

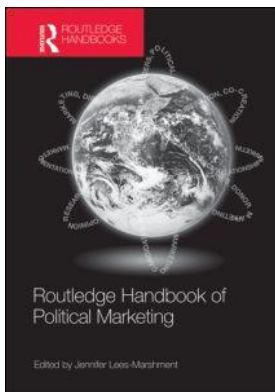
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Jennifer Lees-Marshment

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Alex Marland

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Yes we can (fundraise)

The ethics of marketing in political fundraising

Alex Marland

The topic: fundraising

Fundraising, according to Wilcox (2008: 3), is ‘the art and science of approaching potential donors with the right appeals at the right time’. It involves directly asking for money and other gifts or indirectly raising funds such as through special events or product sales. Sponsors use publicity techniques to attract attention to the fundraising cause or to persuade giving. Alternatively, they may use marketing whereby research has identified an objective shared with target groups and donations are solicited for that mutual cause. Unlike philanthropy, which is a one-way exchange, political fundraising likely involves the donor receiving a benefit, be it material, social or ideological.

Little wonder, then, that political fundraising is often equated with ‘prostitution and extortion’ (Steen 1999: 160). The interrelated role of marketing, campaigning and money sparks ethical alarm among academics and journalists who worry about potentially nefarious implications for democracy (O’Shaughnessy 1990, 2002; Smith and Bakvis 2000; Wilcox 2008). This chapter considers the ethics of marketing strategy and tactics in political fundraising.

It can be unclear what constitutes a legitimate concern about fundraising marketing. To discuss this we must first unpack a number of these terms, beginning with ethics, before we can apply theoretical principles of marketing to the recent practice of political fundraising.

Humans consider various norms, particularly legal and moral standards within a given society, to assess their own and others’ behaviour, including that of professional organizations (Audi 2010; Brenkert 2008; Duska 2007; Murphy *et al.* 2005; O’Shaughnessy 2002; Rosen 2005; Stoker 1992; Wueste 1994). There is no one set of norms, nor an agreed upon morality, and thus there is variation in the judgement of the degree of acceptability of ethical, legal and social behaviours. Ethics, then, involves a philosophical and cultural interpretation of these standards to differentiate between good and bad behaviour. At times, this can be straightforward and normative, as in the case of laws or a written code. Even so, ethics can be controversial and subjective, invoking one’s personal standards of right and wrong. As a result, as O’Shaughnessy (2002: 1092–93) has concluded, ‘no ethical debate is ever final’ since there are no answers, just critiques, and therefore there is ‘no final resting place for the ethical debates on political marketing’. Since all answers to ethical questions are subjective and necessarily biased, we are faced with developing objective questions to help individuals self-adjudicate the ethics of political

marketing applications. In other words, assessing the ethics of utilizing marketing in political fundraising typically involves little more than culture-specific educated guesses.

In theory, political actors ought to act on behalf of the collective interests that they represent, and therefore be of virtuous character. In practice, however, often their self-interests prevail; this is the egoism that is also found in the sphere of business marketing. Moreover, as any fan of Machiavelli will attest, for political actors the conundrum of so-called ‘dirty hands’ emerges whereby morally unpalatable actions are carried out in an effort to achieve a greater moral good (Wueste 1994). Ethical theories such as utilitarianism are used to sort out such ‘damned if you do and damned if you don’t’ dilemmas (Duska 2007: 20; also Audi 2010; Murphy *et al.* 2005; Rosen 2005). Any such discussion of political ethics, or of fundraising or marketing for that matter, can thus pit idealists against realists (Audi 2010; Duska 2007; Singer 2007; Stoker 1992).

Previous research on fundraising

There is no standard model of ethics to test against cases of using political marketing for fundraising purposes. Fundraisers worldwide might simply observe the universal fundraising principles of empathy, honesty, integrity, respect and transparency (European Fundraising Association 2006). However, there are ethics questions in the marketing literature (such as Audi 2010; Brenkert 2008; Murphy *et al.* 2005) from which we can identify questions for elements of the marketing mix that can be used by a fundraising organization to develop a code of ethics and a decision-making framework.

