



E-VOTER 2002

**Where the Internet and Politics Meet:
Research and Reports from the Frontlines**





E-Voter 2002

Where the Internet and Politics Meet: Research and Reports from the Frontlines

Karen A. B. Jagoda
President
E-Voter Institute

Published by E-Voter Institute
February 2003

CONTRIBUTORS

John W. Allen
Turtlesnap Ventures
jwa@turtlesnap.com

Tracy Allman
American Association of Political
Consultants (AAPC)
tallman@theaapc.org

Doug Bailey
Freedom's Answer
Dbaily@freedomchannel.org

Michael Bassik
AOL TW
Mbassiknyc@aol.com

The Hon. Jack Buechner
Presidential Classroom
Jackb@presidentialclassroom.org

Bill Caspare
db Associates
Bcaspare@rjpalmer.com

Steven Castleton
Political Strategist
Scastle@optonline.net

Mike Connell
New Media
Mconnell@technomania.com

Joe DelGrosso
America Online
Joedeldci@aol.com

Adam Graham-Silverman
Congressional Quarterly
Agsilverman@cq.com

Bill Hillsman
North Woods Advertising
Wghillsman@aol.com

Karen A.B. Jagoda
E-Voter Institute
Karen@e-voterinstitute.com

Christopher Kilmer
Cato Institute
Ckilmer@cato.org

Cryus Krohn
Microsoft Network/ Slate
cyrusk@microsoft.com

Bill Maddock
NYTimes.com
Maddock@nytimes.com

Brent McGoldrick
Dynamic Logic
bem9@georgetown.edu

Phil Noble
Politics Online
Phil@pnoble.com

Nick Nyhan
Dynamic Logic
Nick@dynamiclogic.com

Trevor Potter
Caplin and Drysdale
Tp@capdale.com

Larry Purpuro
RightClick Strategies
Larryp@rightclicks.com

Rand Ragusa
Voter Interactive
Rand@voterinteractive.com

Brian Reich
Mouse Communications
brian@mousecommunications.com

Joe Rothstein
Rothstein & Company
Jrothstein@rothstein.net

Joseph Sandler
Sandler, Reiff, & Young PC
Sandler@sandlerreiff.com

Christopher Schroeder
Washingtonpost.Newsweek
Interactive
Chris.schroeder@wpni.com

Glenn Shor
The Campaign and Media Legal
Center
Gms@camlc.org

Roger Stone
Advocacy Today
Roger@advocacytoday.com

Alex Treadway
Nationaljournal.com
atreadway@nationaljournal.com

James Vaughn
AOL TW
Vaughnj99@aol.com

Mark Walsh
Ruxton Associates LLC
Mark@walsh.org

Chris Young
Klipmart
CYoung@klipmart.com

With special thanks to Microsoft
Network (msn.com) and Slate
Magazine for their support in the
preparation of this study.

© Copyright 2003

All rights to this book are reserved. No part of this book may be used or reproduced in any manner whatsoever without prior consent or written permission, except in the instance of brief quotations embodied in articles and reviews.

TABLE OF CONTENTS

| | |
|--|----|
| I. Introduction | 7 |
| II. Executive Summary | 11 |
| CHAPTER 1. Second Annual E-Voter Survey of Political and Advocacy Communication Leaders Summary | 15 |
| CHAPTER 2. Second Annual Survey of Future Voters on Politics and the Internet | 21 |
| CHAPTER 3. Embracing Change in Political Campaigning | 29 |
| CHAPTER 4. 2002: The Year of Drive-by Democracy | 33 |
| CHAPTER 5. “You’ve Got Voters” The Effectiveness of Online Political Advertising Across AOL Time Warner | 37 |
| CHAPTER 6. The Arizona Story | 43 |
| CHAPTER 7. GOP Unplugged on the Bayou: SuzieTerrell.com Failed Republicans | 45 |
| CHAPTER 8. No, Really, This One’s a Net Election How to tell if the Internet mattered in 2002 | 49 |
| CHAPTER 9. DigitalPower ‘02 | 55 |
| CHAPTER 10. Steady Use But Few New Wrinkles in Online Campaigning | 59 |
| CHAPTER 11. Campaign Finance Reform and the Internet: Real-World Impact | 65 |
| CHAPTER 12. The FEC’s Campaign Finance Reform Regulations and the Internet | 69 |
| CHAPTER 13. The New Rules for Winning Campaigns | 79 |
| CHAPTER 14. Here’s What They Don’t Teach You at Harvard Business School | 83 |
| CHAPTER 15. Coming to a Theatre Near You: The Political Relevance of the Hollywood Online Ad Experience | 87 |
| CHAPTER 16. Branding Online | 89 |
| CHAPTER 17. Campaigning on the Internet: The Need to Uncork Creativity | 91 |
| CHAPTER 18. Excerpt From <i>Fat Cats and Thin Kittens: Are People Who Make Large Campaign Contributions Different?</i> | 97 |

| | |
|--|-----|
| Chapter 19. Vote for me! I'm the "e-candidate" | 99 |
| Chapter 20. Emerging Democracies and Their Use of the Internet..... | 103 |
| Chapter 21. Online Global Poll:A Bold Experiment in e- Democracy | 111 |
| Chapter 22. Freedom's Answer – Engaging Our Young | 117 |
| Chapter 23. Quick Guide for Online Campaigning..... | 121 |
| APPENDICES | 123 |

I. INTRODUCTION

In times long past, candidates could raise unlimited soft dollars and voters were reached through 3 major broadcast television networks. Except for a few absentee ballots, everyone went to the polls to vote on the same day and during the same day part. Candidates could control the campaign message to journalists and about the competition. There were certain rules of engagement that most campaigns followed to raise money and get out the vote.

The reality of the political landscape in 2002 is that media has fragmented into diverse channels and competition for the attention of voters is fierce. Pre-election

Day voting is becoming increasingly popular. Journalists turn to the Internet for research as do all competitors in a race, making online advertising an effective tool for potentially influencing the influencers. Negative ads are packaged around the local news broadcasts and have become insulting and inflammatory to some, funny to others.

In 2002, the Internet was a stealth tool used in political campaigns, though there was much confusion about the effectiveness of the Internet in general. E-Voter Institute has conducted research from practitioners who say that

the Internet made a difference at both state and local levels, in rural and urban states. In 2004, the Internet may be the secret weapon for winning strategic races particularly in light of campaign finance reform.

For while the Bipartisan Campaign Finance Reform Act restricts in many ways the use of television and radio ads 30 days before a primary election and 60 days before the general election, there are no such restrictions on Internet advertising. This Internet advantage in the critical days before future elections will place a premium on new and innovative uses of the Internet for political communications.

For explorers of the unknown, maps are most prized possessions because they reveal where the best harbors, most fertile valleys and hazardous rocks can be found. In these days of exploration at the intersection of the Internet and politics, those strategists and candidates who have already started mapping out where the Internet is effective for winning races, can be found looking forward to 2004 with glee.

In part their pleasure is based on the fact that the Internet is still not seen as a genuinely useful tool throughout a political campaign. While some candidates may advertise online, in all likelihood, their opponents will only have a web site. Reaching those growing audiences who predominately use the Internet for news, information and entertainment will be that much easier. Lack of competition for banner space and email addresses will keep the rates low as web sites try to figure out how to meet the demands of the political community.

In 2004, the Internet may be the secret weapon for winning strategic races particularly in light of campaign finance reform.

That is until the political establishment realizes that the Internet can help candidates win races and competition for best media placement begins.

Which leads to four basic questions:

1. What will it take for the Internet media strategists to be invited to participate in the overall media budget decisions of a campaign?
2. Who will be most affected in a campaign by the introduction of the Internet as a legitimate media for reaching voters and how will they try to protect their portion of the campaign budget?
3. How will media planners optimize the mix of dollars across all media types?
4. Is the Internet the 21st Century tool for laser-like attacks on swing, undecided, and independent voters?

While the online strategists understand the power of the Internet, their successes have been built on innovative funding and despite lack of support from traditional political advisors. We are not suggesting that Internet tools replace any of the existing ways of reaching voters, rather that they extend the effectiveness of the message.

Is the Internet the 21st Century tool for laser-like attacks on vulnerable swing, undecided, and independent voters?

The goals of the E-Voter 2002 Study are to encourage the pioneers in the field, to reveal specific strategies and tactics for reaching voters online, and to raise questions and stimulate discussion about traditional approaches to political campaigns.

Founded in 1999, E-Voter Institute is a non-partisan trade association that aims to accelerate the use of the Internet for political and advocacy purposes. We have taken on the responsibility of helping the Internet industry and the political and advocacy communities

evaluate the opportunities, identify the hurdles and devise strategies for changing the way voters and constituents are engaged. For more on our previous research, visit e-voterinstitute.com.

The E-Voter 2002 Study includes:

- ✓ The Second Annual E-Voter Survey of Political and Advocacy Communication Leaders conducted by Dynamic Logic in cooperation with the Microsoft Network, NYTimes.com, washingtonpost.com, the National Journal, AOL Time Warner, the American Association of Political Consultants (AAPC), and PoliticsOnline.
- ✓ The Second Annual E-Voter Survey of Future Voters on Politics and the Internet conducted in cooperation with Presidential Classroom and AOL Time Warner.

-
- ✓ Insights on the Bipartisan Campaign Finance Reform Act and what it means for the Internet
 - ✓ Reports on Election 2002 and on the effectiveness of online communications.

This work could not have been undertaken without the support of the web publishers and political strategists who see the possibilities the Internet provides to involve larger numbers of citizens, create a more robust democracy, and win political races. We welcome your feedback.

While the Van Hollen (D-MD) for Congress campaign in the 8th Congressional District of Maryland used email alerts and updates effectively, it was their last three emails that showed how well they had integrated the Internet into their winning campaign. At 5:30 p.m. on Election Day, a message went out which said, "If you haven't already voted, get out the door now! And grab your friends and family. Polls are open until 8 p.m. This is the moment where Chris most needs your support!" Sent out 10:30 am on the day after the election, Chris Van Hollen thanked his list for their hard work and support. Later that same day, an email message from the Van Hollen Team asked everyone to take down their lawn signs and those they saw along the road, to store for future use.

Karen A. B. Jagoda
President
E-Voter Institute
February 2003

***Fish should not be taken from deep waters;
Nor should organizations make obvious their advantages.***

The Tao of Power
Lao Tzu

II. EXECUTIVE SUMMARY

E-Voter 2002 brings together voices from old media and new to explore the role of the Internet in Election 2002 and to determine what the trends tell us about future elections.

The Second Annual E-Voter Survey of Political and Advocacy Communication Leaders was conducted from July-September 2002. The results of this survey are consistent with results from E-Voter 2001 and indicate that political consultants view the Internet as more effective for motivating existing supporters than for acquiring new ones but with one notable exception— building awareness of campaigns.

New on the scene this year is the Bipartisan Campaign Finance Reform Act that has provided some interesting opportunities for the Internet. The E-Voter 2002 survey reveals that 50% of the political consultants are unaware of the Internet advantage 30 and 60 days before a primary and general election. Fully 35% of the unaware said that once they knew about the advantage they were more inclined to consider online advertising. Still hesitations abound within the political consulting community about the use of online advertising to reach the people who are likely to vote.

The findings from the Second Annual E-Voter Survey of Future Voters on Politics and the Internet are reinforced by the Freedom's Answer's essay on engaging our youth. Teens today are interested in becoming more involved in the voting process. They have a sense of ease about the use of the Internet and wireless technology and their expectations will transform the way candidates run for office and voters make informed decisions.

Selected commentaries on specific races in 2002 reflect the uncertainty surrounding the use of the Internet but also the compelling reasons to take advantage of it in political campaigns.

The essays touch on several common themes:

- 1. The Internet was used to help candidates win, particularly in tight races, at all different levels on the ballot.**
- 2. There is a dramatic, yet unacknowledged, shift in viewers away from traditional media to the Internet.**
- 3. There are rising expectations from an increasingly Internet savvy constituency.**
- 4. The new rules for political campaigns require email, online advertising, online fund-raising, and online campaign management to organize and reach out to potential supporters in addition to the candidate's web site.**
- 5. Emerging democracies are embracing technology to mobilize voters.**

Those political communication advisors who understand the power of the Internet appreciate the lack of interest in the web by the traditional political media consultants. Candidates who effectively use technology will win races in 2004. Those who hold tight to the old ways will be surprised by the stealth attacks that their competitors launch using the online tools of the 21st Century.



RESEARCH



CHAPTER I. SECOND ANNUAL E-VOTER SURVEY OF POLITICAL AND ADVOCACY COMMUNICATION LEADERS SUMMARY

July 22 – September 9, 2002¹

Key Findings Prepared by:
Brent McGoldrick & Nick Nyhan, Dynamic Logic

SUMMARY OF E-VOTER “POLICOM” SURVEY

E-Voter Institute held the Second Annual Policom Leadership Survey of 687 Political and Advocacy Communication Leaders from July 22 – September 9, 2002. “Policoms” are the chiefs of staff, media consultants, political consultants, public relations advisors and academics who advise public and private sector clients on how to shape the public agenda through communications strategies. For the second year in a row, we surveyed them to assess their outlook on various communication channels and specifically how the Internet fits into that mix. Like last year, Dynamic Logic conducted the survey in cooperation with the following companies, using their web sites and/or their targeted mailing lists for recruitment: *The New York Times*, *Washington Post Newsweek Interactive*, *The National Journal*, *Microsoft*, *AOL Time Warner*, *PoliticsOnline*, and the *American Association of Political Consultants (AAPC)*.

Key Findings:

1. Only half of “Policoms” are aware of the McCain- Feingold Campaign Finance Reform legislation loophole regarding use of the Internet in political campaigns.
2. Of the survey respondents who were previously unaware of the loophole, one out of three said they are now more likely to recommend the Internet.
3. Compared to the 2001 survey, we saw a 70% jump in interest among Policoms in recommending using online ads, and a 59% increase in those recommending or using online fund-raising.
4. 60% of the politicians think online advertising should be recommended, only 42% of the media consultants do, suggesting that candidates themselves are on-board with new technologies but that consultants are dissuading candidates from using “untested” approaches.
5. According to Policoms, one in four dollars of a campaign budget will be dedicated to Internet activities by 2008.
6. Direct mail and print budgets the most likely sources of funds for Internet activities, according to 57% of all respondents. Less than one in three survey respondents think the television budgets will be re-allocated for Internet purposes.

1. Only half of political communications leaders (“policoms”) are aware of campaign finance reform legislation loopholes for Internet campaigning.

When respondents were asked, “Does the recent campaign finance reform legislation provide ‘loopholes’ for media spending on any on the following media channels”, only 53% correctly identified the Internet as one of the media channels. Likewise, 47% were not aware. Additionally, there were no significant differences in awareness by job function or type of client – this awareness level holds true across the board.

This finding suggests, first, that, for all that has been made of the potential for parties and groups to use the Internet as a way around this legislation, policoms have little awareness of this campaign tactic. Specifically, they are not aware of the potential for groups to use the Internet through which to air, one, so-called “soft money” ads for or against candidates for federal office or, two, ads that identify federal candidates within 60 days of a general election or within 30 days of a primary.

2. However, once those initially unaware are informed about loopholes, over one-third say it will make them MORE likely to recommend/ use the Internet in their campaigns.

Specifically, respondents were read a brief statement informing them that current law provides an exemption. They were then asked, “How will this affect your use or recommendation of the Internet as an advertising/communications channel in your future campaigns?”

Among those who were already aware of the loopholes, 52% said they were more likely to recommend/use the Internet, 26% it would have no affect and 20% were not sure whether it would affect their use/recommendations.

Among those who were NOT aware, 35% said they were more likely to recommend/use the Internet, 33% it would have no affect and 31% were not sure whether it would affect their use/recommendations.

| <i>Already Aware of Campaign Finance Reform Loophole for Internet Campaigning (53% of Policoms)</i> | <i>Previously UNaware of Campaign Finance Reform Loophole for Internet Campaigning (47% of Policoms)</i> |
|---|--|
| ONCE THEY LEARN ABOUT POTENTIAL LOOPHOLES... | |
| 52% are more likely to use the Internet... | 35% are more likely to use the Internet... |
| 26% say it will not affect them... | 33% say it will not affect them... |
| 20 % are not sure whether it will affect them. | 31% are not sure whether it will affect them. |

Source: Dynamic Logic

3. “Educating” Policoms on the existence of loopholes will increase adoption of the Internet as a campaign tool – mostly among candidates and media advisors.

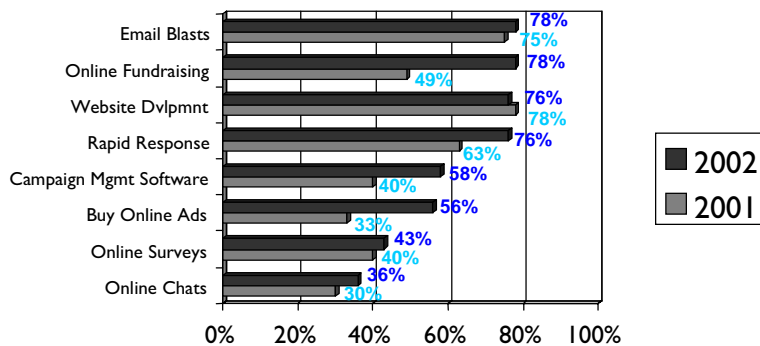
The increase in likelihood suggests that “educating” policoms will speed up the Internet adoption process. Specifically, those who are most likely to be unaware but who also show the greatest increases in adoption likelihood once they do learn are key audiences: Internet/tech consultants (51% said “more likely”), politicians/candidates themselves (42% said “more likely”), and media advisors (38% said “more likely”).

4. Email is still the “go-to” in Policoms’ toolkits, but those recommending online fundraising, online ads and “rapid response” jumped significantly in the past year.

Much like last year, the Internet is most popular for organizing and mobilizing existing supporters. In this year’s survey, policoms were again asked whether they had done for a client or recommend a client use certain Internet campaign tactics. Comparing results of the 2002 survey to the 2001 survey, email remains the stalwart tactic for policoms.

But, those tactics showing “most improved” status are from last year to this year are online fundraising (from 49% to 78% did/recommended), “rapid response” (from 63% to 76%), and buying online advertising (from 33% to 56%). With regard to these first two tactics, doubtless, the attention in political circles given to online political fundraising and use of email lists in rapid response has helped spur these growths.

% Who Did/Recommended for/to Client



Clearly, though, when it comes to adoption of online advertising, challenges remain for campaigns, as these percentages reflect only polycoms’ recommendations and not actual campaign use. To that end, for example, when looking at who is most likely to recommend online advertising, topping the list are candidates/politicians themselves (60%) and pollsters (55%), followed by

public affairs consultants (45%), general campaign consultants (43%) and media consultants (42%). This would suggest that candidates themselves are on-board with many of these technologies, but that consultants are less optimistic and, one can speculate, dissuade candidates/campaigns from using such technologies.

Simply put, while the proportions of those who recommend online advertising, etc. have increased over the past year, the data suggests it is still not among the decision-makers who are likely to drive increases in actual adoption rates.

5. Policoms rate the Internet more effective for motivating existing supporters than for acquiring new ones, but with one notable exception – building awareness of campaigns.

Not surprisingly and consistent with the tactics they recommend, policoms find the Internet most effective for mobilizing existing supporters. Interestingly, they are just as likely to find the Internet as effective for building campaign awareness (68%) as for getting attendance for specific events (69%) or recruiting volunteers (68%). Further, it should be noted that no significant differences existed by client type, job function, age, etc., but, not surprisingly, Internet/tech consultants rated each activity to be more effective “now” by about 2-3%, on average.

Is the Internet Effective for...

| ACTIVITY | NOW | 2004 | 2008 | NEVER |
|----------------------------------|-----|------|------|-------|
| Building databases of supporters | 75% | 17% | 5% | 3% |
| Getting attendance for events | 69% | 18% | 7% | 6% |
| Recruiting volunteers | 68% | 19% | 6% | 6% |
| Building campaign awareness | 68% | 17% | 7% | 9% |
| Rapid response | 67% | 21% | 6% | 7% |
| Circulating petitions | 60% | 23% | 7% | 10% |
| Fundraising | 53% | 24% | 11% | 11% |
| Get out the vote | 50% | 26% | 11% | 13% |
| Reaching “likely” voters | 52% | 25% | 13% | 9% |
| Reaching “swing” voters | 39% | 28% | 17% | 16% |
| Targeting contrast advertising | 39% | 23% | 9% | 29% |

Source: Dynamic Logic

6. Almost identical to last year, policoms report average Internet budget will be 28% by 2008. Direct mail consultants lead the way in saying it will come at direct mail’s expense.

As noted last year, policoms still believe that Internet budgets will grow to eventually comprise one out of every four campaign dollars spent.

| Year | According to 2001 Policoms... <i>the average % of campaign budgets dedicated to Internet activities</i> | According to 2002 Policoms... <i>the average % of campaign budgets dedicated to Internet activities</i> |
|------------------|---|---|
| Current Year | 9% | 8% |
| 2004 (projected) | 14% | 14% |
| 2008 (projected) | 27% | 28% |

Source: Dynamic Logic

And, as online budgets grow, policoms think this money will come from money currently earmarked for other budgets. In proportions statistically identical to last year, they do not think the Internet will replace TV/Cable, but will instead “steal” from direct mail and print budgets. Specifically 57% of policoms (55% in 2001) say Internet budget dollars will come from direct mail budgets and 46% say they will come from print budgets (47% in 2001). Only 17% think cable budgets (18% in 2001) and 29% think TV budgets will shrink (31% in 2002) to accommodate increases in Internet budgets.

Interestingly, the most likely subgroup to predict Internet budgets will “steal” from direct mail budgets are direct mail consultants themselves. Specifically, 65% of direct mail consultants (compared to 57% of all policoms) think that the Internet will take direct mail money. This perception is likely due to the similarities these consultants perceive between direct mail and many Internet applications.

7. Fully 40% of Policoms’ biggest hesitations are that the Internet does not allow them to reach the right kind of voter.

This year, policoms were asked to pick their biggest hesitation in recommending/ using the Internet from a short list which came out of their open-end responses to a similar question on last year survey.

This year, policoms said it was not a reach medium (21%), was not a targetable medium (19%) is too expensive (10%), that they would recommend but the client is hesitant (8%), is not an emotional medium to communicate political messages (8%), and information security concerns (7%). Finally, 18% of policoms said they had no hesitations whatsoever. Interestingly, combining these 18% with no hesitations, combined with the 8% who said they would recommend

but for client hesitations, yields one-quarter (26%) who have no hesitations about recommended the Internet for campaign use.

As with many of the survey results, these numbers hold relatively steady across the board, with no particular client type, job function or other demographic driving these numbers.

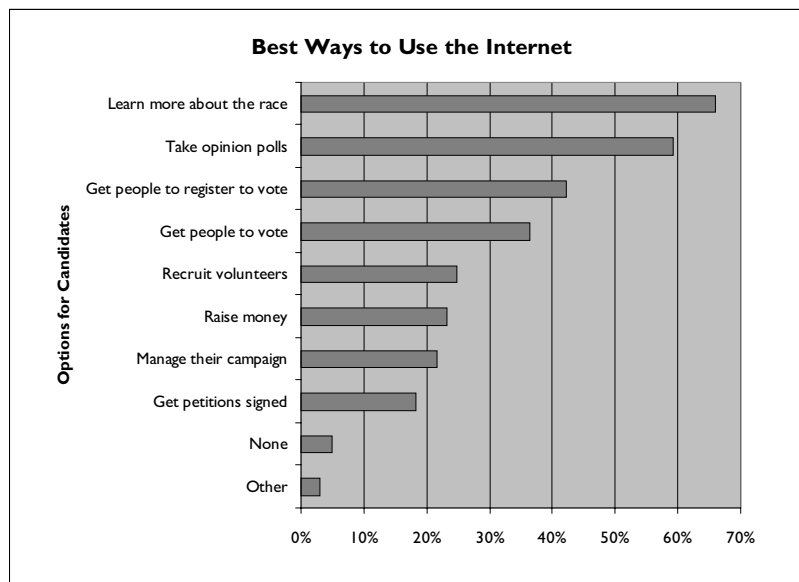
¹ Survey analysis is based upon 687 “political and advocacy communication leaders.” Respondents were recruited from July 22-September 9, 2002. The survey has an overall margin of error of $\pm 4.13\%$. Respondents were recruited from National Journal, E-Voter lists, American Association of Political Consultants (AAPC) membership lists, NYTimes.com, MSN/Slate, PoliticsOnline, washingtonpost.com, and AOL Time Warner.

