

FROM SALES TO MARKETING: THE EVOLUTION OF THE PARTY PITCH

Susan Delacourt and Alex Marland

All politicians have to be savvy salespeople, and smart politicians know how to borrow lessons from the world of business. But in business, there's a world of difference between selling and the far more complex art of marketing. The distinction is important to understand in Canadian politics too, especially now that the country may be headed soon into yet another election. The *Toronto Star's* senior writer, Susan Delacourt, and Memorial University's Alex Marland explain how politicians have to be seen, and see themselves, as more than door-to-door salespersons and how marketing is playing a role in Canadian politics.

Hommes et femmes politiques doivent être d'excellents vendeurs, et un fin politicien sait s'inspirer du monde des affaires. Or, il y a une énorme différence entre la vente proprement dite et l'art beaucoup plus complexe du marketing. Une distinction d'autant plus importante à comprendre pour notre classe politique que nous serons sans doute bientôt appelés aux urnes... une fois de plus. Susan Delacourt du *Toronto Star*, et Alex Marland, de l'Université Memorial, expliquent pourquoi les politiciens doivent être perçus — et se percevoir eux-mêmes — comme davantage que de simples vendeurs de porte à porte et décrivent quel rôle joue le marketing dans la vie politique.

Attention, shoppers: politics, as it's being practised in Canada, is increasingly not just a sales job. Politics has long been intermingling with the world of commerce — from door-to-door sales to “branding” to slick advertising campaigns. The same pollsters who track the parties' fortunes also conduct consumer surveys for their corporate clients, sometimes in the same polling sample. When a politician connects with the voters, we call him or her a good “retail politician.”

Gradually, politics has been embracing an important distinction, also borrowed from business expertise — that selling is not the same as marketing. And it's marketing, a far more complex, subtle art, that may be the skill that Canadian political operatives want to master if they're looking to have voters buy what they have on offer.

It's not magic, and its detractors say that treating politics as a blunt, consumer-marketing exercise could even feed voter cynicism about politics.

But it's at least useful, for anyone trying to understand the nature of political campaigning in this day and age, to understand how the lessons of business marketing are increasingly being applied to the transactional relationship between politicians and voters. While we're paying atten-

tion to the ad wars between Conservatives and Liberals, in other words, perhaps we ought to be looking more closely at the *marketing* battle for the votes.

Marketing is often used as a synonym for selling, but they're different things. In politics, as in business, marketing is what happens when the product shapes itself around the consumers' demands — often before it even hits the sales floor or the ad campaign. It's the attempt to give the people what they want, sometimes before they know they want it.

With this in mind, a growing academic study of the business of political marketing is giving us a whole new way of classifying what our politicians are presenting for the voters to “buy.” In this world, you can be a POP, a SOP or a MOP — or sometimes, a smattering of each.

The acronyms stand for “product-oriented party,” “sales-oriented party” and “marketing-oriented party,” and they come to the study of politics courtesy of Jennifer Lees-Marshment, a professor at the University of Auckland in New Zealand. She began her research back with Margaret Thatcher's Conservatives in Britain during the 1980s and developed her analytical framework by studying Tony Blair's

transformation of “New Labour” in the 1990s. Since then, her model has been used to study political parties’ behaviour in a host of other countries. In May, Lees-Marshment was in Ottawa, taking part in a day-long meeting of the Canadian Political Science

like-minded people, even candidates, seeking it out. Examples of current product-oriented parties in Canada include the Libertarian, Marijuana and Marxist-Leninist organizations.

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Association devoted to political marketing.

Here’s how the model, as applied to politics, works.

In commerce, organizations can be considered to have a product, sales or marketing orientation; that is, a philosophical approach about how to attract customers to what the business has to offer.

Motor vehicles are a common business example. Henry Ford’s Model T was so revolutionary in the early decades of the 20th century that consumers bought the car even though it came only in black; the demand was such that the product sold itself (a product orientation). Over time, to stimulate sales, car companies heavily promoted their products, sometimes with hyperbolic claims (a sales orientation). As competition intensified, successful managers changed their offerings in response to consumers’ preferences (a marketing orientation). From muscle cars to hybrids, today people have a wide choice of vehicles that are designed to meet their preferences, rewarding the companies best able to do so.

