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# Political Advertising and Data-Driven Campaigning in Australia

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Submitted: 16 April 2024 Accepted: 24 June 2024 Published: 18 July 2024

**Issue:** This article is part of the issue "Data-Driven Campaigning in a Comparative Context: Toward a 4th Era of Political Communication?" edited by Katharine Dommett (University of Sheffield), Rachel Gibson (University of Manchester), Sanne Kruikemeier (Wageningen University & Research), Sophie Lecheler (University of Vienna), Esmeralda Bon (University of Manchester), and Stephanie Luke (University of Sheffield), fully open access at https://doi.org/10.17645/mac.i457

#### Abstract

There have been breathtaking accounts of the use of data in political campaigns for microtargeting and message testing, among other practices. Most of these examine presidential campaigns in the US. But evidence speaking to the use of data-driven campaigning (DDC) beyond the US is rather thin. Here I examine the use of DDC in Australia, focusing on political advertising specifically. I interview 15 campaign practitioners, asking about several indicators of DDC, including (a) the extent of ad targeting, (b) tailoring of ads to specific audiences, (c) the use of data analytics in ad targeting/tailoring, (d) efforts at online fundraising, and (e) ad testing. I find considerable variation in the use of DDC that stems from differences in resources, different campaign philosophies, and uncertainties about the data. I also find an important role for marketing agencies in supplementing DDC capabilities.

#### Keywords

Australia; data-driven campaigning; elections; political advertising

## 1. Introduction

There is much hype surrounding the use of data by political campaigns. One cannot help but be impressed by the thousands of data points on millions of voters that campaigns maintain, the use of massive, randomized control trials, and sophisticated models that help to optimize the placement of political messages. One example of reporting in this genre, Issenberg's (2012) *The Victory Lab*, took the reader inside the Obama presidential campaign in the US to see how data were being used. One might assume that the use of data in making campaign decisions would be commonplace now and that all campaigns would be racing to get on the data bandwagon. Yet research on the extent to which campaigns exhibit these data-driven practices is thin and has



not explored many contexts, such as poorly-resourced sub-national races or races outside the US and a few other countries. To shed light on the extent to which data-driven campaigning (DDC) is practiced, I examine the use of data in campaigns in Australia, a country in which we might expect to find at least some DDC given no government limits on campaign spending, the exemption of registered political parties from privacy laws, and the existence of campaign professionals who have often honed their skills in the UK and the US.

To make my focus on DDC more manageable, I focus on DDC practices relating to online political advertising, largely ignoring how DDC has been applied in field operations or in television or radio advertising. By focusing on online advertising, I am able to make direct comparisons across campaigns.

Several important insights emerge from my interviews with campaign practitioners. First, there exists considerable variation in the use of DDC practices. This variation, to be sure, stems from differences in resources across parties and specific campaigns, but it also stems from different campaign philosophies. Some campaigns stress the importance of more sophisticated DDC practices, such as targeting and tailoring messages, while others doubt that these practices work. Moreover, there are also differences in the confidence that campaigners have with the available data. Second, there is an important role for external campaign consultants who can provide access to sophisticated data-driven campaign techniques even when the party infrastructure is lacking. Finally, Australian campaigns are not moving unidirectionally toward more sophisticated use of data in making campaign decisions. In fact, some campaigns have backed away from such practices.

# 2. What is DDC?

As Dommett et al. (2023) indicate, definitions of DDC vary and are not always explicitly stated. The authors' review of 80 different studies on DDC results in the following definition:

DDC relies on accessing and analyzing voter and/or campaign data to generate insights into the campaign's target audience(s) and/or to optimize campaign interventions. Data is used to inform decision-making in either a formative and/or evaluative capacity, and is employed to engage in campaigning efforts around either voter communication, resource generation and/or internal organization. (p. 2)

Importantly, to make their definition applicable across country contexts, they do not name specific campaign practices but focus on the use of data to inform campaign decision-making and practices. One could, for instance, engage in ad targeting based on "gut feeling" as opposed to ad targeting informed by data, or one could gather campaign data but not use it for making decisions. Neither would be considered DDC.

