



TO: Democratic Leaders
FROM: The Mellman Group
RE: Word Of Mouth In New Hampshire
DATE: January 7, 2008

This analysis presents the findings of two statewide surveys of 400 New Hampshire Primary voters. One survey sampled 400 registered Democrats and independents who plan to vote in the Democratic primary, the other 400 registered Republicans and independents who plan to vote in the Republican primary. Interviews were conducted by telephone January 5 to January 6, 2008. The margin of error for these surveys is +/-4.9% at the 95% level of confidence. The margin of error is higher for subgroups.

The Conversation Turns

Iowa's caucus results revealed clearly the power of word of mouth and personal advocacy. Governor Huckabee soared into the lead for the Republicans, before spending a single dollar on ads, because he created positive buzz and had the largest contingent of citizen advocates encouraging friends and colleagues to caucus for him. Senator Edwards came in second on the Democratic side, despite being outspent by three and four to one, because his army of advocates was as large as those backing Senators Clinton and Obama. Meanwhile, Senator Clinton was knocked off her front runner's perch not by attack ads, but because she generated the most negative talk among Iowa Democrats.

Now it is Hampshire's turn and voters there are engaged in somewhat different conversations about the candidates in both parties.

The simple fact is those conversations – what people say to each other– can be as powerful as what TV ads try to make them think.

While 30 second spots will remain a central means of persuasive communication, as audiences have fragmented and trust in advertising has eroded, science is increasingly recognizing the power of individuals to influence each other.

Conversations have consequences because humans are uniquely social beings. For millennia our core evolutionary strategy was to form groups to protect ourselves from predators and provide the support needed to hunt and rear our young. Divorce us from our social group and even our body chemistry changes, as stress hormones surge. No wonder elementary school teachers could punish us by exiling us to the hall, alone.

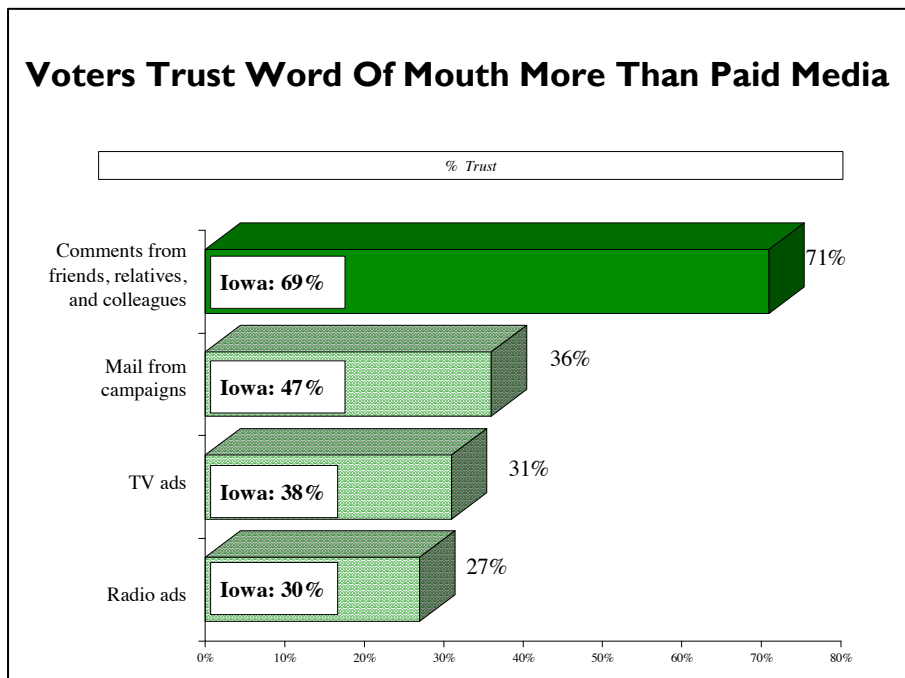
Our social nature has given human beings the capacity to influence each other in profound ways. While scientists debate whether the mechanisms are psychological, social, or neuronal, the evidence for interpersonal persuasion is overwhelming. In one of the earliest experiments, during the 1950's, psychologist Solomon Asch found large numbers of subjects saying an obviously shorter line was the longest on a page, after everyone else in the group did. Opinions offered by the experimenter's confederates led ordinary subjects to express a clearly inaccurate view.