Likewise, Canada’s political parties can have product, sales or marketing orientations, each a more sophisticated operation than the other. A party that is product-oriented, a POP, does little more than offer itself up to electors. It exists to attract people who share a similar ideology. Such an organization does minimal self-promotion and relies on

a mix of promotional activities to communicate what they have to offer. Their fundraising machinery finances personnel, a leader’s tour, signage and advertising. Such parties have a network of salespersons knocking on doors and phoning electors to identify supporters. They emphasize media relations, use direct appeals such as targeted mailings and embrace the latest in communications technology. They hope to stimulate demand for a somewhat ideological product. The Bloc Québécois and the NDP tend to be examples of sales-oriented organizations, as was the Reform Party. In this decade we have seen the Green Party graduate into a sales operation.

From time to time — usually coinciding with success in opinion polls — mainstream political organizations become marketing-oriented parties (MOPs). As with a sales operation, an improved return on investment is achieved by selecting promotional activities that match targeted electors’ media usage. What’s different is that the political product is malleable. A MOP responds to the median voter’s preferences by demonstrating ideological flexibility and, if necessary, a willingness to change leadership. It communicates ideas and an overall package that research has demonstrated is likely to have broad support. The result is an efficient appeal to the largest number of possible supporters.

So what can these distinctions tell us about what’s been happening in Canada over the past couple of decades? Parties have been responding to scientific opinion research since the Second World War, and sometimes basic political intuition can lead to success, so it’s important not to overstate the model. But it does seem to fit well in Canadian federal politics. There are so many competing interests across Canada that, to form the government, in modern times it isn’t good enough to be ideological. To move into 24 Sussex a party leader

needs to lead a party that is responsive to what the electorate wants, especially if that means internal change. Monitoring opinion polls and message spin is one thing; getting the party executive and rank and file to move with the political winds is another.

In Canada, it’s well known that the electoral system rewards ideological parties that are regionally based (think Reform, Bloc Québécois), but that it discriminates against ideological national parties (think NDP, Green). What the Lees-Marshment model can do is help us distinguish which credible national parties are fluctuating between being government contenders and pretenders (think Conservative, Liberal).

For instance, marketing was definitely at work in the early 1990s when the Liberal brand was renewed under Jean Chrétien. In the 1993 campaign, Chrétien and the Red Book reflected the mood of an electorate that wanted jobs and, Kim Campbell notwithstanding, an end to the politics of the Mulroney era. While in office, Chrétien, with the help of his finance minister, Paul Martin, reshaped Liberalism to make it responsive to the market demand of the time — cutting deficits, reducing the size of government and dispensing more authority to the provinces. But the party leadership was also willing to shift away from austerity and devolution when this would prove popular.

A decade later, following a process set in motion with the evolution of the Reform Party into the Canadian Alliance, the federal Conservatives set about making the newly united party more market-sensitive as well. We've had some glimpses over the years of the intensity of this effort under Stephen Harper's leadership and of the party's acknowledged commitment to the market research game. There's Paul Wells' 2006 book, *Right Side Up*, which showed us how Conservative strategist Patrick Muttart used research to segment the voter base into prototypical characters — “Mike and Theresa,” suburban citizens who might be open to voting Conservative if the right product was on offer, and “Zoe,” the urban, single woman who would probably never vote for the Tories. Tom Flanagan's book *Harper's Team* also shed some light on such handiwork in the realm of political market research.

One of the more revealing insights into the Conservatives' market research came in a 2007 CBC-TV documentary by reporter Keith Boag, which walked through the Conservatives' impressive Constituency Information Management System (CIMS) and illustrated the vast array of data that the ruling party was accumulating about voters so as to shape its message and policies — everything from religion to consumer preferences.

But were the Conservatives using this to support a sales orientation, or was it political marketing? University of Ottawa professor Daniel Paré, with

Flavia Berger, tackled this question last year in the *Canadian Journal of Communication*. Titled “Political Marketing Canadian Style?” their paper set out to see whether the Conservatives in 2006 followed Lees-Marshment's model — whether they were true MOPs, so to speak. They analyzed the dynamics of the Conservatives' ascent to power and determined that the party “successfully managed to influence a shift in voter preference by designing and marketing a product offering that struck a balance between the interests of specific segments of the voting public...and the interests of internal party supporters.” In other words, the Conservatives were something between a SOP and a MOP, using marketing to sell an ideologically based product. The authors stressed, however, that it remained to be seen whether this was a defensive strategy — avoiding giving the public what it *didn't* want — rather than a pure effort to design a party around consumer demand.

