GIVING TO POLITICAL CANDIDATES:
The Role of Candidate Positioning on the Choice of How to Contribute

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Abstract
We demonstrate that political candidate positioning as an underdog or favorite affects choices of how to support the candidate: by donating money (private signal) or by purchasing campaign merchandise (public signal). We find that supporters of underdog candidates are more likely to buy merchandise (vs. make a private cash donation) compared to supporters of the favorite candidate in a two-way political race. We find converging evidence for this effect using surveys of recent donors to political campaigns, experiments, and by analyzing contribution data from the 2008 and 2016 Presidential elections.

Theoretical Background
We propose that identity-related motives play a central role in the choice of contribution format. While a private donation can affirm one’s own identity, a more conspicuous merchandise purchase can public signal affiliation with others. Prior research indicates that people are more likely to engage in conspicuous (i.e. public) consumption when they are unsure about their power or status (Rucker and Galinsky 2009), and when they felt threatened or uncertain about a key aspect of their identity (Braun and Wicklund 1989).

We build on these findings to suggest that people will be more likely to make conspicuous contributions (i.e. purchase merchandise) when they feel lower status or threatened. In the context of a two-way political race, this suggests that supporters of the “underdog” (challenger/outsider) candidate should be more likely to contribute conspicuously, compared to the supporters of the “favorite” (establishment) candidate.

Key Hypothesis: Supporters are more likely to engage in public signaling for underdog (vs. front-runner) in a two-way political race

FEC Data for 2016 and 2008 Elections
Individual-level donation filings from FEC: number of daily cash donations and merchandise purchase. We identified merchandise sales using zone-specific partial dollar amounts (i.e., shipping). Data from Google Trends to identify important campaign events, we observed impact of events using different timespans. Trump (2016) and Obama (2008) positioned as underdogs during campaign, Clinton (2016) as front-runner.

We used a difference-in-differences approach to demonstrate the differential impact of campaign-related events on merchandise sales and donations for each of the candidates.

IVs: Candidate and Campaign Event
DV: type of contribution (private money donation vs. public purchase)

Results:
Underdog sees an increase in merchandise purchase during relevant campaign events. The relative increase in merchandise purchase for the underdog during relevant campaign events is higher than for the favorite.

2018 Texas Senate Race
During October-November 2016 we surveyed Clinton and Trump campaign contributors (N=154)

DV: type of contribution (money donation vs. merchandise purchase)

Likelihood of Purchase after Event Recall
We asked Clinton and Trump voters (N=275) to recall major campaign events during the 2016 election. DV: likelihood of donate money, likelihood of purchase merchandise.

Results:
Underdog supporters were more likely to purchase merchandise. No effect on likelihood of donating money.

Discussion
Underdog positioning influences decision of how to contribute to a political campaign. Our work sheds light on how consumers participate in the political process through the choice to publicly (vs. privately) support their candidate.

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References