In theory ethical fundraising is likely to build trustworthiness which should lead to future donations; the opposite is also true (Rosen 2005). In politics, fundraising regulations are intended to uphold democratic ideals by aiming to reduce political corruption, by promoting electoral competition, by upholding freedom of speech and by preventing collusion (Smith and Bakvis 2000). The primary concern about marketing is that it involves manipulation and persuasion, particularly through the communication of falsehoods (Brenkert 2008; Kelly 1991; O’Shaughnessy 2002; Sheth and Sisodia 2006). Marketers are thought to exploit market intelligence for their own purposes rather than for those of consumers. This risks taking advantage of the most vulnerable in society and ranges from pushing the boundaries of good taste to criminal acts.

According to Kelly (1991: 157–60), the theoretical ideal of political marketing in fundraising is unattainable: organizational change is unlikely to result in response to donors’ preferences. Too often financial calculations, rather than positive donor relations, are used to measure fundraising success and, as a two-way exchange relationship, political donors seek gains in return for their gifts whether they do so in their own interests or whether they seek benefits for the public good. There is thus an expectation for political actors to deliver on their pledges which, as the dirty hands dilemma indicates, is frequently impossible given that politics occurs in an environment of daily policy tradeoffs. Moreover, ethical issues for marketing research include data collection that violates privacy, that lacks informed consent, or which involves the covert gathering of competitive intelligence (Brenkert 2008; Murphy *et al.* 2005). Given such a wide scope of behaviours we must analyse the ethics of political marketing on a case-by-case basis and resist the temptation to dismiss the entire genre (O’Shaughnessy 2002; also O’Cass 2009: 190).

There are even ethical dilemmas involved with marketing and marketing communications’ use of audience segmentation. This grouping of like-minded electors through geodemography, behavioural data and/or psychography is used to support product differentiation and to identify promotional efficiencies (Baines *et al.* 2003), but the resulting favouritism of select audiences can entail an ethical condition such as exclusionary segmentation (Brenkert 2008: 83–87). Thinking of this from a political fundraising perspective, on the grounds of social desirability a marketer

might opt to ignore citizens whose statistical profile indicates that they are likely to want to donate, such as a conservative candidate who wants to avoid receiving funds from church-goers for fear of being labelled beholden to the Christian right.

Segmentation also inevitably results in the practice of beneficial targeting. This is described by Brekert (2008: 84) as marketers treating members of the most desirable segments better than the members of other segments. The most salient prospective donors may receive additional information, often through direct marketing, which is of benefit to the recipient if the information is wanted, but which presents an ethical harm if privacy is violated. Note that this is different to the practice of benefit segmentation, whereby electors are segmented along the benefits they seek or stand to receive, which speaks to the opportunity for fundraising marketers to hone in on the personal values of potential donors (Baines *et al.* 2003; Steen 1999). Ethical concerns emerge here if cognitive and emotional levers are employed to motivate donations. Murphy *et al.* (2005) have signalled that the resulting target marketing is unethical chiefly if it focuses on vulnerable populations, such as people who fear for their physical safety, those who lack the ability to understand information, those who cannot resist enticements and people who face significant pressure to conform. Often this involves people at either end of the age spectrum, but also those occupying the less favourable end of the socio-economic spectrum who may be ignorant of the marketplace, such as some recent immigrants.

A communications element of political marketing is the marketing mix. Successful political fundraising involves 'repetition, reinforcement, and relentlessness' (Steen 1999: 171). To that end the marketing mix comprises a strategic combination of marketing communications methods and tactics such that messages are reinforced via different media to which the target audience is likely to be favourably exposed. Components that have particular relevance to fundraising are advertising, direct marketing, endorsements, the internet, media relations, personal sales and pricing. These are briefly described below.

Advertising

There is a plethora of ethical criticisms of advertising, ranging from broad social harms to case-specific deceptive advertising (Murphy *et al.* 2005). Typically only cost-efficient targeting such as online banner advertisements are viable for fundraising purposes, but given the potential harms of advertising, it is incumbent upon fundraisers to inform donors about the campaign advertising that their money will support, particularly if it is of the negative or attack variety.