Despite their reported success with marketing in 2006, the Conservatives actually ran a sophisticated sales operation during the election campaign of 2008. Prior to the campaign they used research not to develop a platform, but to identify strengths and weaknesses of the party leaders, and to inform their strategic communications decisions. They successfully exploited Liberal weaknesses on questions of leadership and policy. Though they increased their share of seats, had the Conservatives not

regressed into a sales-oriented party they might arguably have formed a majority government. Indeed, the Conservatives' trappings of partisanship and ideology, rather than coalition building, nearly led to an opposition coalition soon after the election. However, Stephen Harper's flexibility with fiscal principles, for example, suggests that the party can move toward being a MOP when under pressure.

Such a push is most likely to come from the Liberal Party. In the 2008 campaign either it was product-oriented, hoping Stéphane Dion and the Green Shift would sell themselves, or it had a colossal research failure. But now the Liberals, under Michael Ignatieff, are becoming a more professional outfit, one that is emphasizing fundraising and maintaining policy flexibility. As it invests in research and returns to being marketing-oriented, there will be a growing perception of the Liberal Party as a credible option to form the government.

The Bloc, the NDP and the Greens are sales-oriented parties — or so we might think. True, they remain largely ideological outfits, and Elizabeth May's inclusion in the 2008 party leaders' debates was a huge sales victory. But the Bloc has moved away from foremost selling a sovereignty product and is positioned as a defender of Quebec values. Meanwhile, in 2008 NDP leader Jack Layton attempted to position himself as a candidate for prime minister. Nevertheless it is surprising that the NDP was by far the most research-focused in that election.

TABLE 1. 2008 FEDERAL ELECTION SPENDING (DOLLARS)

	Bloc	Conservative	Green	Liberal	NDP
Sales	3,358,970	13,068,362	1,911,155	10,511,761	12,488,026
Radio/TV ads	2,377,418	10,266,344	1,579,104	5,827,650	7,071,205
Other ads	402,646	327,685	248,091	2,203,784	1,373,790
Leader's tour	578,906	2,474,333	83,960	2,480,327	4,043,031
Research ¹	168,136	\$274,240	\$88,247	\$828,447	\$1,303,098
Ratio of sales to research spending	20:1	48:1	22:1	13:1	10:1

Source: Political parties' statements of general election expenses, Elections Canada.

¹ Elections surveys or other surveys or research.

The NDP nearly outspent the combined total of the other four parties with respect to research such as election surveys (table 1). For every dollar the NDP spent on sales categories, such as advertising and the leader's tour, it spent a dime on research. For the Liberals, it was about eight cents to the dollar; the Bloc and Greens, about five cents; and the Conservatives, two cents. Ten other parties, ranging from the Animal Alliance Environment Voters Party to the Work Less Party, spent nothing on research and were decidedly product-oriented. By this measure, the Conservatives were a sales machine in 2008, satisfied to use their pre-writ research to guide a campaign of persuasion. Indeed, they had spent about two and a half times more on research in 2006, and less on sales.

This is where the POP, SOP and MOP models can get a bit blurry. What constitutes research in politics is often a matter of opinion. Ask a pollster, or a national campaign manager, and he or she will point to scientific opinion polls and focus groups. But ask a battle-worn grassroots campaigner, and you will likely be told about data gathered in door-to-door or telephone canvassing. As Canada's campaigns become more professionalized, such as with telemarketing firms replacing volunteers, there is a tendency to label all sorts of information as research when it's really about sales. Furthermore, the mysterious election expense category of "professional services," or perhaps "salaries and wages," might include both sales and research activities. So while we can easily identify the product-oriented outfits using Elections Canada data, it's difficult to authoritatively differentiate between sales-oriented and market-oriented parties.

