

Findings Memo: Election '04 Edition

“Issues in Political Advertising”



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With 25 days until Election Day, we thought now would be a good time to summarize this year's political advertising activity. This summary will highlight those issues that figured prominently in the campaigns of political candidates in every state and at every level of elected office. Past studies of political advertising have revealed that candidates kept their campaign promises at least 62% of the time. Therefore, what a candidate says today will in all likelihood become a legislative issue in 2005.

ISSUES IN TV ADVERTISING

ECONOMY:

From April 1-September 30, the issue of the economy has been touched upon in more ads than any other issue. Over 935 ads have contained a reference to the economy - taxes, trade, jobs, etc. As of September 30, over \$239.2 million was spent on 364,217 television airings with the issue of the economy.

Jobs

References to jobs appeared in more than 580 ads during the past six months. Almost 20% of these ads dealt with outsourcing and unfair trade agreements. Whatever the outcome of this election, it would appear that these two topics will become legislative issues next year.

Taxes

America's favorite perennial subject was the second most featured economic topic. Child tax credits, marriage penalty,

death taxes, extending Bush's tax cuts, and rolling back Bush's tax cuts were the most prominent subcategories within taxes. An estimated \$156.5 million was spent on tax ads during the past six months.

HEALTHCARE:

Running a close second to the economy (based on spending) was the issue of healthcare. Over 680 ads have contained a reference to healthcare - the generic "I will work to make healthcare more affordable" the most frequent. Healthcare ads have aired nearly 326,599 times at an estimated cost of \$230.2 million.

Prescription Drugs

Ads critical of the pharmaceutical industry and of the cost of prescription medication have generated over \$59 million in

Federal TV Ads April 1 - September 30

Total Federal Spending:

Senate - \$67 million
House - \$32 million
Issue - \$9 million (USA, Tort, Etc)

Top Issues in Federal Races by Spending

Jobs	\$35 M
Taxes	\$31.9 M
Healthcare	\$24.3 M
Terrorism	\$22.7 M
Education	\$11.8 M
Prescription Drugs	\$11 M

television advertising this year. The re-importation of drugs from Canada appeared in over 50 separate television ads nationwide. Candidates have also promised to create buying pools to help lower the cost of healthcare and prescription drugs.

Social Security

An estimated \$37.7 million was spent on television ads concerning this issue. In October, this issue gained greater momentum in most of the contentious congressional races. The overall messages are: "my opponent raised taxes on social security benefits" and "my opponent wants to privatize social security."

Tort Reform

Medical malpractice insurance and its affect on healthcare was also a dominant theme in a number of television campaigns conducted this year. Over \$30.1 million has been spent on this issue in dozens of races for State Supreme Court, US Senate, US House, and various state ballot initiatives. Florida, Nevada, and Oregon have all seen the tort reform issue in their advertising.

WAR ON TERROR:

Perhaps the most talked about issue in America, the war on terror, ranked third, based on the amount of money spent on television advertising. One would be hard pressed to find a politician who did not support our troops or advocate homeland security; therefore, one must delve deeper into the issue to discover real policy differences. At the presidential level, the strategy for winning the peace in Iraq dominated the debate - an estimated \$129.8 million was spent at the presidential level. Candidates for the House and Senate could be observed debating over the Patriot Act and past votes to fund military projects.

OTHER ISSUES

Other issues generating moderate-to-high levels of advertising include education, the environment, and gay marriage.

Education

No Child Left Behind, school vouchers, smaller class sizes, and higher standards were the foremost topics discussed.

Total State Spending:

\$49.3 million

Total State Airings:

92,984

Top 5 Governor's Races by Spending

MO GOV	\$13 M
IN GOV	\$8.6 M
NC GOV	\$3.5 M
WA GOV	\$2.5 M
NH GOV	\$1.6 M

State Race Types by Spending

Attorney General	\$5 M
State Supreme Court	\$4.5 M
State Representative	\$3 M
State Senate	\$2.9 M

TNSMI-CMAG tracked 440 education ads. These ads aired over 110,645 times for an estimated \$83.5 million in advertising.

