



Bachelor Thesis

Political Marketing

The Role of Campaign Spending &
Uncertainty
During Elections

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Abstract:

Over the past several decades the political environment changed dramatically. Campaign expenditures increased enormous. Accordingly, for parties raising and spending funds became a crucial point to run an efficient campaign.

This paper considers whether there is a causal relationship between the campaign spending and the party's number of votes and it also assess the effect of voter uncertainty on this relation. It also indicates the importance of the voter uncertainty especially for the candidates which operate in a society with high uncertainty avoidance characteristics.

Furthermore, the paper hypothesizes that a higher campaign spending results in higher vote increase. In accordance, evidence will be shown that there is a positive effect between these relationships. Studies represent that especially from the challenger side, the spending increase the number of votes.

Another discussion point of this paper is the mediating influences of the Voter Uncertainty, between the relations of the campaign spending and the number of received votes. It will be concluded that Uncertainty would pose a significant problem when voters make a decision especially for the candidates located in a society with a high uncertainty avoidance characteristics.

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Chapter I: Introduction:

1.1 Background

- It's the economy, stupid!¹ -
Bill Clinton, elections in 1992

During the decades the political landscape changed drastically all over the world, in the sense of new party formation, type of governance etc. but also in the sense of the approach of the parties towards the voters.

September 26, 1960 can be seen as an important date in the history of politics. On that date Richard Nixon and John F Kennedy- two major candidates for the presidency - discussed the issues in the current political campaign on the first televised debate which gave signals of a new trend, called **-Political marketing-**. Later in 1992, Ross Perot followed this trend by using the first telemarketing campaign. With high tech tactics and without the support of a political party, he was able to win around 19% of the votes. But the winner of the elections was Bill Clinton by adapting marketing strategies in his campaign. The same tools which are used to market products and services were used to market Bill Clinton (Newman, 1994). Ever since the Political marketing became global phenomenon and in 2008 it probably reached its peak so far during the election when Obama became the first African-American president of the United States. There has been huge media hype around this campaign during which the range of tools were visible that parties use to become successful during the elections, as mentioned by Lees-Marshment in a Political Science report in 2009. Lees-Marshment describes these tools as *“pre-election strategy, branding, e-marketing, opposition research, multiple forms of direct marketing, and leadership re-marketing.”*

TVs, newspapers, internet, celebrity participations, it all became one big parade nationally but also internationally. It was for sure beyond the traditional campaigns, which resulted in a victory for Obama. If we leave out the fact that he was the first African-American Presidential candidate, what made Obama so unique and successful: His ideology? Or his well organised, highly budgeted campaign which made us to think so?

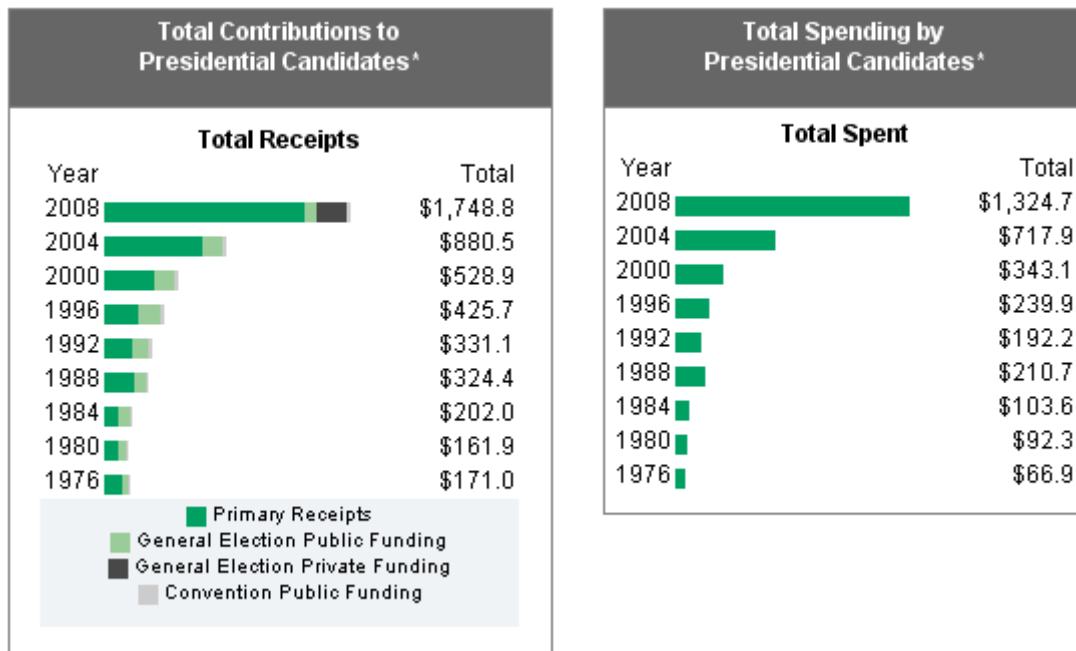
According to a campaign finance expert Anthony Corrado who commented on the elections of 2008, Obama's access to enormous funds, made him able to run a high level of competition and to keep interest for months, which stimulated more fundraising and increased his unique appeal to young and social networking. (Cummings, J. 2008)

When we look at the Figure 1 below, we see that politicians in US started to raise enormous funds and to spend enormous amounts for their campaigns through the years. The total spending by Presidential Candidates experienced an increase each year but as seen in the figure, there is an enormous increase in total spending during the elections 2008. The Center for Responsive Politics (CRP) study states, for the first time ever in US history, the presidential candidates raised combined more than \$1 billion. For instance, Obama alone was able to raise more than \$700 million and spent almost the whole of his funds during his campaign.²

¹ 'It's Economy, stupid!': a phrase which become a catch phrase in the U.S politics since the elections 1992, repeated usually starting with the word "it's" and with the replacement of the word "economy."