Others, however, suggest that certain campaign practices are indicative of DDC or "data campaigning." For instance, Baldwin-Philippi (2019) writes: "At the most overarching level, data-campaigning involves two genres of practice: targeting and testing" (p. 3). Of course, it is not guaranteed that a campaign that engages in ad targeting exploits campaign data. Still, it is likely that insights from data feed into targeting decisions, and it seems likely that a campaign that tests messages will use those insights when making decisions about which messages to use.



The Dommett et al. (2023) definition, which focuses on the use of data to inform decision-making, strikes me as the gold standard, but it also encompasses a wide variety of campaign practices. Thus, I think it useful to think of DDC on a continuum from less to more sophisticated. At the low end are practices that have existed for decades, such as contacting people who live in certain neighborhoods because government statistics show that people in that neighborhood voted a certain way in the previous election. At the high end of the sophistication scale are the practices discussed by Baldwin-Philippi (2019) that are relatively new, such as modeling likelihood of persuasion scores at the individual level based on institutional and consumer data—and using those scores to inform which individuals will be targeted with tailored ads online—or testing ad effectiveness with a large-scale experiment.

# 3. DDC Globally

Much of the initial research on DDC came from the US. Indeed, over two-thirds of the sources reviewed by Dommett et al. (2023) examined DDC in the US. Among the remaining studies, several discuss DDC in the UK and the rest of Europe, with only one case from the Global South. Thus, conclusions about the contours of DDC may depend largely on its practice in US presidential campaigns that spend hundreds of millions of dollars. But do such descriptions adequately describe politics elsewhere, where spending is inevitably much less, and where campaign infrastructure and rules on data privacy differ?

Recent research by Dommett et al. (2024) compares the role of data, the use of analytics, the use of technologies in campaigns, and the role of personnel in DDC across five countries: Australia, Canada, Germany, the UK, and the US. The authors find several differences in how DDC is practiced, with variation across the system level, the regulatory level, and the party level.

Anstead's (2017) deep dive into the 2015 election in the UK also finds considerable variation across parties in the use of DDC. The Conservatives were similar to the US parties in their use of microtargeting, but the Labour Party used segment-based targeting, and the smaller parties "lag far behind" when it comes to targeting (p. 307). Another study, focused on campaigning for the European parliament in 2019, concludes that "only a few parties leverage sophisticated targeting strategies" (Kruschinski & Bene, 2022, p. 43).

Although the US supposedly represents the most sophisticated use of DDC, even research conducted on US campaigns sometimes takes a more skeptical view of how ingrained DDC is. For instance, Baldwin-Philippi (2017) points out that the 2016 Trump presidential campaign did not take full advantage of DDC, especially when it came to the use of testing email messages. And Hersh (2015) argues that the data that American campaigns use to make targeting decisions are often based on public records, which vary by state in their extent and quality.

Given existing, albeit limited, research, we should expect to find variation in DDC practices—not only at the country and party level but also at the campaign level.

## 4. DDC in Australia

Australia holds federal elections about every three years for all seats in the House of Representatives and half the seats in the Senate. House and Senate elections do not always take place on the same



day but often do. Australia has six states that hold legislative assembly elections on fixed dates every four years.

The two largest political parties are the center-left Labor Party and the center-right Liberal Party. The Liberals have long been in coalition with the smaller National Party. The Australian Greens, as of March 2024, have four seats in the 151-member House and 11 of 76 seats in the Senate. Although not forming a political party, several independents had electoral success in the House in 2022. These candidates, typically centrists who focused on addressing climate change, were labeled Teals or Teal Independents.

One might think that DDC should thrive in Australia given a very "hands-off" regulatory environment. Limits on campaign spending do not exist, and registered political parties are exempt when it comes to data privacy protections in the Privacy Act of 1988. Moreover, parties regularly make use of new technologies and import the latest campaign practices from countries like the US and the UK. Hughes and Dann (2009) highlight the ties between Australian and US political parties and suggest that parties in the US will sometimes "beta test" techniques in Australia before using them in a presidential campaign.

At the same time, there are elements of the Australian context that push back at the idea that DDC should be common. Although parties receive public funding and are free to spend as much as they want, resource constraints are real. In the year prior to the 2022 federal election, the Liberal/National coalition spent \$132 million (about \$85 million USD), and Labor spent \$116 million (about \$75 million USD; Griffiths & Chan, 2023).