In one of the most recent studies, subjects seated at neighboring tables watched the same Saturday Night Live sketch, recording their impressions. Those permitted to see others during the task produced similar evaluations, while those unable to see how others were reacting offered divergent views. Thus, when clues were available about others' opinions, participants influenced their peers.

Even as science documents the significance of social influence, people are becoming increasingly aware of their reliance on others. Public trust in all kinds of communication is eroding—with a singular exception—word of mouth. Roper found the number of people who said they get good ideas and information from television ads declined since 1977, while the number who said the same about word of mouth increased by 25 points.

Our survey of New Hampshire voters this weekend, found 31% saying they trust information provided by TV ads, while 71% trust "comments from friends, relatives, and colleagues."

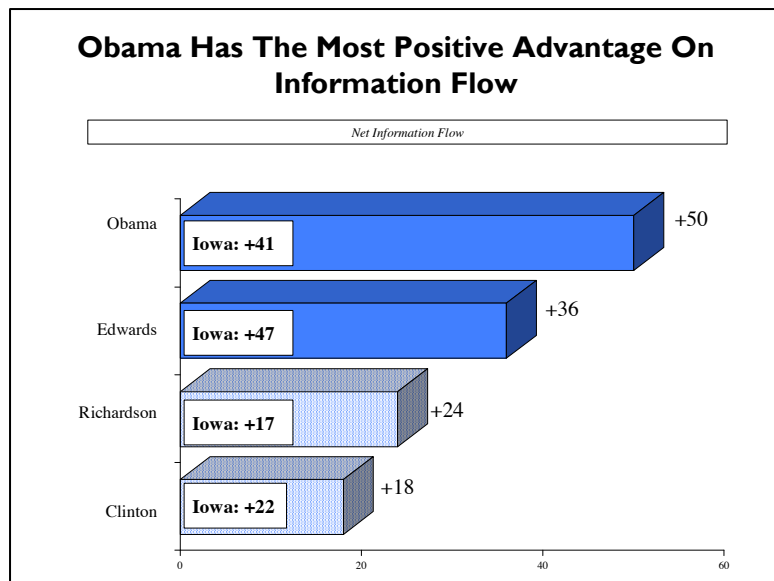
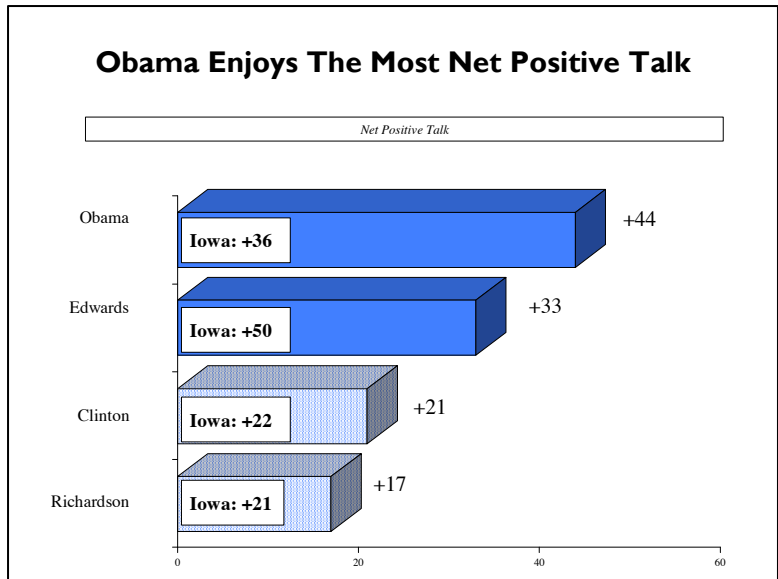
Many think of the Internet when they hear word of mouth, but though critically important, on-line campaigning represents just the tip of a very large social influence iceberg. As much as 90% of word of mouth takes place offline.



Our New Hampshire survey reveals the web of interpersonal communication that constitutes the wave now hitting the Granite state. It is clearly evident in the word of mouth candidates are generating and in the information flow voters perceive.