Direct marketing

At the core of most fundraising campaigns are direct mail and telemarketing, potentially as part of a relationship marketing campaign that conveys feelings of group membership (O'Shaughnessy 1990; Schnur 1999; also Graves 1997). For instance, fundraisers customize appeal letters and develop postcards with stimulating imagery designed to generate a response from market segments of prospective donors, a technique that has been most successful for ideologues who promote fear, particularly conservatives (D'Aprile 2010; Wilcox 2008). Technological innovations mean that direct marketing is quickly evolving, however, such as email being sent to mobile smart phones, or fundraising appeals issued via social networking websites ('socnets') such as Facebook and LinkedIn. This is adding to concerns about the profit margins of conventional direct mail given the high costs (e.g. creative fees, list rental, postage, printing, prospecting), the battles with fundraising consultants over who owns a list and the post-campaign solicitation of funds to reduce debts (D'Aprile 2010).

Endorsements

Political marketers may encourage opinion leaders such as celebrities as well as regular folk to publicly endorse a political party or candidate. This attention-grabbing practice transfers the endorser's positive attributes to the sponsor's image and provides assurances of trustworthiness to audiences (Meenaghan 2001; Veer *et al.* 2010). For example, a high-profile politician might record a supportive voice message which is distributed by auto-diallers, or a Hollywood celebrity might issue an online video appeal for donations. A more personal approach is to engage prominent political supporters at special events, such as at breakfast and barbeque fundraisers (Steen 1999).

The internet

Online fundraising has exponentially increased the quantity of donors and funds, even among second-tier candidates (Wilcox 2008). The use of information and communication technologies (ICTs) in fundraising is cheaper, more efficient and more inclusive than telemarketing or direct mail, reaching a donor pool of citizens who are younger, less affluent and who hold more moderate world views. Moreover, a range of messages can be circulated by text, still images, audio and/or video, conveying feelings of being part of an interactive online community, something that Wilcox (2008: 14) refers to as a 'virtual solidary benefit'. However, the self-regulated nature, low cost and global reach of the internet means that there are a plethora of ethical considerations, including online privacy protections, excessive solicitation, reduced control over who is asked and the potential for fraud.

Media relations

An inexpensive and credible way to appeal for political donations is to attract coverage in mainstream news media and on political blogs (Schnur 1999). Generating such earned media can, for example, entail issuing press releases that inform news editors of staged publicity events such as a candidate speech or a fundraising gala.

Personal sales

Many potential donors, particularly those donating large amounts, respond well to a 'retail approach' of personal solicitations (Steen 1999: 170), such as receiving a phone call from the candidate, socializing with members of a finance committee, or being persuaded by the politically connected 'bundlers' who collect many donations. Prospective donors might receive an exclusive invitation to pay a sizeable fee to attend a special event, such as a dinner at a supporter's home, where the candidate makes a public appearance. Photographs of the candidate with the donor may be purchased and then be shared with other potential donors, such as over socnets, turning the donor into an endorser.

Pricing

How much to ask a supporter to donate is carefully researched. Specific dollar amounts are proposed because vague requests are less successful and for the same reason the amount requested tends to be higher rather than lower (Steen 1999). Major donors will want personal interaction with the candidate and may ask questions about why the money is needed. Other donors may need to be encouraged that even tiny amounts are wanted.

From this review of the literature, a new theory – principles of ethical marketing fundraising – can be created which can then be tested empirically.

New research: a new framework of ethical marketing fundraising and its application to Barack Obama's fundraising

Drawing on the understanding from literature, a new theoretical framework of ethical marketing fundraising has been created, which is detailed in Table 13.1.

These ethical theories and core principles can be applied to a modern model of fundraising marketing employed by the Barack Obama campaign team. When Obama declared his presidential candidacy in February 2007 his party nomination campaign faced a significant financial challenge given that Hillary Clinton had the backing of many of the Democratic Party's major donors. Moreover, while US election spending is notoriously under-regulated as a matter of free speech, fundraising regulations are reasonably strict: in the 2008 election cycle Americans were allowed to give a maximum of \$4,600 (\$2,300 during the primaries, \$2,300 for the general election) to a presidential candidate (Corrado and Corbett 2009). So, while the 'splashy social events' such as the fundraising dinners described by Wilcox (2008: 4) continued to be a vehicle for large contributions, particularly from white males who were older, educated, white collar and affluent, these donor limits necessitated an emphasis on fundraising small amounts from a large quantity of individuals.

