, consequently, the candidate or party with more resources or better fundraising capabilities together with best timing wins, regardless of political argument. Henneberg (2004, p.229) counter argues that campaigns indeed are costly and that presidential candidates spend more than half of their time fundraising according to estimates, but that the direct relationship between spending and success is overstated. As for the consumer market, more campaign budget does not necessarily imply success.

Another criticism is that politics has become packaging without content (Statement 2). Political marketing management is accused of having resulted in "image over substance". Party politics and political communication today is much less about issues and convictions and much more about the packaging of political messages. Political arguments are now all about "*spin*" and "*sound bites*" – with an impressive package but without content. From a marketing perspective, this is true to some extent (Henneberg, 2004, p.230). However, Henneberg argues that the voter is able to differentiate between package and content.

Politics has become populism and no leadership (Statement 3). "*Parties and politicians 'follow'; they run after the political opinion and adapt to any small changes, especially to perceived opinion shifts in crucial segments of the electorate like opinion leaders, swing voters or electoral areas with 'marginal seats'.*" (Henneberg, 2004, p.231). The "follower" mentality, a customer/voter orientation (often mistaken for being customer-led), is attributed to the argument. Indeed, there is a tendency towards populism in politics, but being a populist is not an optimal position, and it neglects important aspects of the customer orientation (Henneberg, 2004, p.231-232). Furthermore, an element of 'leading' is attributed to following and satisfying customer needs and wants.

A critic claims that politics is not about selling – selling washing powder and politics can not be done in the same way. Hence, political marketing management has the wrong mindset (Statement 4). It is true that politics and "normal" products have little in common;

however, politics and services share characteristics. Both are promise- and experience based, non-tangible, perishable, partly public goods, they have "clients" rather than customers, etc. (Henneberg, 2004, p.232). Accordingly, service marketing can be a guide for political marketing management.

Statement 5 claims that voters today (due to political marketing management) do not get the information about important political issues that they need in order to form a 'rational' opinion on which they can base their voting decision. This (political theory) claim is more a belief in "*how democracy ought to work and how voters are supposed to make up their minds*" and is not realistic (Henneberg, 2004, p.233). The voting decision is very complex and difficult, therefore, non rational elements or decision shortcuts, actually help voters to make up their minds. These shortcuts are accepted by the political marketing management.

Campaigns have become personal and negative due to political marketing management (Statement 6). Political marketing has changed the political culture, away from issues and towards individuals according to the critics. Henneberg (2004, p.234) disputes that both the political programme as well as the personal characteristics of the politician are important to the voter, and therefore that it is beneficial if political marketing management provides both. The negativity in political discourse is generally considered bad. However, it has been shown that negative advertisements are more issue oriented than positive ones. They can also help differentiating between candidates' offers. In countries with a candidate-centred and presidential system, negative campaigns might be more prevalent than in a party-oriented system (Henneberg, 2004, p.234).

Research on political marketing has often been criticized for focusing too much on one specific marketing instrument, i.e. communication, and neglecting the other aspects of marketing theory (Statement 7) (Henneberg, 2004, p.235). According to several sources, the criticism is justified. Political campaigns and political marketing activities are often only defined through their communication content and the media used. The current focus leads to an oversimplification of political marketing, which can "*endanger its development*" (Henneberg, 2004, p.235). Other aspects such as management strategies, the underlying functions of political marketing management, and other marketing instruments of political marketing theory have been ignored. Political marketing management itself mirrors research as it focuses very little on strategic issues and underlying tactical functions. This most certainly is due to the fact that political marketing managers and consultants usually (at least in Europe) are trained in advertising/communication or have worked as (commercial) campaign managers (Henneberg, 2004, p.235).

According to critics, research on political marketing management is an evil that either should be avoided or used with caution since it helps spreading and encouraging management practice and ethics in the political arena – thus changing politics (Statement 8: Research insinuates management practice) (Henneberg, 2004, p.235). The statement shows that

(political) marketing theory has not yet convinced its critics that considerable insight into the competitive world of politics – without "harming' the research object – can be gained through the use of political marketing concepts. Nevertheless, marketing theory is uniquely positioned as a research tool; political actors are using instruments and concepts influenced by marketing (Lees-Marshment, 2001b; Newman, 1994; O'Shaughnessy, 1990; cited in Henneberg, 2004, p.235). Political marketing theory is also still in its infancy; its influence should therefore not be overestimated.

Statement 9 concerns the claimed *non-sophistication* of the political marketing research mainly voiced by marketers. There are two aspects of the argument; one being the lack of connection between political marketing research and forefront of mainstream marketing theory, the other focuses on the static nature of research in the field (Henneberg, 2004, p.236). While marketing theory has seen major trends in recent years such as market orientation, relational- and network marketing, and service marketing, this have had little impact on political marketing research (Henneberg, 2004, p.236). According to Henneberg, this is "*one of the main stumbling blocks for the development of political marketing as a research discipline*". He continues by arguing that the political marketing theory sometimes seems to consist of nothing more than the 4Ps (especially promotion) and the political marketing mix. When it comes to research, Henneberg agrees that literature mainly covers the same aspects over and over again even though there has been some progress in political marketing research (Henneberg, 2004, p.236).

Another criticism concerns whether or not political marketing has a place within the marketing domain. Statement 10 claims political marketing of not being a marketing domain (Henneberg, 2004, p.236). The nature and scope of marketing was initially product-based for-profit organizations. Later, the concept was broadened into service organizations and then non-profit organizations like charities, hospitals, political parties, etc, and social marketing (church marketing, arts marketing, sports marketing, etc.). Today the wide definition of marketing is prevailing in marketing literature, even though it was not universally accepted at first (Henneberg, 2004, p.237). As part of a narrow definition, marketing can be limited to "*economically motivated exchanges in which values can be directly quantified through an exchange price*" (Henneberg, 2004, p.237). In this case, the use of marketing theories and concepts to explain and frame research on political issues in a non-profit market place can be rejected. Henneberg's suggestion is to accept political marketing as a part of the marketing domain.

Finally, Statement 11 claims that value discussions of political marketing (see for example Statement 8 and 9) are not grounded due to lack of theoretical and ethical framework. Political marketing management needs to be judged and supervised from a moral and ethical point of view. Hence, a framework is necessary in order to understand the possible implications of political marketing management with respect to democracy. Many marketers

have identified this as one of the main research shortcomings of political marketing (Henneberg, 2004, p.237). There is consensus on the lack – and need – of ethical and normative search. Hopefully, there will be more involvement in normative discussions within political marketing research in the near future (Henneberg, 2004, p.238).

In summary, the field of political marketing is young and many criticisms still exist. In order to gain further insights, more time and efforts are needed. This is especially true when it comes to political marketing research, where more rigid and conceptually grounded – as well as innovative – research needs to be done (Henneberg, 2004, p.238). Fundamental conceptual issues are yet to be resolved as well as the foundation for an ethical debate. It is for example not clear what impact the use of marketing and managerial concepts might have on politics (Henneberg, 2004, p.238).

2.3 Summary & Reflections

The theory chapter has been discussing the field of political marketing. At first, general aspects of marketing were given, followed by background information of political marketing. The background information includes the development, arguments about its belonging – is it part of political science, of marketing or a distinctive sub-discipline? – and the lack of consensus on a definition. Afterwards, similarities and differences between the political and the commercial marketplace were described.

There are similarities between the political and commercial market according to Newman (1999b, p.36-37). First, both markets use standard marketing tools and strategies, i.e. marketing research, market segmentation, targeting, positioning, strategy development, and implementation. Second, the voter can be analyzed as a consumer in the political marketplace, thus using the same models and theories as in business marketing. Third, both are involved in competitive marketplaces and therefore rely on similar approaches to winning. Both marketplaces are engaged in creating value for their customers by anticipating their needs and developing innovative products and services (Newman, 1999b, p.35). The service sector of the commercial marketplace is considered to be the most similar to the political marketplace. Reputation, image, and leadership evaluations for example are all important factors in both politics and the service sector (Scammell, 1999, p.728). The product in service marketing is often intangible as is the case for the political product.

According to Palmer (2002, p.350-351), the political market differs from the commercial market in the fact that the political 'product' has no practical value for the 'consumer', the range of 'products' is limited, the 'consumer' is difficult to analyse, the 'product positioning' difficult to perform, the re-branding complex, the opposition is defined, and finally, the labour force in politics consists to a large extent of volunteers which is not the case in commercial marketing (Palmer, 2002, p.350-351). Media also has an active presence in politics than in any other consumer/service market which means that political marketing

can be seen as a two-step communication process influencing the consumer both directly and indirectly through the free media (Scammell, 1999, p.729, O'Shaughnessy, 2001, p.1050). Furthermore, the goal or philosophy of the two markets is different (profit versus democracy or the more short-term goal of electoral success) (Lees-Marshment, 2001b, p.693, Newman, 1999b, p.36). The difference between winning and loosing can be small in politics whereas in the commercial marketplace the difference is huge. The political market may also have several, conflicting, often undefined and unknown markets, and finally, its 'product' is less tangible, and abstract and complex to design (Lees-Marshment, 2001b, p.693).

After the comparisons between the two markets followed the process and planning of political marketing. According to the model proposed by Niffenegger (1989, p.46), the political marketing process integrates the 4P's (product, promotion, price, and place) of the marketing mix – or strategy – together with marketing research and segmentation. The major benefits associated with a certain candidate (product) are spelled out in the candidate's party platform. The candidate's past record and personal characteristics, as well as the image of the party, also influence voters' potential benefit expectations. Paid advertising is only a part of the promotion mix. Publicity, free campaign coverage by the news media, constitutes a large part. A common price strategy is trying to minimize the candidate's own expected cost while maximizing the perceived cost of the opponent(s) (Niffenegger, 1989, p.48). Costs can deal with economic costs such as for example tax increases, hidden psychological costs such as religion or ethnicity, national image effects, such as reduced/increased national pride due to the election of a particular candidate. In order to be successful, the place strategy must include a personal appearance program (where the candidate will reach out to the voters) as well as a volunteer worker program used to *extend* the candidate (Niffenegger, 1989, p.48).

Segmentation is a process that identifies the typical voter, targeting then selects the segments of greatest opportunity. Positioning is the use of the best possible strategy on the key issues (market research) of the targeted segments in order to maximize voter impact.

The purpose of marketing planning is *the identification and creation of competitive advantage*. Competitive advantage is created through the determination and conduct of the party's positioning strategy and the consistent communication of this strategy in defined local key areas as well as through broadcast media. Stage 1 of the planning model proposed by Baines *et al.* (2002, p.8) consists of information gathering and constituency identification. Stage 2 consists of competition and voting group determination (segmentation). Planning model stage 3 deals with party positioning and voter group targeting. Finally, planning model stage 4 consists of the post-election analysis.

Ten useful political marketing guidelines (in order to *insure victory*) were also introduced as well as an example of a model imported from marketing management – the

MOP-SOP-POP Model – that can be used in order to analyze a party/candidate and its surroundings. Finally, major weaknesses and criticisms toward political marketing were discussed.

The guidelines derived from the analysis of the 2000 U.S. presidential election deal with 1) understanding what voters are looking for, 2) connecting emotionally with the voters, 3) manufacturing an image of honesty, compassion, and toughness, an image of a winner, 4) using a vision statement, 5) discussing voters' concerns, 6) offering change, 7) marketing yourself to the media, 8) avoiding verbal gaffes, 9) receiving (early) support from party elites, and finally 10), performing well in debates.

According to Lees-Marshment (2006, p.119) there are three different approaches to choose from by a party to gain supporters, i.e. the market-oriented party (MOP), sales-oriented party (SOP) and the product-oriented party (POP). The use of political marketing can increase political parties' chance of achieving their goal of winning general elections since they can change their behaviour to respond to the market, by being product, sales or market-oriented. According to Lees-Marshment, the majority of political marketing studies suggest that marketing equals a market-orientation, but that each orientation can be appropriate depending on the goals and market for the individual organization (Lees-Marshment, 2001b, p.695). A product-oriented party argues for what it stands for and believes in and assumes that voters will realize the superiority of its ideas, hence voting for it (Lees-Marshment, 2001b, p.696). The sales-oriented party focuses on selling its arguments to voters and tries to make people want what it offers by using the latest advertising and communication techniques available and by using market intelligence. A market-oriented party designs its behaviour to provide voter satisfaction. It starts by using market intelligence to identify voter demands, and then designs its products to suit those demands.

Research of UK elections has shown that the greater the market-orientation the greater the success a party achieved in a general election (Lees-Marshment, 2001b, p.707). In political systems structured around the candidate rather than the party, like in the U.S., and where a commercialized and adversarial mass media considers politics to be "*a strategic game*", the market-oriented party may well be the superior party to adopt; otherwise, the characteristics of Lees-Marshment's sales-oriented party may be a wiser choice (Ormrod, 2006, p.115).

The weaknesses and criticisms of political marketing fall into five main categories according to Scammell (1999, p.735-738): 1) no consensus on definition, 2) inadequacies of marketing explanations of electoral success, 3) difficulties of testing marketing models, 4) ambiguity of evidence of deliberate marketing consciousness in campaigns, and finally, 5) normative concerns at marketing's consequences for democratic practice. Henneberg (2004, p.225-228) has described several critical arguments of political marketing and political marketing management. Criticism is found on both sides and is associated with both research

(mainly criticism from marketers) and practice (mainly criticism from political scientists).

When it comes to practice, there is criticism that elections are bought by the *richest*, that politics has become packaging without content and populism with no leadership, that the mindset is wrong: politics should not be about selling a 'product', that voters today do not get the (deeper) information about political issues that they need to form a 'rational' opinion, and finally, that campaigns have become personal and negative. Criticism on the research of political marketing and management deals with focusing too much on communication, that research on political marketing management is an evil changing politics in a negative way, that there is a lack of connection between the research and the forefront of the mainstream marketing theory, that political marketing should not be part of the marketing domain, and last, that value discussions of political marketing are not grounded due to lack of theoretical and ethical framework.

The information found in this chapter is considered to be an introduction to political marketing. I want to give a picture of this particular field of marketing in order to increase the understanding of the complexity, the advantages, and the challenges of the same.

So what parts of theory will then be used in this study? Wherever suitable, the standard marketing tools and strategies, i.e. marketing research, market segmentation, targeting, positioning, strategy development, and implementation, will serve as a frame when analysing the results of the research questions. Furthermore, the 4P's of the marketing mix, integrated in the model proposed by Niffenegger (1989, p.46), will be used. The role of media in political marketing is another aspect to mention.

I also intend to use the political marketing guidelines developed by Newman (2001a) in order to discuss the campaigning in the primary season of the U.S. 2008 Presidential election, and especially the political marketing management efforts used in the Obama campaign. My belief is that these guidelines will be helpful in trying to answer the research questions since they deal with strategy, marketing differentiation and economical resources.

Since the theory on the MOP-SOP-POP model (Lees-Marshment, 2006, p.119) is focusing on research made on parties, especially major parties in Great Britain – even though claiming to be valid and useful for U.S. parties – and candidates too – it was not found to be suitable to use in this work due to the type of research questions asked. Instead, I will briefly mention what orientation (product, sales or market) is believed to have been used in the different campaigns.

The weaknesses and criticisms of political marketing mainly serve as background information. However, I intend to at least comment on the criticism concerning political marketing in practice.

3. DATA COLLECTION

In the data collection chapter, the choice of research method, research design, and collection of data are presented. The validity and reliability of the study are also addressed.

3.1 Research Design

There are three types of case study research: exploratory, descriptive, and explanatory (Gummesson, 1991):

- Exploratory case study research is the prevalent method in a field in which there has been very little research done previously
- Descriptive case study research is the prevalent method in a field in which there has been some research done previously
- Explanatory case study research is the prevalent method in a well known field

In this work, the exploratory method and case study have been used.

3.2 Research Method

There are two main approaches to research methodologies; qualitative and quantitative. *Qualitative* researchers "*aim to gather an in-depth understanding of human behavior and the reasons that govern human behavior*" (Wikipedia, 2008zy). Qualitative research is the examination, analysis and interpretation of observations for the purpose of discovering underlying meanings and patterns of relationships, including classifications of types of phenomena and entities, in a manner that does not involve mathematical models. Qualitative research is often used to gain a general sense of phenomena and to form theories that can be tested using further quantitative research. The research method investigates not only the *what, where*, and *when*, but also the *why* and *how* of decision making. Smaller but more focused samples are used. Qualitative research is an *exploratory methodology*.

A danger when using the qualitative method is that small samples of reality are used and the conslusion of the material is not possible to apply on the whole reality. The qualitative research methodology does not measure facts, but instead looks at how people catch and interpret their surroundings. When using a qualitative research method, the question at issue is unstructured and the thoughts and ideas gradually get deeper and the theory grows by the process. Usually, four methods for gathering information are suitable: (1) participation in the setting, (2) direct observation, (3) in depth interviews, and (4) analysis of documents and materials (Marshall and Gretchen, 1998). Observer impression is the most common analysis of qualitative data.

Quantitative research is "*the systematic scientific investigation of quantitative properties and phenomena and their relationships*" (Wikipedia, 2008zz). Mathematical models, theories, and/or hypotheses are developed and employed. The process of measurement is central to quantitative research. Quantitative research requires a large sample size and addresses the "*what, where*, and *when*". Quantitative research investigates measurable properties and is thus widely perceived as reliable and accurate.

In quantitative research used methods include: (1) generation of models, theories and hypotheses, (2) development of instruments and methods for measurement, (3) experimental control and manipulation of variables, (4) collection of empirical data, (5) modelling and analysis of data, and (6) evaluation of results.

Qualitative research is exploratory (i.e., hypothesis-generating), while quantitative research is more focused and aims to test hypotheses. Quantitative data usually leads to measurement; it is graphed or displayed as a mathematical term. Qualitative data instead often includes text or pictures. Qualitative research methods are often used to gain better understanding of such things as intentionality, and meaning. Quantitative methods are research techniques that are used to gather quantitative data. Statistics, tables and graphs, are often used to present the results of these methods. According to Brink (1995, p.461); "*Qualitative research methods are essential to provide richness, but they are vulnerable to distortion of data by theory. The quantitative approach is necessary for the precision of hypothesis testing, but, by itself, this method is too critical to be creative*". A combination of quantitative and qualitative research is often referred to as mixed-methods research.

The qualitative research method has been used in this study since it is the method most convenient when the purpose is to understand political marketing. This study is a question about how political marketing works and not a question of quantifying anything, hence, the qualitative method is chosen.

3.3 Data Collection

Yin (2003) suggests that the sources of evidence in data collection are documentation, archival records, interviews, direct observations, participation observations and physical artefacts. The majority of data in this study has been derived from articles in journals and newspapers, other relevant literature, information found on the Internet, etc. Internet has been an important tool in this study. The primary data collected in the work mainly consists of recent articles found in newspapers, and information found on the home pages of the different campaigns. Some information is also collected from TV. The secondary data reported in this study, i.e. existing data gathered by researchers, etc., consists of books, articles from scientific journals and other types of relevant literature in the field.

Initially, the intention was to make interviews with people involved in the marketing management of the three main campaigns during the U.S. primary season. A questionnaire was created, and then sent to the Obama campaign, the Clinton campaign, and the McCain campaign respectively. The questionnaire contained ten plus six questions based on the research questions. The first 10 questions were simple questions to be answered on a scale 1-6 (even if comments were more than welcome), whereas the last 6 questions requested more detailed answers.

However, no response with respect to the questionnaire was given. The Clinton and the McCain campaigns did not answer at all. The Obama campaign did answer, but only by adding the author of this report to their email list. Since then, more than one email per day has been received from the Obama campaign throughout the whole presidential election process, consisting of emails from the campaign manager, from local sub groups, from "Obama himself", from "Michelle Obama", from "Joe Biden", and others. The emails contained the latest information and results of the campaign encouraging the reader to join the campaign more actively and/or to donate money.

The intended result of sending out the questionnaire was not reached. Nevertheless, it was interesting to follow the campaign closely via the emails sent by the Obama campaign. It also, most certainly, resulted in a deeper understanding of the election process (although biased) and the Obama campaign in itself.

3.4 Reliability & Validity

Researchers need to take measures in order to make their results credible; hence, reliability and validity are important aspects in any study. A general definition of reliability is that it is "*the ability of a system or component to perform its required functions under stated conditions for a specified period of time*" (IEEE, 1990, 2002). In experimental sciences, it is "*the extent to which the measurements of a test remain consistent over repeated tests of the same subject under identical conditions*". This implies that an experiment, or study, is considered reliable if it yields consistent results of the same measure. On the contrary, the experiment or study are unreliable if repeated measurements give different results.

Logically, personal experiences, as well as pre-understanding of a subject, form a person's opinions. Hence, different researchers doing exactly the same study would probably obtain somewhat different results. The subject of this study is marketing in politics. Since both marketing and politics are typical fields for subjectivity, the reliability of the study could be questioned. Nevertheless, the author considers this work, and herself, to have tried to stay as objective as possible, i.e. those differences are believed to be rather small and this study is believed to be reliable.

Just because a measure is reliable, it does not necessarily imply validity. A measure

could measure something consistently, but not necessarily what is supposed to be measured. In terms of accuracy and precision, "*reliability is precision, while validity is accuracy*" (Wikipedia, 2008zza). Validity has two distinct fields of application; i.e. *test validity* (the degree to which a test measured what it was designed to measure) and *research design* (the degree to which a study supports the intended conclusion drawn from the results) (Wikipedia, 2008zzb).

Test validity is not applicable in this case due to the fact that no interviews were made. A questionnaire was sent out to three campaigns (the Obama, Clinton, and McCain campaign respectively) but no answers were obtained. However, if test results would have been obtained the validity would depend on who actually answered the questionnaire and what level in the campaign organisations that person would have. The higher the organisational level of the respondent, the higher the knowledge concerning strategy, etc., hence; the higher the validity of the test.

The author of this work believes that this study should be considered valid when it comes to research design. This is first of all due to the fact that the "test measured what it was designed to measure". i.e., opinions/comments/theories from many different and highly reliable people (such as researchers, political experts, consultants, and other experts in the field, etc.) from respected journals and newspapers have been used. Another reason is that the conclusions drawn in this work also correspond well with those heard frequently in media.

