Understanding Political Market Orientation

Robert P. Ormrod

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Institute for Marketing and Statistics
Aarhus School of Business
University of Aarhus
Denmark

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It is customary with a work of this nature to acknowledge those around one who have had a significant bearing on the outcome, both in an intellectual and more practical capacity. I am no different; all faults and inaccuracies in the thesis are of course my own responsibility, but were it not for the constant encouragement and support provided by various individuals, this thesis would have been much harder to complete.

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Robert P. Ormrod

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EXECUTIVE SUMMARY

Background
The concept of market orientation has been well researched in the commercial literature, with hundreds of articles published over the past 20 years. The current thesis introduces a model of political market orientation (PMO) that, in opposition to previous work in political marketing, is both grounded within marketing science and takes the nature of the political marketplace into consideration. It is argued that this adaptation can not only counter some of the criticisms raised against the use of marketing models, tools and concepts by political actors, but can also provide an analytic framework for understanding current developments in party organisation research. Rather than the short-term focus of the dominant managerialist/instrumentalist perspective, a party that adopts a PMO synthesises the latent and explicit needs and wants of diverse stakeholders within the political system into legislation, and considers inclusion to be crucial to responsible democratic governance.

Papers included in thesis submission
The thesis submission consists of five papers that are either published or under review in peer-reviewed journals. The papers cover distinct yet complementary aspects with which to understand PMO. In addition to this, a sixth paper specific to this thesis, Understanding Political Market Orientation, demonstrates the way in which the papers are related and integrates the conclusions of all five papers to provide an holistic discussion of the most important insights and their implications for future research and practice. The first paper, A Conceptual Model of Political Market Orientation, presents the initial conceptualisation and a model that consists of eight constructs, four representing the orientations of party members towards four key stakeholder groups in the political marketplace and four representing the
market-oriented behaviours of party members. The second paper, *Political Market Orientation and its Commercial Cousin: Close Family or Distant Relatives?*, provides an overview of the literature to date, relates the political marketing contributions to the common themes in the commercial marketing literature, and proposes improvements to the original conceptual model of PMO.

The third paper, *A Critique of the Lees-Marshment Market-Oriented Party Model*, provides an in-depth critique of an alternative model of PMO, arguing that there are conceptual limitations to the utility of the Lees-Marshment model and that empirical investigations have demonstrated that the model is difficult to implement in practice. The fourth and fifth papers, *An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation* and *Political Market Orientation and Strategic Political Postures in Danish Parties* document the process and results of quantitative investigations carried out with members of three parties in two countries, focusing on the differences in member perceptions of the PMO of their respective parties using activity levels as a classification variable.

**Conceptual development**

A political party is argued to be market oriented when all members of a party are sensitive to internal and external stakeholders’ attitudes, needs and wants, and synthesize these within a framework of constraints imposed by all stakeholders to develop policies and programmes with which to reach the party’s objectives. The *Conceptual Model of Political Market Orientation* consists of four constructs that represent member orientations towards key stakeholder groups within society, namely voters, competing parties, party members and external groups such as the media, citizens, and lobby and interest groups. In addition to this, a further four constructs represent the market-oriented behaviours of party members that
support the generation and dissemination of information, member participation in strategy
development, and a consistent implementation of the party’s strategic political offering (e.g.,
policies, symbols and party organisational structure) to the four stakeholder groups.

The *Voter Orientation* and *Competitor Orientation* constructs are developed from the
*Customer Orientation* and *Competitor orientation* constructs from the commercial market
orientation literature, whilst the *Internal Orientation* construct emphasises the importance of
members as legitimisers of political parties in a democratic context. The *External Orientation*
construct endogenises to the model the relationship between the party and other actors in the
wider society, reflecting the fact that political parties operate within a society-level system
rather than the industry-level focus prevalent in the commercial market orientation literature.
The first two behavioural constructs, *Information Generation* and *Information Dissemination*,
are developed from the commercial marketing equivalents, whilst the third, *Member
Participation*, emphasises the participatory nature of parties and the fourth, *Consistent
Strategy Implementation*, captures the extent to which the party offering (including policies,
symbols, organisational development &c.) is enacted coherently.

**Method**

51 items on a seven-point Likert-type scale were administered online to members of the three
participating parties, with response rates of n = 1156 (British party), n = 1560 (Danish party
#1) and n = 1623 (Danish Party #2) together with several contextual questions including the
self-classified activity level of the respondent. Descriptive statistics were inspected together
with a principle components analysis, in order to better understand the data. Partial Least
Squares (PLS) was selected as the most appropriate method for investigating the relationships
specified within the structural model due to the exploratory nature of the investigation and the complexity of the structural model.

**Empirical results and implications for research and practice**

The investigation reported on in *An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation* used the contextual variable of activity level to create three categories, very active party members, moderately active members and inactive members, and calculated path coefficients in a PLS model for each category. A test for significant differences between path coefficients was then carried out to investigate whether there were differences between member perceptions of party PMO. The major results are as follows:

1. The paths between the four behavioural constructs were found to be strong and positive in the models representing each of the three activity levels. However, there were significant differences in the path coefficients between the activity levels, especially between the most active and the least active.

2. The path coefficients from the *Internal Orientation* construct to each of the behavioural constructs were all significant, exhibiting a similar pattern to that of the *External Orientation* construct. However, there were significant differences between activity levels for the majority of the path coefficients from the *Internal Orientation* and *External Orientation* constructs.

3. The media, and lobby and interest groups had no impact in the structural model, reflected by their low loadings on to the *External Orientation* construct.

4. The path coefficients from the *Voter Orientation* and *Competitor Orientation* constructs were generally small and only a few were significant.
The second quantitative paper, *Political Market Orientation and Strategic Political Postures in Danish Political Parties*, tested two hypotheses related to PMO, replicating the investigation in the first quantitative paper using a dataset consisting of two Danish parties (a total of six models, three for each party). The results are as follows:

1. The path coefficients between the four behavioural constructs were found to be strong and positive in all six models. However, most path coefficients were significantly different from each other in all six models.

2. The path coefficients from the *Internal Orientation* construct to each of the behavioural constructs exhibited a similar pattern to that of the *Societal Orientation*\(^1\) construct in both parties. The coefficients in Party A were generally higher than the equivalents in Party B. This said, there were significant differences between activity levels for the majority of the path coefficients from the *Internal Orientation* and *Societal Orientation* constructs in both parties.

3. The media, and lobby and interest groups again had no impact in the structural model, reflected by their low loadings on to the *Societal Orientation* construct.

4. The path coefficients from the *Voter Orientation* and *Competitor Orientation* constructs were generally small and only a few were significant.

The following points are the main implications for political marketing professionals and academics that can be drawn from the results of the empirical investigations:

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\(^1\) In "Political Market Orientation and Strategic Political Postures in Danish Parties", the label of the *External Orientation* construct was changed to *Societal Orientation* after discussions with academic peers in order to better reflect the (unchanged) conceptualisation of the construct. This is dealt with in greater depth in the 'Understanding Political Market Orientation’ part of this thesis.
1. In the short term, political parties can focus on all behavioural aspects of a political market orientation in order to provide superior results in terms of consistent strategy implementation.

2. Member orientations towards other party members and citizens are related to the organisational ability to include members in all stages of developing the party’s offering.

3. Lobbyists and interest groups external to the party could have little impact on the general party with regard to influencing member market-oriented behaviours; as such their influence can be restricted to providing expertise to a few key elected members and party professionals. This information generation activity can then be integrated in the subsequent constructs on the PMO activity chain.

4. The response patterns of different groups in the party were found to be significantly different from each other, implying the need for a more nuanced approach when developing the organisation.

5. The relationships between member behaviours on the one hand, and the media, lobby and interest groups and voters on the other, were generally insignificant and in one case negative. As these external groups are to a large degree the prime focus of current political marketing research, this implies that it may be worthwhile for academics to re-evaluate these foci.

6. Citizens appear to be much more important to party members in general than voters, indicating that it is important to include this group when carrying out political marketing research at the strategic level.
DANSK RESUME

Baggrund

Begrebet markedsorientering har været genstand for megen forskning i den comercielle litteratur, og hundredvis af artikler er udgivet om emnet i løbet af de seneste 20 år. Denne afhandling introducerer en model for politisk markedsorientering (PMO-modellen), som i modsætning til tidligere forskning er baseret på marketing som videnskabelig disciplin, og tager derfor også de særlige karakteristika af den politiske markedsplads i betragtning. Der argumenteres for, at denne tilgang ikke blot kan imødegå noget af den kritik, som politiske aktører har rejst mod brugen af marketing-modeller, -redskaber og -koncepter, men at den også kan udgøre en analytisk ramme til at forstå udviklingen i partiorienteret. I stedet for det dominerende instrumentalistiske perspektivs kortsigtede fokus, formår et politisk parti, som er markedsorienteret, at bringe forskellige stakeholderes latente og eksplicitte behov og ønsker sammen i udformningen af lovgivning og betragter inklusion som værende afgørende for et ansvarsbevidst demokratisk styre.

Afhandlingens artikler


Den fjerde og femte artikel 'An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation' og 'Political Market Orientation and Strategic Political Postures in Danish Parties' dokumenterer resultaterne af en række kvantitative undersøgelser, som blev udført blandt medlemmerne af tre partier i to lande. Begge artikler fokuserer på at forstå forskellene i medlemmernes opfattelse af deres partis markedsorientering ved brug af datasæt fra forskellige partisystemer.

Udvikling af begreber

I denne afhandling argumenteres der for, at et politisk parti er markedsorienteret, når alle dets medlemmer er lydhøre over for interne og eksterne stakeholderes holdninger, behov og ønsker, gennem hvilke partiet kan nå dets langsigtede mål. PMO-modellen består af fire konstrukter, som repræsenterer medlemmernes orientering mod vigtige stakeholder-grupper i samfundet, såsom vælgere, konkurrierende partier, partimedlemmer, og eksterne grupper som
f.eks. medierne, borgerne og lobby- og interessegrupper. I tillegg til disse repræsenterer yderligere fire konstrukter partimedlemmens markedsoorienterede adfærd, som understøtter indsamlingen og spredningen af information, medlemmernes deltagelse i strategiudviklingen og en ensartet implementering af partiets strategiske politiske 'tilbud' (f.eks. partiets politik, partisymboler og partiets organisatoriske struktur) til de fire stakeholder-grupper.

**Voter Orientation** (vælger-orientering) og **Competitor Orientation** (konkurrent-orientering) - konstrukterne er udviklet på basis af kunde-orientering og konkurrent-orientering fra den kommercielle litteratur, mens konstrukten for **Internal Orientation** (intern-orientering) understreger vigtigheden af, at medlemmerne legitimerer politiske partier som middel til at muliggøre borgernes deltagelse i den politiske proces. Andre samfundsaktørers indflydelse indgår i PMO-modellen via konstrukten for **External Orientation** (ekstern-orientering), hvilket afspejler, at politiske partier eksisterer i et samfundssystem og ikke i et industrielt marked, som oftest er fokus i den kommercielle litteratur. De to første adfærdsbaserede konstrukter, **Information Generation** (informationsindsamling) og **Information Dissemination** (informationsspredning), er udviklet ud fra de tilsvarende begreber i den traditionelle marketinglitteratur, mens den tredje, **Member Participation** (medlemsdeltagelse), understreger partiers participatoriske natur, og den fjerde, **Consistent Strategy Implementation** (ensartet strategiimplementering), viser i hvor stor grad partiets 'tilbud' (f.eks. partiets politik, partiets symboler og partiets organisatoriske udvikling osv.) bliver udført og implementeret på en konsekvent måde.

**Metode**

Et spørgeskema med 51 spørgsmål målt på en 7-trins Likert-skala blev sendt elektronisk ud til medlemmerne af de tre deltagende partier. Responsraten var n = 1156 (britisk parti), n = 1560
(dansk parti nr. 1) og n = 1623 (dansk parti nr. 2). I undersøgelsen indgik også andre spørgsmål om f.eks. respondentens aktivitetsniveau, som respondenten selv skulle vurdere. Forskellige statistiske indikatorer og tests blev gennemgået for bedre at kunne forstå datamaterialet. Derefter blev Partial Least Squares (PLS) udvalgt som den bedste metode til at undersøge relationerne i det nomologiske netværk på grund af undersøgelsernes eksplorative karakteristika og kompleksiteten af den strukturelle model.

Empiriske resultater og implikationer for forskning og praksis

Den undersøgelse, som præsenteres i artiklen 'An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation' brugte variablen 'aktivitetsniveau' til at skabe tre kategorier af partimedlemmer: de meget active, de moderat active og de inaktive partimedlemmer. Herudfra blev sti-koefficienter beregnet i en PLS-model for hver kategori. Derefter blev t-tests udført for at finde signifikante forskelle mellem sti-koefficienter og for at undersøge, om der var forskelle mellem medlemmers opfattelse af partiets politisk markedsorientering på grundlag af aktivitetsniveauet. De vigtigste resultater er:

1. Der eksisterer stærke relationer mellem de fire adfærdsbaserede konstrukter. Der var dog signifikante forskelle mellem sti-koefficienter mht. aktivitetsniveau, især mellem de mest aktive kontra de mindst aktive medlemmer.

3. Medierne samt lobby- og interessegrupper havde ikke nogen signifikant relation til 
External Orientation-konstrukten.

4. En veludviklet Competitor Orientation viste ikke den samme grad af indflydelse som 
partimedlemmer og politisk aktive borgere, mens en Voter Orientation kun viste få 
signifikante eller sågar negative indvirkninger på politisk markedsorienteret adfærd.

Den undersøgelse, som præsenteres i artiklen 'Political Market Orientation and Strategic 
Party Postures in Danish Political Parties’ bl.a. gentager undersøgelsen i den foregående 
artikel på datasets fra to danske partier (i alt seks modeller, tre i hvert parti). De vigtigste 
resultater er følgende:

1. Der eksisterer en stærk relation mellem de fire adfærdsbaserede konstrukter i alle seks 
modeller, dog er der signifikante forskelle mellem aktivitetsniveauerne i begge partier.

2. Internal Orientation-konstrukten og Societal Orientation²-konstrukten udviser 
signifikante relationer med de adfærdsmæssige konstrukter. Sti-koefficienter i Parti A er 
generelt stærkere end Parti B, dog er der signifikante forskelle mellem 
aktivitetsniveauerne i begge partier.


4. Sti-koefficienter fra Competitor Orientation og Voter Orientation-konstrukterne er 
generelt svage og kun få er signifikante.

Fra resultaterne af de empiriske undersøgelser kan man uddrage følgende hovedimplikationer 
for forskere og partiansatte:

₂ I 'Political Market Orientation and Strategic Party Postures’ blev betegnelsen External Orientation omdøbt til 
Societal Orientation som resultat af diskussioner med en række forskere, for dermed bedre at reflektere den 
(uændrede) konceptualisering af konstrukten. Denne ændring bliver behandlet nærmere i afhandlingens sektion 
'Understanding Political Market Orientation'.
1. På kort sigt kan politiske partier fokusere på alle adfærdsmæssige aspekter af en politisk markedsorientering for at opnå resultater, som bidrager til en mere konsistent implementering af partistrategien.

2. Medlemmernes orientering mod andre partimedlemmer og borgere er relateret til organisationens evne til at implementere partistrategier konsistent.

3. Orientering mod lobbyister og interessegrupper har kun ringe indflydelse på medlemmernes markedsorienterede adfærd, og dermed kan disse gruppens indflydelse begrænses til at bidrage med ekspertviden til nogle få nøglemedlemmer og partiansatte. Denne indsamling af information kan derefter indgå i de bredere informationsspredningsaktiviteter.

4. Medlemmernes reaktionsmønstre er signifikant forskellige, alt efter hvor active de er. Dette indikerer, at en udvikling af organisationen kræver en tilgang, hvor disse forskelle er taget i betragtning.

5. Den første implikationen for akademikere er, at effekten af medier, lobby- og interessegrupper og vælgere, m.a.o. de nuværende primære fokusområder for forskningen i politisk markedsføring, var generelt usignifikant. Dette indikerer, at forskere med fordel kan udvide fokusområdene udover disse grupper.

6. Borgerne synes at være vigtigere for partierne end vælgerne. Dette indikerer, at det er vigtigt at inkludere denne gruppe, når man forsker i politisk markedsføring.
The following section provides extended abstracts of the five papers that comprise the Ph.D. submission. The order of presentation guides the reader from the introduction of the conceptual model of Political Market Orientation (PMO) (Ormrod 2005) to an overview of the literature (Ormrod 2007), and a more in-depth critique of an alternative conceptualisation of PMO (Ormrod 2006). After this, two empirical investigations (Ormrod and Henneberg 2010 forthcoming, Ormrod and Henneberg under review) are presented that provide a complementary perspective on understanding PMO. The other published work that contributes to gaining a greater understanding of PMO but is not submitted here includes qualitative work on the British General Election party manifestos (Ormrod and Henneberg 2006), a comparison between the British and German manifestos (Ormrod and Henneberg 2009 forthcoming) and an analysis of the Conservative Party Leadership contest speeches and manifesto of the eventual winner (Ormrod, Henneberg, Forward, Miller and Tymms 2007). Whilst these additional papers provide yet another angle on PMO, the data only enables an investigation of Party orientations towards stakeholder groups rather than all eight constructs of the conceptual model of PMO; this is the subject of a conference paper (Ormrod and Henneberg 2008) that demonstrates the utility of the use of Partial Least Squares (PLS) as a method for investigating all eight constructs of the model. A final paper proposes hypotheses for investigating the link between PMO and Strategic Political Postures (SPP) (Ormrod and Henneberg 2007), further developed in a paper currently in press (Ormrod and Henneberg forthcoming).

The five selected papers and articles share a common characteristic: all the constructs representing the four orientations towards stakeholder groups and the four behavioural
constructs are included. This is irrespective of whether the focus of the paper or article is on conceptual development of these (Ormrod 2005), a comparison of the constructs with the existing MO and PMO perspectives (Ormrod 2007), a critique demonstrating how they are necessary to provide a nuanced treatment of the complexity of the political marketplace (Ormrod 2006), or an empirical investigation of their place in the structural model (Ormrod and Henneberg 2010 forthcoming, Ormrod and Henneberg under review). An in-depth treatment of the way in which they each contribute to a better understanding of political market orientation is the subject of a later part of this thesis.

**Ormrod (2005)**

Ormrod (2005), “A Conceptual Model of Political Market Orientation”, defines a party as being market oriented when “all members of a party are sensitive to internal and external stakeholders’ attitudes, needs and wants, and synthesize these within a framework of constraints imposed by all stakeholders to develop policies and programmes with which to reach the party’s objectives” (Ormrod 2005: 51). As with the commercial market orientation literature, a PMO is a matter of degree and not an either/or proposition; it is possible for a party to be more or less market-oriented on each of the eight constructs when compared to other parties in the political marketplace in which it exists. Thus the conceptual model, when operationalised, can provide a descriptive tool with which to assess the level of party market orientation. In addition to this, from a political science perspective, Coleman (2007) has argued that adopting a PMO and thus emphasising the importance of exchange relationships with all stakeholder groups in society is an expression of responsible democratic governance.

Ormrod (2005) provides the initial conceptualisation of PMO as consisting of eight constructs, four of which are described as ‘attitudes towards stakeholder groups’ and four as
‘member behaviours’. The model was developed from the copious commercial MO literature (e.g., Kohli and Jaworski 1990; Narver and Slater 1990; Jaworski and Kohli 1993; Kohli et al. 1993; Slater and Narver 1995, 1998; Gray et al. 1998; Griffiths and Grover 1998; Deshpandé 1999; Harrison-Walker 2001; Lafferty and Hult 2001; Langerak 2003; Deshpandé and Farley 2004; Gainer and Padanyi 2005; Hult et al. 2005) and the somewhat less prevalent PMO literature (O’Cass 1996, 2001a, 2001b; Lees-Marshment 2001a, 2001b, 2001c), and was the first to explicitly take the differences between the commercial and political marketplaces into consideration.

The four attitudinal constructs represent member perceptions of the party’s orientation towards four key stakeholder groups, party members (Internal Orientation), voters (Voter Orientation), competing parties (Competitor Orientation) and lobby and interest groups and the media (External Orientation). The attitudinal constructs are non-competing in the sense that an increase in the perceived importance of one stakeholder group does not necessarily result in a reduction in the importance of another stakeholder group. The four behavioural constructs, Information Generation, Information Dissemination, Member Participation and Consistent External Communication, represent member perceptions of party behaviour and form a chain which demonstrates the flow of information through the organisation.

The Internal Orientation construct is defined as “the party-wide awareness and acceptance of the value of other members’ opinions, irrespective of position in the party” (Ormrod 2005: 59), and is to be understood as the inclusiveness of the party, the acknowledgement of the importance of other party members and an acknowledgement of the existence of other party members. The construct was developed from Narver and Slater’s (1990) Interfunctional Coordination construct which underlines the importance of cooperation and resource
management across functional areas. However, an adaptation of Narver and Slater’s (1990) construct to take into account the greater importance of members; this is necessary as political parties are generally organised in a hierarchy rather than horizontally (Dean and Croft 2001), with the fundamental decision-making – including that of who should represent the party as candidates for election – being the responsibility of all party members. In addition to this, a significant proportion of the total resources available to modern political parties consists of the volunteer labour provided by members (Butler and Collins 1999; Granik 2005; Lilleker 2005).

The second construct is a Voter Orientation, defined as “the party-wide awareness of voter needs and wants and an acknowledgement of the importance of knowing these” (Ormrod 2005: 58), the dimensions of which are an acknowledgment of the importance of current and future voters, and an awareness of voter opinions. The importance of understanding latent and manifest customer needs and wants is present in all conceptualisations of a commercial market orientation (Lafferty and Hult 2001; Langerak 2003), with the voter generally being conceptualised as being analogous to the commercial customer (Henneberg 2002). In addition to this, the vast majority of research into political marketing has concentrated on the voter due to its role as the most salient exchange partner (Henneberg 2002). As such, the inclusion of a construct representing voters reflects both the commercial and political marketing literature.

The third construct is a Competitor Orientation and is defined as “the party-wide awareness of other parties’ attitudes and behaviours and an acknowledgement that cooperation with other parties may be necessary to attain the party’s long-term objectives” (Ormrod 2005: 58). It is operationalised as the orientation towards short- and long-term cooperation with competing parties and an awareness of the positions of other political parties. Narver and Slater (1990)
underline the importance of understanding competitors in the commercial marketplace, but open collaboration is uncommon and often illegal in commercial markets; Bowler and Farrell’s (1992) observation that parties often moderate their messages to allow for post-election cooperation demonstrates clearly how the commercial and political marketing spheres differ.

Commercial organisations generally participate in industry-systems, reflected in the MO literature by environmental forces being conceptualised as exogenous (e.g., Kohli and Jaworski 1990; Slater and Narver 1995). Political parties, on the other hand, affect all areas of society through their participation in the legislative process, directly when in government and indirectly when in opposition (Dean and Croft 2001). As such, the final attitudinal construct, *External Orientation*, is defined as “the party-wide acknowledgment of the existence and importance of stakeholders in society that are not voters or competitors” (Ormrod 2005: 60). It consists of an awareness of stakeholders such as the media, lobby and interest groups and the public sector. The dimensions of the construct are inspired by Dean and Croft’s (2001) adaptation of Christopher et al.’s (1991) six markets model to the British electoral system, categorised depending on the extent of the constituents’ scope of involvement – whilst the media takes an interest in all areas of society, lobby groups such as those for the Trident refitting contract (Andrews 1996) have a particular cause, and interest groups such as trade unions and employer organisations have a more long term focus on one area (Dean and Croft 2001). In addition to this, the public sector is also considered to be important due to its role of implementing policy and being a salient point of contact between legislation and the citizens (Dean and Croft 2001; Lees-Marshment and Laing 2002).
The first behavioural construct is Information Generation and is defined as “the party-wide generation of formal and informal information regarding all internal and external stakeholders” (Ormrod 2005: 54). The construct consists of two primary dimensions regarding the formality of the source; information can be generated from formal sources such as opinion polling and publicly available literature from competitors and other stakeholders, or from informal sources such as during social interactions between party members and representatives of the stakeholder group. The construct was developed from Kohli and Jaworski’s (1990) Intelligence Generation construct, but adapted to reflect the inclusive nature of political parties in that whilst the commercial conceptualisation emphasises the generation and assessment of information, in the political context the latter is a collective process that occurs after the information has been dispersed to those who participate in policy development.

The Information Dissemination construct is defined as “the party-wide communication and reception of information through formal and informal channels” (Ormrod 2005: 54). The construct underlines the importance of members being open to receiving information from those who have generated it, and of dispersing the information to those who need it in their efforts for the party. As with the commercial conceptualisation (Kohli and Jaworski 1990; Kohli et al. 1993), those who generate the information may be at the top of the organisation, but they may also be at the local level; for example, information generated by an elected member via their social interaction with representatives of a particular interest group may be needed to inform on a local issue, which in more recent years has been further enabled by the use of computerised databases such as the British Labour Party’s ‘Excalibur’ system (Carr 1997).
The third construct, Member Participation, is defined by Ormrod (2005) as “the process of including all members in creating a coherent party strategy” (Ormrod 2005: 55). Participation in the context of political parties can be understood as pertaining to the depth of debate (how much effort is placed in developing the individual policies), and the breadth of debate (what proportion of policies are debated amongst all members before being implemented). This construct is a development of Harrison-Walker’s (2001) ‘Shared Interpretation of Information’ construct, which emphasises the sense-making process that facilitates a shared organisational understanding of the information. Whilst this contrasts with the Kohli and Jaworski (1990) conceptualisation of a MO that places the interpretation of information at the individual level as part of the Intelligence Generation construct, a separate joint process is necessary because of the nature of parties as facilitators of political participation (Bille 2003).

The final behavioural construct, Consistent External Communication, is defined as “the process of communicating a consistent, agreed-upon strategy to external stakeholder groups” (Ormrod 2005: 56). As with the Information Generation construct, the two facets of the Consistent External Communication construct are categorised according to the processes through which they are communicated, either formally or informally. The PMO construct is developed from Kohli and Jaworski’s (1990) and Kohli et al.’s (1993) Responsiveness to Intelligence construct, but in contrast to Kohli et al. (1993), the planning stage is subsumed within the Member Participation construct whilst the outward facing communication activities by all members is part of the Consistent External Communication construct; it should however, be remembered that both elements are important to a commercial market orientation (Shapiro 1988). As in the commercial literature, the conceptualisation of the construct also emphasises the responsibility of all members of the organisation to contribute to the
communication, as this gives the party an opportunity to explicate an unadultered message without the arbitration of the independent media (O’Shaugnessy 2001).

Ormrod (2007)

Ormrod (2007), “Political Market Orientation and its Commercial Cousin: Close Relatives or Distant Family?” sought to provide an overview of the more recent literature on the concept of political market orientation. The three perspectives adopted by Lees-Marshment (2001a, 2001b, 2001c), O’Cass (1996, 2001a, 2001b) and Ormrod (2005) respectively were described and then compared to the four synthesised dimensions of MO identified by Lafferty and Hult (2001), namely an emphasis on the customer, the importance of information, an interfunctional coordination and taking action, together with the extent to which the respective authors distinguished between a market orientation and a marketing orientation.

With regard to the first synthesised dimension, an emphasis on the customer, it was found that both O’Cass (1996, 2001a, 2001b) and Lees-Marshment (2001a, 2001b, 2001c) conceptualised the primary exchange partner as the voter, in line with the political marketing management approach to research (Henneberg 2002), whilst Ormrod (2005) took the view that voters, whilst both the most salient and periodically the primary exchange partner, were not the only stakeholders; other groups such as competitors, the media, interest and lobby groups could at certain points in the electoral cycle take precedence over voters, thus following the advanced political marketing management approach (Henneberg 2002). Despite the differences on the first synthesised dimension, all of the authors were in agreement on the second dimension, the importance of information, which played a central role in all three conceptualisations, although the source of the information was determined by the nature of each author’s view of the political customer.
The third dimension, interfunctional coordination, demonstrates once more the differences that exist between the three approaches. O’Cass provides no clear definition of what an interfunctional coordination is but arguably bases his ‘Party operational synergy’ and ‘Party synergy and integration’ constructs on the MO literature. Lees-Marshment on the other hand considers the coordination function to be the preserve of the party top, thus advocating a highly centralised party organisation. Ormrod (2005) instead considers the coordination activities in a party to be the responsibility of all members due to the bi-directional heirarchical structure of modern political parties. Finally, the fourth synthesised dimension, taking action, again reflects those stakeholders that each author considers to be central to a PMO; O’Cass and Lees-Marshment (2001a, 2001b, 2001c) focus primarily on voters, whilst Ormrod (2005) includes amongst others voters, competitors, party members, the media and lobby groups.

Ormrod (2007) provides an important criticism of Ormrod (2005), that the conceptualisation of the fourth behavioural construct, ‘Consistent External Communication’, only focuses on those activities that support the communication of party policy to the actors in the four stakeholder groups, based upon an understanding of the party offering as the policy portfolio (Ormrod 2007). Whilst this conceptualisation has the advantage of being relatively easily elucidated from respondents, the narrow concentration on policies does not provide for changes in organisational structure, for example, voting rights that promote a more involved membership, integration of new technologies to improve information transfer (Ormrod 2007). Ormrod (2007) recommended developing the construct such that the primary focus was on the consistent implementation of the agreed-upon strategy.
Ormrod (2007) concludes that the political and commercial conceptualisations of a PMO are close family rather than distant cousins, as all three author’s work can be said to reflect the synthesised dimensions of commercial MO. However, there are important differences between the authors that remain to be clarified, so rather than investigating if the commercial concept of MO can legitimately be applied to the political context, the question that should be asked is how. The article contributes to a greater understanding of PMO by providing an overview of how diversely the concept is actually understood in the modern literature together with proposing a valuable conceptual development of Ormrod (2005).

**Ormrod (2006)**

Ormrod (2006), “A Critique of the Lees-Marshment Market-Oriented Party Model”, was designed to provide conceptual and empirical criticisms of the Lees-Marshment market-oriented party model (Lees-Marshment 2001a, 2001b, 2001c). After presenting a short overview of how MO is understood in the commercial literature as an organisation-wide commitment to being attentive to the stakeholder markets in which the organisation exists, ten criticisms were presented, five based on the conceptualisation of the eight-stage process model of PMO, and five based on the results of empirical studies.

The first of the five conceptual criticisms concerns the short-term approach; only the expressed voter needs and wants are considered to be important, not the long-term (present and future) expressed and latent needs and wants emphasised in the commercial MO literature. Secondly, the model dictates a narrow focus on voters and to a lesser extent competitors, whilst the effects of environmental forces that are emphasised in the commercial literature is not included. The third conceptual criticism concerns the nature of the relationship to competitors, which is very much arms-length and does not take coalition
partners into consideration. The fourth criticism is that the model implies that the successful market-oriented party will be centralised, the opposite of the commercial conceptualisation with its emphasis on the active participation of all members of the organisation. Finally, there is no distinction made between the related but distinct concepts of ‘market orientation’ and ‘marketing orientation’.

The first of the five empirical criticisms centres around the problems that have been experienced when applying the model to certain party types and electoral systems, arguably due to the fact that the Lees-Marshment market-oriented party process model was developed from an empirical study of the behaviour of the British Labour and Conservative parties; no other type of party or electoral system is included. The second criticism was the finding that there were limitations to the ability of parties to implement the model due to ideological considerations; in a similar vein, the third criticism was that the scarcity of resources available to parties to develop the capabilities necessary to become market oriented. The fourth criticism centred around the partial application of the model in practice, with the finding in several unrelated investigations that the characteristics of ‘market-oriented’ contra ‘sales-oriented’ were more applicable at the policy level rather than the party level. Finally, questions were raised as to the ability of parties to continue exhibiting market-oriented behaviour when in government.

