Citizen Consumers: towards a new marketing of politics?

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It is an irony of our times that warnings about the 'capitalist threat' are now more likely to come from businessmen and women than politicians. Financier George Soros (1997) wrote famously of the threat of neo-liberalism, 'the belief in the magic of the marketplace', to democratic society. Body Shop founder Anita Roddick built an international reputation drawing attention to the 'ugly reality' of untrammelled global capitalism: gross inequality, forced labour, sweatshops, environmental poisoning and brutal repression of human rights. 'Take it personally' is the title and advice of her new book dedicated to the activists and grassroots organisations who challenge the 'myth of the global economy'.

In the midst of the backlash against globalisation, business leaders are increasingly discussing corporate citizenship, not just as prudent public relations, but as an imperative of the marketplace for multinational enterprises. At the 2002 World Economic Forum in New York the heads of 36 global corporate giants signed up to a 'framework for action' covering issues such as environmental quality, labour standards, human rights, equal opportunity and access, which was to make the case that social responsibility is profitable: business thrives best in democratic societies and corporate leaders have a direct interest in extending wealth and human rights to more people around the world.

This point of enlightened self-interest is given an imaginative Darwinist twist in Dickinson and Svensen's <u>Beautiful Corporations</u> (2000). They argue that in modern affluent society most people have what they need and much of what they want. People are not machines with an infinite capacity to consume, and because of this the old marketing standards of price and volume will not be enough for sustainable profits in the 21st century. Companies can no longer rely on increasing volumes and cutting prices. The more mature the markets the more people's natural attraction to beauty will come into play. We are 'genetically programmed' to stop and stay with beauty, to that which delights the senses and pleases the mind, to intelligence and humanity. As choice

increases so consumers will be drawn to the 'beautiful companies', those that seek an alliance of aesthetics with social responsibility, who realise that the pursuit of profit may destroy as much as it creates, and that integrity cannot be manufactured in any enduring way through cool advertising and public relations gimmicks.

Of course, this is a fantastically optimistic scenario, that markets will correct their own ugly reality such that beauty, inside and out, will become the essence of competitive advantage. It requires faith in consumers' taste and innate sense of citizenship, and a reversal of the historic truth that, as Robert Dahl (1998: 174-5) puts it, markets left to their own devices will inevitably inflict harm. However, 'beautiful corporations' *is* convincing as critique, rather than prediction, which in fairness is its intent. It is a powerful attack on the shallow cosmetic appeal of brand images set against the destruction of the environment, cultural diversity and human dignity. It suggests that the single-minded pursuit of profit, at any cost, may be increasingly unsustainable as business practice and goes against the grain of modern consumerism.

This chapter takes the spirit of this critique and applies it to politics. It will question, against the prevailing orthodoxy, whether politics might be improved by *more* not less marketing. This may seem curious since British parties are already 'highly professional market-oriented organizations...geared to the needs of virtually permanent campaigning' (Webb, 2000). Moreover, political marketing is deeply implicated in the current concerns of democracy, considered a key contributor to 'the crisis of public communication' (Blumler and Gurevitch, 1995) and to public cynicism (Cappella and Jamieson, 1997). Marketing is more commonly seen as a problem rather than solution for citizen disengagement.

However, this is not a plea for more of the same spin and manufactured imagery that is so characteristic of contemporary political communications. Rather the reverse. The spin, the usual propaganda of politics, is – let us use the word - ugly. It is not just that consumer critique, rather than party discourse, now discusses the big agenda, of capitalist threat, poverty, environmental crisis and human rights - issues that were almost entirely absent from the major party campaigns and media agendas of the British

2001 general election, for instance. It is also that much mainstream political rhetoric seems locked in a time-warp fitting into the mass society scheme of propaganda outlined by Harold Lasswell's seminal examination of the First World War: polarise, simplify, repeat the message, personify and vilify the enemy. Under almost any pressure, from challenge at Prime Minister's Questions in the House of Commons to election campaigns, the ugliness principle holds sway: 'Vote/cheer for me because my opponent is more corrupt, less trustworthy, less competent, made a worse mess.' Negative campaigning, the predominant trend of political communications in the US over the last 15 years, is a scarcely more sophisticated version.

This is not to deny that politicians must operate in a world of ugly reality, and not of their own choosing. They must attend to the media ever-alert to splits, sleaze and the sensational story. They must deal with the electoral market as it is, seemingly lending itself to tight targeting of campaign resources and strict message discipline. However, it is to suggest that current campaigning styles may be increasingly unsustainable, the political equivalent of profit at any cost, and that clues to other, and maybe more appropriate ways, come precisely from the emerging critiques from within marketing. In short, parties and politicians, to the extent that they practice marketing, seem to rely on a model of product and promotion that is increasingly out of step with the modern market of citizen-consumers.

The Marketing Critique: corporate and consumer citizenry

The beautiful corporations critique in large part depends on the premise of empowered consumers investing citizenship considerations into their everyday purchase decisions. The claim is that consumers are empowered in relation to producers, and their shopping habits are citizen-like to the extent that the goal of satisfaction of personal wants is tempered with wider social awareness, with a concern for impact on the public, increasingly global, realm. Both parts of this claim need to be demonstrated. Are consumers empowered? If so, how and in what ways? Is the new claim of powerful consumers any more believable than the old 'customer is king' mantra, offering the illusion of markets organised in the consumer interest while always serving the end of

profit? Even if consumers are empowered, to what extent is citizenship an appropriate category?