3.5 The Process of Data Collection

After the topic of this research as well as the research questions were decided, the search for adequate literature started. In the beginning literature and information related to politics in the U.S. as well as marketing was browsed. I felt that I needed to better understand U.S. politics and how it works before being able to enter into the field of political marketing. I considered it necessary to have as much information as possible in order to being able to analyse the collected data in a deeper way. Once this knowledge was gained I started studying the subject of political marketing in detail. From this, the theory chapter evolved. (The information concerning U.S. politics that I found valuable for the deeper understanding of political marketing and the collection of data is found in Appendices.) In parallel with writing the theory, the search for and collection of data with respect to the use of marketing in the 2008 U.S. presidential primary elections started. During the same period the primary elections actually took place, I was also living in the U.S. at that time which means that (new) data collection was made on a daily and abundant basis. In the beginning of the primary season I had not decided on a specific focus, campaign or candidate. However, the way the primary season evolved, and the closer the race between the two Democratic frontrunners – each representing something unique – it became evident what focus would be the most interesting to have and where I could get the most information on how marketing is used in (U.S.)

politics today. I decided to concentrate my study on the Democrats and the Obama campaign in particular. The research questions were then narrowed to suit the study and the writing of the empirical study started. Many sources, for collection of both primary and secondary data, were used throughout the research. Once the data collection was considered complete, the analysing of it started, finally resulting in the completion of this research. The results from the data collection were organised in order to answer the research questions. Then the analysis of the responses for each research question followed. No specific model was used in order to analyze the data. In the end of the analysis/discussion chapter, comparison to the theory was made.

4. EMPIRICAL STUDY

In this chapter the results of the empirical study are given. The results are organised in order to answer the research questions.

4.1. Marketing Strategies of Decisive Outcome

This section answers Research Question 1 - What kind of marketing strategies are of decisive outcome in the primary season of the 2008 political campaigning?

4.1.1. The Message

The Barack Obama campaign coined in mid 2006 what their product would be. One simple word: *Change*. Their campaign message was simply to bring about change to the current political administration and the overall situation in the USA. Needless to say, this choice of product was most certainly polled, polished, tested and wetted prior to launch. It basically is an umbrella under which a majority of voters easily can put their specific changes, issues such as the widely unpopular Iraq war, unemployment, etc. The Obama campaign have been successful with this product message, as well as in coining "*Can we bring about change*", "*Yes we can*", slogans that made up the brand Obama. Change is what this election cycle have been centred around, Hillary Clinton basically adopted the change rather immediately after her initial losses early in the primary season. In the presidential cycle, John McCain's campaign used the slogan "*Change we can believe in*". By selecting a simple product under which a vast majority of voters can identify with, Obama defined the most significant product in both the primary and presidential election cycle, and thereby also transpired what he wanted to do if he would be elected. Also, being the first to coin the product of the season made the voter perceive that Obama's message was the most authentic which also added value to the brand.

4.1.2. Grassroots Movement

David Plouffe, campaign manager for the Obama for America campaign, claims that "*Together, we've created the largest grassroots movement in history*" in an email to supporters dated 14 July, 2008. He continues by stating that "*We must let them know that this time, the election won't be bought by big money interests. And that a campaign of grassroots donors can overcome the entrenched Washington powers to bring about the change we need.*" "Them" in this case is directed to Republicans and the McCain campaign particularly. Although this email is written after the primary season ended, it is nevertheless considered to

be a statement equally true for the primary season. The Obama campaigns focused on a 50 state strategy (spending huge amount of money in all states and thereby basically running the Clinton campaign broke), and an early focus on caucus states allowed his campaign to gain a delegate lead that Clinton never was able to catch. The identification of caucus states as the most important states for creating a delegate advantage highlights the effort that the Obama campaign put on their grassroots movement. Caucus elections are locally organized and run by local teachers etc. in predominantly small towns and high level of organization is a key to success. The more traditional Clinton campaign neglected the importance of this, and subsequently was never able to catch up in the delegate count.

4.1.3. Bottom-up instead of Top-down

Many claim that the Obama campaign started as a grassroots movement, being a bottom-up rather than a traditional top-down campaign. Observers in both parties think that Obama's advantage over Clinton (finally leading him to securing the party's nomination) largely was a result of the alignment of his campaign "*with the bottom-up principles of the networked era*" (Brownstein, 2008). Instead, Clinton initially sought to run a more traditional top-down campaign. Brownstein further argues that:

"*Obama's success against a rival who began the race with overwhelming advantages by most customary yardsticks – name identification, support from elected officials, and the backing of an established nationwide roster of donors – may go down in history as the tipping point in the way that presidential campaigns are organized and executed.*" (Brownstein, 2008, § 9).

Joe Trippi, a veteran Democratic organizer who ran Howard Dean's presidential campaign in 2004 and John Edwards's primary campaign in 2008, says: "*I actually believe the Clinton campaign will be the last top-down campaign on the Democratic side*," (Trippi, cited by Brownstein, 2008). He continues, by saying that future candidates have to "*figure out ways to be a bottom-up campaign and to make people understand that, 'yes, you have a voice, and I want you to use your voice'* " (Trippi, cited by Brownstein, 2008, § 10).

In state after state, Clinton and Obama's campaigns respectively, have organized levels of voter outreach through phone banks and door-to-door canvasses previously seen only in presidential general elections – if even then (Brownstein, 2008, § 4).

According to Brownstein (2008), there are three interconnected, simultaneous trends

that are propelling this transformation in campaign strategies: 1) the increased capacity to raise money by the Democrats, 2) the increase in their capacity to identify and communicate with supporters at low cost, and finally 3) the expanding capacity of the supporters themselves to communicate with large numbers of like-minded people and to pursue independent work for their candidate, undirected by a campaign.

4.1.4. Barack Obama's Goldmine[c]

The 2008 presidential primary season was unusually long. While McCain became the presumptive Republican presidential nominee in March, the Democratic presumptive candidate was far from being known by that time. The close race between the Democratic frontrunners Barack Obama and Hillary Clinton continued until the last primaries had been held in early June. Since the delegate race was so close between them, neither one of them could win enough delegates to secure the nomination without the support of superdelegates. According to Lasky (2008), and others, *"Clinton may be rising in the polls, racking up primary victories and, judging by the polls, would be a stronger challenger than Obama against John McCain. Nevertheless, Senator Obama is still gaining support among superdelegates, who likely will ultimately choose the [Democratic] nominee." (Lasky, 2008, § 1).* Hence, winning superdelegates became extremely important. In the final weeks of the primary season, Barack Obama gained more and more support from this sector and finally secured the Democratic presumptive nomination in June. This support has been explained as a desire to end the divisive process (Lasky, 2008), unite the Democratic Party and its supporters behind ONE candidate, prevent discord among the party's loyal African-American delegates (Lasky, 2008), and not giving the Republicans the advantage of waiting with the decision until the National Democratic Convention held in late August. However, according to Lasky (2008), another factor is also playing a role, *i.e.* a giant database of supporters – *"the campaign equivalent of a gold mine"* – compiled by the Obama campaign. But why would this database be important to the superdelegates? The new database would provide an invaluable help – and access to potential donors – to future campaigns of other Democrats, among them superdelegates, as well as interest groups. Christopher Stern at Bloomberg.com states that: *"Barack Obama's supporters are giving him more than just record amounts of cash. They are also providing personal information that may make his donor list the most*

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[c] The name of the heading is borrowed from Lasky (2008).

powerful tool in U.S. politics." *(Stern, 2008, § 1).* He adds that this data will make Obama "*a power broker for years to come*". This database will, without doubt, play an important role in future elections, independently of the result of the 2008 presidential race. As Bill McIntyre, executive vice president of Grassroots Enterprise Inc., an Internet marketing firm that advises campaigns, puts it: "*Win or lose, it's his list*" (cited in Stern, 2008).

Are databases that important? A database, if well built, can be an important tool for fundraising activities and GOTV-efforts in particular. Furthermore, it can help enforce recruitment campaigns, track issues of concerns and needs of changed message during campaigns. Databases have been used before, by both major parties. The Republican Party has a database, a "*voter vault*", containing information on likely GOP (the Republican Party is often referred to as the Good Old Party or GOP) supporters that has been used with success in the latest elections. According to Lasky (2008), this database was built "*blending a variety of data together*", to the cost of many millions of dollars. Democrats also have a database, Catalist, containing data on 280 million Americans (Stern, 2008). It was developed by Clinton supporter Harold Ickes (Lasky, 2008). However, the Obama campaign chose to use Chris Hughes, a 24-year old co-founder of the incredibly successful Facebook website, to develop its own – and today highly valuable - database. Lasky states that: "*Chris Hughes… should rightly join David Plouffe and David Axelrod in a triumvirate that has been key to the Obama campaign.*" He continues by mentioning what everyone thinks, that "*the campaign managers have performed a near miracle: taking a candidate with a minimal experience base, a voting record that shows him to be far to the left of most Americans (including many Democrats), carrying on his back a problematic group of friends and associates, and made him into an American Idol*". *(Lasky, 2008, § 5).*

What is unique with Obama's database? First, the data is supporter-entered, i.e. volunteered, which means that it is considered reliable (Lasky, 2008), accurate and precise (Stern, 2008) and can be used to microtarget these supporters in the future. According to Lasky (2008), supporters have entered megabits of personal information. In the past, campaigns have cross-referenced lists of registered voters against other records such as credit card purchases or magazine subscriptions to find potential supporters (Stern, 2008). McIntyre, executive vice president of Grassroots Enterprise Inc., a Washington-based Internet marketing firm that advises campaigns and also a Republican and former chief national spokesman for the National Rifle Association, believes that information given by people online is more

truthful and more credible "*because they are in the privacy of their own environment*" (Stern, 2008). Second, the Obama campaign relies on a vast number of small donations coming through the Internet and other fundraising means. Since contributions smaller than $200 do not have to be reported to FEC, the names of the donors remain "hidden", and cannot be accessed by others than the Obama campaign. This database is thus interesting for other Democratic politicians in future elections, among them the superdelegates. Another advantage with small donations is that the same donors can be tapped over and over again before they reach federal campaign caps. (As a comparison, the Clinton campaign relied on smaller number of larger donations, which means that once they reached their caps (of U.S. $ 2,300 for each individual donor) they could not give more and the campaign had to look for new donors.) Obama's website has played a key role in this fundraising effort since the donations often have been sent through *Mybarackobama.com*. These small donations are also very cost-effective to collect.

By April 2008, almost 2 million people had entered personal information on Obama pages on social-networking Web sites such as Facebook, MySpace, Mybarackobama.com, offering home addresses, phone numbers, their views on specific issues and the names of friends (Stern, 2008). "*It's gigantic*", said Laura Quinn, chief executive officer of Catalist, about the database (cited in Stern, 2008). She continued by saying that the list is as "*'transformational' as the advent of political advertising*". According to McIntyre, the biggest innovation is in persuading people to enter personal information directly on a campaign's Web site (Stern, 2008). McIntyre estimates the worth of the data entered by 800,000 individuals on Mybarackobama.com to be as much as $200 million (Stern, 2008). According to Federal election laws, campaigns must charge for the use of their data (Stern, 2008). Information must either be sold or recorded as a contribution at fair-market value.

The Obama campaign also reserves the right to "*make personal information available to organizations with similar political viewpoints and objectives, in furtherance of our [its] own political objectives*" (Mybarackobama.com, 2008). Hence, donations and information can be channelled to other candidates to help them when they run for office in the future. Lasky (2008) remarks that these candidates include the crucial few hundred superdelegates whose support Obama needed to become the Democratic nominee for President.

4.1.5. The Power of Young Voters

The Obama campaign has a huge support from young people. According to Ed Lasky (2008), "*a substantial share of his base is composed of those under the age of twenty-five*". He continues by giving some examples; in Ohio, 70 percent of those under 25 voted for him, and in Pennsylvania, the numbers were 65 percent. An advantage of this group of voters is that the Internet is a natural part of their lives. Obama's interactive databases have proven to be efficient ways to energize volunteers (Stern, 2008). Once interested, they also seem to spend more time and effort than many other voter segments. It is also advantageous for a candidate to receive broad support from young people, since many of them are first-time voters and since voters often have a tendency to remain faithful to the party they initially choose.

According to Dann and Brownstein (2008), studying how young activists participate in politics is to get a preview of what future campaigns may look like when new generations move into the electorate. The big difference is a shift in how people get information and how they develop their opinions: young voters are less likely to acquire information about the presidential campaigns through the conventional media and more likely to connect to politics through the use of Internet or each other. Much of political *news* are obtained from friends and then passed along – thus, leading to a shift from a vertical to a horizontal model of communication. The main reason behind this *new political era* entered into by young people is an explosion in connectivity, especially through social-networking sites such as Facebook or MySpace and the non-stop communication provided by email, instant messaging, cell phone calls, and texting (Dann and Brownstein, 2008). Young people want to have control over, and direct access to, information – all the time. This communication also creates a powerful multiplier effect since youngsters have much larger social networks than earlier generations. Averell Smith, a veteran political organizer who directed Clinton's campaigns in California, Texas, and North Carolina, says that "*If you talk to 10,000 young people [at a campaign event],* by the time they are done talking to all their friends you are talking to 100,000 or 200,000 people." (cited in Dann and Brownstein, 2008). Micah Sifry, executive editor and co-founder of TechPresident, a website that studies the interaction between technology and politics, believes that "*the high level of turnout among young people in this year's Democratic presidential contest may foreshadow a lasting increase in participation*". (Dann and Brownstein, 2008).

Although young people rely enormously on the Internet to obtain and share campaign information, presidential campaign organizing still needs the personal contact. Much of

Obama's student organizing effort in North Carolina for example, "*still depends on old-fashioned boots – or flip-flops – on the ground*". (Dann and Brownstein, 2008).

4.1.6. The Internet Era of Politics

Obama's success comes from a decision early in his campaign to embrace the concept of social networking. The Obama campaign has to a big part used emerging technologies and Internet sites to get its message across to a large audience (Lasky, 2008) and has "*outpaced its rivals in using the Internet to mobilize support, especially among the young*" (Dann and Brownstein, 2008). Internet sites such as Facebook, MySpace, and most significantly, the campaign's own website Mybarackobama.com, have been the most important. The Mybarackobama.com site is an interactive website, formed under the guidance of Hughes, and the first social network site devoted to a political campaign. Mybarackobama.com is built on *viral growth*, by inviting friends to join you in supporting Obama. Due to this viral growth, the Obama campaign's list of contacts, supporters and donors has grown at an exponential rate with zero incremental costs of *acquiring them* (Lasky, 2008). This truly constitutes a powerful competitive advantage.

The Obama campaign's efforts to utilize the Internet to power the campaign by far extend efforts made by the campaigns of both Hillary Clinton and John McCain. As an example, in April/May 2008 Obama had 790,000 Facebook friends, compared with 150,000 for Clinton and 117,000 for McCain (Lasky, 2008, Stern, 2008). As stated by Lasky, "*With Obama's campaign we have fully entered the internet era of electoral politics.*"

Through the social network, supporters became part of the campaign and gained access to local events, phone bank lists, contacts to like-minded people, new recruits, etc. Mybarackobama.com also encouraged supporters to express their concerns over a range of issues – helping the campaign to develop and adjust its own message.

According to Brownstein (2008), the *marathon struggle* between Barack Obama and Hillary Clinton, has triggered such a vast evolutionary leap in the way candidates pursue the presidency that "*it is likely to be remembered as the first true 21st-century campaign*". Peter Leyden, director of the New Politics Institute, a Democratic group that studies campaign tactics and technology, says: "*If I had to boil down what has really happened in the election cycle, it is [that] you are finally seeing the real fruition of the full power of... the Internet on politics*" (cited by Brownstein, 2008). Trippi (cited by Brownstein, 2008) concludes that: "*It is possible that... years from now we will look back and say that this was the first interactive*

president and the change of an era". More and more people start to understand that they actually can affect people by using the Internet and social networking. It is growing, and "*it's not going to go back into a bottle*" (Trippi, cited by Brownstein, 2008).

Brownstein continues: "*On virtually every front, the two candidates' efforts dwarf those of all previous primary contenders – not to mention presumptive GOP nominee John McCain. It's easy to miss the magnitude of the change amid the ferocity of the Democratic competition. But largely because of their success at organizing supporters through the Internet, Clinton and, especially, Obama are reaching new heights in raising money, recruiting volunteers, hiring staff, buying television ads, contacting voters, and generating turnout. They are producing changes in degree from prior primary campaigns so large that they amount to changes in kind.*" (Brownstein, 2008, § 2).

Through emails and distribution of online videos, the candidates are able to communicate directly with huge numbers of voters: In the beginning of April 2008, videos produced by the Obama campaign had been viewed 37 million times on YouTube (Brownstein, 2008).

Before the primary season was even ended, Obama and Clinton each won more votes than any earlier Democratic nominee. These outreach efforts far exceeded those of the GOP's 2008 contenders (Brownstein, 2008). The building of online volunteer and fundraising networks "*has been taken to a new level in this campaign by the Democrats*," said GOP consultant Patrick Ruffini, who directed online campaigning for Bush in 2004 and the Republican National Committee in 2006, "*And it's something we are going to have to figure out.*" (Ruffini, cited in Brownstein, 2008). This might be changing what it takes to succeed in presidential politics; from the ability of communicating effectively on TV and securing big donors for TV ads, towards greater importance for inspiring and attracting networks of supporters to work for you through donations, participation in outreach programs, etc. (Brownstein, 2008).

4.2. Marketing Differentiation
This section answers Research Questions 2 & 3 - Does the type of marketing differ within the Democratic Party, i.e., do the different candidates within the same party use different methods? Is the marketing different for different demographic groups?

4.2.1. Caucus Focus

The early focus of the Obama campaign to target caucus states were a key component to his marketing strategy for all 50 states and serve as a stark comparison to the Clinton campaign. This segment of primary states has previously been considered less important compared to the early primary states of Iowa and New Hampshire and the Super Tuesday primary elections and allowed him to rack up an early delegate lead that big victories by Clinton in states such as California and New York never could counteract. (Please see Appendix I – III for details regarding nomination process and concepts and definitions.)

4.2.2. Obama & Ron Paul

Barack Obama's and Ron Paul's supporters are considered to be younger and/or having a more open attitude towards social media. Their supporters are believed to have a particular radical attitude: they want change, they are influencers and trend setters in society, they are more liberal, they use new media channels, and last but not least, they want a new leader with the same mindset.

4.2.3. Hispanics

Hillary Clinton had a very strong lead over her prime challenger Barack Obama among Hispanics in key Democratic primary states according to Lasky (2007b). She dominated in California, Texas, New Jersey, Florida, and New York – states with early Democratic primaries, huge numbers of delegates, and heavily Hispanic. Clinton's chief pollster Mark Penn noted in June 2007 that, if sustainable, this lead may very well prove to be decisive in the primary campaign (Lasky, 2007b). This lead seems logic "*given growing tensions between the nation's black and Hispanic populations, caused by political and economic competition, increasing crime between members of the two groups as they intermingle in the same neighbourhoods, and aggravated by the racial spoils system known as affirmative action, with blacks fearing displacement from public sector jobs in particular*" (Lasky, 2007b, § 6). Penn argues further that the number of Latino voters is increasing nationwide to about 7 percent of the electorate, and that Clinton enjoys about 60 percent of their support (Penn, cited in Horowitz, 2007). He also mentions Clinton's campaign manager Patti Solis-Doyle, which with her Hispanic heritage is evidence of Clinton's "*commitment to the Hispanic community*".

According to Lasky (2007b), Hispanics tend to lean Democratic in national elections. However, in the 2000 and 2004 presidential election, G.W. Bush was able to show that Republican candidates can gain higher shares of the Hispanic population. In 2004 for example, he won about 40 percent of the Hispanic vote (Lasky, 2007b). This is explained by the fact that Bush speaks Spanish, was Governor of Texas, had shown much attention to Texas' Hispanic population, and had promoted people with Hispanic heritage to key positions in his Administration. Furthermore, his brother Jeb was a popular Governor of Florida, a large and influential Hispanic state, and is married to a woman born and raised in Mexico.

4.2.4. Women

Hispanics and women are considered to be Clinton's most important support-groups. Consequently, Clinton concentrated much effort on winning the female voter too. One would argue that she faced sexism in her unsuccessful presidential bid (Bogues, 2008). The most powerful woman in U.S. politics House Speaker Nancy Pelosi argued that sexism was a factor in the race but not a major one. When the Clinton campaign brought this issue to the table, a majority of female primary voters seemed to agree and started pushing harder for their candidate.

4.2.5. African-Americans

As a black person, Barack Obama was believed to be in a position to capture a large share of the African-American vote. Hence, the best strategic decision made by Clinton was to devote her energies to the Hispanics (Lasky, 2007b). History teaches that Hillary could take black support in the general election for granted, hence, turnout is the only real issue to worry about (Lasky, 2007b). There is a "*strong and widely celebrated bond*" between Bill Clinton and the black community (Lasky, 2007b).

In the case of Barack Obama, the initial discussion in the black community and several newspaper articles (Younge, 2007) was whether he was black enough. Obama's racial background is mixed, his father was from Kenya and his mother was a white woman from Kansas. He grew up in a white family. This means that he is not traditionally speaking an African-American of slave descent. However, by mid 2008 this discussion was completely ended and Obama was embraced by influential organizations such as the American Civil Liberty Union and other black groups (that earlier have been very pro-Clinton). Some fringe

groups still argue that Barack Obama is a radical Muslim because of his middle name, which is Hussein, or that he is an Arab. Since Obama never ever tried to market himself as a black candidate this support came late, with some groups arguing that he was in fact trying to suppress the discussion about race. Indeed Obama's campaign did not really talk about race apart from the debacle when his late pastor caused hash criticizing and conspirator theories regarding the U.S. government. As a marketing decision, this most likely was a very vice choice in selling the Obama brand not as a black brand but as a transcending one. And the race issue is still a sensitive area in many regions in the U.S.. Six percent of the voters in the U.S. would still not vote for a black man for president. Note: This is the one conformable to actually admit this to a pollster in an interview; this phenomenon is commonly referred to as the *Bradley effect* in the U.S. (Hacker, 2008).

