

Strategic Drivers to Enter Parliament: Experience, Knowledge, and Money

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ABSTRACT: *This study aims to increase awareness of important organizational resources and capabilities in the political world. Due to limited studies in political marketing, the researcher brings business characteristics from the business sector to politics and provides significant theoretical and practical issues which emphasize the vital role politicians, as units, can play in the political competitive arena. Data collected from 50 elected Members of the Nordic Parliaments (MPs) show that experiential and financial resources play a vital role in the development of a political marketing strategy. In addition, learning capability also contributes to the development of a political marketing strategy.*

KEYWORDS: *Political Marketing; Experiential Resources; Financial Resources; Learning Capability; Political Marketing Strategy.*

I. Introduction

Six decades ago, Penrose (1959) acknowledged the importance of resources to a firm's competitive position supporting that a firm's growth, both internally and then externally through merger, acquisition, and diversification, is due to the manner in which its resources are employed. Regardless of their nature, resources are not productive on their own, but rather must be assembled, integrated, and managed so as to form organizational capabilities (e.g., new product development, market sensing, relationship building) to address external environments and meet changing market demands (Eisenhardt and Martin, 2000). O'Cass (2009) discussed the internal-external marketing orientations of political parties bringing the resource-based view (RBV) of the firm into the political arena by defining that value and value creation are the central elements of a political marketing strategy and the success of parties depends on the extent to which they create for the voter-citizen what is of value to them. However, the politicians' role, as units, was neglected. In an attempt to facilitate the development of political marketing own predictive and prescriptive models to inform and influence political action (Lock and Harris, 2011) this study adapted its questions from the business sector (Leonidou et al., 2012). The remaining of this paper moves on a review of related literature on two resources (i.e. experiential and financial) and two capabilities (relationship-building and learning) and the characteristics of a 4 Ps marketing strategy. The research methodology and presentation of the results follow. Conclusions, limitations, and suggestions for future research close this study.

II. Literature Review

2.1 Historical Background

Political marketing is the process by which political candidates and ideas are directed at the voters in order to satisfy their political needs and thus gain their support for the candidate and ideas in question; the primary aim of political warfare is to win votes by building preference and shaping perception (Shama, 1975). O'Cass (2009) made a big step to upgrade political marketing theory and practice by bringing the resource-based view (RBV) in the political arena. Via the RBV tool, O'Cass (2009) defined that value and value creation are the central elements of a political marketing strategy and the success of parties depends on the extent to which they create for the voter-citizen what is of value to them. RBV is the basis for the competitive advantage of a firm to take advantage of its tangible or intangible resources (Penrose, 1959). Under the RBV, a competitive advantage is conceptualized as the implementation of a strategy that is currently not used by competing firms, which helps reduce costs, exploit market opportunities, and neutralize competitive threats (Barney, 1991). Although the use of resource-based theory (RBT) in marketing research has increased by more than 500% in the past decade (Kozlenkova, Samaha, and Palmatier, 2014), political marketing still has a long way to go. In an attempt to fill this gap, an RBV model from the hotel industry (Leonidou et al., 2012) became

a good example for this study to build its questions. Two types of resources and two types of capabilities were identified and tested in accordance with the role they play in the development of a political marketing strategy.

2.2 Resources and Capabilities

The knowledge gained from the firm's operational experience, which helps identify and match customer needs and anticipate new market trends is called experiential resources (Leonidou et al., 2012). These resources take time to develop, however, the firm widens and deepens its experiential knowledge, which acts as a facilitator toward building marketing strategies (Russo and Fouts, 1997). Experiential resources influence a team's knowledge integration capability (Gardner, Gino, and Staats, 2012) and have a positive effect on a firm's performance (Kaleka, 2012).

Financial liquidity, working capital, and borrowing power are critical in achieving stability and success in a firm's marketing strategies (Leonidou et al., 2012). It is the area or set of administrative functions in an organization which relates to an arrangement of cash and credit so that the organization may have the means to carry out its objective as satisfactorily as possible (Deepika, 2014).

Firms that have strong relationship-building capabilities are more aware of their segments and understand the requirements of the different stakeholders in particular markets well in advance of the competition (Leonidou et al., 2012). The need for long-term strategies to build brand loyalty and the concept of the lifetime voter was proposed by Dean (2001) and O'Shaughnessy (2001), whereas the idea of a permanent campaign to build and maintain close relationships with voters-citizens was proposed by Smith and Hirst (2001) and Sparrow (2001).

Learning does not guarantee that an organization or an individual have the ability to learn (e.g. how to do the next step). Learning capability enables managers to design interventions to overcome specific barriers to building a learning organization (Goh and Richards, 1997); it is the knowledge source defined as the extent to which an organization prefers to develop new knowledge internally (Dibella, Nevis, and Gould, 1996).

2.3 Marketing Strategy

A marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation, and selection of market-oriented strategies and therefore contributes to the goals of the company and its marketing objectives (Leonidou et al., 2012). According to McCarthy (1964), the tool to achieve this is the marketing mix. Marketing mix is a general phrase used to describe the different kinds of choices organizations have to make in the whole process of bringing a product to market. The 4 Ps is one way, probably the best-known way of defining the marketing mix. A product that a particular group of people wants is needed to be created and be put on sale someplace that those same people visit regularly, and price it at a level which matches the value they feel they get out of it and do all that at a time they want to buy (McCarthy, 1964).