Talking About The Democrats In New Hampshire

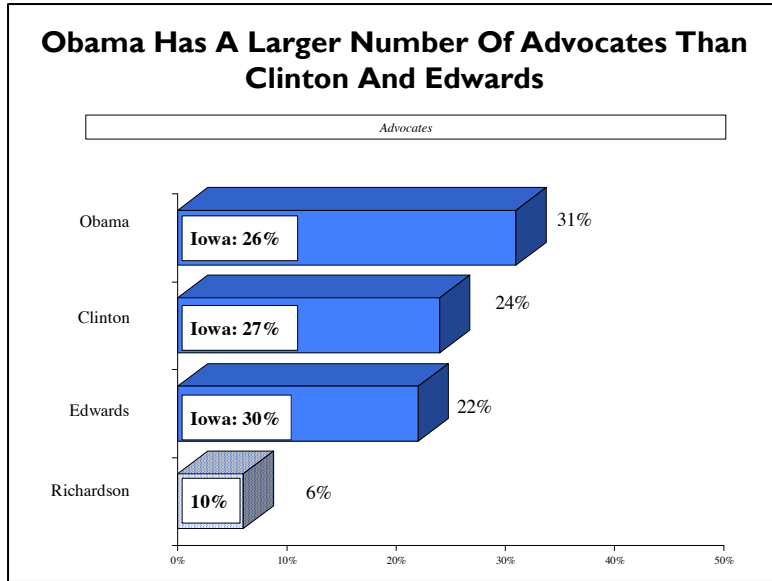
In Iowa, Edwards benefited from the fact that more Democratic caucus goers were making positive rather than negative comments about him, than about anyone else in the field, helping him hold on to second place in the face of the advertising onslaught from the Obama and Clinton campaigns. Now, in New Hampshire, it is Obama being further buoyed by the greatest net positive talk — 23 points more than Clinton and 11 points more than Edwards. Clinton continues to generate significant negative comment. Indeed, almost 70% more Democratic primary voters in New Hampshire are speaking ill of Clinton than of Obama or Edwards.



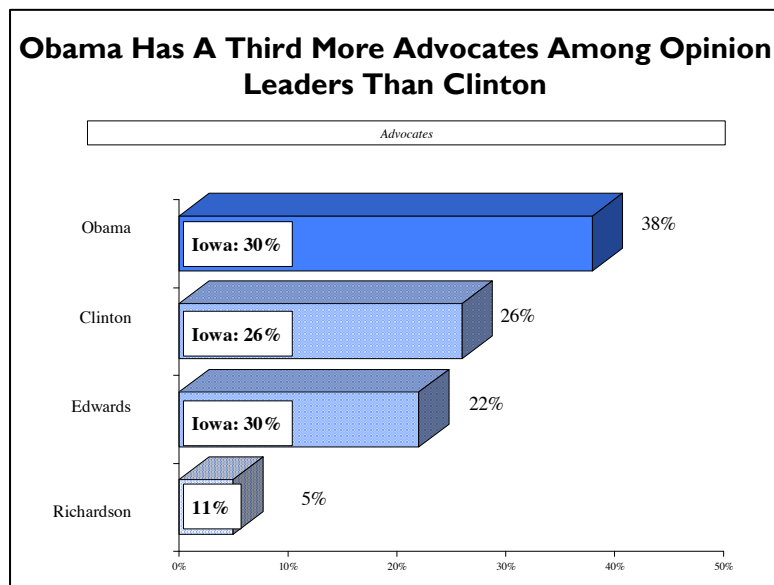
Those differences are magnified in what voters perceive they are hearing. Obama’s net positive information flow stands at +50, compared to +36 for Edwards and just +18 for Clinton.

Even more important than the overall flow of talk is the willingness of citizen advocates to take up the cause, evangelizing on behalf of their candidate. These are the people who propelled Huckabee to victory in Iowa and helped Edwards eke out his second place.

While in Iowa Edwards had the largest army of advocates, in New Hampshire Obama enjoys that advantage to an even greater degree (31% of Democratic primary voters are evangelizing on his behalf), with Clinton second (24%), and Edwards just behind (22%). With Obama enjoying support from the largest number of advocates and deploying the most dollars, it is hard to imagine him not winning.