Obama did his best among Caucasian voters in states that have few African-American residents, such as North Dakota, where he beat Hillary Rodham Clinton 61 percent to 37 percent. Conversely, he struggled with the white demographic in states that have larger black populations, such as Ohio, where he lost to Clinton by 10 points. There, Obama garnered support from just 44 percent of white men and 34 percent of white women, according to exit polls. Ohio's black population stands at 12 percent. Similarly, African-Americans represent 10.7 percent of Pennsylvania's residents, and there lies trouble, experts say. An April 15 Quinnipiac poll showed Clinton with 57 percent of the state's white vote compared with Obama's 37 percent (Sangillo, 2008).

4.3. Influence of Campaign Contributions
This section answers Research Question 4 - Where does the money come from?

4.3.1. Fundraising
Barack Obama has shown to be an exceptional fundraiser; the fundraising effort of his campaign has eclipsed that of all previous campaigns. During January and February 2008, Obama rose more than six times, and Clinton more than five times, as much money as John Kerry did in the same time period in 2004 (Brownstein, 2008). Through the use of interactive databases, the Obama campaign has created an important fundraising network. The fundraising ability of this network, consisting of 1.4 million donors (in April 2008), may well outlast the current campaign and constitute a strong fundraising tool in the future, argues Tad Devine, an independent media consultant and a former strategist for Democrat John Kerry's

2004 presidential bid (Stern, 2008). According to Devine, this is "*a fundraising network that will far surpass the dominance that the Republicans held in the '80s and even in to the '90s*" (Devine, cited in Stern, 2008). According to Stern, the database has allowed Obama "*to raise more than $200 million, fill sports arenas with supporters across the nation and motivate millions more with custom-tailored messages*". He has even been able to convince former supporters of Bill Clinton to support his election, thus damaging the Clinton campaign. A key to the fundraising success is that the Obama campaign relies on many small donors, giving $25 or less. Since the limit of individual donations is $2,300 it means that small donors can give repeatedly. A small donor is generally accepted to be someone who contributes with less than $200. According to the non-partisan Center for Responsive Politics as well as Obama's campaign, they constitute 90 percent of his donors (Barnes, 2008).

The Clinton campaign on the contrary, relied on a few large donors, giving the maximum at once. According to Lasky (2007a), "*Hillary and Bill Clinton have developed a network of wealthy donors with both deep pockets and deep reservoirs of media savvy*". However, once this money was spent, the Clinton campaign had a hard time finding new donors, and getting more money, which resulted in the campaign being chronically short of funds (Lasky, 2008). As of spring 2009, Clinton still had around $ 2.3 million remaining in debt (Vogel, 2009).

At a fundraiser event on April 8, 2008, Barack Obama praised his small donors by saying that "*We have created a parallel public financing system where the American people decide if they want to support a campaign, [and then] they can get on the Internet and finance it. And they will have as much access and influence over the course and direction of our campaign [as] has traditionally [been] reserved for the wealthy and the powerful.*" (Barnes, 2008). And he should praise small donors. Well over a million people donated more than $230 million to Obama's campaign through the first quarter of 2008, and, fuelled by the Internet fundraising machine of small donors, more than 40 percent in just two months – $55 million in February (post-Super Tuesday) and $40 million in March (Barnes, 2008). In the same time, his donor pool was almost doubled, and reached 1.3 million. Barnes concludes that "*no other candidate has ever built such an enormous fundraising base*". This financial advantage enabled Obama to outspend Hillary Clinton in all post-Super Tuesday contests and establish himself as the clear Democratic frontrunner. In June 2008, Obama became the first insurgent candidate to win a major party's presidential nomination since 1976 when Jimmy Carter won the Democratic nomination (Barnes, 2008). According to Barnes, "*the grassroots energy behind Obama's candidacy is a vital ingredient in his success, but having the dollars*

to build an organizational apparatus to harness that excitement has also been key". Devine agrees, "*There's no question his fundraising capacity has been a big factor for him in some of these states*" (Barnes, 2008). An anonymous Democratic consultant and senior Obama strategist summarizes "the Obama effect" by stating that: "*I think that we all are sort of learning some tactics and principles, ideas, and tools that will apply in the future...But I do think there is a foundation of uniqueness that drives this stuff for this campaign that is uncommon in campaigns.*" (Barnes, 2008).

However, Internet fundraising is not completely new. In 2000, McCain became the first presidential candidate to benefit from Internet fundraising when, the first week after winning the New Hampshire primary; he raised $2.2 million in online contributions (Barnes, 2008). In 2004, the campaign of the Democratic candidate Howard Dean used the popular social-networking site Meetup.com to gather and galvanize supporters. He also succeeded in raising $250,000 in a single day. Clinton is a good money raiser too, in the two days after the Ohio and Texas primaries, on March 4, 2008; she collected about $4 million (Barnes, 2008). Early Republican candidate Ron Paul, broke fundraising records both in 2007 and 2008 when he collected $6.2 million and $4.2 million respectively on a single day (Barnes, 2008). But they can't compete with Obama. When the Obama campaigning started in the first half of 2007, they held rallies attracting several thousands of people. To be able to organise these large events, supporters were asked to sign up online or at a campaign office. This resulted in a good first *database* of supporters. Meanwhile, Obama's campaign was also building its online community.

According to Barnes (2008), presidential campaigns (with Obama leading the way) recently adopted an online fundraising tool linked to search engines such as for example Google. An advertising program, such as Google's Ad Words, allows the campaign to sponsor ads that pop up when a user's search contains certain key words. The program even identifies which words lured the new supporter to the ad, which makes tailoring of messages possible.

Direct mail for attracting small donors as well as raising money over the phone, have been declining heavily in the U.S. in recent years due to the Internet and the use of credit cards. Today these methods are only used for elderly people. Public financing is common in the U.S. However, in the primary season, the three candidates, McCain, Obama and Clinton, all declined to participate in the public financing system (Barnes, 2008).

4.4 Summary & Reflections

What kind of marketing strategies were of decisive outcome in the primary season of the 2008 political campaigning? The findings from the primary data collected in this work have shown that there were at least six different categories of marketing strategies used by the Obama campaign that should be considered to be of decisive outcome in the primary season. First of all, the Obama campaign succeeded in creating a grassroots movement – the largest in history according to Obama campaign manager David Plouffe – i.e. where as much involvement as possible is wanted and received from the lowest geographic level of organization, the locals. This focus created a delegate lead in caucus states that the Clinton campaign (at least initially) neglected the importance of. Another successful Obama strategy was to create a bottom-up campaign instead of the more traditional top-down initially used by Clinton in order to invite and let people actively participate in the election and to make them understand that they had a vote that actually counted. This alignment of the campaign is considered to be one of the reasons why the initially rather unknown Obama ultimately won the democratic nomination.

The Obama campaign was also successful in creating the product/message of *change* as well as in coining the slogans "*Can we bring about change*", and "*Yes we can*". The whole election cycle was centred on change and both Clinton as well as McCain tried to adopt the message of change once they realized how powerful it had become. However, being the first to coin the message, Obama *owned* it.

In the end of the primary season it became necessary to get support from superdelegates in order to secure the nomination. Obama had a great advantage here since his campaign had succeeded in creating a huge database of supporters entering personal information that would give future candidates (among them some of today's superdelegates) access to potential future donors. The Obama campaign also relied on small donations, this together with the fact that contributions below $200 do not have to be reported to FEC, hence the names of the donors remain hidden, means that the database was interesting. The strategy here was to rely on many but small donations, supporters that could keep on donating money again and again without reaching the cap of $2,300/person. This resulted in an even cash-flow throughout the primary season with the added bonus of not having to look for new donors since the cap was not reached (as in the case of Clinton). That the Obama campaign knew from the start the importance its database would come to have is unlikely, so most probably this was rather a positive result than an initially planned strategy.

Another smart strategy by the Obama campaign was to attract young voters. Two

important advantages with this group of voters are that the Internet and social-networking is a natural part of their lives and that many of them are first-time voters. Young people also tend to spend both time and put effort into what they are doing on the Internet. Winning first-time voters also is of great interest to a party since voters tend to be faithful to the party they initially chose. The Obama campaign early adopted a strategy to actively integrate social networking within the campaign in order to get its message across to a large audience and to have supporters becoming a part of the campaign. Sites such as Facebook, MySpace and Mybarackobama.com, where inviting friends to join you for a certain cause, were the most important during the election and mobilized great support for Obama.

Does the type of marketing differ within the Democratic Party, i.e., do the different candidates within the same party use different methods? Is the marketing different for different demographic groups? The answers to these questions are yes in both cases. The Obama campaign had an early focus on targeting caucus states since these states usually lead to winning fewer delegates than primary states, therefore often are neglected by the candidates. This proved to be a successful marketing strategy since Obama won in many of the caucus states leading to a delegate lead that even wins by Clinton in large states (that she was focusing on) could not neutralize. His campaign also focused on a 50 state marketing strategy, spending huge money in all 50 states. This was made possible by the substantial amount of low denomination donations received throughout the whole primary season. No other candidate could afford the same spending on marketing. Obama, together with Republican Ron Paul, also attracted younger people with open attitude towards social media, wanting change. This was another deliberate marketing strategy.

The colour of the candidates' skin has been an important issue in the 2008 presidential election. Hillary Clinton put much marketing effort on the Hispanic vote since she has had a substantial support among this fast increasing group. Hispanics also tend to lean Democratic in national elections. One evidence to this commitment to Hispanics is her choice of campaign manager Patti Solis-Doyle, who has Hispanic heritage. The growing tension between Hispanics and African-Americans in today's USA is another factor that spoke in favour of Clinton winning the Hispanic vote; they were not believed to support a black candidate. On the contrary, as a black person, Barack Obama was believed to be in a position to capture a important share of the African-American vote in the primary election. However, what he concentrated his efforts on was rather to motivate them to register to vote, in order to increase the percentage of people voting in favour of him. Clinton had no reason to spend money on

marketing herself to this demographic group in the primary season since she did not count on winning many votes from them in the primary election. However, once the Democratic nominee, history teaches that Hillary could have taken the black support for granted.

Women were yet another important support-group for Clinton and a group where she concentrated much of her efforts.

Finally, where does the money come from? The Obama campaign succeeded in creating a fundraising network collecting more money than any previous campaign has ever done. A key to this success was the use of interactive databases relying on many small donors, giving $25 or less, but giving repeatedly. The Clinton campaign on the contrary, relied on a few large donors giving the maximum, i.e. $2,300, at once. However, the Clinton campaign had a hard time finding new donors once the campaign needed more money, resulting in her campaign being chronically short of funds. This financial advantage enabled Obama to outspend Hillary Clinton in all post-Super Tuesday contests and establish himself as the clear Democratic frontrunner. However, Internet fundraising was not completely new in the 2008 race. Already in 2000, McCain became the first presidential candidate to benefit from Internet fundraising, and in 2004, the campaign of the Democratic candidate Howard Dean used social-networking to gather and galvanize supporters – and raising money. In 2008, Hillary Clinton and the Republican candidate Ron Paul were other examples of good money raisers. But they could not compete with Obama.

Direct mail for attracting small donors as well as raising money over the phone, have been declining heavily in the U.S. in recent years. Today these methods are only used for elderly people not comfortable with the Internet and credit cards. Public financing is also common in the U.S. However, its importance seems to decline. In the 2008 race, McCain, Obama and Clinton, all turned down the offer of public financing.

5. ANALYSIS/DISCUSSION

In this chapter, a critical analysis of the empirical data is made. Correlation with theory is also made. The discussion serves as a basis for the conclusions in chapter 6.

5.1. Marketing Strategies of Decisive Outcome

This section answers Research Question 1 - What kind of marketing strategies are of decisive outcome in the primary season of the 2008 political campaigning?

By selecting *change*, a message under which a vast majority of voters can identify with, Obama defined what would become the significant product in both the primary and presidential election cycle, and thereby also transpired what he wanted to do if he would be elected. This truly constituted a marketing strategy of decisive outcome. By being the first to coin the message, it created a sense of authenticity which added value to the Obama brand. The Obama brand is probably the best known political brand of its sort in U.S. political history of today, and it differs significantly compared to Hillary Clinton and John McCain brands in the sense that it is managed bottom-up.

Other strategies of decisive outcome were the Obama campaign's creation of a grassroots movement and a bottom-up campaign. The focus on involvement from the lowest geographical level of organization, the locals, created an important and early delegate lead for Obama in caucus states. The focus on all 50 states as well as the bottom-up alignment of the campaign were other factors that lead to a delegate lead and ultimately to him winning the nomination.

By using the strategy to hire the cofounder of Facebook as his campaign strategist, and to embrace the concept of social networking, Obama created the Internet era of politics. With Internet campaigning as the centre part of his campaign, Obama was able to put himself as a candidate in the voter's online (Facebook) social life. This of course propelled volunteering, donations, voter registration, and all other factors that are essential for success. The Clinton campaign also had a strong presence on the Internet, but not nearly as focused and determined as that of the Obama campaign.

Obama also made a tactical move no other campaign had done before when he decided to get the group of young voters in his column. Two important advantages with this group of voters are that the Internet and social-networking is a natural part of their lives and that many of them also are first-time voters. Winning first-time voters also is of great interest to a party since voters tend to be faithful to the party they initially chose. In the primary race in Ohio Obama won 70 percent of the vote under 25 and in Pennsylvania 65 percent indicating that this was a very successful move. This also translated into record high number of registered young voters and young voters actually turning out in record numbers on Election Day. The

majority of them also cast their ballot for the Obama campaign which had a decisive impact on the race and its outcome.

By utilizing social networking strategies the Obama campaign allowed peer-to-peer interaction and communicating, allowing user created groups topic's and sites and finding people easy ways of both contributing money and meeting. For campaign calls, a volunteer could just click on a button and get a list of 50 people in their neighbourhood to call and persuade to vote. Social networking and the generation of the Barack Obama Facebook group served as a decisive marketing strategy in the sense that it allowed for large amounts of money being donated to the campaign. This could be utilized for better organization; more offices, more paid staffers, more commercials, etc., and had a strong effect of running the Hillary Clinton campaign, and also later the McCain campaign, virtually bankrupt. With a vast majority of the money donated from individual donors and of small denominations, this also created a sense of bottom-up funding that created a stronger perception regarding the brand and the message *change* from the campaign.

An additional benefit of the social networking strategy was the resulting database. Filled with voter-entered information, it will make Barack Obama the most influential democratic politician for years to come, since more donations may well be in reach for allies to the Obama campaign. As mentioned before, its huge growth and the importance it ended up having were probably a positive result rather than an initially calculated and planned strategy.

5.2. Marketing Differentiation

This section answers Research Questions 2 & 3 - Does the type of marketing differ within the Democratic Party, i.e., do the different candidates within the same party use different methods? Is the marketing different for different demographic groups?

If one argues that the caucus states (typically smaller more rural states) are a subtype of a demographic group, the Obama campaign had a completely different marketing strategy compared to the Clinton campaign (that ignored these races rather completely and focused on the big delegate rich states). Building his campaign from the bottom in a grassroots movement created an energized and large group of loyal followers, especially in more educated and white states like the caucus states. These caucus states followers organized themselves early and built an effective organization that is typically regarded as key to caucus state success. Indeed, by taking Idaho as an example, the Obama campaign had staffers in place in November 2007, compared to the Clinton campaign that put in resources one month in advance, i.e. in January 2008 (Healy and Seelye, 2008). This more organized effort by the Obama campaign resulted in an 80-17 win, and serves as a good example for most of all other caucus races that Obama won with big margins which ultimately led to Obama securing the Democratic nomination.

Young voters are a selected demographic group that has been the centre of the Barack Obama campaign right from the start. Traditionally this group of voters has not been an important part of the electorate to persuade because they often do not vote or care that much about politics while studying and not earning an income. However, Barack is from an American perspective a *young* candidate that has been enormously popular in the age group under 30 and he put much effort in winning the young vote. By putting Internet campaigning at the middle of his campaign, Obama was able to successfully put himself as a candidate in the voter's online (Facebook) social life.

Hispanic votes played an important role in several states during the primary races. States such as New York, California, and Texas has a large number of voters from this demographic group of which a majority are democratic supporters. Since tensions between Hispanic and black people in the U.S. have increased over the years due to political and economic competition, the Obama campaign was on the wrong side of the racial barrier when competing for this group. The Clinton campaign successfully targeted and later secured a solid support of this group which constitutes approximately 7 % of the total electorate. Their support was held throughout the primary season. However, in the end this was not enough for winning overall.

Targeting of the African-Americans was another marketing differentiation between the Obama and the Clinton campaigns. The Obama campaign concentrated successfully their efforts on increasing the turnout of this group, hence increasing the percentage of people voting in favour of Obama. However, Obama was not interested in marketing himself as a black candidate but rather tried to transcend the racial divide by marketing himself more as a contemporary American man than an African-American politician trying to score brownie points for being black. Clinton, on the other hand counted on securing the Democratic nomination first and then getting the black support in the general election.

5.3. Influence of Campaign Contributions

This section answers Research Question 4 - Where does the money come from?

The main contenders in the primary race of 2007-2008 will have raised enormous amounts of money to run their campaigns. The tally for Barack Obama in total in November 2008 stood at a staggering 579 million dollars.

The main difference between the campaigns was that the Clinton campaign relied heavily on the traditional fundraising efforts involving only few donors but large contributions. The Obama campaign went the other way amassing a huge number of small donors that were able to contribute several times before reaching the campaign contributions limit of 2,300 $. In essence from a business view, this means better and even cash flow, allowing for better budgeting and hence better organization efforts. It also resulted in the Clinton campaign running broke with Hillary lending the campaign several millions of dollar

to try to keep up with the Obama spending. In the presidential race, Obama declined public funding and were free to spend as much as he liked, heavily outspending the McCain campaign 2:1, 3:1 and even 5:1, allowing for 30 min commercials (1 million $ a piece) on prime time in all major networks as well as in states that no Democrat before had invested money in. This stretches the recourses for the opposing campaign. The huge number of small donors (a total of 280 million $ from donations under 200 $) allowed the Obama campaign to move more freely than any campaign before in respect to special interest groups and corporate lobbying groups. On the other hand since such a high number of people invested money and time in his campaign, Obama will have a much harder time breaking promises made on the campaign trail without suffering the consequences in a re-election bid.

5.4 Comparison to the Theory

According to theory, marketing research is used by political candidates in order to determine the needs and wants of the marketplace (and especially different key groups) so that they can better shape their policy. Opposition research, research on both the opponents' past as well as the candidate's own past, is another important tool used by political campaigns. Extensive marketing research as well as opposition research has been used by all major candidates in the 2008 presidential campaigning. Indeed, it is a prerequisite in order to be successful. You have to be aware of own strengths and weaknesses as well as your opponents' in order to decide on the best tactics to be used for all circumstances.

Once marketing research is done, segmentation to identify the typical voter, targeting, to select the segments of greatest opportunity, and positioning, to use the best possible strategy on the key issues of the targeted segments, is used in order to maximize voter impact. Like Bill Clinton in 1992, Obama positioned himself as a *new* Democrat, someone who would change the way in which Washington works (Newman, 1999b, p.45). Another difference between Hillary Clinton and Obama was that while Clinton concentrated on swing states and on delegate rich states, Obama focused on a 50 state strategy, spending money in *all* states. He also combined this with an early focus on caucus states.

According to the model proposed by Niffenegger (1989, p.46), the political marketing process integrates the 4P's (product, promotion, price, and place) of the marketing mix – or strategy – together with marketing research and segmentation. These ingredients are all found in the 2008 U.S. primary. The product offered consists of the candidate, his or her message, and the party platform, but also of past records and personal characteristics of the candidate as well as party image. The Obama campaign used *change* as its main message. This message was so successful that it soon became adopted by both Clinton and McCain as well. However, Obama being the first carving out the message gave him an authenticity the other could not compete with. Obama also represented a fresh change to politics, being rather unknown for

the big crowd, coming from a non traditional background, being young, being black, and being talented in delivering speeches which made people compare him to Martin Luther King and other great speakers of our times. During the course of the whole presidential election, he succeeded in becoming a brand, a veritable American Idol. With him, you could sense that everything would be possible, that change was possible, and that you – as a voter – had the chance of being an active part of it all. The change Clinton would bring about was that she was a woman, and could have become the first female U.S. President; otherwise she was a rather traditional candidate, just like McCain.

The promotion mix consists of both paid advertising and publicity, i.e. free campaign coverage by the news media. Since the Obama campaign was successful in fundraising, they could outspend both the Clinton as well as the McCain campaign. The Obama campaign also spent money in all 50 states. When it came to news media, even media fell in love with Obama. However, both Clinton as well as Obama got more media attention than McCain simply due to the fact that the Democratic primary race lasted three months longer than the Republican one. What was feared as being something that would divide the Democratic Party, giving the power once again to the Republicans, ended up, I believe, being only good publicity for the Democratic nominee.

In the price strategy costs can deal with economic costs such as tax increases, hidden psychological costs such as religion or ethnicity, national image effects, such as reduced or increased national pride due to the election of a particular candidate. If one looks at the two leading democratic primary contenders, it can be argued that both carry a *disadvantage* or a *price* compared to the mainstream politicians in the U.S. Senator Hillary Clinton is a woman, and Barack Obama is a black man, social labels that are far from common in the U.S. senate. Furthermore, neither has ever been elected as a President in the U.S. or in many predominantly white countries around the world. In my opinion, due to Obama's ethnicity, price was believed to be the real challenge or disadvantage for the Obama campaign in the beginning of the primary season – would it really be possible to elect a black person as the next president of the U.S.? This fact has been discussed fairly intensively in the primary season and I would argue that the price in this case probably have been an advantage to both candidates. As the product for the election cycle has been *change*, the two candidates representing social labels never before elected probably is perceived as something new that actually can carry the message of change. I also mean that national pride increased with the election of Obama – change indeed proved to be possible. Clinton, being a woman, had the same kind of psychological cost or problem but she came from the *right environment* and already had experience from the eight years of being close to the power as the first lady of the U.S. from 1992 to 2000. McCain carried the cost of being Republican and had to try to distance himself from Bush politics, especially concerning the Iraq war.