In fact, the most important recent study to examine political campaigns in Australia suggests that only one of the major political parties engaged in a more sophisticated type of DDC. Kefford (2021) conducted over 150 interviews with party officials, party volunteers, and campaign consultants and concluded that "Labor is the only party in the Australian party system that currently employs a set of practices and processes consistent with data driven campaigning" (p. 53). He suggests that the Liberal Party has not copied Labor because they are able to win at the federal level without investing in DDC and because of the difficulty of getting the federal party and state party divisions to agree to invest in building a customer relationship management system. The Liberals are better described as pursuing a "narrowcasting" model of campaigning (p. 168) as opposed to a data-driven one. The Greens, on the other hand, campaign through community organizing—by knocking on a lot of doors. Of course, one might gather data to inform campaign decision-making through door-knocking, but the Greens have not invested in some of the more recent manifestations of DDC, such as data analytics and predictive modeling that informs targeting.

Kefford's (2021) research in Australia—along with limited research conducted outside the US—suggests that variation across parties is to be expected when it comes to the use of DDC practices. I thus proceed with two central research questions: First, to what extent are various elements of DDC that relate to online advertising evident in Australian political campaigns? Second, what explains variation across not just parties but individual campaigns in the use of DDC?

## 5. Methods

I collected data through semi-structured interviews conducted between March and August of 2023. I conducted 15 interviews with people engaged in electoral campaigns in Australia at the federal or state



level. Four interviews were conducted in person, and the remainder were conducted over Zoom. Interviews ranged from 30 minutes in length to over 90 minutes, with most lasting about one hour.

I granted interviewees anonymity and did not make audio or video recordings of the interviews, instead taking detailed notes by hand or on a laptop computer during the interviews. Immediately after each interview, I reviewed my notes and "fleshed out" what was said. This choice results in tradeoffs. Writing about semi-structured interviews with political elites, Peabody et al. (1990, p. 452) note that "some political elites may be reluctant to talk 'for the record,' even if anonymity is assured. Generally speaking, the more sensitive and personalized the information, the less appropriate is the use of a tape recorder." Of course, by not taking a direct recording of the interview, I cannot ensure the completeness of each transcript. My hope was that by taking contemporaneous notes, interviewees would be comfortable speaking freely and that I would be able to capture the important details. Thus, while the quotations I provide may not be exact quotations, they should accurately represent the tenor of the conversation.

I relied on snowball sampling to obtain interviews, starting with three scholarly contacts in Australia. Table 1 provides the date of each interview, the parties on whose campaigns the individual had worked, and a brief description of the individual's experience. Five interviewees had primarily worked for a political party, seven had primarily worked for a political consulting agency, and three had worked extensively for both a party and an agency. Most interviewees had worked for only a single party, but a few had worked for clients from multiple parties. Labor was best represented, with 10 interviewees having worked for the party. Four had worked for Greens, two had worked for Liberals, and two had worked for independent (Teal) candidates in 2022. Because Labor-affiliated individuals are overrepresented and Liberal-affiliated individuals are

Interviewee Number	Date	Party	Experience
1	March 29, 2023	Labor	State party staff; agency consultant
2	April 27, 2023	Liberal	Digital advertising specialist working for agency
3	May 23,2023	Labor	Agency consultant on state party campaign
4	May 29, 2023	Greens	State and federal party campaign staffer; advocacy group organizer
5	June 5, 2023	Labor	Senior-level employee at national headquarters
6	June 7, 2023	Labor	Agency consultant on state party campaign
7	June 7, 2023	Greens	Senior-level digital campaign marketer for national party
8	June 8, 2023	Greens	Digital campaign staff for state and national parties
9	June 29, 2023	Teal, Labor	Senior-level consultant working for agency
10	June 29, 2023	Labor	Digital ad strategist at agency
11	July 7, 2023	Labor	Agency consultant on state campaign
12	July 10, 2023	Labor	Senior-level employee at national headquarters
13	July 12, 2023	Labor	Agency consultant; party communications specialist
14	July 17, 2023	Liberal	Agency consultant; senior-level party staffer
15	August 24, 2023	Teal, Labor, Greens	Senior-level agency consultant



underrepresented relative to their numbers in elective office, I refrain from making sweeping claims about party differences, instead focusing on variation across campaigns.

