Promotion as a Key Driver of Political Competitiveness

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ABSTRACT

This study aims to help become increase awareness of important aspects of applying marketing mix to politics. In an attempt to bring elements of the 4 Ps of marketing to political marketing, i.e. product, price, place, and promotion, the researcher provides significant theoretical and practical issues which emphasize the vital role politicians can play in the political competitive arena, as units. Data collected from 50Members of the Nordic Parliaments (MPs) show that promotion plays a vital role in the achievement of political competitive advantage. Several implications and interesting directions for future research are also provided in this study.

KEYWORDS: Political Marketing; 4 Ps of Marketing; Political Promotion; Political Competitive Advantage

1. INTRODUCTION

Historical Background**:** The marketing mix refers to four broad levels of a marketing decision, namely: product, price, place, and promotion. McCarthy (1964) was the first to describe it as the set of marketing tools that the firm uses to pursue its marketing objectives in the target. As regards political marketing, it has predominantly taken a traditional marketing mix, 4 Ps approach where a vote is comparable to a transitory sale (Lees-Marshment, 2001b). This study sheds new light on the theory and practice of political competition by examining the relationship of each of the 4 Ps of Marketing with political competitive advantage. To achieve this aim, the study 1) describes the 4 Ps characteristics (Product, Price, Place, and Promotion), and 2) measures political competitive advantage.

This paper moves on a review of related literature. The methodology behind this quantitative survey and presentation of the statistical results follow. Conclusions, limitations, and suggestions for future research close this study.

2. LITERATURE REVIEW

As mentioned, McCarthy (1960) defined the 4 Ps conceptual framework for marketing decision-making, which used product, price, place (or distribution), and promotion in the marketing mix. Niffenegger (1989) classified the political marketing mix concept into 4 Ps namely: product (party platform, past record, personal characteristic), price (paid ads, publicity from staged events, debate), place (economics cost, psychological cost, national images), and promotion (personal appearance, volunteer).

A product can be either a tangible good or an intangible service that fulfills a need or want of consumers. Lees-Marshment (2001a) stated that it is the idea behind developing products that meet the citizens' needs whereas Lloyd (2003) described it as the service characteristics of the political offering.

Price determinations will impact profit margins, supply, demand, and marketing strategy. Farrell and Wortmann (1987) argued that there exists no equivalent, to an economical price in political exchange. Although it still remains unclear (Henneberg, 2003), several questions could consist the political framework for "price", i.e. proposals that can improve the voters' general level of wages, and/or that can reduce the cost of public utilities, and/or that can reduce the cost of local taxes, and/or that can reduce the cost of living (Maslow, 1968).

The distribution of the candidate (as a product surrogate) through speaking events, rallies, etc. has been

mentioned by Henneberg (2003) who argued that the distribution function is concerned with the conditions regarding the availability of the exchange offer (product) to the exchange partner, i.e. placing the candidates in the right channels (e.g. TV ads or canvassing, party conferences or chat shows). Henneberg (2003) also indicated that the complexity of this function was expected to increase with the arrival of new media (e.g. e-campaigning, WebTV).

Promotion is the free communication activities which are concerned with managing publicity that is not directly controlled by the political organization (Wortmann, 1989), i.e. public relations activities. In addition, political advertising may educate, engage, and mobilize voters (Kenneth, Rid out, Goldstein, and Freedman, 2009). According to Dominic (2009), the simplicity of the 4 Ps model makes it adaptable for changes in the marketing area, such as internet commerce. Skogerbo & Krumsvik (2015) argued that the active participation of social media users has become an increasingly important element in political communication, especially during political elections in the 2000s.

Competitive advantage is the leverage that a business has over its competitors and refers to the ability gained through attributes and resources to perform at a higher level than others in the same industry or market (Chaharbaghi & Lynch, 1999). Organizations or individuals can gain a competitive advantage by offering clients (and/or voters) better and greater value by improving the quality of their products (services/ideas/proposals), and by developing superior products over their competitors in order to build leadership (Leonidou, et al., 2012).