Ormrod and Henneberg (2010 forthcoming, under review)

The fourth and fifth papers included in this Ph.D. submission, “An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation” (Ormrod and Henneberg 2010 forthcoming) and “Political Market Orientation and Strategic Party Postures in Danish Political Parties” (Ormrod and Henneberg under review) provide an
empirical angle from which to supplement the conceptual understanding of a PMO. The two papers followed an identical process from the initial operationalisation of the conceptual model of PMO to the data purification, after which Ormrod and Henneberg (2010 forthcoming) concentrated on understanding the way in which activity levels affected member perceptions of the level of PMO of the British party, whilst Ormrod and Henneberg (under review) test four hypotheses using the datasets from two Danish parties.

In the commercial literature, empirical investigations are generally single respondent studies with a large sample of organisations within a particular industry (Langerak 2003). Due to the nature of the political marketplace with few parties in each market together with the legitimacy of parties being derived partly from their role in society as facilitators of political participation (Bille 2003), multiple respondents – party members at all levels in the three parties – were surveyed for their perceptions of the level of PMO of their party. This has the additional advantage of facilitating comparative investigations at the intra-organisational level by splitting the sample according to one or more contextual variables as in Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review).

The initial operationalisation into 61 items was developed from a survey of the political and commercial marketing literature and subsequently subjected to two rounds of pre-tests with experts and a proxy sample of politically active students; an additional pre-test was carried out in Denmark after the translation of the questionnaire into Danish to ensure that cultural differences had as small an effect as possible on how the items were understood. This left a final pool of 51 items on a seven-point Likert-type scale which was administered online to members of the three parties (Appendix 1), with response rates of n = 1156 (British party), n = 1560 (Danish Party 1) and n = 1623 (Danish Party 2). In addition to the 51 items, several
contextual questions were also provided including a self-categorising item investigating the activity level of the respondent, which formed the basis of the analysis in both papers. The final pre-modeling phase consisted of purifying the data by inspecting the mean, standard deviation, skewness and kurtosis statistics, together with carrying out a principle components analysis.

The aim of Ormrod and Henneberg (2010 forthcoming), was to investigate the relationship between party member activity-level and perception of their party’s political market orientation in a British political party, that is, the level of organisational cohesion. The sample was divided using the self-categorising ‘activity level’ contextual variable, resulting in three groups representing the very active (n = 328), the moderately active (208) and those who categorised themselves as inactive (619). The principle findings of the investigation are that there are strong relationships between the four constructs representing member perceptions of party behaviour, that there are many significant differences in the path coefficients between the three groups, especially between the very active members on the one hand, and the moderately active and inactive members on the other, and that the lower the activity level of the respondents, the more they assess their own party as market-oriented.

Ormrod and Henneberg (under review) replicated Ormrod and Henneberg (2010 forthcoming) using a different dataset to investigate the organisational cohesiveness of two Danish parties. A second aim of Ormrod and Henneberg (under review) was to test the hypothesis that the PMO profiles derived from the PLS modeling procedure would fit with the strategic party postures (Henneberg 2006a; Ormrod and Henneberg 2007, forthcoming) that were identified for each party from a self-typing paragraphs study using political science experts. A discussion of this second aim of Ormrod and Henneberg (under review) is beyond the scope
of this thesis. This paper also introduced a re-labeling of the External Orientation construct to Societal Orientation, with no change to the underlying conceptualisation of the construct. This change was the result of discussions with peers who noted that the External Orientation label could be misconstrued as a ‘catch-all’ construct. The Societal Orientation label avoids this by emphasising the nature of the construct as that which represents member perceptions of the party’s orientation towards the wider society rather than simply those actor who are external to the party and not voters or competitors.

The sample sizes in Ormrod and Henneberg (under review) were n = 482 for the very active members of Party 1 (total n = 1560), n = 395 for the moderately active members, and n = 683 for the inactive. For Party 2 (total n = 1623), the respective samples were n = 380, n = 481 and n = 762. The two hypotheses that are relevant to this thesis stated that there would be no significant differences between the inter-construct path coefficients of the three activity levels in Party 1 (H$_{3a}$ in the article) and Party 2 (H$_{3b}$). The results demonstrated that the relationships between the behavioural constructs were strong but that the significant relationships between the behavioural constructs and the constructs representing member perceptions of the parties’ orientations towards the different stakeholder groups were almost exclusively centred around the Internal Orientation and Societal Orientation constructs; again, only the micro-level stakeholders subsumed within the Societal Orientation construct were of importance. It was found that there were more differences between the path coefficients of the groups than similarities, and therefore both hypotheses were rejected. These results are similar to those in Ormrod and Henneberg (2010 forthcoming).

The contribution of the two empirical papers in this submission provides a new angle from which to understand PMO and supplement and nuance the conceptual work that is presented
in Ormrod (2005) and developed further in Ormrod (2007). Taken together, both Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review) demonstrate that perceived behaviours are strongly linked to each other and that party members and politically active citizens are perceived to be of prime importance, whilst the opposite is the case with the orientations towards voters, competitors, the media, and lobby and interest groups. In addition to this, there appears to be significant differences between the inter-construct relationships according to the individual member’s activity level. Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review) consider these results to be important as they challenge the standard assumptions in political marketing research that the media and voters are the primary exchange partners, and argue that scholars can broaden their research foci to include the party membership and citizens as important exchange partners.


Relationship Between Political Activity Levels and Political Market Orientation”,


Part 2

A Conceptual Model of Political Market Orientation


Political Market Orientation and its Commercial Cousin: Close Family or Distant Relatives?


A Critique of the Lees-Marshment Market-Oriented Party Model


An Investigation into the Relationship between Political Activity Levels and Political Market Orientation

(published in the ‘European Journal of Marketing’ 2010 forthcoming; co-authored with Dr Stephan C. M. Henneberg of the Manchester Business School, Manchester, UK)

Political Market Orientation and Strategic Political Postures in Danish Parties

(under review in the European Journal of Marketing; co-authored with Dr Stephan C. M. Henneberg of the Manchester Business School, Manchester, UK)
A Conceptual Model
of Political Market Orientation

Robert P. Ormrod

SUMMARY. This article proposes eight constructs of a conceptual model of political market orientation, taking inspiration from the business and political marketing literature. Four of the constructs are ‘behavioural’ in that they aim to describe the process of how information flows through the organisation. The remaining four constructs are attitudinal, designed to capture the awareness of members to the activities and importance of stakeholder groups in society, both internal and external to the organisation. The model not only allows the level of a party’s political market orientation to be assessed, but also aids the party in making a context-specific decision with regard to the reallocation—or not—of party resources in order to attain the party’s long-term objectives.

KEYWORDS. Political market orientation, political marketing, market orientation

Robert P. Ormrod is Research Assistant, Business Research Academy, Langvangen 8, Building 108, 8900 Randers, Denmark (E-mail: ropo@erfak.dk).

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The term ‘market orientation’ has existed in the business marketing literature for many years, but has only since around the beginning of the 1990’s been conceptualised in a way that has facilitated testing in a scientific manner (Harrison-Walker 2001), beginning with Narver and Slater (1990) and Kohli and Jaworski (1990). There has since, however, been much work dealing with various alternative conceptualisations of the constructs that make up a market orientation, varying from Deshpandé, Farley and Webster’s (1993) view that a market orientation should be considered as synonymous with a customer orientation, to Harrison-Walker’s (2001) behavioural/cultural conceptualisation, where Narver and Slater’s (1990) ‘Customer Orientation’ and ‘Competitor Orientation’ are matched with Kohli and Jaworski’s (1990) ‘Intelligence Generation,’ ‘Intelligence Dissemination,’ and ‘Responsiveness’ constructs, and expanded by the addition of a fourth behavioural construct, a ‘Shared Interpretation of Information,’ inspired by Daft and Weick (1984) and located between the dissemination and responsiveness to information.

This article introduces a conceptual model of political market orientation that is developed from business and political marketing literature. It will begin with a short review of the research to date into the concept in both the business and political marketing literature, then continue to discuss the conceptualisation of the behavioural and cultural constructs proposed by Harrison-Walker (2001) and show the way in which they can be used in the political context. The importance of an ‘Internal Orientation,’ loosely based on Narver and Slater’s (1990) ‘Interfunctional Coordination’ construct will be demonstrated, and a further construct, an ‘External Orientation,’ will be developed and that is argued to enhance the sensitivity of the model to the political arena. The implications of Ormrod’s (2003) research lead to the final two constructs of Harrison-Walker’s (2001) conceptual model being redefined, again in order to reflect the nature of the political marketplace, labelled ‘Member Participation’ and ‘Consistent External Communication.’

THE NATURE OF A MARKET ORIENTATION

A market orientation is normally conceptualised as a point on a continuum rather than as an either/or construct (Kohli and Jaworski 1990; Kohli, Jaworski, and Kumar 1993), and this characteristic enables the firm to determine the existing level of market orientation. Several authors (e.g., Harrison-Walker 2001; Narver and Slater 1990; Slater and Narver 1994) treat a Customer and a Competitor Orientation as separate constructs, and this enables the firm to measure the relative amount of resources allocated to understanding and serving each stakeholder group, which in turn can be adjusted and used to maxi-
mise the return on investment of these resources via a “balanced external orientation” strategy (Slater and Narver 1994). An investigation into the level of a firm’s market orientation is not prescriptive in the sense that it provides hard and fast guidelines for success, but rather allows the organisation to make context-specific decisions in order to maximise the return on resources employed.

A related point is made by Kohli and Jaworski (1990), that “The orientation is useful only if the benefits it affords exceeds the cost of these resources,” that is, there is an opportunity cost of resources employed. They also note that the implementation of market orientation does not automatically result in an increased performance, as “simply engaging in market-oriented activities does not ensure the quality of those activities” (Kohli and Jaworski 1990); in some circumstances it is conceivable that, for example, a product or sales orientation would be more profitable to the firm due to the nature of the competitive environment (e.g., Noble, Sinha, and Kumar 2002; Gray et al. 1998; Slater and Narver 1994; Kohli and Jaworski 1990). Whilst it is beyond the scope of this article to discuss this issue, it is proposed to be an important area for future research into the implications of adopting a political market orientation.

It is also important to note that a market orientation is not a marketing orientation. Until recently there has been some discussion in the business marketing literature as to the difference between a ‘market’ and a ‘marketing’ orientation, and as such it is important to clarify the position taken in this article with regard to the two concepts. The view accepted by the majority of business market orientation authors (e.g., Kohli and Jaworski 1990; Narver and Slater 1990; Harrison-Walker 2001; Lafferty and Hult 2001) is that the term ‘market orientation’ concerns the holistic, organisation-wide nature of the concept’s emphasis on both internal and external stakeholder relationships, whilst a ‘marketing orientation’ is mainly the preserve of the marketing function and is primarily concerned with “marketing’s functional role in coordinating and managing the 4P’s to make companies more responsive to meeting customer needs” (Gray et al. 1998). A ‘political marketing orientation’ would therefore be primarily concerned with investigating the discrete exchanges that occur as a result of, for example, election campaigns, whilst the emphasis on building and maintaining stakeholder relationships by the entire organisation makes the term ‘political market orientation’ more appropriate to the conceptual model proposed in this article.

**PREVIOUS WORK ON POLITICAL MARKET ORIENTATION**

O’Cass (1996, 2001a, 2001b) proposes a semantic redefinition of the marketing management paradigm for the political context as “the analysis, plan-
ning, implementation and control of political and electoral programs” (O’Cass 1996), but does not really discuss the differences between the business and political marketplaces. Despite the fact that various stakeholder groups’ influence on political parties is acknowledged, as “significant pressures are being placed on political parties and politicians by voters, business and lobby groups” (O’Cass 2001a), only the party/voter exchange process is investigated with the emphasis of his research being on the use of traditional marketing tools to attain party objectives. The success criteria he lays down does concern satisfying “voter needs and wants . . . within ideological bounds and parliamentary numbers rather than the percentage of the vote” (O’Cass 2001a), but his research concentrates mainly on the effects of a marketing orientation on campaign activities (O’Cass 1996, 2001a, 2001b). Although noting that a market orientation is not a marketing orientation, in O’Cass (2001b) he considers it possible to use them to supplement each other in an investigation rather than acknowledging that they rest upon different paradigms, each with its own assumptions.

Lees-Marshment (2001a, 2001b, 2001c) describes the process that a market oriented party goes through during an electoral cycle, beginning with the generation of formal and informal market intelligence by party members and professionals alike. Lees-Marshment (2001a) takes the view that political marketing is concerned with “the relationship between a political organisation’s ‘product’ and the demands of the market,” and that “the basic argument of a market orientation is to follow, rather than lead, voter demands.”

Internal stakeholders are also considered to be of prime importance when developing and marketing the market oriented party’s political product, especially grassroots party members, as their inclusion can “promote a feeling of involvement, value and worth amongst those within the party” (Lees-Marshment 2001a). The information that is generated on, for example, voter opinions should then be disseminated to all members and used to assist in the joint formulation of party policy by members and party professionals, as this will “increase co-operation and understanding between them and help to reduce the chances of an ‘outsider/insider’ (professional/party member) distinction arising” (Lees-Marshment 2001a).

In short, the party which adopts a market oriented approach first generates market intelligence into voter needs and wants, disseminates this intelligence throughout the party, and then “designs a product that will actually satisfy voters’ demands: that meets their needs and wants, is supported and implemented by the internal organisation, and is deliverable in government” (Lees-Marshment 2001a). The political product is then communicated out to voters at all points on the electoral cycle so that come election time, “The actual election campaign is then almost superfluous to requirements but pro-
vides the last chance to convey to voters what is on offer” (Lees-Marshment 2001a). The final stage is that of delivery: should the party gain enough support to form a government then it will be able to put its policies into practice, and it is this stage that “is crucial to the ultimate success of marketing and therefore political marketing” (Lees-Marshment 2001a).

Whilst it could be argued that Lees-Marshment’s (2001a, 2001b, 2001c) process model of how a market oriented party should act is in fact closer to a marketing orientation rather than a market orientation, it is however similar to Kohli and Jaworski’s (1990) conceptualisation of a market orientation as behaviour. There is an emphasis on generating information, disseminating it to all party members and including all internal stakeholders—to the extent possible—in the marketing and strategy formulation process as a prerequisite for party success. Lees-Marshment (2001a) also advocates an awareness of competitor actions in that it is recommended that a SWOT analysis (Strengths and Weaknesses, Opportunities and Threats) be carried out, but fostering an attitude in the party to the possibility of cooperating with competitors, an important consideration in some political systems (Bowler and Farrell 1992), is not so apparent; nor is an explicit reference to the importance of generating information directly from other external stakeholder groups.

The conceptual model of political market orientation proposed in this article has obvious parallels to Lees-Marshment’s (e.g., 2001a) work, but differs in that the possibility of cooperating with competing parties is acknowledged, as is the importance of all stakeholder groups in society. Therefore, it is proposed that a political market orientation exists when all members of a party are sensitive to internal and external stakeholders’ attitudes, needs and wants, and synthesize these within a framework of constraints imposed by all stakeholders to develop policies and programmes with which to reach the party’s objectives.

POLITICAL MARKET ORIENTATION AS BEHAVIOUR

Many of the previous conceptualisations of a market orientation have consisted of exclusively behavioural constructs, which is reflected in the definition of the concept as “the physical actions of [actors] that can be directly observed and measured by others” (Peter, Olsen, and Grunert 1999). The behavioural constructs of the conceptual model of political market orientation presented in this work follow closely those first proposed by Kohli and Jaworski (1990), in that the Information Generation and Information Dissemination constructs are linked with Ormrod’s (2003) ‘Member Participation’ and ‘Consistent External Communication’ constructs.
Lafferty and Hult’s (2001) article, a synthesis of previous work on market orientation that resulted in four dimensions, shows Kohli and Jaworski’s (1990) conceptualisation to have the most utility in explaining the behavioural constructs of the business market orientation model, as other authors have restricted it to focusing on a particular external stakeholder group (e.g., Ruekert 1992—the generation of customer information) or to the managerial level at which the information is disseminated in the firm (e.g., Shapiro 1988—upper management). Despite the fact that Kohli and Jaworski (1990) also emphasise upper management as the key facilitating group amongst employees, their conceptual model is on a more general level and stresses the ‘importance of information’ and of ‘taking action,’ two of Lafferty and Hult’s (2001) dimensions; as such it is not only applicable across a broader spectrum of industries, but also more applicable to political parties.

The use of the term ‘information’ instead of Kohli and Jaworski’s (1990) ‘intelligence’ is more than merely a semantic preference—‘intelligence’ can be said to refer to the generation of pieces of information pertaining to sources external to the organisation, which then pass through the three remaining behavioural constructs of the conceptual model of political market orientation proposed in this article. The term ‘information,’ on the other hand, is broader in scope as it can also apply to the Internal Orientation construct of the political market orientation recognition of the ability of individual party members, independent of position in the party, to generate ideas and information and to participate in policy and political program development.

Finally, it must be noted that a central assumption of the conceptual model of political market orientation is that the four behavioural constructs are consecutive, as information has to be generated before it can be disseminated, disseminated before it can be interpreted, and so on. This behavioural chain (Figure 1) demonstrates the direction of information flow through the party, and should not be interpreted as indicating capability dependence; it is conceivable that a party could generate a large amount of both formal and informal information, yet not have the organisational structure necessary to disseminate this information. A final defining characteristic of the behavioural chain is its application, as a whole, to each of the attitudinal constructs (Harrison-Walker 2001; Kohli and Jaworski 1990).

This conceptualisation enables the model to discern the extent to which the party is oriented to the individual stakeholder markets, and to aid the party in optimising the resource allocation to each stakeholder group in order to achieve the agreed-upon party objectives. This characteristic of the conceptual model also enables it to be used in different electoral systems and by different party structures in that it is not prescriptive in the sense that it gives answers to
the resource allocation question, but rather aids the party as a whole in adjusting—or not—the emphasis placed on different stakeholder groups.

**INFORMATION GENERATION**

Kohli et al. (1993) define their concept of Intelligence Generation as being “the collection and assessment of both customer needs/preferences and the forces (i.e., task and macro environments) that influence the development and refinement of those needs,” i.e., both customers and external stakeholders. They also stress the necessity of this occurring in all departments in the business, as “each has a unique market lens”; whilst political parties are generally organised as hierarchies (Dean and Croft 2001) rather than as functions, each party member has a particular perspective on society and is, to a certain extent, capable of generating information about stakeholder opinions.

The importance of the generation of information emphasised in the business market orientation literature is mirrored in the political market orientation literature, with both Lees-Marshment (2001a, 2001b, 2001c) and O’Cass
(1996, 2001a, 2001b) regarding it as a necessary activity in order to explicate voter needs and wants. Lees-Marshment (2001a) goes further and proposes that the generation of information occurs formally (i.e., traditional market research at the party level) and informally (i.e., social exchanges at the individual level), and suggests that research should also be carried out by the party leadership on internal stakeholder opinions, as “The party leadership needs to understand the views of all within the organisation and alter the product accordingly to ensure that it will gain the necessary level of acceptance.” This formal/informal conceptualisation is considered to have some explanatory power, and therefore Information Generation is defined as the party-wide generation of formal and informal information regarding all internal and external stakeholders.

**INFORMATION DISSEMINATION**

The second stage in Kohli and Jaworski’s (1990) market orientation construct is concerned with the dissemination of information throughout the organisation. Kohli and Jaworski (1990) argue that “market intelligence need not always be disseminated by the marketing department to other departments. Intelligence may flow in the opposite direction, depending on where it is generated,” that is, all individuals in the organisation are capable of generating intelligence. Kohli et al. (1993) elaborate on this conceptualisation by explicitly stating that “the dissemination of intelligence occurs both formally and informally.”

This emphasis on the importance of horizontal and vertical dissemination of information is also accepted in the political market orientation research to date, in that Lees-Marshment (2001a) argues that “The results of professional research should be made fully available to them [MP’s and members],” and O’Cass (2001a) considers the Kohli and Jaworski (1990) typology as being the most applicable to the study of political marketing phenomena. In the context of the conceptual model of political market orientation presented in this article, Information Dissemination is defined to be the party-wide communication and reception of information through formal and informal channels.

**MEMBER PARTICIPATION**

In addition to the Kohli and Jaworski (1990) Generation-Dissemination-Responsiveness typology, Harrison-Walker (2001) argued for the inclusion of a fourth behavioural construct concerning the ‘Shared Interpretation of Infor-
information,’ occurring between dissemination and responsiveness, a conceptualisation inspired by Daft and Weick (1984, in Harrison-Walker 2001). Whilst Harrison-Walker (2001) places the organisational interpretation of information as occurring after the dissemination of information and being the responsibility of upper management, Kohli and Jaworski (1990) see this as occurring as part of the Information Generation stage at the individual level rather than a separate process at the collective level, although they do see the dissemination stage as providing “a shared basis for concerted actions by different departments.”

Ormrod (2003) found that there was evidence to suggest that the internal and external aspects of the behavioural chain should be separated, where the internally focussed construct would consist of behaviours relating to the inclusion of all members in both making sense of the disseminated information and creating a coherent strategy from it. It must be remembered that whilst the actual result of this process of making sense of information may not be agreed upon by all members, the fact that there is an awareness of the collective interpretation facilitates a consistent message to be communicated out of the party. An example of this could be the discussions inside of a party surrounding the periodic development of a policy program; although many different views are likely to exist concerning the exact formulation of the text, there is (in most cases) only one, final document. In the conceptual model of political market orientation, the inclusive nature of political parties is captured in the definition of the Member Participation construct as the process of including all members in creating a coherent party strategy; this facilitates consistent responses which are agreed upon by all party members.

CONSISTENT EXTERNAL COMMUNICATION

An element that occurs explicitly in all three of the behavioural conceptualisations of market orientation surveyed by Lafferty and Hult (2001) is that of the importance of a Responsiveness to Information. Several authors (e.g., Harrison-Walker 2001; Kohli et al. 1993) note that the responsiveness construct consists of two parts, the planning and implementation of a response strategy, and Shapiro (1988) considers this to be essential to a market orientation, in that “When the implementers also do the planning, the commitment will be strong and clear.”

However, as noted above under ‘Member Participation,’ Ormrod (2003) found that the conceptualisation of a Responsiveness to Information as both having internal and external foci may not be appropriate to the political context, as whilst only the elected politicians can actually pass laws, all party
members can act as ‘part-time marketers’ (Johansen 2002) and provide an enthusiastic base of representatives with which to build up individual relationships with external stakeholders in order to achieve the party’s long-term objectives. This conceptualisation may also help combat the negative effects of “the arbitration of an independent communications power centre, the mass or ‘free’ media which they [parties] may be able to influence but cannot control” (O’Shaughnessy 2001). Therefore, a Consistent External Communication can be defined as the process of communicating a consistent, agreed-upon strategy to external stakeholder groups.

**POLITICAL MARKET ORIENTATION AS ATTITUDES**

Several business market orientation authors (e.g., Harrison-Walker 2001; Griffiths and Grover 1998) have conceptualised a market orientation as consisting of behavioural and cultural constructs, but whilst behaviours can be observed, a ‘culture’ can be defined as including “the beliefs, attitudes, goals and values held by most people in a society, as well as the meanings of characteristic behaviours, rules, customs, and norms that most people follow” (Peter et al. 1999). This definition demonstrates that a ‘culture’ contains many diverse elements, making an operationalisation of a cultural conceptualisation extremely difficult, if not impossible. In order to increase the utility of the conceptual model of political market orientation as a statistical tool for use in real situations, it is more constructive to analyse the attitudes party members have towards the different stakeholder groups in society. An attitude is defined as “a person’s overall evaluation of a concept,” consisting of “favourable and unfavourable feelings towards an object” (Peter et al. 1999), and this enables the attitude object to be made explicit and measured with comparatively more precision.

The attitudinal constructs of the conceptual model of political market orientation are not as easy to deduce from the business market orientation literature as the behavioural components outlined above, as only the Customer and Competitor Orientation constructs have been directly proposed (e.g., Narver and Slater 1990; Harrison-Walker 2001). The Internal Orientation construct proposed in this article is conceptually similar to Narver and Slater’s (1990) ‘Interfunctional Coordination’ construct, but the construct has been contextually redefined and relabelled. The inclusion of an explicit External Orientation construct expands the various conceptualisations of a business market orientation, focussing on stakeholder groups outside of the party that are not voters or competitors. The four stakeholder groups are presented in Figure 2.
It is important to note that Lafferty and Hult (2001) class Narver and Slater’s (1990) concepts of Customer Orientation, Competitor Orientation and Interfunctional Coordination as “culturally-based behaviours,” emphasising that the concepts focus on an organisational understanding of the need to collect information about customers’ present and future needs and wants, and competitors’ actions. However, Slater and Narver (1995) redefined their concept of market orientation and separate the culture from the behaviour, stating that the culture “provides norms for behaviour regarding the organizational development of and responsiveness to market information.”

**VOTER ORIENTATION**

Of the five general approaches discussed by Lafferty and Hult (2001), the focus present in all conceptualisations of a business market orientation was that of a Customer Orientation. A large amount of research in political marketing has concentrated on the effects of electoral tactics and strategy on voter behaviour, and it is generally accepted in the literature that the political consumer is the voter. It is of course true that there are certain characteristics of voters which set them apart from consumers in the business sense, such as the existence of the ‘counter-consumer’ (Butler and Collins 1999, 1996), but there are, however, characteristics that voters and customers have in common, such as the suitability of traditional market research tools for uncovering voter opinions (e.g., Lees-Marshal 2001a; Sparrow and Turner 2001) and of marketing communication strategies (e.g., Kaid 1999; Scammell 1996), together with the conceptualisation of voting as an exchange process (e.g., O’Cass 1996).
The Voter Orientation construct is defined such that an emphasis is placed upon social exchanges between individual actors complementing the utilisation of traditional marketing management tools. As such, the Voter Orientation construct can be seen as the attitudes of all party members towards being aware of voter needs and wants at the individual level through a willingness to enter into social exchanges with these voters, and an acknowledgement of the usefulness of traditional marketing tools’ place in uncovering voter opinions at the party level; in short, the party-wide awareness of voter needs and wants and an acknowledgement of the importance of knowing these.

COMPETITOR ORIENTATION

A competitor orientation is considered by several authors (e.g., Harrison-Walker 2001; Narver and Slater 1990) to be essential to the business market orientation concept, and by Lees-Marshment (e.g., 2001a) to the activities involved in a political market orientation. Bowler and Farrell (1992) discuss the behaviour of parties in different electoral systems at election time, stating that “in multi-party systems the parties have to make allowances for possible coalition partners and so temper their campaign messages,” and Butler and Collins (1996) describe four market positions for political parties (market leader, challenger, follower and nicher), based on those discussed in marketing textbooks such as Kotler (1997), that can affect the strategic direction pursued by the individual party vis-à-vis other parties in the political marketplace. Interestingly, Dean and Croft (2001) do not include competing political parties in their Multiple Markets model of important stakeholder groups, although an explanation that they themselves give is that the model is based upon the British party system where coalition governments are uncommon.

A separate Competitor Orientation construct is considered necessary in a political market orientation, and that it must be conceptualised so as to take into account the nature of political competition in that it is essential in some systems to create alliances with other parties in order to pass legislation. A Competitor Orientation is therefore defined as the party-wide awareness of other parties’ attitudes and behaviours, and an acknowledgement that cooperation with other parties may be necessary to attain the party’s long-term objectives.

INTERNAL ORIENTATION

Narver and Slater (1990) define the concept of an Interfunctional Coordination as “the coordinated utilization of company resources in creating superior
value for target customers.” Lafferty and Hult (2001) find that this construct is to a greater or lesser extent present in all of the approaches to market orientation that they identify, and that the emphasis is placed more on the ‘Interfunctional’ nature of the concept. The very precise definition proposed by Narver and Slater (1990) makes it difficult to apply directly to the political marketing context, and the horizontal emphasis risks overlooking the hierarchical structure of parties, in that political parties tend not to be organised as functions that contribute to the day-to-day running of the organisation, but as vertical hierarchies (Dean and Croft 2001). In a political marketing context, Narver and Slater’s (1990) focus on ‘company resources’ should be seen as all party members, and as such it is considered to be necessary to re-label ‘Interfunctional Coordination’ to reflect these differences, hence ‘Internal Orientation.’

The importance of party members to the functioning of political parties has been emphasised by several authors (e.g., Johansen 2002; Butler and Collins 1999; Lees-Marshment 2001b), and Lees-Marshment (2001a) states that “Parties can get ideas about what voters want by ‘keeping an ear to the ground’ or talking to party activists,” and underlines the importance of including grassroots members and their opinions in the formulation of party policy. This emphasis on the inclusion of all party members is reflected in the definition of an Internal Orientation, in that it is the party-wide awareness and acceptance of the value of other members’ opinions, irrespective of position in the party.

EXTERNAL ORIENTATION

Selnes, Jaworski, and Kohli (1996) note that little research has explicitly addressed the nature of the exogenous environment’s moderating effects on the results of a market orientation, and few authors have noted the importance of being aware of external stakeholders (e.g., Slater and Narver 1995). This is also true of the political marketing literature to date, in that whilst acknowledging the importance of the exogenous environment to political parties, research has mainly concentrated on the effects of the media (e.g., Kraus 1999; Róka 1999; O’Shaughnessy 1990) and lobby groups (Harris, Gardner, and Vetter 1999; Harris and Lock 1996).

There are few articles in the political marketing literature that explicitly list the important external stakeholder groups. The most notable example is that of Dean and Croft (2001), who adapt Christopher, Payne, and Ballantine’s (1991) Six Markets model to the British electoral system, and define the external stakeholder groups to be trade unions and business associations, pressure groups, peer groups, and civil servants. Dean and Croft (2001) acknowledge that the inclusion of this last category “is, perhaps, a surprising one,” but base
its inclusion on the fact that it is the civil service (to be understood as public sector employees) that is responsible for the implementation of policy, a point that has also been made by Lees-Marshment and Laing (2002). It can be said that there is a growing focus in the political marketing literature on the influence of all external groups that have an interest in or affect the outcome of political decisions, and this is reflected in the final attitudinal construct of the conceptual model of political market orientation, an External Orientation, defined as the party-wide acknowledgement of the existence and importance of stakeholders in society that are not voters or competitors.

CONCLUSION

The four behavioural constructs of the conceptual model of political market orientation proposed in this article are Information Generation, Information Dissemination, Member Participation and Consistent External Communication. The four behavioural constructs are consecutive, in that information has to be generated before it can be disseminated, disseminated before it can be made sense of by members participating in strategy formulation, and so on. Another defining characteristic of this ‘behavioural chain’ is its application, as a whole, to each of the attitudinal orientation (Harrison-Walker 2001; Kohli and Jaworski 1990). The first two attitudinal constructs, a Voter and Competitor Orientation, are similar to those that already exist in the business, and to a certain extent, political marketing literature, whilst the third construct, an Internal Orientation, is a development of Narver and Slater’s (1990) Interfunctional Coordination construct in order to take into account the idiosyncrasies of the political context. The fourth attitudinal construct, an External Orientation, has been proposed in order to reflect the importance of stakeholder groups in society that are external to the party and not voters or competing parties. The complete conceptual model of political market orientation is presented in Figure 3.