In developing my list of interview questions, I took a deductive approach. I reviewed the literature on DDC, identifying practices related to the use of online political advertising that are commonly data-driven. I identified five areas, including (a) the extent of ad targeting, (b) the extent to which ads are tailored to specific audiences, (c) the use of data analytics in ad targeting/tailoring, (d) efforts at online fundraising, and (e) ad testing. One of these speaks directly to the use of campaign data (i.e., the use of data analytics), while four are campaign practices that are generally, though not always, informed by the use of data. My interview questions tap each of these five areas (a full list of interview questions is found in the Supplementary File). I also asked about the gathering of data, but because data gathering is generally antecedent to the various data-driven practices and is touched on in my discussion of those practices, I did not discuss it in a separate section.

I created a grid with an identifier for each interviewee and relevant portions of each interviewee's responses pertaining to each of the five elements, allowing me to easily see and summarize people's responses to each element of DDC. I aim not to identify deeper themes that emerge from the transcripts, as one would with thematic analysis (Braun & Clarke, 2022), but to describe.

## 6. Elements of DDC

## 6.1. Ad Targeting

The extent to which Australian campaigns engage in targeting runs from minimal to hyperspecific targeting based on sophisticated modeling of the electorate. Most basically, campaigns were targeted geographically, with the national parties focused on swinging electorates. But demographic characteristics were also important in segmenting voters. For instance, age was mentioned by several interviewees. One Green indicated that the party never contacted anyone over age 60 (Interview 4), and both a Green and a Labor-affiliated individual talked about specific campaigns aimed at 18–24-year-old voters (Interview 7, 11). Gender was also mentioned as a targeting criterion (Interview 1, 15). In one state, the campaign found that the issue of government privatization resonated much better with men than women, and so ads on that issue were targeted at men (Interview 15).

Other interviewees talked about engaging in more specific targeting by using Meta's custom lists, whereby the campaign could provide a list of emails to which Meta would link its users (Interview 7). Another listed the use of Meta's lookalike audiences, whereby the campaign requested that its ads be shown to custom audiences and those that looked similar to those audiences (Interview 8). Another interviewee reported having good results on the Meta platforms by using fairly narrow audience segments, such as healthcare workers, those interested in the environment, parents, and pro-animal groups (Interview 3).

Four of the 15 campaign professionals reported engaging in true microtargeting at the individual level (Interview 6, 9, 12, 13). Instead of targeting messages to people with certain characteristics, such as gender or age, they targeted individuals based on propensity scores generated from statistical modeling of the electorate. For example, one consultant (Interview 13) described an in-house process whereby a junior



staffer skilled with data would combine data from the electoral roll, survey responses, and purchased data to create individual-level scores predicting the likelihood of persuasion. This model was constantly refined as new data came in, and these data were used to decide whom to target.

Three of the four who had reported using microtargeting were convinced that microtargeting should be pursued, provided a campaign has sufficient funds. However, many campaign professionals made the argument that, even if they had the knowledge and ample resources, they would not microtarget because such hyperspecific targeting just does not make sense in most contexts.

Some made an economic argument. As one put it, "Economically it's kind of dumb to go too niche because you're paying more for these niches; the cost per view is very high" (Interview 15). Another suggested that, by targeting more broadly, a campaign could "get 80 percent of the impact with 20 percent of the cost" (Interview 10).

Others made a philosophical argument about the nature of campaigning in speaking against microtargeting. One suggested that "most campaigning is about awareness," that is, making sure the public knows the name of the party's candidate (Interview 15). "For awareness, you want to go broad." One Green added, "Given the small size of electorates, you can really hammer all people within that electorate with the ads—you don't need to do much targeting" (Interview 8).

Many of the consultants I spoke with agreed that it is now more difficult to do narrow targeting than just a few years ago because of changes in technology. One change mentioned was the release of Apple's iOS 14.5 in 2021, which required users to opt into device tracking on each app, thus making it more difficult for advertisers to match up users with their online behavior (Interview 15). Another lamented that engagement on Facebook has dropped off considerably over the past few years, speculating that Meta's algorithm had changed (Interview 3).