Empowered consumers: the new marketing paradigm

People who spend constantly up to and beyond their means may not recognise themselves quite as empowered. However, a tilt in market power from producer to consumers is the basic idea underlying the predominant marketing paradigm of the last 30 or so years. At the heart of any definition of marketing is the 'marketing concept': an approach that 'puts the customer at the beginning rather than the end of the production-consumption cycle.' (Baker, 1991) It is a philosophy of business which says that companies can best achieve their objectives by attending to customer wants and needs at the start, not just the end, of the production process. Marketing became the cornerstone of business philosophy because consumers empowered with greater choice were less susceptible to the allure of advertising and sales promotions alone.

New marketing theory now contends that the digital, global and de-regulated economy massively expands competition and choice, thereby substantially shifting further the power balance in favour of consumers. There is a mini-explosion of literature on marketing in the new economy. We focus here on the views of Philip Kotler, veteran US marketing theorist and a leading advocate of the application of marketing strategy and disciplines to politics. In his analysis, the main problem for business now is overcapacity (Kotler, Jain, Maesincee, 2002:ix): 'Customers are scarce, not products. Demand, not supply, is the problem. Overcapacity leads to hyper competition, with too many goods chasing too few customers. And most goods and services lack differentiation. The result: dog-eat-dog pricing and mounting business failures.'

Digital technology is re-writing the rules of the marketplace. It is democratizing the information environment, transforming what Kotler calls the 'asymmetry' between sellers and customers. Sellers typically have had greater access to and control of market information and could effectively set the terms, while customers mostly relied on shortcuts such as brand recognition, reputation and consumer advice media. The

internet now allows buyers to compare prices and product attributes in minutes, facilitated by consumer information websites. Some sites encourage consumers to name their price – for airline tickets, hotels, holidays, mortgages – and see whether suppliers respond. Possibilities for exchange of information with other customers, about anything of mutual concern from holidays to health care, open up on the web. Beyond that, the internet permits access to new worlds of user and expert information about virtually anything, and drastically lowers the costs of retrieval, in time, money and prior knowledge.

At the same time the consumer is offered considerably expanded choice. Digital deregulated markets lower the costs of entry for new producers and substantially reduce, or make irrelevant, barriers of time and space. The internet consumer can shop any time and from any online country. Increasingly consumers can demand more precisely what they want. Customised and bespoke trade, formerly the province of wealthy elites is becoming more widely possible, as digital technology lowers the cost of manufacturing 'batches of one' in a kind of democracy of goods. Kotler et al. (2002:36-7) suggest that this capability may transform the consumer into a 'prosumer', able to customise purchases from menus on sellers' websites.

These possibilities of information and choice are effectively transforming the market such that it is now the consumer, not the producer, who is the hunter. Increasingly producers will have to find products for customers, not customers for pre-designed products. They will have to turn their attention to the creation of 'customer portfolios', not product portfolios. They will have to focus increasingly on individual customer requirements, and develop strategies for keeping existing buyers ('customer lifetime value') because in the new environment the cost of attracting new consumers is much greater than the cost of building loyalty.

Kotler et al's new marketing paradigm, of 'customer relations management', comes close to an older, European tradition of marketing, from the Nordic School of Services. Its distinguishing feature is its emphasis on services. It claims that marketing orthodoxy, associated with North American business schools and theorists such as Kotler, referred

primarily to packaged goods and durables. In fact developed economies are service dominated, with the service sector accounting for some two-thirds of GNP in the western world (Gummesson, 1990). The sustainable success of services requires a form of marketing which differs from packaged goods in significant respects. First, services tend to be more reliant on promise and reputation. To some extent the sale of any good involves a promise to consumers, to perform certain functions or satisfy particular wants. However, in the case of services the promise and the reputation is normally the only thing that the seller can offer in advance of sale. The product cannot be physically sampled, tasted, touched or test-driven. Second, services are often long-lasting, banking, mortgages, insurance, for example. At the outset, customers buy into potentially years of provision from the service-provider. Such services often depend for profit on long-term custom. This is the basis of 'relationship marketing', in which the retention of existing customers determines sustainable profits. The more competitive and mature the market, the greater the imperative to retain customers and extract 'lifetime value'. Third, there is often no separation, as there is with packaged goods, between production, sales and delivery. 'For most service companies the majority of face-to-face contacts are not handled by salespersons; they are handled by those who produce and deliver the service or part of it – for example the contact between a waiter and a guest' (Gummesson, 1990:67). All employees, therefore, who have contact with customers, are effectively 'part-time marketers'. They have a direct influence on customer perception of the product in markets almost entirely reliant on reputation. In these circumstances, the 'marketing function' cannot be satisfied by a specialised marketing department alone, it extends to all employees whose activities affect customer perception. Employees, therefore, form a vital audience – an 'internal market' in Gummesson's phrase - who must be persuaded by the company's mission and product quality, since their performance crucially influences external customer perception and continued loyalty.