CHAPTER 2. SECOND ANNUAL SURVEY OF FUTURE VOTERS ON POLITICS AND THE INTERNET

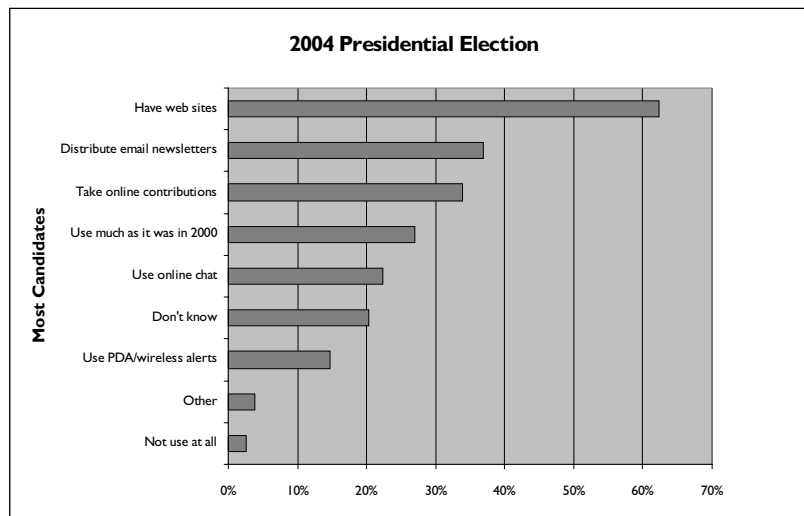
Key Findings

Expectations

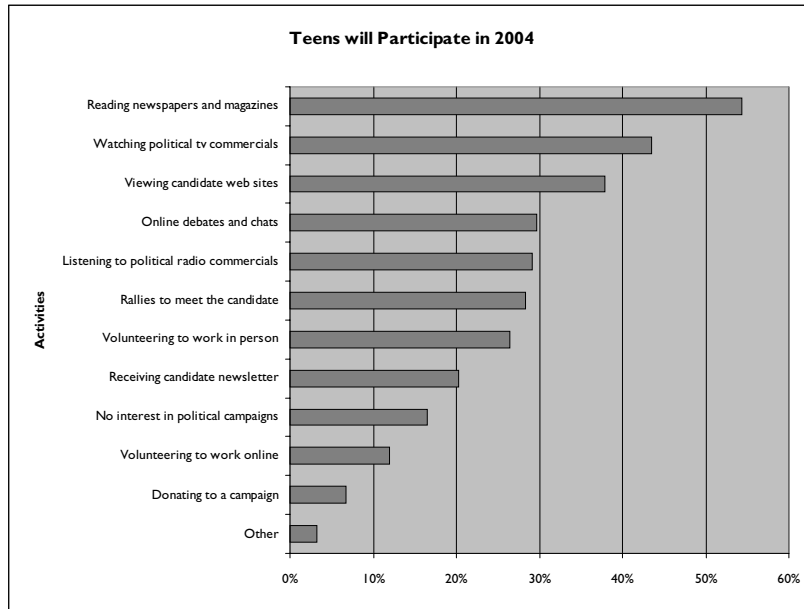
1. When asked about the best ways for political candidates to use the Internet, two out of three teens responded that the web should be used to help them learn more about all candidates in a race. Nearly 60% thought candidates should use the web to take opinion polls with the same number saying that candidates should have special issue pages specifically for teens. Over one in three said that the web should be used to get people to register and to vote.



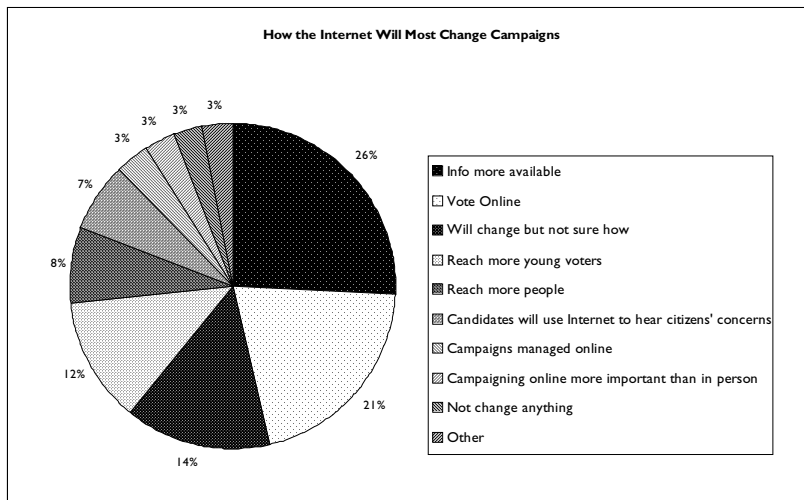
2. In describing the 2004 presidential election, 60% of the teens predict that most candidates will have web sites, and over one in three say that candidates will email newsletters as well as take online contributions.



3. In the 2004 presidential campaign, over 50% of the teens expect to read newspapers and magazines, 44% will watch tv commercials, 38% will view candidate web sites, and 30% will participate in online debates and chats.

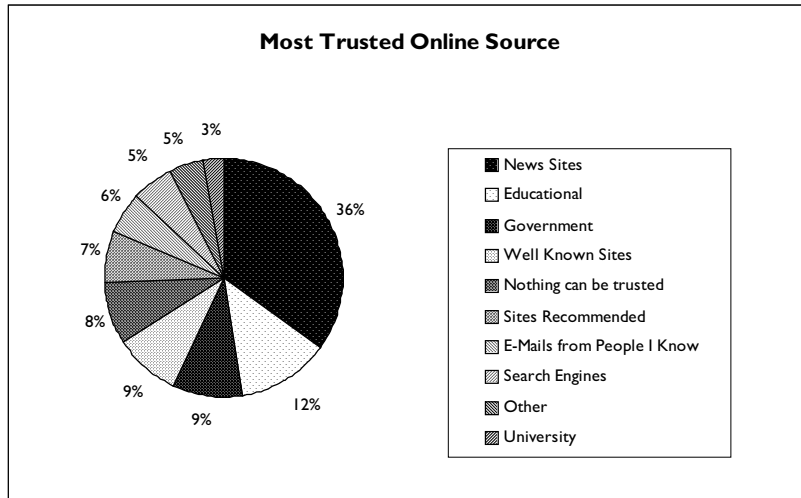


4. Looking forward to how the Internet will most change political campaigns over the next 20 years, one in four teens said that information about the candidates will be more available and 20% said people would vote online.

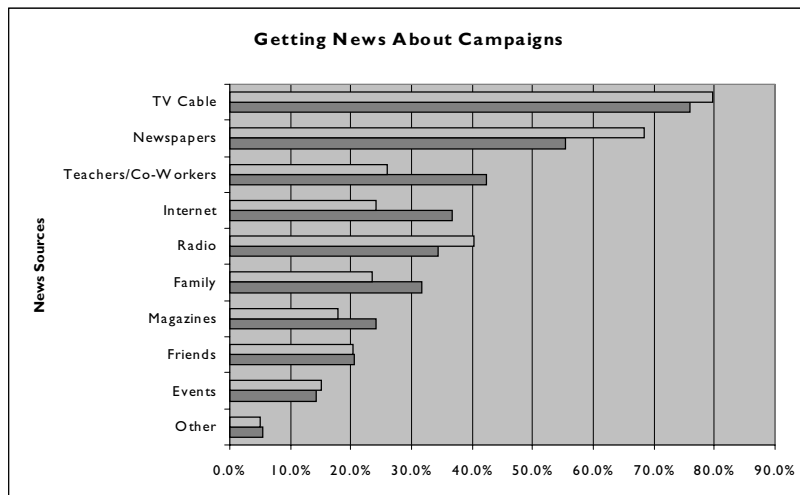


Sources of Information

5. When asked to identify the most trusted source of online information, 35% responded news sites related to television, cable and newspapers. The next most trusted sources of information are educational and encyclopedia sites (12%), government sites (10%), and other well known sites with a brand they recognize (9%). Eight percent say nothing online can be trusted.

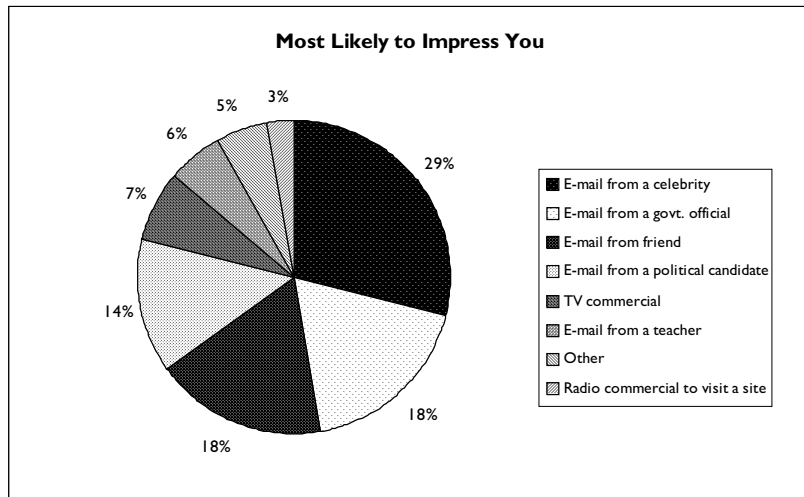
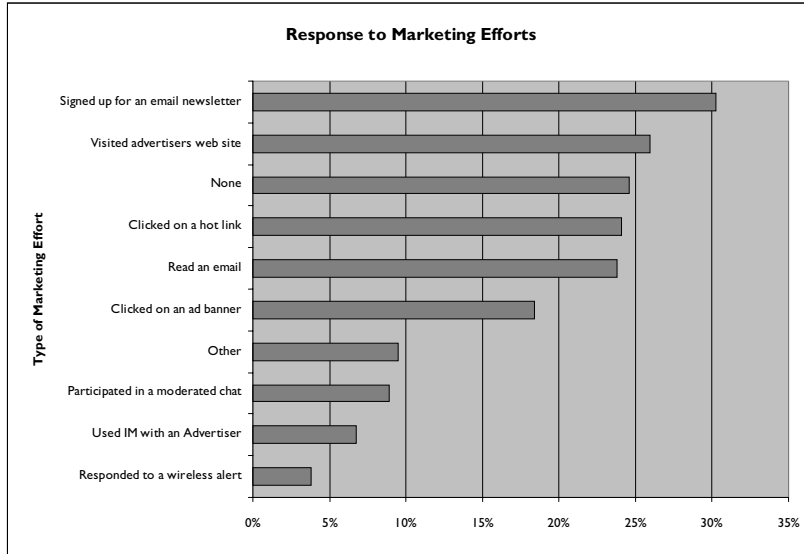


6. The Survey also shows that the greatest difference between how teens and their parents get election information. It seems the contest is between the Internet and the traditional newspapers. Teens were among the first to use Instant Messaging. Still to be seen whether this trend towards online news sites and away from paper based news constitutes a permanent shift in favor of the online medium. Other studies indicate newspaper use is dwindling, which some interpret as lack of interest in news. This study would seem to indicate that only the medium choice has changed not the interest level.



7. Nearly one in three teens reported signing up for email newsletters from advertisers and over 25% say they have visited an advertiser's web site with nearly as many saying they have clicked on a hot link (24%) or clicked on an ad banner (18%). While few (9%) reported participating in a moderated chat with an advertiser, over 50% think that candidate's web sites should include teen

chat rooms. Strength of celebrity endorsements seems to carry over from traditional media.



The E-Voter Second Annual Teen Survey was conducted in cooperation with Presidential Classroom and AOL Time Warner. Survey included 370 teens ages 14-19 from around the U.S.

Year of Birth

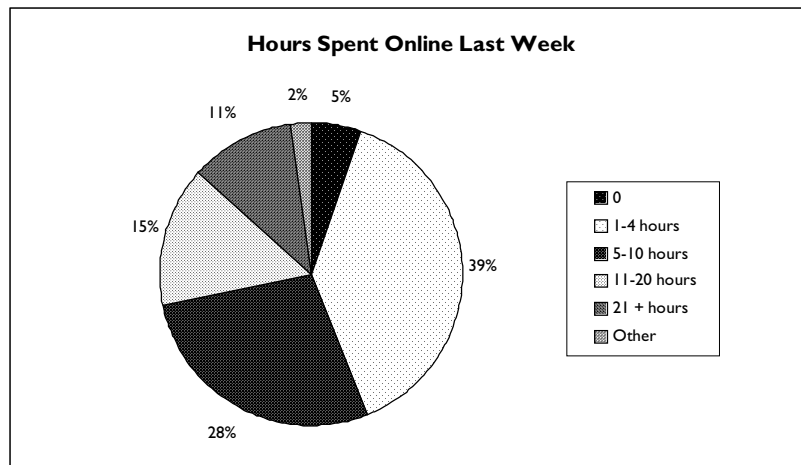
| | |
|------|-----|
| 1983 | 3% |
| 1984 | 28% |
| 1985 | 31% |
| 1986 | 8% |
| 1987 | 14% |
| 1988 | 16% |

Respondents were recruited through email requests to the Presidential Classroom qualified list and links from a variety of locations on AOL including the Teen Channel, the Election Guide 2002, and the Student Mock Election. The Second Annual E-Voter Teen Survey ran from September 29- November 4, 2002. All participants were protected by established Internet confidentiality standards.

It should be noted that students who graduate from Presidential Classroom demonstrate a heightened interest in the American political process and community affairs, along with a wider perspective on the country's pressing issues and greater respect for other's viewpoints. For over 35 years, Presidential Classroom, a non-profit, non-partisan civic education organization, has provided more than 100,000 top high school students from the U. S. and abroad, unprecedented access to the Federal government, and the people who shape public policy. Aimed at high-achieving students seeking a unique and challenging leadership development experience, Presidential Classroom scholars must be high school juniors or seniors with at least a 3.0 grade point average.

Teens recruited through links on AOL represent a broader range of interests from a larger cross section of U.S. teens.

While not statistically representative of the universe of all high school students, these results are a window into the next generation of voters.



**REPORTS ON
ELECTION 2002**

CHAPTER 3. EMBRACING CHANGE IN POLITICAL CAMPAIGNING

Christopher M. Schroeder

Washingtonpost.Newsweek Interactive

In the online world, 2002 will almost certainly be remembered as the year when mainstream advertisers began to embrace the interactive power of Web. Unfortunately, the same cannot be said for political advertisers.

Whether it began with the cool debate performance of John Kennedy, or the shivering drama of Lyndon Johnson's "Daisy" commercial, television has been the central means of political communications for decades. And while it is increasingly clear that its effectiveness has been significantly undermined by the deluge of commercials that voters face when an election approaches, television remains at the center of political campaigning.

The television battle that candidates now wage is not unlike the Cold War arms build-up of the 1980's – candidates engage not because doing so will necessarily catapult them to victory, but not to do so in the face of any opponent's onslaught would ensure defeat.

And like the Cold War, the reliance on television is a tactic that is deeply rooted, but ultimately unsustainable – particularly in the face of new technologies such as the Web, which offer far more powerful and less cluttered ways of delivering a political or advocacy message.

As is often the case, voters are actually well ahead of campaigns when it comes to understanding the future of politics. A recent University of California study showed that fully half of online news users say their vote in an election was affected by online information. More than 50 percent of all online adults say that they use the Web for political purposes.

Meanwhile, Americans' use of the Internet continues to grow at an extraordinary rate. Over 160 million are now online – and these people spend nearly five hours less per week watching television than their offline counterparts. And for advertisers, perhaps even more disconcerting than the clutter of political ads on television is the fact that 40 percent of viewers leave the room during commercials, while online users are glued to their tasks.

In addition, over the last several years, and during the last year in particular, the Web has grown exponentially as a top source of news and information. Every

The television battle that candidates now wage is not unlike the Cold War arms build-up of the 1980's – candidates engage not because doing so will necessarily catapult them to victory, but not to do so in the face of any opponent's onslaught would ensure defeat.

post-September 11 study has shown that the Internet was second only to television as the most used news source. Traffic to news sites was growing dramatically before then, but the attacks and ensuing war have demonstrated just how vital Internet news has become in our lives.

Despite the slow uptake in Web usage by political and advocacy campaigns, it has become increasingly clear that the Web can – and eventually will – become one of the most important tools for winning elections.

The research clearly proves the Web's value as a widely used and increasingly vital information source, but can we also say that the Web has arrived as the next great political advertising platform? A review of the most recent elections shows that very few campaigns spent significant amounts of money to advertise online. And while most candidates have recognized the importance of having an informational Web site, only a handful truly use the Web as one of their top outreach, fundraising or organizing tools.

Despite the slow uptake in Web usage by political and advocacy campaigns, it has become increasingly clear that the Web can – and eventually will – become one of the most important tools for winning elections.

For political campaigns, it is not only the raw number of people who can be reached through the Web that is important. Historically unprecedented political advertising opportunities are being created by the combination of the Web's incredible reach with its interactive features and targeting capabilities.

The Web allows for powerful interactive advertising vehicles that truly grab the attention of voters and present them with both broad messages and specific calls to action. Research conducted for washingtonpost.com advertising clients has shown that well designed and executed online campaigns can lead directly to dramatic increases in message association. At the same time, advertising done for our retail clients has driven consumers into stores at rates that surpass other forms of advertising. For a political candidate, message association is obviously critical, and the Web offers "branding" power that can surpass television. But the Web can also clearly serve as a vehicle to drive specific actions – whether it's getting consumers into a specific retail store, or getting voters to contribute to a specific campaign, vote for a specific candidate or volunteer for a specific campaign.

In addition, no other medium allows for the intricate level of targeting – by any number of demographics – that can take place on the Web. At washingtonpost.com, we recently launched a simple, mandatory user survey that collects age, gender and zip code information for all of our users. These three points of information

alone can provide a political campaign with an incredibly accurate way to reach and deliver a custom message to a specific segment of the electorate that is needed to win their race.

While the reliance on the 30-second television ad will not easily be changed, the uniqueness of the Web's capabilities leads to the conclusion that online political advertising will increasingly cut into dollars that have been spent on television and other traditional media.

In the corporate world, most analysts who have interviewed advertisers after September 11, 2001, predict that the Internet advertising market will triple in the next three years. Perhaps most importantly, traditional companies now make up 60 percent of online advertising, showing that the void left by bankrupt dot-coms has been filled by companies with staying power. These companies are spending, on average, nearly two-thirds more on Internet advertising than they did a year ago.

Political campaigns are conservative by nature. There is simply too much at risk, and dollars are often too scarce, to try radical tactics. However, the broad acceptance of online advertising by traditional corporate advertisers will provide a key catalyst for acceptance by political candidates.

The advent of a new medium is an opportunity afforded only once every other generation or so. Unprecedented rewards will be reaped by those in the political world who follow the audiences and their behavior, who listen to the now undeniable research on the branding and direct response power of the Web, and who have the patience to build the powerful, interactive advertising products.

However, the broad acceptance of online advertising by traditional corporate advertisers will provide a key catalyst for acceptance by political candidates.

Christopher M. Schroeder is CEO and publisher, Washingtonpost.Newsweek Interactive, which publishes washingtonpost.com and Newsweek.MSNBC.com. Schroeder previously worked for President George H. Bush, serving both on the campaign and in the administration.

CHAPTER 4. 2002: THE YEAR OF DRIVE-BY DEMOCRACY

James Vaughn
America Online

The novelty of the Internet seems to be wearing off. The browsers and surfers are still to be found, but the Internet now seems to attract more convenience shoppers than window shoppers – the 7-11 pick up versus the mega mall stroll. This trend developed over the last few years, but became more apparent in studying the traffic to AOL Time Warner election season online coverage.

The product, which launched in September 2002, was a combined effort by CNN, Time, AOL and several other content and technology partners offering a one-stop location for news, analysis, community and information on candidates and issues based on the visitor's ZIP code. This content was organized into eight categories, four nationally focused topics including, "Hot Races, Issues, Commentary and Community;" and four locally focused topics including My Candidates, Candidate Views, Voter Services and Find Other Races." The localized content drew 35% of the page views; while the national content page view traffic was double that. As might be expected, the localized content pertaining to; "who is on the ballot, what do they stand for and where do I vote?" drew the most traffic in the final days and hours leading up to the closing of the polls. The national focus on the "horse race" aspect of Election 2002 ramped up as Election Day grew near.

Far more visitors viewed the quick summary of the hot races than those who read individual in depth news stories...

In both cases, it was obvious from analysis of the traffic at pages that people were looking for the quick fix. Far more visitors viewed the quick summary of the hot races than those who read individual in depth news stories or analysis. The same was true of issues both nationally and by candidate. Further analysis showed that quick news stories received more traffic than in depth analysis pieces from Time and those who participated in the "Community" area featuring ways to interact with others online about election issues preferred quick polls to message boards. And those who did post on message boards tended toward quickly dashed off sentences or even phrases versus longer diatribes seen in other message boards. The greatest concentration of traffic appeared on election day and especially election night as voters and non-voters alike sought out the results of the election and control of Congress for the next two years. Information is not available on traffic numbers to candidate web sites, but one could venture to estimate that traffic was low to the candidate sites and probably did not go much deeper than the main page.

It would seem that the online medium is tracking fairly well with other traditional media in audience interest and awareness. Voters aren't interested or paying attention to the election until a few weeks out. One might say argue that interest increases as the media increases the number of print, radio and television stories. However, the candidate ads began appearing early and in large numbers in many parts of the country according to anecdotal and varied press accounts. And web sites have generally been available almost immediately upon filing for most candidates with no discernible increase in search requests according to AOL Search reports for the 2002 Election season. This trend was true in 2000 as well, in fact, there were nearly more search requests related to campaign 2000 after the election than before.

What does this mean for campaigning on the Internet in 2004 and beyond? First of all, just as campaign mail and television ads attempt to break through the clutter offline, online political communications need to find ways to break through the online noise and the spam to find an audience in order to be effective. One of the important lessons learned in this election offline was one that can be applied online. Don't ignore the grassroots and depend on TV ads and money to win an election. The online campaign of the future will leverage the tools to find ways to help facilitate communication between candidate and citizen and between citizen and citizen. Websites must become a hub of activity like a virtual campaign office rather than a destination or on demand campaign commercial.

The one bright spot of online campaigning thus far has been much less reliance on attack or comparative advertising.

Secondly, just as the telephone has become more of an instrument of convenience rather than socializing, so too the Internet is rapidly becoming a tool used to maximize time. Visitors to the web don't want "search" anymore; they want "find." They want information served up the way it is delivered, in short small packets with the option to delve further depending on time and interest. If they vote at all, they want fast easy answers to the same questions: "Who is voting, what do they stand for and where do I vote?" Citizens recognize the importance of

civic participation and will reward those who can help them fulfill their duties in the shortest simplest way possible. This is why e-mails to Congress (versus hand written letters or even phone calls) have exploded in the past year. The anthrax scare certainly may have contributed to that, but there should have been more of a fear to receive letters from Congress than to send them. It is probably the ease of communication provided by the Internet that drove this.

The result of this is we are becoming a nation of those engaging in acts of "drive by democracy." This is defined as acts taken by citizens that involve the least amount of effort possible, and are harder to trace back to the source. We seek to meet

our minimum civic responsibility in the least demanding manner possible. Polls take the place of debate and e-mail substitutes for dialogue. Many will argue that anything that increases participation is a good thing, and the Internet is often touted as the path to “true democracy.” This is true only if it leads to a more informed as well as active citizenry.

As the Internet matures, we should be conscious of the opportunity available for campaigns and elections. The largest loophole in the McCain – Feingold Campaign Reform Act (if it is upheld) allows for campaign spending online. Will there be a rush of dollars resulting in a flood of the equivalent of 30 second attack ads and junk mail all of which will be as ignored or despised as its offline cousins? Or will we design new means to take advantage of the short attention span of today’s harried citizens to create compelling quick bites and packages that present opportunity for further information, reaction and action.

The Internet holds great promise to change the tone of politics while engaging more citizens than before ...

The one bright spot of online campaigning thus far has been much less reliance on attack or comparative advertising. Because a voter seeks a web site out, candidates tend to put their best foot forward and refrain from the negativity seen on easier to hide behind television spots or campaign mail. It’s true there are negative web sites out there, and no doubt it is easier to hide who is behind them. Until the web comes up with a way to push web sites at a voter, the current positive environment on the web shows promise in staying that way until we figure out how to spoil it the way we have TV, radio and mail. It’s not that negative attacks don’t work, they obviously do, but there exists an opportunity to find ways to do it differently while being just as effective.

The citizens of the republic want to fulfill their civic responsibility as they do their other responsibilities as good citizens, but the experience of the recent election shows they want to do it the easiest way possible. Campaign experts can try to change that or accept it and find ways to satisfy it in a way that benefits both sides of the political relationship. The Internet holds great promise to change the tone of politics while engaging more citizens than before in the process in a time schedule and manner that meets their lifestyle. The challenge to those in the professional campaign area is to use the medium to create a culture of positive citizen convenience or aid and abet in further acts of drive by democracy and virtual citizenry.

James Vaughn is the Director of Government and Politics at AOL Time Warner.