## 6.2. Ad Tailoring

In general, Australian campaigns are not producing thousands or even hundreds of versions of online advertisements. Tailoring of ads to specific audiences remains fairly limited, which makes sense given that few campaigns are engaged in narrow targeting. That said, tailoring ads for specific geographic areas is common, with different creatives for different electorates and states. These ads typically also feature iconic local images. Two consultants mentioned creating content for specific "community groups," such as those for whom English might be a second language (Interview 14). One state campaign created online ads aimed at Chinese, Indian, Pakistani, Bangladeshi, and Lebanese communities (Interview 15). Another interviewee talked about creating eight different ads: two each focused on four different issues that the campaign determined in advance that they would focus on (Interview 1).

Yet, in fairly rare instances, a campaign did produce large numbers of creatives. One authority on the Labor Party's effort in the 2019 federal campaign suggested that the party produced thousands of different versions of digital ads that were tailored to different segments of the electorate but admitted to being unsure about the value of this approach (Interview 12). In the next federal election in 2022, the party scaled back its effort, creating a few hundred creatives, according to this source. Another campaigner working on the 2023 campaign



regarding the Voice referendum, which would have given Indigenous peoples a voice in parliament, expected to see between 5,000 and 10,000 different creatives (Interview 9).

What prevents the number of unique creatives from exploding? One Green mentioned an ethical constraint, that the party does not want to be sending different, and perhaps contradictory, messages to different voters (Interview 8). Such concerns among the Canadian Greens and left parties in Germany have also been noted (Dommett et al., 2024). Other interviewees mentioned staff constraints. As one Labor-affiliated consultant put it: "The resource load for producing all of that content is so high and audiences are small...what's the point in having five or six people creating custom content for a specific group, say, 10 to 15,000 mothers across the country?" (Interview 10).

For others, the constraints were philosophical in that they believed the way to win was to send a very small number of messages—perhaps only one—to the electorate. One consultant for a Labor state campaign said that "all roads lead to Rome," explaining that the campaign would produce different ads for different segments of the voting population—in other words, each ad had a unique starting point—but the campaign would end each with an image of the party leader and the same slogan (Interview 13). One consultant for the Liberals echoed this argument, explaining that it was "important to have consistency in messaging or you suddenly go down a rabbit hole of having 1,000 different messages. There are ways to run ads that are consistent but feel more relevant to the individual" (Interview 2).

## 6.3. Use of Data Analytics

The degree to which campaigns use data analytics to model the electorate varies considerably by race and party. People familiar with Labor's data operation reported that the party does extensive data modeling and employed a full-time data scientist during each of the past three federal election campaigns. These in-house employees were backed by data scientists from marketing agencies in 2022. One individual reported that most state Labor parties did not directly employ data scientists, but on occasion, a large state party, such as in Victoria or New South Wales, will hire out data analytics to an agency (Interview 6).

An interviewee from the Greens reported that while the party does use a lot of data, "they are not really doing modeling," and there are few people within the party who would have the skills to do so (Interview 7). Another interviewee who worked for the Greens, however, suggested that the party had done some predictive modeling in one area to identify potential volunteers (Interview 4).

One Labor-affiliated interviewee who worked for an agency reported using extensive data analytics in a recent state campaign. The campaign built its own model of the electorate, using commercial data and the electoral roll, and the interviewee seemed pleased with the effort despite the high cost (Interview 6). But another Labor-affiliated interviewee who worked on a campaign in another state reported that while the campaign had access to a data scientist, it did not have sufficient staff resources to make use of the data (Interview 3).

One well-funded campaign for an independent Teal candidate in 2022 went "all in" on data analytics (Interview 9). An agency hired by the campaign built a propensity-to-persuade model of the electorate in this wealthy, well-educated inner suburb. This model was based on its own datasets, third-party data, publicly available data, and psychographic profiles. The individual explained:



A traditional campaign would look for people who care about climate change, but in [this electorate], everyone cares about climate change, so we used psychographic profiling and translated that into political value sets. For example, this set of people care in a particular way about the environment and these people care in a different way about the environment, and thus you change the message based on those profiles. From commercial providers you know at a very granular level where these people are—there has been a lot of demographic change in [this electorate].

Despite these examples, many campaigns do not have access to data scientists or the models they produce. Instead, as one Green reported, the campaign would use data in a simpler fashion, such as emailing people about particular issues when it was noticed that they opened emails only about those issues (Interview 4). Other campaigns made use of the built-in tools in the Meta dashboard—and thus leveraged the company's data on users—to determine whom to contact and with what message.