Services marketing theory has provided some valuable insights for researchers of political marketing (Harrop, 1990; Scammell, 1999). Thinking of politics, and government, as a service theorises the importance of image – reputation – in politics, not just as an effect of television, but as an imperative of the market place. Reputation,

based on record and leadership, is the only thing of substance parties can offer to voters in support of their 'promises' to govern (Scammell, 1999). Equally, the raising of reputation to a key variable helps explain why it is that voters may vote for one party while apparently preferring the policies of another; or indeed why it was that the Conservatives crashed to defeat in 1997 despite presiding over an improving economy. However, the significance of the idea of *internal market* has been almost completely overlooked, both in the theory and practice of political marketing (Johansen, forthcoming).

In fact, in practice, parties may have been following the polar opposite strategy to that recommended by 'relationship marketing': by neglecting their memberships and core supporters. Members, activists, ordinary parliamentarians, and general constituency activities, have all become relatively peripheral to media-focussed, leader-centred strategies intended to promote the party's reputation among the weakly-aligned target voters. A clear, centrally-controlled message may indeed be necessary for short-term electoral advantage. However, such benefits are not cost-free, according to marketing theory. Neglect of the internal market will most likely result in a less committed core and a diminution in the value, or even prospect, of face-to-face contact with the 'customers'. The result is greater distance between the organisation and its customers. It becomes more remote from the market and is discounting a vital resource of influence on customer perception. In the long-term, unless the organisation finds other ways to stay close to its market, competitive strength may decline. A similar point, from a more orthodox political standpoint, is emphasised in Seyd, Whiteley and Richardson's studies (1992; 1994) of Labour and Conservatives' memberships. They argue that there are clear political and electoral gains associated with robust memberships and local organisations. The de-energising of the parties' grassroots has diminished organisational capacity and capability to mobilize ordinary voters. The clearest case of this is the Conservatives, whose membership declined drastically during the Thatcher years and whose grassroots organisation was virtually wiped out in large swathes of the country. Paradoxically, the unprecedented electoral success of the Thatcher years sat alongside decay of the party (Whiteley et al. 1994:1). The dire consequences of this neglect became abundantly evident following the Tories' historic defeat in 1997, and they were

left to rebuild from a demoralised, shrunken and increasingly ageing base. Perversely perhaps, 'political parties in their struggle to get more market-oriented' have actually become less so, and have undermined their own long-term sustainability (Johansen, forthcoming).

Corporate citizens and consumer citizens

It is possible thus far to draw some lessons for the major parties, operating in not entirely dissimilar conditions of mature and highly competitive service markets. However, there is no real case as yet that sellers are beginning to view their customers as citizens, and only a few hints that market conditions may force them to. The case for this comes from two main sources: the marketing approach of radical entrepreneurs of whom Anita Roddick is the outstanding example; and the recent surge in interest in corporate citizenship.

Roddick's approach connects with a strain of sociological literature on consumption with 'its emphasis on liberation, the freedom to construct identities and the ability of consumers to empower themselves through the deliberate orchestration of commodity meanings...' (Hilton and Daunton, 2001:8). Consumption in this view is not passive, nor necessarily an isolated, private action but an integral way in which people 'relate to themselves and the world through their relation to their own needs, through a relationship of reflexivity and choice' (Slater, 2001: 124). Consumption is a production process, according to Firat (1998), in a cultural theory echo of Kotler's more pragmatic 'prosumer': 'It often becomes an experience of finding self-expression, a recognition of purpose and identity.' Meijer (1998) argues further that consumer culture is 'an unmined source of civic capital': advertising with its power to amuse and annoy contributes to valuable public debate about civil attitudes and lifestyles. Consumption, and the reflexive, self-expressive consumer, is essential to the emergence to what Anthony Giddens (1991) calls life-style politics, characteristic of late modernity.

There are clear echoes of this type of thinking in the 'beautiful corporations' thesis.

People seek happiness, as Dickinson and Svensen put it. Companies are mistaken if they

imagine that mere accumulation is the route to consumer satisfaction because most of us do not seek happiness purely in the acquisition of more and more material possessions. For all the billions of dollars invested in cool brand images, corporations cannot 'lead youth culture, or inspire love or affection' (p5). As public concern rises at the costs of globalisation, pollution, poverty and crass exploitation, so our instincts for happiness and beauty will drive consumers away from the guilty corporations. Aesthetic pleasure being roughly equal, consumers, if given the choice, will prefer the companies and products that do not pollute, disregard human rights, or subject people and animals to cynical cruelty. Roddick presents a view of a more directly political, 'vigilante', consumer (Roddick, 2000). People are increasingly willing to use their purchasing power as a kind of vote, she argues, and one that harnessed in collective action is capable of humbling corporate giants, such as Shell and Monsanto. 'Because the consumer movement deals with real issues that have an immediate impact on people's lives, it can build campaigns in a way that other movements cannot. It has the power to frighten corporations and governments because it asks questions that must be answered' (Roddick, 2001:193).

