

■ COMMENTARY

Looking at US election campaign from a business perspective

By Andrew Delios

ANY casual observer of US current affairs can see that the election of Donald Trump has sharply divided the United States into two distinct camps. A sizeable portion of the population is strongly behind the new president, while a larger portion is even more strongly opposed to him.

Seldom if ever are a country's citizens so easily polarised. More often than not, we would expect several camps to emerge.

The turmoil caused by this division is the result of a well-planned campaign by Mr Trump and his team. From a business perspective, their campaign displayed three elements that define a good strategy for both private-sector and public-sector organisations:

- it clearly defined its target markets;
- it identified advantages it can deliver in those markets; and
- it developed the functional level activities needed to implement its strategy

Good strategy also emphasises focus, priorities and communication. In the 2016 election campaign, the Republican Party focused intensely on its target market segment; it discovered and prioritised a message and a ticket that resonated with that segment; and finally it developed the communications that transmitted its positioning to that audience.

Throughout the election, the Trump campaign maintained its focus and priorities on its core demographic. The losing campaign of Hillary Clinton had a much more dispersed demographic. It did not have a clear market segment. As a consequence, it lacked focus and clarity in its message.

As a result, the focused party won by winning over its core demographic, even though they did not account for anything close to a majority of the overall voting population.

Post-election, other market segments now feel disenfranchised and abandoned by this party, because its message and now its subsequent actions, and even the constitution of the president's Cabinet, remain consistent with that focus.

Whether you like the outcome or not, it is very evident that a strict and disciplined focus, a prioritisation of communication and a judicious use of resources can deliver powerful results in terms of satisfying your selected segment of the market.

TIME FOR CHANGE

To be successful, you don't have to win in all segments, you have to be the best only in your own target segment.

This works in business – and it works in politics. But unlike in business, where consumers have the option to defect from the leading organisation in the market to its competitors, the populace of a country has no opportunity to do so until the next election cycle begins.

In the interim, they are locked into a situation that is frustrating. With no choice to defect, the only option is to vocalise their opposition. We see this now in the cacophony of civil disturbances that hark back to the social revolution of the 1960s. That changed the course of American society.

If we gauge the need for change from the volume of the voices expressing dissatisfaction with the status quo, then

clearly it is time for change in America.

Once again, we can turn to what we know about strategy and markets to understand what change is needed. When markets mature, when consumers become more sophisticated, new niches emerge. These market segments vary in the needs and preferences of the consumers.

By the same token, the modern-day American populace has many more market segments. But it is still served by only two organisations, the Republican Party and the Democratic Party.

MULTI-PARTY SYSTEM

The Republicans focus on the traditional segment, which is the most homogeneous one and which proudly carries the misshapen banner of "traditional American values".

The other segments fall into the hands of the Democrats, who find themselves unable to satisfy the needs and values of all in this segment. By definition, segments vary in their preference structures.

As such, some of the voters in this segment fall back to the Republicans or, more damagingly, they simply don't vote (they won't buy something when the organisation selling it is not meeting their needs).

The answer should be clear. Now more than ever, the US needs a multi-party system. Its demographics, its variance in voter preferences, can only be met by a growth in the number of legitimate parties that effectively wield power and influence.

Multi-party systems exist in most mature parliamentary democracies. They reflect the growth of pluralism in preferences and the desire in a modern nation's population for multi-culturalism and respect for visible and invisible diversity.

Multi-party systems dilute the power of large vocal minorities by often forcing them to work with smaller parties to make and implement new policies and laws. Indeed, some of the best functioning governments in countries such as Canada have been minority governments.

Finally, a multi-party system will necessarily break the partisan politics that has frozen policy-making in America. This could also help counter the tremendous cynicism in voters in America about politicians and the political process.

So, will it ever happen? Not in the foreseeable future. But if politicians act with the same vigour and attention to their customer base as organisations do, then we would see the emergence of new parties to serve new niches of voters.

Once the barriers to entry in American politics are removed, then perhaps we can see new parties garner support and power.

Until then, external observers to life in America will continue to be amused and bemused by Mr Trump, Twitter, trolls and the consequent turbulence in American politics and society.

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