Environment

Off-shore drilling, pollution, and conservation (to name a few) generated over \$19.9 million in nationwide television advertising.

Gay Marriage

Gay marriage has been the subject of 60 ads over the past six months. These ads have aired over 8,900 times for an estimated \$6 million. The following is a list of the top five states receiving ads on this issue: Florida, Colorado, Missouri, Oklahoma, and Michigan.

Gaming

Indian gaming provided a substantial revenue boost for local television stations in twelve states. During the past six months over \$37.5 million was spent on ballot initiatives, political races, and public image campaigns. An estimated \$27.4 million was spent on television ads in California alone - Propositions 68 and 70 have the ability to alter gaming in California and therefore have generated substantial ad campaigns.

Presidential TV Ads April 1 - September 30

Total Presidential Spending: \$333.4 million		US HOUSE/SENATE	
Total Presidential Airings: 262 ads have aired 420,737 times		SENATE	\$67 M
Bush/RNC +		HOUSE	\$32 M
Kerry/DNC:	\$255.8 M	ISSUE GROUPS	\$9 M
DEM-527:	\$66.5 M	TOP FIVE US HOUSE/SEN ISSUES	
REP-527:	\$10.9 M	JOBS	\$35 M
		TAX	\$31.9 M
		HEALTH	\$24.3 M
		TERRORISM	\$22.7 M
		EDUCATION	\$11.8 M
TOP FIVE STATES WITH PRESIDENTIAL ADS		TOP FIVE MARKETS WITH PRESIDENTIAL ADS	
OHIO	\$59.7 M	CLEVELAND	\$28.5 M
FLORIDA	\$57.1 M	PHILADELPHIA	\$17.8 M
PENNSYLVANIA	\$41.1 M	MIAMI	\$17.7 M
MICHIGAN	\$22.2 M	LAS VEGAS	\$16.2 M
WISCONSIN	\$19.4 M	TAMPA	\$14.7 M

Parties

Up until September, the Republicans led the Democrats in online ad spending, but the DNC recently made a significant internet ad buy with new ads geared toward the debates and defeating Bush. They ran ads promoting both the presidential and the vice presidential debates before and after they occurred. Most of these ads have appeared on Washingtonpost.com, NYTimes.com, NationalJournal.com and Yahoo News.

From January to August, the National Republican Committee spent at least \$487,000 on internet ads. Before their big buy in September and August, the DNC had spent an estimated \$257,600 on online ads from Jan - August.

Issue Groups

MoveOn.org has had consistent ads on RollingStone.com. Other groups that entered the online political marketplace were America Coming Together, Campaign for America's Future, Emily's List and the NARAL Foundation. Earlier this month the New Democrat Network and the Club for Growth were added to the list. Both the New Democrat Network and the Club for Growth used banner ads to direct people to their web site to watch video ads that were also aired on TV. MoveOn.org and NARAL led the issue group internet ad spending. but on the whole issue groups have not been focusing on internet advertising to promote their message.

The internet ad data was compiled by TNSMI/CMAG using Evaliant Media Resources data. Using its "spidering" technology, Evaliant searches thousands of Web sites seeking brand-related banner advertising. Revenue estimates are based on relative site size and individual site CPM [Cost Per Thousand Impressions] averages to level the influence of frequency, targeted placement, or volume discounts.

INTERNET ADVERTISING

Total Spending through August \$2,700,000

Candidates

Kerry for President has led the online spending so far this year with almost fifty percent of the total political internet ad spending. From January to August, the Kerry campaign spent an estimated \$1.3 million, though the Bush campaign only spent an estimated \$419,000 on the sites tracked by TNSMI/Evaliant.

Most of the Kerry campaign's internet advertising has focused on fundraising by soliciting viewers for donations of \$25 to \$50, while Bush's major internet buys focused on issues like education and Kerry owning an SUV.

Where did your issue fall in the political ad rankings?

Keep up with the latest political advertising data and issues across the country at www.tnsmi-cmag.com. To learn about more issues in political advertising call us at 1-886-559-CMAG.