The conceptual model presented in this article is designed to be used by all types of political parties regardless of ideological persuasion or electoral system, and to be used independently of the position in the electoral cycle. As an analytic tool it can discern the level of a party’s political market orientation with regard to different stakeholder groups in society, thus enabling the party as a whole to decide whether or not resources have to be reallocated in order to achieve the party’s long-term objectives, within a framework of constraints imposed by all of society. Future research into the concept of a political market orientation should investigate implementation issues, tak-
ing into consideration the national idiosyncrasies of political markets and political party structures, and in general it is necessary for research in this field to continue in order to generate a deeper understanding of how the concept of a business market orientation can be tailored—rather than indiscriminately applied—to have utility in the political marketplace.
The conceptual model of political market orientation presented in this article is a contribution to the field of Political Marketing that can provide an interesting perspective from which to understand political parties, their behaviours, and the attitudes of their members towards stakeholder groups in society.

BIBLIOGRAPHY


ABSTRACT. There is surprisingly little research on the market orientation of political parties, unlike its commercial cousin, with only three authors publishing work that concentrates on the concept (O’Cass, 1996, 2001a,b; Lees-Marshment, 2001a,b; Ormrod, 2004, 2005). This paper seeks to analyse the more recent literature on the concept of political market orientation using the four synthesised dimensions of commercial market orientation identified by Lafferty and Hult (2001) as a framework. This study also presents Lafferty and Hult’s (2001) four commercial market orientation dimensions and describes the differences between the related terms of “market orientation” and “marketing orientation.” Further, the article surveys the political market orientation literature and then discusses the perspective that each approach adopts, the extent to which a distinction is made between a “political market orientation” and...
a “political marketing orientation,” and how the political market orientation conceptualisations are related to each of the four commercial market orientation dimensions. Future research directions are proposed. doi:10.1300/J199v06n02_05 [Article copies available for a fee from The Haworth Document Delivery Service: 1-800-HAWORTH. E-mail address: <docdelivery@haworthpress.com> Website: <http://www.HaworthPress.com> © 2007 by The Haworth Press, Inc. All rights reserved.]

KEYWORDS. Political marketing, market orientation, political parties, political market orientation

INTRODUCTION

The concept of a market orientation first appeared in the early 1960s (Levitt, 1960) and experienced a revival in the early 1990s following the publication of articles by Kohli and Jaworski (1990) and Narver and Slater (1990). These sparked a renewed interest in the concept that has only recently been mirrored in the political marketing literature. This paper reviews the literature (O’Cass, 1996, 2001a,b; Lees-Marshment, 2001a,b; Ormrod, 2004, 2005) using Lafferty and Hult’s (2001) five perspectives and four synthesised dimensions of commercial market orientation as a framework for analysis. Finally, directions for future research are proposed.

COMMERCIAL MARKET ORIENTATION

Lafferty and Hult (2001) surveyed the most important literature published between 1988 and 1998 on commercial market orientation and found that it centred around five general perspectives according to the focus of the conceptualisation. Lafferty and Hult (2001) then synthesised the five perspectives to produce a framework consisting of four dimensions that reflected the areas of general agreement on the basic elements of a market orientation.

Lafferty and Hult (2001) classify the commercial market orientation literature according to its general focus, either as a managerial phenomenon, where the initial responsibility for encouraging and implementing a market-oriented strategy lies with senior management (e.g., Shapiro, 1988; Kohli & Jaworski, 1990; Reukert, 1992), or as a cultural phenomenon, where the organisation has to possess the potential to be market
oriented for it to become so (e.g., Deshpandé et al., 1993; Narver & Slater, 1990). Lafferty and Hult (2001) then divide the managerial and cultural foci into five perspectives, a customer orientation, culturally based behaviours, a decision-making process, a market intelligence focus, and a strategic marketing focus.

Deshpandé et al. (1993) conceptualise a market orientation as being synonymous with a customer orientation, as the needs and wants of the customer are the primary drivers of development and behaviour. While employees are not forgotten, Deshpandé et al.’s (1993) conceptualisation represents an “outside-in” understanding of the organisation’s place in the commercial environment. Narver and Slater (1990) also argue that the organisation-customer relationship is necessary to generate information on, understand, and meet expressed and future buyer needs, but add competitor orientation and interfunctional coordination dimensions to their Culturally based behaviours conceptualisation of a market orientation. By being competitor oriented, the organisation can monitor developments and act and plan accordingly, and it should exhibit a culture of sharing information and coordinating responses in order to best serve its markets. Slater and Narver (1995) refine their definition of a market orientation to include the interests of relevant stakeholder groups, and where providing customer value is seen as the goal of the organisation.

Shapiro’s (1988) decision-making process places the responsibility for facilitating market-oriented behaviours on senior management. Sharing information throughout the organisation on customers (and indirectly competitors (Lafferty & Hult, 2001), is considered imperative for making informed strategic and tactical decisions, and message consistency is dependent on the inclusiveness of the development and implementation process. Kohli and Jaworski’s (1990) market intelligence perspective emphasises the responsibility of the entire organisation to generate intelligence from formal and informal sources, disseminate this intelligence throughout the organisation in order to facilitate a coordinated response from all departments to the current and future needs of the market, and exhibit a responsiveness in the form of the planning and implementation of suitable responses. Finally, Reukert’s (1992) strategic marketing focus differs from the previous four perspectives in that the level of analysis is the individual SBU, where the majority of activities are directed towards uncovering customer needs, creating strategies to meet these needs through explicit planning processes, and responding by implementing the strategy.
The Relevance of the Four Synthesised Dimensions to Political Marketing

Lafferty and Hult (2001:100) synthesise four areas of agreement among the five perspectives, an emphasis on customers, the importance of shared knowledge and information, the coordination of activities across functional borders, and a responsiveness to the needs and wants of the marketplace via taking action.

An emphasis on the customer is explicit in all of Lafferty and Hult’s (2001) perspectives on commercial market orientation, whether it is exclusive (Deshpandé et al., 1993), dominant (Shapiro, 1988; Ruekert, 1992; Kohli & Jaworski, 1990), or as one of a set of important stakeholder groups (Narver & Slater, 1990; Slater & Narver, 1995). The customer is usually equated with the voter in the political marketing literature (Henneberg, 2002), and studies abound on the nature of the electorate and its relationship to political actors (e.g., Bartle & Griffiths, 2002; Newman, 1999).

The second dimension emphasises the importance of sharing information and knowledge generated from the marketplace (Lafferty & Hult, 2001). All five perspectives include a focus on gaining information from buyers about their needs, and three (Kohli & Jaworski, 1990; Narver & Slater, 1990; Shapiro, 1988) also underline the necessity of understanding the nature and structure of the organisation’s competitors. The importance for political parties of gaining information was noted in the literature as far back as Lippmann (1922), and more recently the nature of this information has been nuanced as differing according to how parties perceive themselves relative to the political marketplace; while some parties consider members as the only source of information for developing policy, others emphasise voters or a wider group of stakeholders in society (Henneberg, 2002).

The third dimension concerns the level of organisational communication and coordination between different functions and departments (Lafferty & Hult, 2001). Narver and Slater (1990) consider it to be a construct in itself; Kohli and Jaworski (1990) define it in terms of the ability to disseminate intelligence interfunctionally; Shapiro (1988) considers it to be central to a market orientation; and Deshpandé et al. (1993) and Ruekert (1992) see it as a necessary behaviour for the organisation to successfully deliver value to the customer. A party’s interfunctional coordination also depends on its organisational structure; important work in political science includes Duverger’s (1954) class-based Mass Party, Panebianco’s (1988) Electoral-Professional
Party, and Heidar and Saglie’s (2003) Network Party and these are reflected in the political marketing literature (Henneberg, 2002).

While Deshpandé et al.’s (1993) customer-orientation perspective does not include Lafferty and Hult’s (2001) taking-action dimension, all the three managerial perspectives conceptualise this construct explicitly, either as by being responsive to the needs of the market by planning and implementing strategy (Kohli & Jaworski, 1990), executing decisions (Shapiro, 1988), or by implementing a strategy (Ruekert, 1992). Narver and Slater (1990) consider responsiveness to be part of the process that provides value for the customer once information on their present and future needs has been coupled with an analysis of competitors’ offerings and communicated across functional boundaries. In political parties, taking action can be equated to the process of developing and implementing the political offering; examples of this are image creation (Schweiger & Adami, 1999), political advertising (Kaid, 2004), and even the continuous, dynamic “permanent campaign” (Nimmo, 1999; Steger, 1999; Sparrow & Turner, 2001).

**POLITICAL MARKET ORIENTATION**

To date there are few attempts to investigate the market orientation of political parties, despite references to the concept. Smith and Saunders (1990) distinguish between the “selling” and “marketing” eras in politics and state that adopting a market orientation would enable parties “to identify ‘gaps’ in the product offerings which, within the constraints of ideology/image, could become new or emphasised current policies (products)” (Smith & Saunders, 1990:299). However, their investigation is of voter segments based primarily on attitudes and demographic profiles rather than on market orientation. Newman (1994) refers to a “marketing orientation” when developing a conceptual model of political marketing, using Clinton’s 1992 Presidential election campaign as a case study. Newman (1994) uses the term to describe the way in which political actors are increasingly adopting the marketing concept in order to gain office by facilitating the exchange of votes for legislative responsibility. However, Newman’s (1994) aim is to propose and develop a conceptual model of political marketing, rather than applying marketing orientation to politics.

The only explicit research is by O’Cass (1996, 2001a,b) who investigates market and marketing orientation in Australian political parties,
Lees-Marshment (2001a,b) who proposes a normative process model of a market-oriented party, and Ormrod (2004, 2005) who introduces a conceptual model of political market orientation. It is interesting to note that while Lees-Marshment stems from a political science background, both O’Cass and Ormrod are marketing academics. Second, O’Cass and Lees-Marshment understand the position of a party relative to voters, while Ormrod takes a more society-level perspective. As such, each author has his own unique perspective, as no two have the same background/approach combination.

Methodological differences also exist: O’Cass (1996, 2001a,b) conducts interviews with senior members and party professionals to nuance a questionnaire administered to the same group; Lees-Marshment (2001a,b) uses case-study methodology; Ormrod (2004, 2005) also advocates a qualitative/quantitative methodology, and the conceptual model of political market orientation, while not tested empirically, has its origins in the commercial market orientation literature. No investigations have been carried out across party systems, although the approach adopted by O’Cass (1996, 2001a,b) and Ormrod (2004, 2005) is appropriate for such studies. Lees-Marshment’s (2001a,b) case study approach leads to an empirically driven model development that post hoc rationalises results of the investigation and lacks a solid conceptual foundation; the uniqueness of the political system coupled with the exclusive use of qualitative methodology make the results only valid in the British context.

In addition to a market orientation, the commercial marketing literature also acknowledges the existence of product and sales orientations. A product-oriented organisation makes what it wants and presumes buyers will purchase it, whereas a sales-oriented organisation again makes what it wants but attempts to sell this to a segmented market. It is generally agreed in the commercial marketing literature that both are subordinate to a market orientation; this view is mirrored in the political marketing literature as all three authors either stress the superiority of adopting a market orientation or do not investigate them at all. As such the product and sales orientation concepts will not be discussed in this work.
Robert P. Ormrod

and understood the marketing concept and its operationalisation, a marketing orientation. O’Cass (1996) used qualitative and quantitative methodology and concluded that while members considered that the marketing concept, operationalised as a voter orientation, would be beneficial to the party, a generally negative view was held of its implementation as the basis of party behaviour. O’Cass (1996) also investigated the extent to which the party was market oriented using Kohli and Jaworski’s (1990) market intelligence perspective, and found that this was not the case as only limited, *post hoc* market research was carried out with restrictions on the circulation of results.

O’Cass (2001a) interviewed party managers and executives in four Australian political parties, following a protocol designed to uncover issues relating to the marketing concept and the understanding and extent of market and marketing orientation. O’Cass (2001a) found that when defined as the mapping and meeting of voter needs, party decision makers held a generally positive view of the marketing concept. The results were used to formulate items for a questionnaire administered to party executive managers, candidates, branch chairmen, and electoral campaign directors, structured around seven dimensions: a voter focus, a competitor focus, responsiveness to voters and competitors, intelligence generation, intelligence dissemination, and interfunctional coordination. Almost all correlations between the dimensions were significant, although responsiveness to competitors was only significantly correlated with a competitor orientation and party synergy. All dimensions were significantly correlated with the respondents’ perceptions of party management performance, and all but two (competitor orientation and information dissemination) were positive.

O’Cass (2001b) used Kotler and Andreasen’s (1991) framework and Kohli and Jaworski’s (1990) three intelligence-based constructs to investigate whether the party was organisation or voter oriented. O’Cass (2001b) interviewed senior managers and administered a survey to “party managers, workers and candidates” (O’Cass, 2001b:139) and found that the party conducted only limited research into voters and competitors, marketing activities were restricted to communication, and the policy portfolio was considered fundamentally sound and not to be altered. O’Cass (2001b) concluded that the party was organization centred and operationalised this as a product and sales orientation, rather than being voter centred and adopting a marketing orientation.
MARKET-ORIENTED PARTIES

Lees-Marshment (2001a,b) presents normative models of the process through which product-, sales-, and market-oriented parties progress during an electoral cycle (Table 1). Lees-Marshment (2001a,b) argues that product-oriented parties develop their policy portfolio internally and then argue its merits to the voting public. The policies define the party; they will not be altered even if they prevent the party from gaining political influence. The sales-oriented party uses communication techniques to “sell” its policies to voters, acknowledging that not all of the electorate will automatically vote for it. The sales-oriented party is similar to the product-oriented party as policy is developed internally, but differs in that market intelligence is used to design a sales strategy. However, both are subordinate to the market-oriented party that first generates intelligence into voter preferences and then “designs a product that will actually satisfy voters’ demands: that meets their needs and wants, is supported and implemented by the internal organisation, and is deliverable in government” (Lees-Marshment, 2001a:30). The market-oriented party “does not attempt to change what people think, but to deliver what they need and want” (Lees-Marshment, 2001a:30).

The Process of Market-Oriented Parties

Stage one, Market Intelligence, refers to the activities that are carried out by party members that generate information from formal and informal sources (see Table 1). All members are considered important, as the next stage, Product Design, creates a voter opinion-based policy proposal that is presented to the party for discussion. Lees-Marshment (2001a,b) underlines the importance of including as many volunteer members as possible in the formulation of the policy portfolio in the Product Adjustment stage, as this will “increase cooperation and understanding between them and help to reduce the chances of an ‘outsider/insider’ (professional/party member) distinction arising” (adapted from Lees-Marshment, 2001a:33).

<table>
<thead>
<tr>
<th>Stage</th>
<th>1</th>
<th>2</th>
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<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
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</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Market intelligence</td>
<td>Product design</td>
<td>Product implementation</td>
<td>Communication</td>
<td>Campaign</td>
<td>Election</td>
<td>Delivery</td>
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Adapted from Lees-Marshment, 2001a:31
Stages four and five consist of the Implementation and Communication of Party policy. If successful, Stage six, the Campaign, “is then - almost superfluous to requirements but provides the last chance to convey to voters what is on offer. If the party is the most market-oriented of its main competitors, it then wins the election” (Lees-Marshment, 2001a: 211). Finally, if successful in the Election (Stage seven), the Party must legislate its election pledges, as Delivery “is crucial to the ultimate success of marketing and therefore political marketing” (Lees-Marshment, 2001a:40).

**THE CONCEPTUAL MODEL OF POLITICAL MARKET ORIENTATION**

Ormrod (2004, 2005) develops a conceptual model of political market orientation that consists of eight constructs, four representing different aspects of member behaviour, and four that capture the attitudes of party members towards particular stakeholder groups. A political party is market oriented when “its members are sensitive to the attitudes, needs and wants of both external and internal stakeholders, and to use this information within limits imposed by all stakeholder groups in order to develop policies and programmes that enable the party to reach its aims” (Ormrod, 2006:tbc).

The behavioural constructs (Table 2) are arranged in a chain such that information from the four stakeholder groups is first generated, then disseminated, used in policy development via member participation, and finally communicated out. No stage is dependent on the previous stage, as for example, much information can be generated but not passed on. This conceptualisation follows Kohli and Jaworski (1990), with the addition of Harrison-Walker’s (2001) “shared interpretation of information” construct, reconceptualised as Member Participation which emphasises the importance of including all members in policy and strategy development.

Ormrod (2004, 2005) identifies four stakeholder groups in society, namely voters (Voter Orientation), competitors (Competitor Orientation), party members (Internal Orientation), and the media, lobby, and interest groups (External Orientation) (Table 3). Ormrod (2004, 2005) argues that the attitudes held by party members towards the four stakeholder groups affect each stage of the behavioural chain; for example, information can be elicited from voters using focus groups and disseminated
throughout the party, but if voter opinion is considered unimportant, the information is unlikely to be used in policy development. The importance of voters and competitors to the party follow Narver and Slater (1990), while the Internal Orientation construct is a reconceptualisation of Narver and Slater’s (1990) interfunctional coordination, reflecting the vertical rather than horizontal “functional” structure of political parties. Finally, the External Orientation construct captures the societal context in which the party exists.

**POLITICAL MARKET ORIENTATION AND ITS COMMERCIAL COUSIN: CLOSE FAMILY OR DISTANT RELATIVES?**

There is yet to exist a consensus on how the concept of a political market orientation should be understood and used (see Table 4). O’Cass (1996, 2001a,b) uses elements from Kohli and Jaworski (1990), Kotler and Andreasen (1991) and, indirectly, Narver and Slater (1990); only two of these (Kohli & Jaworski, 1990; Narver & Slater, 1990) are present in Lafferty and Hult’s (2001) synthesis, as Kotler and Andreasen’s (1991) conceptualisation concentrates on the internal/external marketing

<table>
<thead>
<tr>
<th>Behavioural Constructs</th>
<th>Definition (Ormrod, 2005)</th>
<th>Operationalisation</th>
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<tbody>
<tr>
<td>Information generation</td>
<td>The party-wide generation of formal and informal information regarding all internal and external stakeholders</td>
<td>• Informal information generation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Formal information generation</td>
</tr>
<tr>
<td>Information dissemination</td>
<td>The party-wide communication and reception of information through formal and informal channels</td>
<td>• Reception of information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Dispersion of information</td>
</tr>
<tr>
<td>Member participation</td>
<td>The process of including all members in creating a coherent party strategy</td>
<td>• Depth of debate in the Party</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Breadth of debate in the Party</td>
</tr>
<tr>
<td>Consistent external communication</td>
<td>The process of communicating a consistent, agreed-upon strategy to external stakeholder groups</td>
<td>• Informal communication of information</td>
</tr>
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<td></td>
<td></td>
<td>• Formal communication of information</td>
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</tbody>
</table>

Adapted from Ormrod, 2004:11
O’Cass (2001b:138, Table 1) states that Kohli and Jaworski’s (1990) first element, intelligence generation, is defined as “the organisation-wide intelligence generation of current and future customer needs”; however, Kohli and Jaworski (1990:4) note that actors in the external environment should be taken into consideration and describe market intelligence as “a broader concept than customers’ verbalized needs and preferences in that it includes an analysis of exogenous factors that influence those needs and preferences.” O’Cass (2001b) thus ignores the explicit reference to the importance of stakeholders other than consumers/voters in Kohli and Jaworski’s (1990) work. However, the results of the investigation in O’Cass (2001b) reveal three marketplaces that may affect parties, namely members, lobby and interest groups, and voters. Furthermore, O’Cass (2001a:1021) notes that “significant pressures are being placed on political parties and politicians by voters, business and lobby groups.”

### TABLE 3. The Attitudinal Constructs

<table>
<thead>
<tr>
<th>Attitudinal Constructs</th>
<th>Definition (Ormrod, 2005)</th>
<th>Operationalisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal orientation</td>
<td>The party-wide awareness and acceptance of the value of other members’ opinions, irrespective of position in the party</td>
<td>• Inclusiveness of the party&lt;br&gt;• Acknowledgement of the importance of other Party members</td>
</tr>
<tr>
<td>Voter orientation</td>
<td>The party-wide awareness of voter needs and wants and an acknowledgement of the importance of knowing these</td>
<td>• Acknowledging the importance of listening to voters&lt;br&gt;• Awareness of voter opinions</td>
</tr>
<tr>
<td>Competitor orientation</td>
<td>The party-wide awareness of other parties’ attitudes and behaviours and an acknowledgement that cooperation with other parties may be necessary to attain the party’s long-term objectives</td>
<td>• Attitudes to cooperation with competing parties&lt;br&gt;• Awareness of the positions of other political parties</td>
</tr>
<tr>
<td>External orientation</td>
<td>“The party-wide acknowledgement of the existence and importance of stakeholders in society that are not voters or competitors”</td>
<td>• Macro-level stakeholders (the media)&lt;br&gt;• Meso-level stakeholders (lobby and interest groups)</td>
</tr>
</tbody>
</table>

Adapted from Ormrod, 2004:13
TABLE 4. Summary of the Three Authors’ Work

<table>
<thead>
<tr>
<th>Author</th>
<th>O’Cass</th>
<th>Lees-Marshment</th>
<th>Ormrod</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management philosophy</td>
<td>Political marketing management</td>
<td>Political marketing management</td>
<td>Advanced political marketing management</td>
</tr>
<tr>
<td>Academic background</td>
<td>Marketing</td>
<td>Political science</td>
<td>Marketing</td>
</tr>
<tr>
<td>Empirical methodology</td>
<td>Interviews with senior party activists guides the development of a questionnaire</td>
<td>Interviews with party professionals; case study of the three major British political parties</td>
<td>None, although inspired by empirical results from commercial market orientation research</td>
</tr>
<tr>
<td>Definition of market and/or marketing orientation</td>
<td>Market orientation is the key mechanism for implementing the marketing concept, while marketing orientation is the underlying mindset/culture of approaching the operations and processes of the organisation through marketing eyes (O’Cass 2001PA: 137)</td>
<td>A market-oriented party... designs a product that will actually satisfy voters’ demands: that meets their needs and wants, is supported and implemented by the internal organisation, and is deliverable in government (Lees-Marshment, 2001a:30)</td>
<td>A political party can be said to be market oriented when its members are sensitive to the attitudes, needs and wants of both external and internal stakeholders, and to use this information within limits imposed by all stakeholder groups in order to develop policies and programmes that enable the party to reach its aims (Ormrod, 2004:7)</td>
</tr>
<tr>
<td>Explicit distinction between market and marketing orientation</td>
<td>Yes/No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Lafferty and Hult (2001) Synthesis dimension 1: Emphasis on customer</td>
<td>A market orientation is considered to be synonymous with a voter orientation</td>
<td>The needs and wants of the voter drive party policy development</td>
<td>Voters are seen as important, although the electorate are considered to be one of four general stakeholder groups</td>
</tr>
<tr>
<td>Lafferty and Hult (2001) Synthesis dimension 2: Importance of information</td>
<td>Primarily information from voters, although O’Cass (2001a) also advocates monitoring competitors</td>
<td>Information gained from voters and to a lesser extent party members is used to drive policy development</td>
<td>Information is gained from all external and internal stakeholders, passed through the party and used in policy development</td>
</tr>
</tbody>
</table>
Robert P. Ormrod

Lees-Marshment’s (2001a,b) work follows the *market intelligence perspective* but while Lees-Marshment (2001a,b) conceptualises “market intelligence” as being primarily the expressed needs and wants of voters, Kohli and Jaworski (1990) also include the latent and future needs of customers, and the forces exerted on the organisation by the external environment. Indeed, Lees-Marshment considers that “the basic argument of a market orientation is to follow, rather than lead, voter demands” (Lees-Marshment 2001a:223), disagreeing with Slater and Narver’s (1998) argument that being “customer-led” is not “market-oriented.”

O’Cass (1996, 2001a,b) and Lees-Marshment (2001a,b) only acknowledge the existence of the market intelligence perspective of market orientation; no mention is made of the other approaches detailed in Lafferty and Hult (2001). Only Kohli and Jaworski (1990) of the post-1988 work reviewed in Lafferty and Hult (2001) is cited in Lees-Marshment (2001a,b), and Jaworski and Kohli (1993) in Lees-Marshment (2001a). O’Cass (2001a,b) includes the works of Kohli and Jaworski (1990), Jaworski and Kohli (1993), and Kohli et al. (1993), with the first two also present in O’Cass (1996).

Ormrod (2004, 2005) combines the market intelligence (Kohli & Jaworski, 1990) and culturally based behaviours (Narver & Slater, 1990) perspectives in the conceptual model of political market orientation and includes a short review of the commercial market orientation literature. Ormrod (2004, 2005) argues that together, the two perspectives offer a more nuanced method of studying the concept in the political context.
While not treating this in depth, Ormrod (2004, 2005) argues that any attempt to operationalise an organisational culture for quantitative analysis is fraught with problems, and as such the stakeholder-based constructs are conceptualised as the attitudes of party members toward these groups.

**Political Market Orientation or Political Marketing Orientation?**

Henneberg (2002) notes that the terms “market orientation” and “marketing orientation” are generally operationalised interchangeably in the political marketing literature as the behaviours of party professionals vis-à-vis voters. While the commercial marketing literature understands a “marketing orientation” as the activities carried out by the marketing department, a “market orientation” is the organisation-wide acceptance of the importance of all stakeholders to the firm (e.g., Kohli & Jaworski, 1990; Narver & Slater, 1990; Gray et al., 1998; Lafferty & Hult, 2001). Therefore, a “political marketing orientation” would include activities such as image management, voter opinion research, and advertisement creation, all carried out by party professionals principally during the run-up to an election. A “political market orientation” would, however, be characterised by all party members feeling a responsibility for taking part in the development and implementation of strategies and the policy portfolio.

Only O’Cass (2001b) acknowledges the difference between a market and marketing orientation, using them as complements to explore the same phenomena, and Lees-Marshment (2001a,b) does not distinguish between the two terms, although arguably the market-oriented party follows a marketing orientation as the party top is responsible for the initiation of the consultative process and the implementation of its results. Ormrod (2004, 2005) argues that adopting a political marketing orientation is antithetical to the nature of political parties as inclusive organisations embedded within a wider societal context; political market orientation is more appropriate.

**Synthesis Dimension 1: Emphasis on the Customer**

O’Cass (2001a) defines political marketing as facilitating exchange relationships between the party and voters, and equates a market orientation with a voter orientation. The success criteria of a marketing-based
approach is the extent to which decisions taken by the party are voter oriented such that they “determine voter needs and wants and attempt to satisfy them within ideological bounds and parliamentary numbers rather than the percentage of the vote” (O’Cass 1996:52), and that “the central purpose of political marketing is to enable political parties and voters to make the most appropriate and satisfactory decisions” (O’Cass 1996:52).

Lees-Marshment (2001a,b) argues that information should be generated both formally and informally from the electorate and is the main driver of policy development for a market-oriented party. However, Lees (2005) and Lederer et al. (2005) argue that a market-oriented party in power becomes more constrained by events and actors in the political environment than when in opposition. Lilleker and Lees-Marshment (2005:32) therefore propose the “market-oriented government,” which takes a long-term perspective and relies less on public opinion due to constraints imposed by the non-voter environment; implicit in this is that a market-oriented party can only exist in opposition with the sole aim of gaining office.

Ormrod (2004, 2005) considers voters to be one of four stakeholder groups that can be prioritised up or down according to the strategic plan of the party, thus allowing for the differences between commerce and politics. A party can focus on the needs and wants of members or particular interest groups, but it is important that party members are aware of the existence and importance of the electorate irrespective of whether they act upon the information generated from this stakeholder group or not (Ormrod, 2004, 2005).

**Synthesis Dimension 2: Importance of Information**

O’Cass (1996, 2001a,b) acknowledges the importance of information, especially from voters (O’Cass, 1996, 2001b), and to a certain extent competitors (O’Cass, 2001a). O’Cass (2001a) found that information dissemination through the party was only positively correlated to a competitor orientation (p < 0.01) and to party synergy and integration (insignificant), and was negatively correlated (p < 0.01) with the perceptions of management performance, although O’Cass (2001a) only included senior level members in the population sample.

Lees-Marshment (2001a) includes volunteer members in the informal process of generating intelligence from voters, but emphasises that party professionals are primarily responsible for monitoring public opinion. This centralisation of information generation could restrict it to
those segments of the electorate that will actually make the difference at
election time, especially considering the resource constraints parties op-
erate under. However, the importance of volunteer party members is re-
lected in that resistance to change by the party rank-and-file can be
reduced by making the results of investigations available to them, and
can also “promote a feeling of involvement, value and worth amongst
those within the party” (Lees-Marshment, 2001a:33). Lees-Marshment
(2001a) also advocates an awareness of competitor actions, but there
is no explicit reference to the importance of generating information
directly from non-voter stakeholder groups.

Ormrod (2004, 2005) considers information to be the key to under-
standing the four stakeholder groups and encouraging party members to
contribute to policy development. For example, Ormrod’s (2004, 2005)
Information Dissemination construct is conceptualised as consisting of
both the reception and dispersion of information, and the Member Par-
ticipation construct is operationalised as the extent to which a party in-
cludes as many members as possible in discussing policy (breadth of
debate) and how much time and effort is spent on each policy area
(depth of debate).

Synthesis Dimension 3: Interfunctional Coordination

O’Cass (2001a) labels the interfunctional coordination construct as
Party operational synergy or Party synergy and integration, although it
is unclear how these should be understood, which is more appropriate,
and whether they are derived from Narver and Slater’s (1990) work as
no source is given. O’Cass (2001a) considers achieving the political
marketers’ goals to be the aim of political marketing, implying that the
goals of the party are subservient to those of the party professionals
in the “marketing function,” who are not necessarily party members
nor share the same ideology. Thus O’Cass’ (1996, 2001a) reconcept-
ualisation of an interfunctional coordination is antithetical to the politi-
cal marketing practitioners’ aims. Interestingly, O’Cass (1996) found
that while the marketing concept, operationalised as a voter orientation,
was considered by questionnaire respondents to be beneficial if it were
adopted, the interview participants—all party executives—expressed a
somewhat negative view of becoming a market-oriented party; O’Cass
(1996) reasoned that this was partially a result of the loss of influence
that the party decision makers would suffer.

Lees-Marshment (2001a,b) argues that all internal stakeholders—
to the extent possible—should be included in the marketing and strategy
formulation process as a prerequisite for party success. However, although members should be consulted, there is no explanation of how the results of the consultative process can be integrated into the wider policy portfolio. This conceptualisation can be argued to be a result of Lees-Marshment’s (2001a,b) focus, the British Conservative and Labour Parties, each with memberships of over 100000, where the coordination and resources necessary for processing the intelligence generated by all party members is likely to be prohibitive.

Lees (2005) notes that for Lees-Marshment’s (2001a,b) market-oriented party to be successful, a high degree of organisational centralisation is necessary, increasing the pressure towards strategy development and execution being carried out by party professionals. As large sections of the electorate have to be persuaded to vote for the party using the mass media, the party’s “marketing function” may produce information that is more useful than that uncovered by consulting grassroots members, given the resource constraints under which parties exist. However, this implies that the internal consultative process is counterproductive, the opposite of the general view taken in the commercial market orientation literature that this reduces the effectiveness and performance of the organisation (e.g., Kohli & Jaworski, 1990).

Ormrod (2004, 2005) derives the Internal Orientation construct from Narver and Slater’s (1990) interfunctional coordination construct, arguing for a reconceptualisation due to the vertical structure of political parties contra the horizontal structure in commercial organisations. Ormrod’s (2004, 2005) Member Participation construct also emphasises the importance of depth and breadth in Party debates, and thus Ormrod (2004, 2005) captures two aspects of interfunctional coordination in a party, individual member attitudes towards the importance of inclusion are concretised by the level of participation in policy formulation and discussion that occurs on each policy area.

**Synthesis Dimension 4: Taking Action**

Taking action via responsiveness to information from voters (O’Cass, 1996, 2001b) and both voters and competitors (O’Cass, 2001a) is present in O’Cass’ work. The responsiveness-to-voters construct in O’Cass (2001a) was found to be significantly correlated (p < 0.01) with all other constructs except competitor responsiveness; only party synergy and integration was found to have a significant positive correlation (p < 0.01), while only competition focus and orientation had a significant negative correlation (p < 0.05). When correlated with the perceptions of
management performance, responsiveness towards both voters and competitors had a significant positive correlation ($p < 0.01$).