III. Research Methodology

A quantitative approach was used for this study; this method allows the research problem to be conducted in very specific and set terms (Cooper and Schindler, 1998). Quantitative research specifies both the independent and the dependent variable(s) under investigation and arrives at more objective conclusions, testing hypothesis, determining the issues of causality, and eliminates or minimizes subjectivity of judgment (Kealey and Protheroe, 1996). The process resulted in completed questionnaires from 50 MPs, randomly selected from the five Nordic Parliaments. 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 abovementioned resources and capabilities in relation to their political marketing strategy. Each one of these characteristics was measured by seven-point Likert (1932) rating scales ranging from 1 (Strongly Disagree) to 7 (Strongly Agree). Experiential and financial resources, and relationship-building and learning capabilities were measured by a four-item, seven-point scale each. The 4 Ps marketing strategy was measured by a twenty-item, seven-point scale. A reliability test measured the internal consistency of the questionnaire (Table 1).

3.1 Development of Research Hypotheses

The conceptual model (Figure 1) comprises four hypothesized associations between resources (experiential and financial) and capabilities (relationship-building and learning) and marketing strategy, as follows:

H1: The politician's experiential resources (EX) contribute to the development of a political marketing strategy (MS).

H2: The politician's financial resources (FR) contribute to the development of a political marketing strategy (MS).

H3: The politician's relationship-building capability (RC) contribute to the development of a political marketing strategy (MS).

H4: The politician's learning capability (LC) contribute to the development of a political marketing strategy (MS).

3.2 Statistical Methods

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 independent variables (Product-PD, Price-PR, Place-PL, and Promotion-PM) and the dependent variable (Political Marketing Strategy-MS). 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 1.

IV. Statistical Results

4.1 Respondents' Demographics

Respondents were equally represented (50% men and 50% women). Only 5% of the respondents were more than 65 years old, 30% were between 30 and 44 years old, 35% were between 45 and 54 years, 25% were between 55 and 64 years old, and 5% were between 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 5% had "less" than High School education.

4.2 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 (Nunnally, 1978). This study's scales are considered valid and reliable since the lowest value is 0.71 (Learning Capability-LC). All Cronbach's alpha values are shown in Table 1.

4.3 Standard Deviation

The standard deviation values range from 0.856 to 1.495. Four out of five values are below 1. This shows that the study's data sets present a satisfactory concentration and lack of dispersion except financial resources (1.495) that showed some lack of concentration and dispersion (Table 1).

4.4. Correlation Analysis

The Pearson (1895) correlation coefficient column shows that the values are always in the range [-1, 1]. As it is observed in table 1, all the study's paired variables (X's with Y) are positively related, however, they have a weak uphill (positive) linear relationship (+1 indicates a perfect positive correlation).

4.5. Hypothesis Testing

To accept a hypothesis, the p-value must be less than 0.05 (Table 1).

H1: The politician's experiential resources (EX) contribute to the development of a political marketing strategy (MS)

The first hypothesis' test shows that the p-value is 0.002 (<0.05); this hypothesis is accepted confirming that experiential resources (EX) contribute to the development of a political marketing strategy (MS).

H2: The politician's financial resources (FR) contribute to the development of a political marketing strategy (MS)

The second hypothesis' test shows that the p-value is 0.001 (<0.005); this hypothesis is accepted confirming that financial resources (FR) contribute to the development of a political marketing strategy (MS).

H3: The politician's relationship-building capability (RC) contributes to the development of a political marketing strategy (MS)

The third hypothesis' test shows that relationship-building capability (RC) does not contribute to the development of a political marketing strategy (MS). The p-value is 0.096 which is greater than 0.05; this hypothesis is rejected.

H4: The politician's learning capability (LC) contributes to the development of a political marketing strategy (MS)

The last hypothesis' test shows that the p-value is 0.001 (<0.005); this hypothesis is accepted confirming that learning capability (LC) contributes to the development of a political marketing strategy (MS).

V. Conclusion

This study found that experiential resources, financial resources, and learning capability contribute to the development of a politician's marketing strategy to enter Parliament. In contrast to these findings, relationship-building capability was not found to contribute to the development of a political marketing strategy to enter Parliament. A politician's experience, his or her ability to learn, and his or her capability to raise money can drive his or her marketing strategy to enter Parliament.

VI. Limitations

Reaching the Nordic MPs became the biggest limitation of this study; the researcher followed an aggressive strategy by sending three kind reminders. Lack of prior research studies on political marketing became another major limitation, however, this limitation opened up the opportunity to examine existing theory and research in business and transfer it to politics.

VII. Future Research

Future research could validate the findings of this study using data obtained from other countries; this study focused on the Nordic countries and this may limit the generalizability of the findings to other countries. Research could also focus on the identification of other resources (e.g. technological resources).

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TABLE 1
STATISTICAL ANALYSIS

	Mean	Cronbach's Alpha	St. Deviation	Pearson Cor. (MS)	p-value
Experiential Resources(EX)	5.22	0.86	0.912	0.381	0.002
Financial Resources (FR)	2.81	0.87	1.495	0.084	0.001
Relationship-Building Capability (RC)	5.33	0.74	0.856	0.375	0.096
Learning Capability (LC)	4.65	0.71	0.863	0.423	0.001
Political Marketing Strategy (MS)	3.99	0.87	0.92		

FIGURE 1
THE CONCEPTUAL MODEL