² See Appendix I.

Figure 1: US Presidential Fundraising and Spending, 1976 - 2008



* In millions Source: Center for Responsive Politics

This brings a lot of questions with like: Do campaign spending matter? Can campaigns with high budgets really help for informative and persuaded electorate or is it just a waste of money and time?

Through the decades there have been several studies about the subjects around campaigns and its influence on election outcomes. It is also argued that individuals tend to be more critical on candidates when they are uncertain about them. As stated by Hofstede (2004) cultures vary in their characteristic of Uncertainty Avoidance. Is there a difference in appearance of the political campaigns in cultures with high uncertainty avoidance characteristics? Do voters choose a candidate they know more about, e.g about where the candidate stands and what policies he represents etc? Can campaigns help to decrease voter uncertainty and accordingly affect the decision making?

1.2 The problem statement:

Politicians are dependent on the votes of the people to be elected. Hence, they use campaigns to increase the awareness of their existence for the voters and to influence their choice. Accordingly, candidates who aim to win the elections make use of enormous sums for their campaigns. The aim of this study is to provide a clear understanding of the relationship between the campaign spending and the parties' number of votes. The main problem which will be researched in this paper is the following:

- To what extent does campaign spending matter in the maximising the expected number of electoral votes and how does uncertainty affect this relation?

Research Questions:

- What is campaign spending?
- What kind of campaign approaches are there?
- What is Voter Uncertainty and how does it influence the voter decision-making?
- What is the role of campaigns in a society with high uncertainty avoidance characteristics?
- What is the relationship between the campaign spending and the Voter Uncertainty and what is the moderating role of the Uncertainty Avoidance in this relationship?

1.3. Academic Relevance:

Politics and Business have similar characteristics which overlap. Politicians may not have tangible products but *votes* can be seen as their *products* and the *voters* as their '*consumers*'. Voters choose parties as consumers choose products. (Lilleker & Lees-Marshment). When consumers make decisions, quite a lot of factors influence their choice. Same occurs when voters make a decision and vote for a party. There are a lot of established studies which have researched how and to what extent campaigns contribute to the explanation of vote choices. However, there is a huge amount of factors which influence this relationship and form more complex behaviours as a collective. Accordingly, an emergent behaviour occurs, due to the interconnectivity and causal relation across these different influence factors, which means that it is difficult to indicate the relation between campaign and the election outcomes as a sum of those factors. Hence, this study will focus on one particular variable namely Campaign Expenditures to explain the vote outcomes. The academic relevance of my study is, first of all: earlier studies have reached conflicting conclusions about the role of the spending in the election outcome (Gerban, 2004). This paper will point out those different research conclusions and accordingly choose the best theory to describe the relationship between the mention variables.

Second of all, this paper is going to link the campaign spending to one of the cultural dimensions. This is interesting from an academic point of view, considering that no earlier study has focused on the intervening character of the dimension Uncertainty Avoidance between the expenditures and the election outcomes.

1. 4. Managerial Relevance:

From the Politician's/candidate's point of view, the topic can also be relevant to indicate the relevance of their campaign expenditures.

This study, in which the relation of the spending and the election outcomes will be analysed, could be relevant for Politician's future budget decision making. The paper will indicate if high budgeted campaigns lead to success during the elections. It will also enable managers, party advisors to understand money's effects on the behaviour of the voters and accordingly to adapt their strategy. For example, if this paper would conclude that high budget leads to win the elections, the campaign advisors then have to come up with a plan to raise more money from interest groups etc. to be more efficient than the other party challengers.

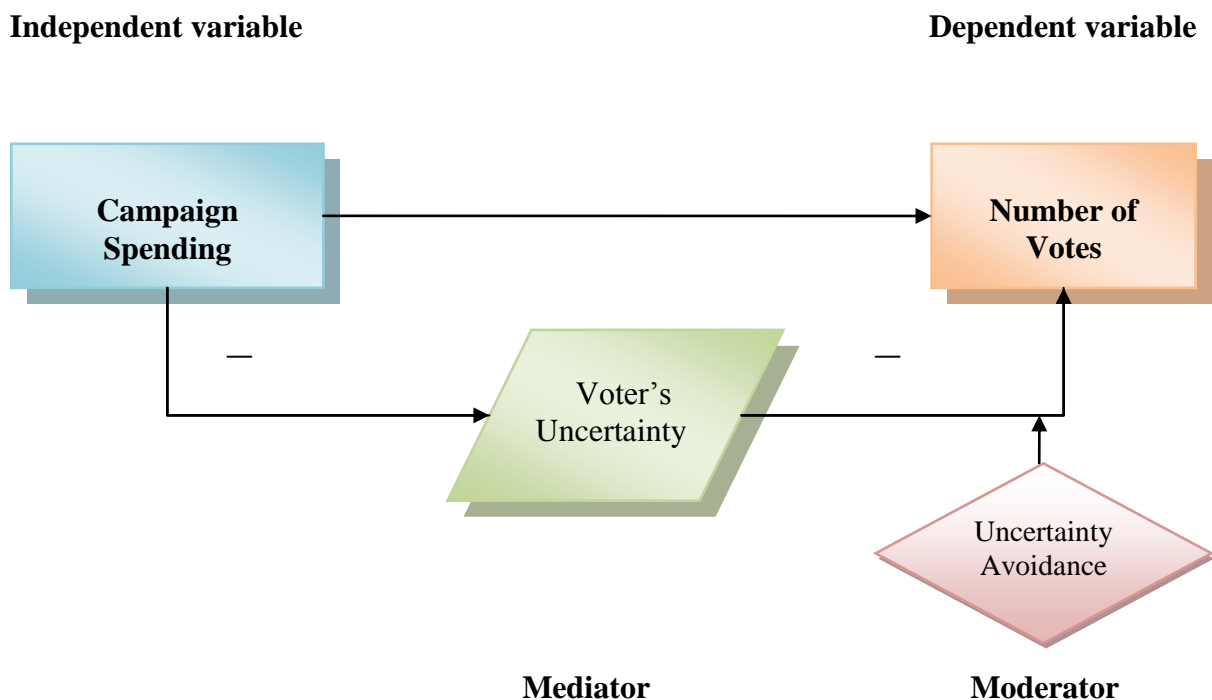
Chapter II: Conceptual model

2.1 Conceptual model

The problem statement and the research questions as stated in chapter I, led to the development of the conceptual model below.

