



Aam Aadmi Party's Marketing Balance Sheet National Politics

(**Mini Version**, Based on Kujnish Vashisht's
Marketing Balance Sheet Model)

Released on 08-04-2020

Author: Kujnish Vashisht
KV's ChanakyaShaala®
(Expedient Consultants)

Office no 69, 2nd floor, SCO 42, Sector-11, Panchkula
9878904347, 9779883347, expedient33@gmail.com
www.chanakyaaneeti.com

Introduction

Aam Aadmi Party is a new Party on India's Political Horizon. It was launched towards end of 2012, formed by a faction of activists of the popular movement "India Against Corruption". It formed Government in National Capital Territory of Delhi in 2013 (supported by Congress Party), and on its own (landslide victories) in 2015 and 2020. Delhi CM Arvind Kejriwal is supreme leader of the Party.

This document describes Marketing Balance Sheet (Mini Version) of AAP. The party has been evaluated on the same Marketing Parameters on which I evaluated BJP and Congress. **It should be noted that this document is on National Politics i.e. not based only on AAP's position in Delhi.**

(Note: Either Google "BJP's/ Congress Party's Marketing Balance Sheet" or visit www.chanakyaaneeti.com for BJP/ Congress Party's Marketing Balance Sheet)

Defining the Product

Aam Aadmi Party, as the name suggests, is a Political Party whose main target segment is Common People, Lower Middle Class and below. Its main differentiator in marketing terms is Promising unbelievable product features, and then delighting its **target segment** by fulfilling many of those promises in a time bound manner. That was the recipe of its success in Delhi State Elections (2013, 2015, 2020). This has resulted in Nationwide publicity for the party. AAP is a perfect example of Disruptive Marketing.

Key Marketing Parameters for Evaluating AAP

- Clarity of the Product in People's mind as well as to the Party itself
- Brand Equity of the Supreme Leader
- Relevance of Product Parameters in Voter's mind
- Position of the supreme leader within the Party
- Differentiation Quotient
(Same as BJP and Congress)

Weightage of Various Marketing Parameters applicable in this Marketing Balance Sheet

- Clarity of the Product in People's mind as well as to the Party itself (10)
- Brand Equity of the Supreme Leader (20)
- Relevance of Product Parameters in Voter's mind (20)
- Position of the supreme leader within the Party (10)
- Differentiation Quotient (40)
(Same as BJP and Congress)

Score on “Clarity of Product in People’s mind and to the Party itself”

AAP’s target segment is common people. Lower middle class and below. When it came to power in Delhi State in 2013, main promises in its manifesto were free water, reduction in Electricity tariffs, high quality health care, improving levels of education in Government Schools, and Swaraj, i.e. power in the hands of people at Mohalla Level. The above promises in marketing terms can be defined as key product features. They promoted their product through publicity. They organised many events (dharnas) for common causes. One such memorable event was when Arvind Kejriwal, in the build-up for State Elections, appealed to people of Delhi not to pay electricity bills as tariffs by the then Sheila Dikshit led Congress regime were on the higher side. When electricity to his own home was disconnected by the then Government for non-payment of bill, Arvind Kejriwal fixed it on his own, and appealed to people to do the same.Contd

...Continued

Though many felt that that it was an illegal act, Kejriwal made such acts as his USP. While defining AAP earlier in this document, I used the phrase Disruptive Marketing. In simple terms, Disruptive Marketing can be defined as turning all the Marketing rules upside down, changing people's perception not only about your Product/Brand, but about the Industry as a whole. Above mentioned acts by AAP can be described as Disruptive Marketing Tactics because they changed people's perception towards Politics. When AAP formed Government in Delhi State in December 2013 with the help of Congress Support, they started fulfilling the promises they made in their manifesto, like free Water, reduced electricity tariffs, inducting unknown and common people in their ministries, Symbolic acts to denounce VIP Culture in ministries, Immediate Grants to Schools for repairs, exemptions for those who supported AAP campaign for non-payment of Electricity Bills, fresh Auto Licenses, and efforts for tabling Lok Pal Bill. For the first time in Indian Politics, they made people aware about the importance of Election manifesto as they highlighted and tried to implement many of the Election Promises made in their Election Manifesto in the very first month. ...Contd

...Continued

All this was new and exciting for both people and Media, and these efforts got decent media coverage. Another highly effective disruptive marketing tactic was when he resigned in just 49 days , stating his failure to get support from Congress and BJP (in Delhi Vidhan Sabha) for his Key Election Promise, Jan Lok Pal Bill (Anti-Corruption Bill). This created waves across entire Country.

Kejriwal was re-elected in 2015 , with his party securing 67 out of 70 seats. Considering that the party was hardly two years old at that time, it was an unprecedented Victory. Kejriwal continued to work on his election promises for next 5 years, with his main achievements being Mohalla Clinics, and highly improved health and education infrastructure. He was elected for the third time in 2020, securing 62 out of 70 seats.