While the political fundraising undertaken by the Obama presidential campaign was innovative and made strong use of the marketing mix it did so in a manner that prioritized the organization's needs over the interests of donors (i.e. it did not uphold the highest ethical standards). Its fundraising objective was to provide supporters with marketing tools to become mini-bundlers (Burch 2009; Corrado and Corbett 2009; Green 2008; Smith and Bratt 2009; Wilcox 2008). In other words, it was insufficient to donate funds: the Obama team wanted volunteers to become brand advocates and, using ICTs, to donate their labour independently to raise even more money from their peers. To accomplish this, feelings of an insider status needed to be conveyed, citizens needed to be empowered, and donation 'asks' would have to be balanced with social participation invitations. This was not so much a commitment to deliver donor value as it was an effort to exploit supporters' positive feelings about Barack Obama.

Software experts and amateurs offered up their ideas and services for developing and promoting My.BarackObama.com, a website that was very user-friendly. The site's URL address and an online donate button, with its simplified donation checkout, was promoted in various elements of the marketing mix: in online advertising including interactive display advertisements, search engine advertisements via paid keywords, positioning in blogs and links from YouTube videos; in direct mail and emails; in speeches by celebrities such as Oprah Winfrey; and in mainstream news media coverage (micro-blogging, such as via Twitter, was still in its infancy in the 2008 campaign). An e-communications campaign was initiated that conveyed immediacy, intimacy and preferred customer status, especially to mobile phone users as part of a 'mobile marketing' programme (Smith and Bratt 2009). The traditional list of potential donors used in direct marketing was regularly updated with email, cellphone, text messaging and social networking contact information, as well as zip codes to aid in segmentation. Such personal data were provided by online donors, by attendees at political events and by people who purchased or entered contests to win campaign merchandise; it is unclear to what extent standards of informed consent were observed. List members were segmented into groups who regularly received tailored e-messages, such as breaking campaign news, customized repeat

Table 13.1 Core principles of ethical marketing fundraising*1 Donors do not feel pressured*

Donors can easily opt out of verbal agreements and out of receiving further requests
 Inbound calls to the campaign office do not result in sales pressure tactics
 Telemarketing does not unduly interrupt potential donors; people are not over-solicited
 The amount solicited does not take advantage of a donor's financial situation; justification is given for asking for larger amounts from wealthier or more motivated donors
 The sales pitch is not overly familiar, flattering or aggressive; fundraisers do not suggest that a trustworthy personal relationship really exists

2 Donors give their informed consent

Donors are aware of how their funds will be used
 Intrusive methods such as email spam are avoided
 Privacy principles are upheld; only relevant personal information is solicited and kept on file; databases of donor information and giving history are secure; if donor information is shared with others, the donor's consent is obtained first
 Web tracking cookies are not used as spyware

3 Fundraising communications are truthful

Communications claims are based on evidence and embellishment is justifiable; information is shared with journalists even if it is sometimes negative; attempts at spin control are reasonable
 Fundraisers answer questions honestly and provide relevant information
 Only authorized invoices are issued; envelopes do not look like they contain official government information
 The candidate or party is not misrepresented; testimonials are not taken out of context

4 Fundraising research follows high industry standards

Offers by an opponent's former employee to provide competitive intelligence are refused
 Opponents' fundraising practices are not monitored under unscrupulous conditions
 Research is objective and necessary; segmentation is not discriminatory
 Telemarketers do not pose as researchers

5 No harm results from political fundraising

Cognitive and/or emotional appeals do not exceed accepted norms
 Endorsements are not given under duress
 Offensive remarks and negative social impacts are avoided; disturbing images are not used
 Online transactions are secure
 Publicity tactics are within the boundaries of good taste
 Vulnerable groups are not contacted and are protected

6 There is a commitment to deliver donor value

Fundraisers are well-trained to observe ethical principles
 Fundraisers do not receive commission that might spur sales pressure tactics; if a fundraising firm or endorser is paid, this is disclosed
 Fundraising expenses are monitored and reported; the firm that processes donations is not affiliated with the fundraising firm
 If inducements are offered, such as a gift, the retail value is identified; lower-quality products are not sold for fundraising; policy promises are not unreasonably made as an inducement
 There is significant concern for the donor's interests

solicitations including requests for pledges of as little as \$5, and encouragement to match the donation of a peer. Donors could 'subscribe' to a pledge programme of making regular small e-donations until they reached the annual limit and could direct friends to monitor their fundraising progress on socnets.