More prosaic but roughly similar views of modern consumer behaviour underlie the emerging business case for corporate citizenship. It is tempting to react with scepticism to corporate citizenship, as yet another form of branding, dressed up with blue sky reports. Certainly, anti-corporate activists are unimpressed. Naomi Klein (2000:433-4) notes with cynicism the rush by 'some of the most maligned multinationals on the planet – Dow Chemical, Nestle, Rio Tinto, Unocal' into partnership with human rights groups. Activist groups, such as Adbusters, specialise in exposing hypocrisy, and 'greenwash', in the claims of corporate advertising and public relations. Even promoters of corporate citizenship admit that the emergence of capitalist social conscience is primarily self-protection. As corporate responsibility consultant Bennett Freeman (2001) puts it: the anti-globalisation campaign 'has shifted the balance of power in global governance by putting company after company in sector after sector on the defensive as they are targeted, boycotted, sued or merely scrutinised and criticised on issue after issue'.

There is no doubt that the non-governmental organisation (NGO) phenomenon of recent years is driving business interest in corporate citizenship. The explosion in number of these groups is impressive. Keck and Sikkink's (1998) study of the transnational advocacy network traces the spectacular rise of international NGOs from the 1980s onwards, primarily in the areas of human rights, environment, women's rights and peace. After fairly slow growth from 1953-1973, the numbers nearly doubled from 1983-1993 and have multiplied many times since. The Union of International Associations estimates that there were some 23,000 international NGOs in operation in 1997, about four times the number of a decade ago. 'Scholars have been slow to recognise either the rationality of the significance of activist networks' (Keck and Sikkink, 1998: 2) but they are clearly now a major influence on global corporate behaviour. They have driven the issues which have forced the question of corporate responsibility from the 'campaigner's den into the boardroom' (Carr, 1999). They have threatened the expensively-built reputations and ultimately the bottom lines of company after company.

The success of the NGO-led campaigns has effectively made corporate responsibility an issue impossible to avoid, at least for large multi-nationals. Additionally though Freeman has found less 'cultural and intellectual resistance' in the boardroom to the idea that corporate responsibility might bring positive, rather than purely defensive, benefits. It has become clear, says Alice Tepper Marlin, President of the Council on Economic Priorities, that today's consumers are 'more sophisticated, and they are interested in more than just price' (Marlin 1998). The idea of more socially-aware, citizen-like consumers is the essence of the business case for corporate responsibility. The boom in socially responsible investments (SRI) is only the most obvious example. From a tiny niche market SRI portfolios have grown rapidly, up by 36 percent 1999-2001 despite the stock market downturn. SRI is a minority but significant and increasing part of the investment business, accounting for about one in every eight dollars invested in the US stock market. Similar trends are evident in the sale of fair trade goods, organic and free range produce and non-animal tested cosmetics. They are significant because it takes only small changes in consumer behaviour to make substantial impact on company profits; if only 10 percent of consumers switch products it is enough to make a huge difference in the marketplace (McIntosh et. al, 1998). Roberts et al., (2002), in a paper

prepared for the WEF cite MORI survey evidence of changing consumer attitudes, and the increased salience of corporate responsibility: 'The most comprehensive survey of consumer attitudes...involving 25,000 individuals in 26 countries, found that more consumers form their impression of a company on the basis of its corporate citizenship practices than do so on brand reputation...'. With this level of public interest, it has tended to be the companies with the most direct relationships with consumers that have acted fastest.

Consumers and citizenship

Typically, 'citizen' and 'consumer' are considered opposite categories, the first outward-looking, embracing public interest, the second, self-interested, inward-looking and private. In fact, as Lizabeth Cohen (2001:203) notes in respect of the US, no such simple distinction has held true historically. Citizen and consumer were 'ever-shifting categories that sometimes overlapped, other times were in tension, but always reflected the permeability of the political and economic...'.

Cohen traces a century-long tension in the US between two conceptions: 'citizen consumers' and 'customer consumers'. Citizen consumers emerged as a category of the citizenry with the rise of Progressivism, from the 1890s to 1920s. They were identified as a broad-based constituency for political reform involving issues such as fair taxation, labour and consumer protections from exploitation, public ownership of utilities and ethical consumption. It revolved around the ideas of a 'fair shake at consumption' for working class consumers, and provided a 'powerful thrust in the drive for anti-trust legislation...as an attack on monopoly in order to preserve an America where consumers were best served by small, local, independent, self-governing businesses dedicated to a republican civic ideal' (Cohen, 2001: 205). The concept of 'customer consumers' emerged around the same time and was an idea of the consumer divorced from the more overtly political considerations. It centred on the philosophy of the free market: competition among relatively unfettered businesses would ensure quality goods at cheap prices to customer consumers.

Cohen argues that in the 1930's, President Roosevelt harnessed the idea of citizen consumers to the New Deal project for economic recovery. Consumers, as a voice of public interest, were included in New Deal agencies, establishing a new principle that the consumer had the right to representation in government policy. '...policymakers and the general public grew to consider consumers as a self-conscious, identifiable interest group on a par with labour and business whose well-being required attention for American capitalism and democracy to work' (ibid). This attention from top, she suggests, encouraged opportunities at the bottom for otherwise unrepresented groups – women and African Americans – to wield consumer power against political and corporate exclusion and exploitation. Women's groups orchestrated boycotts and protests against 'unfair pricing' and other forms of market exploitation. African Americans mobilised consumer power for political rights: from the 'Don't Shop Where You Can't Work' campaigns to support for alternative black-owned co-operatives, 'blacks looked to the double-duty dollar to advance the race while they purchased.' (Cohen: 208)