CHAPTER 5. “YOU’VE GOT VOTERS” THE EFFECTIVENESS OF ONLINE POLITICAL ADVERTISING ACROSS AOL TIME WARNER

Michael Bassik and Joe DelGrosso
America Online

Introduction

2002 proved to be the most expensive midterm election season in history, as candidates flooded the airwaves with over \$1 billion in television ads. Despite this unprecedented increase in broadcast expenditures, online advertising in the last cycle was estimated at less than one tenth of one percent of campaign budgets. While candidates have started to use interactive websites as a way to communicate directly with the electorate, they fail to see the Internet as a useful advertising medium, capable of reaching millions of voters in compelling and innovative ways.

However, a handful of campaigns at all levels of the ballot took the plunge and tested interactive advertising across a variety of AOLTimeWarner online properties. Nominal investments turned out to provide compelling success stories, as candidates realized for the first time that online ads are a cost-efficient way educate the general electorate and energize a particular party base. What follows is a review of important elements to keep in mind as political consultants and candidates plan for the next election.

The Final Push

Political ads appearing in the final days leading up to the election proved to be the most effective in terms of generating voter interest, indicating that campaigns should prepare to have a large Internet presence six to eight weeks prior to primary and election days.

AOL users were particularly interested in election-related advertising and content between November 2nd and 5th, as members set new records in just about every category of usage, including hours spent on AOL, number of unique online sessions, simultaneous members logged onto the service, and websites visited. Click-through rates on political ads running across AOLTimeWarner online properties increased as Election Day approached, suggesting that as the moment of decision nears, online users become increasingly interested in learning about candidates and their platforms.

Creative Messaging

In order to help candidates and their advisors overcome difficulties posed by the Internet’s novelty as a communications vehicle, AOL’s Creative Development Team built the majority of political ads in-house. Ads were designed with specific goals in mind, ranging from driving traffic to the candidate’s web site to increasing name recognition and influencing women and seniors.

It quickly became apparent that the best performing ads were those that placed the candidate's name along side a brief list of key issues. These banners were designed with branding in mind so that they resonated with voters even if they were not clicked on. Ads containing clever design outperformed standard animated banners as well as rich media ads, indicating that rich media is not always the best way to inform voters and drive site traffic. Simple ads performed exceptionally well, with comparison and humorous ads performing slightly better.

One campaign generated a great deal of attention for its use of comical imagery and messaging in its online advertisements. Democratic gubernatorial candidate Tim Hagan's ads featured photos of his competitor, incumbent Governor Bob Taft, on the body of a duck. The banners, entitled "Taft Quack," generated click-through rates as high as ten percent across CNN.com and TIME.com, and also spawned free media attention for the candidate.



It's More Than the Click-Through Rate

Click-through rates are one indicator of an ad's overall effectiveness. However, ads that are not clicked on are still remembered by voters, especially when they are designed to convey a salient message in the banner. A good example of this was Sarah Zabel's ad campaign during her victorious runoff election for the Miami-Dade Circuit Court Judgeship.

Zabel purchased two campaigns on AOL after noticing a huge jump in name recognition just days after her first ads began appearing on sites such as CNN.com, Parenting.com, Fortune.com, and the AOL News Channel. The ads did not receive extraordinarily high click-through rates, but in Zabel's name recognition continued to soar in tandem with her increased online ad presence.



Strategic Placement

Online advertisements are only as effective as the inventory in which they are placed. In selecting ad positions, campaigns worked with online media planners to identify areas that provided both effective and efficient messaging opportunities to reach voters in specific geographic regions and demographic groups.

Ad planners also matched placements to the campaign's specific messages. For example, Jim Talent's successful campaign for senate in Missouri received an added boost after ads mentioning his position on healthcare ran on health related sites, such as Health.com, AOL Health, and CNN Health. Click-through on Talent's 120x600 tower banners in health inventory received 4% click-throughs on the day

before the election, whereas the same ads running in non-contextual areas generated .75% click-through rates.

Similarly, Jim Irvin's online campaign for Corporation Commission in Arizona featured a number of tower ads that included photos of his family. While these ads generated above average click-through rates on sites like CNN.com and Mapquest.com, they generated outstanding click-rates above 4% on Parenting.com targeted to Phoenix voters. Placing contextual images within banners is clearly a strategy that should be emulated in the future. Jim Irvin's success on Election Day also shows how down-ballot candidates can use the Internet to generate name recognition and impact voters.

Opportunities in Tight Races

In the aftermath of the unprecedented Republican victories across the nation, *Media Magazine* advised Democrats to "consider what some GOP candidates have discovered since last Tuesday: It's the Internet, stupid." Post-election research shows that Republicans in close elections benefited greatly from their online advertising efforts, especially in states where the Republican candidate was outspent by the Democratic challenger. Of the ten different senate campaigns that advertised online with AOL Time Warner, six were decided by less than ten percent of the vote. In these close races, the candidate who spent more in online advertising won 67% of the time.

Candidates locked in tight races should consider using the Internet to break through the clutter and gain added reach and frequency amongst likely voters.

As an example, Republican Jim Talent ran a vigorous online



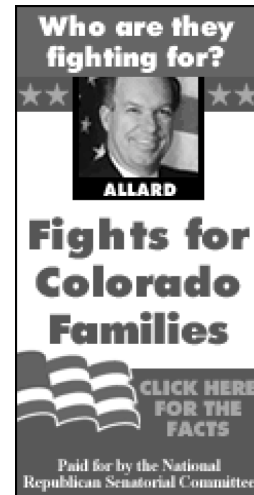
advertising campaign with America Online that helped him win a tough Senate race against incumbent Jean Carnahan. Talent's ads began running across AOL Time Warner online properties on October 15th, 2002. Banners focused on the top issues: protecting Social Security, providing healthcare for seniors, fighting for farmers, and improving education. Talent purchased a total of 890,000 impressions on a variety of sites, including CNN.com, Parenting.com, Time.com, the AOLTW Election Guide, and the America Online service. On October 30th, AOL optimized the online campaign based on results from internal ad effectiveness tests and increased click-through by 237%. Four days before Election Day, the National Republican Senatorial Campaign worked with Campaign Solutions, an online consulting firm, to independently purchase 843,000 ad impressions comparing Talent's policies with those of Carnahan.



In total, over 1,733,000 ads ran on AOL that mentioned positive messages about Jim Talent. On September 22nd, the Associated Press reported that polls showed Talent trailing Carnahan by eight points. On November 5th, despite being outspent by over \$4 million, Talent was declared the winner of this exciting race by a margin of just 22,586 votes. In such close elections, the Internet's ability to provide added reach and exposure can clearly make a difference.

In another example, Incumbent Senator Republican Wayne Allard staved off defeat from Democrat Tom Strickland, the man he beat in 1996, to become Colorado's Senator. Allard trailed Strickland just five days before the election. With little time to spare, the National Republican Senatorial Committee, again working with Campaign Solutions, purchased over 900,000 banner impressions across AOL Time Warner.

Advertisements linked directly to www.thestricklandreckord.com where voters were exposed to short stories pointing out Strickland's position on environmental issues. On November 4th, the NRSC's ads running on CNN.com generated a 1.54% click-through rate and ads running throughout the AOL News Channel garnered click rates in excess of 2.1%. Allard's approval ratings began to climb just as the NRSC's online campaign began. *USA Today* noted that Allard, "who had trailed in many polls, ended up winning a come-from-behind re-election victory." Perhaps the Internet's ability to message under the radar was the crucial factor in Allard's success in this close race.



Planning Ahead is Essential

Campaigns need to include online advertising as component of their overall media budgets. Towards the end of Election 2002, many candidates wished to advertise online to reach undecided swing voters and rally their base supporters, but with ad budgets already allocated to television and other offline media, there was simply no additional money left for the Internet. Taking advantage of what has been learned in this election cycle means that the funds need to be available.

Like in traditional media, there is often a dearth of locally targeted ad slots. While running ads in the final days before an election is a great way to reach voters and break through the clutter of television and radio, waiting until the very last minute to do so can mean limited inventory and rushed planning and creative development. Campaigns should plan ahead to secure the most compelling ad placements at the lowest prices.

Give Online Advertising a Piece of the Media Pie

Campaigns are constantly faced with tough decisions regarding the way in which they allocate their media budgets. Hopefully the lessons learned in Election 2002

convincingly demonstrate the importance of including online advertising as part of the overall media budget and not just as a sub-category of web related activities such as building and maintaining the candidate's web site.

Sixty percent of the American population currently spends over an hour online everyday, actively searching for news, information, and entertainment. As online media consumption grows, so will the need for candidates to find ways to effectively use the Internet as a communications tool and an advertising medium. While recent results indicate a particular strength in close races and in the final days before the election, budgeting for the Internet should be considered as part of overall spending to make the greatest impact

Michael Bassik is a Manager in the Media Strategy and Development Group at America Online where he spearheads online political advertising initiatives across AOL Time Warner. He is also the author of "The Effectiveness of Online Political Advertising," which was written as a senior honors thesis at the University of Pennsylvania. His analysis is available online at domesticpolicy.com. Michael can be reached at mbassiknyc@aol.com.

Joe DelGrosso also contributed to this analysis. Joe is a Senior Vice President of Strategy and Business Development at America Online. He has extensive background in political media strategy and campaign development in broadcast and print media and serves as the key point of contact in developing political and issue-advocacy initiatives for AOL. Joe can be reached at joedeldci@aol.com.

CHAPTER 6. THE ARIZONA STORY

Interview with Bill Caspare

db Associates

While activities in several Arizona races are mentioned throughout E-Voter 2002, it is important to identify a pioneer who makes his home in the Phoenix area and spent many hours in the last election cycle trying to break down resistance to using the Internet and win some close state-wide races.

The races were for Governor, Secretary of State and Arizona Corporation Commission. As part of the db Associates online strategies for these candidates, Klipmart technology was used to re-purpose television and radio ads to create video and audio online banners that were placed on the Arizona Tribune web site and other local newspaper sites. AOL Time Warner sites were also selected to target voters geographically. The audio banner was particularly effective, perhaps because it used John McCain's voice to endorse a candidate

Polling data released November 4, 2002 revealed all three candidates lagging behind their opponents. Two of the three were declared winners while Matt Salmon, candidate for Governor, lost in a very tight race.

Bill Caspare, said, "There is no doubt that these online campaigns had a discernable affect on the final results."

Bill is not anxious for others to follow in his footsteps. That would just drive the costs higher for prime advertising space on sites that can target geographically. Your secret is safe with us Bill.

Bill Caspare, said, "There is no doubt that these online campaigns had a discernable affect on the final results."

CHAPTER 7. GOP UNPLUGGED ON THE BAYOU: SUZITERRELL.COM FAILED REPUBLICANS

Rand Ragusa

Voter Interactive

Predicting the future of Louisiana's GOP in the aftermath of the 2002 Senate race will be harder than picking a winning number at the roulette table. Both online and offline, President Bush's election mojo vanished in the bayou as Democrat Sen. Mary Landrieu defeated Republican Suzie Terrell by 40,000 votes.

One of the reasons Suzie lost was because she failed on the Web. From the beginning, it was one mistake after another, as her team struggled to learn Internet and email publishing. Their first website developer supposedly took seven weeks (three weeks past due date) to deliver a poorly designed site that didn't work – with less than two months until the election.

The Nightmare Begins

Suzie Terrell was furious. After the first SuzieTerrell.com was scrapped, the second vendor took a decidedly mainstream approach – and delivered a “rush job” with minimal features in just one week. RNC, RSCC and Bush officials were banking on Suzie becoming Louisiana's first Republican Senator since 1870 – but there was little they could do to fix her failed online strategy.

To make matters worse, Terrell's campaign manager then picked an inexperienced college student (volunteer) – who had never built a website or managed an e-marketing campaign. By the time the national party focused in on Louisiana, it was too late...the damage had already been done.

Despite serious grumbling among the GOP ranks, Terrell's campaign decided against investing any money to improve SuzieTerrell.com before the runoff. The site was supposed to serve as a communication tool to distribute messages, mobilize supporters and demonstrate progress. Instead, Suzie's image suffered as more and more people visited her site.

Broken Promises

The RSCC had wanted to purchase banners on AOL for weeks during the runoff. Their strategy was simple: even though the site was aesthetically bad, they'd boost Suzie's brand awareness online by geo-targeting AOL's Louisiana subscribers who are registered voters...and hope Louisianans wouldn't notice the lack of quality.

Despite serious grumbling among the GOP ranks, Terrell's campaign decided against investing any money to improve SuzieTerrell.com before the runoff.

But since the site's homepage didn't provide an "email-a-friend" feature, and was prominently displaying a broken "ePostcard" link (which said "Sorry, under construction!"), RSCC officials were forced to wait.

The Terrell folks never launched their much anticipated "ePostcards" feature. With just three days remaining before the Dec. 7th election, the campaign finally yanked the huge ePostcard button off their site.

Don't Underestimate the Internet

During most of this year's midterm Senate elections, publishing (updating/expanding)

During most of this year's midterm Senate elections, publishing (updating/expanding) campaign content on a daily basis became a common practice – and a competitive requirement.

campaign content on a daily basis became a common practice – and a competitive requirement. But as you'll see below, Suzie's team failed to grasp the online publishing concept, by not updating SuzieTerrell.com and capitalizing on the flow of national publicity.

LAGOP's lack of online tactics in 2002 does seem to set them apart from their national party, and could have very well cost them a US Senate and House seat. Party loyalist point out that SuzieTerrell.com was a fluke, and that overall, the Republicans have a more professional approach to the Web and email than Democrats.

Regardless of who's to blame, the fact remains Terrell spent \$15 million on TV and direct mail to unseat Landrieu, and less than \$5,000 online. More than 70% of their overall media spending went to TV and .033% on the Internet. The imbalance of Terrell's budget cost Republicans everywhere – but Suzie was the one who ultimately paid the price.



Thirteen Unlucky Shortcomings of the e-campaign for SuzieTerrell.com

1. No credit-card donation processing capabilities
2. Suzie's TV commercials & printed materials failed to feature "SuzieTerrell.com"
3. Failed to highlight White House endorsement link on website & eNewsletters
4. Only 8 Campaign News Releases posted in 3 months, none highlighting Bush's visit
5. Only 5 eNewsletters sent during four-week runoff, none the last two days and failed to update Newsletter Archive section
6. No auto-response "thank you" email message sent to new eNewsletter & Volunteer sign-ups
7. Nov. 22nd eNewsletter had no text in the "subject line" and Dec. 5th eNewsletter weighed 131K (huge) & used 36 size font (again, huge)
8. All site copy was written in the smallest font available: 7.5 text size
9. Featured broken "ePostcard" link on homepage up until three days before the election
10. Suzie's "BIOGRAPHY" link featured an amateurish Photoshop version of her photo
11. Photo Gallery featured 4 photos from the 90's & none from the '02 campaign trail
12. Never did fix broken "Feedback" link during runoff
13. "CAMPAIGN MESSAGES TV/RADIO/PRINT" button only featured one TV spot

Now that the fight is over, Senator Landrieu should email Suzie a thank you note on one or her sugarcoated ePostcards.

Bottom-line: In their post-election reviews, the Republicans (and Democrats) should use SuzieTerrell.com as a case study of what not to do online.

Rand Ragusa lives in New Orleans and is the President of Voter Interactive, a non-partisan, Internet-focused political research and strategy firm.

CHAPTER 8. NO, REALLY, THIS ONE'S A NET ELECTION HOW TO TELL IF THE INTERNET MATTERED IN 2002

Nicholas Thompson

The following article was reprinted with permission from Slate Magazine on MSN.com. The article was originally posted Monday, November 4, 2002, at 9:31 AM PT on slate.msn.com

Political pundits proclaimed 1996, 1998, and 2000 as the first Internet elections, but there wasn't much to it. True, John McCain and Jesse Ventura used e-mail and the Web to mobilize supporters, but most candidates just propped up Web sites resembling online yard signs and went back to offline campaigning. Bob Dole may have gotten 2 million hits the day after mentioning his Web site during a 1996 debate, but its most interesting feature was an online crossword puzzle (4 Across: Name Dole's dog) that surely didn't swing many votes.

But in this year's midterm elections, a broad swath of candidates has discovered that information technology can be enormously effective in organizing get-out-the-vote efforts, precisely targeting likely voters, and getting information quickly to core supporters. As a result, the 2002 election might be the one where the Internet proves its political potential.

Take Texas' Tony Sanchez, the Democratic candidate for governor. His volunteers have ditched their clipboards and instead port around Palm M105s. They interview voters, note their answers with styluses, and upload the data to campaign command central. Undecided voters receive a slew of phone calls and e-mails about the issues that matter most to them. Supporters will get automated messages on Election Day that announce their poll locations, offer van service to get them there, and beseech them to call and e-mail their friends.

The Palm data on every voter contacted by Sanchez's volunteers is made available through an intranet to campaign offices across the state. Campaign workers in Odessa can log on Tuesday and find up-to-date information on all the Sanchez supporters on the Odessa Jackalopes or all the undecideds in their neighbor's apartment complex. On Tuesday, the campaign's field workers will e-mail precinct turnout data to headquarters, so central command can decide in real time where to focus get-out-the-vote energy.

Candidates have done this sort of stuff for centuries. Sanchez is just doing it vastly better, faster, and more efficiently than Boss Tweed or Bill Clinton could have. As the campaign says, it's "grassroots politics on steroids."

...a broad swath of candidates has discovered that information technology can be enormously effective in organizing get-out-the-vote efforts, precisely targeting likely voters...

But will it matter? Below are eight races, including Sanchez vs. Perry, where one candidate has integrated information technology more fully and more smartly than his or her opponent. Many of the candidates with the best technology aren't on the list—for example Bill Simon and Gray Davis in California—because they are running against each other and cancel each other out. Other interesting candidates aren't included because they are irrelevant—such as Tara Sue Grubb, a libertarian congressional candidate in South Carolina who publishes a personal blog called tarasue4u.

If technology makes a difference, and if the conventional wisdom hasn't adequately accounted for it, then each of the wired candidates should exceed expectations on Tuesday.

If technology makes a difference, and if the conventional wisdom hasn't adequately accounted for it, then each of the wired candidates should exceed expectations on Tuesday. To be sure, the Net won't make all the difference in these races. After all, the race with the biggest gap between the candidates' Internet strategy was between the technophile Paul Wellstone and Norm Coleman. And we know that forces beyond the Internet will decide that one.

Check on Wednesday to see how many of these eight predictions come true. If six or more do, let's designate 2002 the year of the Internet. If not, let's wait till next time.

1. Texas Governor: Tony Sanchez (D) vs. Rick Perry (R)

Sanchez isn't just uploading voter info. He has also used his Web site to spin reporters in real time during a debate and to help supporters figure out how to vote early. He has built small sites targeted to specific voting populations, a site devoted to refuting his opponent's attacks, and sites for constituent groups. He has even built a very funny video game. Perry isn't a Luddite, and he has copied some of his opponent's moves. But Sanchez has the best Internet strategy of 2002, and it should give him a boost.

Conventional wisdom: Larry Sabato's Crystal Ball says that the race is "Likely Republican," the Political Oddsmaker favors Perry by 9 to 7, and the most recent poll puts Perry up by 15 points.

If being wired matters: Sanchez loses by less than 10 or even wins.

2. Florida Governor: Jeb Bush (R) vs. Bill McBride (D)

Unlike his older brother, Jeb Bush is a bit of a geek who has used the Internet since the early '90s. He has built one of the best Web sites in the country and has been aggressively and bilingually soliciting folks online to volunteer for his campaign and to work on Election Day.

Conventional wisdom: Sabato says the race “leans Republican,” the Oddsmaker picks Bush 20 to 19, and recent polls are mixed, though Bush appears to have a slight edge.

If being wired matters: Jeb cruises by five points or more.

3. Control of the House

The Republicans are more wired than the Democrats. They are richer and much smarter about technology, at least among the House leadership. Type “house of representatives congress republicans” into Google and you find GOP.gov, where you are greeted by news about the war on terrorism and have access to 1,694 informational e-mail lists. The House Democratic Caucus site is vastly inferior.

The Republicans have also figured out more creative ways to advertise online (check out this fund-raising appeal from J.C. Watts) and to get out the vote. In Illinois, for example, House Speaker Dennis Hastert has organized an online 72-hour strike force to rally troops electronically on Election Day. This party advantage disappears in the Senate, where individual candidates matter more, but it should swing a few House races the GOP’s way.

Conventional wisdom: Sabato gives the Republicans a tiny edge and the Oddsmaker favors Republicans to retain control of the House 12 to 11.

If being wired matters: Republicans add a couple of seats to their majority.

If an undecided voter comes to the page on Election Day and wants to know about the candidate’s environmental record, a staffer can e-mail back prepared text, answer questions live, or even direct the visitor to a page with relevant info.

4. Tennessee Senate: Lamar Alexander (R) vs. Bob Clement (D)

Alexander was an online innovator when he ran for president in 1996 and 2000, and he’s at it again with the same Web site: lamaralexander.org. Neatest of all, he’ll soon be unveiling a new technology called “Groopz,” which allows visitors to the Web site to have live chats with campaign staffers and volunteers. If an undecided voter comes to the page on Election Day and wants to know about the candidate’s environmental record, a staffer can e-mail back prepared text, answer questions live, or even direct the visitor to a page with relevant info. Bob Clement has a big picture of himself on his site.

Conventional wisdom: Sabato calls the race “likely Republican,” the Oddsmaker favors Alexander 5 to 4, and the most recent polls gives Alexander a 10-point lead.

If being wired matters: Alexander wins by 15 points or more.

5. Maine Senate: Chellie Pingree (D) vs. Susan Collins (R)

Pingree started her campaign by sending e-mails to supporters while shackled up on a small island off Maine's coast. She has put huge resources into building an e-mail list, and her Web site focuses on bringing visitors into her campaign. Collins, meanwhile, took her time getting online, and until Monday, her Web site gave viewers the eerie sense that her campaign bus was about to run over her kayak. Perhaps reflecting that, Google shows that more than three times as many sites link to Pingree's site than link to Collins'.

...Google shows that more than three times as many sites link to Pingree's site than link to Collins'.

Conventional wisdom: Sabato calls the race "likely Republican," the Oddsmaker favors Collins 5 to 3, and the most recent poll shows Collins up by nearly 20 points.

If being wired matters: Pingree loses by less than 10.

6. Alaska Governor: Fran Ulmer (D) vs. Frank Murkowski (R)

The Alaska Democratic Party is an online mess. Senate candidate Frank Vondersaar announces on his cryptic Web site that he "is a Democratic candidate for the U.S. Senate, from Alaska. He is Pro-Jobs, Pro-Choice and Anti-Fascist." House candidate Clifford Mark Greene's home page proclaims, in all caps, "AT THE BEGINNING OF THE 21st CENTURY, OLD GUARD WANTS WORLD TO HOLD ON TO NUCLEAR ARSENALS, DOES NOTHING ABOUT GLOBAL WARMING."

This makes it all the more impressive that Democratic gubernatorial candidate Fran Ulmer has made sure that contact information and state voting records are accessible to her campaign workers through an intranet. She has also built a fairly good Web page with easy-to-find volunteering and contact information.

Conventional wisdom: Sabato calls the race a toss up, the Oddsmaker calls it dead even, and current polls call it even, too.

If being wired matters: Ulmer wins.

7. Indiana 2nd District: Chris Chocola (R) vs. Jill Long Thompson (D)

Chocola has a first-rate Web site with links, volunteering information, and a nice photo of the candidate stepping out of Air Force One with the president. Long Thompson's bland Web site primarily tells you that she grew up on a farm and provides one prominent news link to an anodyne September press release announcing a "change in tone."

Conventional wisdom: Sabato says that the race leans Republican, the Oddsmaker calls it even, and the polls, which aren't as reliable in individual House races, are mixed.

If being wired matters: Chocola wins.

Chocola has a first-rate Web site with links, volunteering information, and a nice photo of the candidate stepping out of Air Force One with the president.

8. Kentucky 3rd District: Jack Conway (D) vs. Anne Northup (R)

Conway has built a substantial e-mail list of campaign supporters and is planning to position them around the district on Election Day to monitor turnout and get voters to the polls. He has also built a Web site that tracks his movements live in the final days. Basically, it's a Tony Sanchez strategy on the cheap.

Conventional wisdom: Sabato says the race is leaning Republican, the Oddsmaker picks Northup at 9 to 8, and the polls are mixed.

If being wired matters: Conway wins.

Nicholas Thompson is a Markle Fellow at the New America Foundation.

POSTSCRIPT

E-Voter Institute Editorial Note: If this measuring stick is accurate, then this was not the year of the Net Election. Only 2 of the mentioned races seemed to indicate that being wired mattered. The author said 6 of the 8 races needed to show the Internet advantage made a difference in order to declare this the break-through year. The outcome of each race has been noted below:

- 1. Sanchez lost by 18 points.***
- 2. Jeb Bush wins by 13 points. Being Wired Mattered.***
- 3. Republicans did not add any seats.***
- 4. Alexander wins by 10 points.***
- 5. Pingree loses by 18 points.***
- 6. Ulmer loses by 15 points.***
- 7. Chocola wins by 4 points. Being Wired Mattered.***
- 8. Conway lost by 4 points.***

Larry Purpuro *RightClick Strategies*

Leading up to the November 2002 mid-term elections, RightClick Strategies (RCS) evaluated the online programs of the six major national political committees. The purpose was to focus on the best practices of web development and e.marketing currently being explored in the public affairs market. These analyses, based upon a pre-established set of objective criteria, SiteREJU™, sought to provide readers with an unbiased, third party evaluation of already recognized and competing Web programs. Based upon industry studies and accepted e.marketing, usability and web design practices, the following section provides a synopsis of the collective findings of the analyses – both positive credits and negative liabilities.