What did the online platform look like? The personalized experience for members of the ‘Organizing for America’ campaign, including ‘Obama ’08’ graphics, continued to be used two years later in the 2010 congressional elections. Supporters who created their own fundraising page were encouraged to upload a personal photo, to write a testimonial and to identify a financial goal (\$1,000 was the suggested amount). A graphic of a thermometer displayed their progress towards their stated financial objective. Each supporter was encouraged to enter friends’ email addresses, up to 20 at a time, so that they could receive the following message:

President Obama and I are committed to changing the political process by growing an organization founded on a broad base of support from ordinary Americans. This organization is about putting the people’s interests ahead of the special interests, but to do that, Barack needs help from people like you and me. I’ve set my own personal fundraising goal for the organization, which you can see in the thermometer to the right. Will you click the thermometer to make a donation and help me reach my goal?

(Organizing for America 2010)

Some suggestion could be made that this technique knowingly exerted social pressure on peers to donate, that commitments to deliver donor value were not expressly communicated, and that the Obama campaign may have developed an email database of supporters’ friends without their consent; however, fundraising communications were truthful and no significant harms resulted. The benefits of fundraising and donating were both psychological and material, generating an emotional ‘fun’ connection (Green 2008) that created ‘an online fundraising psychology that empowered’ donors (Corrado and Corbett 2009: 138). The social benefits of insider status included receiving campaign updates, downloadable ‘yes we can’ ringtones and news widgets; obtaining more social friends and the phone numbers of potential supporters; and showing off donation status and items purchased in the Obama online store. Psychological motivations included the campaign creating a sense of urgency, insider involvement and personal responsibility, through statements such as, ‘Your own personal fundraising page will put the financial future of this organization in your hands. You set your own goal, you do the outreach, and you get credit for the results’ (Organizing for America 2010). Material inducements included virtual gifts, such as e-wallpaper, and qualifying to win paraphernalia such as Obama t-shirts and calendars, backstage passes at campaign events and, later, a flight to Chicago for election night celebrations. Such incentives continued to be extended post-election, with donation inducements ranging from Obama coffee mugs in exchange for a \$15 donation, to a chance to win one of 10 tickets to the Presidential Inauguration. These sorts of enticements may be considered fair game: whilst a mug may cost the organization less than a dollar its retail value might be \$10 and some might believe that an insider trip to Obama’s historical Inauguration would be priceless, though contest entries should not necessarily be dependent on donating.

We can assess the ethics of the Obama campaign’s fundraising by applying the theoretical framework of ethical marketing fundraising. In all areas we can see that the campaign behaved in an ethical manner in that no harm appears to have resulted, though it could have done better: the campaign office used ICTs to exert peer pressure on donors; standards of informed consent were wanting; and inducements may have capitalized on some supporters’ heightened emotional state. This application also demonstrates that the model needs to be tested using original data such as elite interviews because much fundraising information requires insider knowledge, such as evaluating the protection of donor databases, identifying whether vulnerable groups are contacted, or establishing the appropriateness of expenses.

Table 13.2 Factoids about Obama campaign fundraising (21-month total, as of election day 2008)

Money raised (total)	over \$600 million
Money raised online	over \$500 million
Money raised through online advertising	\$20 million (est.)
Number of email addresses in campaign database	13 million
Number of individual donors	over 3.95 million
Number of online donors	3 million (est.)
Number of online donations	6.5 million (est.)
Value of average online donation	\$80
Percentage of online donations in increments of \$100 or less	92%

Source: Smith and Bratt (2009); Vargas (2008). Information about the money raised by all campaigns in 2008 can be found elsewhere, such as Corrado and Corbett (2009) and Green (2008).