In the report, below mentioned Dependent Variable will be explained by the Independent variable and Mediator, followed with a discussion of their relationships with each other in several chapters.

Graphical representation:



2.2 Definition of constructs

2.2.1 Independent Variable:

- **Campaign Spending**

Political Campaigning is a core feature of the political process in modern democracies which has the objective to influence the elections outcomes and political decision-making by shaping public opinion (Farell & Schmitt-Beck, 2002). Accordingly, Campaign Spending can be defined as any expenditure incurred by a party for electoral purposes such as enhancing the standing of or promoting electoral success for a party at a forthcoming election. The US Center for Responsive Politics (CRP) study defines the Campaign Expenses as direct costs of campaigning, including political consultants, media, events, promotional/marketing materials, such as polling/surveys/research and direct mailing.

2.2.2. Mediator:

- **Voter Uncertainty:**

In this paper Voter Uncertainty about a candidate/party will be used as a mediator variable to explain the relation between the independent and the dependent variable. This variable will also indicate how or why a certain effect of the campaign spending on elections outcomes occurs.

Uncertainty is generally defined as “a concept that reflects our lack of sureness about something or someone, ranging from just short of complete sureness to an almost complete lack of conviction about an outcome” (NRC, 2000). The paper will address Voter Uncertainty in sense of absence of knowledge about a party or a candidate.

2.2.3. Moderator:

- **Uncertainty Avoidance:**

Election process and campaign methods vary more or less across the countries.

Each country has its own characteristics which may effect/shape the communication and interaction patterns which politicians use while campaigning.

In this paper, one of the cultural characteristics (Uncertainty Avoidance (UAI)) created by Professor Geert Hofstede will be used to explain the importance of Voter’s Uncertainty for politicians especially operating in countries where Uncertainty Avoidance plays an important role. This cultural dimension will be used as a moderator which influences the strength of the relation between the independent and the dependent variable.

Uncertainty Avoidance is defined as a value of “behavioural” component which influences culture (Burgoon , 2005). Hofstede describes UAI as a dimension that “*deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations.*” (Hofstede, 2004) He also states that people in uncertainty avoiding countries are more emotional, and motivated by inner nervous energy

than the people in uncertainty accepting cultures. In this study this dimension will be used as an interacting variable which can be influenced by the independent variable expenditures.

2.2.4. Dependent Variable:

A Political party may have different interests while fighting an election campaign. It may want to maximize the number of seats it wins or to influence the political agenda (Farell & Schmitt-Beck, 2002). In this paper the number of votes has been chosen as dependant variable which responds to the independent variable Campaign Spending.

THEORY:

Chapter III: Campaign-Spending Effects on Party's Number of Votes

Through the decades there have been several empirical investigations of campaign spending and electoral outcomes with varying conclusions.

In this chapter these contrasting findings will be introduced and the direct effect of the spending on election outcomes will be explained.

3.1 : Importance of Campaign politics:

After WWII, two main changes occurred in political party system, namely operational and ideological. Parties have become more selective and their ideological differences became indifferent (Kirchheimer, 1967). Consequently, during the time the former nature of elections which were focusing on mobilisation of party's social group supporters has been changed. Earlier, it used to make no sense to even try to persuade other groups to vote for them. However, the new developments in the party system made politicians feasible to reach out and to convince the people who support another party. Parties started no longer to represent a particular class and they became socially unattached which enabled them to appeal to new, broader population groups. Kirchheimer describes this new party style as "**Catch-All parties**" which focus on nothing but **maximising their share of votes**. According to Kirchheimer, by focusing on some 'safe' issues such as education, etc., Catch-All Parties could reach those electorates which were unreachable before. He also claims that vanished ideologies made political personalities to become more important in the eye of the electorates. Thus the appearance of the leaders to electorates and the role of the campaigns became crucial to maximize the votes.

Since then a lot of researches has been done to prove if campaign really matter in elections success. In contrast to earlier findings the current scholarly researches argue that political campaigns and political communications do influence individual voting behaviour and election outcomes (Ansolabehere and Iyengar 1995; Bartels 1993, 1996; Freedman and Goldstein 1999; Goldstein 1997; Popkin 1991; West 1993; Zaller 1992, 1996).

3.2 Campaign Approaches:

Politicians intend with their campaigns to inform and persuade individuals to vote for their parties. However voters may not be aware of all the alternatives they can choose from. The two approaches of campaigns to increase candidates' party awareness in the eye of the voter are: Information and Persuasion Campaigns (Mueller, 1994).

3.2.1 Information Campaigns:

Political campaigns contain intensive political information exchange. During the campaigns candidates compete to inform voters about their policy positions, character and competence. In that sense, campaigns can be seen as a particular kind of information campaign (Nadeau, Nevitte, Gidengil & Blais, 2008). Through campaigns information will be spread by parties, delivered by the media and absorbed by voters. (Norris et. al. 1999)

The studies of Page and Brody (1972), Iyengar and Kinder (1987) and later Alvarez (1997) represents that voter information generally increases during campaigns and is getting improved by media exposure.