## 6.4. Online Fundraising

There was a division of opinion on whether online fundraising, especially through paid online ads, was worthwhile. Some reported success in online fundraising in the advocacy space, such as for an organization like Greenpeace or for the "yes" campaign on the marriage equality plebiscite in 2017 (Interview 7). But when it comes to fundraising online during an election campaign, support was muted. One interviewee declared, "Online fundraising is a losing battle" (Interview 8). Although some had tried, many of them reported a negative return on investment. One explained, "You need a baddie to get people motivated" and suggested that Australian politicians do not motivate enough anger to get people to donate (Interview 3).

Yet there are ways to make online fundraising work. One interviewee reported that Google search ads had a positive return on investment; the problem was that not enough individuals were hitting the key search terms, and so the overall money raised was limited (Interview 8).

One reported using online ads to generate a list of potential supporters (Interview 13). Those who clicked on the ad would be put on a supporter list and solicited later with emails requesting donations. In general, my interviewees suggested that email was a more efficient way to raise money during an election campaign, though email may not be as useful as it once was. As one party official explained (Interview 12):

Email isn't the only form of communication people engage in, as there are messaging services now, and email inboxes are getting cluttered with spam. There are also barriers of trust. My prior for the next election is that email will age out.

Thus, a couple of interviewees urged Australian campaigns to not give up on online fundraising ads. One suggested that the online fundraising success of advocacy groups, such as GetUp!, could be replicated by the parties, and that a more aggressive US style of fundraising could work (Interview 10). Another suggested that the immediate return on investment of an online fundraising campaign can be much different than the long-run return on investment (Interview 9). If you attract someone to donate even a small amount now, but that person donates regularly in the future, then at some point you will generate a positive return.



Others were skeptical of online fundraising, pointing out that the Australian public is not accustomed to receiving fundraising appeals from parties or candidates and that voters might find such appeals a bit crass, given that parties already receive public funding for their campaigns (Interview 3). One suggested that, because of public funding of campaigns, there was not enough incentive for the parties to take online fundraising seriously (Interview 10).

## 6.5. Ad Testing

Several campaigns tested their ads and messages, though their approaches varied. Some employed experiments. One agency employee discussed an experiment in which one group was exposed to political ads and another was denied political ads, allowing the campaign to measure the impact of ad exposure (Interview 6). Two interviewees mentioned doing A/B testing of different versions of an ad by using Meta's dashboard to see which one resulted in higher engagement statistics (Interview 11, 13).

Focus groups—although not traditionally thought of as on the sophisticated end of DDC—were used in decision-making about ad messaging in a couple of well-funded state campaigns. One campaign consultant discussed using over 50 focus groups in the 12-to-18-month period prior to the election, with these groups becoming more frequent as the election approached (Interview 11). The individual expressed that these focus groups gave the campaign a lot of confidence that it was on the right track with its campaign messaging strategy.

Another consultant working on a campaign in a different state explained the use of focus groups there (Interview 13):

We were running regular ad focus group sessions, every couple of nights during the campaign. It was a costly and complicated exercise—it is hard to build groups nowadays because people are more cynical and less engaged. But there is increased convenience now as you can do focus groups virtually....It has never been easier to put together a good online group and have a really good cross section of the community. People are also better now at [participating in focus groups], too. We don't have to tell them to unmute anymore. We pay people \$100 and they don't have to leave their homes.

Although some expressed enthusiasm for focus groups, one was skeptical of their usefulness in developing political ad messages, saying "ads shouldn't be based on one individual in a focus group" (Interview 9).

That same consultant expressed the importance of learning how ads are performing in other ways (Interview 9):

It's a two-way street, you need to hear how the ads are performing, but typically, there's one message, and campaign leadership won't have the insights fed back to them....You need to have a unit set up to take in performance of the ads. We do our own surveying and serve ads at such a high volume that we get a lot of data that provides feedback on their success.

For many campaigns, cost was a barrier to doing ad testing. One Green talked about using focus groups to test general slogans but proclaimed that the party did not have the resources to engage in message testing



beyond this (Interview 8). One consultant stated that the client's interests and resources "will determine how much ad testing will take place, but there's not that much money to go around in Australia, not a lot of money to do extra things such as testing or validation" (Interview 10).