Email Acquisition

At the time of this evaluation, five of the six committees were executing a regularly scheduled e.communication campaign. All five were also using HTML email technology. It is RCS' belief that the DNC has developed the most aggressive and sophisticated email acquisition and distribution campaign of all of the evaluated committees. The DNC site allows users to submit their email address on every one of the site's pages, but the contribution page. The committee was also using a pop-up window on its homepage to further encourage users to submit this information. Registration is succinct and to the point – requiring name, email address (automatically placed in the appropriate field after the user has initially submitted this on the homepage) and zip code. The DNC also uses different HTML email designs to spread its message. Besides a standard weekly e.newsletter template, there is an "ActionAlert" model, as well as another format, which the DNC alters slightly to reflect the content of a particular message.

The RNC also frequently segments its email list in order to send targeted messages based upon recipients' geographic location

Targeted Messaging

While the DNC has utilized its email acquisition techniques most aggressively, the RNC has used its email database to individually target its membership more than other committees. The RNC does not solicit email on RNC.org, but instead links users wishing to "Get Involved" to another RNC-maintained site, GOTeamLeader.org. Subscribers receive a weekly email newsletter from the RNC Deputy Chairman. Each has a personalized greeting. The RNC also frequently segments its email list in order to send targeted messages based upon recipients' geographic location. For example, recipients living in North Carolina have received regular messages from the NC state Republican chairman and other state GOP

notables regarding various state issues and candidates. Other committees have sent personalized messages, but the RNC is the only committee, to date, which has been observed to target its list.

Site Personalization

Both national committees – RNC and DNC – are currently utilizing technology that allows users to configure one or more web pages to suit their individual interests and/or geographic location. (The RNC does not offer this on its central site, RNC.org, but on GOTeamLeader.org.) The DNC website, www.Democrats.org, uses “cookies” that enable a number of personalized features to be used. A line of text welcomes already-registered users with a personal greeting (Hello, NAME!). A personalized web page, “MyDNC”, allows users to configure content to reflect their personal interests. Also, forms throughout the site are automatically filled in with prior-submitted information when the user enters a particular page. Likewise, registrants of GOTeamLeader.org may configure the website based upon state issues, federal issues, and are provided with links of locally elected officials and newspapers.

Studies have shown that, due to increased aggravation from spam email, a growing number of online users do read the privacy policy of organizations before submitting any personal information.

Privacy Policy

Five of the six committees evaluated offer a privacy policy on their site. The NRSC offers the most stringent policy, stating that it does not share information with outside organizations, other than select Republican Senate campaigns and state parties. Some other committees provide somewhat vague statements regarding the sharing of information with third-parties personal information is shared with. Studies have shown that, due to increased aggravation from spam email, a growing number of online users do read the privacy policy of organizations before submitting any personal information.

Site Management

At the time of this report, all of the committees evaluated showed a lack of a daily content management system. With elections approaching, and the political arena a hotbed for news in general, it is not for lack of material that the committees do not provide daily updates to their respective sites. It was not uncommon during the course of this study for material on homepages to be more than two weeks old. On some occasions, content was more than one month old. Of all those evaluated, the NRCC homepage design allows administrators the most leeway in keeping their sites up to date. The date on the site is updated automatically, which gives a sense of currency. Also, there are only two items on the NRCC homepage that

contain dated material – two linked headlines at the base of the page. The central focus of the homepage is not dated, and is typically changed weekly. (This area often reflects the weekly message of the House Republican conference.)

Search Engines

Only two of the evaluated web programs – DNC and DCCC – offer a search function on their sites. The DCCC site uses a search function on it that reflects much of the planning and organization that has gone into the building of this site. A query of a word or phrase will bring search results that are automatically broken down into the categories: news information, race information and candidate information. The whole of the DCCC site is consistent and organized throughout.

Online Fundraising

The DCCC's contribution page follows in this pattern. Users may click to the one-page contribution form from any page on the site. The security and policy policies are listed clearly, as well as directions for those who would prefer to mail-in their donation. Information requested is clear and to the point, and users can complete the transaction quickly and easily. The DNC

and RNC also provide a one-click/one-page donation opportunity. (The RNC function is hosted by a vendor. Visitors cannot donate on the RNC's other websites.)

Both the DNC and DCCC provide users with a very consistent program.

Navigation and Layout

A number of sites lack a consistent navigation and page design. Due to the use of numerous URLs, instead of one central URL, or because of different page layouts, a lack of consistency makes some of the web programs difficult to pilot through. Both the DNC and DCCC provide users with a very consistent program. Every page contains a similar layout, allowing users to concentrate on the information in front of them, rather than having to think about where they wish to go. Through this, these organizations stand the best opportunity of mounting successfully branded web efforts.

Larry Purpuro is the former Republican National Committee deputy chief of staff, and is founder and president of RightClick Strategies, a political e.marketing firm.

CHAPTER 10. STEADY USE BUT FEW NEW WRINKLES IN ONLINE CAMPAIGNING

Adam Graham-Silverman,
CQ Staff Writer

One of the first media ads pulled from circulation in the 2002 campaign for control of the House and Senate wasn't on television or radio. It was on the Internet, at democrats.com. Minnesota Democratic Sen. Paul Wellstone - who faced Republican Norm Coleman, the former mayor of St. Paul, before Wellstone's death in a plane crash Oct. 25 - bought a banner ad that linked to a donation page for his campaign.

The Wellstone campaign pulled the ad after it appeared on a page with a photo of President Bush on the phone aboard Air Force One on Sept. 11, 2001. The picture stirred controversy after Republicans included it as a gift for contributors, but the democrats.com page allowed visitors to add satirical captions to the photo. "Yes, it is terrible, terrible ... But OK, now how can we use this to our advantage?" said one. Though they pulled the ad, the campaign admitted it had helped them raise a considerable amount of money - just one way campaign battles have gone online as more politicians and voters embrace the Internet.

Overall, however, analysts said that this has not been a year of innovation for the political Web. "[The lessons of 2000] have become institutionalized and repeated in the 2002 campaign," said Steven M. Schneider, associate professor of political science at the State University of New York's Institute of Technology and a founder of politicalweb.info, a Web site that tracks online campaigning. "But the fact that we're not seeing innovations doesn't mean [the Web] is not important."

"[The lessons of 2000] have become institutionalized and repeated in the 2002 campaign..."

Schneider cited Libertarian candidate Tara Sue Grubb, who lost to Republican Rep. Howard Coble in North Carolina's 6th District, as one innovator this time around.

Grubb's site, www.tarasue4u.com, featured the candidate using a regularly updated Weblog to keep visitors coming back and offers online donation via Paypal, an online money transfer service. "The good news is that it's become a part of the process," Schneider said of the political Web. "Citizens expect a Web site ... and expect to find a basic set of features."

But not everyone met the threshold, according to Schneider's group. Fifty-nine percent of House, Senate and gubernatorial candidates had Web sites, about the same as in 2000. Incumbents were more likely than challengers to have sites, and Republicans were slightly more likely than Democrats.

The most popular features on these sites were biographical or issue statements about the candidates. About 80 percent of sites solicited donations and about half offered means to donate online, though direct mail and telephone solicitations are still the most lucrative sources of cash. Two-thirds of campaign sites offered opportunities for volunteers to sign up online; 47 percent asked for e-mail addresses for an electronic newsletter. Only 7 percent offered multimedia options online, while 1 percent had information about their campaigns' contributors.

As e-mail use has escalated, so have efforts to draw partisans in. When President Bush came to Missouri in March, Republican Senate candidate Jim Talent sent out an e-mail asking people to sign an online petition supporting Bush. The 2,500 people who logged their names qualified for a ticket raffle to a fundraiser Bush attended. In addition to the page views, Talent came out of the event with 2,500 e-mail addresses for future use.

Coleman's opt-out message raises privacy concerns, because it involves contacting voters who did not actively seek out the campaign.

In Minnesota, Wellstone's e-mail list had more than 26,000 subscribers, and his communications staff used the Web to send clips of local TV station reports on the race to reporters. Coleman and Wellstone also used the Web to stage a rapid-fire debate on the issues. The

day the Senate passed campaign finance overhaul, Coleman sent out a message challenging Wellstone to abide by some of its provisions. Wellstone fired back, starting an e-exchange that lasted the rest of the day.

Coleman, meanwhile, sent out messages asking supporters to contribute e-mail addresses to the campaign, which then said it would ask the addressees if they wanted to join his list. Coleman's opt-out message raises privacy concerns, because it involves contacting voters who did not actively seek out the campaign. The technique raises the spectre of e-mail's evil twin, spam, which caused trouble for some candidates.

One notable example came in California's gubernatorial campaign, in which Republican contender Bill Jones sent unsolicited messages to 1 million people four days before the March 5 primary. The messages, sent to a list the campaign purchased, were intended for Republican primary voters, but reached Democrats and people as far away as Canada.

Jones' deputy campaign manager told the Sacramento Bee, "This is an intelligent, thoughtful and appropriate way to campaign," but some took a dim view of the practice. The candidate's Internet service provider pulled the plug on his Web site. "Spam is the technique of a snake oil salesman," said one consultant. "Respectable brands are not using this technique."

Florida Republican Gov. Jeb Bush met similar accusations after capitalizing on an error by Bill McBride, his Democratic challenger. After McBride sent a message to supporters without concealing their addresses, Bush's campaign cribbed those addresses and sent out his own appeal. Strategists said that technique was more acceptable because the list had been published broadly, if unintentionally.

E-mail raises privacy issues besides spam. Webmasters have the ability to trace which links users click on in a message and to whom they forward it. Harvesting such information can help a campaign target specific messages to specific recipients, but could anger privacy-minded users.

One side effect of e-mail's proliferation is that reporters have become subject to more unsolicited messages from campaigns they do and don't cover, as their addresses are passed from campaign to campaign or plucked from Web sites.

Candidates continued to use the Web internally for organization and recruitment. Rod R. Blagojevich, who won Illinois' gubernatorial race, used the Web to collect turnout information on the night of the March 19 primary and organize a get-out-the-vote response in low-performing areas.

One trend that saw an increase was the use of opposition sites to criticize candidates and back up claims made in attack advertising on TV or radio. Most, however, were usually good only for one day's worth of publicity without consistent effort to keep the sites fresh.

Both sides weighed in with attack sites in the race to succeed term-limited Republican Gov. Gary E. Johnson in New Mexico. Democratic nominee Bill Richardson set up www.johnsanchezdidnotshowupforwork.com. As the name suggests, the site criticized Richardson's Republican opponent, state Rep. John Sanchez, for missed votes and meetings.

Sanchez established a site, www.richardsonscandal.com, that accused Richardson of involvement in corporate malfeasance. Both reinforce and document criticisms made by the campaigns' TV ads. Richardson eventually won the race, though he was considered the front-runner throughout. He also was one of several candidates to fall victim to cybersquatting. His opponents bought site names similar to the name of Richardson's official site and used them to funnel visitors to an attack site.

At the national level, the National Republican Senatorial Committee was responsible for several attack sites, including www.torricelliduck.com

One trend that saw an increase was the use of opposition sites to criticize candidates and back up claims made in attack advertising on TV or radio.

www.bradburyontaxes.com, www.washingtonwellstone.com and, after Wellstone's death, a site about his replacement: www.themondalerecord.com As was often true of TV ads, the NRSC shifted criticism of the sites away from its candidates and onto itself, claiming it paid for the sites and did not consult with the candidates.

While most such sites were accepted as part of the give-and-take of campaigns, two caused controversy. Ohio Democratic gubernatorial nominee Tim Hagan set up www.taftquack.com, which portrays Republican Bob Taft, who won a second term this year, as a duck to accuse him of avoiding tough questions.

That caught the attention of AFLAC, the insurer that runs TV ads featuring a duck quacking out the company's name. The company sued to try to block the site, though a judge ruled it did not violate any laws. AFLAC won a similar case in 2000 over a TV ad run in the Georgia Senate race.

The year also had its share of little gaffes.

Also, auction site eBay Inc. was considering legal action against unsuccessful California Republican gubernatorial challenger Bill Simon, who was behind www.egrays.org. That site played on accusations that Democratic Gov. Gray Davis' actions are tied to contributions. The site listed items for auction, imitating eBay's format. "RARE!

Dioxin Dumping Permission. Pump 400% More Cancer-Causing Chemicals into the San Francisco Bay!" said one, alluding to allegations that a chemical company's \$55,000 donation to Davis was behind a reversal of a strict emissions ruling.

The year also had its share of little gaffes. Prior to her elimination from competition at the state Democratic convention May 4, for example, Minnesota gubernatorial hopeful Judi Dutcher sent a message asking supporters to read a profile of her that was posted on Minnesota Public Radio's Web site. By the time the message arrived, however, the link in the message led to the next day's feature, a profile of one of her opponents.

Reprinted with permission from Congressional Quarterly (www.cq.com).

**REPORTS ON
BIPARTISAN CAMPAIGN
FINANCE REFORM**

CHAPTER II. CAMPAIGN FINANCE REFORM AND THE INTERNET: REAL-WORLD IMPACT

Joseph E. Sandler
Sandler, Reiff, & Young

In the E-Voter 2000 report, I made a few predications about the future of the business of politics on the Internet. While it is still far too early to tell whether, or to what extent, any of those predictions will come true, one thing can be said for certain at the end of 2002: the Bipartisan Campaign Reform Act of 2002 (“BCRA”), popularly known as the McCain-Feingold bill, will certainly help accelerate the use of web-based voter communications and voter contact operations in political campaigns. Three trends, in particular, are likely to be noticeably and quickly accelerated due in some substantial part to the impact of the new law:

I. Political advertising on the web

It is no accident that BCRA aims its heaviest ammunition at political advertising on television and radio. Fatigue and disgust with negative broadcast advertising, among the electorate and among elected officials, was a key factor in the enactment of the new law. At the end of 2002, increasing skepticism about the efficacy of broadcast advertising on the part of candidates, party officials, and political consultants and operatives seemed likely to combine with the inherent advantages of internet banner advertising—ability to target more narrowly and lower cost—to drive the use of Internet advertising in future cycles.

If anything, the new law will help to push that trend in several ways:

- The law bans independent “electioneering communications”—defined as communications referencing a federal candidate, paid for using any corporate or labor union funds, or by any incorporated advocacy organization, and run 30 days before a primary election or 60 days before a general election. But the ban applies *only* to broadcast communications (tv broadcast, radio, cable, satellite)—*not* to any communication via the Internet.
- National party committees are banned from raising or spending contributions outside the restrictions of federal law (non-federal or “soft” money). State and local party committees can still raise contributions governed by state law but are restricted in how they spend such funds. Among other things, any “public communication” that mentions a federal candidate must be paid for 100% with federally-restricted contributions.

Fatigue and disgust with negative broadcast advertising, among the electorate and among elected officials, was a key factor in the enactment of the new law.

Any “public communication” that promotes a party generally (“Vote Democrat,” “Vote Republican,” without mentioning a federal candidate) must be paid for 100% with federally–restricted funds or with a combination of such funds and funds from state-permissible sources, but limited in amount to \$10,000 per donor and subject to numerous complex restrictions as to how the funds can be raised.

Significantly, “public communications” include not only broadcast, but also direct mail and telephone banks. But the term does *not* include communications on the Internet—thereby creating a significant financial incentive for state and local party committees to use the Internet for federal candidate-specific communications and communications promoting parties and their issues.

Significantly, “public communications” include not only broadcast, but also direct mail and telephone banks. But the term does not include communications on the Internet...

- The scope of “public communications” carries over to other aspects of the law. For example, party officials, their officers, agents, etc. are forbidden from raising funds for any non-profit organization that spends any funds, in the same election cycle, for “Federal election activity”—which is defined to include any “public communication” that promotes, supports, attacks or opposes a federal candidate. Again, a nonprofit organization is not disqualified from receiving help from party officials if it undertakes such communications only via the Internet (and doesn’t otherwise engage in “Federal election activity”).

2. Issue-based organizing

While party committees will be banned from, or (in the case of state and local parties) severely restricted in using unregulated or state-regulated contributions, such contributions can continue to be received and used by nonprofit organizations and non-federal political organizations. Such groups, acting independently of any party or candidate, can organize the electorate around issues associated with, or that will affect the vote for or against, particular candidates. Most political professionals believe that BCRA will cause some significant portion of the “soft” money that had been received by party committees to flow to such nonprofit organizations and non-federal political organizations.

Those organizations, in turn, will have every incentive to maximize their use of the Internet for such issue-based organizing:

- Independent communications praising or criticizing federal officeholders for their positions on particular issues, made within proximity of the elections, are banned by the new law if undertaken in the form of broadcast advertising—but no such restriction applies to Internet communications.
- Internet organizing, through development of permission e-mail lists, e-mail chains, etc., has the edge over any other kind of communication in reacting and taking advantage of fast-moving events. When a group's issue comes to the fore in the daily headlines, only the Internet can instantly touch the group's constituency and move them to action, to contribute, to contact others, etc.
- These organizations will be competing with each other and with other types of groups for non-federally regulated contributions (large contributions from individuals and contributions from corporations, incorporated organizations and unions). Internet organizing is cost-effective—delivering a much more targeted constituency for far less than broadcast advertising, less than phones, quicker and more flexible than mail.

When a group's issue comes to the fore in the daily headlines, only the Internet can instantly touch the group's constituency and move them to action,

3. Political fundraising

It has been widely remarked that campaign finance reform will boost use of the web for political fundraising because of the premium the law puts on small donations from individuals, particularly for political parties. There is no question that both major national parties have—in part because of the prospect of campaign finance reform—invested substantially in the past two years in their ability to expand the base of potential activists and donors, through acquisition and expansion of databases and the tools to use them to reach voters via the Internet in a targeted way, excite them about the party's issues and candidates, and ultimately turn them into donors and activists.

For state and local parties, the need to upgrade their ability to use the Internet for organizing and fundraising is even more acute, given the increased pressures to raise federally-permissible contributions (smaller donations from individuals). And as noted, state and local parties can say much more, and communicate more freely, using the Internet than they can through other means of fundraising.

* * *

...trends that will ensure that use of the Internet will play an ever-increasing role in political communication and organizing...

In short, the new campaign finance law reinforces some of the critical trends already under way—trends that will ensure that use of the Internet will play an ever-increasing role in political communication and organizing—not only by candidates, but by party committees, nonprofit issue-advocacy organizations and political organizations of every kind.

Joseph E. Sandler is a member of the firm Sandler, Reiff, & Young PC in Washington DC, concentrating in campaign finance, election law, other political law and government ethics matters, and corporate and tax issues affecting political activities. Sandler has spoken on numerous panels on campaign finance law and campaign finance reform sponsored by bar associations, colleges and universities, and advocacy organizations. He serves as co-general counsel of the E-Voter Institute.

CHAPTER 12. THE FEC'S CAMPAIGN FINANCE REFORM REGULATIONS AND THE INTERNET

Trevor Potter & Glen Shor¹

On March 27, 2002, President George W. Bush signed the Bipartisan Campaign Reform Act of 2002² (the “Reform Act,” commonly known as “McCain-Feingold”) into law. The Reform Act required the Federal Election Commission (FEC) to issue regulations to implement its provisions by December 22, 2002.³ This short essay highlights the most significant elements of the FEC’s Reform Act regulations addressing the use of the Internet.⁴ In general, the Reform Act does not significantly alter the election law landscape for Internet communications or signify a new “hands-on” approach targeted at the Internet. Its provisions addressing political parties’ “soft money” fundraising and spending may have implications for their financing of particular Internet applications, however.

We note that the outcome of two lawsuits involving the Reform Act may affect this analysis. In *McConnell v. FEC*,⁵ numerous plaintiffs are challenging the constitutionality of most provisions of the Act. In *Shays v. FEC*,⁶ two of the Act’s sponsors are challenging the legality of a number of the FEC’s implementation regulations.

I. Political Parties

A. General Background on the Reform Act and Political Parties

The main impetus for the Reform Act was the desire to abolish unlimited “soft money” contributions to political parties.⁷ These donations circumvented the pre-existing law’s limits on contributions by individuals to parties and the longstanding ban on corporate and labor contributions.

The most prominent feature of the Reform Act is a complete prohibition on the receipt and spending of soft money by national parties.⁸ While state and local

¹ Trevor Potter is General Counsel of the Campaign and Media Legal Center and a Member of the Washington, D.C. law firm Caplin & Drysdale. He previously served as Commissioner and as the Chairman of the Federal Election Commission. Glen Shor is Associate Legal Counsel to the Campaign and Media Legal Center and previously served as Deputy Chief of Staff and Legislative Director to U.S. Representative Martin T. Meehan (D-MA).

² The Bipartisan Campaign Reform Act of 2002, Public Law 107-155, 116 Stat. 81 (2002) (codified in scattered sections of 2 U.S.C.).

³ See *id.* § 402(c).

⁴ It does not provide a complete analysis of the application of Federal campaign finance law to the Internet, the provisions of the Reform Act, or the FEC regulations implementing the Reform Act.

⁵ *McConnell v. FEC*, No. 02-0582 (D.D.C. filed April 12, 2002).

⁶ *Shays v. FEC*, No. 02CV01984 (D.D.C. filed October 8, 2002).

⁷ In this context, “soft money” means donations to the political parties of unlimited sums by corporations, unions, and individuals. These sums were often used to influence Federal elections (such as to finance broadcast advertisements discussing Federal candidates). Nonetheless, because of the claim that the sums were used for non-Federal election purposes, they were not governed by the traditional limits on contributions to political parties.

⁸ 2 U.S.C. § 441i(a).

parties can continue to receive soft money donations to the extent permitted by state law, the Act restricts the *spending* of these donations on “Federal election activity,” consisting of the following activities: any “public communication” promoting or attacking a clearly identified Federal candidate,⁹ voter registration activity closely proximate to Federal elections,¹⁰ and get-out-the-vote activity, voter identification, and “generic campaign activity” (*i.e.*, campaign activity promoting a political party but not candidates) in connection with elections where Federal candidates appear on the ballot.¹¹

Specifically, the Reform Act requires state and local parties to use exclusively “hard money” (*i.e.*, limited donations from individuals and Federal political committees) to finance any activity that constitutes a form of “Federal election activity” and mentions a Federal candidate. They may use either exclusively hard money or a mixture of hard money and federally capped and regulated soft money donations (*i.e.*, soft money donations of no more than \$10,000 per year per donor, secured in accordance with various fundraising restrictions) for any activity that is a form of “Federal election activity” but does not mention a Federal candidate.¹² The Act also requires state and local parties to use only hard money to pay the costs of raising funds spent, in whole or in part, on “Federal election activity.”¹³

B. Political Party Internet Activity

Under the national party soft money ban and the corresponding FEC regulations,¹⁴ the only funds available to national parties for their activities, including Internet campaign activities, are hard money contributions. Since state and local parties can continue to receive *both* soft money and hard money donations, the key issue is which type of funds can be used to finance Internet campaign activity.

In turn, a critical question is whether the Reform Act’s financing restrictions apply to a particular state or local party Internet campaign activity. The answer turns in large part on whether that activity is judged to be a form of “Federal election activity” (as described above). If so, the Reform Act provides that state and local parties must pay its costs with either exclusively hard money (if a Federal candidate is mentioned) or a mixture of hard money and federally capped soft money donations

⁹ *Id.* §§ 431(20)(A)(iii), 431(22).

¹⁰ *Id.* § 431(20)(A)(i).

¹¹ *Id.* §§ 431(20)(A)(ii), 431(21).

¹² *Id.* § 441(i)(b).

¹³ *Id.* § 441(i)(c). Nonetheless, the FEC’s regulations allow certain capped soft money donations to be used to pay for raising soft money funds eligible for expenditure on “Federal election activity.” See *infra* notes 20-21 and accompanying text.

¹⁴ Prohibited and Excessive Contributions: Non-Federal Funds or Soft Money, 67 Fed. Reg. 49,064, 49,122 (Jul. 29, 2002) (to be codified at 11 C.F.R. § 300.10).

(if no Federal candidate is mentioned). As previously indicated, the Reform Act also regulates the financing of state and local party fundraising for amounts used for “Federal election activity.”

1. Candidate-Specific “Public Communication[s]” and “Generic Campaign Activity”

By excluding “communications over the Internet” from the regulatory definition of a “public communication,”¹⁵ the FEC’s implementation regulations reduced the likelihood that state and local party Internet campaign activity would be subject to the Reform Act’s financing restrictions for “Federal election activity.” Thus, state party use of a website or widely distributed emails to promote or attack a Federal candidate will not trigger the Reform Act’s hard money financing requirement for certain candidate-specific “public communication[s].” As the FEC’s regulations also defined “generic campaign activity” to cover only “public communication[s],”¹⁶ state party Internet communications that promote the party (without mentioning candidates) will escape the Reform Act’s financing requirement for “generic campaign activity.”