In order to be successful, the place strategy must include a personal appearance program

(where the candidate reach out to the voters) as well as a volunteer worker program used to *extend* the candidate (Niffenegger, 1989, p.48). All the candidates had ambitious personal appearance programs. However, Obama having created a bottom-up grassroots movement, reached out to the voters to a larger extent through the larger amount of volunteers working for him.

The ten political marketing guidelines is the part of theory most useful for the analysis of the data collected in this work. This is due to the fact that the guidelines are the part of theory most closely related to answering the research questions 1, 2 and 3; that is, the questions concerning marketing strategies, and marketing differentiation between different candidates and for different demographic groups. The ten political marketing guidelines derived from the analysis of the 2000 U.S. presidential election deals with 1) understanding what voters are looking for, 2) connecting emotionally with the voters, 3) manufacturing an image of honesty, compassion, and toughness, an image of a winner, 4) using a clear vision statement, 5) discussing voters' concerns, 6) offering change, 7) marketing yourself to the media, 8) avoiding verbal gaffes, 9) receiving (early) support from party elites, and finally 10), performing well in debates (Newman, 2001a). According to Newman, following these guidelines closely is necessary in order to insure victory.

Understanding what voters are looking for in a candidate is essential. Honesty and credibility are considered to be the top qualities in a president as well as courage to act when emergencies arise. Obama succeeded well in showing himself as being trustworthy, strong, and credible, a person that did not fear to change what needed to be changed. Being a Democrat, he also represented a fresh change to the current political situation with Bush and the Republicans in power. Many Americans were tired of the Iraq war and wanted to put an end to the war by electing a Democrat. They wanted change, and that is something that the Obama campaign understood. McCain had the *disadvantage* of being Republican, hence not representing change; therefore he had to struggle to distance himself from Bush politics in the eyes of the voters. Clinton had the same profitable situation as Obama, but did not succeed in carving out the message of change in the same way as Obama.

Marketing is all about making an emotional connection with voters through the use of likeability and personality. Obama has a strong personality, is likeable, and is great at delivering speeches and *speaking from the heart*. He succeeded in creating an emotional connection with many voters; when he speaks, people truly listen. This *personality factor* neither Clinton nor McCain could compete with.

Manufacturing an image of honesty, compassion, and toughness, an image of a winner is the third guideline. The candidate has to act in a way a potential president should. In the beginning of the primary season, this must have been one of the main challenges for Obama and his campaign, since he competed against experienced and well-known candidates. He had

to start, practically from zero, by convincing the voters that he was sincere, strong and compassionate and, most importantly, that he was ready to become their leader. His ability to deliver speeches was one of the most important keys to his success. I also believe that Obama succeeded in making people more interested and involved in politics, especially young people and African-Americans, than any candidate ever before.

The use of a clear vision statement *change* (with phrases such as "*Yes we can!*" and "*Change we can believe in*") was another key to Obama's success. It spoke both of his issues as well as of his personality. The other candidates did not succeed in carving out a message or a vision as powerful – yet as *easy* – as this one. The fact that voters want change (guideline six) also played in the hands of Obama by using this need for change as his central vision.

Voters' concerns as well as the opponents' bad records and non popular stand on issues are the topic to concentrate on. McCain, Clinton and Obama all did well in this sense and all knew what issues to concentrate on and what issues to neglect. An advantage for the two candidates from the Democratic Party was the voter *fatigue* of the incumbent Republican president.

Marketing yourself to the media is important in today's political world. According to Newman (2001a, p.213-214), candidates should be marketed as *unattainable heroes* decades ago, whether today they should rather be *real people*. This gives power to build opinion to TV hosts/hostesses and journalists. In this sense, the McCain campaign made a mistake by marketing McCain in the old fashioned way as a war hero. Clinton and Obama both tried to convince the voters that they were *real people*. Throughout the campaign, Obama highlighted the fact that he was *raised by a single mo*m, that he had a modest background, that he was the underdog, but also that he was a proof of the fact that anyone can reach far if you put your mind to it. Clinton could not compete in this sense, but instead concentrated on making voters' concerns her own, such as issues dealing with having parents and being a parent.

Obama succeeded in getting support/endorsements from party elites, especially in the end of the primary season. This can, at least partly, be explained by the importance of the Obama campaign's build-up of a huge database, the goldmine, filled with voter information. This database would be a great help for future candidates in their bid for presidency. Obama even got support from traditional Clinton supporters such as for example Ted and Caroline Kennedy, which was a clear backlash for Clinton. McCain had the advantage of having a unified party behind him, which, for a long time, was not the case on the Democratic side.

All three candidates performed well in the debates. Debates were initially considered to be a possible weak point of Obama – would he really be able to perform well live without a pre-written manuscript against the more experienced Clinton and McCain? The answer turned out to be *yes*.

As a summary it can be said that Obama is believed to have better implemented all these political marketing guidelines, especially number two, four, six, seven and nine, in his

marketing strategy. Like Newman, I also believe that the understanding of and following of these guidelines plays an important part in insuring victory. Obama not only secured the Democratic nomination but also ended up becoming the president of the U.S.

Due to the type of research questions asked, there is no real use of the MOP-SOP-POP model in this study. The model focuses on research made on parties in Great Britain. However, what orientation the different candidates and their campaigns are believed to have been using during the primary season could be of interest. A party (or a candidate) can change its behaviour to respond to the market, by being product, sales or market-oriented in order to increase its chances of winning elections. The majority of political marketing studies show that using marketing equals a market-orientation, but that each orientation can be appropriate depending on the goals and market (Lees-Marshment, 2001b, p.695). According to Ormrod (2006, p.115), the market-oriented party may well be the superior party to adopt in political systems like in the U.S. The Obama campaign is believed to have used a market-orientation, starting by using market intelligence to identify voter demands (*change*) and then designing its products (*change*) to suit those demands. The sales-orientation tries to make people want what it offers by selling its arguments with the use of the latest advertising and communication techniques together with market intelligence. The product-orientation simply believes that the voters will realize the superiority of its ideas, hence concentrates on arguing for what it stands for. I think that Clinton and McCain used a combination of sales-orientation and market-orientation, not designing their respective product to suit voter demands, but also trying to sell *pre-fabricated* arguments whereas the Obama campaign was working on a grassroots level in order to identify important voter issues via mini-surveys etc. via their two-way internet based communication machine.

When it comes to political marketing in practice, there is criticism that elections are bought by the *richest*, that politics has become packaging without content and populism with no leadership, that the mindset is wrong: politics should not be about selling a 'product', that voters today do not get information about political issues that they need in order to form a 'rational' opinion, and finally, that campaigns have become personal and negative (Henneberg, 2004, p.225). Is any of this criticism valid in the 2008 U.S. primary? It is hard to argue that money would not be important. Campaigning indeed is costly and yes, Obama's campaign had better resources and fundraising capabilities than the other campaigns. However, I believe that only being the *richest* is not enough in order to win. You also have to have a well carved out message, a trustworthy personality and well-build and functioning campaign organisation. Another difference is that the Obama campaign's fundraising was based on grassroots donors and not of *big money interests*. It was not Obama himself being *ric*h, but instead millions of people believing in him donating money, hence, building up an

impressively financially rich campaign.

The criticism concerning *populism with no leadership* is that politicians *run after the political opinion and adapt to any small changes*, i.e., have a customer (or market) orientation (Henneberg, 2004, p.231). There seems to be a tendency towards populism in politics nowadays, however, I do not agree that it would eliminate the leadership.

Politics being *packaging without content* and lacking the deeper information on issues is true to some extent. Non rational elements or decision shortcuts help voters to make up their minds. You do not have time and resources to convince the voters on the superiority on all issues, but rather have to concentrate on delivering a convincing message. And in this fast-turning world, the typical voter of today does not have enough time to go deep into all issues either. What is important is that you elect someone that you trust in and that you believe will do the most for you and your country.

That campaigns have become personal and negative due to political marketing management is claimed by some critics. I agree with Henneberg (2004, p.234) that both the political programme as well as the personal characteristics of the politician are important to the voter, hence, that it is beneficial if political marketing management provides both. So even if campaigns might be more personal than before, this is good, as long as the political issues are not forgotten. Negative campaigning is nothing new. According to Henneberg (2004, p.234) negative advertisements are more issue oriented than positive ones and can be a help in differentiating the offers. The campaigns of the three frontrunners in the 2008 primary season, Obama, Clinton and McCain, concentrated on personal characteristics but as I see it that was natural since they all represented something different compared to each other – something they all wanted to highlight. They did not forget to talk about the important issues either. There were negative campaigning from all three campaigns, Bill Clinton tried to attack Obama at several occasions, but I mean that the campaigns concentrated on their own issues rather than spending too much time on the others.

The most deceive (but not successful) marketing promotion in the primary campaign was the infamous 3 AM ad run by Hillary Clinton against Barack Obama (Patterson, 2008). The ad basically asked *"Who do you want to answer the phone when it rings at 3 AM and there is a crisis in the world?"* The question itself was valid but the images used had not so subtle racial subtexts and symbolic langue that many agree on is racist. This is negative campaigning at its "best" or lowest, and helped the Clinton campaign considerably in the states that the ad was run, with white vote swinging 12 % in her favour in Texas for example. While running the ad, Hillary Clinton in an interview also assured that she "believed" Obama was a Christian and had never been a Muslim (subtly suggesting that is somewhat questionable). The Clinton campaign endured a lot of heath over this ad and chose to not continue to run it. As always, negative ads are disliked by the general public and are always frowned upon by the people running campaigns. However, they almost seem to work in the

short run. In this case the ad only served to limit the inevitable Obama victory, and the criticisms afterward most likely hurt the campaign in the following races, but it changed the direction of the Clinton campaign focusing on a more folksy rural toned campaign in less urban areas (so called redneck areas) that were easier to persuade by racial and social overturns.

To conclude, as I observed, the empirical data collected in this study correlate well with the theoretical frame. Theory suggests that marketing research and opposition research are important tools for political candidates in order to be successful. The same is true for segmentation, targeting and positioning. All major candidates in the 2008 presidential race used these tools for shaping their policy or product offering.

Theory also suggests that the marketing mix of the 4P's should be integrated in the political marketing process. The analysis of the 4P's (product, promotion, price, and place) reveals that Obama had advantages compared to the other candidates; he had a better product (the message of change), better prerequisites for promotion (better financial resources making marketing in all 50 states possible, impressive build up of brand, greater (or same) media attention), initial price disadvantage (being black and rather unknown) turning into an advantage (increased national pride, increased believe that change was possible), and finally, place, which also represented an advantage for Obama with the bottom-up grassroots movement build up of his campaign that reached out to voters to a larger extent.

Newman's ten political marketing guidelines in order to insure victory explain well the Obama success in both the primary season as well as in the general election. All three candidates (Clinton, McCain and Obama) seem to have had more or less the same possibilities to succeed, but for at least five (number two, four, six, seven and nine) Obama had great advantage; he was better at connecting emotionally with the voters, he had a clear vision statement, offered change, was great at marketing himself to media, and, in the end of the primary season, received support from party elites.

Some of the criticism concerning political marketing in practice as I understand it is valid. That money is important in political campaigning is true, but I do not believe that the *richest* automatically wins the elections. That politics is *packaging without content* is true to some extent. You have to search for deeper information, but that is a mirror of society today where fast and easily digestible information is key. When it comes to *populism with no leadership* I do not agree that it would eliminate the leadership, nor do I think that the campaigning in the 2008 U.S. primary season (or general election) was more negative than in earlier elections.

6. CONCLUSIONS

In the conclusion section, the key results and findings are summarised.

6.1. Marketing Strategies of Decisive Outcome

This section answers Research Question 1 - What kind of marketing strategies are of decisive outcome in the primary season of the 2008 political campaigning?

The main marketing strategies that had a major impact on the race were several. Most importantly, the Obama campaign gauged the American people well when they carved out the product of this election cycle: *Change*. All candidates have, one after another, adopted this message in their slogans. But by being the first to coin, the phrase or product added value and authenticity to the Obama campaign which, in turn, gave a major impact in credibility. Both Democratic candidates carried costs with their presidential bids; Obama being a black man and Clinton being a woman. This however, did not play a major role in the end results from the primaries, but rather strengthening the brand message of change. (This also gave a positive effect of the "price" or cost of the 4P's.) The effect in the presidential election was the same. This fact is in accordance with Newman's marketing guidelines that, amongst other things, states that a candidate should use a clear vision statement and offer change in order to be successful. Obama was better at following these guidelines than his competitors. One parameter of the marketing mix of the 4P's that theory suggests to be integrated in the political marketing process, i.e. the "product", in this case change, also explains Obama's success. His product was best.

The Obama brand is the best known brand of its sort in U.S. politics. It has been managed successfully in a bottom-up movement and differs significantly from the Clinton and McCain brands. Two other guidelines can be mentioned here since they most certainly helped in the branding; the importance of connecting emotionally with the voters which is one great quality or gift Obama possesses, and his ability of marketing himself to the media. "Place" from the 4P's, also represented a great advantage for Obama with the bottom-up grassroots movement build up of his campaign that reached out to more voters.

Social networking sites and the Internet have come to play an important role in branding, fundraising, as well as communicating with supporters and counteracting political accusations. Courting young voters was a successful strategy used by the Obama campaign. With the majority of the donations being of small denominations, this supports the grassroots bottom-up brand that the Obama campaign created. With the huge database containing voter information collected during the whole campaign, Barack Obama will be the most influential Democratic politician in the U.S. for years to come. This database was also one of the reasons why Obama received support from party elites in the end of the primary season (Newton's

guideline number nine).

6.2. Marketing Differentiation

This section answers Research Questions 2 & 3 - Does the type of marketing differ within the Democratic Party, i.e., do the different candidates within the same party use different methods? Is the marketing different for different demographic groups?

This study has shown that there are differences in marketing when it comes to different presidential candidates even within the same party. Marketing activities and efforts also look different for different marketing groups.

Both democratic candidates successfully employed different marketing techniques to reach out to different demographic groups throughout the primary. The Clinton campaign, with help from racial tensions, successfully won a majority of the Hispanic vote in the primary, but this support was not major enough to change the result of the whole campaign. Being a woman, she also put much effort in courting female voters. The Obama campaign successfully courted the young voters segment and the caucus state voters in an effort that resulted in an unbreakable lead in democratic delegates from these states. The highly energized young voters resulted in Obama winning the young vote and gaining a huge number of volunteers for his campaign. This group also had a major impact on the results of the presidential election. As for the black vote, and its increased turnout, it was solidly behind Obama throughout both primary and presidential races.

6.3. Influence of Campaign Contributions

This section answers Research Question 4 - Where does the money come from?

In order to raise the money for a successful campaign, one obvious conclusion would be that the marketing strategy of creating a bottom-up grassroots movement propelled the Obama campaign into achieving record amount of cash, more than 580 million dollar in the combined primary and presidential campaign. With this money it was possible to outspend the Clinton campaign to bankruptcy and stretching the McCain campaigns finances severely, allowing for better organization and more advertising campaigns. The use of the Internet and social networking was a corner stone in this success. All major candidates raised record number of donations via the Internet, and social networking, but no other candidate even came close to Obama's figures. Key to his figures was millions of donors, giving small amounts but giving repeatedly. The databases constructed, especially the one created by the Obama campaign, will be an important tool for years to come regardless of whom actually won the election.

The *promotion* part of the 4P's also explains Obama's success in the primaries as well

as in the general election. He had better prerequisites for promotion due to the record amount of cash collected by his campaign.

6.4 Final Reflections

The exploratory method and case study have been used in this work since its subject belongs to the field of political marketing where there has been some – but not that much - research done previously. Furthermore, the qualitative research method was chosen since the purpose with this work has been to understand political marketing and how it works but not a question of measuring or quantifying anything. The Internet has been an important tool in the search for, and collection of data. Sources used have been scientific articles, books, other relevant literature, home pages, online newspapers, TV, etc. The research questions have been investigated and conclusions from a marketing perspective have been drawn. Correlations with theory have also been made.

Initially, the intention was to include results from a questionnaire sent to the three major campaigns, i.e. the Obama, the Clinton, and the McCain campaign respectively. The questions asked were all related to the research questions. However, no campaign responded. Results from the questionnaire would most certainly have added valuable information to the study and made it richer in content. One interesting result of the questionnaire though, was that the Obama campaign started sending daily e-mails with the latest information and results of the campaign encouraging the reader to join the campaign more actively and/or to donate money. These e-mails gave an interesting *inside* perspective of the Obama campaign.

The study was limited to the primary season; it would have been interesting to include the whole U.S. Presidential campaigning process from start to finish. In future research projects, it would also be interesting to compare political marketing in the U.S. and political marketing elsewhere, in Europe for example.

The empirical data collected in this study correlate well with the theoretical frame of political marketing. All major candidates in the 2008 presidential race used the important tools of marketing research, opposition research, segmentation, targeting and positioning for shaping their policy or product offering. The 4P's (product, promotion, price, and place) of the marketing mix – or strategy – are all integrated in the political marketing process model proposed by Niffenegger (1989, p.46). These ingredients are all found in the 2008 U.S. primary. The ten political marketing guidelines in order to ensure victory (Newman, 2001a) turned out to be the part of theory most useful for the analysis of the data collected in this work due to the fact that they are the part of theory most closely related to answering the research questions 1, 2 and 3; that is, the questions concerning marketing strategies, and marketing differentiation between different candidates and for different demographic groups. Obama is believed to have better implemented all these political marketing guidelines in his marketing strategy.

This study contributes to both increased knowledge when it comes to understanding the role of social media, grassroots movement, and bottom-up branding as a political marketing strategy. It also contributes to increased knowledge about political marketing in general. It has showed the importance of marketing - and money - in American politics, using the example of the 2008 U.S. Presidential primary elections. Political parties as well as individual candidates may also find the results of this research useful for future campaigning. This research has indeed contributed to the author's increased knowledge and interest in the field of both political marketing and politics in general. Furthermore, this work is believed to be an exciting reading adventure for everyone interested in knowing more about the subject of political marketing, about how marketing is done in American politics, and last but not least, about how marketing might actually decide the outcome of an election.

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APPENDICES

APPENDIX I – U.S. Presidential Election

In Appendix I, the U.S. presidential nominating and election process are described. Information on the major parties is also given.

Parties & Elections

Since the general election of 1856, politics in the United States have operated under a two-party system (Wikipedia, 2008a). (The last time a third-party presidential candidate won as much as 20% of the popular vote (but not the presidency) was when former president Theodore Roosevelt was running as a Progressive in 1912 (Wikipedia, 2008a).) For elective offices at all levels, state-administered primary elections are held to choose the major party nominees for the following general elections. The incumbent president, the 43rd president in the U.S history, is Republican George W. Bush. All U.S. presidents to date have been white men. The Democratic nominee in the 2008 presidential election, Barack Obama, is the first black person in U.S. history to win the nomination of the party. Black civil rights leader, and Baptist minister Jesse Jackson ran for the Democratic nomination in 1984, and 1988, but lost.

The two major political parties in the U.S. are the Republican Party and the Democratic Party (Figure A1). These two are also the only ones discussed futher in this report since they are the only relevant parties in the current Presidential Election. However, there are five parties that are large enough to *theoretically* having the possibility of its nominee becoming President of the United States (Wikipedia, 2008b). Expect for the previous mentioned, these parties are; the Libertarian Party, the Constitution Party, and the Green Party. Nevertheless, these three are small compared to the two major parties. There are also a vast number of other political parties but they are insignificant, and will therefore not be mentioned further in this work.
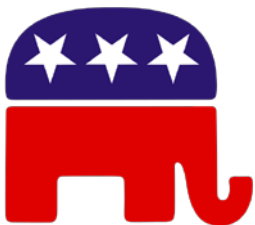
Republican Party logo   Democratic Party logo (new and old)
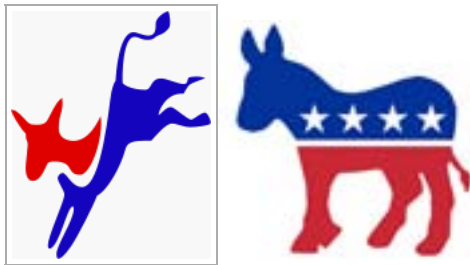
Figure A1. Party logos for the major parties; an elephant and a donkey (Wikipedia, 2008c,d).

Unlike democratic politics in much of the rest of the world, the U.S. has relatively weakly organized parties. While parties play a significant role in fundraising and occasionally

in drafting people to run, campaigns are ultimately controlled by the individual candidates themselves (Wikipedia, 2008e).

The Democratic Party, founded in 1824 (even though roots trace back to 1792) is the oldest political party in the U.S. (Wikipedia, 2008a). It is currently the majority party of the 110th Congress. The party holds a majority in the House of Representatives and the Democratic caucus/conference (the formal organization of the current 49 Democratic U.S. Senators which also includes two independents) constitutes a majority in the Senate (51 versus 49) (Wikipedia, 2008c). It is the first time since the end of the 103rd Congress in 1995, that the Democrats control a majority in both chambers. Democrat Nancy Pelosi became the first woman Speaker of the House. Democrats also hold a majority of state governorships as can be seen in Figure A2 (28 versus 22) and control a majority of state legislatures (23 Democratic controlled versus 13 Republican controlled) (Wikipedia, 2008c). In 2004, it was the largest political party, with 42.6 percent (72 million) of 169 million registered voters claiming its affiliation (Wikipedia, 2008c).