Thus, many campaigns relied on inexpensive methods for determining how well an ad was doing. Most prominently was organic engagement measured through things like the number of likes and shares on social media, but this has downsides. As one interviewee explained: "Engagement statistics aren't all that helpful; those people who are most important [for winning elections] are those with the least interest" (Interview 10).

The perception, then, is that key to winning an Australian election is speaking to people who are not interested in politics—and maybe even a bit angry that they are required to vote—but these people are not the type to be sharing political ads on social media.

One campaigner reported looking at the sentiment of the comments about ads that are posted on social media, but the individual acknowledged the limitations of this approach for reaching swing voters (Interview 13): "Comments have become less and less useful because they come from people who are already engaged in the issues."

# 7. Variation in DDC Across Campaigns

I have discussed five elements of DDC in Australia, all of which pertain to political advertising. Although each element is theoretically distinct—one could, for example, do intensive ad targeting without tailoring those ads or use consumer data without doing ad testing—all elements appear to be positively correlated with each other. Campaigns that engage in one of these elements are more likely to do the others as well.

Still, there remains considerable variation in the sophistication of DDC practices. Some campaigns are on the very low end of the scale. For instance, they might target a few broad demographic segments on social media, say, people of a certain age group, but do minimal ad tailoring or testing. Their use of data is limited to the engagement statistics provided by the Meta dashboard, and there is no attempt at online fundraising. At the other end of the scale is the campaign that creates thousands of ad creatives, uses data scientists (relying on massive databases with multiple sources of data) to create propensity scores that determine who is targeted by particular ads, engages in a multi-pronged online fundraising effort, and tests ad messaging through focus groups, online panels, surveys, and engagement statistics.

Why do some campaigns end up on the low end of the DDC sophistication scale, while others end up on the high end? A few reasons stand out.

The first is the availability of resources. Money allows one to hire campaign consultants with expertise in DDC and sufficient staff numbers to execute the campaign. Having sufficient creative people to tailor ads to niche segments costs a lot of money. Moreover, ad testing can be expensive, whether done through focus groups or surveys, and randomized experiments are prohibitively costly for all but the most well-funded campaigns. This finding is consistent with the cross-national work of Kefford et al. (2023), which notes that several smaller parties in Germany, the Netherlands, and Australia did not have sufficient resources to invest in data collection and infrastructure.



The second reason one sees variation is disagreement among campaign practitioners about the wisdom of pursuing a more advanced data-driven campaign. One consultant who was given the resources to run a well-funded and sophisticated data-driven campaign was convinced that these efforts led to victory (Interview 9). Indeed, the independent Teal candidate whom this consultant advised was able to topple an incumbent Liberal in 2022.

But others have backed off their commitment to full-scale DDC for philosophical reasons. As one interviewee put it, "The more and more I've done this, the more I've thought one simple narrative perpetuated with a lot of consistency makes a difference" (Interview 10). One person familiar with the national Labor Party's efforts in the 2019 federal campaign stated (Interview 12):

In 2019, we created 1,000 different variations of digital ads, all informed by online experiments, we identified segments based on demography or geography, and we picked ads that did the best, but I'm not sure what value we got out of that hyper-optimization—it was technological fetishization. We didn't stop to ask if it was a strategically intelligent campaign.

In 2022, by contrast, Labor created "maybe a few hundred creatives" that were mostly focused on the qualities of their leader, Anthony Albanese, and the "failings of the Morrison government" (Interview 12). Again, the idea was that a simple narrative sent to all would resonate more than multiple narratives directed at different segments of the population.

A Liberal consultant expounded on this idea, saying, "We're a pretty homogenous lot here in Australia....It's not as diverse or as stratified as what I think the US is—the [campaign] techniques can work similarly with most people" (Interview 14). Thus, the opposition to DDC stems not from distrust of the technology or the data but from a fundamental belief that microtargeting tailored messages to small segments of the electorate is not the way to win elections.

Others are skeptical of investing too heavily in DDC because they lack confidence in the data. Interviewees lamented that engagement on Facebook was down, and the iPhone users who have opted out of tracking means that "it's harder for Facebook to know if you're in the right electorate or not," according to one campaign consultant (Interview 15). The individual added that Meta data are "more of what people say about themselves than what they actually do." In sum, the perception of unreliable data leads some to back away from full-scale DDC.