In the post-war economic boom the claims of the consumer customer emerged triumphant, against the citizen consumer arguments for retained rent and price controls. A new consensus between business, labour and government saw economic salvation in mass consumption; the duty of the good citizen in relation to consumption was merely to buy more and more, and the general benefits of increased prosperity would work themselves throughout society via the market. It was an elaborate ideal, says Cohen, of economic abundance and political freedom combined, and became almost the national religion. The 'consumer republic' was the blueprint for the US and for export to the democratic world. By the 1990s the 'customer consumer' had come to hold sway even the realm of formal politics. Clinton-Gore's 1993 proposals to reinvent government, for example, listed 'putting customers first' as a top goal. However, this was not to reclaim the New Deal ideal of consumers representing public interest, rather it was to confirm a customer consumer orientation in the provision of public services. The watchdog citizenconsumers of the 1930s and 1940s were replaced in the 1990s by citizens encouraged to bring 'a consumer mentality to their relations with government, judging state services much like any other purchased goods, by the personal benefit they derive from them.' (Cohen: 220)

Mathew Hilton (2001:241-259) charts a similar trajectory in Britain. The Labour government's 1999 White Paper, Modern Markets: Confident Consumers, is the culmination of decades during which the 'radical collectivist political critiques' of consumer society have been eliminated from the idea of the consumer. Labour, as Clinton-Gore before them, 'redefined citizenship to place "consumers at the heart of policy making" (ibid:241), but this was consumers as self-interested shoppers, rather than the citizen consumer which historically was the heart of the co-operative movement and of Fabian socialist thinking. The kind of consumer power that inspired these movements was the idea that consumers through co-operative action could refashion economic life for the common good. Until and even beyond World War II, socialists, such as the Webbs and Harold Laski, sought ways to bring the 'co-operative commonwealth' into the institutions of the modern state. Gradually, amid the rising post-war affluence, the grand collective visions gave way to individual consumer advice; comparison between the goods on offer, warnings against manipulative advertising and high-pressure sales techniques. Consumer protection came to mean 'value for money', and protections against misleading claims and faulty goods. The consumer now meant the informed shopper, better able to negotiate her way through the range of offerings and to insist that product promises are fulfilled.

However, the citizen consumer, as both agent and concept, never quite disappeared on either side of the Atlantic. It was evident in the Civil Rights and later in the lesbian and gay rights movements, and in protests throughout the 1970s and 1980s concerning the environment and South Africa. In the US Ralph Nader vociferously insisted on the central role of consumption in citizenship, against the arguments of business and labour, left and right that gave production political prominence over consumption (Nader, 2000). At the turn of the 21st century the citizen consumer is back with a vengeance and in the mainstream again. This time though s/he has emerged out of affluence, rather than poverty and necessity, and as a key figure of international, not merely national markets.

The New Age of Citizen Consumers

The term 'consumer activism' may and often does cover a huge spectrum from NGO monitoring of global corporations to 'anti-capitalist' demonstrations at meetings of the World Trade Organisation, to organised boycotts, to evidence of social concern in the habits of shoppers in supermarkets. Roddick puts all these activities together under the label 'the new consumerism'. Naomi Klein, whose No Logo is the closest to a manifesto for this activism, admits to some puzzlement of classification. Are we really talking about a movement? If so is it really anti-globalisation? Did the protests at the WTO meeting in Seattle signify a new 'global resistance' or merely a new kind of fashion statement: 'limitless frothy coffee, Asian-fusion cuisine, e-commerce billionaires and sappy meg Ryan movies' (Klein 2001: 81-82). Ultimately, she summarises it as a distaste and even rejection of 'the privatisation of every aspect of life, and the transformation of every activity and value into a commodity...It includes the way powerful ideas are turned into advertising slogans and public streets into shopping malls; new generations being target-marketed at birth; schools being invaded by ads; basic human necessities like water being sold as commodities; genes are patented and designer babies loom; seeds are genetically altered and bought; politicians are bought and altered.'

Klein does not put it this way, but what she describes is a revolt against the 'consumer republic'. The 'customer consumers' are converting the benefits of the consumer republic, shopping power and choice, into citizenship action. This idea more or less explicitly informs many of the proliferating websites falling into the broad consumer activist classification. There are clear echoes of the old, 1920s co-operative union appeal for consumer power to change economic life: 'We – the mass of common men and women in all countries – also compose the world's market. To sell to us is the ultimate aim of the world's business. Hence it is ourselves as consumers who stand in relation to all the economics of the world, like a king in his kingdom. As producers we each go unto a particular factory, farm or mine, but as consumers we are set by nature thus to give leadership, aim and purpose to the whole economic world' (Peter Redfern, cited in Hilton, 2001:246).