This marketing parameter has been divided into 5 marks for party being clear about its Product, and 5 marks for people being clear about the Product. Form the above discussion, it is clear that the party has high levels of clarity about its product and target segment. It gets 4.9 out of 5 on this...
Contd...

...Continued

Now the other part, i.e. are the people clear about the Product. Had it been only for Delhi, AAP would have secured high. This document is about evaluating AAP on National Level. AAP is yet to create a mark on National level. It started with a bang in Punjab, but it seems has lost its way. Election results in Lok Sabha 2014 and 2019 can be described as dismal. Even in Delhi, it couldn't win a Single Lok Sabha seat. If we translate it into Marketing terms, people are still not clear whether to adopt this product (or Delhi model) on National Level or not. Considering the election results and after evaluating other secondary information available, AAP gets 1.5 out of 5 on this parameter.

Thus, overall Score of AAP on this Marketing Parameter is 6.4 out of 10, and it goes towards Assets Side of its Marketing Balance Sheet

Note: There may be an argument that for evaluating Party's clarity on its Product, data from Delhi was considered, but for evaluating People's understanding of Party's Product, National Performance was considered. It should be noted that while Party's product has remained the same Nationwide (with minor adjustments for Local Issues), people outside Delhi are still sceptical about the product.

Score on “Brand Equity of the Supreme Leader”

Arvind Kejriwal is the supreme leader of AAP. On a pattern similar to the Marketing Balance Sheets of BJP and Congress, following parameters were used to measure Mr Arvind Kejriwal's Brand Equity:

- a) Brand Awareness
- b) Preference Metrics
- c) Conversion Metrics
- d) Competition Metrics
- e) Future Potential Metrics

Brand Equity was allocated a total weightage of 20 out of 100, and 4 points each were allocated to the above 5 parameters. Details have been explained in next few slides.... Contd...

....Continued

- a) Brand Awareness: In-depth scanning of Secondary Data (Newspapers, Electronic media reports ...) suggests that Brand Arvind Kejriwal enjoys high levels of awareness in Delhi and Punjab, but on national level, this Brand awareness is below average (Awareness is mainly in Urban areas, not on booth level/village level like in case of Narendra Modi and Rahul Gandhi). Brand Kejriwal gets a below average 1.35 out of 4 on this parameter.
- b) Preference Metrics: Main parameters considered for evaluation were the extent to which voters feel impacted by Mr Kejriwal's Personality /Speeches/ Actions, extent and degree of reaction of People on Social Media (for or against) related to Mr Kejriwal, Ability of Mr Kejriwal to evoke People's response and action through his Statements/Appeals. Again, this impact is limited to Delhi. Punjab (to some extent), and some other urban areas. Considering Nation wide data and information, Brand Kejriwal gets 1.1 out of 4 on this parameter. ..Contd

....Continued

c) Conversion Metrics: This parameter deals with how the feelings about Brand Kejriwal are converted into Votes. This includes Votes both for and against AAP. This also includes how people opposing Brand Modi (Supreme leader of Party in Power in Centre) consider Brand Kejriwal as an alternative while voting . Based on Nationwide Election data from 2014 till 2020 (State Elections and Lok Sabha), it can be said that Brand Kejriwal is still in the formative stage. It gets 0.9 out of 4 on this parameter.

d) Competition Metrics: This parameter deals with comparative aspects of Brand Equity of supreme leader of AAP with Supreme Leaders of other major Political Parties like BJP, Congress, Communists, TMC, BSP, BJD, SP, JD, RJD, Parties from South, Shiv Sena. This parameter also measures the likelihood of Opposition Parties choosing Kejriwal as their leader in case they form a United Front against BJP. After considering Secondary Data, Media reports and Views, Brand Kejriwal was awarded 1.1 on this parameter.

.....Contd

....Continued

e) Future Potential Metrics: This deals with future projections of Brand Equity of Brand Kejriwal (Next 5 years). We are living in an era where even a single day or event can tumble Brand Equities of Strongest of Leaders and can create Brand Equities for even unknown faces. We witnessed that for Brand Kejriwal itself (For Delhi State). If we leave this aspect aside, Brand Kejriwal scores 2.1 on future Potential Metrics (Considering his present day personality, his hold over his party, his popularity among his followers, future Potential of his Party on Nationwide basis, his communication skills, his leadership skills and his age).