Republican (22)   Democratic (28)
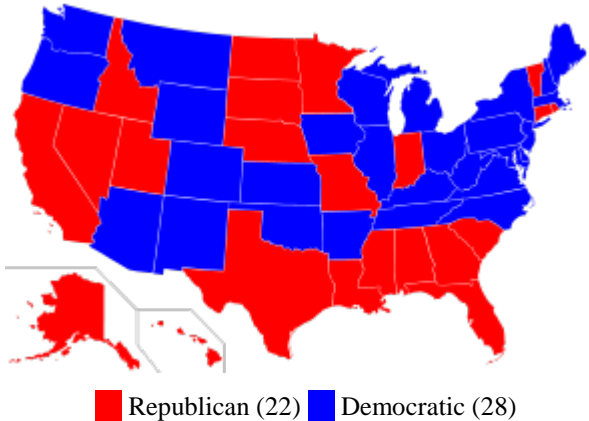
Figure A2. Distribution of democratic and republican governors in the U.S. as of January, 2008 (Wikipedia, 2008f).

Originally the Democratic Party was a Democratic-Republican Party, but since 1912, when it became the Democratic Party, it has consistently positioned itself to the left of the Republican Party in economic as well as social matters (Wikipedia, 2008c).

The Republican Party often referred to as the Good Old Party or GOP, was founded in 1854 by anti-slavery expansion activists and modernizers (Wikipedia, 2008d). Abraham Lincoln was its first Republican president. Today, the Republican Party supports a conservative platform, with further foundations in economic liberalism, fiscal conservatism, and social conservatism (Wikipedia, 2008d). Current President George W. Bush is the 19th Republican to hold office. 55 million people are registered members within the party (Wikipedia, 2008d).

The Republican Party is considered "*center-right*" or *conservative* and the Democratic

Party is considered "*center-left*" or *liberal*, but there is a wide range of views held by members in both parties (Wikipedia, 2008a). In a May 2008 poll, 44% of Americans described themselves as "conservative", 27% as "moderate", and 21% as "liberal" (Ipsos Public Affairs, 2008). On the other hand, according to Rasmussen Reports, that same month, 41.7% of Americans were identified as Democrats, 31.6% as Republicans, and 26.6% as independents (Rasmussen Reports, 2008). This reflects that the majority of elected officials, democrats or not, for the most part hold a majority of conservative values.

As can be seen in Figure A3, the West coast and the Northeast as well as some of the Great Lakes states are relatively liberal-leaning – known in political vocabulary as "blue states" (predominantly voting for the Democratic Party) (Wikipedia, 2008a). The "red states" of the South and the Rocky Mountains are considered conservative, hence, predominantly voting for the Republican Party (Wikipedia, 2008a).
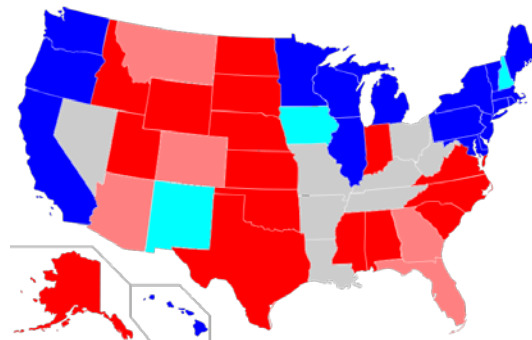
Figure A3. Results of the Presidential elections (1992, 1996, 2000, 2004) (Wikipedia, 2008g)

States carried by the Republican in all four elections

States carried by the Republican in three of the four elections

States carried by each party twice in the four elections

States carried by the Democrat in three of the four elections

States carried by the Democrat in all four elections

U.S. Presidential Elections & Electoral College Electors

U.S. Presidential Elections are being held in November every fourth year. They determine who will serve as president – or "*CEO of America*" using Hillary Clinton's vocabulary – and vice president of the United States of America for a four-year term, starting at noon on *Inauguration Day*, the day on which the U.S. President is sworn in and takes office. This day also frequently goes by the name *Day One*, and always takes place on January 20 the year after the election. The next U.S. Presidential Election will be held on November, 4, 2008.

The election of the president is governed by Section 1 of Article Two of the U.S.

Constitution, as amended by Amendments XII, XXII, and XXIII (U.S. Constitution Online, 2008; Wikipedia, 2008h). Elections are conducted by the states and not by the federal government (resulting in 50 different set of rules for how to conduct the election). Constitutionally, the election is made by the *United States Electoral College electors* (Wikipedia, 2008h). These electors are selected by methods each state individually establishes, but prevailingly by popular vote, through a state-wide ballot for slate of electors who have informally pledged themselves to support a particular presidential and vice presidential candidate. This system, just like the national convention, is an indirect element in the process of electing the president. Hence, on Election Day, the American people are not directly voting for a presidential candidate but instead for an elector representing that candidate, who then (41 days after Election Day) will vote for that presidential candidate. However, *state ballots* are, for the ease of understanding, normally designed to suggest that the voters are casting a ballot for the actual candidates for President. Usually states use what is termed the *short ballot*, in which a vote for one party (such as Democratic or Republican) is interpreted as a vote for the entire slate of Presidential Electors. The president and vice president are elected on the same ticket.

Theoretically, the electors can vote for anyone, but – with rare exceptions – they vote for the designated candidates. Their votes are then certified by Congress in early January. The individual who receives a majority of votes for president will be the president-elect of the United States of America. The Electoral College is composed of 538 electors (Wikipedia, 2008i). 270 electoral votes are needed for a majority (Wikipedia, 2008i,j). If no candidate receives a majority, the president-select will be chosen by the House of Representatives, while the Senate will choose the vice-president (Wikipedia, 2008h,i).
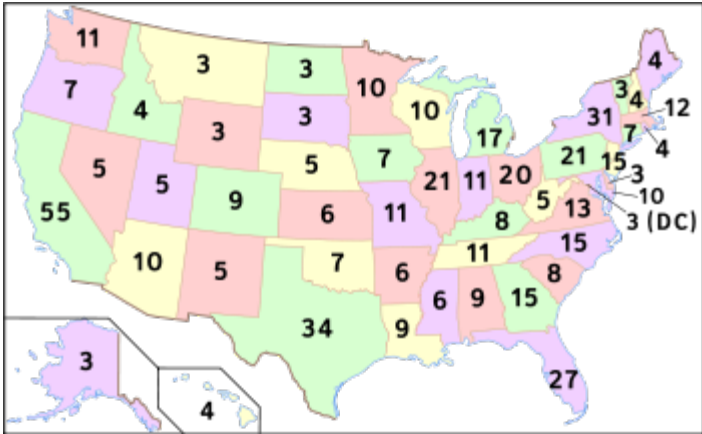
Figure A4. Electoral votes by state/federal district, for the elections of 2004 and 2008 (Wikipedia, 2008i,j).

The number of electoral votes of each state is the sum of its number of U.S. Senators

(always two[d]) and the number of U.S. Representatives (a total of 435 persons[e]) to which that state is entitled (Wikipedia, 2008i). The District of Columbia has three electors. How the electoral votes are divided between the different states (and the federal district) can be seen in Figure A4. Since the most populous states have the most seats in the House of Representatives, they also have the most electors. The five states with the most electors are California (55), Texas (34), New York (31), Florida (27), and Illinois (21). The smallest states by population – Alaska, Delaware, Montana, North Dakota, South Dakota, Vermont, and Wyoming (currently smallest) – each have three electors. Washington, D.C. has the same number of votes it would if it had Senators and Representatives, but no more than the least populous state (i.e., three electoral votes) (Wikipedia, 2008i). The number of representatives for each state is determined decennially by the United States Census (a census is the process of obtaining information about every member of a population) (Wikipedia, 2008i). The amount of electoral votes for each state is determined accordingly. U.S. territories are not represented in the Electoral College.

It is possible for a candidate not to become the president even after winning the popular vote. This happened as late as in 2000, when Al Gore won the popular vote but lost the electoral college majority to George W. Bush. This is due to the fact that the electoral college is a *winner take all* method which means that the electors from a certain state all vote according to who (which candidate, i.e. which Party or slate of electors) won that state. By winning, either a simple majority (50% plus 1 vote between two candidates), or a plurality (the highest individual percentage of the vote where there are three or more candidates) of the whole number of votes cast by the people of the state, is needed. Coming second, even by few votes, simply does not count. This method is demonstrated in Figure A5 below.

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[d] Each state has two senators, elected at-large to six-year terms; one third of Senate seats are up for election every second year.

[e] The House of Representatives has 435 members, each representing a congressional district for a two-year term. House seats are apportioned among the fifty states by population every tenth year.
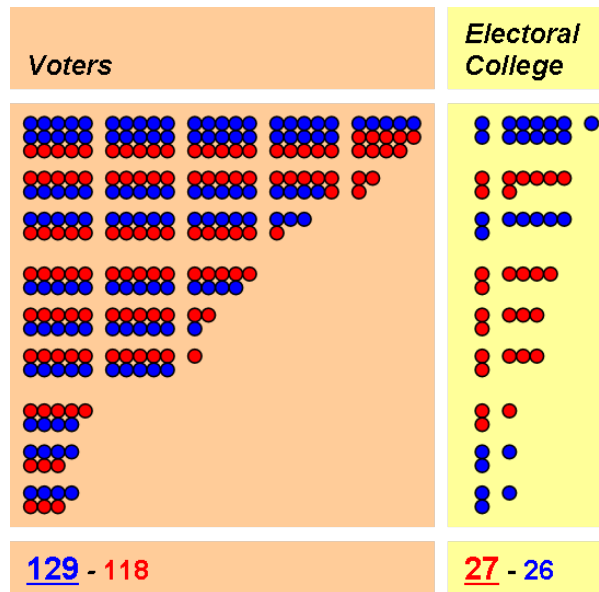
Figure A5. This graphic demonstrates how the winner of the popular vote can still lose in the Electoral College (Wikipedia, 2008i).

The *winner take all* method is used in all states except for Maine and Nebraska where Presidential Electors are chosen by using what is called *the District Method* (Wikipedia, 2008i). The District Method consists of selecting one elector within each congressional district by popular vote, and additionally selects the remaining two electors by the aggregate, state wide popular vote. Claimed positive effect of the district method is that it requires candidates to cultivate greater and broader support throughout the entire nation, and does not favour a candidate winning by large margins in only a few of the largest states (hopefully preventing the worst case scenario of an extremist becoming president) compared to one winning by small numbers in all the rest of the states (Wikipedia, 2008i). However, this "greater and broader" support is not guaranteed. In theory, a candidate could actually win with only the support of the 11 largest states (which would give 271 electoral votes, i.e., 1 vote more than majority) (Wikipedia, 2008i).

Those in favour of the Electoral College argue that organizing votes by regions forces a candidate to seek popular support over a majority of the country. However, one result of the present Electoral College is that the national popular vote bears no legal or factual significance, which in turn, can lead to campaign strategies based around the Electoral College rather than around popular vote (Wikipedia, 2008i). Consequently, in any close race, candidates campaign to maximize electoral votes, not to maximize national popular vote totals. Changing the system into that of winning the popular vote is claimed to only shift the focus to large cities at the expense of rural areas (Wikipedia, 2008i). Candidates might also be inclined to campaign the hardest in their base areas to maximize turnout among core supporters, and ignore more closely divided parts of the country. Whether such developments are good or bad depend on each individual's preferences.

Nominating Process & Delegates

The nominating process of U.S. presidential elections begins with a series of presidential *primary elections* and *caucuses* held in each state. After these are finished, *presidential nominating conventions* are held by each political party. The national conventions are usually held the summer before the federal election. The primary elections and caucuses, run by state and local governments (primaries) as well as by the political parties (caucuses), are held between January and June the year of the presidential election. Some states only hold primary elections, some only hold caucuses, and others use a combination of both (for example the Democrats in Texas) (Wikipedia, 2008h). Iowa and New Hampshire traditionally hold the first presidential state caucus and primary, respectively.

Just like in the general election, the candidates are selected indirectly, which means that when voters cast ballots for a candidate in a presidential caucus or primary, they are actually voting for *pledged delegates*. According to CNN Politics "*a pledged delegate is elected or chosen on the state or local level with the understanding that they will support a particular candidate at the convention*" (CNN Politics: Election Center 2008, 2008a). For the Democratic Party, the pledged delegates are allocated among the states according to two main criteria:1) proportion of votes each state gave to the Democratic candidate in the last three Presidential elections; and 2) percentage of votes each state has in the Electoral College (Wikipedia, 2008k). Under the party's *Delegate Selection Rules for the 2008 Democratic National Convention*, fixed numbers of delegates are allocated for Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands, and Democrats Abroad (Wikipedia, 2008k). The delegates have a single vote each, with the exception of some delegates of American Samoa, Guam, the U.S. Virgin Islands, and Democrats Abroad who have half a vote each (Wikipedia, 2008k). Hence, the total number of delegates is slightly higher than the total number of delegate votes. Depending on state law and state party rules, pledged delegates are either "bound" to vote for a candidate at the state or national convention, or they may simply be expressing an opinion that the state party is not bound to follow in selecting delegates to the national convention. Consequently, candidates are allowed on a state-by-state basis to review the lists of delegates who have pledged their support and can delete anyone whose support they consider unreliable (CNN Politics: Election Center 2008, 2008a). However, since candidates may remove delegates who they feel may be disloyal, the delegates generally vote as pledged.

According to the Republican Party's *Call for the Convention* (published in November, 2007), where the rules and numbers of delegates are described, delegates are to be allocated by the Republican National Committee (RNC) in four categories (Wikipedia, 2008l): 1) *Three district level delegates* are given to states for each of their congressional districts. 2) *Ten additional at-large delegates* are given to each state regardless of population. 3) Additional

bonus delegates to states for having Republican U.S. Senators and governors, sending a majority-Republican delegation to the U.S. House, maintaining partial or total Republican control of the state legislature, or casting a majority of their 2004 electoral vote for George W. Bush. 4) *Three party delegates* are automatically given to each jurisdiction (each state and the District of Columbia, Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands and the Northern Mariana Islands): their two RNC delegates and the chairman of the state Republican Party. U.S. territories and the District of Columbia are only eligible to send at-large and party delegates (Wikipedia, 2008l).

According to the Democratic Party's *Delegate Selection Rules for the 2008 Democratic National Convention*, delegates are awarded by proportional representation, with a minimum 15 percent threshold required in order to receive delegates (Wikipedia, 2008k). Each state party is also required to publish its own state level delegate selection plan. Unlike the Democratic Party, the Republican Party has no restriction as to proportional representation even though some states use the proportional process (Wikipedia, 2008l). Other states use the "winner take all" method to award delegates within a state, and still others use the winner take all within a congressional district.

In addition to the delegates chosen during primaries and caucuses, state delegations to both conventions also include *"unpledged" delegates*. An unpledged delegate refers to the unpledged status of a delegate's ballot meaning that he or she (at least in theory) can vote for any candidate within the party at the national convention – and not necessarily the one who won a district or the entire "home" state. These delegates have been selected or elected by each state party. In the Democratic Party these delegates go by the name "superdelegates" and comprise about 20% of the total number of delegates (Wikipedia, 2008k). (However, the numbers could change if delegates leave office, leave the party, cannot make it to the convention or if the national party changes which states to include in the final count.) The superdelegates are important personalities within the Democratic Party. About half of the superdelegates are current and former elected officials: all current Democratic Congressmen and Governors, and all former presidents, vice presidents, majority and minority leaders (Wikipedia, 2008k). The other half consists of members of the Democratic National Committee. Superdelegates can announce who they will support throughout the nominating process but they are not committed irrevocably to one candidate until the Democratic National Convention. The Republican Party also seats some top party officials as delegates without regard to primary or caucus results, but the term "superdelegate" is most commonly applied only for those unpledged delegates within the Democratic Party. The Republican Party instead refers to its unpledged delegates as "*unpledged RNC (Republican National Committee) members*" (CNN Politics: Election Center 2008, 2008b).

In recent decades, one of the presidential nominees of the Democratic and Republican parties has almost always been an incumbent president or a sitting or former vice president.

This is not the case in 2008. President George W. Bush is on his second and last four-year-term[f] and Vice President Dick Cheney decided not to run for President. When the candidate has not been a president or vice president, nominees of the two main parties have been state Governors or U.S. Senators. Contemporary electoral success has favored state governors. The 2008 presidential campaign differ in this case too, since both presidential candidates in the race are U.S. Senators, and the vice-president candidates are one U.S. Senator, and one Governor.

The primary elections and caucuses usually determine which candidates for president will be supported by that state at the national conventions of each political party, as well as how many delegates to each party's national convention each candidate for president will receive from that state. It is at these political conventions where the political parties *officially* select their respective nominee for President, as well as Vice-President (Wikipedia, 2008m, Answers.com, 2008). However, due to changes in election laws and the manner in which political campaigns are run, conventions have changed since the mid 70's and are today mostly ceremonial affairs (Wikipedia, 2008m). The different nominees are normally known long before the conventions are being held. The last time a major party's nominee was not clear before the convention was in 1976, when the incumbent president Gerald Ford narrowly defeated Ronald Reagan (Wikipedia, 2008m).

To become the Democratic and Republican nominee for President in the 2008 Presidential Election, each candidate respectively needs to be nominated by a majority of delegates at their national convention. 2,380 Republican delegates – with 1,917 pledged delegates – were on stake in the 2008 nomination process (CNN Politics: Election Center 2008, 2008c). 1,191 delegates were needed to get the Republican nomination. This was reached by Senator John McCain on March 4, 2008 (Wikipedia, 2008l). McCain will remain the presumptive Republican candidate until the convention where he is officially nominated. In order to win the Democratic nomination, 2,118 delegates were needed (the total being 4,234 delegates) (CNN Politics: Election Center 2008, 2008d). Since the Democratic nomination process has been a long and close delegate-race between Barack Obama and Hillary Clinton, the presumptive 2008 Democratic presidential candidate Barack Obama was not known until June 3, 2008 (Wikipedia, 2008k). Please see Appendix II-III for more details regarding the primary system and for definitions and vocabulary of the election cycle.

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[f] The president serves a four-year term and may be elected to the office no more than twice.

APPENDIX II – The U.S. Nominating Process: Caucuses & Primaries

In Appendix II, caucuses and primaries of the U.S. nominating process are explained more in detail.

Caucus

One definition of caucus is "a meeting of members of a political party or subgroup to coordinate members' actions, chooses group policy, or nominates candidates for various offices" (Wikipedia, 2008o). The term is used to discuss the procedures used since the 1980s' by some states in order to select presidential nominees. The Iowa caucuses, is one example, being the first and largest in the modern presidential election cycle. Another example is and the only occasionally relevant Texas caucuses. Caucuses have become an important component of the presidential nomination process. A caucus can also be a subgrouping of officials with shared affinities or ethnicities who gather, usually to advocate, agitate, lobby or to vote collectively, on policy (Wikipedia, 2008o). At the highest level, in Congress and many state legislatures, Democratic and Republican members organize themselves into a caucus or conference. Congressional caucuses can also be openly organized tendencies or political factions – usually organized around a single issue – who strive to achieve political goals. The origin of the word *caucus* is debated (Seattlepi.com, 2007; Wikipedia, 2008o). According to some sources, it comes from the Algonquin (The Algonquins, or Algonkins, are an aboriginal North American people speaking Algonquin) word for "counsel," 'cau´-cau-as´u', and was probably introduced into American politics through the Democratic Party in New York, which liked to use Native American terms. Others claim that it is derived from Medieval Latin *caucus*, meaning "drinking vessel", and link it to the Caucus Club of colonial Boston where small groups of people met to endorse candidates. Yet others, claim it to be derived from the Arabic word *Qauqa'a*, "قوقعه", which means shell or enclosed area.

Typically, the process involves several rounds of meetings, starting with gatherings at the precinct or other local level in order to choose delegates. These delegates then go to county conventions to choose new delegates who choose delegates for the national convention. Few rules govern the actual process and they vary from state to state and party to party (Seattlepi.com, 2007; Wikipedia, 2008o). Caucus-selected delegates are normally less bound to vote for the candidate they supported while being elected compared to those chosen via primaries (Seattlepi.com, 2007). Despite a rule in the Democratic Party that delegates are to be allocated proportionally rather than winner take all, some individual caucus groups decide for themselves how to allocate their group's delegates – for instance, by using a majority vote to determine which of the two methods to select (Wikipedia, 2008o). In the winner take all scenario, a group's delegate allocation may be reported as unanimous, with the minority votes ignored (Wikipedia, 2008o). Voters also have the option to draft resolutions to

make changes to the election process, and those are introduced by delegates at later divisional caucuses or conventions (Wikipedia, 2008o). Participants in each party's caucuses must be registered with that party, but it can be done at the caucus location. Additionally, 17-year-olds can participate, as long as they are 18 years by the date of the general election. Observers such as media, campaign staff, volunteers, and youth are allowed to attend, as long as they do not become actively involved in the debate and voting process. Those supporting the caucus system believe that caucuses favours grass-roots organization and balances the advantages of "*big-money*" candidates. Critics claim that the system is anti-democratic since it attracts very few voters, and mostly voters that are more affluent and can spend up to five hours debating. (Seattlepi.com, 2007).

The Iowa Caucuses

The Iowa caucuses, in 2008 occurring in early January, have been the first major electoral event of the nominating process for President of the United States ever since 1972. As such, it receives enormous media attention (Wikipedia, 2008p). Although only about one percent of the nation's delegates are at stake, the Iowa caucuses serve as an early indication of which candidates for president might win the nomination of their political party at that party's national convention. In 2008, Democratic presidential candidate Barack Obama won (38%), followed by John Edwards (30%), and Hillary Rodham Clinton (29%); among the republican presidential candidates, Mick Huckabee won (34%), John McCain (13%), Mitt Romney (25%) and Fred Thompson (13%) (Wikipedia, 2008p).

The Iowa caucuses, and caucuses in general, are very different compared to the more common primaries. They are generally defined as "*gatherings of neighbours*" (Wikipedia, 2008p). Instead of going to polls and casting ballots, Iowans gather at a set location in each of Iowa's 1784 precincts (Wikipedia, 2008p). Typically, these meetings occur in schools, churches, public libraries, and even in homes. The caucus does not result directly in national delegates for each candidate. Instead, caucus-goers elect delegates to county conventions, who in turn elect delegates to district and state conventions where Iowa's national convention delegates are selected.