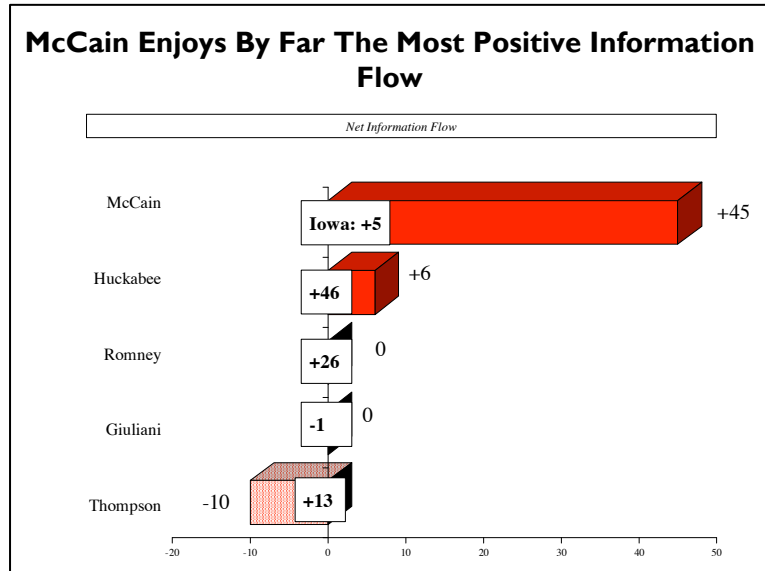
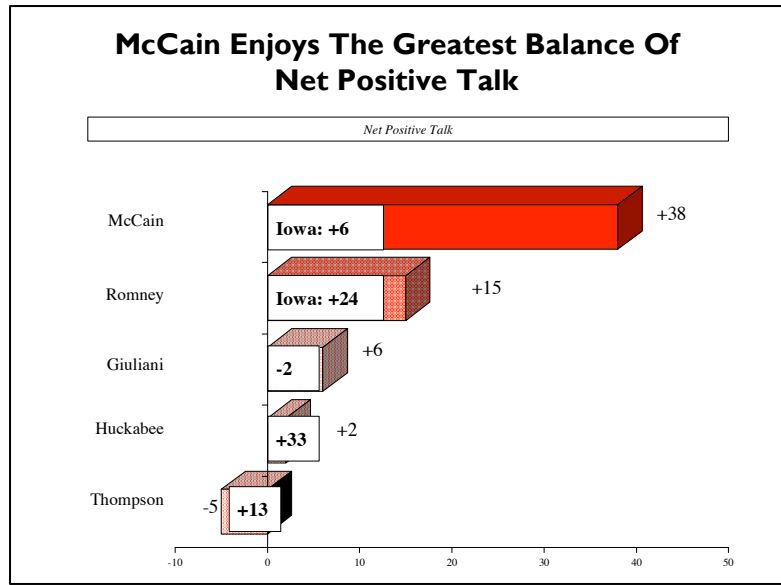
By the same token, with Edwards spending much less than the other two, and attracting the fewest advocates, it is unlikely he will emerge ahead of Clinton. In Iowa, Edwards was able to make up some of the money gap by having the largest group of advocates. In New Hampshire he lags in advocates as well as in dollars.



Obama's advantage is magnified by having an even greater relative share of advocates among opinion leaders. Thirty-eight percent (38%) of opinion leader advocates who vote in the Democratic primary are spreading the word for Obama, compared to 26% for Clinton and 22% for Edwards.