Advice for practitioners

Conceptually speaking, the use of ICTs, particularly social networking sites, should be one of the most successful tactics for political fundraising. This is due to more than just time, labour and cost efficiencies, which are compelling advantages in their own right. Writing before the era of socnets, Steen (1999: 167) remarked that fundraising is best when it entails ‘an army of volunteers or members of the community who solicit contributions’, which is exactly what the Obama team demonstrated in their use of ICTs. For brand advocates to become mini-bundlers, a campaign not only needs to provide internet-savvy volunteers with software tools, but with a sustained psychological motivation that leads them to respond favourably to ‘asks’ related to campaign objectives. As with all two-way fundraising, this can be achieved by offering ideological, material and/or social benefits, which the Obama ’08 campaign did for many electors by capitalizing on the campaign’s competitive advantages, not the least of which was the candidacy of an historic political figure who motivated an army of followers.

Online fundraising has quickly become preferred over conventional methods because it is a single technique that leverages many of the positive features of direct marketing, endorsements, personal sales and pricing. Using ICTs, the administrative costs of fundraising can be directed foremost to market research to inform target marketing decisions and advertising to reinforce donation messages. This must complement, and not replace, traditional fundraising methods which may reach other audiences such as non-users of ICTs or socnets and the big donors who expect personal attention. The institutionalization of online activities among direct mail, tele-marketing and public appearances by the candidate will be important as the competition for, and complexity of, e-donations grows.

The overarching comparative implication for political marketers outside of the US is that they must customize American fundraising techniques to their own markets, including local campaign regulations, cultural norms and donor capacity. For instance, in the UK civic volunteerism and political donations are lower than in the US, and the financial regulatory framework provides fewer incentives for political parties to fundraise (Anstead 2008). The crafting of a written fundraising appeal involves style differences even in the Canadian market, where compared with its southern neighbour there are variations in cultural meanings and power distance, appeals to vanity or patriotism *versus* economics, as well as regional and language considerations (Graves 1997). In authoritarian and totalitarian regimes, as well as in developing economies, the use of ICTs for fundraising may be inappropriate and/or impossible. Moreover, domestic fundraising opportunities may be quite limited, except in more developed areas of the country, and

the closeness of a philanthropic organization's relationship with the state must be considered. In Latin America, for example, civil society organizations can be so cash-strapped that they often serve an institutionalized public policy function, and people may donate to charities because of perceptions of government inefficiency, corruption or regression (Bailey 1999). Brenkert (2008: 184) has remarked on the ethical relativism of customs, morals and rules in other societies, such as the tolerance of bribery and gift-giving. This reinforces the point made at the outset of this chapter that there is considerable variation in what constitutes acceptable ethical, legal and social behaviours in political fundraising and marketing, though presumably political marketers should strive to uphold common ideals in all markets.

The impact on politics

O'Shaughnessy (1990) has long warned of the democratic harms of political marketing on democracy: public apathy, demise of community, political fragmentation, superiority of minority interests over the majority, the growth of false issues, etc. This may be briefly tempered by the era of e-democracy, wherein citizens are encouraged to engage in online political debate, are consulted by government elites and are urged by their peers to participate in elections. Using internet marketing for fundraising purposes results in a democracy that is more egalitarian than one that prioritizes backroom personal deals and where donating is concentrated among the rich. The overall effect of the Obama campaign's ICT strategy was to reduce the effort necessary for supporters' political participation and which thus increased civic engagement (Burch 2009). Optimists may then point to how marketing is growing closer to democratic ideals than the politics of days gone by.

