The Digital Revolution: How The Democratic Party has Leveraged Email and Online Fundraising to Target Grassroots Donors

by Rachel McCoy

Why Email?

Email has become a crucial part of any campaign's fundraising strategy. While direct mail is still utilized, and is still quite effective, email has opened up an incredibly cost-effective way to reach out to donors and activists in real time. With email, a news story can break and a fundraising email can be in people's inboxes within minutes. While some emails will only bring in a small amount relative to the size of the campaign's email program, a good email could bring in millions—as the Democratic Congressional Campaign Committee and Bernie Sanders' campaign have proved in their email programs. Of course, millions in one day is unrealistic for the majority of campaigns. Campaign committees, large PACs, presidential candidates, and some Senate candidates can have email lists of hundreds of thousands to millions of people, which means that their low raising emails might raise more than the highest raising email for a small statewide election or congressional campaign. But what matters more than the actual number an email raises is the percentage of people who open it, the percentage of people who actually open the email. What also matters is the return on investment on email address acquisitions. If the ratio on how much you spend to acquire the email addresses compared to how much you actually make, you are either spending too much on acquiring emails or your email program needs work. The metrics behind these fundraising emails is similar to any logic that goes behind what is ultimately a business decision, but the strategy behind the content itself and what works best is less straightforward and still evolving.

Digital Advertising

Digital advertising is an important component of online fundraising and building a large and robust email list. These ads are as much about email acquisition as they are about getting the word out about the campaign. The ads are targeted at specific audiences, just like product marketing. A ad about equal pay for equal work might be targeted at women who have liked democratic pages or women's organizations. Often these ads will have some sort of ask. For people who have given to the campaign, which can be achieved on Facebook by matching a campaign's voter file with Facebook metadata, the ask might be to give money. Whereas someone who has never given might be asked to volunteer or sign a petition. Facebook is one of the more popular mediums to place digital political advertisements, but Pandora and other platforms are working to create a market for political advertisers. Like Facebook ads, Pandora asks for an email. But they have also leveraged the fact that many people listen to their music and therefore can give a call to action for the ask if it is to call your Senator. But for campaigns looking to build out an email list, the best form of digital advertising can come in the form of retargeting to allow them to get new emails but also learn about what interests this person and further target communication with them. The measure of a successful ad is the number of conversions it produces or if it's just to get an email, but do they engage? Do they sign up to volunteer? Do they donate? That is the ultimate goal of any online advertising strategy is to ultimately convert them to a donor and have them be committed to the success of the campaign.

Why Have Democrats Been More Successful?

While Republican campaign committees, like the Republican National Committee, typically have stronger fundraising operations than their Democratic counterparts, Democrats have led the way in email fundraising and data-driven campaigns in general. While this project was not a companion of the two parties' use of email, the history of the adoption of email on campaigns shows why Democrats have been able to build a stronger operation in essence. Democrats were early adopters, with the Howard Dean campaign in 2004 realizing the potential of the internet for grassroots fundraising. President Obama's 2008 campaign was the first to truly utilize social media and email to engage with voters and donors. And the 2012 campaign revolutionized using data to make email fundraising even more successful. But the success also lies in the data-driven method of campaigning in general. Democrats have built out an extensive voter file that and that information is powerful in targeting voters and donors.

Because of this headstart, Democrats have created a juggernaut in fundraising. Bernie Sanders is capable to raise tens of millions every month, primarily from donors giving $5 to $10 at a time. In addition, the Obama campaign found that donors who gave $5 were more likely to donate again at higher levels. Ultimately the people who give $5 to $10 a time might actually end up giving over $100 in a cycle, which with thousands of people donating adds up.

Strategy

Unlike direct mail, the act of sending an email does not cost any money. There are of course costs associated with running large-scale email programs, but fundraising is a process that is accessible to anyone. But even for the large-scale programs that engage in list-buying, have staff and consultants, and pay for software platforms to store donor information and send emails from, the cost of sending an email is much compared to other forms of mass communication. Because of the low cost and the ability to quickly respond to current events, email has become a numbers game. This is why your inbox gets flooded with campaigns asking for money. Of course, people will always unsubscribe, but typically a well-crafted email program will be gaining more emails than it is losing, and making enough money from the emails to make up for the unsubscribes.

But how is a successful email campaign created? Testing is a key aspect of email campaigns particularly campaigns that have a large list. Testing could be as simple as sending out the same message with a different subject line to 50 percent of the list. Email A at 25 percent and neutral B to the other 25 percent and whichever one performs better will go out to the rest of the list. However, that is a simple test. The Obama campaign was known for having sixteen different or more different versions of an email. Each version would go out to 1 percent of the list before the winner would go out to the rest. Through this they found that in 2012, donors responded better to emails which were highlighted in bright colors and minimal graphics, to those with fancy graphics.

But even extensive testing can't trump good content. The DCCC, in 2014, was able to raise $4 million dollars off of Republican impeachment threats. Bernie Sanders has been able to raise over $6 million in under 24 hours because his team has been able to tap into the anti-establishment sentiment and the revolutionary feeling of his campaign. In 2012, the Obama campaign had whole teams dedicated to writing emails and then a separate team to analyze their performance. On large campaigns, email fundraising is as much a science as it is an art, with data driving every decision. But all of the testing in the world can't make bad content good.

References


Methodology

The methods used in this research consisted of interviews of campaign professionals, first-hand experience working on campaigns, news articles, scholarly articles, and the analysis of four years worth of political fundraising emails.

Special thanks to The Woodrow Wilson Undergraduate Research Fellowship, Arni Cox, Dr. Stephen David, and Dr. Adam Shingler at Johns Hopkins for this opportunity and their support. Thank you to Emily Mellencamp-Smith, Garrick Debell, Sara Cederberg, Janie Hughes, Taylor Peck, and all of the other people I have met along the way who have provided me opportunities, insights, inspiration, and without whom I would not be able to complete this project. Thank you to the wonderful teachers at The Deryll Young School who encouraged a high school senior obsessed with social media and democracy to channel that interest into something. And of course, thank you to my parents who never ceased to provide encouragement when I had no idea what I was doing.