For voters this type of campaigning means an opportunity to gather information that can help them to make informed choices (Bartels, 1996; Popkin, 1994). Furthermore, voters may become more motivated to follow politics more closely when they are exposed to campaign communications. Accordingly they would become better informed about the issues going on around politics. (Farell & Schmitt-Beck 2000)

However, some researchers claim that the ultimate goal of political campaigns are more about “framing” issues than about informing voters (Kuklinski et al., 2000; Norris et al., 1999).

Others argue that the rise of modern campaign styles may have damaging effect on voters’ attitudes (Patterson 1993, Cappella and Jamieson 1997) which would cause political cynicism and demotivated voters eventually, as happened in the United States due to the negative campaigning. (Lau et al. 1999)

However in this paper, the importance lies on the positive informing characteristics of the campaigns and not on the negative influences through negative campaigning held by the opposite party. The paper approaches Information spread by the candidate about him/herself and not by the other competing candidates.

3.2.2 Persuasion Campaigns:

“Politics, at its core, is about persuasion.” (Mutz, Sniderman & Brody 1996)

Political persuasion is a process in which politicians try to convince and influence voters’ opinion regarding a political issue through messages. (Perloff 2003, 34)

The Greek philosopher Aristotle divided the means of persuasion, into three categories namely; **Ethos (Credibility)**, **Pathos (Emotional)**, **Logos (Logical)**. (Ramage & Bean, 1998)

Ethos means literally *Character* in Greek and indicates convincing the audience by the character of the speaker. People tend to believe those whom they respect. According to Aristotle, our perception of a speaker’s character influences how believable or convincing we find what that person has to say.

Pathos which stands for *Experience* in Greek, means persuading by appealing to the audience's emotions. “Language choice affects the audience's emotional response, and emotional appeal can effectively be used to enhance an argument. The persuasive appeal of pathos is an appeal to an audience's sense of identity, their self-interest, and their emotions.

Logos on the other hand means Word in Greek, explains the way of persuading by the use of reasoning. Logic will be used to support an argument by involving facts and statistics.

When we look at the politicians’ way of campaigning, we can observe these methods of persuasion adapted in the political settings. By making use of marketing techniques in campaigning politicians try to persuade and convert the voters in their favour.

In recent years we see that the Ethos (Character) of the candidates becoming more important than the “character” of the parties itself. Consequently, during the campaigns the candidates started to reveal more information about themselves and their personal lives to appeal to their audience. Even the language choice changed during the years. Candidates started to use in their speech more ‘dramatic’ language (e.g. such as in slogans: ‘Change we need!’, ‘Yes We Can!’, ‘He’s making us proud again’ etc.) to effect the audience’s emotional response and at the same time to attack the challenger to put them in an unfavourable position.

On the other hand, the Persuasion technique could also be defined in the same way as it occurs in Consumer Marketing. We could consider a candidate as a seller who wants to sell his product regardless of its quality. Like a seller, a candidate would also try to persuade a voter by showing evidence which indicates he is the right candidate to vote for. In the past researches several scientist (Milgrom (1981), Milgrom & Roberts (1986), Grossman (1981), Dye (1986), Shin (1994b), Glazer & Rubinstein (2004), Glazer and Rubinstein (2006)) came up with the *Persuasion Games* which are communication games “*in which a speaker sends messages to a listener in order to persuade the latter to take a favourable action for speaker.*” (Pillai 2009) According to this theory the more information the speaker reveals, the better decisions can be made by the listener. The same kind of communication game occurs between the candidates and the voters. As the candidates’ utility depends on the action of the voters, the candidate can persuade the voter to take the best action for him. However it is argued by Jones (1995) and Rosenbaum (1997) that the techniques of selling and persuasion may have a damaging effect on the credibility of parties and politicians. But on the other hand the research by Markus and MacKuen (1993) finds that it is indeed possible to persuade voters to support a specific candidate. They argue that “*campaign strategists can motivate voters to learn about their candidate by constructing political advertisements that appeal to emotion or raise anxiety.*”

3.3 Campaign Spending:

In recent years one of the most remarkable developments in the political process has been the significant rise of campaign spending. Regardless of the efforts of the states to limit these spending, election campaigns are still very expensive enterprises (Farell, 2000).

3.3.1 Reasons for Spending Increase

Although many factors are blamed for the growth of the campaign spending, the rising cost of media has been held as the main reason (Ansolabehere, Gerber & Snyder, 2001). As stated by Magleby and Nelson (1990) “much of the increase in campaign spending over the past two decades has been caused by the high cost of modern communications.” As TV is an especially effective form of political communications, candidates place greater emphasis on broadcast campaigning. Hence, increases in TV prices cause higher total campaign spending (Lawrence and Smith, 1995). Alexander (1972, p.12) supports the conclusion of the Magleby and Nelson with his argument that “television, jet travel, and polling are some of the obvious reasons that campaign costs have increased dramatically.”

Since the last decade, political communication technologies highly developed. Accordingly the campaign environment changed dramatically with regard of the campaign communication strategies of political parties (Schmitt-Beck and Farell, 2002). It is certainly hard to overlook how political parties moved “to a stage beyond the TV age of centralized, standardized, one-size fits-all national campaigns.” (Farrell, 2006) In addition, the rise of the new communication technologies (e.g. Internet) changed voter’s expectations as well. According to a survey held by Pew Internet & American Life Project, 87% of individuals expect from a candidate to have a Web site and 70% expect to be contacted by e-mail during the campaign (Anderson, 2007).

The new technologies led parties to adapt their communication strategies during their campaigns which differ in fundamental ways from prior ones. It became essential to recruit professional staff to coordinate and manage the campaign process. Campaign specialist and agencies started to play an important role in the modern election campaigns than ever before (Farell, 2002).

3.3.2 Relationship between campaign spending and number of votes

Established studies have shown strong links between the intensity of a party's campaign spending and the election outcome. They provide strong evidence that "*spending is linked to vote-winning, either directly (the more spent - the better the return) or indirectly (spending is a substitute for other successful campaign activities)*". (Pattie & Johnston 1998)

While investigating the effects of campaign spending on electoral votes, researchers distinguish two types, namely: the incumbent and challenger spending.