Realists, however, will suggest that elites will eventually control any new grassroots technology, as illustrated already by the contrast in quality of the websites of well-financed campaigns as compared with those of underfinanced upstarts. The most significant legal problem appears to be policing internet fraud. Approximately 1 percent of donations in Obama's campaign were scrutinized as being received from donors using fake names and from non-US citizens, a concern related to outdated election rules that did not require the collection of the names and addresses of people giving less than \$200 (Mosk 2008). As well, the problem of perpetual fundraising may contribute to donor fatigue and a diminished interest in civic engagement. Donors in 2008 continued to be solicited well after Obama had taken office, to the point that emails could be perceived as spam and requests for money as insensitive to citizens' financial situations in a troubled US economy. It is even worse when such messages are reinforced in the news media which reports on the latest party fundraising gala event. As president, Obama has engaged in dozens of fundraising events that coincide with official presidential trips, and the prices for special event tickets, such as dinner at a museum or a reception at the mansion of singer Gloria Estefan, have reached as high as \$34,200 and the price of a photo with the president has been a reported \$10,000 (Weisman 2010).

To this end we can apply some of the dualist perspectives of business ethics (Singer 2007; also Stoker 1992) to political fundraising. From an idealist's perspective, fundraising practices should be mindful of the societal implications, and should uphold moral standards that are consistent with the sponsor's ideals. Group rights should be upheld and, when faced with barriers, institutional changes should be pursued for the benefit of all. Financial efficiency is thus less important than is a social choice perspective of following ethical practices that exceed established norms. This long-term promotion of community through distributive justice and care-based ethics is more likely to be championed by left-wing political actors (i.e., liberal and social democrats, socialists) and presumably by most fundraising charities.

Conversely, a realist will point to the need for political fundraising to deliver maximum profits so as to fund the war chest needed to run a credible campaign. The most rational behaviour is thus the one that delivers, within acceptable norms and laws, the best return on investment in a competitive marketplace. This pursuit may involve unconventional proprietary practices resulting in a competitive advantage that inflicts damage on the political system. Capitalist selfishness and ruthless strategizing prevails over collectivism and altruism. This sort of short-term approach to the concentration of resource advantage and freedom from government restraint tends to be the domain of the political right (i.e., conservatives, libertarians).

The dualist perspectives of idealism *versus* relativism mirror contrasts between the marketing concept (TMC) and its more paternalistic counterpart, the social marketing concept (SMC) (Brenkert 2008). Looking at fundraising from TMC and SMC perspectives, a marketer who solicits funds should prioritize donor satisfaction while avoiding perceptions of political corruption as a means towards securing profitability, and efforts to ensure this satisfaction should be promoted throughout the organization. In seeking to satisfy donors' wants and desires, a TMC fundraiser does not make any ethical judgement about the broader societal implications of the fulfilment of those desires: that is the donor's prerogative, within the boundaries of the law, though even an amoral marketer may need to inform and motivate prospective and existing donors. An SMC fundraiser, however, is concerned with the societal implications of meeting a donor's wants and desires. The broader moral implications for the community at large are pitted against the profit motive. Thus lucrative fundraising opportunities might be turned down because of the marketer's concern for social values.

Raising money provides a political organization with some autonomy to pursue its objectives and with flexibility to respond to emerging situations, but a challenge for political marketers is that the unethical behaviours of others sour the political marketplace and thus have a negative impact on politics. Marketing fits nicely with fundraising because the solicitor is often concerned about the donor's interests, and there is thus a mutual satisfaction of wants and needs. In politics TMC and SMC encourages a 'constructive dialogue' between parties and electors towards achieving shared economic and social objectives (O'Cass 2009: 198). However, Sheth and Sisodia (2006) have cautioned that marketing is losing effectiveness amidst a consumer marketplace that is as dissatisfied, disloyal and alienated as the elector marketplace, which is partly a consequence of the unscrupulous marketing that takes advantage of customers and which harms society.

The way forward

Having identified ethical questions and issues for political marketers involved with political fundraising, we can consider these in the context of the Obama fundraising machine, and identify a framework of best practices applicable to other case studies. We can see that the stakes are high in an election, especially a race to become president of the US, and so the act of raising money may matter more than the ethics of how it is raised. The tactics used in the 2007–08 period, and repeated in 2010, were innovative and highly successful, but they still involved egoism, a plethora of policy proposals, peer pressure, persuasion and inducements. This was followed by over-solicitation that may have bordered on intrusion. In short, concerns for collecting money superseded the donors' interests, under a collective philosophy that presumed agreement that the election of Barack Obama was for the greater public good.