The Republican Party and the Democratic Party each have their own caucuses with their own rules. The process used by the Democrats is more complex than the Republican (Wikipedia, 2008p). For the Democrats, each precinct divides its delegate seats among the candidates in proportion to caucus goers' votes. It all starts with the caucus leader asking the precinct captains to present themselves. Next, the first tally is conducted were the supporters for each candidate moves to different corners of the room. An area may also be designated for undecided participants. Then, for roughly 30 minutes, participants try to convince their

adversaries to support their candidates. Each supporter group might recruit supporters from the other groups and, in particular, from among those undecided. Undecided participants might visit each preference group to ask its members about their candidate. After 30 minutes, the supporters for each candidate are counted. At this point, the caucus officials determine which candidates are viable. The viability threshold can be anywhere from 15% to 25% of attendees depending on the number of county delegates at stake (Wikipedia, 2008p). Once viability is determined, the caucus-participants have roughly another 30 minutes to realign. The supporters of candidates not reaching the threshold have several options. They may find another viable candidate to support, join together with supporters of another unviable candidate to secure a delegate for one of the two, or choose to abstain. This possibility of realignment is an interesting distinction between caucuses and primaries, where being a voter's second choice in a caucus actually can help that candidate. Once the final positions are reached, the voting is closed, and the percentage of supporters to each candidate is calculated. Thereafter each precinct apportions delegates to the county convention. The state party then counts the total number of delegates for each candidate and reports the results to the media. A few remaining supporters from each preference group elects its delegates, and then the groups reconvene to elect local party officers and discuss the platform. The delegates chosen by the precinct then go to a later caucus, the county convention, to choose delegates to the district convention and state convention. Most of the delegates to the Democratic National Convention are selected at the district convention, with the remaining ones selected at the state convention. Delegates to each level of convention are initially bound to support their chosen candidate but can later switch in a process very similar to what goes on at the precinct level; however, as major shifts in delegate support are rare, the media declares the candidate with the most delegates on the precinct caucus night the winner, and relatively little attention is paid to the later caucuses (Wikipedia, 2008p).

The Republican caucuses work differently. Initially, the caucus-goers are exposed to campaigning for each candidate done by other caucus participants. Afterwords, they cast secret ballots and the results of the different precincts are tabulated and then transmitted to the media. In 2008, some precincts used a show of hands or preprinted ballots (Wikipedia, 2008p). The results are non-binding. As in the case for Democrats, it is the Republican Iowa State Convention, after the precinct caucuses, the county conventions, and the district conventions, which select the ultimate delegates from Iowa to the Republican National Convention.

The Texas Caucuses

Texas has both primaries and caucuses. The process goes by the name "*the Texas Two-step*", because you must vote in the primary election before being eligible for caucusing. The

process differs for Democrats and Republicans. The Republican caucuses select participants for the state convention, while the presidential nominee is selected winner take all according to the outcome of the primaries (Wikipedia, 2008q). The Democratic caucuses play a larger role in national politics since they apportions thirty-five percent according to the number of supporters each presidential candidate has. The primary selects the other sixty-five percent of delegates to the county convention. In most cases, Texas elections are not considered important since the nominee of each party (at least unofficially) already is known by the date these elections are being held. This was different in 2008. John McCain became the presumptive republican nominee that day. However, the Democratic Party was far from having one presidential nominee since the race between the two frontrunners, Barack Obama and Hillary Rodham Clinton was close thus preventing either of them to secure the nomination. The result was actually a split were Hillary Rodham Clinton won the primary part and Barack Obama won the caucus part.

Primary Election

A primary is an election in which voters select candidates for a subsequent election. Hence, primary elections are another way that parties may select candidates for the following general election. Nomination of candidates is usually the responsibility of the political party organizations themselves and does not involve the general public. However, in the U.S., primary elections are conducted by government on behalf of the parties.

There are several types of primary elections such as closed, semi-closed, open, semi-open (Wikipedia, 2008r). An *open primary* is when a registered voter may vote in any party primary regardless of his own party affiliation. What may occur with this system is "rading", that is, voters of one party vote in the primary of another party, hence allowing a party to help choose its opposition's candidate which can give their own party an advantage in the general election! In a *closed primary*, voters need to be registered members of that party. This excludes independents (or non-partisans) from participation. The *semi-closed* differs from the closed by allowing the unaffiliated voters as well. The *semi-open* by contrast, every voter may vote in any single primary, but must declare publicly (usually by requesting a ballot) prior the voting which primary he or she will vote in. Normally, election officials then provide the parties access to this information. The majority of the primaries are either open or closed. This classification system has an influence on how the candidates run their campaigns. In a closed system for example, he or she concentrates on strong partisans, "*who tend to lean to the extreme ends of the ideological spectrum*" (Wikipedia, 2008r). In the general election, on the other hand, the candidate must move more towards the center in hopes of capturing a plurality (Wikipedia, 2008r).

The New Hampshire Primary

New Hampshire traditionally holds the first presidential state primary. Its date has been moved up repeatedly to maintain New Hampshire's first-in-the-nation status in the face of ever-earlier primaries in other states. New Hampshire law even stipulates that the New Hampshire primary will be the first primary held in the United States (Wikipedia, 2008s). In the 2008 presidential race this took place on January 8. Together with Iowa, that holds the first state caucus, they get enormous media attention since these elections give the first indication of possible future presidential nominees. Often, these elections are even considered to give a candidate the momentum to win the nomination. Even lesser-known, under-funded candidates who do well in New Hampshire's semi-open primary can become serious contenders, getting large amounts of media attention and campaign funding. Ever since 1968, the Republican candidate ahead in the opinion polls before the New Hampshire primary has won New Hampshire and gone on to win the Republican Party nomination, with the exception of Pat Buchanan in 1996 and John McCain in 2000 (Wikipedia, 2008s). In 2008, the trend continues with John McCain winning the New Hampshire primary and later becoming the presumptive republican presidential nominee. In around 70% of the elections since 1964, the Democratic winner has also gone on to win its party's nomination (Wikipedia, 2008r). In 2008, Hillary Rodham Clinton won the New Hampshire primary, closely followed by Barack Obama.

APPENDIX III – Concepts & Phenomenon in U.S. elections

Below, vocabulary, concepts, and phenomenon commonly ocurring in the U.S. presidential nominating cycle, as well as in the general election, are described.

"Super Tuesday"

"*Super Tuesday*" refers to the Tuesday in February or March of a U.S. presidential election year when the greatest number of states – around 20-25 in recent elections – hold primary elections to select delegates to the national conventions. A Presidential candidate sees this as his or her first test of national electability since the primaries are held early, and in a large number of states from geographically and socially diverse regions of the country. A higher number of delegates can be won on Super Tuesday than on any other single day during the primaries, accordingly, candidates seeking the presidency must do well on this day to secure their party's nomination.

"Winner Take All"

A voting system allows voters to choose between options, often in elections where candidates are selected for public office. It specifies the form of the ballot, which tallying method is to be used, and whether there is a single winner or multiple winners. The voting system may also specify how voting power is distributed among the voters, and how voters are divided into subgroups or constituencies whose votes are counted independently. The plurality voting system is a single-winner voting system where a predetermined constituency elects a single person to an office (Wikipedia, 2008t). This situation is also called a single-member district system. It is, by far, the most prevalent single-winner voting method and also goes under the name of "first-past-the-post", "relative majority", or "winner take all" (Wikipedia, 2008t). In this system, each voter votes for one choice, and the choice that receives the most votes wins, even if it receives less than a majority of votes. This system is in contrast with proportional representation, "*aiming at a close match between the percentage of votes that groups of candidates obtain in elections and the percentage of seats they receive*" (Wikipedia, 2008u). Proportional representation is a democratic principle rather than an electoral system in itself (Wikipedia, 2008u).

The Republican Party uses the winner take all system (where the presidential candidate who wins the most votes in a state wins all the delegates), in most of their primaries and caucuses while the Democratic Party's delegates are usually awarded by proportional representation, with a minimum 15 percent threshold required in order to receive delegates.

"Swing States"

Most states use a *winner take all* system in the general election, meaning that the candidate with the most votes in that state receives all of the state's electoral votes. This system gives more attention to large competitive states, i.e. *swing states*, states without a clear tendency to vote either Republican or Democratic. In order to win swing states, especially large ones, the presidential candidates pay much more attention to these states compared to other states considered "*safe*". Examples of such states are Pennsylvania, Ohio, and Florida (Wikipedia, 2008i). In recent elections, for example California, Texas, and New York, despite having the largest populations, have been considered safe for a particular party (Democratic for California & New York; Republican for Texas), hence relatively few resources in both time and money are devoted to such states. This effect is demonstrated in Figure A6 where the amount of attention given to each state during the final five weeks of the 2004 presidential race is shown.
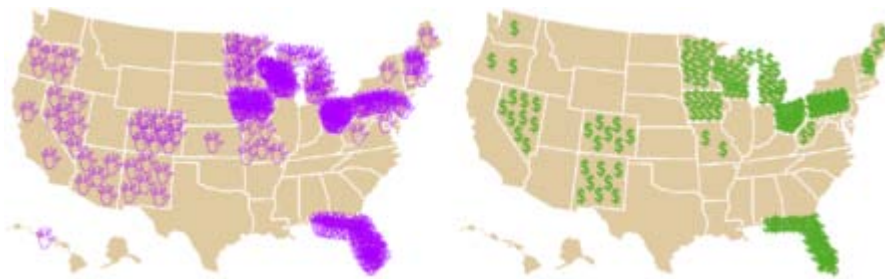
Figure A6. These maps show the amount of attention given to each state by the Bush and Kerry campaigns during the final five weeks of the 2004 election. At left, each waving hand represents a visit from a presidential or vice-presidential candidate during the final five weeks. At right, each dollar sign represents one million dollars spent on TV advertising by the campaigns during the same time period (Wikipedia, 2008i).

As can be seen from the figure, the before mentioned swing states received a lot more attention in the final five weeks of the 2004 presidential election than did those that traditionally vote either Republican or Democratic.

Large States

Theoretically, it is possible to win the U.S. presidential election by winning only eleven states and completely disregarding the rest of the country. If one ticket were to take California (55 electoral votes), Texas (34), New York (31), Florida (27) Illinois (21), Pennsylvania (21), Ohio (20), Michigan (17), Georgia (15), New Jersey (15), and North Carolina (15), that ticket would have 271 electoral votes, which would be enough to win since 270 are needed for a

majority (Wikipedia, 2008i). In the extreme case, this implies that if only a small number of voters were to vote in those eleven states, the other major ticket could have a landslide victory in the popular vote and still lose the election (Wikipedia, 2008i). Luckily, such a situation has never occurred so far and is very unlike to happen. (For example, in the close elections of 2000 and 2004, these eleven states gave 111 votes to Republican candidate George W. Bush and 160 votes to Democratic candidates Al Gore (in 2000) and John Kerry (in 2004) respectively (Wikipedia, 2008i).)

There is more attention given to large states, with large numbers of delegates, when states cannot agree to coordinate their primaries (Wikipedia, 2008v). Since the candidate's time is limited, paid advertising may play a greater role in order to get the message across to everyone. In addition, a compressed calendar makes it more difficult for lesser-known candidates to get resources and raise their visibility among voters, especially when a better-known candidate (usually) enjoys the financial and institutional backing of the party establishment (Wikipedia, 2008v).

Small States

The least populous states get more voting power than other states due to the fact that the number of voters per elector is smaller (Wikipedia, 2008i). Since most states are *winner take all* states, these states become either Republican or Democrat. Democrats often complain that the Electoral College system favours the Republican Party by disproportionately boosting the electoral weight of less populous states, which historically have tendencies to be Republican (Wikipedia, 2008i). However, game theory analysis, and the Banzhaf Power Index (BPI) specifically, indicates the contrary. According to this model, Californians which has the highest electoral vote count have approximately 3.3 times the individual power of choosing the president than do each individual in the three-electors-state of Montana (Wikipedia, 2008i). However, the analysis has been critiqued as treating votes like "*coin flips*". Other more empirically-based models of voting yield results which, again, seem to favour less populous states (Gelman *et al*, 2002, p.428).

Greater Importance to States with Early Primaries

The current presidential primary election schedule is criticized for giving more importance to the few states with early primaries since these states usually build momentum for the leading candidates (Wikipedia, 2008r). This way other candidates are "faced out" even before the rest of the states have had their say in the nominating process. The last states in the schedule often have no influence at all. Those in favour of having a few early elections consider that the "facing out" actually is a good thing since it helps the parties to "weed out"

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unfit candidates (Wikipedia, 2008r). It is of interest to the parties to have "*early winners*" which reduces the time and money spent on the nomination process and preserves resources for the general campaign. Since the early primaries can act as a signal to the nation, states have been holding increasingly early primaries in recent years in order to maximize their influence on the outcome. As a result, rather than stretching from March to June, most primaries take place in a compressed time frame between February and March.

Many candidates are interested in doing well during these early elections since they want to get all the advantages associated with it such as the possible creation of momentum. Others consider the first states not to be that important since they are small and only give a few delegates; hence they concentrate their campaigning efforts in more "important" and larger states. One risk for states with later elections is that once the nomination has already been secured, candidates can ignore the remaining states, hence owe less to these states politically.

Influence of Third Parties in the General Election

The *winner take all* method generally decreases the importance of minor parties (Wikipedia, 2008i). Those in favour of the Electoral College system see its negative effect on third parties as a good thing and believe that the Presidential office must be protected from regional minorities until they get and maintain broad state-wide support. However, supporters of proportional representation claim that, because third parties generally start as regional phenomena and because the Electoral College is a form of regional allocation, it would rather enhance the power of third parties if electoral votes were allocated in a proportional manner (Wikipedia, 2008i).

APPENDIX IV – Political Campaigning

In this Appendix, the nature of a political campaign, as well as its three important elements – Message, Money, and Machine - are described. Furthermore, campaign advertising techniques and campaign process in the U.S. are mentioned.

Political Campaign

A political campaign is an *"organized effort which seeks to influence the decision making process within a specific group"* (Wikipedia, 2008w). According to Columbia Encyclopedia, a political campaign is an *"organized effort to secure nomination and election of candidates for government offices"* (Answers.com, 2008). Political campaigns have existed as long as there have been informed citizens to campaign amongst. Today, many political players and commentators agree that political campaigns in the U.S. are undergoing a period of change. This is in part due to increased use of the Internet, changing campaign-finance laws, and the apparently declining effectiveness of television advertising (Wikipedia, 2008w). Political campaigns often refer to electoral campaigns where representatives are chosen or referenda are decided, but they also include organized efforts to alter policy within any institution (Wikipedia, 2008w). In the United States, the most important political campaigns are those for the nomination and election of candidates for the offices of president and vice president. An ideal campaign should be seen as capturing the attention of citizens, activating their political predispositions, and, at least potentially, shedding some light on the political choice at hand (Alvarez, 1997; Coleman and Manna, 2000; Finkel, 1993; Gelman and King, 1993; Popkin, 1991; Simon, 2002, cited in Franz *et al*, 2007). A successful political campaign is made up of three elements – the three M's: *Message, Money, and Machine*.

Message

The campaign message is one of the most important aspects of a political campaign. It must be carefully crafted before being spread, and should be a concise statement explaining why voters should choose a certain candidate. Large amounts of money are being spent by major campaigns on opinion polls and focus groups to understand which message is needed to win the party nomination as well as reaching the majority on Election Day (Wikipedia, 2008w). The message, or idea(s), is often communicated using short, perfectly clear, and "to the point" sound bites and slogans, capturing the essence of what the speaker wants to say in an easy remembered way. Politicians (and speechwriters) of the new generation are carefully coached by their spin doctors (public relations experts or political representatives whose job is to put a *"positive spin"* on events or situations) in order to deliver prefect slogans and sound bites. According to Franz *et al* (2007, p.16), most political advertising reduces to a single,

simple message: one of proximity. The authors continue by stating that:

"*Regardless of the type of race, the sponsor, the tone of the ad, and no matter what words or images or music the spot features, the ultimate message is that the favoured candidate is, in some substantive way, closer to the viewer than his or her opponent. There are several dimensions to this proximity message: The candidate may be closer on issue positions, in terms of ideology, or closer to the viewer's values. Candidates usually portray themselves as honest, trustworthy, religious, hardworking protectors and providers for their families: closer to how the voters see themselves – or would like to see themselves – than their less-virtuous opponents. Campaign advertising also portrays candidates as closer geographically…, in terms of occupation…, or in terms of class….*"

This proximity aspect is of greatest importance in order to get the voters to vote for you since they have tendency to vote for the candidate they perceive as closer to them, thus more probably sharing and/or understanding their values and concerns. To create the message of proximity, a lot of information is included in the process. Hence, citizen learning is an important by product of candidates' efforts to maximize support (Franz *et al*, 2007, p.16).

The message should also evoke emotions in order to be effective. As has been recently argued, "*campaign ads use symbolic images and evocative music to trigger an emotional response in viewers. By appealing to different emotions, ads can influence the participation and choices of viewers in distinct ways*" (Brader, 2006 cited in Franz *et al*, 2007, p.16). He demonstrated experimentally that cueing enthusiasm, fear, or other emotions can influence persons' interest in a campaign, intention to vote, and information recall. Graber (2004, cited in Franz *et al*, 2007, p.16) have found that emotional messages are more likely to be noticed and recalled than other sorts of messages.

Money - Campaign Finances

Campaign finance, or *money*, is another very important aspect of a campaign and refers to the means by which money is raised. The cost of campaigning for President is enormous and has increased significantly in recent years (Wikipedia, 2008x).

According to Newman (2001a, p.215), the costs forecast of a campaign is to "s*kyrocket in the future*". The authors of *Campaign Advertising and American Democracy* (Franz *et al*, 2007, p.140) continue by stating that, "*campaigns care little about efficiency and care intensely about winning elections. They are willing to spend as much as they can – and waste a great deal of it – in their quest for electoral victory*". It has been reported that if the costs (including nominating process, general election, and political conventions) for both

Democratic and Republican campaigns are added together the costs have more than doubled in only eight years ($448.9 million in 1996, $649.5 million in 2000, and $1.01 billion in 2004) (Wikipedia, 2008x). Several campaign advisers and officials of the Federal Election Commission (FEC) expect that the two presidential candidates will have raised more than $500 million each when reaching Election Day 2008. Including earlier candidates, the total could easily exceed $1 billion (Kirkpatrick, 2007a). Michael E. Toner, a FEC-commissioner; states that; "*the 2008 race will be the longest and most expensive presidential election in American history*," and that the top candidates need "*to raise $100 million by the end of 2007 to be a serious candidate*" (Kirkpatrick, 2007a).

There are three types of campaign expenditures according to Ansolabehere and Gerber (1994, cited in Franz *et al*, 2007, p.26): 1) direct communication with voters such as radio or television commercials for example; 2) other campaign activities, such as polling, office expenses, or the hiring of a consultant; and 3) spending unconnected to a candidate's own campaign such as a donation of money to another candidate. Due to this fact, they noted that "*total campaign spending may not be a good measure of expenditures devoted to actual campaigning*". However, "candidate spending" could still be used as a rough measure of intensity of campaign communication with voters, at least compared to other candidates' spending.

A great deal of time and effort must be spent on fundraising in order for the candidate to finance his or her cause (Francia and Herrnson, 2001). This is especially true in democracies that rely heavily on private donors (Wikipedia, 2008y). According to Francia and Herrnson (2001), a U.S. survey found that 23% of candidates seeking statewide office spent more than half of their scheduled time on fundraising, and over half (55%) of all candidates spent at least one quarter of their time on collecting money. Fundraising techniques include amongst others having the candidate call or meet with large donors, sending direct mail pleas to small donors, encouraging supporters to contribute via the Internet. The Internet has emerged in the 2008 election cycle to have a significant impact on fundraising in the Barack Obama campaign. The candidates also organize high-priced events specifically for the purpose of fundraising and court interest groups who could end up spending millions on the race if it is significant to their interests. Although the political science literature indicates that most donors support candidates with whom they are already in agreement (Ansolabehere *et al*, 2003; Wikipedia, 2008y), it is believed that they want something in return, such as for example specific legislation being enacted or defeated (Wikipedia, 2008y). Grassroots fundraising has grown in popularity with the help of the Internet. In recent U.S. presidential elections, is has been used by candidates like Howard Dean, Ron Paul, and Barack Obama (Wikipedia, 2008z). This type of fundraising is often received by "*candidates without significant media exposure, or with strong opposition to special interests...*", and "*... often involves mobilizing grassroots support to meet a specific fundraising goal or sets a specific day for grassroots supporters to donate*

to the campaign" (Wikipedia, 2008z).

Campaign finance is a controversial issue, dealing with matters such as the right to free speech but also with inequality or possibly even corruption in the worst case. Views on what is legal and acceptable differ, even among democratic countries. To avoid bribery or political corruption, some governments have imposed restrictions on fundraising sources and techniques, or offered governmental campaign funding rather than allowing private interest funding (Wikipedia, 2008y). In many countries, among them the United States, campaigns are usually funded by a combination of private and public money.

Private Financing

In the U.S., the primary source of campaign funds at federal level comes from individuals. Political Action Committees (PACs) are a "*distant second*" (Wikipedia, 2008za). Furthermore, corporations and trade unions are prohibited from contributing directly to a candidate's campaign (Wikipedia, 2008za). However, they are allowed to form PACs. Contributions to a political party or a candidate from both individuals and PACs are limited as can be seen in Table A1; Table of donation limits. These contributions, restricted by campaign finance law through the Federal Election Commission (FEC) are referred to as *hard money* (Wikipedia, 2008za, Franz *et al*, 2007). By contrast, s*oft money*, are funds spent by organisations and committees "*not contributing directly to a candidate's campaign, and not "expressly advocating" the election or defeat of a candidate*" (Wikipedia, 2008za).