Previous studies compare the effectiveness of both spending types and have conflicting conclusions. Some researchers claim that incumbent spending is ineffective while the challenger spending influence the votes in a positive way and increase the number of votes (Jacobson, 1978; Abramowitz, 1988). Jacobson (2004) conclude that spending by challengers is strongly related to the outcome which means that the more challengers spend, the better they do in the elections.

However, incumbent's negative relationship between spending and number of votes, does not indicate losing votes by spending money. It means rather that incumbents spend more when they are challenged strongly during the competition, and the stronger the challenges are, the worse it turns out for the incumbents (Jacobson, 1978; 1980). This means that the reason for the negative relationship lies in the expectation of the incumbents. The larger their expected vote, the less they raise and spend.

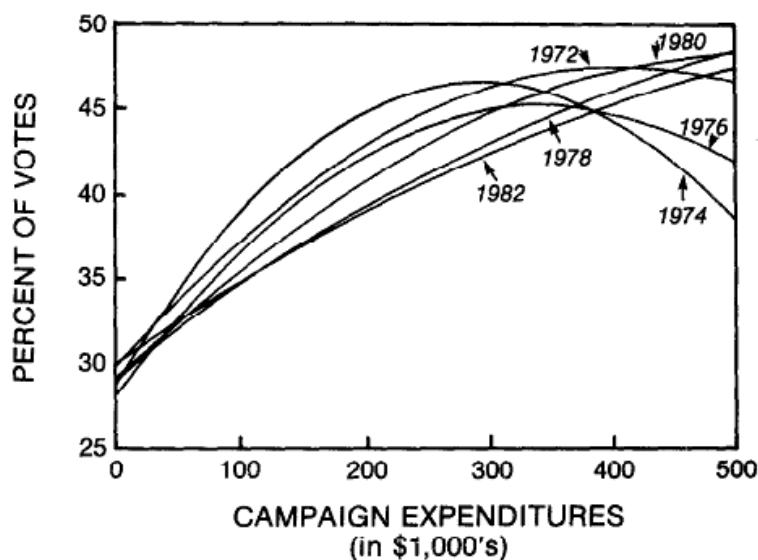
Furthermore, a study by Erikson and Palfrey (2000), agree on the positive effect of challenger spending, but their conclusion about the incumbent spending contrast sharply with other studies as they argue that there is no remarkable difference between those spending types. Others, on the other hand reach the conclusion that challenger and incumbent spending are either effective or they even argue that neither incumbent nor challenger spending makes any appreciable differences. (Erikson & Palfrey, 2000; Green&Krasno, 1988; Gerber, 1998; Levitt, 1994)

However, these contrasting studies come to a comparable conclusion about the positive effect of the spending which is the essential point for this paper.

Jacobson (1985) argues in his report that campaign spending increases the challenger's vote share as it increases the probability that voters get into the contact with the candidate through the campaign. Accordingly the campaign-spending effect on the vote increases dramatically as the candidate spends more money.

Figure 2 below shows how expenditures vary substantially from year to year (1972-1982).

Figure 2: Campaign Spending in US House Elections between Incumbents and Challengers



The Figure demonstrates an obvious increase in number of votes in relation with campaign spending. As described before, the increase could be explained with the fact that campaigns require an expensive process and parties increase their spending to run accordingly a more efficient campaign in the intensive competitive political setting.

3.3.3 Effects of the Increase in campaign-spending

Through the decades different methodological approaches about vote costs were made which vary widely in their conclusions as they use several modelling assumptions.

According to the model created by Jacobson (1985) to measure the effectiveness of campaign spending, if the incumbent would spend an extra \$100,000, it would only yield a minor increase in votes (about a 0.1% increase), while a similar spending would increase results for the challenger (about a 2.2% increase). Green and Krasno (1988) predict large increases of approximately 2% in votes for both the incumbent and challenger. Erikson and Palfrey (2000) on the other hand agree with Jacobson and predict also an increase in challenger and a decrease in incumbent's votes when an extra \$100,000 is spent.

Levitt (1994) in contrast predicts that increasing spending has only a minimal effect, regardless of whether the candidate is an incumbent or challenger. According to Levitt spending an additional \$100,000 yields approximately 0.1% for the incumbent and 0.2% for the challenger.

3.4 Summary:

From this chapter it can be concluded that there is a positive relationship between the campaign spending and number of votes that parties receive. Studies show that especially from the challenger side, the spending increase the number of votes.

Campaigns have the characteristics of informing and also persuading voter's decision making. Through the years, due to the developments in political communication means, campaign environment changed. Parties started to adapt their strategies and make use of these new communication technologies to approach their targeted voters. This of course caused for increased costs to cover during the campaigns.

When we compare the election winner's spending of the CRP data in 2008³, we see that highest percentage of their funds is spent on the media. And as established by an earlier research, directly or indirectly, media stories are arguably the most important source of information about what the government and politicians are doing (Gerber, Karlan & Bergan 2006). Hence, spending on media, which require high funds, would maximize voter informedness and eventually well informed/persuaded voter would vote in favour of a specific candidate and increase the number of votes of that party.

³ See Appendix II

Chapter IV: Mediating influences of Voter Uncertainty

This chapter will discuss the mediating influences of Voter Uncertainty with respect to the effects of campaign spending on parties' votes.

As described before Uncertainty in general is a concept that reflects the lack of sureness about something or someone which would pose a significant problem when making a decision.

This paper will refer to Voter Uncertainty as lack of certain information about a party or a candidate's name and for which policies he stands for.

