



KPMG ANALYSIS

Social Media: a New Political Animal

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As the fall election campaigns kick into high gear, mobile technology and social networking tools are playing a part for both parties to communicate, raise funds and coordinate volunteers.

Mobile marketing, online video, social networking sites and blogs are reaching beyond the traditional corps of political pros based in Washington, D.C. and state capitals, and may provide Corporate America a few lessons in interactive communications with potential customers.

"We have an arena of ideas threaded throughout society, and anyone has an opportunity to participate," said Chuck DeFeo, general manager of conservative online community Townhall.com, at the Personal Democracy Forum in New York.

"The idea [of public debate] is not new, but [our] ability to fulfill it is truly new, and it is reinvigorating participation," DeFeo said.

According to the Pew Internet Project, 39 percent of Americans who go online (about 75 percent of the total U.S. population) have used the Internet to access content such as videos and position statements directly from campaign Web sites. Similarly, 35 percent of Americans have watched political videos on YouTube and other Web sites.

And 10 percent of the population, primarily younger voters, have used social networking sites such as Facebook or MySpace to gather campaign information. MySpace and NBC News, for instance, have launched a joint election-information page.

It's All Research

The results are similar to other Pew studies of how Americans go online to research major product purchases, and are often turning to the Web before other sources. In a separate study, 49 percent of consumers researched real estate purchases online, as did 39 percent of consumers interested in a new cell phone.

The Pew study also said the Web is more likely to play a major role for consumers making purchases that require a major financial commitment or involve several options, meaning that companies and campaigns must consider their online messaging carefully.

Political candidates are trying to harness the power of supporters' cell phones, sending text messages to voters who have opted in to receive them, sending them issue polls

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or asking to make donations. Voters can also download candidate-themed ringtones or wallpaper, receive information about polling places, ask for rides to the polls or get reminders to vote.

Becky Bond, political director of wireless carrier Credo Mobile, said about 30 percent of the American electorate does not have a landline phone and relies on their wireless service instead. She said a text message to those voters can be as effective as a call from a phone bank, but is less expensive.

Scott Goodstein, director of external organizing for presumptive Democratic nominee Barack Obama, said it's important for campaigns to consider the user experience in mobile interaction. For example, because many users have wireless plans that charge per-message fees, it's important not to send a series of messages that run up bills.

"We're very careful to ensure that the [mobile] messaging that goes out is time-sensitive and it something that makes sense on a mobile platform," Goodstein said.

Candidates are also turning to the Internet and social media as a powerful fundraising tool, with campaigns shifting some of their focus from wealthy donors and party insiders to large numbers of voters who make relatively small donations online. While each donation may be small, a higher volume can leave campaigns ahead in the aggregate.

While many political operatives and observers are enthusiastic about the potential use of technology in campaigns, there are potential drawbacks.

Mindy Finn, a Republican strategist who headed new media for the Mitt Romney campaign, said although a broader understanding of social networking tools has emerged in the past four years, too many candidates view the Internet primarily as a fundraising vehicle and fail to engage online supporters into the broader campaign.

Another challenge is that although the number of social media users is growing rapidly, overall it still remains a minority of the broader U.S. population. And as many companies rushed onto the Web in the late 1990's because they saw competitors doing so, politicians run the danger of investing in online tools for their own sake.

Facilitator or Paradigm-Shifter?

"We don't want to get too carried away about what this technology is," said Peter Daou, Internet director for Hillary Clinton's presidential campaign. "We don't know if it is a facilitator or a real paradigm-shifter. Are these just tools that make it easier for people to talk and connect and do things, or are they actually something that's going to change who we are in a profound way?"

In addition, the voting populace is somewhat suspicious of information online. In the Pew study, 60 percent of online Americans agreed that there is considerable incorrect information on the Internet, and 35 percent agreed that the Internet lets supporters of extreme positions drown out average citizens.

With social media making inroads in politics, success is likely to require a blend of savvy technology skills and traditional on-the-ground campaign and marketing techniques.

"It should be recognized that part of the success of the Bush campaign in 2004 was actually integrating technology and the Internet into the traditional campaign operation," said Joe Rospars, new media director for the Obama campaign.

"Things like data integration and using technology up and down the food chain of the organization are ways of making your organization more efficient," he said. "We need to do that and the non-traditional stuff."

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