	To each candidate or candidate committee per election	To national party committee per calendar year	To state, district & local party committee per calendar year	To any other political committee per calendar year[1]	Special Limits
Individual may give	$2,300*	$28,500*	$10,000 (combined limit)	$5,000	$39,900* to Senate candidate per campaign[3]
National Party Committee may give	$5,000	No limit	No limit	$5,000	No limit
State, District & Local Party Committee may give	$5,000 (combined limit)	No limit	No limit	$5,000 (combined limit)	No limit
PAC (multicandidate)[4] may give	$5,000	$15,000	$5,000 (combined limit)	$5,000	No limit
PAC (not multicandidate) may give	$2,300*	$10,000 (combined limit)	$5,000	$5,000	No limit
Authorized Campaign Committee may give	$2,000[5]	No limit	No limit	$5,000	No limit

* These contribution limits are increased for inflation in odd-numbered years.
1 A contribution earmarked for a candidate through a political committee counts against the original contributor's limit for that candidate. In certain circumstances, the contribution may also count against the contributor's limit to the PAC. 11 CFR 110.6. See also 11 CFR 110.1(h).
2 No more than $42,700 of this amount may be contributed to state and local party committees and PACs.
3 This limit is shared by the national committee and the Senate campaign committee.
4 A multicandidate committee is a political committee with more than 50 contributors which has been registered for at least 6 months and, with the exception of state party committees, has made contributions to 5 or more candidates for federal office. 11 CFR 100.5(e)(3).
5 A federal candidate's authorized committee(s) may contribute no more than $2,000 per election to another federal candidate's authorized committee(s). 2 U.S.C. 432(e)(3)(B).

Table A1. Table of Donation Limits for 2007-2008 (Table taken from the FEC website on 10 June 2008).

Current campaign finance law at the federal level requires candidate committees, party committees and PACs to file periodic reports disclosing the money they raise and spend. All PACs and party committees that give the candidate committees contributions must be identified. Furthermore, names, occupations, employers and addresses of all individuals who give them more than $200 in an election cycle must be provided.

Before the passage of the Bipartisan Campaign Reform Act (BCRA) in 2002, soft money was not limited by source or amount and was "*over and above*" the standard hard money expenditures (Franz *et al*, 2007, p.58). Political parties and other organisations could then spend unregulated money for a variety of activities, including "issue advertising", a broad term that included any advertising that stopped short of expressly advocating the election or defeat of a candidate through words and phrases such as "vote for", "vote against", "support", "defeat", or "elect" (Wikipedia, 2008za). BCRA prohibited national political parties from raising or spending "soft money", but other organisations (such as 527 groups) can still use soft money (Wikipedia, 2008za). Many issue ads in the 2004 presidential election was funded by 527 groups. In a study on 527 groups from 2006 by the Campaign Finance Institute, it is shown that "*many advocacy groups deploy three different types of organization – political action committees (PACs), 527 groups, and 501(c) advocacy entities – in their*

efforts to influence federal elections and public policy", and that "*these cumulative, coordinated efforts increase the groups financial influence in elections*" (Wikipedia, 2008za).

Another term used in campaign finance is bundling. This is "*the practice of one donor gathering donations from many different individuals in an organization or community and presenting the sum to a campaign*" (Wikipedia, 2008za). In the 2008 primary process, the three leading Democratic and Republican candidates campaigns respectively, had listed nearly 2,000 bundlers (Wikipedia, 2008za, Kirkpatrick, 2007b). Please see Appendix V for more details regarding campaign financing.

Public Financing

Public financing is available for Democratic or Republican presidential candidates that fulfil certain eligibility requirements, during both the primaries and the general election (Wikipedia, 2008za). The program is administered by the Federal Election Commission (FEC)[g] in order to reduce the candidate's dependence on large contributions from individuals and special-interest groups. To receive subsidies in the primary, candidates must qualify by privately raising $5000 each in at least 20 states. For qualified candidates, the government provides a dollar for dollar "match" for each contribution to the campaign, up to a limit of $250 per contribution (Wikipedia, 2008za). In return, the candidate agrees to an overall spending limit, spending limits in each state, using public funds only for legitimate campaign-related expenses, keeping financial records and permitting an extensive campaign audit. Between 1976 (when this program was initiated) and 1992, almost all qualified candidates accepted the public funding. However, from 1996 and onwards, more and more candidates (such as fore example George W. Bush and John Kerry) chose not to take matching funds in the primary. With the increasing costs of campaigning, the public financing system has not been used by many candidates. In the 2008 presidential race, John Edwards, Chris Dodd, and Joe Biden qualified for and elected to take public funds in the primary (Wikipedia, 2008za). Other major candidates such as Democratic candidates Hillary Clinton and Barack Obama, and Republican candidates John McCain, Rudy Giuliani, Mitt Romney and Ron Paul did note take matching funds (Barnes, 2008, Wikipedia, 2008za). They chose not to participate due to

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[g] The Federal Election Commission (FEC) is an independent regulatory agency founded in 1975 by the US Congress to administer and enforce the Federal Election Campaign Act (FECA) that governs the financing of federal elections. The FEC's duties are "to disclose campaign finance information, to enforce the provisions of the law such as the limits and prohibitions on contributions, and to oversee the public funding of Presidential elections" (http://www.fec.gov). The FEC also enforces limitations and prohibitions on contributions and expenditures, investigates and prosecutes violations, performs audits, and maintains an active program of public education. Additionally, the FEC publishes reports filed by Senate, House of Representatives and Presidential campaigns that list how much each campaign has raised and spent, and a list of all donors over $200.

the low amount of spending permitted. By refusing matching funds, the candidates are free to spend as much money as they can gain privately.

The federal government also subsidizes the Democratic National Convention and the Republican National Convention. Government funds are also offered for the general election. If the nominees accept the offer, they agree not to raise or spend private funds or to spend more than $50,000 of their personal resources (Wikipedia, 2008za). The major parties have accepted public financing for the general election ever since the program was launched. However, in 2008 several major party candidates have indicated that they may refuse public funds (which consist of a fixed amount of "check-off" dollars) for the general election. Nominees from other political parties receiving over five percent of the vote may qualify for a smaller, proportionate amount of check-off funds. In the 2008 election the two presumptive presidential candidates John McCain and Barack Obama, the former chose to accept public financing of the general election campaign, while Barack Obama decided to turn the offer down (and being the first candidate ever to do so).

The presidential public financing system is funded by a $3 tax check-off on individual U.S. income tax return forms as "*Do you want $3 of your federal tax to go to the Presidential Election Campaign Fund?*" (Wikipedia, 2008za). The check-off does not change the filer's taxes; instead it redirects $3 of the federal government's income to the presidential fund. However, the use of the check-off has fallen steadily since the early 1980s, and according to data from the Internal Revenue Service, only 7.3 percent of taxpayers were directing money to the fund (Wikipedia, 2008za, Schouten, 2007). Please see Appendix V for more details regarding campaign financing.

Machine - Campaign Organisation

Finally, '*machine*' represents the human capital, the campaign organization. The campaign organization in today's political campaign has a coherent structure of personnel in the same manner as any business of similar size (Wikipedia, 2008w). Its task is how to communicate the message of the campaign, recruit volunteers, and raise money. A *campaign manager* is usually needed to coordinate the operations of a successful campaign (Wikipedia, 2008w). He or she makes sure that everyone is focused effectively on winning the election. Well experienced campaign managers are increasingly valuable today because of the challenges of "*building a successful operation from scratch in less than two years*" (Wikipedia, 2008zf). Next to the candidate, they are often a campaign's most visible leader. Campaign managers will often have deputies who oversee various aspects of the campaign at a closer level. In the United States, larger campaigns, with hundreds of staff members, hire *political consultants* to serve as strategists and the campaign manager focuses mostly on coordinating the campaign staff (Wikipedia, 2008zg). Political consultants conduct candidate research, voter research, and opposition research for their clients and advice the campaigns on

virtually all of their activities, ranging from research to field strategy (Wikipedia, 2008zh). (They also work for political parties, PACs, even with independent expenditures, and corporations as well as governments (Wikipedia, 2008zh). However, their most important task is the production of mass media, and television in particular. This management consulting business has grown up around advising and assisting political campaigns in the U.S. and is nowadays a multi-billion dollar industry using sophisticated campaign management tools (Wikipedia, 2008e). Since broadcast media consultants are often paid on commission, they are sometimes blamed for the rising cost of political campaigns and the increasing reliance on paid media (Wikipedia, 2008zh).

There are also many unpaid *volunteers,* or activists, participating in a campaign. Volunteers help in activities such as field canvassing, canvassing door-to-door to private residences within a district, a particular geographic or ZIP code area, and making phone calls on behalf of the campaign (telephone canvassing). A variation of the field canvass is a candidate canvass; where the actual candidate participates. The main purpose of canvassing is to perform voter identification – how individuals are planning to vote – rather than to argue with or persuade voters (Richards, 2001, p.87; cited in Wikipedia, 2008zi). This constitutes a part of the "get out the vote" (GOTV) operation, in which known supporters are contacted on polling day and reminded to cast their ballot. Other purposes with canvassing can be distributing information and printed materials such as literature and lawn signs, fundraising, and voter registration.

Large campaigns are commonly organized into different departments such as field/ground-, communications-, policy-, fundraising-, compliance- and legal-, technology-, scheduling- and advance departments (Wikipedia, 2008zg). The field department focuses on the "on-the-ground" organizing required to personally contact voters through canvassing, phone calls, and building local events. The communications department is in charge of press relations, advertising, and media. They are also responsible for the campaign message and image. The staff usually includes a press secretary dealing with media/press relations and a rapid response director making sure that attacks are promptly responded to. Further, the policy department is involved in research and development of policies, as well as opposition research. Fundraising and money isues are coordinated by the fundraising/finance department. Lawyers and treasurers work for the compliance and legal departments, making sure that the campaign activities are legal, that forms are filed with government authorities, and that the financial tracking is done. The technology department designs and maintains campaign technology such as a list of all registered voters in an area (voter file or voter roll), websites, blogs, databases, etc. Finally, the scheduling and advance department is involved with effective scheduling of the candidate and others, in order to maximize the voter impact.

Campaign Advertising Techniques

Techniques from commercial advertising and propaganda are used in campaign advertising in order to communicate the campaign message, recruit volunteers, and raise money (Wikipedia, 2008w). The possible avenues to political campaigns are only limited by imagination, law, and available resources (Wikipedia, 2008w). These methods are often combined into a formal strategy known as the *campaign plan*. The plan takes account of a campaign's goal, message, target audience, and resources in order to lay out a blueprint for victory. Usually, supporters are identified at the same time as the campaign tries to get their message across. The identified supporters are then sent additional information requesting their active support. They are asked to join the campaign by donating money, doing volunteer work, writing letters to the media, voting in a particular way, and generally assisting the cause. Brian Wright, president of Democrasource, LLC, an Ohio-based national political consulting firm; states that "*...campaign communications techniques are evolving so quickly – anyone sitting on the sidelines or clinging to the last presidential campaign's strategies is done. The book's been rewritten.*" (Wikipedia, 2008zh). This is something that the Obama campaign of 2008 clearly has understood.

Advertising is the largest expense in a modern political campaign (Howstuffworks.com, 2008). According to Wikipedia (2008w), campaign advertising in politics "*is the use of paid media (newspapers, radio, television, etc.) to influence the decisions made for and by groups*". These ads are designed by political consultants and other campaign staff. Public media also plays an important role in political advertising, especially in U.S. presidential race where the media attention on the different campaigns and candidates is enormous. Holding protests, rallies, counter-rallies, and other similar public events can be effective campaign tools. Mass meetings with speakers are also important since they virtually show the support (in number of people) of a specific campaign (Wikipedia, 2008w). Other advertising techniques are greetings of babies (a traditional U.S. campaign activity, Obama has mentioned in a speech that he has "kissed hundreds of babies" for example), calling or writing directly to members of the public, through *whistle stop tours* – a series of brief appearances in several small towns in short time, or organising political house parties. Appendix VI describes in detail the different campaign advertisement techniques used in U.S. elections.

Campaign Process in the U.S.

Campaigning in presidential elections usually starts as much as two years before Election Day (Wikipedia, 2008zx). First, the candidate must decide to run. Prior to this decision, prospective candidates (often recruited by political parties and interest groups) speak with family and friends as well as many political professionals. They also consider their ability to put together the money, the organization, and the public image needed. Once a

person decides to run, he or she makes a public announcement that could be anything from a simple press release to a major media event (Wikipedia, 2008zx). The campaign is then officially "kicked off" even though active campaigning often has already begun. Presidential candidates all have to file with the Federal Elections Commission (FEC). The ability to raise money, especially early on in the race, is of great importance since donors and political insiders frequently judge candidates based on this. Donors are commonly less willing to give funds to candidates they perceive to be loosing. Once the public announcement has been made, the candidate starts travelling around the country in order to meet with voters. Volunteers are an important part of the process in order to identify supporters, recruiting them or registering them (Wikipedia, 2008zx). Some launches media campaigns at this time, but most of them wait until closer to Election Day (Wikipedia, 2008zx). Eventually, they launch expensive TV, radio, and direct mail campaigns in order to convince voters to support the candidate in question. By this date, they also intensify their grassroots campaigns. Since mail-in ballots are common, by Election Day, voting has usually already been going on for weeks.

APPENDIX V – U.S. Campaign Financing

In Appendix V, more information is given on U.S. campaign financing. The Bipartisan Campaign Reform Act (BCRA) is explained, as well as independent expenditures made by for example political action committees (PACs) and interest groups such as 527 groups.

The Bipartisan Campaign Reform Act (BCRA)

The Bipartisan Campaign Reform Act (BCRA) (also known as McCain Feingold Campaign Finance Reform Bill or "McCain-Feingold") of 2002 is the most recent effort to reform the federal campaign finance system (Wikipedia, 2008zb). BCRA amended the Federal Election Campaign Act (FECA) of 1971. Its chief sponsors were Senators John McCain (republican) and Russel Feingold (democrate). Before passage of the BCRA, parties and interest groups could race unregulated and unlimited amounts of "soft money", funds that could be used in advertisements that mentioned or pictured federal candidates, but did not expressly advocate their election or defeat (Franz *et al*, 2007, p.58). These funds were intended to build a party's image and help spread partisan messages or allow interest groups to make political and issue-based messages intended to educate or mobilize citizens for or against policies or issues. Hard and soft money were distinguished based on whether the communication mentioned so-called "magic words" – without mentioning these words, money raised outside the limits of campaign finance laws was permitted (Franz *et al*, 2007, p.58-59). As stated in literature, in the elections between 1996 and 2002 soft money became so commonplace that they often surpassed the use of hard and regulated money (Franz *et al*, 2007, p.59).

The new law bans parties from raising soft money in federal elections, except for a maximum of $10,000 per year per donor exemption for voter mobilization, known as Levin Funds (Franz *et al*, 2007, p.59, Campaign Finance Guide, 2008). Hence, fundraising strategies of parties had to change from a few large donations of soft money, to thousands of small donations of hard money. A new distinction between issue and candidate advocacy was also adopted for interest groups. The new distinction was whether an ad mentioned or pictured a candidate or not, and not only, like before, whether "magic words" were used or not (Franz *et al*, 2007, p.59). Additionally, any ad sponsored by an interest group funded by corporate or union money airing within sixty days of the general election or thirty days of a primary had to be funded with hard money (Franz *et al*, 2007, p.2-3). Finally, the legislation, signed into law in 2002, requires candidates for federal office to "*stand by their ads*", stating explicitly that they approve the ad's message. (A candidate stand by his or her ad by including a full-screen view or "*clearly identifiable photographic image*" of the candidate with the candidate's voice claiming responsibility for the content of the ad: "*I'm [candidate's name] and I approved this message.*" or equivalent (Franz *et al*, 2007, p.8).) The approval of a message is not required

for other campaign communications such as prints ads or political mail. This is due to the concern about political advertising in general, and negative advertising in particular, of being bad for the general public (Franz *et al*, 2007, p.2,8). Although as of 2007 little empirical research had been done on its effects, and the general perception is that it has not had a noticeable effect on the tone of campaigning (Wikipedia, 2008za).

The intention with the BCRA was to change the way money was raised in elections; to reduce the level of unregulated money and to force parties and interest groups to fund season ads with hard money. But soon, new "loopholes" developed and with them the ever increasing interest groups known as Section 527 groups (Franz *et al*, 2007, p.59). These new interest groups have made the skyrocketing of soft money expenditures possible even after the passage of the BCRA – and interest group advertising continues to comprise a large share of political advertising (Franz *et al*, 2007, p.27). The bottom line is that candidate spending measures as reported to the Federal Election Commission (FEC) may be fundamentally understating the extent of campaign spending in a race.

Independent Expenditures

Money is raised and spent not only by a candidate's campaign, but also by party committees (organisations affiliated with a political party such as national, state and local committees), political action committees (PACs), and other interest groups, such as for example 527 groups (Wikipedia, 2008w). This can be done through independent expenditures intended to assist or oppose a specific candidate for office but made without their cooperation, approval, or direct knowledge. Advertising is then usually the method chosen. According to the Supreme Court's ruling from 1976, expenditures made independently of a candidate's campaign can not be limited under the Constitution, therefore they are not regulated (Wikipedia, 2008za). Accordingly, these expenditures can be much higher than those of the different campaigns. The lack of (direct?) connection between a candidate and third party groups is useful and makes the attacking from one side of a campaign to another a lot easier, since criticism for going negative is avoided.

Political Action Committee (PAC)

A political action committee, or PAC, is the name used for "*a private group, regardless of size, organized to elect or defeat US government officials or to promote or defeat U.S. legislation*" (Wikipedia, 2008zc). Whenever an interest group gets directly involved within the political process, a PAC is created. These PACs raise money and make donations to political campaigns on behalf of the special interest of the interest group. Under the Federal Election Campaign Act (FECA), an organization is considered to be a PAC by receiving

contributions or making expenditures in excess of $1,000 for the purpose of influencing a federal election (Wikipedia, 2008zc).

Corporations and unions may not contribute to federal PACs. "Independent" PACs not affiliated with corporations or unions may solicit contributions from the general public but must pay their operating costs from these regulated contributions. Individuals can contribute by maximum $5,000 to federal PACs (Wikipedia, 2008zc). The contributions federal multi-candidate PACs can make to other organizations are limited, as can be seen in Table A1. They can give no more than $5,000 per candidate per election (primaries and general election counted separately), or $15,000 per political party per year, or at most $5,000 per PAC per year. However, they are not limited in their ability to spend money independently of a candidate campaign.

Section 527 Groups

A 527 group is a type of tax-exempt organization named after a section of the U.S. tax code, 26 USC. § 527 (Wikipedia, 2008zd). The main reason for the existence of these groups is the influence they want to have on the nomination and election of candidates for public office. Section 527 classification is a broad category encompassing all campaign organizations with a stated political purpose (including FEC-registered political action committees (PACs), and candidate campaign committees) (Franz *et al*, 2007, p.60). However, the term is usually referring to political organizations that are not regulated by the FEC or by state elections commission, hence, organizations not subject to the same contribution limits as PACs. 527 organizations avoid regulation by the FEC because they claim practicing issue advocacy instead of candidate advocacy which allows them the use of unregulated soft money for issue advocacy close to Election Day (Franz *et al*, 2007, p.60). Many 527s run by interest groups are used to raise money to spend on issue advocacy and voter mobilization outside of the restrictions made by the FEC. These are 527s that only raise money from individuals, have no stockholders, and proclaim a primary interest in issue (not candidate) advocacy (Franz *et al*, 2007, p.60). For these groups, soft money ads that mention or picture candidates are permitted though "magic word" ads are not (Franz *et al*, 2007, p.60). This indicates that the line between issue and candidate advocacy is very narrow. In 2004, the FEC examined whether the 527s should be regulated under campaign finance rules, but came to the conclusion that as long as they are not directly advocating the election or defeat of any candidate for federal office (candidate advocacy), they cannot be included under the law (Wikipedia, 2008zd).

Probably the most famous of the 527s was the *Swift Boat Veterans for Truth* who strongly criticized John Kerry in the 2004 U.S. presidential election, yet claiming itself to be a

non-partisan group. According to the Internal Revenue Service (IRS)[h] reports, Swift Boats raised nearly $26 million in 2004, and almost every penny was spent on campaign activities attacking the Vietnam War record of Democrat John Kerry (Franz *et al*, 2007, p.60). Over 6,000 ads were aired from August to October (Franz *et al*, 2007, p.60). These attacks were unfairly in the eyes of his supporters and many commentators. However, the Kerry campaign could have counterattacked but failed to do that until a good deal of damage had already been done (Franz *et al*, 2007, p.142). In fact, according to Franz *et al* (2007), some argues that Kerry offered his first coherent response almost two years after the sport aired. A lesson learnt from the Swift Boat ads is that "*in the face of such attacks, one must respond, well, swiftly*" (Franz *et al*, 2007, p.142). After the election, the group was credited by some media and praised by conservatives as contributing to Kerry's defeat (Beaucar Vlahos, 2005). Critics instead, consider the Swift Boats Veterans for Truth an example of a successful political smear campaign, claiming that the group received big money donations from Bush contributors and that there were close ties to the Republican Party (Beaucar Vlahos, 2005). According to information released by the IRS on February 22, 2005, more than half of the group's reported contributions came from just three sources, all prominent Texas Republican donors (Wikipedia, 2008ze).

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[h] Internal Revenue Service (IRS) is the United States federal government agency that collects taxes and enforces the internal revenue laws.

APPENDIX VI – Campaign Advertisement

Appendix VI describes in detail the different campaign advertisement techniques used in U.S. elections. Costs are also mentioned.

Debates

Debates and speeches are other ways of reaching to the voters. Presidential candidates regularly participate in debates. These debates are broadcast live on television and radio with millions of people watching or listening. The topics discussed are usually the most controversial issues of the time, and some people even consider elections to be won or lost based on these debates (Wikipedia, 2008zj). Unique to 2008 presidential race is the *CNN-YouTube presidential debates* where the Republicans and Democrats each held debates (in 2007) in which questions came primarily from YouTube viewer submitted videos (Wikipedia, 2008zk). It has been argued that this gave better access to candidates from voters in states with late primaries or in states where candidates are unlikely to visit; however, critics say that some questions were planted and others frivolous (Wikipedia, 2008zk). Presidential debates between the nominated candidates are held late in the election process, often at universities before an audience of citizens. In 2008 these are planned for September and October (Wikipedia, 2008zl).