*Delivery* is central to Lees-Marshment’s (2001a,b) market-oriented party; without continually responding to voter opinion the market-oriented party will lose touch with the electorate, and risks losing the following election as a direct result of this. Fulfilling expressed voter needs and wants by delivering on policy promises occurs during the term in office, especially as the market-oriented party adopts a strategy of using marketing as a governing tool, also known as the “permanent campaign” (Nimmo, 1999; Steger, 1999; Sparrow & Turner, 2001). While similar to the commercial understanding, it restricts the responsiveness element to the short term, arguably neglecting the market-oriented party’s long-term aims for societal development.

Ormrod (2004, 2005) conceptualises the taking-action dimension as two processes, an internal when developing policy and strategy, and an external when communicating this to the four stakeholder groups. This follows the commercial market orientation literature, although this stage is generally conceptualised in a single construct (e.g., Kohli & Jaworski, 1990). Ormrod (2004, 2005) argues that this is a result of the sharper divide between party members and external stakeholders, although Heidar and Saglie (2003) report the existence of the “network party,” where “registered sympathisers” (individuals who are willing to contribute to the party but do not want to commit to full membership) contribute to policy development. Following the argument by Shapiro (1988:122) that “when the implementers also do the planning, the commitment will be strong and clear,” the implication is that the lines between the Member Participation and Consistent External Communication constructs could be blurring. A second issue is that the final behavioural construct, Consistent External Communication, does not take into account the implementation of strategy; strategy is not simply the implied formal and informal communication of the policy portfolio by party members, it can also consist of changes to, for example, the organisational structure of the party relating to the influence of outside stakeholders.

**RESEARCH IMPLICATIONS**

A better understanding of the concept of political market orientation is undoubtedly desirable, and there are several areas that can be the subject of future research. First, the current literature does not agree on the nature
and scope of the terms “political market orientation” and “political marketing orientation”; as all three authors have differing understandings of the terms, it is important to investigate their relevance and applicability to political parties. Second, O’Cass (1996, 2001a,b) and Lees-Marshment (2001a,b) have concentrated on the role of the party top, while Ormrod (2004, 2005) has emphasised the importance of all party members. Is political market orientation a characteristic of the entire party faithful, or is it the realm of specialists, or both? Finally, information is considered to be central to both commercial and political market orientation, but the gatekeeper and network effects of the actors in the party have yet to be investigated in the context of a political market orientation. Do party members have an altruistic attitude towards information sharing, or is the ability of a party to become market oriented subject to organisational politics?

CONCLUSION

The commercial organisation that adopts a market orientation, emphasises the importance of customers, acknowledges that information is essential to their business, encourages the sharing of this information and responds accordingly. It is widely considered to be the most appropriate framework around which to organise the majority of commercial organisations, and is well researched in the mainstream marketing literature. It is, therefore, not surprising that the concept has been applied to parties in the expanding academic field of political marketing. This paper has examined the current literature on political market orientation, using Lafferty and Hult’s (2001) four synthesis dimensions of commercial market orientation as a framework. All three authors who have investigated the concept (O’Cass, 1996, 2001a,b; Lees-Marshment, 2001a,b; Ormrod, 2004, 2005) have included fundamental elements of Lafferty and Hult’s (2001) four synthesised dimensions, and it can therefore be concluded that political and commercial market orientation are indeed close family.

The conclusion that the commercial and political market orientation research are close family is underlined even more when the intrafamily relationships are taken into consideration; ironically (yet unsurprisingly), the disagreements on the nature and content of each synthesised dimension that exist in the commercial marketing literature have also been transferred, consciously or not, to the political context. Voter opinion is seen as important, but is used differently in each conceptualisation; information is used by all parties, but differs in origin; the importance of
professional and volunteer members is accepted but varies relative to one another; and action is taken but using different processes and with diverging aims. Rather than advocating a continuation of the discussion of the extent to which political parties can apply the commercial concept of market orientation, this paper has demonstrated that the most pertinent question is not so much whether, as how the concept of a political market orientation should be understood and investigated.

NOTE

1. This view has, however, been questioned in the edited work by Lilleker and Lees-Marshment (2005) and Ormrod (2006).

REFERENCES


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Debate

A Critique of the Lees-Marshment Market-Oriented Party Model

Robert P. Ormrod

Institute for Marketing and Statistics, Aarhus School of Business

This article presents conceptual and empirical criticisms of the Lees-Marshment market-oriented party model. Conceptual criticisms are the short-term approach, the narrow focus on voters, the nature of the relationship to competitors, a tendency towards centralisation and the lack of a distinction between the related concepts of ‘market orientation’ and ‘marketing orientation’. Empirical studies demonstrate problems with the model when applied to certain party types and electoral systems, the limitations on implementation of the model due to ideology and scarce resources, the partial application of the model in practice, and the constraints on the market-oriented party when in government.

Introduction

One of the most important concepts in commercial marketing, market orientation, has only recently been applied to political parties (e.g. Lees-Marshment, 2001a and 2001b; O’Cass, 1996, 2001a and 2001b; Ormrod, 2004 and 2005), and by far the largest amount of empirical work has examined Lees-Marshment’s (2001a and 2001b) market-oriented party model. This article will first describe Lees-Marshment’s (2001a and 2001b) market-oriented party model and then provide conceptual criticisms from the commercial market orientation literature and criticisms based on the results of empirical studies carried out in various countries around the world.

The market-oriented party model

Jennifer Lees-Marshment (2001a and 2001b) proposes three basic types of political party, the product-, sales- and market-oriented party. A product-oriented party develops its policies internally and then argues their merits to the voting public. The policies define the party; they will remain the same irrespective of whether they enable the party to gain political influence. The sales-oriented party uses communication techniques from the business world to sell its policies to voters, realising this is necessary as not all of the electorate will automatically vote for it. The sales-oriented party is similar to the product-oriented party as policy is still developed internally, but differs in that market intelligence is used to design the sales strategy. Finally, Lees-Marshment’s (2001a and 2001b) market-oriented party first generates information on voter preferences and then ‘designs a product that will actually satisfy voters’ demands: that meets their needs and wants, is supported and implemented by the internal organisation, and is deliverable in government’
Furthermore, the market-oriented party ‘does not attempt to change what people think, but to deliver what they need and want’ (Lees-Marshment, 2001a, p. 30). It is Lees-Marshment’s (2001a and 2001b) market-oriented party type that is the focus of her work, and also of this article.

Lees-Marshment’s (2001a, p. 31) model (Table 1) charts the process the market-oriented party passes through during the electoral cycle. The first stage, market intelligence, refers to the activities carried out by party professionals and volunteer members that generate information from formal (analysis of opinion polls, questionnaires, focus groups) and informal (social interaction with individual’s network) sources. Volunteer party members are important, as stages two and three, product design and product adjustment, describe the process that the results of the market intelligence stage must go through to gain the acceptance of the party faithful. As many volunteer members as possible should be included in the formulation of policies, as this will ‘increase co-operation and understanding between them and help to reduce the chances of an “outsider/insider” (professional/party member) distinction arising’ (Lees-Marshment, 2001a, p. 33).

Stages four and five, the implementation and communication of party policy out to the electorate is carried out continuously, and if successful, stage six, the campaign, ‘is then almost superfluous to requirements but provides the last chance to convey to voters what is on offer. If the party is the most market-oriented of its main competitors, it then wins the election’ (Lees-Marshment, 2001a, p. 211). Finally, if the party wins the election in stage seven, it must then deliver on its election pledges in stage eight, delivery, which ‘is crucial to the ultimate success of marketing and therefore political marketing’ (Lees-Marshment, 2001a, p. 40).

**Conceptual critique**

The concept of ‘market orientation’ in the commercial marketing literature was first introduced more than 40 years ago by Theodore Levitt (1960), who argued that more attention should be paid to the markets that the business served instead of concentrating on the product that the business made. Interest in the concept grew in the 1990s after the publication of two articles (Kohli and Jaworski, 1990; Narver and Slater, 1990) to the extent that Barbara A. Lafferty and G. Tomas Hult (2001) could identify five distinct approaches to how a market orientation was
understood and then synthesised these into four common dimensions, an emphasis on customers, the importance of information, an interfunctional co-ordination and a responsiveness by taking action.

All of Lafferty and Hult’s (2001) four dimensions of commercial market orientation are present in Lees-Marshment’s (2001a and 2001b) work. The first dimension, an emphasis on the customer, is a fundamental characteristic of Lees-Marshment’s (2001a and 2001b) market-oriented party; without this emphasis the party is product oriented. Lees-Marshment’s (2001a and 2001b) conceptualisation of the market-oriented party has, however, its primary focus on the fulfilment of expressed voter needs and wants in the short term, rather than including the future needs underlined in the commercial market orientation literature (e.g. Kohli and Jaworski, 1990; Lafferty and Hult, 2001; Narver and Slater, 1990). This narrow focus may cause the wider issues of the long-term development of society to be neglected, and brings with it the risk that the information generated from voters will be restricted, either consciously or unconsciously, to those segments of the electorate or particular constituencies that will actually make the difference at election time: consider the phenomena of target seats in Britain, where a disproportionately large number of resources are used to swing the seat in question in the party’s favour.

The second dimension, the importance of information, is present and emphasised, as resistance to change by volunteer party members can be reduced by making the results of investigations available to them and can ‘promote a feeling of involvement, value and worth amongst those within the party’ (Lees-Marshment, 2001a, p. 33). Lees-Marshment (2001a) also advocates an awareness of competitor actions in that it is recommended that a SWOT analysis is carried out (Strengths and Weaknesses, Opportunities and Threats; see Kotler (2000) for an in-depth treatment of this tool), but this is an arms-length method and does not take into account the co-operative nature of some political systems (Bowler and Farrell, 1992). Finally, the commercial market orientation literature acknowledges the influence of the external environment on the ability of organisations to be profitable (e.g. Kohli and Jaworski, 1990; Reukert, 1992; Slater and Narver, 1995), and from a political marketing perspective, Robert P. Ormrod (2005) argues that an understanding of society in general is essential for market-oriented parties, but generating information directly from other external stakeholder groups is not included in the Lees-Marshment (2001a and 2001b) model.

While Lees-Marshment (2001a and 2001b) conceptualises market intelligence (stage one) as being primarily the expressed needs and wants of voters, Ajay K. Kohli and Bernard J. Jaworski (1990) define their intelligence generation construct as being much broader, including information gathering on the unexpressed and future needs and wants of customers, together with the forces exerted on the organisation by actors and events in the external environment, and Stanley F. Slater and John C. Narver (1998) distinguish between being customer led and market oriented. Lees-Marshment claims that ‘the basic argument of a market orientation is to follow, rather than lead, voter demands’ (Lees-Marshment, 2001a, p. 223), and as such is voter led; using the commercial understanding of the term a market-oriented party would consider all of society – including for example the media,
trade unions, lobby groups and pressure groups – as relevant actors from which to generate information.

The third dimension, the *interfunctional co-ordination* of the marketing-related efforts of the organisation, is included to a certain extent. Lees-Marshment (2001a and 2001b) advocates that the party rank-and-file should be consulted by means of, for example, committees, and that they should be included in the marketing and strategy formulation process as a prerequisite for party success, but there is no precise description of the methods whereby the results of this consultative process can be integrated into the wider policy portfolio. The size of political parties may also cause problems, as even in small parties with memberships under 5,000, the co-ordination efforts and resources that would have to be used by the party top to process the intelligence generated by all party members is likely to be prohibitive. In Britain, large sections of the electorate have to be persuaded to vote for the party using the mass media, so analysing national voter opinion may actually provide results that are more useful than those uncovered by an internal consultative process prior to policy development, given the resource constraints under which parties exist.

Lafferty and Hult’s (2001) final dimension, a *responsiveness by taking action* is, like an emphasis on the voter, a central characteristic of the market-oriented party – without continually responding to voter opinion in the appropriate manner, the market-oriented party will become out of touch with the electorate and, according to Lees-Marshment (2001a), risks losing the following election as a direct result of this. The problem of Lees-Marshment’s (2001a and 2001b) short-term approach is again relevant as the market-oriented party is likely to adopt a strategy of using marketing as a governing tool, also known as the ‘permanent campaign’ (Nimmo, 1999; Sparrow and Turner 2001). If taking action is restricted to the fulfilment of current voter needs and wants there is a risk that the future direction of society in general will be neglected.

The concepts of ‘market orientation’ and a ‘marketing orientation’ in the commercial marketing literature are not the same (e.g. Kohli and Jaworski, 1990; Lafferty and Hult, 2001; Narver and Slater, 1990). A ‘marketing orientation’ refers to the activities of the marketing department that encourage the organisation to become more responsive to the requirements of customers. A ‘market orientation’ is implemented by the entire organisation and refers to an acceptance of the importance of relationships with all stakeholders, and aims towards being responsive to the internal and external markets in which it operates. When applied to parties, a ‘political marketing orientation’ would include activities such as image management, voter opinion research and advertisement creation, all carried out by party professionals principally during the run-up to an election. A ‘political market orientation’, on the other hand, would be characterised by all party members feeling a responsibility for taking part in both the development of policies and their implementation and communication.

Although Kohli and Jaworski (1990, p. 15) note that a ‘[market] orientation is useful only if the benefits it affords exceeds the cost of these resources’, and that in some circumstances a product or sales orientation would be more profitable to the firm due to the nature of the competitive environment (e.g. Gray et al., 1998;
Jaworski and Kohli, 1993; Noble, Sinha and Kumar, 2002), the adoption of a market orientation is generally considered to result in superior performance, irrespective of the nature of the organisation (Lafferty and Hult, 2001), while a marketing orientation may actually lead to a lower relative performance by under-exploiting the resources of the organisation outside of the marketing department (Kohli and Jaworski, 1990).

Lees-Marshment (2001a and 2001b) does not distinguish between these two related concepts, and while the party type is labelled as market oriented, it is in fact closer to a marketing-oriented party. Despite including volunteer party members in the information generation process, Lees-Marshment (2001a) emphasises that party professionals are primarily responsible for monitoring developments in general voter opinion, rather than the commercial view that all departments can contribute a unique perspective on the various markets in which the organisation operates (Kohli, Jaworski and Kumar, 1993). Charles Lees (2005) notes that in order for Lees-Marshment’s (2001a and 2001b) market-oriented party to be successful, a high degree of centralisation is necessary, implying that the internal consultative process is counterproductive and thus the opposite of the general view taken in the commercial market orientation literature.

**Criticisms based on empirical studies**

Lees-Marshment’s (2001a and 2001b) market-oriented party is primarily based on empirical work into the behaviour of the British Conservative and Labour parties. These parties have memberships that number in the 100,000s and operate in an electoral system where essentially only two parties compete for control of the government. There are three problems associated with this: a reliance on empirical results rather than a conceptual foundation, the electoral system in which the parties exist and the type of party that is analysed. By using an empirically driven methodology, Lees-Marshment (2001a and 2001b) has fallen foul of the common criticism of political marketing research as simply rationalising empirical results (Henneberg, 2004), by mapping the behaviour of the two parties in question rather than developing a generally applicable concept.

Lees-Marshment (2001a) argues that adopting the characteristics of the market-oriented party is a prerequisite for success in general, but does warn against an unquestioning adoption of the market-oriented party model in other political systems. In an exploratory study, Jesper Strömbäck and Lars Nord (2005) compared the Swedish and British political systems and the effects on the ability of parties to adopt the characteristics of Lees-Marshment’s (2001a) market-oriented party. Strömbäck and Nord (2005) came to the conclusion that there were differences both between countries and between parties in single countries, and that simply adopting the characteristics of Lees-Marshment’s (2001a and 2001b) market-oriented party will not necessarily lead to election victory in all party systems; in some systems it may lead to an electoral backlash.

Strömbäck and Nord (2005) argue that in order to be successful, a party that consciously adopts the characteristics of Lees-Marshment’s (2001a and 2001b) market-
oriented party should be a major party with plentiful resources, where the activism of volunteer members as a percentage of total membership should be low, and where voters are characterised by a lack of identification with a particular party and by using their own values as a choice criterion for voting behaviour rather than ideological identification. While this exists in Britain, it is not easily transferred to multi-party systems such as Denmark (seven parties), Germany (five parties) and especially Italy (eight main parties), where party identification is stronger and generally causes ideology rather than the need to gain mass voter appeal to guide policy development.

Furthermore, in political systems structured around the candidate rather than the party (such as in the English and US national electoral systems), and where a commercialised and adversarial mass media considers politics to be ‘a strategic game’ (Strömbäck and Nord, 2005, p. 19), the market-oriented party may well be the superior party type to adopt; otherwise, the characteristics of Lees-Marshment’s (2001a and 2001b) sales-oriented party (internal development of policy, market intelligence to uncover the most effective advertising methods, communication and so on) may be a wiser choice.

The Lees-Marshment (2001a and 2001b) model has been investigated in Lilleker and Lees-Marshment (2005), an edited book that presents cases from various countries using the model as a framework for empirical analysis. The various contributors’ conclusions support Strömbäck and Nord’s (2005) reservations for the application of the model as a rigid either-or set of behaviours. Declan P. Bannon and Robert Mochrie (2005) note that resource limitations and especially ideology affect the behaviour of the Scottish Nationalist party (SNP), as it appears to have adopted a hybrid of the characteristics of Lees-Marshment’s (2001a and 2001b) sales- and market-oriented parties; the SNP is sales oriented on the question of Scottish independence and market oriented when responding to the needs and wants of the electorate. Both McGough (2005) and Lederer, Plasser and Scheucher (2005) come to similar conclusions in their analyses of the Irish Sinn Fein party and the Austrian Freiheitspartei Österreich, respectively.

Studies carried out by Lees (2005) in Germany and Lederer, Plasser and Scheucher (2005) in Austria show that market-oriented parties as conceptualised by Lees-Marshment (2001a and 2001b) become more constrained by events and actors in the political environment when in government than when in opposition. To account for this, Lilleker and Lees-Marshment (2005, p. 32) suggest that there may exist a ‘market-oriented government’, where the successful market-oriented party is less likely to use public opinion as the foundation, instead taking a long-term perspective. There are two problems associated with this: firstly, when carrying out empirical work on New Zealand using the Lees-Marshment (2001a and 2001b) model, Chris Rudd (2005) notes that there appears to be a significant overlap with Lees-Marshment’s (2001a and 2001b) sales-oriented party. Secondly, as the market-oriented government listens less to public opinion as a result of constraints imposed by the non-voter environment, it is implied that Lees-Marshment’s (2001a and 2001b) market-oriented party can only exist in opposition with the sole aim of gaining office.
This article has provided conceptual and empirical (Table 2) critiques of the Lees-Marshment (2001a and 2001b) market-oriented party model. The conceptual criticisms concentrate on the short-term perspective that is used to analyse voter and competitor behaviour, the tendency towards centralisation and the confusion of the related terms of ‘market orientation’ and ‘marketing orientation’. Lees-Marshment’s (2001a and 2001b) market-oriented party model was developed from an empirical study of the British Labour and Conservative parties rather than including a literature review of previous work, and case studies of other party types and electoral systems have demonstrated the importance of ideology.

<table>
<thead>
<tr>
<th>Table 2: Summary of the criticisms of the market-oriented party model</th>
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<tr>
<td><strong>Conceptual criticisms</strong></td>
</tr>
<tr>
<td>Only short-term, expressed voter needs and wants are considered to be important to the market-oriented party, not the future or unexpressed needs emphasised in the commercial market orientation literature.</td>
</tr>
<tr>
<td>Only voters and competitors are analysed in the market-oriented party model; the commercial market orientation literature also emphasises the importance of understanding the environmental forces that affect these groups.</td>
</tr>
<tr>
<td>Information on competing parties is only generated at arms length in the market-oriented party model; this does not take coalition partners into consideration.</td>
</tr>
<tr>
<td>For the market-oriented party to be successful, a high degree of centralisation is necessary; the opposite of the commercial market orientation.</td>
</tr>
<tr>
<td>No distinction is made between the related concepts of ‘market orientation’ and ‘marketing orientation’ – the label ‘marketing-oriented’ is more appropriate, given the characteristics of the party.</td>
</tr>
<tr>
<td><strong>Criticisms based on empirical studies</strong></td>
</tr>
<tr>
<td>The market-oriented party model is developed from an empirical study of the behaviour of the British Labour and Conservative parties; no other type of party or electoral system is included.</td>
</tr>
<tr>
<td>Ideology affects the ability of a party to become market oriented.</td>
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<tr>
<td>Resource limitations affect the ability of a party to become market oriented.</td>
</tr>
<tr>
<td>Parties often adopt an hybrid approach, implementing either sales or market orientation, depending on the individual policy area.</td>
</tr>
<tr>
<td>The ‘market-oriented government’ has more in common with a sales-oriented party, implying that a market-oriented party can only exist in opposition with the aim of gaining office.</td>
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**Summary**

This article has provided conceptual and empirical (Table 2) critiques of the Lees-Marshment (2001a and 2001b) market-oriented party model. The conceptual criticisms concentrate on the short-term perspective that is used to analyse voter and competitor behaviour, the tendency towards centralisation and the confusion of the related terms of ‘market orientation’ and ‘marketing orientation’. Lees-Marshment’s (2001a and 2001b) market-oriented party model was developed from an empirical study of the British Labour and Conservative parties rather than including a literature review of previous work, and case studies of other party types and electoral systems have demonstrated the importance of ideology,
resource limitations, policy areas and environmental pressures, especially when in government.

While the Lees-Marshment (2001a and 2001b) market-oriented party model has been used with some success to map the behaviour of the British Labour and Conservative parties, the issues detailed in this article must be addressed in order for it to develop further. Otherwise it is doubtful whether the model can become a true conceptual addition to the field of political marketing, and the empirical criticisms detailed in this article present a serious challenge to the wider applicability of the model.

Notes

The author would like to acknowledge the constructive and encouraging comments provided by Associate Professor Erik Kloppenborg Madsen, Professor Emeritus Folke Ölander and two anonymous Politics referees on previous drafts of this article.

1 The commercial market orientation literature is a diverse field that numbers several hundred articles in the last 10 years alone; as such it is not possible for an in-depth treatment in the current work. Suggested publications for the interested reader are: Lafferty and Hult (2001) for a literature review, classification and synthesis of the modern literature; Deshpandé (1999) for a collection of the seminal papers from the early to mid-1990s; Kohli and Jaworski (1990) and Narver and Slater (1990) as the first attempts to quantitatively measure a market orientation; and Slater and Narver (1998) for an explanation of the fundamental difference between being customer led and market oriented. For an alternative conceptualisation of a market-oriented party see Ormrod (2004 and 2005).

References


An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation

Robert P. Ormrod
Department of Marketing and Statistics
Aarhus School of Business
University of Aarhus, Denmark

Stephan C. Henneberg
Manchester Business School
University of Manchester, UK

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Abstract

Purpose – The key objective of this research is to investigate the relationship between party member activity-levels and perceptions of their party’s political market orientation. Specifically, the differences in the interplay of attitudinal and behavioural aspects of political market orientation are scrutinised.

Design/methodology/approach – Using a wide variety of respondent groups within the party, we draw on an existing conceptualisation of political market orientation and empirically test its relationship with party member activity levels. Three models, plus a baseline model, are developed and data from 1156 questionnaires is used to investigate a structural equation model using the partial least square method.

Findings – While the baseline model exhibits a robust pattern of positive relationships between the attitudinal and behavioural constructs, the comparative analysis of the different models shows that party activity levels have a significant impact on these relationships. Our study identified that less active members perceive a wider range of attitudinal concepts to be of significance, compared to active members, politicians and party professionals.

Originality/value – This is one of a few studies empirically investigating the concept of political market orientation. Especially the focus on a wide range of respondents, in line with recent development in the literature on commercial market orientation, provides a nuanced analysis of the varying perception-patterns of party stakeholders.

Keywords – Political Marketing, Political Market Orientation, Partial Least Squares, Party Member Activity Level

Paper type – Research paper
Author Biographies

Robert P. Ormrod (corresponding author) is a Doctoral researcher at the Institute for Marketing and Statistics, Aarhus School of Business, University of Aarhus, Denmark. He was a Visiting Scholar at the School of Management, University of Bath, UK, in 2006. Robert’s primary research interest is in the market orientation of political parties, and he has published on this subject in, for example, the Journal of Nonprofit and Public Sector Marketing, Journal of Public Affairs, Politics and the Journal of Political Marketing, in addition to several conference papers and chapters in edited books. In 2006 he was awarded, together with Stephan C. M. Henneberg from the Manchester Business School, UK, a prize in the American Marketing Association/Marketing Science Institute’s research proposal competition.

Contact information: Institute for Marketing and Statistics, Aarhus School of Business, University of Aarhus, Haslegaardsvej 10, 8210 Aarhus V, Denmark. Tel.: +45 8948 6446. E-mail: rpo@asb.dk

Stephan C. M. Henneberg is a Senior Lecturer (Associate Professor) in Marketing at the Manchester Business School, University of Manchester, UK. He is also the Director of Postgraduate Taught Programmes at MBS. Currently he is a Visiting Professor of Marketing at Bocconi University, Milan. Stephan's primary areas of research are political marketing, strategic marketing, and relational and network marketing, and he has published in, for example, European Journal of Marketing, Journal of Marketing Management, Industrial Management, International Journal of Consumer Studies, Journal of Relationship Marketing, Journal of Political Marketing, Journal of Public Affairs, and Journal of Business Research. He is a member of the International Marketing & Purchasing (IMP) Group and was Regional Chair of the Academy of Marketing. Currently, he is the Academy of Marketing Chair of the Special Interest Group on Political Marketing. Stephan also serves on several editorial boards of international peer-reviewed journals in the areas of marketing and management studies and has organised several international conferences, ESRC seminars, and PhD colloquia. Before returning to academia, Stephan worked in senior positions as a strategic consultant for A.T. Kearney and McKinsey & Co.
An Investigation into the Relationship Between Political Activity Levels and Political Market Orientation

INTRODUCTION

Market orientation is unquestionably one of the most well researched commercial marketing concepts of the last 20 years (e.g., Deshpandé and Farley, 2004; Gray et al., 1998; Griffiths and Grover, 1998; Harrison-Walker, 2001; Hult et al., 2005; Kohli and Jaworski, 1990; Kohli et al., 1993; Narver and Slater, 1990; Slater and Narver, 1995, 1999). However, only recently has it been amplified to investigate the political marketplace (Lees-Marshment, 2001a, 2001b; Lilleker and Lees-Marshment, 2005; O’Cass, 1996, 2001a, 2001b; Ormrod, 2005, 2006, 2007; Ormrod and Henneberg, 2006, 2008; Ormrod et al., 2007). It has been proposed that being market oriented describes when members of an organisation are responsive to the explicit and latent needs and wants of a variety of stakeholder groups in society (Gainer and Padanyi, 2005; Greenley et al., 2005; Ormrod, 2005, Padanyi and Gainer, 2004), which in the political context results in what political scientists term ‘responsible democratic governance’ (Coleman, 2007). The political market orientation (PMO) may be affected by contact each member has with the relevant stakeholder group. For example, whilst professional politicians may have daily contact with competing parties, the inactive party members are likely only to have an indirect or at best peripheral contact with this group. Furthermore, the relative level of responsiveness is governed by the attitudes held by members regarding the importance of each stakeholder group, thereby facilitating the management and strategic marketing of their party. Whilst a rank-and-file party member may be inactive, their perception of which groups in society are important to the party and how this affects party behaviour could be much more nuanced than that of a professional politician.
This paper develops a PMO concept that moves away from a focus on top managers as key respondents, and explicitly acknowledges in the nomological conceptualisation that a political market orientation is an important characteristic of all members of the party, in line with the argument by Schlosser and McNaughton’s (2007). By investigating individual member perceptions of party attitudes towards particular stakeholder groups, and subsequently how these perceptions affect the market oriented behaviours of the party, this article contributes to the political marketing literature by investigating the way in which the role and position of members affects their understanding of PMO. We therefore broaden the hitherto less well-researched area of PMO and link it to a comparison of different groups of respondents and different party activity levels. As such, our research is in line with Henneberg and O’Shaughnessy’s (2007) argument for using state-of-the-art marketing theory to test its applicability in the area of political marketing.

This article progresses by, firstly, developing the conceptual framework and parsimonious constructs of a political market orientation. Secondly, this is followed by an explanation of how these constructs are operationalised, and thirdly, tested using a partial least squares method of modeling relationships between the constructs. The results are then presented, followed by a discussion of their implications. Finally, the limitations of the current investigation are outlined and avenues for future research proposed.

CONCEPTUAL FRAMEWORK AND CONSTRUCT DEVELOPMENT

Commercial and political market orientation

The conceptual antecedent of market orientation in the commercial literature dates back to the early 1960’s, when Levitt (1960) admonished marketing practitioners for their myopic focus on products rather than on the customers and markets that their organisation served. This notion was developed further via the concept of market orientation which was constructed as
either a set of managerial behaviours (Kohli and Jaworski, 1990) or an organisational culture (Narver and Slater, 1990). Based on these seminal contributions, further research on market orientation focused on clarifying the relevant behavioural activities (e.g., Deshpandé, 1999; Gray et al., 1998; Jaworski and Kohli, 1993; Kohli et al., 1993) as well as different cultural perspectives (e.g., Narver and Slater, 1990; Slater and Narver, 1995, 1998, 1999). More recently these two approaches of market orientation have become integrated as part of an interdependence approach, where market oriented behaviours are presumed to exist based on a market oriented organisational culture, and vice versa (e.g., Deshpandé and Farley, 2004; Gainer and Padanyi, 2005; Griffiths and Grover, 1998; Harrison-Walker, 2001; Hult et al., 2005).

Despite the proliferation of research on market orientation in the general marketing literature, it is only in the last ten years that this concept has attracted increasing interest in the political marketing literature (e.g., Lees-Marshment, 2001a, 2001b; Lilleker and Lees-Marshment, 2005; O’Cass, 1996, 2001a, 2001b; Ormrod, 2005, 2006, 2007; Ormrod and Henneberg, 2006, 2008; Ormrod et al., 2007). O’Cass (1996, 2001a, 2001b) conceptualises the construct as primarily a voter orientation, analogous to a commercial customer orientation. Conversely, Lees-Marshment (2001a, 2001b) in terms of political marketing activities provides a descriptive process model of a ‘marketing-oriented’ political organisation.

In our current study, the conceptualisation of PMO develops Ormrod (2005) and Ormrod and Henneberg (2008). The interdependence approach to market orientation (Deshpandé and Farley, 2004; Hult et al., 2005) is used by drawing distinction between attitudinal and behavioural aspects of political market orientation. Furthermore, attitudes are hypothesised to be antecedents of behavioural aspects of PMO.

**Construct development**
Behavioural aspects of PMO refer to activities and processes that generate market-relevant knowledge, that distribute such intelligence to the relevant actors within the organization, involve crucial stakeholders in analysing and interpreting the market intelligence to formulate marketing strategies, and the consistent and integrated implementation of these strategies (Information Generation; Information Dissemination; Member Participation; and Consistent Strategy Implementation) (Ormrod, 2005; Ormrod and Henneberg, 2008). Information Generation refers to the importance of appropriate information regarding issues such as target voter expectations, needs, and wants, but also the activities of competing parties as well as public opinion (e.g., O’Cass, 1996, 2001a; Lees-Marshment, 2001a; Newman, 1994, 2002). The Information Dissemination construct captures activities regarding the horizontal and vertical dissemination of market intelligence within the organisation (e.g., Kohli and Jaworski, 1990; Kohli et al., 1993; Lafferty and Hult, 2001; Ormrod, 2005). Member Participation, as another aspect of PMO behaviours, is concerned with the creation of a coherent political marketing strategy, for example political advertising, as well as policy development issues, candidate selection processes, or funding negotiations. This is facilitated through the involvement of key stakeholders in the party hierarchical structure, namely party members in the decision-making process (including inactive party members and associated decision-makers such as trade unions) (Ormrod, 2005; Rogers, 2005). Consistent Strategy Implementation, the last behavioural PMO construct, refers to the need for integration and coordination in the implementation of the political marketing strategy. Such consistency is important if multiple actors (e.g., candidates or communication managers) are engaged in interactions with voters or the media (O’Shaughnessy, 2001).