The lawsuit filed against the FEC by the Act’s sponsors challenges these regulations as contrary to the statute and as creating avenues for state and local party expenditure of unlimited soft money donations on activities affecting Federal elections.¹⁷

2. Voter Identification, Get-out-the-Vote Activity, and Voter Registration Activity

In contrast, communications over the Internet are not excluded *per se* from the regulatory definitions of the other forms of “Federal election activity”: certain voter identification, get-out-the-vote and voter registration activity.¹⁸ State and local party spending on Internet communications that fell within these definitions would accordingly be subject to the Reform Act’s financing restrictions for “Federal election activity.” For example, state party emails to a targeted list of registered voters on the eve of elections, informing them of the location of particular polling places and the times they were open, would be covered by the FEC’s definition of “get-out-the-vote activity” regulated as “Federal election activity.” Accordingly,

¹⁵ *Id.* at 49,111 (to be codified at 11 C.F.R. § 100.26).

¹⁶ *Id.* at 49,111 (to be codified at 11 C.F.R. § 100.25).

¹⁷ Brief for Plaintiffs at 20, 22-23, *Shays v. FEC*, No. 02CV01984 (D.D.C. filed October 8, 2002).

¹⁸ The FEC’s definition of “[v]oter registration activity” includes “contacting individuals by telephone, in person, or by other individualized means to assist them in registering to vote.” Prohibited and Excessive Contributions, 67 Fed. Reg. at 49,110-11 (to be codified at 11 C.F.R. § 100.24(a)(2)). “Get-out-the-vote activity” is defined to mean “contacting registered voters by telephone, in person, or by other individualized means, to assist them in engaging in the act of voting.” *Id.* at 49,111 (to be codified at 11 C.F.R. § 100.24(a)(3)). The Commission defined “[v]oter identification” as “creating or enhancing voter lists by verifying or adding information about the voters’ likelihood of voting in an upcoming election or their likelihood of voting for specific candidates.” *Id.* at 49,111 (to be codified at 11 C.F.R. § 100.24(a)(4)).

they would have to be financed with exclusively hard money if a Federal candidate were mentioned, or with either exclusively hard money or a mixture of hard money and federally capped soft money donations if no Federal candidate were mentioned.

Though the FEC's definitions of voter identification, get-out-the-vote and voter registration activity do not exclude Internet communications *per se*, the Reform Act's sponsors believe that they are unduly narrow in other respects and are therefore challenging these regulations as well in their lawsuit against the FEC.¹⁹

3. Fundraising Expenses

The FEC's Reform Act regulations also affect state and local party payments for the direct costs of raising funds used, in whole or in part, for "Federal election activity."²⁰ Under the regulations, these payments must be made from either hard money or, in certain circumstances, a combination of hard money and federally capped soft money donations.²¹ This requirement would seem to cover state and local party financing of Internet communications to solicit funds used for "Federal election activity."

4. Activities not Regulated by the Reform Act

If state and local party Internet communications do not fall within the categories of activities considered to be regulated by the Reform Act, their financing will be subject to "allocation" rules applicable to other state and local party activity.²² These sort of allocation rules existed prior to the enactment of the Reform Act. Depending on the particular type of Internet campaign activity, the rules may require exclusive hard money financing or use of a combination of hard money and soft money *not* subject to any Federal amount limitations – or may even allow the use of only federally unregulated soft money.

II. Non-Party Advertising

A. General Background

Federal campaign finance law has banned the expenditure of corporate and labor treasury funds in connection with Federal elections since 1947.²³ Accordingly, corporations and unions have not been permitted to use their treasury funds to

¹⁹ Brief for Plaintiffs at 17-21, *Shays v. FEC*, No. 02CV01984 (D.D.C. filed October 8, 2002).

²⁰ The FEC indicated that "the direct costs of a fundraising program or event include expenses for the solicitation of funds and for the planning and administration of actual fundraising programs and events." Prohibited and Excessive Contributions, 67 Fed. Reg. at 49,125 (to be codified at 11 C.F.R. §§ 300.32(a)(3)&(4)).

²¹ *Id.* at 49,125-26 (to be codified at 11 C.F.R. §§ 300.32(a)(3)&(4), 300.33(c)(3)). Insisting that the statute requires state and local parties to use exclusively hard money to finance the raising of funds for "Federal election activity," the Reform Act's sponsors have likewise challenged this provision in their lawsuit. Brief for Plaintiffs at 26, *Shays v. FEC*, No. 02CV01984 (D.D.C. filed October 8, 2002).

²² See Prohibited and Excessive Contributions, 67 Fed. Reg. at 49,115-16, 49,118-19 (to be codified at 11 C.F.R. §§ 106.1, 106.7).

²³ 2 U.S.C. § 441b(a).

pay for general public advertising that expressly advocates the election or defeat of Federal candidates,²⁴ including Internet communications with such content that were accessible to the general public.²⁵

In recent years, these organizations have bypassed the law's prohibition by omitting express advocacy of a candidate's election or defeat (interpreted to mean words such as "vote for" or "vote against") from advertisements promoting or attacking Federal candidates. Through this omission, blatant campaign advertisements could be financed with corporate or labor treasury funds. Indeed, this ruse also enabled the spender – whether corporation, union, other non-party organization or individual – to finance campaign advertisements without disclosure to the FEC.

To address this demonstrated circumvention of the law, the Reform Act prohibits corporations and unions from using their treasury funds to finance any "electioneering communication" – defined as a broadcast, cable, or satellite communication that refers to a clearly identified Federal candidate, is aired closely proximate to Federal elections and is targeted to the identified candidate's electorate.²⁶ It also requires other organizations and individuals to disclose their spending on these communications to the FEC.²⁷

B. Corporate and Labor Public Internet Communications

The Reform Act's electioneering communications provisions focus on television and radio advertisements, as these communications have been the prevalent mode of circumvention. Accordingly, the FEC's regulations specifically provide that the financing and disclosure requirements for electioneering communications do not apply to "communications over the Internet, including electronic mail."²⁸

The Reform Act's regulation of the financing of electioneering communications *supplements* the law's longstanding prohibition on the use of corporate or labor treasury funds for general public advertising expressly advocating the election or

²⁴ See *FEC v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238, 249 (1986). Corporations and unions could, however, finance express advocacy to the general public by using limited contributions from individuals to their Federal "PACs." 2 U.S.C. § 441b(b)(2)(C).

²⁵ See, e.g., FEC Adv. Op. 1997-16 (Oregon Natural Resources Council Action) (corporation could not post its express advocacy endorsement of candidate on website accessible to general public). *But see* FEC Adv. Ops. 1999-24 (Election Zone) & 1999-25 (Democracy Network) (allowing certain corporations to engage in web-based activities involving public transmittal of express advocacy, because of statutory exception for non-partisan activity to encourage voting).

²⁶ 2 U.S.C. §§ 434(f)(3), 441b(b)(2)&(c).

²⁷ *Id.* § 434(f).

²⁸ Electioneering Communications, 67 Fed. Reg. 65,190, 65,211 (Oct. 23, 2002) (to be codified at 11 C.F.R. § 100.29(c)(1)). The Commission indicated that the Internet exemption applies no matter what equipment or technology is used to access the Internet, including WebTV. A television or radio communication that is also webcast or archived for later viewing or listening over the Internet *would* be subject to the funding source prohibitions and disclosure requirements, however. *Id.* at 65,196-97.

defeat of Federal candidates and disclosure requirements for independent spending by individuals and other organizations on such advertising. As such, the exemption for Internet communications from treatment as electioneering communications does not mean that corporations or unions may make unregulated use of the Internet to engage in express advocacy. For example, corporations and unions cannot make their express advocacy endorsements of candidates available on portions of their websites that are accessible to the general public.²⁹

III. Disclaimers on Internet Communications

Prior to the Reform Act, Federal campaign finance law required any person or organization financing general public advertising that expressly advocated the election or defeat of a Federal candidate or solicited campaign contributions to include a disclaimer indicating who paid for the communication. In Advisory Opinions, the FEC had specifically indicated that this disclaimer requirement applied to an Internet website containing express advocacy set up by an individual³⁰ and a Federal political committee's emails soliciting contributions or containing express advocacy if sent to more than 100 addresses.³¹

The Reform Act requires Federal political committees to include disclaimers on *all* general public political advertising.³² In turn, the FEC specifically stated in its regulations that political committees must include disclaimers on, among other things, their Internet websites available to the general public and in emails involving more than 500 substantially similar unsolicited communications.³³

Though not mandated by the Reform Act, the FEC also revisited disclaimer requirements applicable to Internet communications by individuals. The disclaimer regulations now specifically indicate that individuals must include disclaimers in more than 500 substantially similar unsolicited email communications containing express advocacy or soliciting contributions – but, in a reversal of previous holdings, not on their Internet websites.³⁴

²⁹ See FEC Adv. Op. 1997-16, *supra* note 25. In October of 2001, the FEC issued a Notice of Proposed Rulemaking (NPRM) concerning campaign-related Internet activity that, among other things, proposed creating an exception permitting the posting of a candidate endorsement press release on a corporate or labor website accessible to the general public, under certain conditions. The Internet and Federal Elections: Candidate-Related Materials on Web Sites of Individuals, Corporations, and Labor Organizations, 66 Fed. Reg. 50,358, 50,366 (proposed Oct. 3, 2001) (to be codified at 11 C.F.R. § 117.3). To date, the Commission has not taken further action on this proposal or the NPRM.

³⁰ FEC Adv. Op. 1998-22 (Leo Smith).

³¹ FEC Adv. Op. 1999-37 (X-PAC).

³² 2 U.S.C. § 441d.

³³ Disclaimers, Fraudulent Solicitation, Civil Penalties, and Personal Use of Campaign Funds, 67 Fed. Reg. 76,962, 76,975-76 (Dec. 13, 2002) (to be codified at 11 C.F.R. § 110.11).

³⁴ *Id.*

IV. Coordination of Internet Communications with Candidates or Political Parties

Under the longstanding concept of “coordination,” individuals or outside organizations making election-related expenditures “in cooperation, consultation, or concert with, or at the request or suggestion of” candidates or political parties are considered to have made in-kind campaign contributions (which are subject to source prohibitions, amount limitations, and reporting requirements).³⁵ Moreover, political party spending in coordination with candidates is generally subject to source and amount limitations.³⁶ While the FEC’s coordination standards have shifted over the years, Internet communications have been considered subject to coordination analysis.³⁷

The FEC’s previous coordination regulations did not find “coordination” in circumstances where the exchange of strategic campaign information nonetheless occurred between candidates or parties and political spenders. To remedy this problem, the Reform Act required the Commission to revise those regulations so as not to require the existence of “agreement” or “formal collaboration” to trigger a finding of coordination.³⁸

The FEC’s new coordination regulations provide detailed guidance as to when spending on a “public communication” would be treated as “coordinated” and thus subject to the limits applicable to in-kind campaign contributions or party coordinated expenditures. Generally, spending on a “public communication” containing express advocacy, or mentioning a party or Federal candidate within 120 days of a Federal election and targeted to the relevant electorate, would be considered “coordinated” if specified types of interactions between the spender and a candidate or party had occurred (such as the exchange of information about a candidate’s or party’s campaign needs).³⁹ As indicated previously, the FEC’s regulatory definition of a “public communication” does not cover communications over the Internet. Thus, the detailed rules for coordination analysis in the case of a “public communication” do not apply to Internet communications.

At the same time, the Commission’s regulations provide a separate standard for spending that is not considered “coordinated” under the detailed rules covering

³⁵ 2 U.S.C. § 441a(a)(7)(B).

³⁶ *Id.* § 441a(d).

³⁷ See, e.g., 11 C.F.R. § 100.23 (2002) (prior to amendment by Reform Act rulemakings) (coordination standards applied to “[g]eneral public political communications . . . made through . . . any electronic medium, including the Internet or on a web site, with an intended audience of over one hundred people”).

³⁸ Bipartisan Campaign Reform Act § 214(b)&(c).

³⁹ See Coordinated and Independent Expenditures, 68 Fed. Reg. 421, 453-55 (Jan. 3, 2003) (to be codified at 11 C.F.R. § 109.21).

only “public communication[s].” Under this standard, any other “expenditure” (i.e., spending for the purpose of influencing a Federal election) which is “made in cooperation, consultation or concert with, or at the request or suggestion of” a candidate or party is also to be treated as an in-kind contribution or party coordinated expenditure.⁴⁰ Thus, Internet communications remain subject to coordination analysis under this general standard.⁴¹

⁴⁰ See *id.* at 453 (to be codified at 11 C.F.R. § 109.20).

⁴¹ The standard reflects that coordination analysis is subject to the regulatory exceptions from the definitions of “contribution” and “expenditure.” *Id.* In comments accompanying its coordination regulations, the FEC indicates that its use of the term “public communication” in new 11 C.F.R. § 109.21 “addresses” a commenter’s views that the coordination regulations should completely exempt the Internet. It also indicates that the separate, general coordination standard of new 11 C.F.R. § 109.20 addresses expenditures that are not made for communications. While these statements may create some confusion, the plain language of new 11 C.F.R. § 109.20 covers *all* “expenditures” that are “made in cooperation, consultation or concert with, or at the request or suggestion of” a candidate, party or their agents, except those considered coordinated under the detailed and specific rules applicable only to “public communication[s].”

**REPORTS ON THE
EFFECTIVENESS
OF ONLINE
COMMUNICATIONS**

CHAPTER 13. THE NEW RULES FOR WINNING CAMPAIGNS

Brian Reich & Emily Reich

Mouse Communications

The Internet has created new opportunities for political campaigns to engage supporters and prospective voters. It is essential that a serious campaign have a web presence. We have now moved beyond the point where just being online is enough. Campaigns must design sophisticated, interactive sites that can reach many target audiences and successfully incorporate new tools into their overall campaign strategies to maximize the benefits they offer.

A strong web presence and strategic use of email and other online tools allows a campaign to reach supporters and donors, volunteers, the media and prospective voters — and can give a campaign an important advantage over the opposition. It is critically important for campaigns to build good websites — even more important that they use them well. A comprehensive Internet strategy can make the difference between winning and losing.

Remember the Basics: As you plan your online campaign strategy, remember that your campaign website can be designed to do almost anything, but above all, it has to reflect the message and mission of the rest of your campaign. Your site should provide biographical information about the candidate and contact information for the campaign, highlight the candidate's positions on the issues, and enable volunteers to get involved and supporters to contribute. Campaign websites don't have to be fancy or costly to be effective, however, the key is to match the tools to the task.

Be Accessible: The best campaigns will make sure everyone who visits their website can have access to all its tools. Nearly 15% of American citizens speak a language other than English in their homes according to the most recent Census. Depending on your district, this means you may encounter native Spanish, Vietnamese, Russian or other speakers on the campaign trail. The Internet is uniquely suited to delivering your messages in multiple languages, making it easy to provide alternative language versions of your site to serve your particular constituency. Making accommodations for the between 10 and 20% of Americans with serious disabilities should also be a priority. There are both free and commercial technologies that can assist you in making your site more accessible, and government issued guides to help you understand how to put those ideas into practice from the start.

Be Proactive: Waiting for constituents to visit your campaign website won't bring about a victory on Election Day — you have to go out and get them. But web visitors aren't like the target audiences for television or direct mail so you have to

Campaign websites don't have to be fancy or costly to be effective, however, the key is to match the tools to the task.

come up with a different strategy. That's why it is critical to promote your website – by putting your URL on every campaign flyer, document, press release, and including a mention in every statement or interview by the candidate. Campaigns should also register their sites with search engines and online directories and make sure those contacts are updated on a regular basis.

One tool to drive traffic to your campaign website that is being given more consideration of late in politics, is a website banner ad – on newspaper and other media sites, through political organizations, and even search engine pages. Compared to a costly television commercial that may attract a viewer's attention for only 30-seconds or if you are lucky, steal a quick glance, a banner ad can put the average web visitor one click away from your campaign website for relatively few dollars. Online ads can be targeted more precisely than traditional media such as broadcast, print or, telephone and help to

Online ads can be targeted more precisely than traditional media such as broadcast, print, or telephone

brand your campaign so that web users will know at-a-glance how to gain access to your online campaign. What remains unclear is the willingness of the average web user to search out a political site simply because the opportunity appears before them, or their tolerance for web advertising in general. Banner ads in other sectors have often been associated with unsolicited email campaigns, and it remains a challenge for the political community to manage this opportunity without abusing it.

Three Cheers for Online Activism: Encourage your visitors and supporters to help advertise your site, and in the process help expand the influence of your campaign, by becoming online activists themselves. By building different peer-to-peer marking (“tell a friend”) tools into your site, you can invite visitors to send virtual postcards or forward campaign updates and policy papers to their friends. By providing key contact information and suggested formats and text, you can also empower your visitors to send letters to the editor. And don't forget to offer virtual “bumper stickers” that visitors can put on their own websites to link back to you.

Creating email mailing lists is another way to drive traffic to your site, or back to your site for those who have visited before. Remember, you can create multiple mailing lists — a general one, one for members of the press, a special one for volunteers, and even lists focused on a specific issues or regions in your district. Send regular updates to the list(s) — not so often that people unsubscribe to avoid drowning in messages, but not so infrequently that they've forgotten who you are in between messages, and make the notes interesting by including photographs, campaign logos and other formatting, as well as hyperlinks to bring people immediately back to your site. By putting your message into their email inbox, you will dramatically increase the investment felt by your constituents in your campaign.

Companion Sites: By creating more than one entry-point for your campaign, you can target different constituencies and focus on different issues. Companion web sites affiliated with your main site could focus particularly on seniors or students or on more specific campaign issues. Your campaign could also create a companion site specifically focused on rebutting negative attacks by your opponents, so that the main campaign website remains focused on other elements of your campaign. As long as all the campaign sites are coordinated, and travel between them is seamless, they will all work together.

Don't Be Afraid To Ask: Even in these days of much-needed campaign finance reforms, it still takes a sizeable war chest to wage a strong campaign. Political donations via the Internet in 2000 amounted to about \$50 million, with the average contribution topping \$110 (compared to \$30 for direct-mail fundraising solicitations). In 2004, the numbers are expected to be even greater. So don't be afraid to ask for money over email and give people the option of securely contributing through your website by submitting their credit card information or printing out a form and mailing it to the campaign. Your contribution section can have all the same details as your fundraising materials off-line, and you can set up your system to require the FEC specified information like employer and occupation as well as restrict the contributions to be under the legal limits per person. You can also put special RSVP pages up for fundraising events, which will help secure confirmed contributions, even before the event.

Companion web sites affiliated with your main site could focus particularly on seniors or students or on more specific campaign issues.

Keeping Track: Every campaign keeps close track of whom they mail to, who contributes, who has been invited to what events, and who has volunteered to do this and that. Now, your website can help gather and manage that information. Make an effort to collect email addresses for everyone your candidate meets, and everyone who attends an event or calls the headquarters for information. Then, link your database information to your campaign website so you can get the most out of it. The most sophisticated campaigns are now tailoring their sites based on information provided by their visitors – so when someone logs on, the update about the campaign they see includes only the issues they care about, and the areas where they can contribute most.

Of course, if you are going to collect information online, make sure you provide a clear privacy policy. A good privacy policy will explain where you collect information on your site (for mailing lists and contributions) and how you are going to use that information (to contact them with more information about the campaign for example, but not sell it to other marketers). It is also important to list the basic

security measures your host provider offers – including protocols developed for secure transmission of private information over the Internet. Your campaign should have a privacy policy that is specific to your campaign, and if necessary, ask your campaign lawyers for advice on how to best represent yourself.

The most sophisticated campaigns are now tailoring their sites based on information provided by their visitors

Where to go next...

The Internet won't replace traditional methods of voter involvement. Voters will still need to meet their candidates face-to-face, and campaigns will still need to send direct mail, air television ads, make Get-Out-The-Vote phone calls, and hold rallies and grant interviews to generate favorable media coverage. But, a comprehensive online strategy is a powerful tool to have in the campaign arsenal. More campaigns than ever built websites in 2002, including nearly three-quarters of Senate campaigns and over 60%

of house campaigns. And in 2004, every major presidential candidate will use a website to mobilize supporters in key primary states, with the most effective e-candidate holding an advantage over his opponents.

The power of the Internet as a tool for politics can especially be realized by the smaller campaigns and down-ballot races. Mayoral and city council candidates, state representative and state senate campaigns along with local and even statewide initiative campaigns traditionally communicate with large constituencies on relatively limited budgets. With an effective web presence and comprehensive Internet strategy, they can remain active, competitive, and most importantly, inform and engage voters across the spectrum. These campaigns and organizations haven't yet realized the importance of dedicating staff and other resources to a virtual campaign. We owe it to these campaigns, and we owe it to our democracy, to help bring the Internet to the local level and utilize the web as an effective tool for grass-roots politics.

Our strong recommendation is to invite your Internet consultants to have a seat at the strategy table, so that decisions regarding the campaign website and Internet strategy are made at the same time, and with the same focus as scheduling, paid media, and other decisions. The campaigns that best integrates their website and Internet strategy into their overall campaign plan will realize valuable advantages over their opposition.

The authors are siblings and co-founders of Mouse Communications, LLC, a strategic consulting firm offering comprehensive development and management of web technology and Internet strategy for political campaigns and organizations. Emily is the technology lead for the company, while Brian serves as President and CEO. For more information, visit www.mousecommunications.com.

CHAPTER 14. HERE'S WHAT THEY DON'T TEACH YOU AT HARVARD BUSINESS SCHOOL

Joe Rothstein
Rothstein & Company

Create an organization from scratch with very little capital, and no guarantee of how much money you ultimately will have to work with.

Create this organization with only a handful of full time employees and/or managers, few of whom have any experience at the jobs they will have to handle. (And most of whom will never before have worked together). Key people will have to work 6-7 day weeks, 12-14 hour days, and they may or may not be paid for their efforts. If they are paid, compensation will be much less than in other employment. No overtime or benefits, of course.

Your managers will have to manage dozens, or hundreds, or thousands of volunteers workers, who because they are volunteers cannot be subjected to normal management controls, such as promotion for good work, or loss of pay or firing for poor performance.

This organization must spring up quickly, work under the glare of constant publicity. Every mistake may be magnified on TV news or in newspapers.

Competition will be intense, and so management must be adept at improvising under rapidly changing circumstances.

The organization's product is a Person. A Person is beyond the reach of generally employed quality controls. Quality control in the campaign depends upon whether the Person is having an "on" or "off" day or is familiar enough with the campaign management process to be a manager or a good organizational decision-maker.

Winning 49 percent of the market on election day does not give you license to tweak performance to increase market share next month. You either win or go out of business. That happens on one day. Whoops! doesn't permit you to correct a mistake tomorrow.

Add it all up and the political campaign is one of the toughest of all management tasks— a costly enterprise undertaken without the experienced people, rules, discipline and financing generally associated with non-campaign organizations. Small wonder that so many campaign jobs are done poorly, or don't get done at all.

The Internet, Email to the Rescue

Campaign managers need all the help they can get. And two new helpers—the Internet and email—are now available for very important duty.

Add it all up and the political campaign is one of the toughest of all management tasks—

Ignore conventional wisdom that's quick to discount the importance of the Internet in political campaigns. If campaigns are having trouble finding value in the web, it's the campaigns' fault, not the Internet's. The Internet has become a ubiquitous new communications system. Email has become an efficient and cost effective method for personal and mass contacts. Why shouldn't these tools become important backbones for campaign management? Campaigns just have to learn how to use them.

What are they good for? Here are some possibilities:

I. Volunteer Management

Anyone who's tried to manage a campaign or a campaign field organization knows how hard it is to keep volunteers motivated, to head off the "I offered to help, but no one called" message. Many volunteers really want to help but get easily discouraged when their initial offer is followed by a long silence from the campaign.

By having an Internet "headquarters," volunteers can visit when they can, and customize their relationships with the campaign.

Then if they get a call from headquarters, volunteers are often hard-pressed to come to a campaign office on a specific day or at a specific time. Some volunteers can give you hours during the day. Some can give you late nights, after the kids are put away. Others can be available only on weekends. The system is not kind to a one-size-fits-all management solution.

Because the Internet and email are always "on," they can become important contact points between campaign headquarters and the volunteers.

Create a password-protected, for-volunteers-only web site, separate from the campaign's main web site. The home page becomes a meeting room for volunteers. Post details of the candidate's schedule, results of last night's house parties, photos from campaign events, how-tos from other volunteers, upcoming key dates, assignments, easy feed-back channels to headquarters—the kind of insider information and status that makes the volunteer feel he or she is part of the action and important to the effort.

By having an Internet "headquarters," volunteers can visit when they can, and customize their relationships with the campaign. Campaign management can use the on-line headquarters to motivate supporters, cross-fertilize useful information and streamline the information flow—minimizing the need for time-costly one-on-one phone calls, in-person meetings and we-really-do-love-you sessions that inevitably flow from volunteer neglect.