3. DEVELOPMENT OF RESEARCH HYPOTHESES

The conceptual model (Figure 1) comprises four hypothesized associations between the 4 Ps of marketing (Product, Price, Place, and Promotion) and competitive advantage, as follows:

H1: Product (PD) and Political Competitive Advantage (CA) are strongly related
H2: Price (PR) and Political Competitive Advantage (CA) are strongly related
H3: Place (PL) and Political Competitive Advantage (CA) are strongly related
H4: Promotion (PM) and Political Competitive Advantage (CA) are strongly related
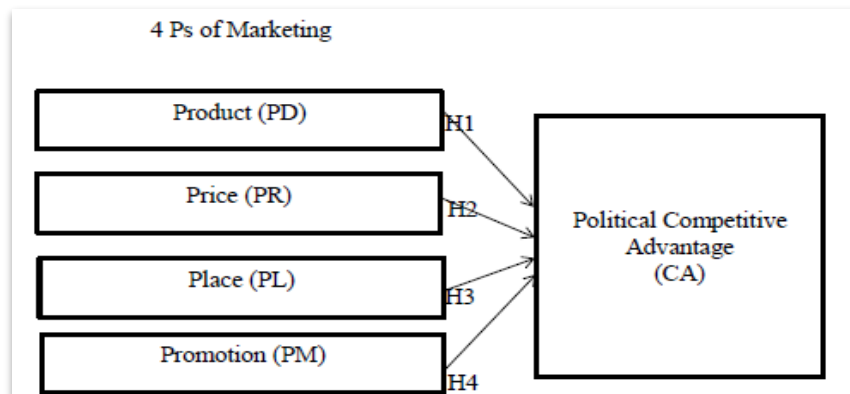

Figure 1: The Conceptual Model

Adapted from: PD, PR, PL, and PM: Leonidou et al. (2012); Niffenegger (1989) CA: Leonidou et al. (2012)

4. RESEARCH METHODS

A quantitative approach was used for this study; this method allows the research problem to be conducted in very specific and set terms (Cooper & Schindler, 1998). Quantitative research plainly and distinctively specifies both the independent and the dependent variable(s) under investigation and also follows resolutely the original set of research goals, arriving at more objective conclusions, testing hypothesis, determining the issues of causality, and eliminates or minimizes subjectivity of judgment (Kealey & Protheroe, 1996).

The process resulted in completed questionnaires from 50 Nordic MPs randomly selected from the five Nordic countries. The population size was set to 960 MPs; Norway (169 seats), Finland (200 seats), Sweden (349 seats), Iceland (63 seats), and Denmark (179 seats). The questionnaire used a structured approach with closed statements. Formal instruments were used to collect the needed information. This information was translated into numeric information and was analyzed using EXCEL statistical computing for regression. The participants were asked to express their perception of the 4 Ps of marketing (Product, Place, Price, and Promotion) in relation to their political competitive advantage. Each one of these characteristics was measured

by seven-point Likert (1932) rating scales ranging from 1 (Strongly Disagree) to 7 (Strongly Agree). Product was measured by a seven-item, seven-point scale; Price was measured by a five-item, seven-point scale; Place was measured by a four-item, seven-point scale; Promotion was measured by a four-item, seven-point scale; and competitive advantage was measured by a five-item, seven-point scale. A reliability test measured the internal consistency of the questionnaire (Table 1).

As regards the statistical methods used in this study, first, the average values of the responses were calculated (mean). Second, the standard deviations were calculated; standard deviation is a number used to indicate how measurements for a group are spread out from the average (mean). A low standard deviation means that most of the numbers are very close to the average; a high standard deviation means that the numbers are spread out (Walker, 1931). Third, the correlation coefficients were calculated to measure the linear relationship between the independent variables (Product-PD, Price-PR, Place-PL, and Promotion-PM) and the dependent variable (Political Competitive Advantage-CA). The correlation coefficient summarizes the relationship between two variables with a single number that falls between -1 and +1, where -1 indicates a perfect negative correlation, 0-0 indicates no correlation, and +1 indicates a perfect positive correlation (Welkowitz, Cohen, and Ewen, 2006). Hypotheses were tested at a 95% confidence level (Wasserstein and Lazar, 2016). Statistical results are shown in Table 2.