Most of the major Canadian political parties are doing primary research and, as the CIMS machine demonstrates, it's come a long way from the first telephone surveys of the

1940s. Even the Greens are getting into opinion research, most recently to figure out in which riding May should choose to run in the next election. At a little briefing for reporters at Hy's Restaurant in Ottawa in June, May told reporters she wished that the Greens had been out in the field, doing this kind of research, far earlier.

But the Conservatives, with their CIMS system, as well as sophisticated socio- and geo-demographic data analysis, still seem to be the most assiduous about researching the voter base. It doesn't hurt that they have the resources of government to give them more data and insights into what the Canadian voter wants on a day-to-day basis. Just as importantly, they have the fundraising machinery to support private research,

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though the government's quarterly financing of parties means that even the Greens can commission scientific surveys. But the real question is, How are they using these data? Is it to support the selling of an ideology, or to change internally in response to elector preferences? So far it seems to be a bit of the latter in an effort to achieve the former.

Political purists recoil at the idea of election campaigns as a mere consumer transaction. Where's the place for vision, ideology and principle in a political party that organizes itself around the whims of the electorate? A marketing orientation encourages a bland, but pragmatic, managerial style of governance that prioritizes short-term populist decisions. What's more, consumer choices are not the same as

citizen choices, and ultimately the only opportunity to "buy" a political product occurs in a one-day-only sale known as election day. The rest of the time, political opinion research is largely a customer satisfaction survey.

Moreover, even in the world of consumer marketing, it's far from clear whether people know what they want, before they get it. The case study literature in business marketing is rife with examples of corporations that rely on their own instincts for successful product launches, rather than on market research. And the failure of some extensively researched products — the "New Coke" debacle of 1985 comes to mind — shows that what consumers or citizens may like in theory is not always what they prefer when it's put in front of them. Likewise, there is a classic conundrum regarding what electors say they want, given that surveys typically suggest that most citizens simultaneously want lower taxes and improved government services.

What is electorally important, furthermore, is whether a personable party leader can maintain support of the party faithful as the leader shifts the organization ideologically toward the median voter. Having a marketing orientation cannot itself guarantee winning an election — fundraising, the electoral system, regionalism, unexpected events, and so on, are just some of the challenges — but, in theory, a willingness to change in response to elector preferences should improve a party's chances.

Canadian political history suggests that holding a marketing orientation is often important to win government, but such positioning can be difficult to maintain while governing. The Pearson and Chrétien Liberals and the Mulroney and Harper Conservatives are examples that show how responding to elector preferences can assist with winning seats. The



Herman Cheung

Stephen Harper pitching his promise to cut the GST from 7 percent to 5 percent during the 2006 campaign. Was this a SOP event or an MOP event, or was it both sales-oriented and marketing-oriented? But it worked, and helped propel the Conservatives to victory.

longer the time in government, the more it is difficult to change, because leadership and policies become entrenched. It takes a dynamic product shakeup to recharge the party government — think Trudeau rather than Turner, Campbell or Martin.

Because it is often easier to be responsive when in opposition, sustaining positive brand attributes while in power is greatly facilitated by destabilized, underfunded and unorganized competitors. Differentiating oneself from others can involve using market intelligence to weaken the brand values of opponents. The governing party tends to have considerably more resources for such purposes, as Stockwell Day, Stephen Harper and Stéphane Dion can attest from when they were leaders of the

opposition. There is an electoral payoff for going negative and for using data to tinker with promotional choices, both of which are far easier to do than to draw upon the data to change the party platform or leader. Eventually, though, a marketing-oriented opposition arises to supplant a governing party that has regressed into a sales operation.

So what does the POP/SOP/MOP way of thinking mean for Canada's governing party in 2009? It means that the longer they govern, the more difficult the Conservatives will find it to adjust their political product and to refresh their brand positioning. By the next election the rejuvenated party that Stephen Harper led in 2006 will have considerably less flexibility to reflect

electors' preferences. A repeat of the 2008 election, which involved slight policy manoeuvres and a communications blitz, is internally palatable and less risky than the alternative of leadership renewal. This presents opportunity for the Liberals, and perhaps for the NDP, but only if they can withstand attacks and somehow produce a product that has more popular appeal. As always, so much is wrapped up in the party leaders and what electors, and the party faithful, think of them — and whether the leaders are prepared to change in response.

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