However, unlike the old co-operative movement there is no real indication as yet of any overarching theory of society, no ideological coherence, except as critique. Beyond a generalised concern at corporate power, the movement is characterised by diversity, fragmentation across specific issues and sometimes contradiction. Animal welfare and environmental activists' agendas may run counter to the claims of those promoting employment rights for multinationals' workers. Some ethical trade groups will work with multinationals while others continue to organise boycotts. Consumer groups campaigning at 'rip off' prices apparently share little in common with the more radical 'no logo' activists (Hilton and Daunton, 2001). For some, such as Naomi Klein, diversity is strength, a new politics appropriate for our post-modern globalised world. Most optimistically, Waterman (1998) sees potential in the consumer and NGO activism for labour internationalism, global solidarity between affluent consumers and workers in the developing world, leading to a revival of the humanist, emancipatory tradition that supposedly collapsed with the death of socialism.

The new consumerism is now itself subject to backlash. For critics, much of this activism is plain wrong-headed and perhaps even dangerously anti-politics. Contrary to the claims of protesters, economic globalisation is 'a powerful force for equality and poverty reduction'; there is a strong correlation between participation in international markets and domestic economic growth (Dollar and Kraay, 2002). For Charles Handy, the targeting of giant corporations, while understandable, misses the point that it is precisely those 'elephants' that can afford to maintain standards of acceptable capitalist practice (Handy, 2001). Standards would be no better, and certainly less easy to monitor without the giants. John Lloyd (2002) argues further that the anti-globalisation movement is a threat to social democratic politics. It offers critique without alternative, the prerogative of purely protest politics. It lumps together exploitative corporations with governing politicians in a too-simple but powerful emotional critique of greed and corruption. It is in short a kind of anti-politics whose consequences may undermine the entire social democratic project of sensible compromise between social justice and free markets.

These are all significant criticisms and it is worth being reminded that protest, however popular, is far from universally progressive. However, this is to overstate the significance of the highly-visible demonstrations and to underplay the major achievements of consumer activism. Lindblom's (1977) seminal critique of pluralist democracy in the 1970s warned of the threat to democracy of untrammelled corporate power, sufficient to skew the public agenda such that corporate power was a non-negotiable non-issue. The new consumerism has changed that. It has forced into the daylight a dangerously-hidden issue. It has shattered the neo-liberal assumption that the massive multinationals had sufficient power to escape from politics. It has stopped in its tracks the slow creep of globalisation 'on velvet paws, under the guise of normality, rewriting societal rules of the game – with the legitimacy of a modernization that will happen come what may' (Beck, 2000:4). Above all, and this may be its most lasting achievement, it has restored to consumption the idea of citizenship. It is forcing markets to treat with consumers as citizens.

Citizen consumers and the marketing of politics: lessons for parties

Clearly, there are parallels in the development of consumer and political markets. Just as the consumer is empowered through increased choice and vastly expanded resources of information, so too is the political consumer. Political interest options and resources await our convenience in astonishing abundance on the internet. Just as the digital economy makes customisation increasingly possible for consumer goods, so it does too for politics, allowing us to tailor our political interest environment more closely to individual taste. The political consumer is increasingly the hunter rather than the hunted. In politics as in commerce there is a shift in the balance of market power from the producers to the consumers.

This new political market helps explain one of the more striking features of the much-discussed current 'crisis' of citizen engagement: that citizens are not turning off politics per se, they are turning away from the older established formal institutions of democracy. Thus we see public confidence in parties, politicians and governments is low and steadily declining throughout the established trilateral democracies, Japan, North

America and western Europe (Pharr and Putnam, 2001) Of the various institutions of democracy, 'no single institution is held in greater disrepute than the political party' (Diamond and Gunther, 2001:ix). Yet, while parties are struggling we see consistent evidence that levels of political interest are not declining and may be increasing in some countries (Bennett, 1999; Inglehart, 1999). Seyd et al (2001) have found that in Britain 'repertoires of political engagement' may have broadened, even in the midst media anxiety at voter apathy and the lowest electoral turn-out since 1918. The conventional wisdom about floating voters is being turned upside down. The undecideds of the past tended to be relatively uninterested in politics, compared to the partisan attached. Now we see correlations between better education, higher levels of political interest and lower levels of party loyalty.

This puzzle for politics is entirely predictable according to market analysis. Consumers are exercising their new choices in market conditions of oversupply compared to demand. At the same time insufficiently differentiated products are being reduced to dog-eat-dog competition. Kotler et al's description of a desperate market finds echoes in politics also, especially in the US trend over the last 10 years to negative campaigning, in which the short-term goal of victory outweighed longer term concern at potential damage to the overall market. The new commercial market of empowered consumers is provoking re-thinking of corporate strategy towards relationship marketing, towards investment in the idea of corporations and customers as citizens, and towards a 'beautiful' alliance of design and social responsibility. There may be appropriate lessons here for politics also. Three in particular suggest themselves:

First, marketing theory indicates the increased importance of retention of existing customers, and especially in service industries, the crucial 'part-time marketing' role of employees; second, it suggests that a 'customer consumer' orientation is no longer sufficient. Self-expressive citizen consumers are interested in more than price, results and delivery. Third, that aesthetics and style are substantial matters, and cannot be sustained by advertising and public relations alone.