The Internet

The internet is another important tool in today's campaigning. According to many political players and commentators in the USA, political campaigns are currently undergoing a period of change, in part due to the increased use of the Internet (Wikipedia, 2008zm). The Internet has changed the communication between campaigns and voters. It has also changed how campaigns maintain communications between staff members, volunteers and political consultants. The internet makes communication faster, less expensive, and more easily reached by a larger audience, using emails, websites, weblogs (or "*blogs*"), pod casts, online communities, etc.

The Internet has become a valuable fundraising instrument (Wikipedia, 2008zm). Already in 2004, Democrat Howard Dean collected large contributions via the internet in his primary run (Wikipedia, 2008zk). However, in 2008 candidates have gone even further in reaching out to Internet users through their own sites and through sites such as *YouTube, MySpace*, and *Facebook*. *Yahoo! Answers* has become a platform for an ongoing Q & A process for voters to ask and answer questions posed by presidential candidates and U.S. voters. The most active in reaching voters through the Internet have been Republican Ron Paul and Democrat Barack Obama. On December 16, 2007, Ron Paul collected more money

on a single day through Internet donations than any presidential candidate in U.S. history with over $6 million (Wikipedia, 2008zk).

The internet can also be used for lobbying, community building, organising and formation of local groups, etc. Modern campaigns are utilizing many tools that assist with accounting, contact management, and handling increasingly complicated government regulations (Wikipedia, 2008zn). By making databases for GOTV/voter tracking, fundraising, accounting and campaign management accessible from any location, campaigns can take advantage of resources that many individual volunteers and campaign staff have available at home. Many activists and technologists highly appreciate these tools, nevertheless, many campaign professionals fear the loss of control (Wikipedia, 2008zn). Another aspect of the increased use of the Internet is that smear campaigns, usually done by push polls and fliers, have spread to the Internet.

Get Out the Vote (GOTV) & Canvassing

There exist many other possible advertising techniques, including: canvassing, "get out the vote" (GOTV), direct marketing, and election promise, attack ads, negative campaigning, opposition research, push polls, bumper stickers, lawn signs (see figure A2 below), and campaign buttons. GOTV is a political activity aimed at increasing the number of campaign supporters who will vote in an upcoming election (Wikipedia, 2008zo). It is about telephoning known supporters on the day of the election to remind them to vote and providing them with transport to the polls – not the identifications of them. This is instead is the most important task of canvassing. (More information about canvassing is found in Campaign organisation.) Other GOTV activities include literature drops and an active tracking of eligible voters who have already voted. The importance of get out the vote efforts increases as the total percentage of the population voting decreases (Wikipedia, 2008zo). This is due to the fact that it usually is much easier to get a certain number of people to vote than to convince them to switch support from one party or candidate to another. GOTV can also be extremely important – even determining the election results – in high turn-out elections when they are extremely close (Wikipedia, 2008zo).

Microtargeting

Through microtargeting, small demographic slices of voters can also be identified and targeted. In the U.S., it is used by both the Republican and the Democratic parties to track individual voters and identify potential supporters (Wikipedia, 2008zp). Its tactics rely on transmitting a tailored message to a subgroup of the electorate on the basis of unique information about that subgroup.

Direct Marketing

As the name indicates, direct marketing is a sub-type of marketing. What makes it unique is that it attempts to send its messages directly to the consumers without the use of a third party. A second unique feature is that it is focused on purchases that can be attributed to a specific "call-to-action" where *positive* responses from consumers are tracked and measured (Wikipedia, 2008zq). Direct marketing usually is unsolicited and comes in form of direct mail, email, telemarketing, etc. However, negative responses to direct marketing is increasing, creating for example "no-call lists" and legislation including heavy fines (in the U.S.). Some consumers are even demanding an end to direct marketing for privacy and environmental reasons. An election promise is a promise made to the public by a politician trying to win office. Election promises, such as lower taxes and/or healthcare for everyone, are important in getting people to vote for a certain candidate. Once in office, however, these promises are often broken.

Negative Campaigning

According to Wikipedia (2008zr), negative campaigning is "*trying to win an advantage by referring to negative aspects of an opponent or of a policy rather than emphasizing one's own positive attributes or preferred policies*". Negative campaigning, found in most marketplaces, can be anything from any rhetoric which refers to an opponent, if only by way of contrast, to attacks meant to destroy an opponent's character. In the U.S. this is commonly called "mudslinging". Goodman (1996, cited in Wikipedia, 2008zq) even called it "*as American as Mississippi mud*". The plan with "*going negative*" is to decrease the number of people voting for the opponent(s) due to a recent reinforcement that "*politics is inherently corrupt*", not to sway them in your favour (Wikipedia, 2008zo). Furthermore, such turnout suppression can be advantageous when any combination of the following conditions apply: 1) The negative campaigning is targeted (by direct mail, "push polls", etc) on likely opposing voters, reducing the damage to supporters' morale in general; 2) The side going negative has an advantage in its supporters being steadier voters than those of its opponent, and finally; 3) The side going negative has an advantage in doing a more effective GOTV, so that its campaign workers can get a GOTV "antidote" to supporters "poisoned" by the negative campaign (Wikipedia, 2008zo).

Attack Ads

An attack ad is advertisements (true or untrue) meant to attack another candidate or political party, and is often part of negative, or smear, campaigning. Televised attack ads have been common in the U.S. since the 1960s (Wikipedia, 2008zs). Attack ads can criticize both issues as well as the opposite candidate, and often do so by contrasting with their own and

"better solution". In negative campaigning and attack advertising, opposition research is often used. The biographical, legal, medical, educational, financial, public, private, administrative and/or voting records of the opposing candidate, as well as prior media coverage, is investigated in order to find "weak" spots that can be used against him or her (Wikipedia, 2008zt). Opposition research is also a useful proactive tool for auditing the candidate's own past to look for possible vulnerable spots that needs to be protected and/or responded to. Political parties maintain databases covering several decades of information, but much research is done in the time period between the announcement of intent to run and the actual election (Wikipedia, 2008zt).

Push Polls

Push polls is a political campaign technique where an individual or organisation, under the guise of conducting a poll, tries to influence or alter the view of respondents (Wikipedia, 2008zu). It is a form of telemarketing-based propaganda and rumor mongering, generally viewed as a form of negative campaigning. In the 2000 presidential primary race for example, there was a smear campaign against John McCain using amongst other things push polls asking questions such as "*Would you change your opinion knowing that McCain had fathered a black child out of wedlock?*" (In fact, McCain's wife went to an orphanage in Bangladesh, encountered a baby with a severe cleft palate and decided to bring her to the U.S. This child was later adopted by the McCains.) Push polls are illegal in New Hampshire (Wikipedia, 2008zu).

Lawn Signs, Posters & Bumper Stickers

Lawn signs are small signs use in election campaigns in some countries, including the USA. They are placed on the lawns of a candidate's supporters and sometimes near polling places and generally contain the candidate's name, party, which office he or she is running for, possibly a slogan, as well as a notice on who paid for it. Examples from the 2008 Presidential Primary season can be seen in Figure A7.

Figure A7. Examples of lawn commercials for presidential candidate tickets.

Posters as well as bumper stickers (attached to the bumper of the car) are also often

found in the U.S. during election years. Campaign buttons are also used as advertising in elections. A recent trend is the use of graphical campaign buttons, or "web buttons", that internet users can place on their personal websites. Hence, they can be widely distributed for low cost.

Celebrity Endorsement

Finally, using endorsements of other celebrated party members – or celebrities such as TV-hosts, actors, musicians, etc. – to boost support is very common in the U.S., unlike other countries. According to Wikipedia (2008zv), political endorsement is "*the action of publicly declaring one's personal or group's support of a candidate for elected office*". Celebrity endorsements are used in both political marketing as well as in marketing in general. Nevertheless, one difference is that in general marketing the celebrity used is paid whereas in political marketing what is received in return (at least officially) is less tangible. Kotler and Keller (2006, p.546) states that, "*messages delivered by attractive or popular sources can potentially achieve higher attention and recall*", which explains why advertisers often use celebrities as spokespeople. A well chosen celebrity can draw attention to a product or brand, or the celebrity's mystique can transfer to the brand. The spokesperson's credibility is of great importance in order for the "product" to be successful. It includes factors like expertise, trustworthiness, and likeability. (Kelman and Hovland, 1953, cited in Kotler and Keller, 2006, p.546). Expertise is the specialized knowledge that a person possesses to back his or her claim. Trustworthiness is related to how objective and honest he or she is perceived to be. Likeability finally, describes the source's attractiveness. To achieve high score on all three is the goal. However, when it comes to endorsements made by politicians, expertise and trustworthiness are believed to be the most important factors. Endorsements made by actors instead, primarily focus on likeability. According to Kotler and Keller (2006, p.547), Tom Hanks, Meryl Streep, and Oprah Winfrey for example, could successfully advertise a large number of products because they have extremely high ratings for familiarity and likeability. Celebrities can also play a more strategic role for their brands, not only endorsing a product but also helping design, position, and sell merchandise and services. This can be done in politics where the endorser can choose to actively participate in the endorsed person's campaign.

Cost of Campaign Advertising

Modern political campaigns in the U.S. are heavily reliant on broadcast media and direct mail advertising even though all campaign media are sometimes used at all levels. Nonetheless, smaller, lower-budget campaigns are typically more focused on direct mail, and low-cost advertising such as for example lawn signs and direct voter contact. The reliance on

expensive advertising, as well as political consultants, is a major reason to the ever increasing cost of running for office in the United States. This is considered by some to discourage those without "*own*" money or good connections, from running for office (Wikipedia, 2008zw).

APPENDIX VII – Marketing in General

Information on the marketing management process, marketing tools, as well as needs, wants, and demands are presented here.

Marketing Management Process

The marketing management process consists of planning, execution and control. Planning usually starts with a specific statement of the mission and objectives of the company (Anderson *et al*, 2005). The mission statement, which describes the purpose of the organization, should also provide it with a stable direction. The key question – "*What makes your company unique?*" – will assist in developing this statement. Internal and external environments of the business should also be taken into account. The internal components, i.e. resources and capabilities, should help you find the company's strength and weaknesses, while the external components should identify the opportunities and threats of the company. This is called a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis (Kotler and Keller, 2006). Grant (2005, p.14) chooses to adopt a simple two-way classification of internal and external factors instead of the more classical SWOT model, arguing that the implications of the identified factors are more important than the classification itself. The objectives are goals that the company will strive to achieve and they need to be updated periodically. Almost all organizations have multiple objectives, such as profit, volume, resource utilization, efficiency, etc. Objectives should be measurable, challenging, attainable (realistic) and consistent.

Once the objectives are set, a plan for getting there needs to be developed, that is, the strategy of the company needs to be formulated. It consists of 1) selecting one or several target market(s), i.e. *segmentation and targeting*, 2) determining a desired position, i.e. *positioning*, and 3) developing an appropriate *marketing mix*. The marketing mix is given by the 4P's: the configuration of the Product offering, the Price charged for it, the way that you Promote your product and, the distribution (Place) of the product. In service marketing, "*people*" are an additional instrument in the marketing mix of the 7Ps (Zeithaml and Bitner, 2003, cited in Henneberg, 2004, p.234). As the service is intangible, the contact and delivery personnel become an important cue in forming expectations and, indeed, also satisfaction/experience judgements (Henneberg, 2004, p.234).

You also need to select the type of strategy you want to have, i.e. a "push" or a "pull" strategy. In a "push" strategy, the promotion is not directly oriented towards the ultimate consumer (but rather through retailers) as is the case with the "pull" strategy. However, most marketers use a combination of both.

The next step is to *implement* a strategy by making specific decisions and carry out actions that will put the strategy into effect. One thing to be aware of is that the marketplace is not static, it is both dynamic and unpredictable; actions always result in counteractions from competitors. Hence, experience and constant research are two very useful tools in order to predict the future. A successful company of today must be a learning organization constantly adapting to the surroundings. The market never stands still. This means that the work is never finished but instead, requires constant supervision and alteration of tactics.

Marketing Tools

Communicative tools such as models, concepts, theories, dynamic approaches of creativity and assessment techniques can be used to ease the managerial analysis. The most common model structure is most likely the matrix (Eriksson *et al*, 2004, p.10). *Mind Map Marketing,* is one way to develop and process business decision information (Eriksson *et al*, 2004). The core issues of successful marketing are formatted into a matrix structure, the *MIO Matrix*. The MIO Matrix is founded on three main marketing perspectives needed in successful marketing: Market (M), Interaction (I) and Organization (O) (Eriksson *et al*, 2004, p.4, 6). The Interaction (relationships) has to keep up with the changing (external) Market to provide input for a successful (internal) Organization. A good business concept, or model, guides managers to consider all three perspectives when answering the central marketing questions (Eriksson *et al*, 2004, p.7):

1. *What are we selling? Are we selling a product or a life style?*
2. *Who wants to by our offer?*
3. *What resources are needed to fulfil the offer? Do we have the competence and the capacity necessary?*

Each MIO perspective has a corresponding moment in the four decision steps: 1) description of the present situation, 2) analysing opportunities, 3) discerning problem strategy, and 4) developing action programs in order to implement the business decisions (Eriksson *et al*, 2004, p.8,9). These are the *MIO Maps*, the Diagnostic, Opportunity, Strategic and Action maps. According to Eriksson *et al* (2004, p.9), sometimes it can be desirable to add an historic analysis in order to understand the cultural or social role of the company. The MIO Model (or Matrix) is considered to be a relevant and consistent tool, effective in the internal planning process of a company, and relatively easy to use (Eriksson *et al*, 2004, p.11). It is also believed to produce greater selection of information to make better-informed decisions. It can result in an entire business or marketing plan. It is also useful in identifying weak or seldom addressed areas, so called "blind spots". Once developed, it is a good instrument for discussions and audits over time and usually only needs partial revisions.

The goal with the Diagnostic Map is to describe the present situation in order to get a shared perspective, perception, or "overview" of the organization and its markets (Eriksson *et al*, 2004, p.16-17). When using the MIO Matrix, it is important to know the market, that is, both the customers and the competitors. The 4P's also needs to be examined. Interaction with customers and competitors is becoming more and more complex. In order to be a successful marketer you need to be successful at establishing, sustaining and developing relationships (Eriksson *et al*, 2004, p.8). Finally, the company's core competence, capacity, and competitive advantage, as well as its missions and objectives should be stated in the Organization (Eriksson *et al*, 2004, p.19).

The purpose of the Opportunity Map is to make it possible to develop the business concept and to find new routes to the customer (Eriksson *et al*, 2004, p.21). This step is considered to be the most important, the most difficult and the most time consuming. Every piece of information that leads to the final identification of threats and opportunities, and strength and weaknesses (the SWOT-analysis) is relevant. It is important to make an industry analysis, an analysis of the competence and finally a customer analysis that studies needs and demand patterns. The life cycle of the entire industry as part of the society is embraced in the industry analysis (Eriksson *et al*, 2004, p.22). The PEST-formula is a good tool for this purpose (Eriksson *et al*, 2004, p.22-23): "W*hat are the Political, Economic, Social and Technological changes that we foresee*?" Major competitors and industry structure are analysed. The above-mentioned 4 P's are also used in this phase in order to find alternative ways of creating a more competitive customer relationship.

The Strategic Map is a long-term strategy map and involves being able to choose the best of alternatives that were identified in the earlier phase (Eriksson *et al*, 2004, p.32). *Segmentation*, where a potential market is divided into different parts with different needs, desires and demand, is a solid marketing practice used to increase volume and profit for companies (p.32-33). The company can then choose to serve one or several of these identified segments, and decide how to position itself in the different segments. However, a differentiated market will have implications for the organization and the cost structure as it complicates production, promotion and distribution (p.33). Before trying to expand into new regions, the implication for production, promotion and logistics must be analysed in depth. The authors point out once again that the goal of marketing is to establish, retain and develop customer relations. *Customer relationship management* (CRM) is a concept to express this goal of long-term relationships (p.34). (Supply Chain Management (SCM) is the equivalent on the supply side.) The company also has to decide whether to be the leader of development and constantly differentiate your products, or sell "*me-too*" products, thus following successful examples in design, function, price or distribution (p.34). Usually, the "me-too"

strategy is safer initially, but result in low profit margins. Finally, strategic organizational choices can be whether to outsource a certain part of the business or not (p.34).

There are several models that can help in choosing among alternate strategies. One example is the Boston Consulting Group Matrix (BCG) that suggests we should pursue alternatives that meet market criteria, i.e., high market growth rate and high market share (Eriksson *et al*, 2004, p.37). Depending on if you are a market leader, a market challenger, a market follower or a market-nicher, you have to choose your best way of protecting your market share.

The distance between strategy and tactics (the Action Map) is much shorter today than it used to be; strategic decisions always have to be implemented in daily doings and short-term activities often imply strategic consequences (Eriksson *et al*, 2004, p.40). The action programs, or marketing plans, range from a year to a monthly cycle. Depending on the offering and strategy, the work will concentrate on mass markets, identified segments or individual customer relations (p.41). The programs differ depending on if it is trial (new) customers, repeat buyers, clients (high loyalty customer), advocates (part of "our club", that take private initiatives) and partners (customers included in our network). The following activities depend on the objectives for a given period, i.e., stimulating segments attitudes, knowledge and/or behaviour (p.42). Parameters in focus are price, promotion, promotional mix, the media and the message. The objective should be measurable in a follow up, in terms of a percentage ROI (return on investment) within a certain time frame. The budget and the time plan – *Who is doing what and when?* – are two important sub plans within the Action Map (p.44). In reality, it is not always easy to plan ahead; however, having written documents are important when it comes to communication and coordination of activities.

Needs, Wants & Demands

According to Kotler and Keller (2006), one of the fundamental tasks in marketing management, hence, for the marketer, is to try to understand the target market's needs, wants, and demands. Needs are referred to as the basic human requirements, such as food, air, water, etc. Recreation, education, entertainment are other examples of needs. The needs become wants when they are directed to specific objects that may satisfy the need. Wants are very much shaped by one's society but partly also unique to each person. Demands are wants for specific products supported by purchasing power or ability to pay. You may dream of living in a castle and driving a Rolls Royce but very few people are willing and able to buy it. This means that companies must measure not only how many people want their product but also how many would actually be willing and able to pay it.

There is a common thought that "marketers create needs" or "marketers get people to buy things they don't want". However, marketers do not create needs, needs pre-exist

marketers. Marketers, along with other societal factors, influence wants. They may promote the idea that, for example, a nice apartment at Östermalm, in central Stockholm, Sweden, would satisfy a person's needs for social status (or belonging), but they do not create the need for social status.

Understanding customer needs and wants is not always easy. Some may have needs of which they are not fully conscious, or they cannot articulate or describe their needs. Needs are usually divided in five groups (Kotler and Keller, 2006):

1. Stated needs – inexpensive car
2. Real needs – low operating cost, not initial low price necessarily
3. Unstated needs – expectation of good service from the dealer
4. Delight needs – want the dealer to include an onboard navigation system
5. Secret needs – the customer wants to be seen by friends as a savvy consumer

Responding only to the stated need is not the way to go for marketers due to the fact that many consumers do not know what they want in a product. Rather, they should concentrate on creating consumer perceptions of a certain product or service. Carpenter (Kotler and Keller, 2006) once stated, "*Simply giving customers what they want isn't enough any more – to gain an edge companies must help customers learn what they want.*"

In the past, responding to a customer need meant studying consumer needs and making a product that fitted those needs on the average. Today many companies respond to each customer's individual needs, thus, they go from a "*make and sell*" philosophy to a philosophy of "*sense and response*".

APPENDIX VIII – Political Marketing Activities

The political marketing activities explained below are reproduced from Lees-Marshment,
Jennifer, The Marriage of Politics and Marketing, Political Studies, Vol. 49, 2001, p.698.

Product design
- Product and Sales-oriented parties design behaviour according to what they think best
- Market-oriented parties determine behaviour in response to voter demands

Market intelligence (Sales and Market-oriented parties only)
- Informally, parties 'keep an ear to the ground', talk to party activists, meet with the public
- Formally, they use quantitative research (electoral results, public opinion polls and privately commissioned studies) and qualitative research such as focus-groups
- Market-oriented parties aim to discover voter demands in order to respond to them when they design their behaviour
- Sales-oriented parties do this *after* deciding how to behave: they try to find out who does not support the party but might and then target their communication efforts accordingly

Product adjustment (Market-oriented party only)
- It designs its product to suit the electorate at large and then needs to make sure it considers other factors:
  a) whether the product design is achievable: the party will not promise what it cannot deliver in government
  b) internal reaction: the party may alter parts of the design to ensure it will obtain the support of enough MPs and members to ensure its implementation
  c) competition: the party will promote opposition weaknesses and highlight their own corresponding strengths; parties will not just become the same; differences will inevitably occur as the party goes through part (b) above because each major party has a different historical and ideological background
  d) support: the party will focus on winning the support of voters it does not have but needs to win power; thereby using target marketing. A Market-oriented party will not promise everything to everyone or seek the support of all the electorate; given part (b), it may start from traditional supporters and move out, rather than jump directly to the centre

Implementation (Market-oriented party only)
- Findings from Stages 1-3 of the process for such a party must be implemented
- Majority within the party need to broadly accept the new behaviour and comply with it

Communication
- This includes the so-called near or long-term campaign but also ongoing behaviour

- All parties communicate their behaviour whether or not they design it carefully
- Not just the leader, but all MPs and members send a message to the electorate
- Sales and Market-oriented parties:

a) attempt to ensure that communication they have with the public helps them achieve electoral success

b) attempt to influence others in the communication process, such as journalists and opposition parties

c) use selling techniques such as direct mail and targeted communications

Campaign
- The official election campaign period leading up to the election

Election
- The general election

Delivery
- If the party wins, they deliver the product in government