# 8. Conclusion

A range of data-driven practices regarding political advertising and messaging is evident in Australia, with some campaigns going "all in" on more sophisticated DDC techniques and others using fewer and more traditional approaches to DDC. Certainly, the know-how exists to do sophisticated DDC, but many campaigns do not because of a lack of resources, a campaign philosophy that stresses the importance of having a single message widely distributed, and a lack of confidence in the available data.

Existing research tends to focus on differences in the data and targeting capabilities of political parties as factors influencing the practice of DDC. For instance, the framework of Dommett et al. (2024) considers,



among other things, the nature of the party system, regulations on parties, party resources, party structure, party ideology, and party attitudes toward campaigns. And when examining Australia specifically, Kefford (2021) focuses on variation across parties in the use of DDC practices. One might expect, then, that differences in party infrastructure would be a key predictor of how DDC is executed, but my interviews did not always support the importance of the party.

For instance, while the Labor Party has the most sophisticated data infrastructure of any party in Australia (Kefford, 2021), that expertise does not necessarily trickle down to individual campaigns. One campaign official on a Labor state campaign reported that the campaign's small staff did not have the time to take advantage of the data sitting in Canberra (Interview 3). Moreover, the two consultants who worked for independent (Teal) candidates in 2022 ran, by their own accounts, highly sophisticated data-driven campaigns that year because they had the money to do so. In short, a candidate who has access to money—even without a connection to a political party—can buy a highly-developed data-driven campaign from a marketing agency. This may be true in other countries as well, especially those with few limits on campaign fundraising, relatively weak parties, and a well-developed marketing profession. Future research should look more at the outsourcing of DDC to marketing agencies, and given that capacity, how important party data infrastructure remains.

This study, like any, has limitations. My study cannot match Kefford (2021) in terms of breadth when it comes to the study of DDC in Australia. That said, my narrower focus on digital political advertising does bring to light a few things, including the important role of agency staff and consultants in campaigns, the existence of debates about the wisdom of employing more sophisticated DDC—and the reasons for those debates, including fundamentally different philosophies about what it takes to win.

Another limitation is that my study speaks to a specific point in time. I asked those interviewed to provide examples from a recent campaign on which they worked, and thus my data speak to the use of DDC over the past few years in the federal elections of 2022 and in the many state elections in 2021 and 2022. I am unable to trace the longer-term development of DDC in Australia.

My sample of interviewees is tilted to those who have worked for Labor, likely a consequence of snowball sampling. Thus, one must be cautious about concluding that DDC works differently across parties or, on the flip side, assuming that it works similarly across all parties.

Interviews can be an extremely useful research method, but they can also come with pitfalls. With one interviewee who worked for an agency, I felt as though I was getting a sales pitch for the benefits of highly sophisticated and costly approaches to DDC. Not surprisingly, when consultants are trying to sell their services, they may have an incentive to tout the benefits of the approaches that earn them the most money. That said, I also spoke with consultants and party officials who were highly introspective about the pros and cons of more sophisticated DDC practices.

It is far from inevitable that Australian campaigns will adopt further elements of DDC. In fact, as I have suggested, some have stepped back from many elements of DDC, including hyperspecific targeting, producing thousands of ad creatives, and sophisticated ad testing. Some who were once convinced that such techniques were the only way to run a modern campaign have now decided that developing a simple,



resonant message and making sure everyone hears it is superior to running campaigns in which data drive even the smallest decisions.

Gibson (2023) suggests that if the move toward further DDC were to slow down, it might be due to governmental regulatory changes, such as data privacy protections instituted by the European Union. Yet, to this point, regulation of DDC in Australia has been virtually nil. Those who have not pursued more sophisticated DDC practices—or have stepped back from microtargeting, tailoring, and ad testing—have done so for other reasons, not because regulation has made it more difficult.

#### **Acknowledgments**

I thank Andrea Carson, Andrew Hughes, and Glenn Kefford for helpful background conversations. I also thank the School of Media, Film & Journalism at Monash University, and especially Mark Andrejevic, for hosting me during my time as a Fulbright scholar in Australia.

#### Funding

This research was made possible by a Fulbright Senior Scholar award.

#### **Conflict of Interests**

The author declares no conflict of interests.

#### **Supplementary Material**

Supplementary material for this article is available online in the format provided by the author (unedited).

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