In addition to behavioural elements of PMO, our nomological model includes attitudinal aspects, representing the organisational factors enhancing or impeding PMO behaviour, as argued by Kohli and Jaworski (1990). The extant literature shows that different categories of
stakeholder orientation characterise such attitudinal antecedents (analogous to Greenley, et al., 2005; Griffiths and Grover, 1998; Harrison-Walker, 2001; Slater and Narver, 1995). The model includes latent attitudinal constructs representing perceived orientations towards the main exchange partners, i.e. voters, competing parties, media and other external actors, as well as the internal constituents of the party (rank-and-file party members). Voter Orientation, as the equivalent to a customer orientation in the commercial literature (Lafferty and Hult, 2001; Narver and Slater, 1990), represents the initial construct (Henneberg and O’Shaughnessy, 2007; Lees-Marshment, 2001a; Newman, 2002; O’Cass, 1996; Sparrow and Turner, 2001). It comprises a party-wide interest in the opinions of members, target voters, as well as the general public (O’Cass and Pecotich, 2007). Additionally, the commercial market-orientation literature stresses the importance of understanding and being aware of competitor actions and capabilities (Harrison-Walker, 2001; Narver and Slater, 1990) which is recognised as an important antecedent influencing PMO behaviour, i.e. Competitor Orientation (Bowler and Farrell, 1992; Butler and Collins, 1996). External Orientation includes other stakeholders in the political marketplace which are important for political parties. Research on the moderating affect of a general external orientation is not extensive in the commercial marketing literature (Selnes, et al., 1996; Slater and Narver, 1994). However, for political competition the wider environment has been demonstrated to be of importance. The media (Dean and Croft, 2000; Lock and Harris, 1996a; O’Shaughnessy, 1990; Róka, 1999), lobby and single-issue groups (Harris et al., 1999, Newman, 2005), donors (Henneberg, 2002), and other politically active individuals (Heider and Saglie, 2003) are relevant stakeholders in the wider political exchange process. Lastly, an Internal Orientation is important for PMO. Party members influence the consistency and the perceived legitimacy of political decision-making and strategy implementation and are therefore a relevant actor group that needs to be incorporated into the set of attitudinal orientations (Johansen, 2002; Lees-Marshment, 2001b).
Following Ormrod (2005) and Ormrod and Henneberg (2008), the eight constructs of PMO are assumed to be connected in a nomological network as presented in Figure 1. It is firstly hypothesized that the four behavioural constructs form a reinforcing behavioural chain. This is based on a review of the literature on market orientation which reveals support for the presupposition that different behavioral aspects of market orientation are ordered as antecedents of each other with positively reinforcing effects (Kohli and Jaworski, 1990; Lafferty and Hult, 2001). Secondly, the attitudinal constructs in the model positively affect each individual behavioural expression (while being independent of each other). Again, this is in line with the extant literature which shows that different categories of stakeholder orientations characterise independent attitudinal antecedents of different market oriented behaviours (analogously to Greenley et al., 2005; Griffiths and Grover, 1998; Harrison-Walker, 2001; Slater and Narver, 1995). Empirical tests using a European dataset provide evidence for the structural connectedness of the proposed latent constructs in the context of political parties (Ormrod and Henneberg, 2008).

DATA AND VARIABLE CONSTRUCTION

The PMO model described above is operationalised in line with studies in the commercial marketing literature (Schlosser and McNaughton, 2007) and the political marketing literature (O’Cass, 2001a; Ormrod and Henneberg, 2008) in that different role categories (i.e. activity levels of key respondents) were assessed within the organisation, with the focus on a single party. To assess the perceptions of the PMO characteristics of their party, respondents were selected from key groups within the political party, specifically elected politicians, party professionals, members with a position of responsibility, as well as rank-and-file party
members. As part of a self-categorising methodology, the perceptions of their own political activity levels were used to cluster respondents into groups. Member activity level was measured on a five-point scale, from 1: ‘very active, I am involved with the Party at least once a week’, to 5: ‘Not at all active, I am involved with the Party at most once or twice a year’. This provided the basis for a further combination of the categories into the ‘very active’ (response categories 1 and 2), the ‘moderately active’ (response categories 3 and 4) and the ‘inactive’ members (response category 5).

Pre-test and Sample

A parsimonious set of question items was developed from the marketing and political science literature, after which two rounds of pre-testing were conducted to ensure their suitability (Johnson et al., 2004). The initial pre-test consisted of 61 items which were tested with several political marketing experts. Additionally, we also solicited their feedback on the research design and method of data collection (i.e., an online questionnaire). This first pre-test resulted in the removal of three items and an adjustment in the presentation of the Likert-scales. The second pre-test was on a proxy sample of n = 45 politically active mature students at a major British University. This resulted in seven items being either rephrased, combined or deleted; leading to a final pool of 51 items (see Appendix 1).

Ten-thousand party members from all levels of a large British party were randomly selected (including all elected members of parliament as well as their professional party/campaign managers). An e-mail containing a description of the study, and hyperlink to an internet-based questionnaire (using WebSurveyor 2006), was sent in Autumn 2006, i.e. in the middle of the election cycle. No specific intra-party conflicts existed at this point in time. Subsequently, 1,156 usable questionnaires were returned (response rate of 11.6 per cent). The three groups split into 328 ‘very active’ respondents, 208 ‘moderately active’ respondents, and 619
inactive’ respondents (28/18/54 per cent, respectively). Armstrong and Overton’s (1977) approximation for non-response bias using a significance test for differences between the item means of the fastest and slowest thirds of respondents (p < .05) supported the assumption that this response rate was not problematic.

Variable Operationalisation

Multiple items using seven-point, Likert-type response categories were used in a reflective measurement model to operationalise the constructs (Bagozzi and Baumgartner, 1994; Diamantopoulos and Siguaw, 2006; Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003). We generally followed Ormrod and Henneberg (2008) in our variable operationalisation. Descriptive statistics were reviewed, which led to the removal of three items from the analysis due to skewness and kurtosis values above the cut-off levels recommended by Hair et al., (2003).

RESULTS

Model evaluation

To evaluate the nomological model, we use a Partial Least Squares (PLS) approach to calculating the path coefficients (directed correlations) in a structural equation model. PLS represents a variance-based method for causal modeling with latent variables that has its roots in an attempt to address the limitations of covariance-based approaches such as LISREL, AMOS or EQS (Cassel et al., 1999; Sakar et al. 2001; Smith and Barclay 1997). Specifically, PLS works well for complex and exploratory models with non-normal distributed data or data exhibiting multicollinearity (Wold 1982; Bagozzi and Yi 1994, Fornell and Cha, 1994, Chin 1998). As such, the PLS method is appropriate for our analysis due to the exploratory nature of the investigation and the complexity of the structural model (Fornell and Bookstein, 1982).
As part of the PLS procedure the loadings or weights of the variables for each construct are estimated and iteratively used to calculate the path coefficients specified in the nomological network (Fornell and Cha, 1994).

We used a two-stage procedure suggested by Hulland (1999) to evaluate the different PLS models for each of the activity groups. This allowed testing for the relationship between activity levels of party members and the nomological link between attitudinal and behavioural aspects of PMO. The Baseline Model covers all respondents; Model 1 consists of the very active members, Model 2 the moderately active members, and Model 3 the inactive members.

We initially tested the reliability of the measurement model and then evaluated the structural model itself in order to understand the nomological links between the latent constructs.

Measurement model adequacy is assessed using the individual item reliabilities, together with the construct quality criteria of convergent validity, discriminant validity and predictive relevance (see Appendices 2 and 3). We iteratively eliminated items until the latent constructs were adequately explained, using inspection of the measurement model diagnostics. Hulland (1999) recommends a minimum item-loading of 0.70. Excepting the single-item Internal Orientation construct, no item in the Baseline Model and Model 3 had item reliabilities below 0.65. Model 1 and 2 had only one and three items below the cut-off, respectively. To assess the convergent validity for each model, the average variance extracted (AVE) and the construct composite reliabilities were inspected (Fornell and Cha, 1994; Fornell and Larcker, 1981; Hulland, 1999). All AVEs exceeded 0.50 and all composite reliabilities were above 0.70, indicating that the four models display good convergent validity. The third model quality criteria used is a positive Stone-Geisser $Q^2$ statistic indicating predictive relevance (Geisser, 1975; Stone, 1974). For each of the four Models, all $Q^2$ values were positive, and as such they can be said to possess predictive validity. Finally, the $R^2$ values for each of the endogenous latent constructs were inspected, in order to assess the structural models. Hulland
(1999) recommends that in order for nomological validity to exist, these should all be in excess of 0.30. Only one $R^2$ value in all 4 Models (Information Generation in Model 2) fell slightly below this recommended figure ($R^2 = 0.27$). We therefore assume that the four models all possess satisfactory levels of nomological validity.

**Comparison of structural model path coefficients**

The path coefficients of the three activity level-based models were calculated using SmartPLS (Ringle *et al*., 2007), along with a baseline model, with a sample consisting of all respondents (Table 1 summarises the results). As anticipated, the overall picture is similar to the proposed nomological model as used and tested in Ormrod and Henneberg (2008). The behavioural chain exhibited strong, positive path coefficients for all four models. However, a more differentiated picture emerges for the path coefficients between the attitudinal constructs and each of the behavioural constructs.

INSERT TABLE 1 ABOUT HERE

To understand the differences between member perceptions of the party’s PMO, a t-test for significant differences in means was conducted between each of the three groups on the path coefficients identified by the PLS estimation procedure (Table 2). The comparable path coefficients centre around the behavioural chain and the Internal Orientation and External Orientation constructs. Few differences exist between Models 2 and 3, with three common path coefficients being significantly different at the $p < .05$ level (IG $\rightarrow$ ID). Models 1 and 2 show five significantly different path coefficients, and Models 1 and 3 nine.

INSERT TABLE 2 ABOUT HERE
When comparing the relationships between the Internal Orientation construct and each of the four behavioural constructs across Models 1, 2 and 3, the IO→ID and IO→MP paths provide the most interesting comparison. IO→ID is significantly different between all three Models, whilst there is no significant difference between IO→MP. The same comparison between the External Orientation construct and the first three constructs in the behavioural chain (Information Generation, Information Dissemination and Member Participation) shows a very different pattern. Here the significant differences are between the most active members (Model 1) on the one hand, and the less active members (Models 2 and 3) on the other. This is not the case with the final relationship between the External Orientation construct and Consistent Strategy Implementation, which is characterised by non-significant differences across all three Models. Finally, the relationships between the four behavioural constructs, i.e. the behavioural chain, shows non-significant differences between the Information Generation, Information Dissemination and participatory activities (Member Participation) of active and somewhat active members (Models 1 and 2) and a significant difference of both models compared to the inactive members (Model 3). However, significant differences between MP→CSI are between the very active members (Model 1) on the one hand, and the less active/inactive members (Models 2 and 3) on the other hand.

DISCUSSION

The behavioural chain – the paths between the four behavioural constructs – was found to be strong and positive in the baseline model and the models representing each of the three activity levels. These results are similar to a different dataset analysed by Ormrod and Henneberg (2008). This means that although the inactive members may not actually be involved in any PMO activities as part of the behavioural chain, they assess their party
activities in a similar way to active party members. The strength of the path coefficients has important implications for party managers. If the aim is to improve the consistency of the strategy implementation by all levels of the party hierarchy, from elected members to the inactive rank-and-file, then focusing on improving the ability and motivation for carrying out any of the market-oriented behaviours will have a distinctly positive influence.

However, Model 1 also shows that the effect of market-related information is perceived to diminish faster in the behavioural chain of the active members than in that of the inactive member Model 3. This indicates that it is the very active members perceive to make the most of listening to the opinions of stakeholder groups, but the effect on PMO behaviour in general is greater in the perceptions of the inactive members.

It is interesting to note that in none of the models did the media and lobby and interest groups have an impact, against the expectations found in the literature (e.g., Dean and Croft, 2001; Harris et al., 1999; Lock and Harris, 1996b; Newman, 2005; O’Shaughnessy, 1990; Róka, 1999). However, Ormrod and Henneberg (2006) found a similar tendency in British General Election Manifestos. This could well be a result of the highly targeted behaviour of the macro- and meso-level groups (i.e. the media lobbyists, single-interest groups) external to the party which concentrate their efforts (e.g. negotiations, framing, provision of expertise) on a few key elected members and party professionals, and as such, they are perceived to have no impact on the general party. Lobby and interest groups, therefore, may help shape laws but not party strategy; the media may criticise policy but is not included in its development.

The external group which did have an impact are the micro-level stakeholders, i.e. politically active yet unaligned citizens at the local level. The path coefficients for this subset of the External Orientation which are impacting on the behavioural constructs are stronger than those between the Internal Orientation and the behavioural constructs. However, the perceptions also show a progressively falling influence of micro-level stakeholders in the
behavioural chain, indicating that this group is perceived to be consulted by the party but is seen as less relevant to the actual development and implementation of strategy. Especially those members who are highly active in the party (Model 1) perceive the party orientation towards this group to be significantly lower than that of the moderately active and inactive members.

The Internal Orientation construct had a similarly significant effect on the behavioural constructs in Models 1 and 3, with path coefficients of generally between 0.10 and 0.17, whilst in Model 2 only the paths to the internally focussed behavioural constructs (ID and MP) were significant. This can be an indication that moderately active members consider the importance of members to be related to inwardly-focused market oriented behaviours, in line with a ‘leading’ posture (Henneberg, 2006). There are also noteworthy differences regarding the effects on dissemination activities between all three groups, while effects on the propensity for members to participate in strategy development were very similar overall. With regard to antecedents of the perceived consistency of the strategy implementation, the strongest relationships were to be found in Model 1, indicating that those members with high political activity levels are more concerned with the less salient aspects of strategy development, that is, the importance of passing information on to those in the party who can act upon it, as well as ensuring the consistency of the strategy that is implemented.

It is noteworthy that neither the Voter nor the Competitor Orientation constructs had any significant effect on the behavioural constructs, irrespective of the respondents’ level of activity. The lack of a well-developed Competitor Orientation may be attributable to the specifics of the election and voting procedures. As a first-past-the-post electoral system, the UK usually faces stable parliaments with clear majorities. Therefore, when a party is in government they require the compliance of their own voters and members rather than cooperating with other parties. This may result in the situation where the inactive party
members have more freedom to contemplate the views of other parties, thus leading to a
significant difference between the models for very active and moderately active (focused
perspective) and those for inactive member (dissipated perspective) regarding the path
coefficients between the Competitor Orientation and Information Generation constructs.
The general lack of an effect of the Voter Orientation construct presents an interesting
conundrum – voters as a central element in political marketing (and for political science)
seemingly have little importance placed on them as part of a PMO. This finding is surprising
in light of existing political marketing literature that gives a voter orientation a central
conceptual position in political marketing (e.g., Butler and Collins, 1994, 1996; Dean and
Croft, 2001; Henneberg, 2002; Lees-Marshment, 2001b; Newman, 1994, 2002;
O’Shaughnessy, 1990). Our result could be related to the specific time at which the
investigation was carried out (i.e. mid-term in the electoral period) as voters may well be
considered by parties to be of importance only at election time, thus going against the general
assumption in the literature of a ‘permanent campaign’ addressing the electorate (Nimmo,
1999).

With regard to the overall nomological model, the lower the activity level of our respondents,
the more they assessed their own party as market oriented, as evident in the greater number of
significant positive interrelations between attitudinal and behavioural constructs. For example,
there were significant path coefficients to the Information Generation construct from all four
attitudinal constructs for the inactive members, whilst for the very active members only the
Internal and External Orientation construct had any statistical effect. This could be as a result
of the nature of the party member-stakeholder interaction. Whilst moderately active and
inactive members have a more arms-length contact with competitors, interest and lobby
groups, the very active members have resource constraints that force them to prioritise and
target certain groups which they believe are important for their party, according to perceived
actual relevance. As such, it can be argued that the less active members are generally more market oriented in their mental model of how the political party operates than the very active members.

Several key implications for political managers and party strategists can be derived from our analysis regarding a strengthening of a party’s PMO. First, as a strong relationship exists between the four behavioural constructs, an improvement in the consistency in implementing party strategy needs to be based on strengthening processes addressing all different aspect of the behavioural chain, starting with generating and disseminating information, as well as stronger member participation in the actual strategy development. Secondly, to impact on certain behavioural aspects of PMO, the underlying attitudinal drivers must be the focus of attention. Such aspects of cultural change are of a longer-term nature. In this context it is a question of the direction of the overall strategy that dictates which of the attitudinal orientations are important: for example, while for a ‘follower’ posture a strong Voter and Competitor Orientation is pivotal, for a ‘leader’ posture a strong Internal Orientation has to be achieved (Henneberg, 2006). Finally, rather than educating the rank-and-file to be more responsive towards a multitude of stakeholders, society as a whole, our analysis shows that the most active members, including party professionals such as campaign managers, exhibit a certain ‘political marketing myopia’ which limits their attitudinal focus and consequently their ability to achieve a wider PMO; this is in contrast with more open-minded rank-and-file members and should be addressed to ensure that those individuals who shape party organisational structures have a comprehensive view of the political market.

Limitations and future research

The current research is limited by the fact that only one party in one system has provided the empirical basis for the quantitative investigation. The obvious need is to replicate the current
study in other countries, with different electoral systems and closer to election time, in order to conduct analyses of the boundary and contextual conditions to understand better the nature of a PMO.

On a more general level, the lack of focus on both voters and competitors leads one to consider the current direction and emphasis of research in political marketing, especially the salience of the election campaign which provides rich information to researchers. However, it may not really represent what political marketing is primarily about. Our study therefore reaffirms the need to reappraise political marketing research regarding the broader needs of political marketing practice, assuaging the fears expressed by some political scientists that political marketing is only concerned with a ‘permanent election campaign’ (Henneberg and O’Shaughnessy, 2007).
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Harris, P., Gardner, H and Vetter, N. (1999), “‘Goods Over God’: Lobbying and Political Marketing – A Case Study of the Campaign by the Shopping Hours Reform Council to


Figure 1: The Conceptual Model of Political Market Orientation (Ormrod 2005).

Note: Arrows represent the directed relationships between latent constructs as part of the nomological network of a structural equation model.
<table>
<thead>
<tr>
<th>Path</th>
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<th>Very active members (Model 1)</th>
<th>Moderately active members (Model 2)</th>
<th>Inactive members (Model 3)</th>
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<td>(.07)</td>
<td>.17</td>
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<tr>
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<td>(.01)</td>
<td>(.01)</td>
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<td>.08</td>
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Table 1: Path coefficients for the four models (p < .01; insignificant path coefficients are italicised in parentheses)
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<th>Models 1 ↔ 3</th>
<th>Models 2 ↔ 3</th>
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<td>ID → MP</td>
<td>(.83)</td>
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Table 2: T-statistics (p < .05) of differences between significant path coefficients (insignificant differences are italicised and in parantheses)
Appendix 1: Overview of Measurement Items

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<td><strong>Internal Orientation</strong></td>
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<td>IO1 (R)</td>
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<tr>
<td>IO2 (R)</td>
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<td>IO3 (R)</td>
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<tr>
<td>IO4 (R)</td>
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<tr>
<td>IO5</td>
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<td>IO6</td>
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<tr>
<td>VO1</td>
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<td>VO2</td>
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<td>VO3</td>
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<td>VO6</td>
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<td>CO3</td>
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<td>CO4</td>
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<tr>
<td>CO5</td>
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</tbody>
</table>

**External Orientation**

| EO1 | Media opinion is very important to the Party |
| EO2 | Good relations with many commercial lobby and interest groups are important to the Party |
| EO3 | Interest groups in general do not influence Party policy |
| EO4 | Most commercial lobby groups do not influence Party policy |
| EO5 | Most local level issues are not seen as important in the Party |
| EO6 | The Party has good relations with public sector employees |
| EO7 | Individuals active at the local level are able to influence Party policy, irrespective of whether these individuals are Party members or not |

**Information Generation**

| IG1 | The Party makes a point of finding out what members think |
| IG2 | Information is gathered from interest groups regarding their specific opinions |
| IG3 | The Party makes a conscious effort to find out what other parties are doing |
| IG4 | Generally available opinion polls and other research commissioned by the Party are an important source of information for the Party |
| IG5 | Party members gather useful information from those they meet |
| IG6 | The Party rarely gathers information and opinions directly from voters |
### Information Dissemination

| ID1 | The organisational structure of the Party means that the voice of every Party member can be heard |
| ID2 | Elected Party members keep rank-and-file members informed about their work |
| ID3 (R) | The party leadership (e.g., elected politicians, Party professionals and active volunteer members) rarely listen to rank-and-file Party members |
| ID4 | All Party members pass on any information that could help other members in their work for the Party |
| ID5 | All Party members know which party member to contact if they have a question about Party policy on a particular issue |
| ID6 (R) | The results of polls and other research carried out by the Party is seldom circulated amongst members |
| ID7 | The Party leadership is aware of the outcomes of local debates |

### Member Participation

| MP1 | Party members directly contribute to strategy development |
| MP2 (R) | Party strategy is mainly developed by the Party leadership (a small group of active volunteers, politicians and Party professionals) |
| MP3 | Non-elected Party professionals (e.g., policy advisers, campaign managers and communications specialists) are very important to the development of Party strategy |
| MP4 | Most changes to Party strategy are discussed extensively before the final decision is made |
| MP5 | All Party members are consulted before any decision is made regarding Party policy |
| MP6 (R) | The Party leadership (e.g., elected politicians, party professionals and active volunteer members) make almost all of the decisions regarding Party strategy |
| MP7 | All Party members have a real influence in strategy development |
**Consistent Strategy Implementation**

| CSI1 | The Party leadership implements what has been decided by Party members |
| CSI2 | Party members play an active role in implementing Party strategy |
| CSI3 | No matter who is asked in the Party, all members provide a consistent picture of the Party’s policies |
| CSI4 | Party strategy is known by all members |
| CSI5 | Inactive members provide a picture of the Party’s policies that is consistent with that provided by active members |
| CSI6 | Implementing Party strategy at the community level is as important as at the national level |
| CSI7 | Party strategy is clear to those outside of the Party |

(R) indicates reversed item; all items are measured on a 7 point Likert scale
Appendix 2: Average Variance Extracted/Squared Construct Correlation by Member Activity Group

<table>
<thead>
<tr>
<th>Construct</th>
<th>1</th>
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Average Variance Extracted (AVE; bold on diagonal, Internal Orientation as a single item construct shows an AVE of one) and squared construct correlations (below diagonal) for Group 1 (very active members)
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Average Variance Extracted (AVE; bold on diagonal, Internal Orientation as a single item construct shows an AVE of one) and squared construct correlations (below diagonal) for Group 3 (inactive members)
## Appendix 3: Model quality criteria

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1 Construct names are capitalised in the text to improve readability.
Political Market Orientation and Strategic Party Postures in Danish Political Parties

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Robert P. Ormrod

Aarhus School of Business, Denmark

Stephan C. Henneberg

Manchester Business School, UK
ABSTRACT

Purpose – This paper investigates the relationship between the strategic postures and political market orientation profile of two Danish parties. Profile stability at the organisational level is used as a control variable.

Design/methodology/approach – The strategic political postures of two Danish parties are derived using a self-typing study. Based on configuration theory, ideal organisational profiles to implement these studies are juxtaposed with the actual political market orientation profile for each party, gained from two datasets analysed using Partial Least Squares. Member activity levels are used to control for organisational stability.

Findings – The self-typing study revealed that Party A was perceived to follow a Relationship Builder posture, and Party B a Convinced Ideologist posture. However, both market orientation profiles resembled the organisational structures of a Convinced Ideologist. Thus, Party A exhibits a mismatch between strategic orientation and implemented organisational profile, based on configuration theory. The results were generally stable across political activity levels.

Originality/value – The study contributes to understanding the concept of market orientation in the political sphere and represents the first study that empirically investigates the link between the political market orientation on the one hand, and strategic postures of parties on the other.

Research limitations/implications – The investigation only looks at two parties in one political system, and thus further research could compare results across political systems. A link with performance variables needs to be established to assess the extent to which the organisational alignment results in competitive advantages for a party.
Practical implications – Whilst there exists a general cohesiveness within parties regarding the overall strategic posture, political managers need to be aware of the subtle differences that can affect the market orientation of different groups within the party.
Political Market Orientation and Strategic Party Postures in Danish Political Parties

INTRODUCTION

Commercial market orientation has been researched extensively during the last 20 years. Different constructs have been developed and tested empirically, and market orientation has been linked to different aspects of commercial performance. Whilst it is now widely accepted that firms need to orient themselves not just towards their customers but must take into account a multitude of stakeholders in the market, research on non-profit organisations has not taken up the concept of market orientation with the same enthusiasm and rigour. For example, only in the last years has the issue of market orientation permeated the area of politics, specifically regarding the question of what a political market orientation (PMO) consists of.

Political marketing and political management as a research focus has grown over the last decades (Scammell, 1999; Henneberg and O’Shaughnessy, 2007b). With it an interest in issues around political strategy and PMO arose, starting with O’Cass (1996) and continuing with recent contributions (Lees-Marshment, 2001a, 2001b, 2001c; O’Cass, 2001a, 2001b; Bannon and Mochrie, 2005; Coleman, 2007; Lederer et al., 2005; Lees, 2005; Lilleker and Lees-Marshment, 2005; Ormrod, 2005, 2006, 2007; Ormrod and Henneberg, 2006, 2008, 2009a forthcoming, Ormrod and Henneberg, forthcoming; Ormrod et al., 2007). However, the vast majority of work to date has been either conceptual or qualitative in nature. Furthermore, discussions of PMO have mainly focused on the organisational make-up of political organisations, e.g. the attitudes, processes, and behaviours of parties without taking into consideration the fit of PMO with the overall party strategy.
Thus it remains unclear if and how PMO as an organisational model fits with the strategic aims of political actors (Lees-Marshment, 2001a; Baines et al., 2003; Ormrod and Henneberg, 2009a forthcoming). Understanding this relationship between organisational aspects of a PMO on the one hand and political marketing strategy on the other has been linked with the further development of research in political marketing by applying state-of-the-art concepts from commercial marketing theory in a political context (Henneberg and O’Shaughnessy, 2007a; Ormrod and Henneberg, 2009b forthcoming). This article addresses this challenge of linking organisational PMO profiles and political marketing strategy by applying a configuration theory logic and testing it empirically. Therefore, this article aims to contribute to the growing PMO and political marketing strategy literature by using quantitative modelling on a large dataset gained from two Danish parties in order to understand deviations between the perceived organisational PMO profile and an ‘ideal’ PMO profile which is derived from the overall strategic party posture (SPP) of the political organisation. As such, we follow a configuration theory logic by assuming that certain strategic postures are best implemented via a specific organisational configuration (Doty et al., 1993). Additionally, we test whether the perceptions of the PMO profile are moderated by the characteristics of the party members, specifically their political activity level.

Our article will progress as follows: firstly, the conceptual model of PMO will be presented, based on a discussion of a parsimonious selection of commercial market orientation literature. This is followed by a brief discussion of the relevant strategic political postures. We derive four hypotheses, two regarding the fit between an ideal PMO based on the strategic orientation, and the actual PMO, and two regarding the stability of the PMO profile results across political activity levels. The results of a partial least squares analysis will be presented and discussed, and finally we will detail the implications and limitations of the study.
CONCEPTUAL FRAMEWORK

Political market orientation

A political market orientation (PMO) exists when a party is attuned to the latent and explicit needs and wants of a broad range of stakeholders that are present in the political system (Ormrod, 2005, 2007). This understanding of PMO is developed primarily from the commercial market orientation literature (e.g., Kohli and Jaworski, 1990; Narver and Slater, 1990; Jaworski and Kohli, 1993; Kohli et al., 1993; Slater and Narver, 1995, 1998; Harrison-Walker, 2001; Lafferty and Hult, 2001; Langerak, 2003; Deshpandé and Farley, 2004), drawing on what can be termed the interdependence approach to understanding organisational behaviours and orientations (Gray et al., 1998; Griffiths and Grover, 1998; Gainer and Padanyi, 2005; Hult et al., 2005). This approach underlines that different and originally separate market orientation components, namely managerial behaviours on the one hand, and the organisational culture on the other hand, are both essential to enabling a firm to become market oriented. Thus, as part of the interdependence argument of market orientation, managerial behaviours alone will not suffice as the organisation must also be attuned to market needs and wants via empathetic attitudes towards a wide-ranging set of stakeholders. Both together, i.e. behaviours and attitudes, represent the organisational PMO profile which is chosen to implement a specific strategy (Doty et al., 1993). The PMO profile, i.e. the relationship between specific behaviours and attitudes towards stakeholders in the political market, will be used as the central unit of analysis in this study.

Based on these presuppositions, our conceptualisation of a PMO modifies an approach initially developed by Ormrod (2005, 2007) and empirically investigated by Ormrod and Henneberg (2006, 2008, 2009a forthcoming, Ormrod and Henneberg, forthcoming), and Ormrod et al., (2007) to emphasise a party’s orientation towards different societal stakeholders (Bhattacharya and Korschun, 2008). The two modifications will be described
when discussing the relevant constructs. PMO is made up of four constructs which represent different aspects of party behaviours, and four constructs which represent party orientations towards four important stakeholder groups within society. The four constructs representing important party behaviours are *Information Generation, Information Dissemination, Member Participation* and *Consistent Strategy Implementation*. These activities are arranged in a chain of antecedents and consequences which represent the flow of information and knowledge through the organisation:

- **Information Generation (IG)** is developed from Kohli and Jaworski’s (1990) intelligence generation construct and represents the process and activities of gaining information from relevant stakeholder groups (i.e. direct and indirect exchange partners) using both formal and informal channels (e.g. market research or social interactions). In extension to the commercial conceptualisation, the Information Generation construct as part of PMO is broadened to explicitly emphasise the ability of all members of the organisation to both encourage and exhibit this behaviour rather than it being the sole responsibility of political managers (Shapiro, 1988; Narver and Slater, 1990; Harrison-Walker, 2001; Gounaris, 2008). Kohli *et al.* (1993) emphasise the fact that each department has its own perspective on specific market situations, thus, in the context of a PMO this is analogous to all party members having their own, unique set of stakeholder contacts from which information are generated (Ormrod, 2005).

- **Information Dissemination (ID)** This construct is again developed from Kohli and Jaworski’s (1990) work and describes behaviours of disseminating market information throughout the organisation (Ormrod, 2005). Information Dissemination activities are, as with Information Generation activities, the responsibility of all members of the political organisation (Shapiro, 1988; Narver and Slater, 1990; Harrison-Walker, 2001; Gounaris, 2008).
- **Member Participation** (MP) represents the use of market information through member involvement in party strategy and tactics development. This comprises activities of organisational planning, i.e. gaining action-oriented insights from the market information (Daft and Weick, 1984; Harrison-Walker, 2001). As such it is similar to the internally-oriented aspects of Kohli and Jaworski’s (1990) ‘responsiveness’ construct by which information is made sense of as part of a collective decision-making process. Such a Member Participation construct is also argued to be necessary to the conceptualisation of a PMO, as party members act as legitimisers of their party’s existence within the democratic context (Bille, 2003).