In a political setting, the candidates are in general more informed about their own party than the voters are; accordingly Uncertainty arises due this imperfect Information conditions which would eventually influence voter's decision-making. (Erdem, Swait, & Valenzuela, 2008) Zeckhauser (1969) and Shepsle (1972) describe voter's perception of a candidate's position as lotteries with uncertain outcomes. And voters are without a doubt unwilling to vote for someone they know nothing about (Jacobson (1983a)).

On the other hand, if voters are uninformed, they *"cannot express their policy preferences through voting, and accordingly politicians cannot derive a mandate for future policies from the vote."* (Alvarez 1997; Budge and McDonald 2006; Van Ham 2009).

According to Palfrey and Poole (1987), voter's lack of information might reduce participation in elections and even if they participate, their decision is then based on candidate's popularity rather than his policy position.

Considering the candidates, especially the general argument is that incumbents have advantages over challengers in terms of access to voter (Geber (2000), Pattie & Johnston (2000)). Compared with the challenger, the party or the candidate in power has the highest visibility. Hence, the challenger has to follow much stronger promotion strategy to create awareness for his name and for what he stands for.

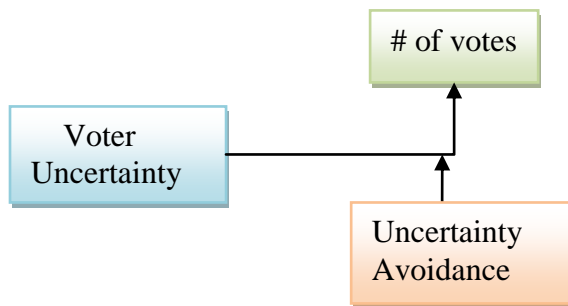
In their report, Erdem and Swait (1998) find that signalling clarity and credibility of brands, would increase perceived quality, decrease consumer perceived risk, and thus increase consumer expected value. Based on Kotler's definition, a party or a candidate name could also be considered as a brand:

"a name, term, sign, symbol, or design, or a combination of them, [that] is intended to identify the goods and services of one seller or a group of sellers and to differentiate them from those of competitors" (1997)

Consequently we can conclude that emphasising the clarity and credibility of a party/candidate name would increase perceived quality and the expected utility of voters. By the mean of campaigning, candidates could inform and persuade their audience to cause a clarity and credibility in the eye of the voters. Additionally more information campaign would cause clarity and clarity eventually would decrease uncertainty resulting in an increase in the votes. As Voter Uncertainty is defined as lack of information on the part of the voter, providing new information has the potential to influence the decision already made or even to lead to making of new decisions.

Chapter V: The moderating Influences of Uncertainty Avoidance

The following schema shows the relationships that will be considered in this paragraph:



While uncertainty is an integral part of life, how individuals response to it, differs a lot. Culture is an essential issue for politicians while running a campaign as it has the power to shape the way of campaigning. For instance, how campaigns are held in US differ significantly with the way how it is in the Netherlands.

In the Netherlands, we see less of that aggressive political marketing and negative campaigning style as in the US. Accordingly, it depends where the candidates are located while running for a campaign. For instance, a voter, raised in a culture with high uncertainty avoidance, would feel more threatened by unknown candidates than a person raised in a culture with low uncertainty avoidance. Hence, high degrees of uncertainty in the political environment would create a volatile political climate and shape the election process in a negative way.

This is the main reason why this paper links the definition Voter's Uncertainty with the degree of the Uncertainty Avoidance, to emphasis how this cultural dimension in such an environment, is crucial to be addressed by the candidates during campaigning.

As described earlier in this paper, Hofstede (1980, 1984) identifies uncertainty avoidance one of the aspects of cultures that can be related to brand choice, in this case: party choice. This culture pattern means seeking stability, predictability, and low risk rather than change and new experiences (Hofstede 1984). Being uncertain and risk averse would effect voters' decision making in various ways (e.g., Rao and Bergen 1992; Shimp and Bearden 1982). In strong uncertainty avoidant and highly risk-averse cultures, people tend to search more information. As described by several researcher, when there is uncertainty, consumers tend to search for more information about product quality before making a decision (Money, Gilly, and Graham 1998; Shimp and Bearden 1982). Culture members with strong-UA have a strong need for clarity (Hofstede, 2001). And accordingly, in a political setting, voters would require more information about candidates, to vote in their favour. We can assume then by using Informative and Persuasive Campaign approaches, the voters would learn more about the candidate. After receiving the campaign messages, voters could forecast candidate's policy positions, character and competence which would eventually decrease uncertainty. This would play a very important role especially when the voter's impressions are negative towards the candidate. With the new information received by the candidate, the voter would update the prior information which would lead to a change in voter's perception towards the candidate. At the end, the more the candidate spends during the campaigns, the more familiar he becomes to voters and the *more favourable things voters have to say about them* (Jacobson, 1978, 1980).

Chapter VI:

In this last chapter, the first section will deal with the conclusions that can be drawn from the literature study and some recommendation for further studies. The second section will deal with the limitations.

6.1 Conclusion:

The central question dealt within this paper is: *To what extent does campaign spending matter in the maximising the expected number of electoral votes and how does uncertainty affect this relation?*

Over the last decade the campaign spending significantly increased. This growth was to explain with the the developments in political communication means which led to an enormous change in the campaign environment.

In this paper two approaches of the campaigns were identified and each described how campaign spending directly influenced the number of received votes. Established studies showed that there is a positive relationship between the campaign spending and number of votes that parties receive. Especially from the challenger side, the spending influences the election outcomes in a positive way. As challengers are usually less known than the incumbents, they have to spend extra money and time to win a certain position in the voter's eye, otherwise it is certain that they will not be able to increase votes because voters are unwilling to vote for anyone they know nothing about.

For instance incumbents usually begin the election much better known than the challengers. Hence, the challengers have to put more effort to promote themselves and it does matter how much they spend because it matters how much they campaign.

Consequently, the more they spend, the more they are able to reduce other competing candidate's advantage in regard of familiarity, and thus the more votes they will be able to attract (Jacobson, 1983a).