2. Voter ID and field work

In the recently completed congressional election for the 22nd District, Texas, we set up www.rileysrangers.com for candidate Tim Riley. It's still there. Go take a look.

Rileysrangers.com gave campaign management the tools for assigning precinct tasks to individual volunteers. Once assigned, the volunteer was able to access the voter list for his or her precinct and call up and print out that list either alphabetically for phone calls, or by street address for walking lists.

In even finer detail, the volunteer could select any one or a number of voter characteristics from the list's database—characteristics such as, age, ethnicity, was the voter new to the district, did he vote frequently, etc. The volunteer could custom-order the list every time he used it, with whatever characteristics were important at that time. Selections of messages were also on the web site, allowing the volunteer to download and print whatever materials were appropriate.

- In a city as spread out as Houston, the ability to distribute lists via the Internet was an enormous time saver.
- The availability of the list whenever the volunteer had time to work with made the exercise more manageable for the volunteer.
- Giving the volunteer a way to determine voter characteristics led to more precise targeting of messages.
- Every volunteer had a direct email line to headquarters for questions. Every volunteer had a “meeting place” where they could go to pick up information, see what others were doing, and feel that they were part of the action.

In a city as spread out as Houston, the ability to distribute lists via the Internet was an enormous time saver.

3. GOTV activity

Using an on-line system, campaigns can capture voter ID information and forward it to coordinated campaigns for GOTV. The on-line effort can add to the database with phone numbers, level of voter support or opposition, and availability for election day volunteer activity.

GOTV coordinators can employ the on-line volunteer system to confirm names, addresses, phone numbers and other information.

4. Crowd building

Need a crowd for an event? What more efficient way to get it than to issue a call through your on-line volunteer system? And because of email's instant response capability, you don't have to make individual calls to the volunteers' answering machines and wonder whether you got through.

5. Field Intelligence

In multi-city campaigns, intelligence can often be hard to come by. What's happening out there? Is the opposition advertising? Was there a favorable or unfavorable article in the local paper? What reaction are we getting to yesterday's

press release? Having a volunteer email system that instantaneously brings in news from all over can be a huge advantage in a constantly churning campaign environment.

And it works both ways. When you want to get out a message, FAST, to take advantage of an opportunity to quash a bad hit, a "send" button can take you to the most remote corner of your state or district.

What more efficient way to get it than to issue a call through your on-line volunteer system?

The Internet and email are the campaign's newest, and best network

The TV set is just a dumb box suitable only as a plant stand until someone creative sends the right messages through it to entertain or inform viewers or move public opinion.

The Internet and email are similar dumb boxes. But if creative people use their potential correctly, they can build a communication backbone that will immensely help political campaign management perform one of the world's most difficult management feats: going from zero to victory in the few months available.

Joe Rothstein is a Democrat political media consultant who worked on Sen. Bob Kerrey's successful 1982 gubernatorial bid and his Senate campaign in 1988. Rothstein is a former Anchorage Daily News editor and worked for former U.S. Sen. Mike Gravel and four past Alaska governors. Rothstein is based in Washington, D.C.

CHAPTER 15. COMING TO A THEATRE NEAR YOU: THE POLITICAL RELEVANCE OF THE HOLLYWOOD ONLINE AD EXPERIENCE

Chris Young
Klipmart

What do a Hollywood film studio and a political campaign have in common? A Hollywood film studio takes its product to the masses by advertising heavily in the weeks before the movie release date. A political campaign similarly tries to reach the desired audience in the weeks leading up to Election Day. The results of that day make or break the movie or politician.

For better or for worse, television commercials are still the accepted – and most widely utilized – medium for both politicians and movie studios to get their message out to the public. While the fact that political television advertising exceeded \$1 billion during the midterm elections is mind-boggling, it is still only a quarter of what the movie studios spend each year on television advertising.

Movie studios spend an average of \$20 million on television advertising for each major release and are increasingly using online advertising as a way to target and reinforce their marketing efforts. The ad technique of choice is the video banner that shows a movie trailer embedded in a web page within an auto-play ad unit.

Why should politicians pay attention to this Hollywood trend? It points to an opportunity to successfully merge an offline message with an online strategy that utilizes a medium that both politicians and online users can understand - the television commercial.

The studios see the Internet as a way to showcase actual parts of the movie itself in a format other than television, thus reaching movie goers at work and at home. By recognizing the power of a reinforced and unified marketing message across multiple mediums that emotionally engages a viewer, movie studios are leading the charge towards integrating the best of television with the interactive features of the Internet. Studios such as Sony Pictures Entertainment, Miramax, Warner Brothers, and 20th Century Fox have embraced this form of online advertising and have begun including it as a necessary component of their overall media budgets.

For the political community, it is worth considering the impact of transferring the video message from the television to the Web. While television is the comfortable choice for reaching voters, it may be that the creative format of video and the corresponding emotional response from the viewer can be magnified using the Internet. Emotional responses are essential for driving people to vote on Election Day or head to the movie theater on a Friday night.

The studios see the Internet as a way to showcase actual parts of the movie itself in a format other than television, thus reaching movie goers at work and at home.

Leading up to the November 5th Election Day, online video banner technology from Klipmart was used by three candidates running for state-wide offices in Arizona.

The banners containing the television ads were placed on web sites related to local newspapers. In all cases, the banners received a higher than average click-through rate and the media placement advisors determined that the banners helped move the needle in those tightly contested races. Two of the three candidates won, with the Governor's race too close to call even days after the election.

The Hollywood studios have come to understand that audiences need to be reached where they spend their time.

The Hollywood studios have come to understand that audiences need to be reached where they spend their time. Political strategists would be well advised to consider the value of the Internet for reaching voters with tools perfected for the broadcast medium.

Chris Young is CEO of Klipmart Inc., a pioneer in Java-based video advertising on the Internet. Klipmart.com

THE FUTURE OF ADVERTISING
ONLINE

NO. 3 IN A SERIES FROM THE WALL STREET JOURNAL ONLINE.



NICK NYHAN
PRESIDENT / DYNAMIC LOGIC

Education Reform

Marketing online is no longer in a class by itself.

getting beyond the pop quiz

Sometimes we measure what we have instead of what we need. Online started in the direct response camp because that data was immediately there. Now we've broadened our sense of what the right measures are, and those are metrics that have been around prior to the Internet. Most of the big advertisers are interested not just in transaction, but in building a commitment from the consumer. It's not branding or direct response, it's branding *and*.

higher learning

Everyone selling a product is interested in transactional data—did they give you something? But they also know that to get someone from point A—not necessarily knowing or caring about the product—to the point of transaction there's a whole mental process that needs to happen. That's the trap online advertising had fallen into—it was pushed to justify itself purely against those later stage metrics. For many advertisers, the person's opinion of the brand is a critical first step before they will even entertain getting more information, going to a Web site, calling an 800 number. That takes time, it takes consistent messaging, and it takes frequency.

old school

Branding goes back to Pavlov and the dog; it's not a new idea. Brand is what's left in the consumer's mind after all the marketing stops. Metrics to measure that are now more readily available for online campaigns. It's no longer about case studies, it's about report cards. How effective was my campaign? Give me a couple of key metrics I can measure consistently, not just for this campaign but over the course of all campaigns, across all media—online and off.

multiplication tables

The Internet is coming back to traditional metrics like rating points, and you can say 'I want to reach this many people in this target this many times.' Talk about a branding capability—the ability of online to continually remind, in a cost effective way, and in a targeted way. And if your target is high-education, high-income, professional, then online is absolutely the place to be.

extra credit

The trend is pulling "e-marketing" back into marketing, and the decision-makers are now people who review all budgets, not just an online budget. Some of the best online advertisers have been traditional marketers like packaged goods, entertainment, financial, automotive. They know how branding works, and that knowledge carries over to the Internet. There's no longer a question of 'should you advertise online?' It's 'how much?'

why the Online Journal?

We've actually seen data on how effective the Online Journal is. The strength of the Journal is in its own brand attributes and how they rub off on advertisers. The Journal stands for success, and for consistency—a huge part of building a brand. And the Journal's respect for the reader also creates an attractive advertising environment: less clutter, more impact. Journal campaigns have scored significantly better than industry norms in lifting key metrics like awareness, message association and purchase intent. Advertisers come to the Online Journal to build brands—and they get results.

WSJ
.com **THE WALL STREET JOURNAL.**
ONLINE



FOR SMART ADVERTISERS,
THERE'S NO LONGER A
QUESTION OF 'SHOULD
YOU ADVERTISE ONLINE?'
IT'S 'HOW MUCH?'



■ For advertising information on
The Wall Street Journal Online
call **212.597.6077**

■ To read what others in the
series are saying visit:
advertising.wsj.com/online

Photo: Doug Goodman
© 2002 Dow Jones & Company, Inc.
All Rights Reserved.

DOW JONES

CHAPTER 17. CAMPAIGNING ON THE INTERNET: THE NEED TO UNCORK CREATIVITY

Bill Hillsman and Greta Bergstrom
North Woods Advertising

2002 might go down in history as the first year a critical mass of political viral marketing efforts took off. Most (if not all) were created and executed by renegade, outsider groups looking to be critical of a particular candidate or cause. These “third party” sources, because they do not have to be shills for a particular candidate (either defending their own candidate or attacking their candidate’s opponents), are often given a pass by the public and believed to be more credible than candidates themselves. These sites often employ out-of-the box viral marketing tactics that build databases of visitors by collecting visitor names and click-thru destinations that can be used in turn for additional viral marketing efforts.

Maybe surprising to some, third-party, minor party and renegade groups as a whole appear to have taken better advantage of the Internet for their communications efforts than most mainstream groups and major party candidates. The reason for this may be simple: they have less money to spend on traditional, pricey, political consultant-dominated forms of campaigning such as paid advertising, direct mail, grassroots field operations, polling and fundraising. The Internet, for most of these groups, is the only hope at leveling the political playing field. Therefore, they place much greater emphasis and attention on having an outstanding, cutting-edge website.

The Internet, for most of these groups, is the only hope at leveling the political playing field.

In 2002, one effort that particularly caught our eye was found in the Minnesota Senate race, where the (now late) incumbent U.S. Senator Paul Wellstone (a Democrat) and former St. Paul Mayor Norm Coleman (a Republican) squared off. In the summer of 2002, two twenty-something friends in Minnesota (one who happened to be a graphic artist and one who sold software) decided to actively oppose Republican U.S. Senate candidate Norm Coleman and expose him for what they considered him to be, namely, a puppet of President George W. Bush. They constructed a renegade website called BushBoy.com, which detailed (via professional quality animated graphics and punchy storylines with audio) candidate Coleman as the President’s water boy. The site is humorous, edgy and state-of-the-art in graphics and site architecture.

Two years ago, a non-profit, non-partisan research project “Neglection 2000” was sponsored by Generation X think tank Third Millennium. In conjunction with E-Voter Institute, the project examined the role the Internet has played among young adults age 18-34. One interesting finding indicated that although younger adults

use the Internet more heavily than their elders, young people “tend to trust traditional media more than web-based media.” (In general, younger voters tend to distrust the media in general). It seems that participants generally believed that truthful, trusted information was more apt to come from an “outside” organization than the campaigns themselves as the campaigns have a vested interest in placing their own “spin,” or “propaganda” whether via their website or any other medium. So, one could extrapolate that the phenomenon of “third-party as political messenger” (such as BushBoy.com) may be expanding due to the viral nature of the Internet.

“...must find a way to connect with voters by “giving back” something that answers the question “what’s in it for me?”

In communicating with voters, part of the lesson is in understanding that campaigning (whether Internet-based or via traditional methods) must find a way to connect with voters by “giving back” something that answers the question “what’s in it for me?” In BushBoy.com’s case, what visitors got was a whole lot of great humor, great visual animation and audio unlike any other. It was new, different and hilarious (not least because the parodies of Coleman and Bush were dead-on).

While the 2002 BushBoy effort played primarily to younger Minnesota progressives and libertarians (who naturally enjoy and buy into a well-executed Coleman/Republican parody), their tactics could be used by almost any campaign in the future. The trick for maximizing effectiveness though is in connecting creative online efforts with creative offline efforts. The problem that has bedeviled web marketers for years is still true: you can build the greatest website in the world but you still have to drive people to it. The movie “Field of Dreams” to the contrary: if you build it, they will not necessarily come.

Cleverly, the BushBoy.com creators helped spread word of their site by attending a youth vote rally three days before the site’s October launch (at Prince’s old First Avenue haunt in downtown Minneapolis), propping up a huge cardboard sign prominently featuring the site’s URL and a Coleman graphic. This helped fuel interest among the rally attendees and drove visitors to the new site. They also managed to hang teaser-banners on highway overpasses, to increase name recognition and drive a broader audience of voters to their website.

Minnesota’s BushBoy.com creators admitted to being influenced by an earlier Internet campaign effort from the 2000 election cycle called OverthrowtheGov.com, which was one of the pioneering efforts in political viral marketing. The goal of this campaign was to promote the ideas in the book *How to Overthrow the Government* by respected national syndicated columnist and political commentator Arianna Huffington, in order to create an ongoing web-based organization for change. The website, which was

launched in advance of the book release, was successfully integrated with grassroots organizing, paid TV and radio advertising (utilizing celebrity voiceovers of Bill Maher and Harry Shearer) in order to expose the truth behind the corporatizing of the two major political parties. OverthrowtheGov.com went on to become the website for Shadow Conventions 2000, the protest conventions which took place simultaneously with the Republican and Democratic National Conventions.

Virally, BushBoy.com revved up where others usually slow down. Once a website is launched and materials are essentially electronically posted, most campaigns are content to sit back and move on to other business (i.e. more traditional campaign methods such as direct mail or voter rallies). BushBoy.com, on the other hand, took the practice of viral marketing to a new level, sending a steady diet of e-postcards and a weekly newsletter (called *Lapdog*) virally which could be downloaded and/or forwarded to friends, building an ever-increasing audience for their efforts.

The BushBoy team has also managed to keep their effort alive after the November election by continuing to send out their weekly newsletter, which now serves as an inexpensive, tongue-in-cheek “watchdog” on already elected people and ties into the current news cycle (for instance, revealing that their villain, Coleman, took \$10,000 from Trent Lott’s PAC during the 2002 election cycle). People who did similar things with George W. Bush in 2000 inspired the BushBoy creators. Electronic information such as this, delivered weekly, may help to hold candidates — and even journalists — more accountable to the public by thrusting the truth in front of them.

Campaigns should be as concerned with proactively dealing with misinformation as spending time on virally spreading their own messages.

However, as much as the Internet was used this past cycle for virally disseminating substantiated facts, information that has been less-than-accurate also can spread like wildfire. Campaigns should be as concerned with proactively dealing with misinformation as spending time on virally spreading their own messages.

Recommendations

In 2003 and beyond, political campaigns would be well-advised to broaden their thinking and push the envelope creatively on how the Internet can further the goal of getting their candidate elected. Rather than settling for sub-par websites that resemble little more than electronic brochures, campaigns need to become more sophisticated in taking advantage of the communications resources and creative license the Internet offers to better reach and persuade voters. Even the most conventional tactics attempted by campaigns, haven’t been used to the fullness of their potential. These include:

Organizing Supporters & Volunteers

The 1998 Ventura for Governor campaign in Minnesota was widely hailed as the first campaign to use the Internet effectively for organizing supporters and volunteers to propel Jesse Ventura to victory. Since then, very few imitators have succeeded in maximizing the Internet's potential to reach supporters (and/or the news media) and motivate them to take action on behalf of a candidate. Ventura's Get-Out-The-Vote effort the weekend before the election (his "72-Hour Drive to Victory" RV tour which drove to targeted areas of the state the final three days) used his campaign website as central command to track and report on the progress of

Ventura's tour via live postings of photos and coverage of supporter rallies. This not only engaged supporters and traditional non-voters (whose interest been peaked by Ventura's unconventional campaign) but also captured the interest of the press whose considerable coverage the last three days of the campaign, through TV and print media, gave Ventura critical free public exposure which led to his victory.

Online Fundraising

Most campaigns haven't come close to being as effective at raising money over the Internet as John McCain's

groundbreaking success raising money for his 2000 primary campaign. While many statewide and national campaigns now offer online options for donating money (usually a simple credit card feature), they do not actively promote these features or think of interesting new online uses for fundraising, and thus, do not raise nearly as much money as they could. Traditional fundraising firms maintain their reliance on direct mail while paying mere lip service to online fundraising. Flying in the face of convention, Ralph Nader, in his 2000 presidential campaign, was able to leverage the power of the Internet. He cross-promoted his TV ad "Grow Up" (which went on to win awards for its clever parody of Monster.com's famous ad) with the VoteNader.org campaign website in order to raise a substantial amount of money for his TV advertising. The campaign posted a clip of the "Grow Up" spot on the website along with a nationwide call to supporters and visitors to donate funds to help allow the TV spot to be placed on TV in several national markets. Because the ad could be fully previewed online by visitors (which the Nader campaign was able to post for free), potential contributors could see specifically what their donation would be used for. The appeal of produced ads was used as a device for getting visitors to make a financial contribution. In the end, the Nader campaign raised more than \$8 million dollars nationally, much of the credit being given to the campaign's clever use of online fundraising.

Traditional fundraising firms maintain their reliance on direct mail while paying mere lip service to online fundraising.

Being Interactive

“Interesting Interactivity,” which is the most important advantage of web-based communications, is rarely present on most political websites. Many campaigns complain that they cannot effectively reach voters because they have to buy expensive email lists. However, most campaigns can build such lists if they are smart and imaginative with viral marketing efforts. (In less than 2 months, BushBoy.com generated 2,300 emails and 65,000 unique visitors with tactics such as e-postcards, short movie clips, and newsletters). The “virality” of websites and the Internet is both its biggest advantage and its most underutilized feature. Too many have tried to apply the direct mail paradigm to web-based communications, and have failed in the process. Websites (unlike direct mail, which is a static form of communication) are electric, organic entities. If campaigns do not take advantage of these elements by regularly “freshening” and updating their websites, they are losing the inherent benefit the web has over traditional, static forms of communications.

Targeting Voter Segments With Email

Even campaigns with well-developed email lists do not spend enough time breaking these lists down into well-targeted segments. The Internet is nothing if not adept at one-to-one communication, and it has a menu of destinations to dwarf all broadcast and print vehicles combined.

Rapid Response (Offensive or Defensive)

In addition to communicating with voters, campaigns must keep sharpening their skills at communicating with the news media. Most campaigns today now place downloadable photos, candidate biographies, position papers and press releases on “Press” sections of their websites to aid in building positive, responsive relationships with the news media. However, most stop at this. Websites can deliver information at lightning speed, much faster (often) than trying to reach a reporter via fax or phone. This is especially critical for political campaigns, because they often need to dispel misinformation from an opponent or get their own spin to a story out to the press immediately. Many campaigns do not spend enough time setting up these online capabilities (which often mean having a fully updated, and segmented, media contact list).

In the end, the Nader campaign raised more than \$8 million dollars nationally, much of the credit being given to the campaign’s clever use of online fundraising.

Conclusion

Overall, the Internet will continue to develop as one of the least expensive and effective ways to communicate with voters. However, the pace of that development depends on whether campaigns will invest a proper level of funding into their website and web operations in order to reap the cost-benefits websites can offer

in terms of better field organizing, broader reach with fundraising and message delivery, rapid response and more targeted communications.

Given the new restrictions on soft-money, candidates should find the cost-effective nature of viral, web-based marketing initiatives particularly appealing. And the larger the race (especially statewide campaigns and Presidential campaigns), the more voters (and donors and volunteer supporters) will view the candidate through the prism of a political campaign's online communications effort in addition to – or instead of – face-to-face campaigning.

If campaigns dug even a little deeper, they would find that a lot of swing and independent-minded voters – especially younger voters raised on South Park and The Simpsons and other sarcastic-yet-savvy endeavors — can be lured with a little imagination and humor (something sorely missing in most major party campaign sites).

Overall, the Internet will continue to develop as one of the least expensive and effective ways to communicate with voters.

Similarly, third party messengers (such as the BushBoy.com example discussed earlier) may prove to be more helpful to a candidate getting their message out (especially to younger voters) than the campaign itself. Third-party messengers hold credibility with these voters more than the campaigns themselves do because they appear to be more straightforward and have an often less-obvious agenda.

To date, the vast majority of Internet-based campaign initiatives haven't gone far enough in bridging the online effort with the offline effort. Integrating and cross-promoting a website or web-based activities with traditional campaign activities (rallies, paid advertising, speaking opportunities, etc.) should seek to reinforce multiple communications efforts. It will be a campaign's best defense as well as offense. The two major parties and mainstream organizational groups can continue to overlook this at their own peril.

North Woods Advertising a full service marketing and communications firm which has made a name for itself launching Mall of America and helping to elect Jesse Ventura governor of Minnesota. Other North Woods clients have included Wellstone for Senate (1990 and 1996), Nader 2000, and the Minnesota Twins. Northwoodsadvertising.com.

CHAPTER 18. EXCERPT FROM FAT CATS AND THIN KITTENS: ARE PEOPLE WHO MAKE LARGE CAMPAIGN CONTRIBUTIONS DIFFERENT?

John McAdams and John C. Green

Cato Institute Briefing Paper No. 76 September 25, 2002

One of the most enduring stereotypes in American politics is the “fat cat”, the wealthy campaign contributor. From the robber barons of the gilded age to the corporate rich of the mid-20th century to the purveyors of soft money in the 1990s, those who donate large sums have a firm place in the mythology, if not the reality, of American elections. Fat cats are prime suspects in the conspiracy theories of the left and right, potent props for cynics of every persuasion, and the great bane of all reformers. Political scientists frequently focus on fat cats as well, assigning large contributions a prominent place in explanations of political power and party coalitions. Such assertions are rarely based on more than anecdote and conjecture.

[The following charts come from] the paper which juxtaposes the fat cat stereotype with an empirical picture based on survey data. We have collected a national sample of donors to competitive congressional races and public records of their subsequent federal donations. We use those data to describe the political and social correlates of donors across the gamut of contributions. We conclude that new laws aimed at restricting large donations in favor of smaller ones will have only modest effect on practical politics.

Small contributions were less than \$500, moderate contributions were from \$501 to \$5,000, and large contributions were \$5,001 or more.

[E-Voter Institute Editorial Note: Of particular interest to E-Voter is the data that reveals the respondents' account of the circumstances surrounding a single contribution they made in 1988 to a single candidate. We will leave the larger issues of how fat cats differ from thin kittens, those who give small donations, and the impact of the money on the political process, for another forum.]

Given the nature of the Internet, there are many ways to use email, links, and online ads to get the attention of the fat cats and thin kittens alike, as online fundraising becomes more commonplace. We find these charts thought provoking because they show that nearly one in three contributors of all types responded to a request in the mail and about the same percentage contributed because an economic interest group (union, corporation) or trade association supported the candidate. Over 50% attended fundraisers because they received an invitation in the mail with nearly as many saying a friend invited them. These are clear

Over 50% attended fundraisers because they received an invitation in the mail with nearly as many saying a friend invited them.

direct marketing and branding opportunities that the Internet can handle in a cost-effective way to supplement more traditional approaches to fundraising.]

**Table 3
Circumstances of Contribution**

| Item | Small Contributors | Moderate Contributors | Large Contributors | Tau-b | Significance* |
|--|--------------------|-----------------------|--------------------|-------|---------------|
| Got request in mail | 37.3% | 32.1% | 36.0% | 0.03 | no |
| Someone working for the campaign (not known to me personally) called to ask for a contribution | 6.0% | 6.0% | 4.7% | 0.01 | no |
| I attended a fundraising event (such as a dinner, coffee, or reception) | 24.6% | 28.5% | 25.5% | 0.02 | no |
| An economic interest group (union, corporation) or trade association supported the candidate | 38.9% | 39.9% | 30.7% | 0.03 | no |
| An interest group promoting a particular cause supported the candidate | 6.4% | 5.5% | 5.9% | 0.01 | no |
| People where I work were encouraged to contribute to (name of candidate) | 11.5% | 9.1% | 8.1% | 0.04 | 0.05 |
| I made the contribution on my own initiative | 4.9% | 3.5% | 2.5% | 0.04 | 0.05 |

*Significance of Tau-b coefficient.

**Table 4
How People Who Attended a Fundraising Event Came to Do So**

| Item | Small Contributors | Moderate Contributors | Large Contributors | Tau-b | Significance* |
|---|--------------------|-----------------------|--------------------|-------|---------------|
| I got an invitation in the mail | 53.2% | 53.1% | 50.5% | 0.01 | no |
| A friend or acquaintance invited me | 42.2% | 43.2% | 41.4% | 0 | no |
| An economic interest group or trade association encouraged me to attend | 7.5% | 6.2% | 13.1% | 0.02 | no |
| An issue-oriented interest group that I belong to sponsored the event | 8.0% | 6.2% | 10.1% | 0 | no |
| People where I work were encouraged to attend | 3.8% | 4.6% | 2.0% | 0 | no |

*Significance of Tau-b coefficient.