The two-way approach employed by the Obama Democrats whilst they were governing is a more exemplary model for political marketers. In 2009 the Democratic Party organized a

contest to receive citizen-generated 30-second videos supporting health insurance policy reform. These were uploaded to YouTube and 20 finalists' videos were available for public and expert voting. With the congressional vote on the controversial legislation looming, visitors to BarackObama.com were shown videos that had not yet been broadcast in mainstream media, and were encouraged to donate so that the winning video could be aired to a television audience:

Help put the final ad on the air. In the next few days, we'll be using the winning video as the basis for a new television ad that will air across the country – and you can help, by ensuring we have the resources to make the biggest impact. With only weeks to go before the final vote on health insurance reform, we need to make sure Congress hears this grassroots message. Can you help get this message out, just when it's most critical? Please donate today, using the form on the right.

(Organizing for America 2009)

This tactic is the way forward for ethical practitioners, researchers and for trainers: a rational method to achieve idealist fundraising that exemplifies the SMC approach without sacrificing the competitive or financial priorities of a TMC marketer. It is a fantastic blend of organizational responsiveness and use of the marketing mix, democratizing the fundraising process while generally observing the aforementioned universal fundraising principles. Donors were reasonably informed what their donations would be used to finance. Positive civic engagement inducements included a chance to become the author of profiled advertisements and an offer to participate in the selection of the televised advertisement. Certainly data collection privacy concerns may persist, there are audience limitations insofar as access to ICTs is concerned, and perhaps fear was used to motivate donations from the disadvantaged. However, such an appeal to fund a clear policy objective is democratic, addresses the dirty hands dilemma and reduces many vexations about audience segmentation. As a publicly available practice it encourages competitors to monitor its success and to follow this as the way forward.

The material presented in this chapter can inform a broad framework of best practices for other case studies (Table 13.3). Political marketers should collect and analyse research about the general public, develop policies that are important to key segments, and openly ask for money to support the promotion of specific policy proposals that funding can help lead to their implementation. This should be performed in a transparent manner that provides audiences with policy details while disclosing trade-offs, with information about the promotional tactics that their funding will support, while engaging and empowering them in the collection of funds and creation of promotional materials. By bearing in mind the fine line between good and questionable practices, fundraisers may be more prone to not only practise non-intrusive and transparent tactics, but to also hold to account those who employ deceptive and/or intrusive methods.

In theory, generally, if selectively, following the core principles of ethical marketing fundraising (donors do not feel pressured; donors give their informed consent; fundraising communications are truthful; fundraising research follows high industry standards; no harm results from political fundraising; and there is a commitment to deliver donor value) and embracing good practices that are non-intrusive and transparent should help raise more money. A balance of idealism and relativism is needed, however, for in politics practising good ethics does not necessarily equate to success. Based on the information presented in this chapter, though, especially the 2009 health reform case, it would seem that campaigns do stand to benefit from employing innovative methods while observing higher ethical standards.

Table 13.3 Framework for best practices when using marketing in political fundraising

<i>Questionable practices:</i> non-intrusive, but deceptive	<i>Good practices:</i> non-intrusive and transparent
Data mining	Clear, achievable policy promises made
Excessively friendly requests	Donors choose/informed how money spent
False impressions of insider status	Donors voluntarily connect with each other
Hyperbole in press releases	Easy to opt out of pledges
Low odds of winning an inducement	Factual websites with objective information
Media spin	Information shared with inquiring journalists
Poor quality products for sale	Monitoring of fundraising progress
Wealthy citizens given special access	User-requested mobile marketing
<i>Bad practices:</i> deceptive and intrusive	<i>Questionable practices:</i> transparent, but intrusive
Aggressive sales pitches	Actions justified as for the greater good
Donor information shared without consent	Appeals to vulnerable populations
Embellished advertising	Images of sex or violence
Endorsements given under pressure	Inducements offered
False sense of urgency/responsibility	Opinion research
Fundraisers hide commission earnings	Oversolicitation/spam
Hiring of opponents' staff	Peer solicitation
Preying on people's emotions	Pop-up online advertising
Pushy telemarketing	Positioning in blogs and online videos
Unauthorized invoices	Truthful advertising

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