5. RESULTS AND DISCUSSION

5.1 Respondents' Demographics

Respondents were equally represented (50% men and 50% women).Only 5% of the respondents were more than 65 years old,25% were 55 and 64 years old,35% were 45 and 54 years old,30% were 30 and 44 years old, and 5% were 18 and 29 years old. More than half of the respondents possessed a Master's Degree (55%), 25% possessed a Bachelor Degree, 10% possessed a College Diploma, 5% possessed a High School Diploma, and only 5% had "less" than High School education.

5.2 Reliability Test

A reliability test was conducted based on Cronbach's alpha (1951) to measure the internal consistency of the questionnaire. A satisfactory level of reliability is 0.70 or greater (Nunnaly, 1978). This study's scales are considered valid and reliable since the lowest value is 0.78(Table 1).

5.3Standard Deviation

The standard deviation values are all close to the mean; the lowest value is 0.828 and the highest value is 1.099. This shows that all data sets present a satisfactory concentration and lack of dispersion (Table 2).

5.4 Correlation Analysis

The Pearson (1895) correlation coefficient measurements show that the values are always in the range [-1, 1]. As it is observed in table 2, all the correlation values are positive; this indicates that all the study's paired variables (X's with Y) are positively correlated. As mentioned above, +1 indicates a perfect positive correlation.

Table 1 Reliability Test

Characteristic	Cronbach's alpha
Political Product (PD)	0.88
Political Price (PR)	0.89
Political Place (PL)	0.83
Political Promotion (PM)	0.89
Political Competitive Advantage (CA)	0.78

Table 2: Statistical Analysis

	Mean	St. Deviation	Pearson Correlation Coefficient (CA)	p-value
Product (PD)	5.271	0.904	0.524	0.647
Price (PR)	4.388	1.099	0.319	0.696
Place (PL)	4.860	0.942	0.633	0.204
Promotion (PM)	4.770	0.997	0.696	**0.006**
Political Competitive Advantage (CA)	4.236	0.828		

5.5 Hypothesis Testing
To accept a hypothesis, the p-value must be less than 0.05 (Table 2).

H1. Product (PD) and Political Competitive Advantage (CA) are strongly related
The first hypothesis' test shows that Product (PD) is not a significant factor in the achievement of political competitive advantage (CA). The p-value is 0.647 which is greater than 0.05; this hypothesis is rejected.

H2. Price (PR) and Political Competitive Advantage (CA) are strongly related
The second hypothesis' test shows that Price (PR) is not a significant factor in the achievement of political competitive advantage (CA). The p-value is 0.696 which is greater than 0.05; this hypothesis is rejected.

H3. Place (PL) and Political Competitive Advantage (CA) are strongly related
The third hypothesis' test shows that Place (PL) is not a significant factor in the achievement of political competitive advantage (CA). The p-value is 0.204which is greater than 0.05; this hypothesis is rejected.

H4. Promotion (PM) and Political Competitive Advantage (CA) are strongly related
The last hypothesis 'test shows that that the p-value is 0.006 (<0.05); this hypothesis is accepted confirming that Promotion (PM) is a significant factor in the achievement of political competitive advantage (CA).

6. CONCLUSION
This study found that political promotion is a significant contributor to the achievement of political competitive advantage. In contrast to this finding, product, price, and place characteristics were not found to be significant to the achievement of political competitive advantage. According to the results, the Nordic MPs' competitive advantage is associated with publicity that is not directly controlled by the political organization, i.e. public relations activities (Wortmann, 1989). Furthermore, political advertising may educate, engage, and mobilize the Nordic voters (Kenneth, Rid out, Goldstein, & Freedman (2009). Finally, the rise in internet and social media use not only became a major facilitator of political communication (Skogerbo & Krumsvik, 2015) in the Nordic countries but it also became a significant driver to the achievement of political competitive advantage.

7. LIMITATIONS
The difficulty to reach the Nordic MPs became the main limitation of this study. Prior studies on political marketing were another major limitation, however, this limitation opened up the opportunity to examine existing theory and research of marketing and transfer it to political marketing.

8. SUGGESTIONS FOR FURTHER RESEARCH
This study focused on the Nordic countries and this may limit the generalizability of the findings to other countries. Future research could validate the findings of this study using data obtained from other countries. Research could also develop data collection based on voters' views.

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