- Finally, **Consistent Strategy Implementation** (CSI) relates to the activities involved in carrying out the agreed-upon strategic plans with which to attain organisational aims (Ormrod, 2007). It is also closely based upon the ‘responsiveness’ construct in Kohli and Jaworski (1990) which is common to the vast majority of commercial market orientation conceptualisations (Lafferty and Hult, 2001). This construct represents a reconceptualisation suggested by Ormrod (2007) of the ‘Consistent External Communication’ construct proposed by Ormrod (2005) that expands the initial focus on communication activities to one that emphasises the implementation of party strategy. Thus, in the context of PMO it is posited that all members are aware of the collective strategic decision and act accordingly in a consistent manner (Lees-Marshment, 2001a).

Other aspects of the organisational make-up as part of a PMO profile relate to the cultural orientations within the organisation which can help or hinder the enactment of different behavioural aspects of PMO. Four constructs represent party orientations towards stakeholder groups in the political marketing and society: **Voter Orientation**, **Competitor Orientation**, **Internal Orientation** and **Societal Orientation**. Each of the four constructs is grounded in the various stakeholder relationships that can be initiated, developed, maintained, or severed as a
result of the strategic posture that is followed. These organisational orientations refer to the extent to which relationships exist with different stakeholder groups rather than the type of relationships (Bhattacharya and Korschun, 2008).

- **Voter Orientation** (VO) In the political marketing literature, the political customer is widely considered to be analogous to the voter (Henneberg, 2002). Thus, the Voter Orientation construct has been directly adapted from the commercial literature (Narver and Slater, 1990) where a customer orientation is at the core of market orientation research and is present in all approaches surveyed by Lafferty and Hult (2001). Voter Orientation thus focuses on attitudes towards understanding the needs and wants of direct (electoral) exchange partners (Newman, 2005).

- **Competitor Orientation** (CO) has been developed from Narver and Slater (1990) to take into account the necessity of being aware of the actions of competing parties (Lees-Marshalment 2001a, Ormrod 2005). In addition to this, being oriented towards competitors in a political context includes entertaining the possibility of cooperating with other political parties (Lock and Harris, 1996). A Competitor Orientation includes attitudes regarding differentiating from other political parties as well as collaboration, which some electoral systems based on majority voting procedures make necessary, e.g. in the form of forming governmental coalitions (Bowler and Farrell, 1992).

- The third construct, **Internal Orientation** (IO), is a context-specific adaptation of Narver and Slater’s (1990) inter-functional coordination. While commercial market orientation generally focuses on the organisational ability to utilise information across functional divisions (Lafferty and Hult, 2001), as part of a PMO an Internal Orientation refers to party members becoming an integral part of decision-making mechanisms to legitimise party activities (Bille, 2003; Ormrod, 2005). Thus, a vertical organisational dimension within the commercial market orientation conceptualisation of Narver and Slater (1990) is
necessary due to the more ‘democratic’ organisational structure of political parties (Dean and Croft, 2001).

- **Societal Orientation** (SO) is designed to capture the more general orientation of the party towards a variety of stakeholder groups in the political system that can influence parties at the micro- (citizens, e.g., Heidar and Saglie, 2003) meso- (lobby and interest groups, e.g., Andrews, 1996; Newman, 2005) and macro-levels (media, e.g., Dean and Croft, 2001; Róka, 1999). In Ormrod (2005) this construct was labelled ‘External Orientation’, but in order to avoid implying that the construct is the opposite of the Internal Orientation construct and to emphasise the focus on actors in the wider society the construct has been relabelled Societal Orientation in the current work. The *Societal Orientation* construct has no equivalent in the commercial market orientation literature, as the environment is usually conceptualised as mediating or moderating the ability to effectuate a market orientation (Kohli and Jaworski, 1990; Narver and Slater, 1990). It is, however, prevalent in non-profit marketing (Bhattacharya and Korschun, 2008) and has been discussed in Dean and Croft’s (2001) adaption to the political environment of Christopher, Payne, and Ballentine’s (1991) Six Markets Model.

These constructs will be used below to operationalise the relationships between different aspects of PMO *vis-à-vis* each other, i.e. by identifying organisational forms as PMO profiles.

**Strategic political postures**

Strategic postures are adopted by organisations as part of their decisions about how to relate to their competitive environment. As such, strategic postures are one element of the overarching competitive position, that is, how an organisation intends to compete (Aaker, 2001; Hooley *et al.*, 2001). The competitive position consists of a specific configuration of resources, competences, and goals *vis-a-vis* the environmental situation (Hooley *et al.*, 1998;
Porter, 1985). For example, an organisation can choose to develop a customer offering after exhaustive market research of explicit needs, that is, it can follow the market (Davis and Manrodt, 1996). However, it can also nurture, uncover and fulfill latent needs, that is, lead the market (Hellensen, 2003; McDonald and Wilson, 2002), or an organisation can balance both approaches when developing a relational strategy (Conner, 1999; Slater and Narver, 1999).

Using the two dimensions of leading and following as elements of a strategic posture, the focus of political organisations can be conceptualised. In the political context, leading the market emphasises the prerogative of the party’s offering (i.e. its ideology and convictions), with political marketing activities being directed towards attaining aims derived from these convictions. This is represented by the Convinced Ideologist posture and consists of influencing and convincing different stakeholder groups about the value of the party’s offering.

Following the market, on the other hand, entails reacting to events such as public opinion changes within the political system by developing adaptive offerings that fulfill stakeholder needs and wants, i.e. a Tactical Populist posture (Henneberg, 2006a). Balancing the leading and following elements, based on contextual necessities, results in a Relationship Builder posture, whilst a lack of both elements equates to a Political Lightweight posture (the two postures that are relevant to this investigation, i.e. the Relationship Builder and Convinced Ideologist, are discussed in more depth below). The specific emphasis on leading or following in politics represent a competitive dynamic in the sense that a party can gravitate to different postures over time (Henneberg, 2006b).

**Configuration theory and PMO profiles**

To develop a conceptual motivation for the integration of party political postures (i.e. strategic choices) and PMO profiles (i.e. implementation profiles), a configuration theory
framework is applied. It can be argued that for a specific strategic orientation of a political organisation, some PMO profiles are more appropriate and successful than others (Narver et al., 1998; Slater and Narver, 1999). Based on Mintzberg’s (1979, 1983) as well as Miles and Snow’s (1978) configurational theories, each of the strategic postures can be successful in a given market environment. However, based on the chosen posture, a specific organisational configuration needs to be implemented which underpins (and enables) this strategic orientation (Walker and Ruekert, 1987; Doty et al., 1993; Ketchen et al., 1997; Ruekert et al., 1985; Van de Ven and Drazin, 1985). Thus, while the choice of strategy type is ‘free’, that of the organizational implementation profile is dependent. Specific ideal organizational profiles for each strategic type or posture can be derived (Drazin and Van de Ven, 1985; Doty et al., 1993), and the fit between the strategy type and the implemented profile is posited to be related to the extent to which an organization is successful; see figure 1 (Ketchen et al., 1993; Vorhies and Morgan, 2003).

Take in Figure 1

HYPOTHESES DEVELOPMENT

Based on Ormrod and Henneberg (2009b forthcoming), different ideal PMO profiles for each of the strategic postures of political parties can be theoretically derived, in line with suggestions by Doty et al. (1993). In the context of this study, both Danish parties which agreed to participate in the empirical investigation (Party A and Party B) are relatively small, with memberships below 10,000 and with a total combined share of almost 20 percent of the popular vote at the time of this study. An understanding of their specific political posture was derived via a self-typing paragraph method as part of this study (see below). While one of our focal parties (Party A) exhibits the characteristics of a Relationship Builder (i.e. its strategy shows high levels of ‘following’ as well as ‘leading’), the other (Party B) is indicated as being
Convinced Ideologist, i.e. a party which is predominantly aiming towards a ‘leading’ strategy. In the following, only the ideal PMO profiles for these two relevant postures are discussed.

**Ideal PMO profiles by postures**

The *Relationship Builder* party (Party A) places an explicit emphasis on acknowledging both the importance and opinions of all societal stakeholder groups (Henneberg 2006a). This said, there will always be some form of actual trade-off with regard to the extent to which the opinions of each group affect the offering, as it is rarely possible to implement “*Texan taxes with Scandinavian welfare benefits*” (Henneberg and O’Shaughnessy, 2007a: 20). Driving the market (leading) by attempting to convince stakeholders of the value of the party offering, and being driven by the market (following) by tailoring the party offering to specific stakeholder needs and wants, are not mutually exclusive but different strategic options for this political party based on contextual contingencies (Connor, 1999; Henneberg, 2006a; Slater and Narver, 1999). Relationship building parties such as Heidar and Saglie’s (2003) Network Party put strong strategic emphasis on both dimensions of leading as well as following, and try to find organizational ways to integrate and balance both aspects.

Based on this strategic posture, an ideal PMO profile can be derived (following Ormrod and Henneberg, 2009b forthcoming) in which all eight constructs of PMO are somewhat important. Furthermore, the paths from each of the attitudinal constructs to the behavioural constructs, and also between the four behavioural constructs, are expected to be strong and significant. As such, this SPP provides the most saturated path model in which the other ideal PMO profiles are nested. Building on the argument that leading and following are not mutually exclusive (Narver *et al.*, 2004), the focus of the *Relationship Builder* party is such that when emphasis is placed on uncovering the opinions of any of the stakeholder groups,
this will have a positive impact on the generation of information and its dissemination throughout the organisation, which in turn informs the internal debate and increases the consistency of the implementation of the agreed-upon strategy. The ideal PMO profile for the strategic posture of a *Relationship Builder* is summarised in Figure 2a.

Take in Figure 2 (a and b)

The first hypothesis is therefore:

\[ H_1: \text{Party A will exhibit a political market orientation profile in line with the ideal profile of a Relationship Builder strategic party posture} \]

For a *Convinced Ideologist* (Party B) internal stakeholders play a crucially important role in guiding this type of strategic posture (Henneberg, 2006a), as they are the ‘carriers’ of the ideology and convictions of the party (Lees-Marnment, 2001a; Lilleker, 2005). As such, a party that adopts this strategic posture aims to drive the market (a leading approach), as it believes its offering to be intrinsically superior to that of its competitors. Convinced Ideologists are therefore strong on aspects concerned with leading while following characteristics are strategically less important. It is therefore suggested that the *Internal Orientation* will be highly developed in the ideal PMO profile for this strategic orientation, and that it will impact more than any other attitudinal construct on all the behavioural aspects (Ormrod and Henneberg, 2009b forthcoming). Furthermore, some selected, party-specific stakeholder groups within society with a particular affinity with the party (as represented in the *Societal Orientation*) will also feature dominantly in the organisational PMO make up of these parties. Such affiliated external organisations can have a shared history or are based on a natural dovetailing of core beliefs, for example, socialist parties and trade unions (e.g.,
Leopold, 1997), or green parties and environmental movements (e.g., Cordier, 1996). However, the majority of stakeholders outside of the party, including voters, are only important as passive recipients of communication and influencing efforts by the party. Thus, *Voter* and *Competitor Orientation* are hypothesised to be less developed and of minor influence on behavioural aspects of the party’s PMO. However, the behavioural chain is expected to be strong, with especially the construct of *Member Participation* being an important driver of *Consistent Strategy Implementation*. Figure 2b summarises the ideal PMO profile for the strategic posture of a *Convinced Ideologist*.

The second hypothesis for our investigation states:

\[ H_2: \text{Party B will exhibit a political market orientation profile in line with the ideal profile of a Convinced Ideologist strategic party posture} \]

**PMO profiles and political activity levels**

Because PMO represents an organisational characteristic, the commercial marketing literature underlines the importance of all employees having a responsibility to exhibit market oriented characteristics (e.g., Shapiro 1988; Kohli and Jaworski 1990; Narver and Slater, 1990; Harrison-Walker 2001; Gounaris, 2008). By extension, in order for the organisation to be market oriented, all employees have to be knowledgeable of, and agree on, the general thrust of the organisational strategy (Daft and Weick, 1984; Harrison-Walker, 2001). In both the political marketing (e.g., Granik, 2005; Lilleker, 2005), and PMO literature (e.g., O’Cass, 1996, 2001a, 2001b; Lees-Marshment, 2001a, 2001b; Ormrod, 2005, 2007; Ormrod and Henneberg, 2008, 2009b forthcoming), the contribution of rank-and-file party members is considered essential as they can function as credible proponents of the party offering, whatever the chosen strategic posture may be. This view is backed by the political science perspective: parties fulfil the role of facilitating the participation of citizens in the legislative
process and of aggregating and articulating the opinions of the populace via their memberships (Bille, 2003). Parties exist, therefore, as vehicles that enable a particular constellation of political and societal beliefs and opinions to be expressed. While there may be disagreements on the details of policy, the fundamental approach to the direction of society is one that it shared by all party members, implying that a large degree of organisational cohesiveness is necessary to justify the existence and stability of the party.

The importance of organisational cohesiveness underlined in the commercial and political marketing literature together with the political science literature leads to a need to control for the impact of party member differences. As part of this study, we therefore focus on differences of PMO profile perceptions by different groups within the party, i.e. the stability of the organisational make-up. As discussed above, in the political marketing and political science literature, no such differences are assumed to be prevalent. Therefore, our hypotheses are:

\[ H_{3a} : \text{There are no significant differences in the perceptions of the PMO profile between the different members of Party A} \]

\[ H_{3b} : \text{There are no significant differences in the perceptions of the PMO profile between the different members of Party B} \]

**DATA AND VARIABLE CONSTRUCTION**

**Self-typing study**
Initially, the strategic postures of the two relevant Danish parties were assessed. This was carried out using a self-typing paragraph method, in line with other configuration studies (e.g., James and Hattan, 1995; Shortell and Zajac, 1990; Snow and Hambrick, 1980). We derived three self-typing descriptions for the main political posture types from the existing literature. The initial wording was based on Henneberg (2006a) and then subjected to several
rounds of pre-tests with political experts, with a simultaneous development of the wording in both English- and Danish-language versions. We adjusted the descriptions of several of the postures according to our pre-test results, and eliminated one non-viable posture (in line with self-typing studies in the commercial sphere; James and Hattan, 1995). A second pre-test resulted in further slight changes to the description. The final English wording of the descriptions can be found in Appendix 1.

We sent these descriptions via email to seven experts with an academic interest in the Danish party system. We requested them to assign to each of the eight main Danish political parties the strategic posture which best describes the party’s orientation in the political competition during the last electoral cycle. Due to the smaller number of respondents compared to studies in the commercial literature (e.g., Snow and Hambrick, 1980; Shortell and Zajac, 1990; James and Hattan, 1995), a qualitative method of assessing criterion validity was used. Cooper and Schindler (2001) provide four characteristics which, when met, suggest adequate levels of criterion validity in qualitative research: availability of information to the respondents on the choice criteria for categorisation; freedom from bias; relevance; and interrater reliability. The first two characteristics were met by using experts with an academic interest in Danish politics; all eight parties represented in the Danish parliament were included in the self-typing study in order to maintain the anonymity of the two parties relevant for our study, thus eliminating bias. The criterion of relevance is dependent on adequately describing the multiple facets of each SPP. This was ensured via several rounds of pre-testing of the self-typing paragraphs. Finally, for the calculation of interrater reliability for nominal data with multiple coders we used Krippendorff’s $\alpha$ which is considered to be a conservative measure of interrater reliability (Hayes and Krippendorff, 2007). The acceptable cut-off point of .70 in exploratory studies (Lombard et al., 2002) was attained with an interrater reliability of $\alpha =$
Our results which show that Party A and B are characterised by a *Relationship Builder* and *Convinced Ideologist* posture, respectively, are therefore assumed to be reliable.

**PMO model study**

The PMO profiles are operationalised in a way similar to studies in the commercial (Schlosser and McNaughton, 2007) and political (O’Cass, 2001a; Ormrod and Henneberg, forthcoming) market orientation literature (for a list of items see Table 1). Multiple respondents within each organisation are used to understand the relationships posited by the nomological model of constructs. We follow closely Ormrod and Henneberg’s (2008, forthcoming) operationalisation of PMO using the member perceptions of political market orientation as a proxy for the single, expert respondent common in commercial studies (Langerak, 2003). In addition to the items administered as part of the investigation of the PMO profiles, a self-categorisation question asked members about their activity level within the party. This helped operationalising our control variable of member groups in order to investigate H_{3a} and H_{3b}. The five choice categories ranged from 1: ‘Very active, I am involved with the Party at least once a week’, to 5: ‘Not at all active, I am involved with the Party at most once or twice a year’. These categories are collapsed into three categories, the ‘very active members’ (i.e., attending party meetings more than once a month), the ‘moderately active members’ (i.e., attending party meetings but not necessarily on a regular basis) and the ‘inactive members’.

**Pre-test and sample**

The development of the questionnaire was carried out in English (due to the reliance on existing scales for the constructs of the PMO profile) and translated into Danish using a standard double-blind translation/re-translation procedure. The Danish questionnaire was subjected to a further round of pre-testing with ten politically active students at a major Danish University. There were no problems encountered with the understanding of the
translated items. The questionnaire was administered online using the websurveyor software, with an invitation from the researchers to participate being sent out to all party members by the parties in a covering e-mail. The research was conducted in the Autumn of 2006. In Party A, 7500 e-mails were sent with a total response of n=1560 (split of n=482 very active members, n=395 moderately active members, and n=683 inactive members; i.e. 31%/25%/44% of respondents). In Party B, 9500 e-mails were sent with a total response of n=1623 (split of n=380 very active members, n=481 moderately active members, and n=762 inactive members; i.e. 23%/30%/47% of respondents). As neither party allowed a reminder mailing, we tested for significant differences in means between the fastest and slowest thirds of respondents (p < .05) as recommended by Armstrong and Overton (1977), which did not reveal any non-response problems.

Variable operationalisation

Fifty-one items were operationalised using a seven-point, Likert-type scale and followed Ormrod and Henneberg (2008) and Ormrod and Henneberg (forthcoming) in operationalising the constructs in reflective measurement models (Bagozzi and Baumgartner, 1994; Diamantopoulos and Siguaw, 2006; Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003). An inspection of the descriptive statistics led to the deletion of one item from each of the two data sets (the same item) due to cut-off levels for skewness and kurtosis above those recommended by Hair et al., (2003). A further Principle Components Analysis with Varimax rotation removed a further item from each dataset.

RESULTS

Model evaluation
The Partial Least Squares (PLS) method of estimating path coefficients was used to understand the relationships between latent constructs, i.e. PMO profile concepts. PLS was chosen due to model complexity and the exploratory nature of the investigation (Wold, 1982; Bagozzi and Yi, 1994; Fornell and Cha, 1994; Chin, 1998). Hulland (1999) suggests a two-stage process for evaluating PLS models: firstly, the adequacy of the measurement model is assessed using the individual item reliabilities (factor loadings), then the nomological network using indices for convergent validity, discriminant validity and predictive relevance. Two models (one for each party) were tested using SmartPLS 2.0 (Ringle et al., 2007).

Items were eliminated using an iterative process until the various diagnostics demonstrated that the constructs were adequately explained. In both models, the vast majority of individual item reliabilities exceeded the .70 threshold recommended by Hulland (1999) (Table 1). However, due to the exploratory nature of the investigation and in order to avoid a single-item construct, all items above the .60 threshold are retained, in line with recommendations by Churchill and Peter (1984) who argue for accepting minimum reliability scores of .50. Convergent validity can be assessed using the Average Variance Extracted (AVE) and Composite reliability (CR) scores (Hulland, 1999). In order for more than half of the variance of a construct to be explained, the AVE score must be greater than .50, which was the case for all constructs. CR is related to the more widely known Cronbach’s α statistic but has the advantage of allowing a degree of heterogeneity between items, with the recommended minimum value being .70. All constructs demonstrated CR statistics greater than the recommended minimum value, demonstrating that both models possess good levels of convergent validity.

In order for items to explain more of the variance of their constructs, the AVE scores for any two constructs should be higher than their squared correlation (Hulland, 1999; see Appendix 2). This is the case in both models, and thus the discriminant validity criteria are met. Finally,
the Stone-Geisser $Q^2$ statistics (Geisser, 1975; Stone, 1974) for assessing the predictive relevance of each latent construct were all positive, indicating that both models possess good predictive relevance.

<table>
<thead>
<tr>
<th>Construct quality criteria and item wordings</th>
<th>Item reliabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Party A</td>
<td>Party B</td>
</tr>
</tbody>
</table>

**Internal Orientation (IO)**

*Party A: AVE = .56, CR = .79*

*Party B: AVE = .54, CR = .78*

The influence of each Party member reflects their position in the Party hierarchy (R)  
\[ .71 \text{ } .68 \]

Politicians have the most influence in Party policy development (R)  
\[ .73 \text{ } .72 \]

All members have an equal influence in fundamental Party decisions  
\[ .80 \text{ } .80 \]

**Voter Orientation (VO)**

*Party A: AVE = .67, CR = .86*

*Party B: AVE = .69, CR = .87*

A trade off is made between the opinions of the electorate on the one hand, and the Party’s ideology on the other  
\[ .83 \text{ } .80 \]

In general, the opinions of potential voters affect the extent to which the Party is guided by its ideology  
\[ .89 \text{ } .90 \]

The opinion of the electorate affects the direction of the Party in most cases  
\[ .73 \text{ } .79 \]

**Competitor Orientation (CO)**

*Party A: AVE = .57, CR = .72*

*Party B: AVE = .57, CR = .72*

The Party takes all other parties into consideration as competitors for votes and resources, irrespective of their ideology  
\[ .65 \text{ } .86 \]

The opinions of other parties are important to the Party when making decisions regarding policy and strategy  
\[ .84 \text{ } .63 \]

**Societal Orientation (SO)**

*Party A: AVE = .59, CR = .74*

*Party B: AVE = .60, CR = .75*

Most local level issues are not seen as important in the Party (R)  
\[ .66 \text{ } .72 \]
Individuals active at the local level are able to influence Party policy, irrespective of whether these individuals are Party members or not  .84  .82

### Information Generation (IG)

<table>
<thead>
<tr>
<th>Party</th>
<th>AVE</th>
<th>CR</th>
<th>$Q^2$</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>.57</td>
<td>.80</td>
<td>.09</td>
<td>.17</td>
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<tr>
<td>B</td>
<td>.55</td>
<td>.78</td>
<td>.08</td>
<td>.15</td>
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</tbody>
</table>

The Party makes a point of finding out what members think  .85  .86
Information is gathered from interest groups regarding their specific opinions  .74  .67
Party members gather useful information from those they meet  .67  .69

### Information Dissemination (ID)

<table>
<thead>
<tr>
<th>Party</th>
<th>AVE</th>
<th>CR</th>
<th>$Q^2$</th>
<th>$R^2$</th>
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<td>.85</td>
<td>.26</td>
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<td>B</td>
<td>.58</td>
<td>.85</td>
<td>.21</td>
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</table>

The organizational structure of the Party means that the voice of every Party member can be heard  .78  .75
Elected Party members keep rank-and-file members informed about their work  .81  .80
The party leadership (e.g., elected politicians, Party professionals and active volunteer members) rarely listen to rank-and-file Party members (R)  .78  .81
All Party members pass on any information that could help other members in their work for the Party  .69  .68

### Member Participation (MP)

<table>
<thead>
<tr>
<th>Party</th>
<th>AVE</th>
<th>CR</th>
<th>$Q^2$</th>
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<td>B</td>
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<td>.82</td>
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</table>

Party members directly contribute to strategy development  .80  .77
Most changes to Party strategy are discussed extensively before the final decision is made  .72  .63
All Party members are consulted before any decision is made regarding Party policy  .72  .66
All Party members have a real influence in strategy development  .84  .85

### Consistent Strategy Implementation (CSI)

<table>
<thead>
<tr>
<th>Party</th>
<th>AVE</th>
<th>CR</th>
<th>$Q^2$</th>
<th>$R^2$</th>
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<tbody>
<tr>
<td>A</td>
<td>.53</td>
<td>.82</td>
<td>.18</td>
<td>.37</td>
</tr>
<tr>
<td>B</td>
<td>.52</td>
<td>.81</td>
<td>.13</td>
<td>.28</td>
</tr>
</tbody>
</table>

Party members play an active role in implementing Party strategy  .66  .67
No matter who is asked in the Party, all members provide a consistent picture of the Party’s policies  .75  .68
Party strategy is known by all members

Inactive members provide a picture of the Party's policies that is consistent with that provided by active members

<table>
<thead>
<tr>
<th>Construct</th>
<th>Average Variance Extracted (AVE)</th>
<th>Composite Reliabilities (CR)</th>
<th>$Q^2$</th>
<th>$R^2$</th>
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<tr>
<td>PMO</td>
<td>.68</td>
<td>.73</td>
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</table>

Table 1: Construct Average Variance Extracted (AVE), Composite Reliabilities (CR), $Q^2$, and $R^2$; item loadings. Note: (R) indicates a reversed scale. All item reliabilities are significant at the $p < .01$ level.

In assessing the nomological model, it was found that the PMO path coefficients between the four behavioural constructs were all strong and significant for Party A (Figure 2) as well as for Party B (Figure 3), ranging from .43 (IG $\rightarrow$ ID in Party B) to .55 (ID $\rightarrow$ MP in Party A). This is expected with regard to the ideal PMO profiles for both Party A and B. The pattern mirrors results reported by Ormrod and Henneberg (forthcoming), despite the different party sizes and political system in our study. The path coefficients were generally higher for Party A, as were both the $Q^2$ and $R^2$ statistics.

Take in Figure 3

The attitudinal constructs of PMO for Party A exhibit low or insignificant path coefficients for the impact of Voter and Competitor Orientation on the behavioural constructs. This is not in line with the expected ideal PMO profile for Party A as a Relationship Builder. For Party A only the perceptions of the Internal Orientation and Societal Orientation constructs had significant, positive relationships with the four behavioural constructs, which is more consistent with a Convinced Ideologist posture. Thus, hypothesis $H_1$ is not supported: Party A’s PMO profile is not aligned with the ideal profile as expected by Party A’s strategy posture.

Party B was typed as a Convinced Ideologist, and as can be seen in Figure 4, its PMO profile was in line with the expectations of the ideal PMO profile for such a strategic posture. Whilst
the path coefficients did not display values as high as those in Party A, all paths from the *Internal Orientation* and *Societal Orientation* constructs to the behavioural constructs are significant. In addition to this, three of the four path coefficients from the *Voter Orientation* construct were also significant, although two were negative. This indicates that whilst there is a relationship between the *Voter Orientation* and behavioural constructs, an increase in the focus on voters is related to a decrease in the overall level of behavioural market orientation of Party B. There were no significant relationships between the *Competitor Orientation* and the different behavioural constructs of PMO, in line with expectations of the ideal profile for a *Convinced Ideologist* party. Thus, hypothesis H$_2$ is only partially supported: Party B’s PMO profile is partially aligned with the ideal profile as expected by Party B’s strategy posture.

Take in Figure 4

**Comparison of structural model path coefficients by activity level**

To investigate hypotheses H$_{3a}$ and H$_{3b}$, two steps were followed: Initially, PLS models of the PMO profiles were calculated for each party member group in each party. The three activity levels described above were used as categorisation criteria for the groups (Group 1: very active members, Group 2: moderately active members, and Group 3: inactive members).

It was found that the pattern of PMO profiles matching the profile associated with the *Convinced Ideologist* SPP continued for each of the three activity levels in both parties. The behavioural chain in each of the six models (three activity groups each for two parties) exhibited statistically significant, strong path coefficients, ranging from .38 to .63. With regard to the path coefficients linking the four attitudinal constructs to PMO behaviour, those from the *Internal Orientation* and *Societal Orientation* constructs were generally significant whilst those from the *Competitor Orientation* and *Voter Orientation* constructs were mainly
insignificant, again mirroring the overall results for the parties. This indicates initially support for hypotheses $H_{3a}$ and $H_{3b}$.

However, a second step is necessary, using significance tests, to assess the differences in path coefficients for each of the three activity levels within the two parties (see Appendix 3 for the path coefficients for all subsample models; Appendix 4 for subsample model quality criteria; and Appendix 5 for comparing subsample AVE scores with the squared construct correlations). Differences for the relationships between the constructs provide a second indicator regarding hypotheses $H_{3a}$ and $H_{3b}$, i.e. that party members exhibit an homogenous perception of the inter-construct relationships, that is, the organisational cohesiveness of each party regarding political marketing orientation. The t-statistics for each comparison can be seen in Table 2.

<table>
<thead>
<tr>
<th>Path</th>
<th>Intra-party comparison (Party A)</th>
<th>Intra-party comparison (Party B)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Groups 1 ↔ 2</td>
<td>Groups 1 ↔ 3</td>
</tr>
<tr>
<td>IO → IG</td>
<td>4.27**</td>
<td>10.69**</td>
</tr>
<tr>
<td>IO → ID</td>
<td>(.30)</td>
<td>3.97**</td>
</tr>
<tr>
<td>IO → MP</td>
<td>4.38**</td>
<td>4.03**</td>
</tr>
<tr>
<td>IO → CSI</td>
<td>(.64)</td>
<td>(1.35)</td>
</tr>
<tr>
<td>SO → IG</td>
<td>13.43**</td>
<td>5.75**</td>
</tr>
<tr>
<td>SO → ID</td>
<td>2.23*</td>
<td>4.67**</td>
</tr>
<tr>
<td>SO → MP</td>
<td>(.52)</td>
<td>(1.12)</td>
</tr>
<tr>
<td>VO → ID</td>
<td>(1.43)</td>
<td>-</td>
</tr>
<tr>
<td>IG → ID</td>
<td>4.79**</td>
<td>8.00**</td>
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<td>ID → MP</td>
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</tr>
<tr>
<td>MP → CSI</td>
<td>5.54**</td>
<td>4.68**</td>
</tr>
</tbody>
</table>
Table 2: T-statistics for differences between Groups. * = p < .05, ** = p < .01. Insignificant differences in parantheses. ‘-‘ indicates where a comparison was not possible due to one of the path coefficients being insignificant.

In Party A most path coefficients were different at the p < .01 significance level, including all comparisons between the three groups regarding the behavioural chain of PMO activities. Thus, hypothesis H$_{3a}$ is only partially supported: while different activity level groups within the party similarly perceive the organisational profile to resemble that of a *Convinced Ideologist*, group differences exist in the weights and path coefficients which link the different constructs of this PMO profile. The same pattern is visible for Party B: while two path coefficients are significantly different at the p < .05 level, the majority are different at the p < .01 level, again only partially supporting hypothesis H$_{3b}$ and indicating a potential instability in the perceptions of the PMO profile.

**DISCUSSION**

This study investigated the fit of the political market orientation profiles of two Danish parties with the expected (ideal) organisational profile derived from the party’s strategic orientation. The results of this study provide important insights for party managers. Using a self-typing study, Party A was assessed to exhibit a *Relationship Builder* posture, while Party B exhibits characteristics of a *Convinced Ideologist*, i.e. its strategy was dominated by a *leading* mentality. Based on these strategic orientations, ideal PMO profile were compared with the actual one, based on perceptions by party members. For Party A a mismatch existed between the expected ideal PMO profile and the actual one: the path model represented a PMO profile for a *Convinced Ideologist* orientation, and not the *Relationship Builder* orientation of Party
A. Especially organisational aspects regarding Voter and Competitor Orientation are underdeveloped to achieve a better fit with party strategy.

In terms of practical managerial implications, the results indicate that Party A needs to take actions in order to implement an organisational make-up (i.e. PMO profile) which is complementary to its strategic orientation as a Relationship Builder. Specifically, the analysis suggests that the party needs to strengthen the impact a Voter as well as a Competitor Orientation has on organisational activities. This could for example be done by making information about public opinion or specific voter segments part of a weekly campaign review, or by introducing political market research data into policy development processes (Newman, 1999).