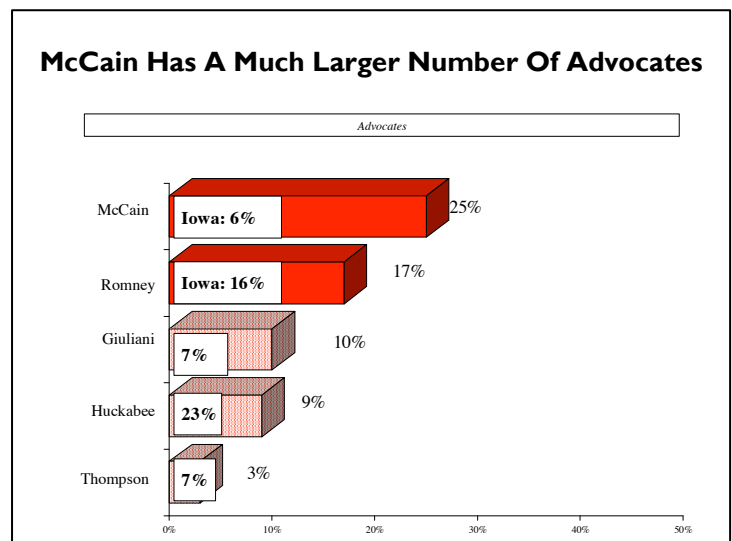
Talking About The Republicans In New Hampshire

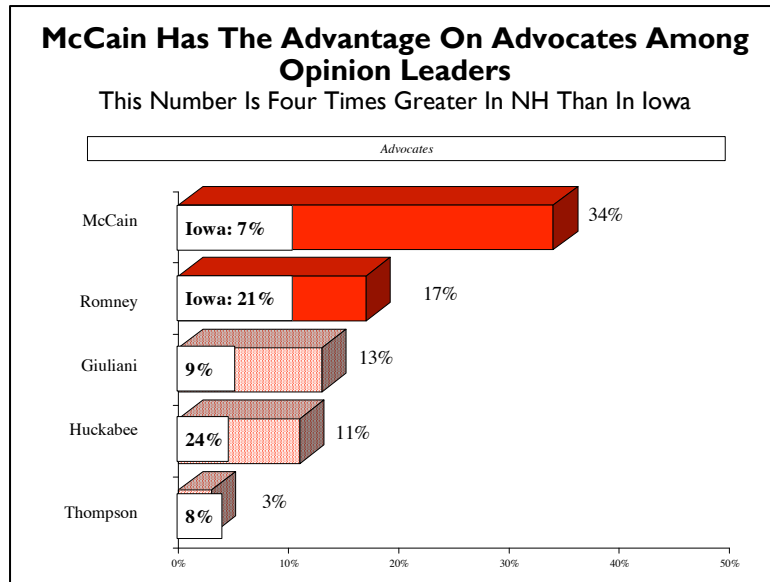
The only Republican generating truly positive buzz in New Hampshire is John McCain, whose net positive talk score (+38) more than doubles Mitt Romney's (+15). Rudy Giuliani is at just +6. Interestingly, while Mike Huckabee has generated substantial discussion in New Hampshire as a result of his Iowa victory, much of it is negative, so his score is just +2, with nearly as many GOPers speaking negatively about him as positively.



As a result, the information flow surrounding voters strongly favors McCain yielding a score of +45. Romney is far behind on this measure at 0, with Huckabee at +6. Thus, the Arkansan's Iowa victory has ignited groundswell of discussion, but too much of it has been negative to enable him to derive substantial benefit from all the talk.

Moreover, in New Hampshire, Huckabee has been unable to duplicate the army of citizen advocates that enabled him to prosper without significant advertising in Iowa. Only 9% of Republican primary voters in New Hampshire are Huckabee advocates, compared to 23% in Iowa. In New Hampshire, it is McCain who benefits from the largest army of Republican advocates (25%), with Romney lagging (17%). Here it is McCain who, though outspent by Romney, has turned his supporters into messengers helping to erase his advertising deficit.





McCain’s advantage among advocates grows dramatically when one looks just at advocacy by opinion leaders. Nearly 34% of opinion leaders are McCain advocates, compared to 17% for Romney and 11% for Huckabee.

Conclusion

Obama and McCain are benefiting from very positive buzz in the influential conversations ordinary voters are having with each other. Their competitors do not even come close. Moreover, by chance

or design, Obama and McCain have enlisted far and away the largest armies of citizen advocates who are not just talking about the candidates, but actively urging friends, relatives, and colleagues to vote for their favorites. Trusted opinion leaders are particularly likely to be making the case for Obama and McCain in their respective primaries.

In short, whatever may be happening on television, in the mail, and with campaign organizations, the central dynamics of interpersonal influence in New Hampshire strongly favor Obama and McCain.