Party sustainability and the internal market: core supporters and members

Of the three marketing recommendations for politics, this is the most surprising and the one most apparently at odds with current trends in political marketing. It is possible to discern similarities with the other two in the analyses of, for example, Labour's modernising architect, Philip Gould (1999), and policy adviser Geoff Mulgan. The latter's analysis of 'antipolitics' (1997) noted with concern the misfit between an increasingly democratic culture, through education, technology and consumer choice, and the formal institutions of politics. However, their remedies have tended to look outwards to stimulating new support and engagement, rather than inwards and consolidation of the existing core. More recently a Demos analysis of 'de-politicisation' noted the importance of active memberships for general voter turn out, civic culture and the nurturing of new generations of political leaders (Bentley et al., 2000). Equally, however, the significance of membership is reduced by the parties' greater media resources and by increases in state, individual and corporate financial donations. Moreover, 'in a more complex and fast changing environment' it may be necessary to restrict policy development and campaign strategy to 'tighter professional teams'. These points are typical of standard political communication accounts: parties in their drive for target voters increase control at the centre to achieve organisational efficiency, clarity of policy, strategy and message. Active memberships may create as many problems as they solve. A too-intensive internal debate about goals and policy risks an external mediated image of division, generally regarded as a campaigning disaster. The more extreme members may be a liability. Both the Conservative and Labour Parties over the last 20 years have expelled or wound up extreme activist factions: the right-wing Monday Club and the Federation of Conservative Students in the case of the Tories, and in the 1980s the Trotskyite Militant tendency in the Labour Party.

The functional value of memberships for parties has long been debated in political science. Most importantly they supply and nominate candidates for office, mobilise electoral support and stimulate participation. It has become commonplace to suggest that the growth of communications technology marginalises members from one of the main tasks, mobilisation of voters. However, trends across democratic countries have not been uniform or unilinear. It is *not* axiomatic that mass-mediated 'marketed'

campaigns marginalise memberships. Scarrow (1996) detailed German party efforts to encourage local activism and the high value placed by party leadership on members' activities as outreach workers, representatives of the party in broader society and even casual conversation. Effectively they were part-time marketers for the party. Perhaps not coincidentally Germany is one of the only European countries where membership increased from the 1960s-1990s. Labour too strove to build membership in its drive to election in 1997, increasing from a low of 261,000 in 1991 to 401,000 in 1997, although by mid-2001 they had slumped back to where they started.

Typically, however, parties have shifted from society to the state to safeguard their futures, preferring state money and protection to the increasingly difficult task of building and retaining membership, and to insulate themselves from the taint of corruption associated with private and corporate donations. This may work as 'survival strategy' (Bartolini and Mair, 2001) and it is clear from the example of the US that party labels can continue to dominate even while the organisations are effectively 'empty vessels' (Katz and Kolodny, 1994). However, a perception of the ever-more pronounced separation between state-protected parties and civil society is likely to contribute further to present party malaise. It may ultimately threaten long-term legitimacy. State protection reduces incentives for parties to stay close to their markets, may devalue the role of members and importance of core supporters. Such neglect risks a vacuum which more aggressive political rivals may exploit. In Ireland, for example, Sinn Fein achieved breakthrough success in 2002 general election in part by following a strategy of intensive canvassing of precisely those working class districts neglected by the mainstream parties. More generally Europe has witnessed the rise of the extremes in recent years, often 'anti-party' groupings led by charismatic figures capitalising on public disenchantment with the mainstream, notably Le Pen in France and Pym Fortuyn in Holland.

Citizen consumers rather than 'customer consumers'

Governments of both the centre left and right have moved towards a 'customer consumer' orientation, Cohen and Hilton argued (above), both in policy towards

consumers in commercial markets and in the provision of public services. 'Value for money', the mantra of the Conservatives from Thatcher onwards, is evident also in Labour policy. Labour has continued John Major's innovation of the Citizen's Charter to develop more responsive public services, with emphasis on delivery, performance and facilitation of customer complaints. Rhodes (2001: 106) argues that Labour policy towards the public sector confuses the distinction between responsiveness and accountability. The citizens' charter may induce improvements in responsiveness but in no way replaces political accountability because the consumer has no power to hold government agencies to account. 'Citizens have become consumers of services', he says. The charter is the government equivalent of 'the Consumer's Association magazine', and probably less effective. The broader debate about 'empowering citizens to exercise democratic control' was muted throughout the 1997-2001 Labour government and none of the proposals in Labour's key policy document 'Modernising Government' offered a significant role to citizens.

Thus at a time when free markets are increasingly forced to consider customers as citizens, politics has discovered the customer consumer. It can easily be seen that such an approach is problematic and possibly self-defeating. Without considerable public investment, and attendant tax increases, public services will struggle to compete with the level of service and customisation offered in the private sector. By encouraging a customer mentality, government may simply be making a rod for its own back, fostering a culture of complaint rather than strengthening democratic control.

Both ideas, customer consumer and citizen consumer, informed Labour's analysis of the tasks of democratic government. Its assessment, as presented by Mulgan, (1997) was of a public disenchanted with politicians who make big promises at election times and then fail to deliver, and who conduct debates among themselves, largely disconnected from the public. The remedies suggested included new ways for open dialogue with citizens; measures to represent public opinion in government through polls and citizens juries; direct involvement through referenda and the internet. Labour in government put many of these ideas into practice. The first few months in office saw a flurry of task forces, advisory groups and policy reviews, as wider civil society and private business were

invited to help shape new public policy. It published a widely-welcomed freedom of information White Paper. It has experimented with deliberative democracy, in the form of citizens' juries, at local and regional levels. It is currently developing citizenship curriculum for schools. It has sought, through the internet a more direct communication with the public. It claimed a world first with the establishment in July, 1999 of the People's Panel, 5,000 randomly selected voters who form a sort of permanent jury on the delivery of government services.