Party B on the other hand shows the expected PMO profiles, i.e. a moderate fit between expected and actual organisational implementation of the strategic orientation exists. Finally, controlling for the stability of these results by investigating the intra-party differences by party member activity levels indicates that the perceptions of their party’s overall PMO profile generally overlap between groups, but that the specific relationships between the attitudes and the behavioural aspects of PMO are perceived significantly different between groups. This indicates that whilst there exists a general cohesiveness within parties as expected in the political science literature regarding the overall strategic posture, political managers need to be aware of the subtle differences that can affect the PMO profile perceptions of different groups within the party. Thus, a configuration-based analysis can be used to ascertain the managerial fit between party strategy and the organisational implementation, and can in cases of mismatches pinpoint organisational areas which need to be developed.

A surprising result is that despite contextual differences between the parties, such as number of members, position on the left-right ideological spectrum, and the strategic posture, the
analysis of PMO profiles showed that many societal groups as well as voters and competitors displayed only a very small importance and impact on the market orientation. This finding is in line with previous research on PMO of British and German parties (Ormrod and Henneberg 2006, 2009a forthcoming, Ormrod and Henneberg forthcoming).

CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH

Based on a configuration theory logic, the fit of the actual organisational make-up (in our study operationalised as the PMO profile) with a theoretically derived ideal profile linked to the chosen strategic orientation of the party, indicates the coherence between strategic aspects of a political party and the implementation of that strategy. As such, this study demonstrates the ability of concepts developed from the commercial marketing literature to contribute to research in the political sphere (Henneberg and O’Shaughnessy, 2007a). However, in order to assess the extent to which the organisational alignment results in competitive advantages for a party, a link with performance variables needs to be established (Powell, 1992; Slater and Olson, 2000; Venkatraman, 1990). Further studies, therefore, need to investigate this link, e.g. using a profile derivation method which has become established in the strategic marketing and strategy literature (Ruekert and Walker, 1987; Vorhies and Morgan, 2003; Kabadayi et al., 2007). Based on the results of our study, it can be hypothesised that Party A performs worse compared to Party B due to the fact that Party A shows a higher degree of misalignment of its organisational implementation profile vis-à-vis its party strategy.

There are also limitations associated with the fact that we used only two parties within a very small market, and utilised a homogeneous set of respondents (party members). While party systems have generally only a very limited number of organisational players, this situation limits the reliability of the method employed. Further research also needs to compare results across political systems to control for the impact of, for example, the electoral system. While
the current results relate to an electoral system based on proportional representation in a multi-party system, the strategic choices and ideal implementation profiles for a first-past-the-post two party system are arguably different (Scammell, 1999). Finally, the investigation was carried out during the mid-term period; future research could investigate the *temporal effects* posited by Ormrod and Henneberg (2006, 2009a forthcoming) in order to better understand the relationship between position in the electoral cycle and the varying importance of different external and internal stakeholders to the parties. For example, the lack of *Voter* and *Competitor Orientation* in the PMO profiles for Parties A and B may be due to the fact that at the time of our study, no election campaign was prevalent.
BIBLIOGRAPHY


Ormrod, R. P. and Henneberg, S. C. (2006), “Are You Thinking What We’re Thinking, or are We Thinking What You’re Thinking? An Exploratory Analysis of the Market


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1 Constructs are capitalised in the text to increase the readability.

2 The terms ‘ideologist’ and ‘populist’ are descriptive labels and do not represent judgements.
Figure 1: Configuration logic of Strategic Political Postures and PMO profiles

- **Strategic Political Postures**
  - (based on leading/following)
  - Convinced Ideologist
  - Tactical Populist
  - Relationship Builder

- **PMO Profiles**
  - (based on PMO attitudes and PMO behaviours)
  - Information Generation
  - Information Dissemination
  - Member Participation
  - Consistent Strategy Implementation
  - Voter Orientation
  - Competitor Orientation
  - Internal Orientation
  - Societal Orientation

- **PMO Profile Fit with Strategic Political Posture Type**
  - Deviation from profile of an 'ideal PMO profile' by arranging attitudes and behaviours in ways that enable the chosen strategic type
Figure 2: Ideal PMO profiles of a Relationship Builder and Convinced Ideologist SPP. Important constructs and relationships (i.e. positive and significant ones) for each SPP are in bold, unimportant ones are in grey.

Figure 2a: Relationship Builder
Figure 2b: Convinced Ideologist
Figure 3: Path coefficients of Party A. Important constructs and significant relationships are in bold, insignificant ones are in grey.
Figure 4: Path coefficients for Party B. Important constructs and significant relationships are in bold, insignificant ones are in grey.
Appendix 1:

Wording of the three self-typing paragraphs. Party Type 1 = Convinced Ideologist, Type 2 = Tactical Populist, and Type 3 = Relationship Builder.

PARTY TYPE 1
When this party develops policy, it considers core party beliefs to be generally more important than rigidly following public opinion. On the whole, the Party emphasises policy consistency, even if this sometimes goes against public opinion. This party attempts to include as many members as possible in the policy development process. Marketing tasks mainly consist of selling party policy.

PARTY TYPE 2
When this party develops policy, it considers public opinion to be generally more important than rigidly following core party beliefs. On the whole, the party emphasises policy flexibility when responding to public opinion. This party includes professional advisers and market research consultants in the internal policy development process. Marketing tasks mainly consist of uncovering and responding to public opinion.

PARTY TYPE 3
When this party develops policy, it considers core party beliefs to be just as important as public opinion. On the whole, the Party emphasises policy pragmatism and balances being responsive to public opinion with following the party’s core beliefs. This party actively attempts to include a broad range of societal groups in the internal policy development process, even though these groups may not necessarily agree with the party on the resulting policy. Marketing tasks mainly consist of synthesizing the diverse opinions that exist within society.
Appendix 2

<table>
<thead>
<tr>
<th>Construct</th>
<th>1</th>
<th>2</th>
<th>3</th>
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<th>5</th>
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Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for all members of Party A

<table>
<thead>
<tr>
<th>Construct</th>
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Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for all members of Party B
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Path coefficients for Party A and Party B (* indicates p < .05, ** indicates p < .01; insignificant path coefficients are italicised in parentheses)
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Model quality criteria for Party A, all respondents and by activity levels

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Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for Party A, Group 1 (very active members)

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Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for Party A, Group 2 (moderately active members)
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Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for Party B, Group 1 (very active members)
Construct  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8  
--- | --- | --- | --- | --- | --- | --- | --- | ---  
1. Internal Orientation | .55 | | | | | | |  
2. Voter Orientation | .01 | .68 | | | | | |  
3. Competitor Orientation | .01 | .08 | .62 | | | | |  
4. Societal Orientation | .04 | .00 | .01 | .60 | | | |  
5. Information Generation | .10 | .00 | .00 | .13 | .54 | | |  
6. Information Dissemination | .13 | .03 | .01 | .15 | .28 | .59 | |  
7. Member Participation | .15 | .01 | .00 | .11 | .24 | .32 | .56 |  
8. Consistent Strategy Implementation | .12 | .01 | .00 | .03 | .16 | .22 | .28 | .55  

Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for Party B, Group 2 (moderately active members)

Construct  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8  
--- | --- | --- | --- | --- | --- | --- | --- | ---  
1. Internal Orientation | .53 | | | | | | |  
2. Voter Orientation | .01 | .67 | | | | | |  
3. Competitor Orientation | .00 | .06 | .54 | | | | |  
4. Societal Orientation | .06 | .00 | .02 | .59 | | | |  
5. Information Generation | .04 | .00 | .00 | .08 | .57 | | |  
6. Information Dissemination | .08 | .02 | .02 | .07 | .21 | .55 | |  
7. Member Participation | .15 | .00 | .00 | .10 | .18 | .28 | .50 |  
8. Consistent Strategy Implementation | .07 | .01 | .00 | .07 | .12 | .18 | .24 | .49  

Average Variance Extracted (AVE; bold on diagonal) and squared construct correlations (below diagonal) for Party B, Group 3 (inactive members)
Part 3

Understanding Political Market Orientation

Robert P. Ormrod

Submitted January 2009
Understanding Political Market Orientation

INTRODUCTION

The final part of this PhD thesis consists of a series of reflections and clarifications of the position of the author on various issues that are not addressed in the five papers in part two as a result of the space restrictions inherent in a peer-reviewed journal article format and following the comments of journal reviewers. Thus it should not be read in lieu of the articles submitted in this PhD thesis but instead be treated as a complement to the published work in part two. It is important to remember that this PhD thesis aims to investigate a concept that, whilst explored extensively in the commercial marketing literature from which it is derived, has not previously been developed to take the specific differences that characterise the political marketplace into account. The title of this PhD thesis, Understanding Political Market Orientation implies that a nuanced understanding of the concept is something that is reserved for the future; in this PhD thesis it is only possible to discuss the preliminary conceptualisation and the findings of the two quantitative investigations into the phenomenon of political market orientation (PMO).

Part three of this PhD submission will begin with a discussion of the utility of the concept of exchange for explaining phenomena in the political system, linking these to reflections and clarifications on the conceptualisation of a PMO. After this, the question of ‘why research PMO?’ will be discussed. The following section will discuss the rationale and process of the empirical research, including elements of an alternative research design. Finally, there will be a discussion of the nature of, and implications for, the PMO model, together with suggested future research directions.
THE CONCEPT OF EXCHANGE IN THE POLITICAL SYSTEM

The conceptualisation of a PMO is derived from the commercial market orientation literature, taking the idiosyncracies of the political system into account (Ormrod 2005, 2007; Ormrod and Henneberg 2010 forthcoming, under review). As such, despite the novel context, PMO is grounded in the commercial literature and as such requires an acceptance of the concept of exchange as being a valid explanans for phenomena in the political system. This is a key assumption if marketing concepts and tools are to be accepted as having utility for political parties and candidates. This section will briefly discuss the concept of exchange in the political system, drawing on the political science and political marketing literature.

The concept of exchange is the foundation upon which both commercial and political marketing is based (Henneberg 2002). An exchange in the marketing sense occurs when something of value is freely traded between two actors to their mutual benefit. Exchanges can be transactional (e.g., frequent, low-risk exchanges), relationship (e.g., long term interactions leading to multiple exchanges) or network (e.g., dyadic exchanges grounded within a wider system). It has been proposed in the political marketing literature that the exchanges of value take the form of long-term relationships with the multitude of stakeholders present within the political system (e.g., Henneberg 2002; Henneberg and O’Shaughnessy forthcoming; Ormrod and Henneberg under review).

Formalised attempts at understanding the nature and characteristics of the political marketing exchange are few (Henneberg and O’Shaughnessy 2007). This is maybe unsurprising given the core research focus on political marketing management (i.e., an instrumentalist
perspective; for discussions of this and alternative perspectives see e.g., Bannon 2005a; Henneberg and O’Shaughnessy 2007 forthcoming; Savigny 2007; Scammell 1999). This has been reflected in those definitional attempts that have been made, from initial foci on facilitating party/candidate-voter exchanges (O’Cass 1996; Wring 1996), to an acknowledgement of a wider group of stakeholders as relevant to political marketing activities (Newman 1999) and finally to a definition that increases the focus on the societal aspects of political marketing (Henneberg 2002). This most recent definition emphasises the need for an holistic appreciation of the importance of long-term relationships in the political marketplace:

“Political marketing seeks to establish, maintain and enhance long-term political relationships at a profit for society, so that the objectives of the individual political actors and organisations involved are met. This is done by mutual exchange and fulfillment of promises”

Henneberg (2002: 103)

Despite the common foundation of exchange and widespread research into phenomena in the political system using tools and concepts developed from the commercial marketing literature, Lock and Harris (1996) in their seminal article identified several characteristics where the commercial and political marketplaces differ appreciably. Firstly, the political offering: this can be described as a service (Henneberg 2002) that is complex, intangible and cannot be unbundled to a far greater extent than exists in commercial markets (Lock and Harris 1996). Secondly, the party brand: a new party brand is very difficult to introduce, and even if the party receives enough support to participate in government, the party brand often loses value (measured in general opinion polls) because of the need to make unpopular decisions (Lock and Harris 1996); additionally, with the exception of pan-European groupings (e.g., of social
democrats) in the EU parliament, the party brand is restricted to one country (Lock and Harris 1996).

Differences between the commercial and political markets also exist within the exchange process. Most extreme is the exchange between voters and political candidates or parties at election time. The participating actors enter into the exchange on the same day, have to live with the collective choice until the next election and cannot change their mind after purchase but must wait until the subsequent election (Lock and Harris 1996). However, it should be remembered that these differences are between the characteristics of the commercial and political exchanges and not of the existence of the exchange itself.

Indeed, the political science literature on party types readily acknowledges the utility of the exchange concept in several core works of the past 50 years; whilst this thesis contributes to political marketing from a commercial marketing perspective, it is nevertheless instructive to summarise a parsimonious selection of the political science literature on party organisation. Extending the use of the microeconomic concepts such as ‘rationality’ and ‘choice under uncertainty’ used by Downs (1957), Henneberg and Eghbalian (2002) note that the terms ‘political market’ and ‘political competition’ occur regularly in Kirchheimer’s (1966) description of the ‘Catch-all’ Party. The Catch-All Party type was characterised by an attempt to appeal to as many voters as possible with a resultant centralisation of power within the party and a greater reliance on knowing and responding to the Zeitgeist in order to facilitate exchanges at election time (Henneberg 2002: 134-135).

By the end of the 1980’s in Great Britain, both major parties used small groups of political professionals on a day-to-day basis to collect and leverage market-related information (Lees-
Marshment 2001a: Ch. 2 and 4). At this time Panebianco (1988) introduced his ‘Electoral-Professional’ party type. Panebianco’s (1988) party type further developed Kirchheimer’s (1966) Catch-All Party and emphasised the importance of party professionals to the running of the party rather than a broader (but still limited) group of senior party members, whilst retaining the vote at election time as the primary exchange. Finally, the most recent contribution is Heidar and Saglie’s (2003) Network Party. The Network Party reverses the trend towards a greater centralisation of power in the party organisation by explicitly encouraging non-party members to participate in policy discussions, although actual voting rights on policy are only available to those who have joined the party (Heidar and Saglie 2003). The nature of the exchange has moved away from a primary focus on the election result to an attempt to institutionalise within the party the integration of stakeholder opinions via dialogue rather than ‘arms-length’ market research.

POLITICAL MARKET ORIENTATION

In the previous section it was argued that the concept of exchange is a valid *explanans* for phenomena in the political system, despite the novel context. Accepting this argument enables a conceptualisation of PMO based on the commercial market orientation literature to be applied to political parties. The conclusion of Ormrod (2007) stated that whilst the three alternative definitions and subsequent conceptualisations proposed by O’Cass (1996, 2001a, 2001b), Lees-Marshment (2001a, 2001b) and Ormrod (2005) respectively, are ‘close family’ in that they all to a certain extent draw on the commercial marketing literature, important differences exist, for example, with regard to voter opinion and the importance of professional versus volunteer members; in short, “ironically (yet unsurprisingly), the disagreements on the nature and content...[of a market orientation]... that exist in the commercial marketing
literature have also been transferred, consciously or not, to the political context” (Ormrod 2007: 87-88). The definition of a PMO that is of interest here is provided by Ormrod (2005: 51):

“It is proposed that a political market orientation exists when all members of a party are sensitive to internal and external stakeholders’ attitudes, needs and wants, and synthesise these within a framework of constraints imposed by all stakeholders to develop policies and programs with which to reach the party’s objectives”

Ormrod (2005: 51)

Ormrod’s (2005) definition refers to a perfectly market oriented party; it should be remembered that such an extreme party in practice is unlikely to exist. The author concedes that the wording of the definition could potentially encourage an absolutist interpretation, and subsequently be criticised for being too all encompassing. It is therefore necessary to underline that market orientation is a matter of degree and not an either-or proposition (e.g., Kohli and Jaworski 1990; Ormrod 2005, 2007), and emphasise that in a world of scarce resources it is necessary to distribute these throughout the organisation – political or commercial – to best support the attainment of short- and long-term aims (Ormrod 2005). Thus the implication is that in practice, every party that ascribes to the role of facilitator of political participation exhibits some level of PMO, irrespective of party type, party system or the party’s ability to influence legislation.

Ormrod’s (2005) definition is not proscriptive in that high levels of general PMO are a prerequisite for electoral success. Indeed, Kohli and Jaworski (1990) state that in some
industries, being market oriented towards all stakeholders (i.e., high levels of general PMO) may not be an optimal use of resources for organisations, due to both organisation-specific and industry-level considerations. The same is argued to be valid for political parties; the strategic posture adopted by the party (Henneberg 2006a, 2006b) is related to a theoretically optimal PMO profile (Ormrod and Henneberg 2007, under review); for example, the party that adopts a Tactical Populist posture (following external market demands) would channel resources into uncovering voter needs and wants, whilst a Convinced Ideologist posture (leading the market based on internal conviction) would emphasise party members and selected stakeholder groups (Ormrod and Henneberg forthcoming, under review). In addition to this, between elections voters may not be the prime concern of parties and thus their importance as a group wanes; in the run-up to an election the dynamics of the political system may result in a shifting of resources towards being more market oriented towards voters, competitors and the media at the expense of, say, citizens or even internal members (Ormrod and Henneberg under review).

The PMO model is conceptualised in a statistical sense such that a party possess an albeit slight degree of market orientation when there is one positive, significant relationship between two constructs in the structural model, although Ormrod and Henneberg (forthcoming, under review) argue that a single-relationship profile and its resulting Political Lightweight posture (i.e., neither attempting to lead or follow the market) is not a viable long-term strategy. Thus the Ormrod (2005, 2007) PMO model is not instrumentalist in that it proscribes the use of particular political marketing management tools, nor is oriented towards the product, that is, what the party ‘offers’ (e.g., policy portfolio, brand, political personalities etc.), or towards sales or marketing, that is, what the party ‘does’ (functional perspective on offering proposition). The Ormrod (2005, 2007) PMO model is descriptive in that it provides
a profile of the market situation in which it exists; it is only indirectly prescriptive when the PMO profile is compared to the desired strategic party posture (Ormrod and Henneberg 2010 forthcoming, under review). Thus the PMO profile is a description of organisational characteristics that can be used to inform on organisational decisions regarding the development of the party’s offering, not be the reason for them.

WHY RESEARCH POLITICAL MARKET ORIENTATION?

It is, of course, necessary to consider an important question: why carry out research into PMO? What can a better understanding of the concept add to the political marketing literature? The structure of journal articles generally preclude an in-depth discussion of the more fundamental justifications for engaging in PMO research. PMO is inextricably linked to political marketing due to the fact that the former is the political manifestation of the marketing concept (O’Cass, 1996, 2001a). The concept of market orientation is well researched in the commercial literature, with hundreds of articles published spanning more than 20 years of work (e.g., Carr and Lopez 2007; Deshpandé 1999; Deshpandé and Farley 2004; Gebhardt, Carpenter and Sherry 2006; Gainer and Padanyi 2005; Gray, Matear, Boshoff and Matheson 1998; Griffiths and Grover 1998; Harrison-Walker 2001; Hult, Ketchen and Slater 2005; Jain and Bhatia 2007; Jaworski and Kohli 1993; Kohli and Jaworski 1990; Kohli, Jaworski and Kumar 1993; Lafferty and Hult 2001; Langerak 2003; Murray, Gao, Kotabe and Zhou 2007; Narver and Slater 1990; Powpaka 2006; Shapiro 1988; Slater and Narver 1995, 1998), encouraged by the American Marketing Science Institute’s focus on the concept and its development.
However, there are academics in both political and marketing science who doubt the ability of marketing research in general to have any useful contribution to understanding the nature of the political sphere. Critics on both sides of the fence point out shortcomings such as that research is not sophisticated, that it leads to ‘marketing imperialism’ and that it perpetuates a short-term focus (Henneberg 2004). The characteristics of several of the alternative streams of research on PMO fall foul of these criticisms, being either an unmodified application of marketing theory to the political context (O’Cass 1996, 2001a, 2001b) or eschewing marketing theory altogether (Lees-Marshment 2001a, 2001b, 2001c; see e.g., Bannon and Mochrie (2005), McGough (2005), Rudd (2005) and Strömbäck and Nord (2005) for alternative operationalisations). It is argued here that a better understanding of PMO that is both adapted to the political context and is founded on marketing theory can provide responses to these criticisms.

**Non-sophistication**

The first criticism of political marketing research uncovered by Henneberg (2004) is that it is not sophisticated. Despite the common foundation of both commercial and political marketing on exchange relationships (Henneberg 2002), tools and concepts from the managerialist school of marketing are often indiscriminately applied without an appreciation of the dissimilarities between the commercial and political contexts (Henneberg 2008; Lock and Harris 1996; Savigny 2007; Smith 2006). Indeed, of those that have been sensitised to the idiosyncrasies of the political marketplace, many cannot be described as ‘cutting edge’, for example SWOT analyses (Lees-Marshment 2001a) and the 4P’s (Lloyd 2005). Finally, there appears to be a confusing entanglement of prescription and prediction (Savigny 2007), where attempts to understand ‘if-then’ hypothetical imperatives are mixed with normative statements that parties *ought* to adopt political marketing tools and concepts.
The conceptualisation of a PMO proposed in Ormrod (2005) and further developed in Ormrod (2007) differs from that extant in the commercial market orientation literature on important points. The external environment (i.e., in addition to customers and competitors) is considered to have a direct impact on the market orientation of the organisation and as such is included in the conceptual model, rather than as a mediator or moderator as in commercial market orientation studies (e.g., Kohli and Jaworski 1990). This is a result of political parties being central actors embedded in a society-level system (Henneberg 2008) and having the ability to affect all areas of society through their influence on the legislative process, rather than the industry-specific systems and consequent primary spheres of commercial organisations. This is important due to the fact that democratic political organisations are generally structured such that all members, irrespective of how active, have the opportunity to play a role in deciding which members will represent the party as candidates for election (Lilleker 2005). However, as one of the primary roles that parties play within a democracy is as a conduit for political participation (Bille 2003), this must be tempered by differences in the organisational structure of the party. This makes understanding the differences between the perceptions of party PMO held by different member categories of paramount importance (Ormrod and Henneberg 2010 forthcoming, under review).

Marketing imperialism

The ‘colonisation’ criticism uncovered by Henneberg (2004) is closely related to the fact that marketing tools and concepts are transferred rather than adapted to the political sphere; it follows that as the theoretical grounding of political marketing research originates in the commercial marketing literature, its contribution to political science is necessarily limited. It is difficult to argue against the de facto use by political actors of tools and concepts adapted
from the commercial marketing literature (e.g., Baines and Worcester 2000; Baines, Worcester, Jarrett and Mortimore 2003; Savigny 2006), but some argue that it cannot contribute to analysing the ‘traditional’ foci of political science (Henneberg 2004), such as the nature of the institutions governing society and the linkages between ideology and the organisation of the state (Malnes and Midgaard 2004).

However, Coleman (2007) has stated that the characteristics exhibited by a political party that is market oriented can result in “responsible democratic governance, which regards public demand at any one moment as being but one factor within an historical environment of evolving experiences, reputations and expectations.” (Coleman 2007: 182). So rather than colonising the political sphere with an exclusive focus on voters, a party that strives to become more market oriented emphasises the balance between the influence of internal and external stakeholders on the long-term development of the political offering. This dovetails with current developments in party organisation research such as the network party (Heidar and Saglie 2003), where external stakeholders, especially politically active but non-aligned citizens, can contribute to policy development but without the voting rights that come with formal membership of the party.

**Short-term focus**

The third area of criticism is that of temporal focus; research into political marketing is still perceived by many to be predominantly characterised by a short-term instrumentalism with an empirically-driven concern with understanding the comparative utility of the tools and tactics employed by party professionals at highly salient political events. This has long been framed as a ‘permanent campaign’ (Nimmo 1999; Sparrow & Turner 2001; Steger 1999), where expertise in market research, communications and the ability to carry out ‘rapid rebuttal’
activities (Baines 2001) are imperative to shaping a successful political offering for exchange; in other words, a continuous series of tactical considerations driving the development and adaptation of the party’s offering.

Commercial market orientation has from its modern inception at the beginning of the 1990’s been understood as emphasising the importance of a long-term approach (Kohli and Jaworski 1990; Narver and Slater 1990). PMO is on this score no different, as managing relationships with the wide diversity of stakeholders within the political system is an essential aspect of understanding and synthesising the needs and wants of voters, competitors, party members, lobby and interest groups, the media and so on (Ormrod 2005), all of whom want their own variation on a theme of “Texan taxes and Scandinavian welfare benefits” (Henneberg and O’Shaughnessy 2007: 20).

METHOD

Space limitations in the majority of journals preclude an in-depth discussion of the reasoning behind the selection of one method above another and the implications of these choices for the investigation in hand. Therefore it is necessary to provide an explanation of the various choices that were made before and during the empirical investigation and their effects on the two empirical papers submitted in section two of this PhD thesis (Ormrod and Henneberg 2010 forthcoming, under review). This section will concentrate specifically on issues related to data collection and the selected method of structural equation modeling, partial least squares (PLS).

Issues relating to data collection
As a direct result of the conceptualisation of a PMO used in this PhD thesis, it was desirable to gain responses from members at all levels of the party, from professionals and elected members to the inactive rank-and-file. This method is consistent with the commercial market orientation conceptualisation and the general assumption in the PMO literature that all members have the potential to engage in exchanges with relevant stakeholder groups (e.g., Lees-Marshment 2001a, 2001b; Ormrod 2005, 2007; Ormrod and Henneberg 2010 forthcoming). Additionally, this method helps address the ‘Imperialism’ criticism of political marketing; the empirical investigations included in this PhD submission do not assume a top-down, managerialist focus, although it could quite possibly be the result of an investigation.

Requiring a sample that consisted of a large number of members risked hampering the ability to collect data from a broader range of parties due to the increased effort necessary on the part of the individual parties. Despite the likelihood of the participation of fewer parties, it was decided to proceed in order to remain consistent with the conceptualisation of PMO developed in Ormrod (2005, 2007). All parties in the British and Danish parliaments were contacted and resulted in the granting of access all members of two Danish parties out of a possible total of eight, and to one British party out of a total of three national parties.

As only three parties agreed to participate in the investigation, these concerns were realised; the limitations of this approach are acknowledged in the conclusion of the fifth paper submitted in this PhD thesis (Ormrod and Henneberg under review), that reports the results of the investigation that concentrates on the two Danish parties:

“There are also limitations associated with the fact that we used only two parties within a very small market, and utilised a homogeneous set of
respondents (party members). While party systems have generally only a very limited number of organisational players, this situation limits the reliability of the method employed.”

Ormrod and Henneberg (under review)

The final response rates for each of the parties was 11.6% (British Party), 17.1% (Danish Party 1) and 20.8% (Danish Party 2). The actual number of responses was more than 1100 in all three parties and statistically this is the level at which generalising to a population is possible and is a rule-of-thumb used in, for example, national public opinion polls – a random sample of 1100 gives an error of +/-3% at a 95% confidence interval, which Burns and Bush (2006: 372) consider to be “highly accurate”. For the two Danish parties, the sample consisted of all members, whilst for the English party the sample consisted of the first 10000 members on the party membership e-mail list in alphabetical order.

By inviting members at all levels of the party to participate in the survey it is possible to understand how the party as a whole perceives itself. In addition to this, if the party wishes to understand member perceptions of party PMO at a more nuanced level (and this is a decision for the party itself), the survey can include various self-reported and actual contextual variables, such as influence, activity level or position in the party that can form the basis for a subgrouping of the sample. Using ‘Activity level’ as the contextual variable for three categories of ‘very active’, ‘moderately active’ and ‘inactive’ gave approximately a 25%-25%-50% split for all three parties; this translates to a minimum number of respondents in each category of approximately 250, which is greater than the samples used in the seminal market orientation studies by Jaworski and Kohli (1993; n = 222 and n = 230) and Narver and Slater (1990; n = 140).
However, having a sufficient number of respondents to comprise a statistically accurate sample does not necessarily ensure the representativeness of that sample. One way of checking for the representativeness of a sample is to compare the response profiles of those who return the questionnaire early against those who return late, or those who return the questionnaire without a reminder against those who respond after one or two reminders (Robson 2002: 267). As all three parties only allowed one mailing it was not possible to test for differences in the response profiles between first- and second-round respondents. As such, the next-best solution was to use Armstrong and Overton’s (1977) assumption that late respondents are likely to be similar to non-respondents. As reported in Ormrod and Henneberg (2010 forthcoming: 11) and Ormrod and Henneberg (under review: 17), a test for differences in responses was carried out between the fastest and slowest thirds of each party, and there were no significant differences.

It is instructive at this juncture to discuss an alternative method. This would concentrate on gaining responses from a sample of the most active members of the party, for example, defined as those whose names appear on the national and local websites as members who can be contacted on various issues and/or have an organisational position of responsibility within the party. This would have the advantage of reducing the workload for the party and would arguably make the participating parties more amenable to allowing reminder mailings. Finally, if the likelihood of having the participation of more parties were increased, it would also increase inter-party variance, providing a broader statistical base with which to calculate industry-level PMO (in line with most studies in the commercial market orientation literature), and including more types of party.
However, this alternative method of selecting respondents is not without its disadvantages. Assuming that no one individual can know the true extent of the party’s market orientation, only asking the highly active members for their opinions would provide a skewed picture. For example, party professionals and elected members may have detailed knowledge about voter opinion through formal polling (both commissioned and in the public domain), but they are few in number and do not have day-to-day social interactions with the electorate in general. The less active members – who would not be included in the sample – do have regular contact with the electorate and are many in number (e.g., Granik 2005; Lees-Marshment, 2001a; Lilleker 2005). In addition to this, inter-party variance would increase but only marginally; in Denmark, focussing on industry level PMO would provide a sample of eight.

A possible alternative to using ‘activity level’ as a categorisation variable could be to use ‘level of influence’. In the political science literature, the influence of each member is to a certain extent a function of the party type in question, for example Kirchheimer’s (1966) mass integration party and Panebianco’s (1988) Electoral –Professional party both centralise decision-making to the top of the party, whilst Heidar and Saglie’s (2003) Network party attempts to extend internal participation to sympathetic yet non-aligned stakeholders (without giving them the voting rights that come with formal membership). When expressed in marketing terminology, ‘member influence’ refers to the ability – rather than desire expressed by the ‘activity level’ variable – of each member of the organisation to engage in goal oriented exchanges, and thus has the potential to complement the ‘activity level’ contextual variable.

Partial least squares
In contrast to other empirical work on PMO (Ormrod and Henneberg 2006, 2008; Ormrod et al. 2007), the two papers submitted here use structural equation modeling as it provides a way of investigating multiple relationships simultaneously, enabling a more nuanced understanding of the linkages between each of the latent constructs in the conceptual model of PMO (Hair, Black, Babin, Anderson and Tatham 2006). However, there are different methods to estimate the multiple relationships of structural equation models. The current section will attempt to explain why the Partial Least Squares (PLS) program ‘SmartPLS 2.0’ (Ringle, Wende and Will 2007) has been selected instead of other programs such as LISREL and AMOS, together with explicating the appropriate reliability and validity criteria to use as indicators of model and indicator quality.