Reprinted with permission from the Cato Institute Cato.org

CHAPTER 19. VOTE FOR ME! I'M THE "E-CANDIDATE"

Mark Walsh
Ruxton Associates

There have been few revolutions as dramatic as that of the impact of the internet on the markets it attacks.

Inexorably, unyieldingly, and permanently, it has infiltrated traditional customer-supplier relationships in a wide variety of marketplaces. It changes the way customers consider products and are educated about products... forever. And it does not stop until it has created more empowered, informed, and omniscient buyers, replacing ignorance with bliss. Unbiased information-rich platforms are now expected and demanded by mainstream customers.

If you don't believe me, consider how Americans shop for a house, a car, a job, an airline ticket, a book/record, a collectible baseball card, or a soulmate/spouse. In each case, the net has crushed prior media's control over access to large amounts of product availability, has crushed the middlemen's control over information about how much the products should cost, has crushed the commerce system's control over where and how you buy it, and crushed the supplier's control over the "opinion mart" of current owners telling prospects how well the product or service operated.

It has truly leveled the playing field. Ask yourself if you are prepared to go back to the old way of travel agents, newspaper classifieds, "garage sales", stock brokers, and the corner bookstores... and unprepared to keep using travelocity, ebay, amazon, e*trade, or careerbuilder.com. You won't. The educated customer, or the ability of customers to educate themselves, is here to stay. We are demanding more and more "unbiased market makers" for more and more markets.

Why do we think the political "marketplace" will be any different?

In that market, the "customer" (i.e. the voter) is as un-empowered as any market I have seen. The "vendor" (i.e. the party, the incumbent or the challenger) is forced to use stupendously inefficient communications tools to focus on one or two product features at a time, sometimes, focusing on under-performing features of his competitor (negative ads). The customer has no place to efficiently go to compare product features (voting records, speeches and platforms), ask specific questions to the sales channel (What's your opinion on ANWR Drilling?), to see different ways to sample the product (A rally is happening near me, A debate with the opponent is on the radio), or any easy way to sample, purchase, use, and recommend the product (Put on bumper stickers, knock on doors, vote and promote).

Why do we think the political "marketplace" will be any different?

The customer in the political market is literally kept blind to the features of the supply chain. They do not know who makes or finances the product. They do not know who hates and is damaging the product. They do not know how the product will operate for them, and they do not know how act towards the product pre and post sale

The high beam lights of information access that have altered the landscape of the marketplaces I mention at the start are sweeping their way across the political landscape, and the antiseptic nature of these bright new lights will alter the political process like no other tactics before them.

Sure, I'll bet a number of you are saying "I've heard this before, and I'll hear it again... and it's all baloney. Politics is politics. It will never change." You're partly right. There has been a lot of hot air generated about the impact of interactive technology on the political process, most of it pap. But I would humbly suggest that this time is different. Several reasons come to mind:

Email has emerged as the most affordable way to get small, medium and large groups of people to learn something and to act on it.

1) The 18-28 year old segment of the voting population is so burned out and cynical about politics that they refuse to use or absorb any of the media message political parties try to get to them. Moreover, they have come of age as adults in a high bandwidth environment, (college and connected workplaces) where access to news is totally self controlled. They are not listening to Peter Jennings, they are listening to Yahoo news and Google. Conclusion: A large sector of voters is not getting the product features, because they

don't believe the medium and they don't believe the message.

2) Email has emerged as the most affordable way to get small, medium and large groups of people to learn something and to act on it. The speed that huge numbers of users are affected by "net-hoaxes" and email viruses is proof that "viral" marketing, (i.e. a message from someone we trust, or a message passed along by someone we trust), is palpable and actionable. Perhaps as important, the ability to remember things about an email address (their preferences,

passions or personality quirks) lets the focus of a call-to-action get sharper and sharper and sharper. Conclusion: The cost of message control, management and deployment is approaching zero, letting "buyer groups" emerge as new opinion leaders.

The web is the ultimate sliver creator, maintainer, and motivator.

-
- 3) The emergence of splinter groups is now a technological reality. Most elections have voter turnout of 50% or less, and most elections are relatively close. Any “sliver” vote, properly motivated and energized to turn out at 80% or higher on Election Day, can change elections. The web is the ultimate sliver creator, maintainer, and motivator. Voter’s who don’t care much about the candidates can be swayed by a few emotional netizens who can get the message out, and get the passionate mobilized. Conclusion: The speed of adoption has increased, and is a one-way ticket to a new political reality.

Where does that leave us? Many voters stopped listening to product feature messages, and stopped buying the product. The biggest challenge for the overall political marketplace is to re-convince the non-purchasers that making a buying decision makes a difference in one’s life... that politics is relevant, and that we can learn more about the products being offered us.

This is where net-based market dynamics will take some getting used to. When you use Travelocity to book an airline seat, you know what to expect, and the brands are relatively stable. If someone made a false promise (“Tins of caviar handed out at check-in for coach passengers!”), or competitive misinformation was passed out as fact (Don’t fly American! They stopped servicing their engines in 1973!), the great majority of travelers would know how to use or discard the data.

It is the next phase of the collision of politics, policy and technology.

Ahhh, there’s the rub. None of us is used to an information-rich political market, yet. All of us are still naïve about claims and counterclaims made by parties and candidates, and there are no “unbiased market makers” to referee what is said, promised, or refuted. It sort of reminds me of the early days of the internet, when there were lots of places promising lots of products and services, a place where “surfing” was fun, entertaining and sometimes educational... a place where a 14 year old could pose as a stock analyst and move markets....

Remember those days? I believe you are about to relive them. It is the next phase of the collision of politics, policy and technology. Yes, there will be false claims, anonymous sources, organized “chats” and late night chicanery... no, I’m sorry, I was thinking of Tallahassee in December 2000... Forgive me. But the net is where sliver groups will do their worst, and their best, work.

But this is the way it was in all the prior markets the net altered. The customers who used the net most in the early stage of marketplace migration were the “edge customers”. Those who already didn’t trust the system and were sick of overpaying. The change of market dynamic takes some time to go from the edge to the center, but once the process is started, it cannot be stopped.

The challenge to today's two party system is to recognize where markets are going, where customer demands are being forged, where competitive opportunities lie, and attack them with vengeance. But there is one more lesson here. In every market I mention at the beginning of this essay (travel, stocks, classified ads, auctions, bookstores, etc.) the dominant market maker "brands" did not survive or thrive in the new unbiased market environment. In each case, a new brand or brands emerged as a trusted provider to the new type of customer. I have never seen a dominant brand in one type of market structure survive the "birthing process" of a new market dynamic, and a new type of customer.

Adaptability has been a hallmark of great politicians.

Will politics be different here as well? I think not.

There will emerge new brands of consultants, media buyers, message managers, public relations advisors, campaign managers and grassroots organizers. There will be new types of candidates, or new brands to buy... or today's candidates will show up with a new level of accountability and openness to the electorate... and

openness to web demands. Can today's system of candidate creation, training, promotion, presentation, and management survive the birthing process? It will be fascinating to watch and participate in.

Darwin was right, and the web proves it every day. But, lest we forget, Darwin did not claim that only the strong survive, he claimed that only the adaptable survive. Adaptability has been a hallmark of great politicians. Can that talent lead them to the next stage in market evolution? I think so, and for the candidates who realize that you'll see the next version of travelocity and ebay in our campaigns and our voting booths a lot faster than many of us expect.

I can't wait.

Mark Walsh is the Managing Director of Ruxton Assoc. LLC, a Private Venture Fund. He previously was chief technology advisor to the DNC, and before that CEO of VerticalNet, an enterprise software and services company. He was also at America Online as a corporate Officer.VII. Online Communications Primer

CHAPTER 20. EMERGING DEMOCRACIES AND THEIR USE OF THE INTERNET

Mike Connell
New Media Communications

The Internet is having a significant political and electoral impact in places like the former Communist countries in Central and Eastern Europe where Internet technology had been adopted with amazing speed.

How has the Internet been used within these emerging democracies?

One of the first noteworthy uses in political campaigning occurred in Russia during 1999-2000. The hands-down favorite to win both the Duma elections and the subsequent presidential race at that time was the Fatherland party. Formed when former Prime Minister Primakov, the most popular politician in Russia, joined forces with Moscow's pathologically ambitious Mayor Luzhkov, the Fatherland party was quickly relegated to the sidelines within a few short months.

How did this happen? The mastermind behind this effort was Gleb Pavlovsky, the political consultant credited with orchestrating Putin's presidential win. His weapon of choice: The Internet.

Via the use of email and Internet sites, Pavlovsky quickly, yet surgically discredited his opponents and paved the way for Putin's victory. And whereas less than one percent of Russians had Internet access at that time, it is important to note that key political opinion leaders were online – university intellectuals, government officials, security services and the mass media.

This Internet proved to be powerful tool in this contest and these events foretold the future that this medium would play in campaign and other political activities in the emerging democracies of Central and Eastern Europe.

What is the catalyst for this change and why is new media being embraced?

The first reason is aptly illustrated by the Russian example: regardless of how many people are online (and penetration figures are rising rapidly here and throughout most of the world), the fact of the matter is that the "right" people are online now – and many have been since the beginning of this decade. Specifically, the opinion leaders, journalists, political leaders, activists and other key figures in government

And whereas less than one percent of Russians had Internet access at that time, it is important to note that key political opinion leaders were online —

and private sector are utilizing the Internet to not only receive news and information, but to communicate, organize and coordinate.

Second reason is that the Internet helps create a level playing field. Inherent advantages and disadvantages become less significant on the Internet – we are all equals online and this is true around the world. At the same time, forward thinking candidates and parties around the globe are infusing Internet technology into their campaign plans to take their efforts to a higher level. They see emerging technologies as a potential advantage and have embraced the thought that technology could provide them with a strategic advantage.

Another reason is that fact that in many of these former Communist nations, the bias of the media is still very much a fact of life. They cannot depend on the aid of the media to help deliver their messages – more to the point; they are often victims of yellow journalism and bias reporting. To purchase air time to promote their perspective and advance their positions or ideas is often cost prohibitive. Moreover, cost and other inherent challenges minimize the use of phone or post to reach their audience in the manner it is utilized here in the United States. For

these candidates and parties, the Internet is the logical medium through which to build a communications channel with their audience and circumvent the media.

Perhaps the most interesting reason to watch these developments is because these emerging democracies are more receptive to new ideas and more willing to take chances. In the United States, our greatest challenge as Internet consultants involves challenging the “tried and true” traditional campaign tactics and attempting to shift the paradigm away from the same basic victory formula that has been used for the past 40 years.

In these countries, open elections are still a new concept and many have yet to savor to taste of victory. They are

hungry and they are open-minded. After years of oppression, they are willing to take chances, even if this means embracing new technology and utilizing tactics that have never been tried in their respective motherlands.

Some Specific Examples

As early as 2000, the Internet was already playing an important role in some local races, including the mayoral election in Bucharest, Romanian. The impact that the Internet had in the demise of Milosevic in Serbia is undeniable. Led by the renegade B92 Radio student-run station, the Internet was instrumental to the coordination

Perhaps the most interesting reason to watch these developments is because these emerging democracies are more receptive to new ideas and more willing to take chances.

of the resistance and played a pioneering role in bypassing media repression. Moreover, the effort was resilient. Despite Milosevic's efforts to squash this online rebel movement, the decentralized nature of the Internet proved to be too much for the despot and ultimately, both the Internet and B92 played a key role in the downfall of a corrupt and violent regime.

New Media Communications has been fortunate to be involved in several key projects in the emerging democracies of Central and Eastern Europe and has witnessed firsthand the revolutionizing effect this technology has had on politics. Starting back in October 2000 our firm and the International Republican Institute were tasked with energizing youth voters via the Internet for the parliamentary elections in Slovenia.

For several reasons, Slovenia offered a unique opportunity to demonstrate the effectiveness of the Internet that region. It is a comparatively technologically savvy nation and the Internet penetration was considerably higher than in most other Central European countries – twenty-three percent of Slovenians were online at that time compared to the next highest country, Poland, which only has seven and one-quarter percent online then.

The decision was made to specifically target “the youth vote,” attempting to engage and mobilize this key constituency via the Internet by encouraging them to vote in the upcoming elections.

The decision was made to specifically target “the youth vote,” attempting to engage and mobilize this key constituency via the Internet by encouraging them to vote in the upcoming elections. The website was designed to draw them in, provide them with the information about candidates and parties, and ultimately, encourage them to vote. Users were able to customize the information they want to receive, making the website their own political tool.

The project was dubbed Tvoj Glas 2000. Tvoj Glas, a catchy phrase conveying the double meaning “your vote” and “your voice,” was the first site of its kind in the region. Available in Slovenian- and English language versions, the site invited all political parties to contribute information on their platform and candidates. Specific features of the website included a searchable directory of party news releases, speeches and other information, an event calendar, information on how to register to vote, and a threaded discussion area where voters could chat about the upcoming elections, candidates, and issues.



The site provided an opportunity for users to view party responses on key issues facing Slovenia and its youth. Users had the ability to look at parties side by side on the issues to compare and contrast. The site also includes a listing of party candidate slates, with links to individual candidate profiles. A map of Slovenia with election district overlay allowed users to click on a district to pull up candidates in that area.

Given the extremely short election cycle, it was also important to undertake an effort to increase the effectiveness of the site. To help increase site traffic, a Palmpilot was awarded to the person who registered and recommended the site to the most people.

As the party content fell into place, online activists – fluent in both English and Slovenian – were hired to work online to highlight the site and drive traffic. In a non-partisan manner, these individuals went to newsgroups, chatrooms and other Slovenia-centric online destinations where youth and other interested parties gathered.. They talked up the election online and encouraged people to not only visit the site, but to get involved.

In a groundbreaking initiative, the project also used mobile phones to help encourage election turnout. While roughly 40 percent of Slovenians have a telephone in their house, more than 80 percent carry a mobile phone. With SMS (short messaging

service) being ubiquitous in Europe, it was decided that this was a prime opportunity to experiment with this technology. In a world-wide campaign first, Tvoj Glas collected the Internet addresses for mobile phones and used them to communicate short text messages to people on election day reminding them to go to the polls to vote.

In an election year when the parties in Slovenia were just beginning to turn to television to reach their audience, the level of traffic for the website was considered a success.

As another aside, it is interesting to note that with the election campaigns moving to the Internet for the first time in Slovenia, the party that recorded a solid victory in the campaign – winning 35 of 90 seats in the parliament — was the only party that effectively communicated with its potential voters via the Internet.

As the party content fell into place, online activists – fluent in both English and Slovenian – were hired to work online to highlight the site and drive traffic.

And whereas the SMS campaign was but one aspect of the overall online campaign, this was a significant Internet first that raises an important point.

Whereas Central and Eastern Europe have “leapfrogged” quickly to close the technological gap between it and what are perceived as the more sophisticated online campaigns of the United States, Canada and Western Europe, we should not necessarily look at them as “behind.” The fact of the matter is these emerging democracies are ahead in many ways.

We should look to them for insight on where technology will take us on several key fronts. The most important being wireless. After our success with the SMS GOTV messaging in Europe, our firm tested the technology in statewide races in both 2000 and 2002 with marginal results. The fact of the matter is that though SMS usage has not penetrated the masses in the U.S. as it has in Europe, that day will come. Moreover, SMS will prove to be an extremely effective tool for permission-based GOTV efforts.

Since our Slovenian experiment, SMS has been effectively used in practically every major Western European race since, including Italy, France, Germany, Sweden, Portugal, and The Netherlands. These parts of the world should also be viewed as a proving ground for other wireless initiatives. The true opportunity here is most evident in what happened in Belgrade after the arrest of Milosevic.

Because of the war in the Balkan region, there had not been an investment in telecommunications infrastructure in 10-15 years. No new fiber, no new copper, nothing. Much of what had been in place had been destroyed in the war-torn region.

Visiting Belgrade within weeks of Milosevic's arrest, I was interested to see a downward-pointed dish on top of the city's tallest building. Upon further investigation, I learned that businesses were obtaining the "last mile" of their Internet access via a line-of-site wireless connection while delaying wireless deployment as best they can.

These countries are not going to try to catch-up with the rest of the world by pulling wire or cable. Instead they are going straight into wireless.

In the United States, billions have been invested in a copper, coaxial and fiber-based telecommunications infrastructure. The companies behind this infrastructure are going to milk this investment to the last while delaying wireless deployment as best they can.

Conversely, these emerging democracies saw a minimal investment in telecommunication infrastructure during Communist rule. And things have not gotten much better over the past decade. These countries are not going to try to catch-up with the rest of the world by pulling

wire or cable. Instead they are going straight into wireless.

Hence, these nations ultimately will provide clues as to what the wireless future has in store for us.

Another example of this comes from Macedonia in the summer of 2001. After many months of attacks from its Albanian population, a peace accord had finally been forged. The plan, however, required passage by the parliament. The decision was made to run a traditional PR campaign to build support for the peace plan.

New Media Communications was successful in convincing the campaign coordinators and funders to incorporate a "new media" element into what was an otherwise traditional public relations campaign. As a result, we were involved in the strategy and development of Macedonian and Albanian language sites promoting adoption of the U.S.- backed peace accord in Macedonia.



But even more interesting was the effectiveness of the banner ad campaign that was run on the sites of the major Macedonian and Albanian language newspapers. The click through rate was astounding – surpassing rates we had seen on any online banner campaign in the U.S.

And there are countless more examples. Another project worthy of mention is the highly successful Gencnet program in Turkey. Sponsored by the International Republican Institute, the www.gencnet.org site is very effectively used as a

centerpiece of a sustained campaign to engage Turkish youth in the democracy building process.

How can technology play a more significant role in democracy building throughout the world – especially in the wake of September 11, 2001?

Since the end of the Cold War in the early 1990s, the United States and other like-minded countries have placed decreasing emphasis and resources on proactively promoting pro-democracy messages throughout the globe. This fact, coupled with a dramatic increase in the number of youth around the world, has created the challenging need to reach out to the next generation to plant the seeds of liberty.

In the past, the United States has relied on traditional broadcast medium – primarily via programs like Voice of America, Radio Marti and Radio Free Europe – to spread the messages of democracy abroad.

Decreases in U.S. spending on these critical programs have left a void internationally in terms of the pro-democracy messages reaching the world's youth. This void leaves unanswered the anti-democracy messages and anti-U.S. rhetoric preached by those detractors who hate the United States and the democracy for which it stands. In the wake of the tragic events of September 11, 2001 and the increasing threat of terrorism, it is critical that this void be addressed.

The solution lies in part with the Internet. There is clearly an incredible future for the Internet as a tool for democracy building through election and governing activities. The Internet has opened a new frontier that allows more cost-effective communications and greater interactivity than traditional media. While the Internet's penetration is still in its infancy in many parts of the world, the groups that are most consistently online in the countries where terrorism has its roots, are the key influential people found in government, media and academia, as well as amongst the young – all leaders of tomorrow.

There exists a unique opportunity today to develop a comprehensive Internet strategy and program to promote democracy throughout the world. As we move forward, it will be important to watch programs like the National Endowment for Democracy's World Movement for Democracy (www.wmd.org) and other emerging projects to see firsthand the increasingly important role that the Internet will play in this changing world.

There exists a unique opportunity today to develop a comprehensive Internet strategy and program to promote democracy throughout the world.

Mike Connell is the President/CEO of New Media Communications, an Internet strategy and communications firm. Connell is internationally recognized for his groundbreaking work, including his development of the award-winning www.georgewbush.com campaign web site. Under Connell's direction, New Media Communications has emerged as an international leader in the field of political web site development.

CHAPTER 21. ONLINE GLOBAL POLL: A BOLD EXPERIMENT IN E- DEMOCRACY

George Papandreou

Minister of Foreign Affairs of Greece

Phil Noble

Founder of PoliticsOnline

“The foremost value of the (Online Global) Poll lies in its significance as a first bold experiment towards gauging, measuring and understanding public opinion on a global level. In this sense independent on-line polls provide a useful and important service to the world’s citizens, with the objective to mobilize their active participation in managing the big challenges of humanity and, thus, enhancing the inclusiveness and democratic legitimacy of the political process.

This reinvigoration and reinforcement of the principle of democracy in and for the information society is an imminent task, to which any modern democrat ought to feel committed, by duty, conviction and heritage.”

*Papandreou address to
The United Nations General Assembly
September 15, 2002*

A Tale of Two Summits

In September of 2002, approximately 10,000 people from around the world gathered in Johannesburg, South Africa, for the World Summit on Sustainable Development, or, as it was more popularly known, the UN Earth Summit. There, the delegates did what delegates do – they discussed, they proposed, they resolved and they ratified. They set goals and targets and timetables. And in the end, they all went home and hoped they had done some good.

Par for the course, many would say.

But that wasn’t the whole story in this case, because in conjunction with the 2002 WSSD, another environmental summit of sorts took place. This second summit involved more than 25,000 participants from 175 countries, and when it was over, a small step forward had been taken in the worldwide e-democracy movement. The summit to which we are referring was the Online Global Poll on the Environment — the first-ever attempt to measure and scientifically report the attitudes and opinions of real people around the world on a global issue of fundamental importance.

...the first-ever attempt to measure and scientifically report the attitudes and opinions of real people around the world on a global issue of fundamental importance.

The Andreas Papandreou Foundation of Athens (www.agp.gr) and PoliticsOnline (www.PoliticsOnline.com) developed and conducted this in-depth online poll to allow people to express their opinions about current environmental conditions, to

assess what environmental issues are most important, and to evaluate possible solutions and policies. Thanks in no small part to media sponsors like the BBC, AOL Time Warner and Microsoft, and the active assistance of literally thousands of individuals and institutions across the globe, the response was, even to us, truly remarkable.

A Global Experiment in e- Democracy

What, exactly, was the Online Global Poll? From the very beginning, we struggled with what to call the project. We knew that it could never be a scientifically representative survey that accurately reflected the attitudes and opinions of all the 6-plus billion people in the world, since only a small percentage have access to the Internet, and, of those who do, only a tiny few would take the poll or even hear about it. Additionally, with all the problems associated with the “digital divide,” we knew that many groups would not be represented at all. Some might say that all this makes any Internet-based, online polling meaningless.

In a real sense, this project was more about digital democracy than it was about polling.

We believe the Online Global Poll represents the first outpost on democracy’s next frontier — the use of new techniques and technologies to expand the circle of deliberation and decision-making.

In a real sense, this project was more about digital democracy than it was about polling. The radical new possibility afforded by the digital age is interaction – real people responding and participating in real time.

This poll is but one example of political interactivity, and many others are being attempted (online debates, chat session, live web-cast, voting by mobile phones, SMS for political activity, etc.), though none on a global basis. The Online Global Poll was the first time an international event like the WSSD has had a major interactive component open to all. It was global e-democracy in its earliest form.

Why is e-democracy important? The Internet and other new communications technologies are radically changing the world. In every aspect of our lives — from commerce to entertainment to education to government – these technologies are opening up exciting possibilities. But many governments have been slow to see the emerging opportunities — too often, they have not been willing to take chances, and aggressively search for new and better ways of addressing the world’s most challenging problems.

The e-democracy movement is dedicated to using the new power that the digital revolution has placed in our hands to expand, strengthen and enhance democratic decision-making and participation. Understanding global opinion about important public policy issues like the environment and sustainable development is an important first step in the process.

Reaching the Audience

This poll was the first online global poll of its type ever developed that was devoted exclusively to global political and public affairs issues relevant to the environment and sustainable development. It was unique in that, for the first time:

- 1) Any person anywhere in the world with access to the Internet was eligible to take the poll.
- 2) Three of the largest global media companies — the BBC, AOL Time Warner and Microsoft — jointly sponsored the poll ensuring the widest possible global distribution.
- 3) Key demographic data was collected on the 25,164 participants to allow for additional research on a regional basis.

This poll was developed and conducted with the highest professional standards and in conformity with the general guidelines and procedures established by the Code of Ethics of the World Association of Public Opinion Research.

In addition to our media sponsors with their global reach, we announced the project at a press conference in Johannesburg with attendance by the international media, and followed that with special interviews and promotion. Also, we made a particular effort to reach a global audience by having questionnaires on the site in seven different languages – English, Arabic, German, Spanish, Portuguese, Turkish and Greek.

But the biggest factor in boosting global participation seems to have been the hard work of ordinary people who recognized the unique nature of this project, and were eager to get others involved. There were literally thousands of non-profit organizations, NGOs, companies, foundations, governments and individuals that helped us build global reach. They forwarded our poll to their members, employees, associates and friends. They published articles, did media interviews, and posted our Online Global Poll banner on their websites. Their creativity and dedication were astonishing, and clearly demonstrated to us the desire among average people the world over to leverage new technologies to expand the notion of democratic participation.

But the biggest factor in boosting global participation seems to have been the hard work of ordinary people who recognized the unique nature of this project, and were eager to get others involved.