However, as suggested by Rhodes, the customer consumer orientation has come to predominate. Mechanisms of democratic inclusion have increased but tentatively and patchily. Some Downing Street insiders dismiss the People's Panel as a 'whingers' charter', the experiment with citizens' juries has made scarcely a dent on public consciousness, the task force initiative tainted with the charge of 'cronyism' and probusiness bias (Scammell, 2001). The Freedom of Information Act greatly disappointed early hopes ultimately implementing little more than the Conservatives' 1994 Code of Access. Fairclough's (2000) analysis, New Labour, New Language, concluded that for all the talk of initiating great debates, public inclusion amounted to little more than focus groups and promotional methods for engineering consent.

Style and substance

New Labour in 1997 had something of the 'beautiful corporation' about it. It fought on an agenda of social justice and inclusion and talked of an open, democratic style of political communication. Its advertising attempted to reward audiences with mainly positive and aesthetically pleasing messages. Its commitment to freedom of information was not an isolated policy, but as Tony Blair put it, a signal of 'cultural change', of a 'new relationship which sees the public as legitimate stakeholders in running the country and sees election to serve the public as being given on trust' (cited in Scammell, 2001:526). This was to be a new, grown-up, open kind of politics.

Within a couple of years, spin and news manipulation came to be regarded as the hallmarks of Labour's communications. In contrast to the circumspection of its attempts

to create open and democratic dialogue, Labour moved with gusto to exploit the machinery of government communications, significantly strengthening the control of Number 10, expanding the number of government press officers, multiplying the numbers of political special advisers with media briefs, increasing advertising until in 2001 the government was the country's largest single spender on commercials (Scammell, 2001). Over the past year, a succession of current and former Labour communicators has admitted the damage of spin. A famously leaked memo from Philip Gould in the summer of 2001 confirmed that 'spin no substance' was the first thought in voters' minds when questioned on Labour's image. The New Labour brand had been badly 'contaminated'. In an article in <u>The Times</u> (9 May, 2002), the Prime Minister's Press Secretary, Alastair Campbell, conceded that Labour's spin may have contributed to public antipathy towards politics. A week later, Peter Mandelson (2002), Labour's first spin doctor of the 'modernising' era, claimed that 'crude, clumsy', over-controlling spin had undermined public trust. He cited in particular the infamous email of Jo Moore, special adviser to the Transport Secretary, who within hours of the attack on the World Trade Center on September 11, told colleagues that this was 'a good day to bury bad news.'

Labour's spin is just one of any number of examples of ugly political campaigning from Britain and the US in recent years. The British Conservatives in 1997, by admission of campaign insiders, waged an overwhelmingly negative campaign in a deliberate attempt to drive down the vote and minimise their inevitable losses (Cooper, 2002). A viewing of US political advertisements and British party election broadcasts in recent years reveals not so much, as commonly thought, the influence of commercial advertising techniques, rather the continuing strength of a propaganda style and aesthetic. While commercials have become increasingly playful with narrative and image, much political advertising remains wedded to classic propaganda appeals of greed and fear and simple polarisation between good and bad, 'us' and 'the enemy'. Politicians operate under the permanent media spotlight, and often in warfare-like competition with opponents, where one's gain is the other's loss. These are not easy conditions to develop intelligent, attractive communications. However, this is the challenge for parties, or risk yet further distance from the market of citizen consumers.

Conclusion

Typically, in political communications research, marketing is seen as a problem in politics. At best it is an understandable response to the social fragmentation of modernity and the increasing autonomy of the media (Swanson and Mancini,1996). At worst it has reduced political argument to the discourse of advertising (Jamieson, 1992), replacing substantive policy debate with focus-group tested soundbites, personality and show business pageantry designed to appeal to the least-committed voters. This is marketing as promotional politics, more attuned to the news values of the media and the mass consumer ratings of the polls than to the views of the engaged and debating public. It has elevated a consumer, rather than citizen, orientation in political campaigning and governance. In the process it has undermined the normative leadership expectations of representative democracy, undercut party structures, and bypassed what is left of the public sphere. Combined with a rise in cynical, news-value driven journalism, marketing is accused of contributing to a 'crisis of public communication' (Blumler and Gurevitch, 1995).

This is a brief summary of charges against political marketing. Impressionistically, if not in detail, it is an undeniably recognisable portrait. However, this is to depict marketing as purely self-interested and manipulative with no capacity for enlightened responsiveness to the rise of citizen consumers. It does an injustice to marketing's potential influence in politics. Consumer activism has forced a powerful political agenda on the public stage to which business has been compelled to react, with a speed and innovation that makes politics seem sluggish. One does need to believe in a utopia of beautiful corporations to see the force of its critique applied to the unappealing aesthetics of much political communication. One does not need to abandon scepticism to consider that marketing theory offers alternative ways to do political business, to deal with consumers as citizens, to value members and communicate with voters. Maybe politics needs more, not less, marketing.

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