Arguably the most widely used program for structural equation modeling is LISREL (e.g., Jöreskog and Sörbom 1982), a covariance-based procedure. However, covariance-based procedures are susceptible to problems such as a sensitivity to non-normal data, multicollinearity and model complexity (Wold 1982). PLS is a method for causal modeling with latent variables that has its roots in an attempt to counter these limitations, and has recently been gaining favour in important marketing journals such as the Journal of Marketing (Anderson, Fornell and Mazvancheryl 2004; Dellande, Gilly and Graham 2004; Diamantopoulos and Winklhofer 2001; Hennig-Thurau, Groth, Paul and Gremler 2006; Hennig-Thurau, Henning and Sattler 2007; Johnson, Herrmann and Huber 2006; Ulaga and Eggert 2006; White, Varadarajan and Dacin 2003) and the Journal of Marketing Research (Reinartz, Krafft and Hoyer 2004).

With PLS, the loadings or weights of the variables of each construct are estimated and then used to calculate (rather than estimate as with e.g., LISREL) the path coefficients specified in
the structural model. Studies have shown that PLS has a tendency to overestimate the item loadings or weights, in turn leading to more conservative path coefficients, which makes PLS more suitable for exploratory research (Chin 1995; Dijkstra 1983; Widaman 1993). Therefore, due to the exploratory nature of the investigation and the complexity of the structural model, PLS is argued to be the most appropriate method for the investigations in Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review).

By applying the same method to the subgroups (activity levels in Ormrod and Henneberg 2010 forthcoming, under review), a PMO profile for each subgroup can be derived for each. A bootstrapping procedure can then be carried out where the structural model is re-calculated following a re-estimation of the measurement model after removing pieces of data from the original dataset. From this it is possible to derive means and standard deviations for each coefficient in the structural model and thus test for whether there is a significant difference between the coefficients. This would enable the party to concentrate resources on those subgroups whose profiles deviate most from the generally agreed posture. Thus it can be argued that even for individual parties, uncovering their PMO profile is a useful exercise. It is important to remember that a PMO is an organisational characteristic and therefore it is not possible to derive policy implications from the results of the investigation. Only the party can make policy decisions, and by whom the decision is made is dependent on the decision-making competence structure of the party.

**Evaluating the validity and reliability of PLS models**

Hulland (1999) recommends evaluating the measurement model using the individual item reliabilities, convergent validity (composite reliability) and discriminant validity; in addition to this, Chin (1995) also recommends using predictive relevance (predictive validity) as a
further quality criteria. The individual item reliabilities in PLS are the loadings or weights that each manifest variable has with its respective latent construct. Hulland (1999) recommends that the item reliabilities should be at least .70, that is, the amount of variance that a variable shares with the construct is greater than the variance that can be attributed to error.

The construct composite reliabilities can be used to assess convergent validity when using PLS (Chen, Nozer and Singpurwalla 1996; Fornell and Larcker 1981; Hulland 1999; Raykov 1998). An assumption of the better-known Chronbach’s α reliability statistic is that the items are homogeneous; composite reliability, on the other hand, allows for a degree of heterogeneity amongst the items that load onto a particular construct (Raykov 1998) and as such is more suited to exploratory studies (thus complementing the choice of the PLS method adopted in this thesis). Nunally’s (1978) recommendation of minimum .70 as a cutoff for internal consistency is generally accepted for composite reliability (Hulland 1999).

The Average Variance Extracted (AVE) statistic is a measure of the average amount of variance shared by a construct and its variables (Hulland 1999) and can be used to ascertain the discriminent validity of a set of measures when compared to the squared construct correlations (Fornell and Larcker 1981), that is, whether the construct in question shares more variance with its measures than with the other constructs in the structural model (Hullland 1999). The final measurement model quality criteria is the Stone-Geisser $Q^2$ statistic for predictive relevance (Geisser, 1975; Stone, 1974). Predictive relevance is a sample-reuse procedure using a blindfolding algorithm where observations are omitted from the dataset for each construct and the remaining data points used to estimate those observations that are missing (Chin 1995). The $Q^2$ statistic has a value between -1 and 1, with a positive value indicating that the observations are good predictors of each other.
Once the measurement model has been assessed for the validity and reliability criteria described above, the structural model can be evaluated for nomological validity. This can be achieved by using the $R^2$ value of each of the endogenous latent constructs, for which Hulland (1999) considers .30 as an appropriate lower boundary. As the $R^2$ statistic is a sample-based measure, a sample re-use technique can be used to check the predictive relevance of each of the constructs (Chin 1995), again by calculating the Stone-Geisser $Q^2$ statistic. Finally, a bootstrapping procedure can be carried out in order to ascertain whether the path coefficients are significantly different from those calculated from a dataset where observations are omitted.

**DISCUSSION**

“Rather than advocating a continuation of the discussion of the extent to which political parties can apply the commercial concept of market orientation, this article has demonstrated that the most pertinent question is not so much whether, as how the concept of a political market orientation should be understood and investigated.”

Ormrod (2007: 88)

The conclusion of Ormrod (2007) was that it was not so much a case of if the concept of PMO should be a focus of research in the field of political marketing, but how it should be understood and investigated. Much has been learned over the past three years; as such it is necessary to integrate and synthesise the results of the research. This Ph.D. submission marks
the first step towards a greater understanding of PMO together with providing interesting insights into the current focus of political marketing research. The following section will provide a discussion of the nature of the conceptualisation of a PMO in the light of the results of the current research.

The initial conceptualisation of a PMO in Ormrod (2005) labelled the constructs that represent the member orientations towards the four stakeholder groups as ‘attitudinal constructs’, and the four constructs that represent the passage of information through the organisation as ‘member behaviours’. This approach is in line with commercial conceptualisations of a market orientation, but discussions with peers have demonstrated that there is some ambiguity as to the precise meaning of the label ‘attitudes’. Party members do have attitudes towards being market oriented towards particular stakeholder groups, and these do impact on their ability to successfully exhibit market-oriented behaviours; this is an assumption based on the interdependence approach in the commercial MO literature (Gainer and Padanyi, 2005; Griffiths and Grover, 1998; Harrison-Walker, 2001; Hult, Ketchen, and Slater, 2005; Powpaka, 2006). However, when aggregated to the party level it may be more instructive to label the four attitudinal constructs as the orientations of the party towards particular groups in society.

In addition to this, comments were made as to the utility of the External Orientation label for the final stakeholder orientation. It was suggested that this label implied a ‘catch all’ construct, despite the more precise conceptualisation that focuses on those stakeholder groups within society that influence the party. As such, in Ormrod and Henneberg (under review), the label – but not the conceptualisation – of the External Orientation construct was changed to Societal Orientation. This latter label will be used from this point on.
A major finding of the PLS modeling procedures in both Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review) was that the relationship between the Voter Orientation construct and member perceptions of the behavioural constructs was generally low (all path coefficients < .16 in all three parties), with the significant paths in all six models in Ormrod and Henneberg (under review) being negative. Due to the central position of voters in the political marketing literature, this raises several questions; is it an expression of a statistical problem – is the operationalisation of the items that load onto the construct flawed? Or is it a theoretical problem – should the conceptualisation or even inclusion of the Voter Orientation construct be reconsidered? Is it a phenomena that actually exists – is it, for example, an expression of the cyclic nature of the characteristics of exchange in the political marketplace, that is, that voters as a discrete stakeholder group are only interesting to parties when they are the principle exchange partner at election time? Finally, is it the case that an exchange-based concept supports the political science understanding of the purpose of parties as being to aggregate and articulate specific perspectives on society; that is, the more prevalent focus on political marketing management ought to be balanced by an increased focus on strategic and conceptual issues in political marketing?

From a statistical perspective, once the low-loading items were removed from the models in both Ormrod and Henneberg (2010 forthcoming) and Ormrod and Henneberg (under review), the individual item reliabilities, composite reliability (convergent validity), average variance extracted (discriminant validity) and predictive relevance PLS model quality criteria were all above the values specified by Hulland (1999). Secondly, not all path coefficients from the Voter Orientation construct were insignificant, and several path coefficients between the Voter Orientation construct and the behavioural constructs in both Ormrod and Henneberg
(2010 forthcoming) and Ormrod and Henneberg (under review) were negative, indicating that an increased focus on voters is related to a fall in member perceptions of the extent to which both parties exhibit market oriented behaviour.

The inclusion of a construct representing member orientations towards voters in the conceptual model of PMO is based on a central aspect of both the commercial and political marketing literature. A focus on customer needs and wants is present in all commercial conceptualisations of market orientation (Lafferty and Hult 2001; Langerak 2003), and the voter has been a central element from the earliest political marketing research due to this group’s role as a key exchange partner (Harrop 1990; Newman and Sheth 1985, 1987; O’Shaughnessy 1990). Political marketing research generally considers the voter to be synonymous with the commercial customer (Henneberg 2002), with a distinction being made between voters and non-voters (Bannon 2003, 2005b; Miron 1999). However, it may be more useful to discern between the voter (customer) and the citizen (consumer), where the former emphasises the discrete exchange at elections, ‘purchasing’ the legislative services of a political actor, whilst the latter is a long term, relationship development process with a ‘consumer’ who has not necessarily voted for the political actor.

This distinction is made in the PMO model as voters (Voter Orientation construct) are conceptualised as being different from citizens (subsumed within the Societal Orientation construct). The Societal Orientation construct itself was initially conceptualised in Ormrod (2005) (then labelled ‘External Orientation’) taking inspiration from Dean and Croft (2001) and included the media (Macro-level stakeholders), lobby and interest groups and the public sector (Meso-level stakeholders) as focal stakeholders subsumed within this construct. Further research (e.g., Heidar and Saglie 2003) indicated the importance of a third group, the
politically active, non-aligned citizens (Micro-level stakeholders), which was subsequently included. This development proved to be vital as in the empirical investigations the Societal Orientation construct was found to be predominantly comprised of items pertaining to the orientation of the party towards politically active, non-aligned citizens, and was highly significant.

If the results of the PLS procedure for both the Voter and Societal Orientation constructs are an expression of phenomena that exist, it is possible to suggest three alternative understandings of the relationship between the electorate and the citizen that can be investigated in future research. The first understands the voter as an exchange partner who is only important at election-time, whilst the importance of the citizen is comparatively stable, irrespective of where on the electoral cycle the party is, whilst the second understands voters and citizens as being one and the same. Both of these allow a synergy between marketing and political science understandings of the nature of political parties as inclusive organisations for citizens to express their beliefs about the development of society based on relationship development. Finally, the third understanding emphasises the exchange as the main driver of PMO in that it is the relevant primary exchange partner for the specific position on the electoral cycle that determines whether the voter (election time) or citizen (mid-term) is most important.

In contrast to the importance placed on relationships with the micro-level stakeholders (citizens) subsumed within the Societal Orientation construct, neither the media nor interest and lobby groups (macro- and meso-level stakeholders, respectively) appeared to be related to the behaviour of the investigated parties. As with voters, the media is a recurring subject of political marketing research and this stakeholder group is a central element in several existing
models in the political marketing literature (e.g., Dean and Croft 2001; Henneberg 2002; Newman 1994). The media can be both paid (advertisements) and earned (providing good copy to journalists) (Schnur 1999) and is characterised by mutual dependency, that is, that parties rely on the mass media as a cost-effective way to pass on their messages to the widest possible audience whilst the same media depends on parties for content (Dean and Croft 2001).

Thus the importance of the media in general or to the PMO model in particular is not disputed in this thesis. That the media was found to be relatively unimportant to all activity levels of the party indicates that there may be a similar situation to that with voters, that is, that the tactical relevance of the stakeholder group to the party organisation as a whole may only be salient to members at election time. In the cut-and-thrust of daily politics, tactical considerations make the media an essential exchange partner for politicians and party professionals when communicating to a wide range of stakeholders. Another potential reason given by Ormrod and Henneberg (2010 forthcoming) is that there may be a tendency, especially for opposition parties, for the membership to focus inwards and towards citizens when developing the offering rather than communicating a ‘work in progress’.

Contact with meso-level stakeholders has several unique characteristics. Party membership may be complemented by membership of a particular lobby or interest group, particularly those that have a traditional close connection with a party, for example, trade unions and socialist parties; environmental movements and Green parties (Ormrod and Henneberg 2009 forthcoming). As such, an increased focus on the other members may indirectly elicit responses about the opinions that are held by these primary external stakeholder groups. In addition to the primary interest and lobby groups, party professionals and elected politicians
have rich access to a comprehensive range of meso-level stakeholders due to their proximity to the political decision-making process. The extent of the difference in range of contact is a characteristic of the party, underlined in both Lees-Marshment’s (2001a, 2001b, 2001c) and Ormrod’s (2005) work, although the former implicitly considers the role of the rank-and-file to be largely passive in this context (Ormrod 2006). It is also argued in Ormrod and Henneberg (2010 forthcoming) that when in opposition, parties have less need to consult external sources of information as the focus turns inwards and concentrates on developing the party offering; to summarise, “Lobby and interest groups, therefore, may help shape laws but not party strategy; the media may criticise policy but is not included in its development” (Ormrod and Henneberg 2010 forthcoming: tbc).

To summarise, the media has traditionally been one of the core research foci of political marketing and permeates all areas of society. Meso-level stakeholders are not as well researched in the political marketing literature (see e.g., Andrews 1996 for an exception) but are essential due to their historical links between parties and particular organisations, where all members can potentially be characterised as having a ‘double membership’ (Ormrod and Henneberg 2009 forthcoming). Thus their inclusion in the conceptual model of PMO is argued to be necessary; what can be altered in the light of the statistical results of the PLS modeling procedure is the way in which the Societal Orientation construct is conceptualised.

The Societal Orientation construct is defined as “The party-wide acknowledgement of the existance and importance of stakeholders in society that are not voters or competitors” (the ‘External Orientation’ construct in Ormrod 2005: 60), subsuming those actors that are present in the political system into one construct; retaining a single construct would provide information on which elements of society in general are important to the orientation towards
stakeholders in the wider political system rather than looking at specific stakeholder groups that are external to the party but not competitors or voters. In this instance it would be prudent to increase the number of ‘Societal Orientation’ items in the questionnaire. Alternatively, the three elements of the current Societal Orientation construct, namely micro- (citizens), meso- (lobby and interest groups) and macro-level stakeholders (media), can be split into three constructs. This would have the advantage of being able to discern between the distinct influence of each of the three groups, but at the same time would increase the complexity of the conceptual model.

In Ormrod and Henneberg (2010 forthcoming), all but two of the path coefficients from the Internal Orientation construct to the behavioural constructs were significant, and all were positive, thus demonstrating a similar pattern to those from the Societal Orientation construct. All path coefficients in the six models in Ormrod and Henneberg (under review) were positive and significant. This implies that irrespective of the member’s level of activity, an increased focus on the importance of members will be generally related to an increase in the market oriented activities of members. There were, however, a surprisingly large number of significant differences in the path coefficients between the models (Ormrod and Henneberg 2010 forthcoming, under review).

In both of the empirical investigations, the results indicated that competitors were not seen as being an important stakeholder as the majority of path coefficients to the behavioural constructs were insignificant. Whilst these results may not be surprising in the British context given the prevalence of one-party governments (Lees-Mashment 2001a; Ormrod 2006), the Danish investigations displayed similar results despite the predominance of minority coalition governments, where cooperation is a fact of political life (Bowler and Farrell 1992; Ormrod
2005, 2006). It is worthwhile remembering that both Danish parties were in opposition at the time of the investigations, which arguably gives the parties a greater freedom to develop an offering that is based on a function of the party’s own beliefs and the needs and wants of selected citizens and organisations external to the party, in strategic terms a Convinced Ideologist posture (Henneberg 2006a, 2006b; Ormrod and Henneberg 2007, forthcoming, under review).

Thus the path coefficients between the constructs representing the four stakeholder orientations and the four representing member behaviours in the various models indicate that the conceptualisation can distinguish between positive and negative relationships between constructs. In order to be able to compare subsamples it is necessary to have the same manifest variables. This criteria resulted in several of the stakeholder orientation constructs only consisting of two items (Ormrod and Henneberg 2010 forthcoming, under review). It is important to remember that with each variable that is removed from the calculations, nuances in the nature of the construct are traded for comparability. The aim of both of the empirical papers submitted in this PhD thesis was to contribute to the literature by comparing various groups of members according to their level of activity, and as such comparability was chosen over maximising the number of items per construct. The reduced number of items per construct is less than ideal, and it is important to uncover why this is the case; possible reasons include items that are difficult to understand and items with multiple interpretations (despite the thorough pre-testing in both Britain and Denmark), together with the appropriateness of ‘activity level’ as a grouping variable.

Finally, irrespective of which electoral system the party exists in, how big the party is or what activity level the members of the participating parties report, the common result is that the
path coefficients between the four constructs representing the strategy development process were highly significant and large compared to the path coefficients from the four orientations. This demonstrates that the strategy development process is strongly related to the consistency of the implemented strategy irrespective of the activity level of the member, supporting Ormrod’s (2006) critique of Lees-Marshment’s (2001a, 2001b, 2001c) market-oriented party model that adopts a top-down, centralised approach to understanding the nature of the party and offering development. The high coefficients and $R^2$ values irrespective of position in the party may be indicative of organisational processes that are highly salient, for example, if a member has generated information and wishes to disseminate this to those who need it in their party-based work, then they know how to do this, that the information will be used in debates surrounding the development of the party’s offering which in turn will contribute towards a more consistent implementation of strategy. It is thus more a question of the individual’s desire to contribute rather than their ability to do so.

CONCLUSIONS AND FUTURE RESEARCH DIRECTIONS

The five articles and papers submitted in Part Two of this PhD thesis cover the initial conceptualisation of a PMO (Ormrod 2005), an overview of the literature and a critique of an alternative model intended to make the nature of the conceptualisation more precise (Ormrod 2006, 2007), together with the results of an empirical investigation in two countries and including three political parties (Ormrod and Henneberg 2010 forthcoming, under review). No work is perfect and especially due to its novelty, certain conceptual limitations may exist with the PMO model. These limitations are caused by modeling the political system in contrast to the commercial system: balancing model complexity with the ability to distinguish between stakeholder groups (e.g., the Societal Orientation construct), accounting for the cyclic nature
of political competition (e.g., the Voter Orientation construct) and including all members in the sample due to the inclusive nature of political parties (e.g., appropriateness of contextual variables regarding the desire as opposed to ability to contribute).

However, it is argued that this research has provided insights that contribute to a better understanding of the nature of a PMO, and in conjunction with other articles and papers co-authored by the author on the subject (Ormrod and Henneberg 2006, 2007, 2008, 2009 forthcoming, forthcoming; Ormrod et al. 2007) lends support to Henneberg and O’Shaughnessy’s (2007) observation that political marketing, whilst a progeny of marketing and political science, is a distinct research area in need of its own theories and concepts. As with many research projects there now appears to be more questions to be answered than have been answered, especially of an empirical nature. These empirical questions fall into two general groups: those that have emerged as a direct result of the work contained in this PhD thesis and those that are relevant for future research. The main points of criticism that can be derived from the empirical investigation are summarised in Table 1, along with suggested directions for future research pertaining to each.

<table>
<thead>
<tr>
<th>Critique</th>
<th>Suggested future research direction</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of manifest variables per construct was in some cases low due to trading items for cross-sample comparability</td>
<td>Follow-up studies that investigate the nature of the constructs that model member orientations towards stakeholders focusing on selected contextual variables</td>
</tr>
<tr>
<td>The path coefficients between the constructs modeling member behaviour and those modeling orientations towards voters, competing parties, the media and interest and lobby groups were generally not significant, and in some cases negative</td>
<td>Replications of the empirical studies in this PhD thesis can be carried out at election time to assess the temporal effects on the importance of each stakeholder group</td>
</tr>
</tbody>
</table>
Few parties were involved in the investigation

Conduct investigations that concentrate solely on the active members in order to reduce the effort required of each party in the data collection process.

Only the items concerning micro-level stakeholders loaded on to the Societal Orientation construct

Increase the number of items for each level (micro/meso/macro), additionally test an alternative model were each level is conceptualised as a separate construct.

Table 1: Critiques of the current work and suggested future research directions

The second group of questions relate to performance criteria for assessing PMO, and the link between PMO and strategic postures. Firstly, how can performance indicators be used to assess the utility of a party becoming more market oriented? Easily quantifiable examples are changes in e.g., membership, voter support and income over time, both in absolute terms and in relation to competing parties in order to capture potential environmental effects such as falling political participation. In addition to this, opinions regarding the success or failure of the party can be elicited from a different sample of the same population to capture member perceptions of whether success criteria have been attained. The results of such investigations would have implications for practitioners: this can be illustrated using the following example of developing a more market-oriented posture in the long-term with regard to the importance of voters.

For example, if a positive relationship already exists between the party orientation towards voters and member activities that support all stages in the strategy development process, then action can be taken to reinforce perceptions of the importance of voters. If, however, there is a negative relationship then the practitioner’s task begins with uncovering whether the orientation towards voters is negative. If this is the case then a focus can be placed on the importance of understanding voter needs and wants, with the subsequent short-term negative impact leading to a long-term positive development. If there is a positive orientation towards
the importance of voters but a negative relationship with any of the constructs in the strategy development process then the focus is on understanding the dynamics of the interaction. Finally, if there is no relationship between orientations towards stakeholders and member activities that support the strategy development process, then members have to be made aware of the importance of the stakeholder group, after which the link can be developed.

A second area of future research centres around understanding the link between PMO and strategic postures. The discussion of the Competitor Orientation construct above noted that the insignificance of the path coefficients could well be related to the adoption of a leading posture as hypothesised in Ormrod and Henneberg (2007) and developed further in Ormrod and Henneberg (forthcoming, under review). Are parties characterised by different PMO profiles depending on whether they have legislative responsibility or not? There may be an ‘incumbent effect’ related to that hypothesised by Ormrod and Henneberg (2006, 2009 forthcoming); for example, a party may be more inclined to generate information using expert opinions in order to aid in the development of the most feasible strategy, or pre-empt potential industrial conflicts, thus increasing the influence of lobby and interest groups in the strategy development process. In addition to this parties have less room to manoeuvre when in government (Lederer et al. 2005; Lees 2005), which may result in the influence of internal stakeholders being reduced.

Finally, it is important to investigate whether there is mediation in the behavioural chain, that is, whether there is a stronger direct relationship between, for example, the Information Dissemination and Consistent Strategy Implementation constructs than indirectly through the Member Participation construct. In strategic terms, this example relates to the theoretical Tactical Populist posture; however, a comprehensive profile consisting of both orientational
and behavioural aspects of PMO can help identify the characteristics of a party’s actual strategic posture (Henneberg 2006a; Ormrod and Henneberg 2007, forthcoming, under review). As such, PMO can be integrated within processes aimed at aligning political strategies with organisational goals.


Bannon, D. P. and Mochrie, R. (2005), “Political Marketing in Scotland’s Devolved...


Ormrod, R. P. and Henneberg, S. C. M. (2006), “‘Are You Thinking What We’re Thinking?’”


Scammell, M. (1999), “Political Marketing: Lessons for Political Science”, Political Studies,

Schnur, D. (1999), “Greater Than the Sum of Its Parts: Coordinating the Paid and Earned
Oaks: SAGE.

66, pp. 119-125.


Research Techniques in Developing Strategies in a More Uncertain Political Climate”,
European Journal of Marketing, Vol. 35 (9/10), pp. 984-1002.


Strömbäck, J. and Nord, L. (2005), “Political Marketing: The Road to Electoral Success or to
Electoral Backlash?”, Paper presented at the Political Marketing Group Conference,


Appendix 1
Political market orientation survey

INTRODUCTION

Dear Party Member,
Thank you for agreeing to participate in this research project. Please answer each of the questions, following the on-screen instructions.

FINAL PAGE

Thank you very much for participating! You are now at the end of the questionnaire, please use the 'submit' button at the bottom of the page to submit your answers. All of your answers are anonymous and will be treated confidentially.
Many thanks!

CONTEXTUAL QUESTIONS

- What is your position in the Party?
Elected MP
Party Employee
Volunteer

- How many years have you been a member of the Houses of Parliament?
less than 2
2 – 5 years
6 – 10 years
more than 10 years

- What is your position in the party?
[text question]
- How many years have you been employed by the Party?
  less than 1
  1 - 2 years
  3 - 5 years
  6 or more

- How long have you been a member of the Party?
  less than 2 years
  between 2 and 5 years
  between 6 and 10 years
  more than 10 years

- How active a Party member are you?
  Very active, I am involved with the Party at least once a week
  Fairly active, I am involved with the Party a couple of times a month
  Slightly active, I am involved with the Party every couple of months
  Not particularly active, I am involved with the Party several times a year
  Not at all active, I am involved with the Party at most once or twice a year

INTRODUCTION TO RESPONSE CATEGORIES FOR QUESTIONNAIRE

In the following section of the questionnaire, we will provide you with statements about the XXX Party. Please indicate your level of agreement or disagreement with each statement using the possibilities in the example below. There are no 'right' or 'wrong' answers, we are interested in your personal opinions

RESPONSE CATEGORIES

Agree strongly
Agree mostly
Agree slightly
neither agree nor disagree
disagree slightly
disagree mostly
disagree strongly

Questionnaire

Code explanation: IO1R_q1 – Internal Orientation question 1 (Reversed scale question), questionnaire item 1; IG1_q25 – Information Generation question 1, questionnaire item 25.

<table>
<thead>
<tr>
<th>Question</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IO1R_q1</td>
<td>The advice of Party professionals (e.g., policy advisers, campaign managers and communications specialists) is dominant when the Party develops policy</td>
</tr>
<tr>
<td>IO2R_q2</td>
<td>The influence of each Party member reflects their position in the Party hierarchy</td>
</tr>
<tr>
<td>IO3R_q3</td>
<td>Politicians have the most influence in Party policy development</td>
</tr>
<tr>
<td>IO4R_q4</td>
<td>The views of active rank-and-file members, Party employees and politicians are more important to the Party than those of inactive members</td>
</tr>
<tr>
<td>IO5_q5</td>
<td>All members have an equal influence in fundamental Party decisions</td>
</tr>
<tr>
<td>IO6_q6</td>
<td>It is not necessary for professionals to share the Party ideology to be employed</td>
</tr>
<tr>
<td>VO1_q7</td>
<td>Even though they don’t take part in elections, the opinions of non-voters are still taken into consideration</td>
</tr>
<tr>
<td>VO2_q8</td>
<td>A trade off is made between the opinions of the electorate on the one hand, and the Party’s ideology on the other</td>
</tr>
<tr>
<td>VO3_q9</td>
<td>In general, the opinions of potential voters affect the extent to which the Party is guided by its ideology</td>
</tr>
<tr>
<td>VO4_q10</td>
<td>Most voters in the electorate can potentially vote for the Party</td>
</tr>
<tr>
<td>VO5_q11</td>
<td>The opinion of the electorate affects the direction of the Party in most cases</td>
</tr>
<tr>
<td>Question Code</td>
<td>Statement</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------</td>
</tr>
<tr>
<td>VO6_q12</td>
<td>The views of potential voters are generally as important to the Party as those of core voters</td>
</tr>
<tr>
<td>CO1_q13</td>
<td>The Party takes all other parties into consideration as competitors for votes and resources, irrespective of their ideology</td>
</tr>
<tr>
<td>CO2_q14</td>
<td>The opinions of other parties are important to the Party when making decisions regarding policy and strategy</td>
</tr>
<tr>
<td>CO3_q15</td>
<td>The Party is willing to cooperate with its competitors</td>
</tr>
<tr>
<td>CO4_q16</td>
<td>If the Party has to cooperate with another party, the opinions and policies of the other party are seriously taken into account</td>
</tr>
<tr>
<td>CO5_q17</td>
<td>Cooperating with other parties is essential for the Party to reach its aims</td>
</tr>
<tr>
<td>EO1_q18</td>
<td>Media opinion is very important to the Party</td>
</tr>
<tr>
<td>EO2_q19</td>
<td>Good relations with many commercial lobby and interest groups are important to the Party</td>
</tr>
<tr>
<td>EO3R_q20</td>
<td>Interest groups in general do not influence Party policy</td>
</tr>
<tr>
<td>EO4R_q21</td>
<td>Most commercial lobby groups do not influence Party policy</td>
</tr>
<tr>
<td>EO5R_q22</td>
<td>Most local level issues are not seen as important in the Party</td>
</tr>
<tr>
<td>EO6_q23</td>
<td>The Party has good relations with public sector employees</td>
</tr>
<tr>
<td>EO7_q24</td>
<td>Individuals active at the local level are able to influence Party policy, irrespective of whether these individuals are Party members or not</td>
</tr>
<tr>
<td>IG1_q25</td>
<td>The Party makes a point of finding out what members think</td>
</tr>
<tr>
<td>IG2_q26</td>
<td>Information is gathered from interest groups regarding their specific opinions</td>
</tr>
<tr>
<td>IG3_q27</td>
<td>The Party makes a conscious effort to find out what other parties are doing</td>
</tr>
<tr>
<td>IG4_q28</td>
<td>Generally available opinion polls and other research commissioned by the Party are an important source of information for the Party</td>
</tr>
<tr>
<td>IG5_q29</td>
<td>Party members gather useful information from those they meet</td>
</tr>
<tr>
<td>IG6R_q30</td>
<td>The Party rarely gathers information and opinions directly from voters</td>
</tr>
<tr>
<td>ID1_q31</td>
<td>The organisational structure of the Party means that the voice of every Party member can be heard</td>
</tr>
<tr>
<td>ID2_q32</td>
<td>Elected Party members keep rank-and-file members informed about their work</td>
</tr>
<tr>
<td>ID3R_q33</td>
<td>The party leadership (e.g., elected politicians, Party professionals and active volunteer members) rarely listen to rank-and-file Party members</td>
</tr>
<tr>
<td>ID4_q34</td>
<td>All Party members pass on any information that could help other members in their work for the Party</td>
</tr>
<tr>
<td>ID5_q35</td>
<td>All Party members know which party member to contact if they have a question about Party policy on a particular issue</td>
</tr>
<tr>
<td>ID6R_q36</td>
<td>The results of polls and other research carried out by the Party is seldom circulated amongst members</td>
</tr>
<tr>
<td>ID7_q37</td>
<td>The Party leadership is aware of the outcomes of local debates</td>
</tr>
<tr>
<td>MP1_q38</td>
<td>Party members directly contribute to strategy development</td>
</tr>
<tr>
<td>MP2R_q39</td>
<td>Party strategy is mainly developed by the Party leadership (a small group of active volunteers, politicians and Party professionals)</td>
</tr>
<tr>
<td>MP3_q40</td>
<td>Non-elected Party professionals (e.g., policy advisers, campaign managers and communications specialists) are very important to the development of Party strategy</td>
</tr>
<tr>
<td>MP4_q41</td>
<td>Most changes to Party strategy are discussed extensively before the final decision is made</td>
</tr>
<tr>
<td>MP5_q42</td>
<td>All Party members are consulted before any decision is made regarding Party policy</td>
</tr>
<tr>
<td>MP6R_q43</td>
<td>The Party leadership (e.g., elected politicians, party professionals and active volunteer members) make almost all of the decisions regarding Party strategy</td>
</tr>
<tr>
<td>MP7_q44</td>
<td>All Party members have a real influence in strategy development</td>
</tr>
<tr>
<td>CSI1_q45</td>
<td>The Party leadership implements what has been decided by Party members</td>
</tr>
<tr>
<td>CSI2_q46</td>
<td>Party members play an active role in implementing Party strategy</td>
</tr>
<tr>
<td>CSI3_q47</td>
<td>No matter who is asked in the Party, all members provide a consistent picture of the Party’s policies</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>CSI4_q48</td>
<td>Party strategy is known by all members</td>
</tr>
<tr>
<td>CSI5_q49</td>
<td>Inactive members provide a picture of the Party’s policies that is consistent with that provided by active members</td>
</tr>
<tr>
<td>CSI6_q50</td>
<td>Implementing Party strategy at the community level is as important as at the national level</td>
</tr>
<tr>
<td>CSI7_q51</td>
<td>Party strategy is clear to those outside of the Party</td>
</tr>
</tbody>
</table>