Summary of Results

The Poll had 34 questions and was designed to elicit user opinions three basic areas: 1.) current environmental conditions in their own countries and globally; 2.) their assessment of which environmental issues are most important; and 3.) their evaluation of possible solutions and effective policies.

Our key findings were:

- There was a surprisingly strong consensus of opinion from all 12 global regions;
- Overall, people are very dissatisfied with the state of the world and the environment in particular;
- People have little confidence in either national governments or international organizations to solve the most pressing environmental problems;
- They see solutions coming from the people themselves, growing out of the way we live our lives on a daily basis;
- Large percentages are willing to pay a significant personal financial price for a cleaner environment.

An Excel spreadsheet of the complete raw data responses to all questions for each of the 25,164 respondents is available on the permanent archive web site. We went to extraordinary lengths to provide all relevant data in both PDF and Word format — in easily readable formats— so that academics or anyone else with an interest can access the full raw data for the purposes of independent analysis and calculations. We believe that this kind of transparency is a vital component in the development of effective e-democracy standards and practices. For full details see <http://www.netpulseglobalpoll.com/>.

Project Design and Development

From the very beginning, we went to great lengths to design and develop this poll to the absolute highest technical and professional standards possible today. The following organizations lent their experience and expertise to the project.

Universal Technical Services — The technical support for this poll was provided by Universal Technical Services based in Rockford, Illinois, Olney, England and Pune, India. UTS is a leading supplier of high-productivity problem-solving software to engineers, scientists, financial analysts and other professionals in quantitative fields.

TK Solver — The poll was operated by TK Solver, one of the oldest and most successful product names in PC software. The mathematical modeling and knowledge management Tool Kit was first released in 1983 by the developers of the first spreadsheet.

Fredricks Polls — This firm, which has over 23 years' experience in professional public opinion research, provided data analysis for the project. The firm's principals have been involved in over 3,000 public opinion polls, focus groups and other opinion research endeavors. The firm is known for using cutting edge research techniques and solid analytical methodology. Frederick Polls was founded in 2000 following four years as a part of Frederick Schneider Research, a subsidiary of Cassidy Companies/Weber Shandwick Worldwide, based in Washington, DC.

The Next Steps for Global e-Democracy

We are excited about this first bold experiment in e-democracy and have a number of new and innovative e-democracy projects in the planning stages. Some projects are being developed specifically for the new European Union members. The Presidency of the European Union rotates each six months, and Greece will have the Presidency from January through June of 2003, when the EU is set to expand from 15 to 25 nations. The Andreas Papandreu Foundation of Athens and PoliticsOnline will continue to play a leadership role in expanding our understanding of the potential of global e-democracy.

Some projects are being developed specifically for the new European Union members.

A Final Word on New Beginnings, from George Papandreu

As a Greek, I take great pride in knowing that the basic principles of democracy were first developed in the Golden Age of Greece, some 2,500 years ago. In public assemblies such as the Pnyx or ancient “agora,” any citizen could freely express their concerns before their leaders and fellow countrymen simply by jumping onto a rock. As long as they shouted loud enough and had something valuable to contribute to the debate, their voice would be heard.

This form of direct democracy, which enabled those Greek citizens to take part in the shaping of their own destiny, was the inspiration for the Online Global Poll. While not everyone can participate in the e-democracy revolution today, we must constantly strive for ever-greater inclusion. We are only at the beginning of this e-democracy project — the beginning of the beginning, really.

And this Online Global Poll is an important step in the evolving process of perfecting democracy...e-democracy.

Phil Noble is president of PoliticsOnline.com, a provider of fundraising and internet applications for politics and public affairs, with tools, products and services in use today in over 50 countries. The poll was developed and implemented by NetPulse Global Poll, a new division of PoliticsOnline, Inc.

The Andreas Papandreu Foundation — The Andreas Papandreu Foundation (APF), was established in 1996 in commemoration of former Greek Prime Minister Andreas Papandreu. APF is an independent, non-profit organization with the mission of contributing to the fields of social research, political analysis and peace-building both nationally and internationally. George Papandreu, Minister of Foreign Affairs of Greece, is the son of Andreas Papandreu.

CHAPTER 22. FREEDOM'S ANSWER – ENGAGING OUR YOUNG

Doug Bailey
Youth-e-Vote, Inc.

As a non-partisan response to the 9/11 tragedy, the **Freedom's Answer** Web-based program caused students in 2500 high schools across the country to seek voting pledges in 2002 from parents, grandparents and neighbors to honor the servicemen and women overseas who risk their lives every day for our freedom, including the right to vote.

The ambitious, publicly-stated goal of the students was to set a national voter turnout record for a mid-term election – as an unmistakable post-9/11 message to the world that America and freedom were alive and well.

The students' goal was met. To the surprise of the pundits and the polls, the previous mid-term turnout record of 75.1 million, set in 1994, was exceeded by over 3.5 million votes. And mid-term election turnout records were set in 27 separate states.

When you think about it, it is a reassuring story about our country's future – one worth repeating: Students too young to vote helped set a record American voter turnout.

The goals of Youth-e-Vote, Inc., the 501(c)(3) that created and managed **Freedom's Answer**, were also met: Success empowered the students to believe that they could participate in the political process and accomplish change. It will have helped turn today's students into tomorrow's voters. And the success in 2002 has laid the basis for an expanded program with equally ambitious goals of youth involvement in 2004.

The hub of the operation was **www.FreedomsAnswer.net** – designed, managed and hosted by Jim Jonas and Jenna Hamrick-Young of Peak Creative Services in Denver. It was where the high schools signed up to participate. It was where the school principals, teachers and advisors could download optional curriculum – and materials to implement the program (handbooks, voter pledge forms, certificates for student participation, etc.) It was where students could come and sign up individually to take part, download the forms, and report back results, using their own individualized private page to store information.

Perhaps most importantly, the Web Site provided an extranet for communication to and among the National Leadership Council of state and national student leaders of the student organizations participating in making the program the success it was: The National Association of Student Councils; Boys State and Nation; Girls State and Nation; the Junior State of America; Hugh O'Brian Youth leadership

*Students too young to
vote helped set a record
American voter turnout.*

program; the Boys and Girls Clubs of America; YMCA Youth-in-Government; Junior ROTC; and the Youth Partnership Team of America's Promise.

The Web Site helped them take not just leadership of **Freedom's Answer** but "ownership" of the program. The 12 national student leaders of these 9 groups met every Thursday night on a conference call to plan an agenda for a Sunday call. On Sunday night up to 150 of the 200+ state leaders of the groups met on another conference call – to hear the priorities from their leaders and ask questions, get answers and suggest new ways of getting voting pledges.

In between those calls, the Web Site and its extranet for the National Leadership Council was an essential meeting place that they could call their own. By facilitating communication (email links and bulletin board) as well as providing the essential information, the student leaders needed to do their jobs. They had to learn how to engage their organizations in their states, how to contact more schools, how to reach the local media, the forms to use to get it all done. The extranet allowed them to shape the program and get the most satisfaction possible out of their success.

Freedom's Answer was the first time that any two of these organizations had combined on a national program. In fact, it is probably not too much to say, it is the first time any of them had conducted a national program (as compared to a system of national symposia and/or a variety of local community projects). The Web allowed that to happen – and while not a substitute for personal one-on-one communication or those remarkable conference calls, the Web Site was the common meeting place.

If we want young people to be involved in the political process, we must empower them...

We stress that because student "ownership" was essential to success. Many contributed to the achievements of **Freedom's Answer**: the principals and their national organization (National Association of Secondary School Principals), the civics groups and their personnel (Center for Civic Education, National Council for the Social Studies and others), support groups (like the ABA, League of Women Voters, both the Republican and Democratic Parties, AOL Time Warner, Microsoft

Network, MTV and PBS), and funding sources (like the Knight Foundation, Lockheed/Martin, the AOL Time Warner Foundation, etc.).

But ultimate success, now and in the future, depends on student "ownership." If we want young people to be involved in the political process, we must empower them – we must facilitate their participation and leadership and then get out of the way – so that they can see the difference they can make.

In recent years, young people haven't been voting partly because politicians have been ignoring them, and politicians have ignored them partly because young people

don't vote. Hopefully, the 2002 experience of **Freedom's Answer** will start to break that cycle. Certainly, any politician in the future who ignores young people (including those too young to vote) will do so at his or her own peril.

Being able to communicate via their generation's medium was important. It gave us both access to them and relevance for them. But no one should minimize the difficulties of dealing online with today's schools. We found each of the following a genuine obstacle to maximizing success:

Most schools have computers, but many (perhaps most) don't seem to have many personnel with significant confidence in their skills to use them.

Even high schools with impressive computer capacity find it very difficult to organize their use for a school-wide program involving all students (particularly one coming at the opening of the school year).

Depending solely on the students to use at-home computer capacity amounts to denying the opportunity to the less affluent communities and homes.

Many schools, for perfectly understandable reasons, have built such elaborate firewalls around their school computers, that basic online uses that are assumed in the business world are either difficult or impossible in K-12 education.

And interestingly, in many, many communities, the decision to outfit the public schools with computer technology has been focused at the middle school level rather than the high school level. It is simply a fact, that you are more likely to find ample computer skills, time and equipment at the middle school level. **Freedom's Answer** is intended primarily as a high school program in order to involve students in the process in the years immediately before they can first register and vote.

For all of these reasons, as we go forward, we are likely to simplify, simplify, simplify. We started out wanting all participating students to report their voter pledge totals on line, but for many that proved more than what was either possible or necessary. We started out expecting our forms to be downloaded individually for use by students. That was fine for some, but to be school-wide it takes school or student leadership to download and reprint in quantity.

Nonetheless, **Freedom's Answer** will continue to focus on the communications capacities, which the Web provides to engage the students in the program and assure their sense of ownership in it.

***Freedom's Answer** is intended primarily as a high school program in order to involve students in the process in the years immediately before they can first register and vote.*

That future will be big and bold. We want the national student leadership to set the goals for 2004, but don't be surprised if they say something like: "Let's be in 5,000 schools instead of 2500; let's set the turnout record for any election in US history; let's improve turnout from 54% in 2000 to 58% in 2004; and let's have a student under 18 at every polling place on Election Day either as a greeter outside to thank voters for doing so or as a poll-worker inside to help them do it."

I know, I know. It all sounds crazy, impossible, a dream. That's what they heard in 2002. But they were right. And they will be right next time too.

As one measurement of how much ownership and empowerment they feel – these precocious young people who will one day lead our country (and in some ways already do) are now writing a book on their 2002 experience. It will be called **Freedom's Answer by The September 11 Generation**.

It is being written for the group of students that come right behind them. It will define the challenge of building upon 2002 in 2004. It will tell the wonderful human stories of a group of young people who seized the chance to "do something" after 9/11 – and responded to the same urge all of us felt regardless of age, but seldom

found the opportunity to meet. They rightly think their story is a little bit of history.

It's not being written for you. But I'll bet you'll want to read it. And I'll bet you'll be able to get a copy through **www.FreedomsAnswer.net**.

Some, maybe many, will ask why "**The September 11 Generation**"? Isn't that dwelling on the tragedy? While deeply respecting all those who lost so much, the students are not dwelling on the tragedy. They dwell on

the second moment of September 11th – the moment when a city and a country came together in brotherhood and community – when we weren't Republicans or Democrats, black or white, Hispanic or Caucasian or Asian – when we weren't even old or young.

It was a defining moment. It defined us all as Americans – committed above all to freedom for all. And **The September 11 Generation** wants to make it a permanent condition. They would welcome your help.

Doug Bailey is a former Republican political consultant, founder of The Hotline online political briefing, and co-founder with Mike McCurry of the non-partisan and non-profit Freedom's Answer program of the Youth-e-Vote, Inc. 501(c)(3).

It will tell the wonderful human stories of a group of young people who seized the chance to "do something" after 9/11...

CHAPTER 23. QUICK GUIDE FOR ONLINE CAMPAIGNING

| TACTIC | CANDIDATES | STRATEGISTS |
|--|---|--|
| E-Mail | Encourage constituents to send you email | Put email address in speeches and ads |
| | | Maintain contact with email list |
| | | Grow the list by drawing on trusted sources |
| Rapid Response | Use email lists as well as web site for response | Think wireless text messaging |
| | | |
| | | |
| Online Fundraising | Reward online donations w/personalized response | Get email addresses from all contributors |
| | Reach out to younger voters who have already developed the habit of online spending | Use the Internet to streamline the process of fundraising both online and from traditional events |
| | | |
| Online Advertising for Name Recognition & Messaging | Online ads, web sites and chats all build awareness | Include the candidate's face in online ads |
| | Use the Internet as a more personal 2-way communications medium and provide additional details about issues and positions | Create online ads consistent with offline ads but that create more of a dialogue between the candidate and the voter |
| | | Online ads should stand alone even w/no click |
| Targeting | Consider local media outlets with online sites | Target by zip code, lifestyle, demographics |
| | Target by lifestyle and web activity not only news junkies | Use e-newsletters/email services for targeting |
| | Educate swing, undecided and independent voters | Both mass and specific audience reach |
| Web Sites | Take online polls | Tailor web experience for each voter |
| | Use the site to help journalists get your message | Include web address in all advertising |
| | Give repeat visitors new information and ways to interact with you | Site is the beginning not the end of the Internet effort required in a campaign |
| Campaign Management | Set aside time for training on Internet tools | Require consultants communicate online |
| | Use the Internet to communicate w/staff, volunteers, and voters | Use the web site to coordinate all candidate activities, press releases, volunteer activities |

**I. Second Annual E-Voter Institute Survey of
Political and Advocacy Communication Leaders
July -September, 2002**

Research Conducted by:
Dynamic Logic
in cooperation with
American Association of Political Consultants,
NationalJournal.com, MSN/Slate, washingtonpost.com, AOL Time Warner,
NYTimes.com, PoliticsOnline

Question 1

In what year were you born?

- 24% 18-34
- 30% 35-49
- 46% 50+

Question 2

What is the name of your association, organization, or company?

Not for Public Release

Question 3

For what kinds of organizations do you typically work? (Check all that apply)

- 48% Democrats Candidates/Causes
- 26% Republicans Candidates/Causes
- 20% Independent Candidates/Causes
- 20% PACs and Trade Associations
- 18% Unions
- 34% For profit businesses
- 56% Not-For-Profit organizations/causes
- 1% Other

Question 4

Approximately how much revenue does your company take in each year from performing Internet-related services/consulting? (e.g. develop websites, online fundraising, develop online creative, buy/place online media, Internet strategy, etc.)

Not for Public Release

Question 5

Which of the following job descriptions best describes the kind of work you do:
(Check all that apply)

- 47% Media advisor/ Public relations
- 10% Pollster
- 8% I am a politician or candidate
- 40% General campaign manager or consultant
- 38% Public affairs
- 23% Internet/technology consultant
- 16% Direct mail
- 15% Phone bank/Get Out the Vote (GOTV)
- 18% Fundraising
- 12% Corporate management
- 18% Think tank/Academia
- None of the above
- 4% Other

Question 6

Have you recommended or have you done the following for any of your clients' political/communications campaigns? Select all that apply

| | I have done this for a client | I have recommended and a client took the recommendation | I have recommended and a client DID NOT TAKE the recommendation | I did not recommend this but a client has done this | I have never recommended this and none of my clients have done this |
|---|-------------------------------|---|---|---|---|
| Develop a Website | 22% | 54% | 13% | 14% | 15% |
| Buy online advertising | 23% | 33% | 25% | 12% | 44% |
| Collect email addresses to build distribution lists | 23% | 53% | 26% | 31% | 19% |
| Conduct "rapid response" via wireless, PDA alerts, posting to website, sending out emails | 36% | 40% | 17% | 18% | 21% |
| Conducting online surveys/ focus groups | 20% | 23% | 9% | 12% | 52% |
| Online fundraising | 18% | 60% | 18% | 22% | 21% |
| Online chats and forums | 16% | 20% | 9% | 15% | 54% |
| Use the Internet for campaign management | 38% | 20% | 12% | 26% | 38% |
| Post press releases on the Website | 38% | 38% | 11% | 20% | 19% |

Question 7

When, if at all, will the Internet be effective for the following goals of your clients' political/communications campaigns? (e.g. email, websites, online advertising, online chats, etc.) Please choose only one time frame for each campaign.

| Activity | Effective Now | Not Effective Now, Won't Be Until 2004 | Not Effective Now, Won't Be Until 2008 | Will Never Be Effective |
|----------------------------------|---------------|--|--|-------------------------|
| Building databases of supporters | 75% | 17% | 5% | 3% |
| Getting attendance for events | 69% | 18% | 7% | 6% |
| Recruiting volunteers | 68% | 19% | 6% | 6% |
| Building campaign awareness | 68% | 17% | 7% | 9% |
| Rapid response | 67% | 21% | 6% | 7% |
| Circulating petitions | 60% | 23% | 7% | 10% |
| Fundraising | 53% | 24% | 11% | 11% |
| Get out the vote | 50% | 26% | 11% | 13% |
| Reaching "likely" voters | 52% | 25% | 13% | 9% |
| Reaching "swing" voters | 39% | 28% | 17% | 16% |
| Targeting contrast advertising | 39% | 23% | 9% | 29% |

Question 8

Which ONE of the following is the primary hesitation or hurdle you have with using and recommending the Internet for your clients' political/communications goals? (e.g. email, websites, online advertising, online chats)

- 21% Reach (It is not a mass medium and does not reach enough voters)
- 19% Targetability (Can not target by likely voters, precincts, etc.)
- 8% I would recommend but clients are hesitant
- 7% Information security (Client's information is easier for opponents to use, privacy and security concerns)
- 8% Not an emotional medium like other media
- 18% No hesitations or hurdles at all
- 10% Resources (Costs too much and takes too much time)
- 9% Other

Question 9

In the coming years, what percentage of your clients' political/communications campaign budgets do you estimate will go to Internet initiatives (e.g. email, websites, online advertising, online chats, not including costs related to servers, website hosting and basic Internet access)?

Now

| % of Budget | 0% | 1% | 2% | 3% | 4% | 5% | 6-10% | 11-20% | 21-30% | 31%+ |
|-------------|-----|-----|-----|----|----|-----|-------|--------|--------|------|
| Respondents | 14% | 11% | 12% | 9% | 3% | 18% | 18% | 8% | 3% | 4% |

2004

| % of Budget | 0% | 1% | 2% | 3% | 4% | 5% | 6-10% | 11-20% | 21-30% | 31%+ |
|-------------|----|----|----|----|----|-----|-------|--------|--------|------|
| Respondents | 9% | 3% | 5% | 6% | 6% | 12% | 22% | 20% | 11% | 7% |

2008

| % of Budget | 0% | 1% | 2% | 3% | 4% | 5% | 6-10% | 11-20% | 21-30% | 31%+ |
|-------------|----|----|----|----|----|----|-------|--------|--------|------|
| Respondents | 8% | 2% | 2% | 3% | 3% | 8% | 19% | 20% | 15% | 20% |

Question 10

Where will these Internet communication budget dollars come from?

- 29% Television
- 16% Radio
- 17% Cable
- 57% Direct mail
- 3% Campaign travel
- 4% Phone bank
- 46% Print
- 2% Campaign field operations
- 1% Yard signs and billboards
- 12% Won't be an Internet budget/
dollars could come from anywhere
- 1% Other budget

Question 11

Does the recent Campaign Finance Reform provide “loopholes” for media spending on any of the following media channels: Please select all that apply.

(rotate)

53% Internet
32% Print
41% TV
34% Direct mail
32% Radio
23% Phone banks/telemarketing
19% Outdoor
21% None
17% Other

Question 12

As you may know, the recent campaign finance reform legislation excludes Internet from advertising spending restrictions, thus providing a “loophole” for parties and campaigns. How will this affect your use or recommendation of the Internet as an advertising/communications channel in your future campaigns?

44% It will make me MORE likely to use/recommend Internet advertising
29% It will not have any affect
25% It will make me LESS likely to use/recommend Internet advertising
2% I don't know/Not sure yet

Question 13

If you would like to receive a copy of the E-Voter 2002 Survey results, please provide your email and we will send you a copy once the study is completed.

2. Second Annual E-Voter Survey of Future Voters on Politics and the Internet

Question 1

What source of online information do you most trust?

| <i>Response</i> | <i>Percent</i> |
|----------------------------------|----------------|
| News Sites | 35% |
| Well known sites | 9% |
| E-Mails from people I know | 6% |
| Sites Recommended | 7% |
| Search engines | 5% |
| Educational | 12% |
| Government | 9% |
| University | 3% |
| Nothing can be trusted | 8% |
| Other | 5% |

Question 2

How do you get your news about political campaigns?

| | |
|------------------|-----|
| Newspapers | 55% |
| TV Cable | 76% |
| Radio | 34% |
| Internet | 37% |
| Magazines | 24% |
| Events | 14% |
| Friends | 21% |
| Teachers | 42% |
| Family | 32% |
| Other | 5% |

Question 3

How do your parents get their news about political campaigns?

| | |
|------------------|-----|
| Newspapers | 68% |
| TV Cable | 80% |
| Radio | 40% |
| Internet | 24% |
| Magazines | 18% |
| Events | 15% |
| Friends | 20% |
| Co-workers | 26% |
| Family | 24% |
| Other | 5% |

Question 4

In the 2004 presidential election, all or most candidates will:

| | |
|------------------------------------|-----|
| Have web sites | 62% |
| Distribute email newsletters | 37% |
| Take online contributions | 34% |
| Use much as it was in 2000 | 27% |
| Use online chat | 22% |
| Don't know | 20% |
| Use PDA/wireless alerts | 15% |
| Other | 4% |
| Not use at all | 3% |

Question 5

Year of Birth

| | |
|------------|-----|
| 1983 | 3% |
| 1984 | 28% |
| 1985 | 31% |
| 1986 | 8% |
| 1987 | 14% |
| 1988 | 16% |

Question 6

Last week, how many hours did you spend online surfing, chatting, email?

| | |
|-------------------|-----|
| 0 | 5% |
| 1-4 hours | 38% |
| 5-10 hours | 28% |
| 11-20 hours | 15% |
| 21 + hours | 11% |
| Other | 2% |

Question 7

How will the Internet most change political campaigns over next 20 years?

| | |
|--|-----|
| Info more available | 26% |
| Campaigns managed online | 3% |
| Campaigning online more important than in person | 3% |
| Candidates will use Internet to hear citizens' concerns | 7% |
| Vote online | 21% |
| Reach more people | 8% |
| Reach more young voters | 12% |
| Not change anything | 3% |
| Will change but not sure how | 14% |
| Other | 3% |

Question 8

What types of marketing efforts have you responded to?

| | |
|---|-----|
| Read an email | 24% |
| Visited advertisers web site | 26% |
| Clicked on an ad banner | 18% |
| Signed up for an email newsletter | 30% |
| Clicked on a hot link | 24% |
| Responded to a wireless alert | 4% |
| Participated in a moderated chat | 9% |
| Used instant messaging with an advertiser | 7% |
| None | 25% |
| Other | 9% |

Question 9

What are the best ways for political candidates to use the Internet?

| | |
|--------------------------------------|-----|
| Learn more about the race | 66% |
| Recruit volunteers | 25% |
| Raise money | 23% |
| Get people to register to vote | 42% |
| Get petitions signed | 18% |
| Take opinion polls | 59% |
| Manage their campaign | 22% |
| Get people to vote | 36% |
| None | 5% |
| Other | 3% |

Question 10

What should a candidate's web site include for teens?

| | |
|---|-----|
| Flash animation and video | 27% |
| Teen chat rooms | 51% |
| Issue pages specifically for teens | 58% |
| Special teen to teen online volunteer activities | 33% |
| Nothing special for teens | 12% |
| Other | 4% |

Question 11

What is most likely to impress you?

| | |
|---|-----|
| E-mail from friend | 18% |
| E-mail from a teacher | 6% |
| E-mail from a celebrity | 29% |
| E-mail from a govt. official | 18% |
| E-mail from a political candidate | 14% |
| Radio commercial to visit a site | 3% |
| TV commercial | 7% |
| Other | 5% |

Question 12

When will the first Internet president be elected?

| | |
|-------------|-----|
| 2004 | 20% |
| 2008 | 39% |
| 2012 | 18% |
| 2016 | 6% |
| Never | 11% |
| Other | 6% |

Question 13

Which of the following would you participate in during the 2004 presidential campaign?

| | |
|---|-----|
| Online debates and chats | 30% |
| Rallies to meet the candidate | 28% |
| Receiving candidate newsletter | 20% |
| Watching political television commercials | 44% |
| Listening to political radio commercials | 29% |
| Reading newspapers and magazines | 54% |
| Viewing candidate web sites | 38% |
| Volunteering to work in person | 26% |
| Volunteering to work online | 12% |
| Donating to a campaign | 7% |
| No interest in political campaigns | 16% |
| Other | 3% |

Question 14

Has the Internet made you more interested in elections and national issues?

| | |
|----------------|-----|
| Yes | 35% |
| No | 43% |
| Somewhat | 14% |
| Other | 8% |