As concluded in a study of Farrell & Schmitt-Beck (2002), the patterns of opinion formation vary with campaign intensity which means that when it is low, voters who identify themselves with a specific party and who decide during the campaign, have no incentives to make 'sophisticated judgements'. Consequently they are influenced little by the campaign.

On the other hand, when the campaign intensity is high, even party identifiers are encouraged to use new information to reconsider their decisions.

However, to run a high level of campaign and to keep interest for months by using different means of communication is very costly. Hence, candidates with greater resources take the advantage. Having access to enormous funds makes them able to have an intensive campaign and to adapt their strategies easily to changes in the political settings. Since there are numerous candidates who compete to maximise their number of votes, at the end of the campaign, each party will have had to spend great amounts of money to say in the race.

In the paper the mediating influences of the Uncertainty, between the relations of the campaign spending and the number of received votes have been discussed.

It is concluded that Uncertainty would pose a significant problem when voters make a decision. Especially, in a setting with a high uncertainty avoidance, where voters are risk averse, a candidate who aims to maximize the number of votes, has to make an extra effort to promote himself.

Voters make use of interpersonal sources of information which is expected to produce certainty and reduce uncertainty. Accordingly, candidates would prefer “*to develop a reputation for consistent behaviour to reduce voter uncertainty and, thereby, improve his ability to defeat another competing candidate about whom the voters are relatively less informed.*” (Bernhardt and Ingberman 1985). And as described in previous chapters, this goal can be reached when candidate run an intensive campaigning which is an expensive business. However, evidence shows that high campaign spending pays off later on as: the more is spent by candidates; the better is the return for them in terms of vote increase.

Accordingly this paper reaches the conclusion that campaign spending has direct as well as indirect effect on the election outcomes. As concluded from the investigated literature, decision making under uncertainty plays an important role, especially for the candidates operating in a culture with a high Uncertainty Avoidance characteristic. In this kind of culture candidates deal with a society that does not easily accept change and is very risk adverse. Hence, a challenger in particular has to be able to overcome his lower public profile to challenge the governing party accordingly. Incumbents have advantages over challengers in terms of access to voter therefore they do not need an extra effort to promote themselves. Accordingly challengers have to take into consideration voter uncertainty and try to raise sufficient funds to run a high level of competition and to appeal to uncertain voters.

6.2. Recommendations for further studies:

As a result of the enormous increase in campaign spending through the years, governments in several countries have introduced a variety of campaign finance reforms. These spending limitations create an opportunity for researchers to study the consequences of such policies. For further researches the question can be asked how spending limitations influence electoral outcomes. In what way do these limits shape the campaign strategies?

Besides that, a lot of literatures give insight into factors which influence the voter information such as media effects etc. However there is less knowledge about the political environment characteristics on voter information. Especially in US as stated by Sniderman and Levendusky (2007) the investigations are more likely focus on the two-party system. Accordingly it would be recommended for further studies to consider multi-party system such as in European political setting to measure the influence of the political system on voter information.

6.3. Limitations:

- There are ranges of political, social, economic and cultural contextual factors which influence the nature of campaigning (Bowler & Barrel 1992b, 2000; Schmitt-Beck and Pfetsch 1994) But in this paper the focus was limited only on the campaign spending and on the mediating influences of the term Uncertainty.
- In the paper the campaign spending of the candidates has been generalized and the differentiation in the amount the challenger and incumbent spend has been ignored.
- While explaining the factors which could have influenced the level of campaign spending, several other factors have been left out e.g. growth in the size of the voting age population, increases in the level of national income etc.

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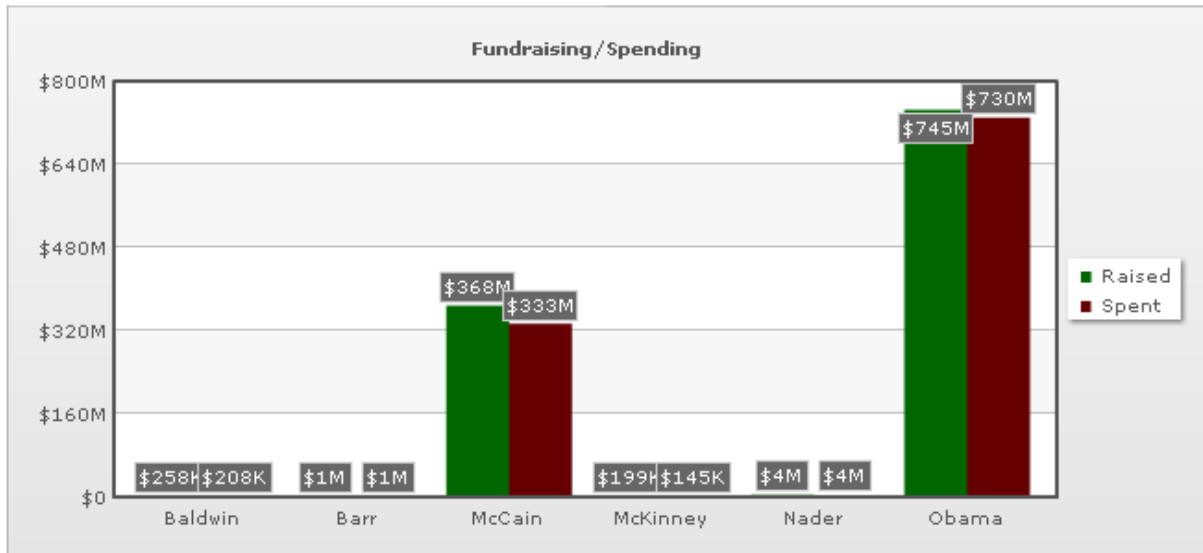
Websites:

<http://www.opensecrets.org>

Cummings, J., Article: "*2008 campaign costliest in U.S. history*"
<http://www.politico.com/news/stories/1108/15283.html>

APPENDIX I:

Fundraising/Spending during the Presidential Elections in 2008:

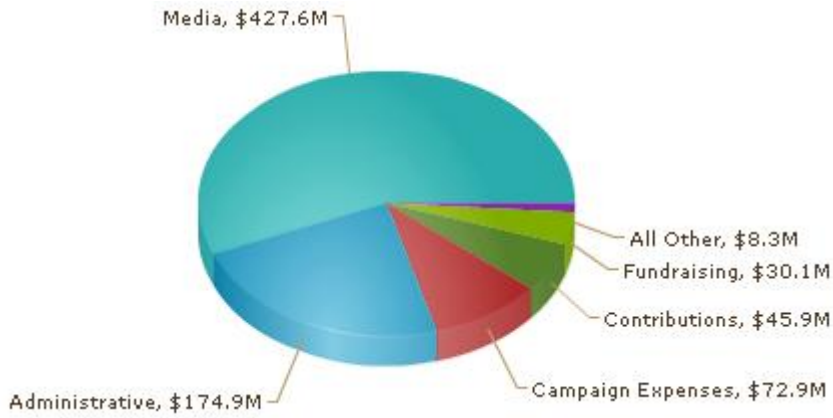


Source: based on Federal Election Commission data released on October 27, 2008

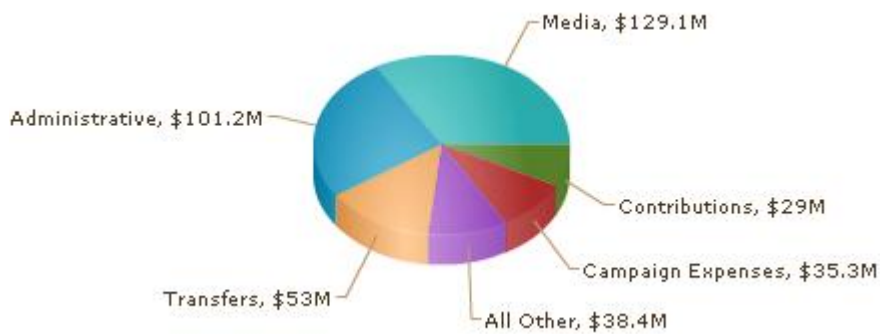
APPENDIX II:

Expenditure Breakdown of the Presidential Elections in 2008:

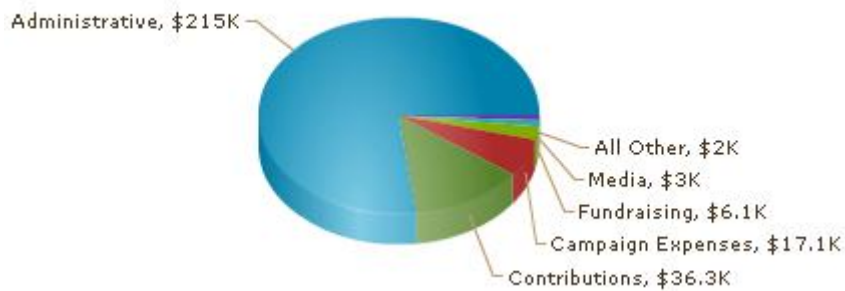
Barack Obama:



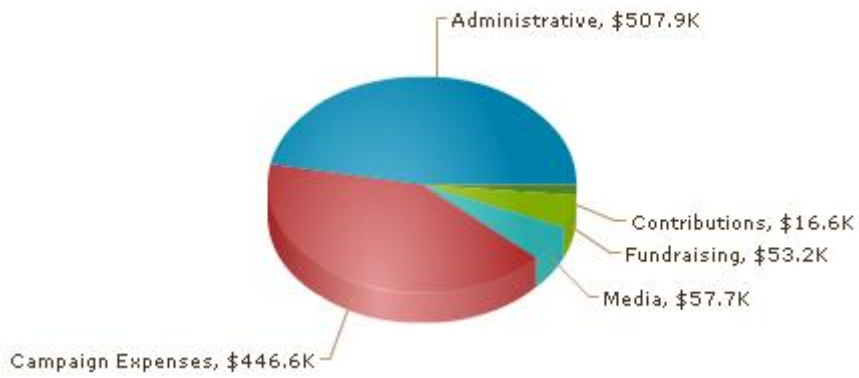
John McCain:



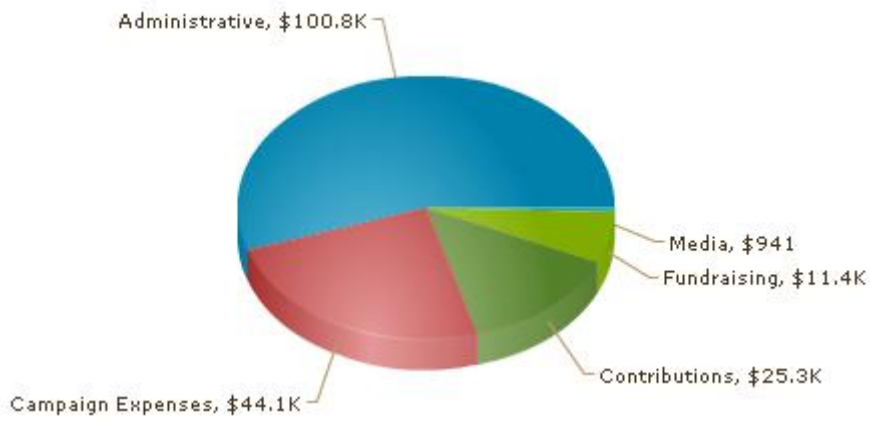
Cynthia McKinney: (Green)



Bob Barr: (Libertarian)



Chuck Baldwin: (Constitution)



Ralph Nader: (Independent)