Thus, overall, AAP Scores 6.55 out of 20 on this parameter, and it goes towards the Liabilities side of Marketing Balance Sheet

Score on “Relevance of Product Parameters in Voter’s mind”

BJP and Congress Party were evaluated on three parameters, Hindu Pride, Nationalism and Development, with respective weightages as 4, 8 and 8. These are the top three parameters on which Voters are Voting at present. Though BJP, Congress and AAP have different product parameters, this evaluation measures such parameters in light of the above mentioned parameters. This also helps in maintaining uniformity for comparison purposes. It should be noted that these parameters are not static and can change with changing Social , Economic and Political Environment. Following are the details:

a) Hindu Pride: AAP was born out of an Anti-Corruption movement, which was supported by people from all religions. They came to power in Delhi state on issues other than religion. AAP being a new party also doesn't carry any previous baggage on the issue of Hindu pride, unlike Congress Party.Contd

...Continued

..Thus, position of AAP is unique on this parameter, neither for , nor against. This is both a positive and a negative for them. Positive is that key Voters of AAP have voted for it more on Development parameters in State Elections in Delhi and Punjab. However, Hinduism has been an important parameter in shaping Voter's perceptions for or against a Political Party in Lok Sabha Elections, and BJP is way ahead of AAP on this. This also partially explains the reason for defeat of AAP in Lok Sabha elections even in its Stronghold Delhi. There have been some conscious improvement efforts by AAP recently on this parameter. Arvind Kejriwal's visit to Hanuman Mandir before and after recent Delhi State Elections, his reciting Hanuman Chalisa, his not visiting Shaheen Bag protests, and his MLA Saurabh Bhardwaj organising Sunderkand Recitation are some of these steps. Some of the negatives for AAP on this parameter are their MLA Amanatullah Khan who is seen as the face of recent Muslim protests, and alleged role of its former Councillor Tahir Hussain in recent Delhi Riots. Considering AAP's neutral stand, considering its limitation to move ahead on this parameter since it may antagonise minority Vote Bank, and considering its recent efforts on this parameter, AAP gets 2 out of 4. ...Contd...

...Continued

b) Nationalism: Party was clearly on the back foot on this parameter when Arvind Kejriwal demanded proof of Surgical Strikes on Pakistan from PM Modi in 2016 . This didn't go well with a majority of people. Though he applauded IAF Pilots for Airstrikes in Pakistan's Balakot in Feb, 2019, he questioned BJP leaders on the number of Pakistani Terrorists killed in the attack. This stand again can't be termed as positive in Marketing terms. Pakistan is an extremely sensitive Nationalism element in India, and going against the popular sentiments on this is never advisable. AAP Scored another negative on Nationalism when their Senior leader Manish Sisodia , in December 2018, came up with an idea of building a University on Ram Mandir Site. It should be remembered that I had kept Ram Mandir under Nationalism in BJP's Marketing Balance Sheet, and had given reasons for the same. Back in 2016, there was a controversy involving Gurmehar Kaur, the daughter of an Army Martyr., the one who had posted a Video with a Placard "Pakistan did not Kill my Dad, War Did". There was a big controversy on this issue with country divided between Left and Right Lines on this Controversy...Contd

...Continued

.. Ram Subramanian, the person who had shot and shared Gurmehar Kaur's Video was found to be an AAP Sympathizer. There was a JNU controversy in 2016 when allegedly some Anti-India Slogans were raised, and Student Leader Kanahiya Kumar was accused of abetting such slogans. There was a huge public perception against Kanahiya Kumar, AAP Government gave nod to prosecute Kanahiya Kumar in JNU Sedition case only recently, in February 2020. Is this the beginning of a change in stance of AAP on Nationalism? First visible signs were when AAP had supported Modi Government on Article 370. Their reaction on Ram Mandir Judgment by Supreme Court of India was also Positive. Considering all the above, Public reaction on Social Media, Secondary Data and Voting Data available, AAP gets 2.5 out of 8 on Nationalism.

c) Development: This is supposedly the Home front of AAP. They have tried to position their Product on this parameter. One unique feature of AAP's development Positioning is that it is oriented more...Contd..

...Continued

...towards basic necessities like Electricity, Water, Education and Healthcare. This was the recipe for its success in Delhi State Elections. Their target segment for this development Positioning is Lower Income Groups. Middle and Upper Income Groups are still not clear about AAP's Economic Policies towards issues concerning them. When it comes to National Politics, BJP Government's schemes for Poor like Jan Dhan Yojana, Ujjwala Yojana are some of the schemes which have reached Lower Income Groups nationwide. Though BJP is a proven product on National basis, AAP is nowhere in the picture. AAP's policies on National Economics are still not clear with many eminent economists questioning their populist policies. After scanning the Secondary data for the last 5 years, the conclusion is that though Delhi Development model has created some vibes, it is still an unproven entity when it comes to National Politics. AAP gets 3 out of 8 on this Development.

Overall Score of AAP on this Marketing Parameter is 7.5 out of 20, and it goes towards Liabilities side of its Marketing Balance Sheet

Score on “Position of the supreme leader within the Party”

Arvind Kejriwal enjoys absolute supremacy within his Party. So should he get 10 out of 10 on this Marketing Parameter? Let's first analyse the impact of this Supremacy on AAP. In 2013, when AAP was formed, AAP had many prominent faces. In the central leadership were faces like Yogendra Yadav, Kumar Vishwas, Prashant Bhushan. They later developed differences with Kejriwal and left party. Such was the publicity received by the party in 2013 and early 2014 that many prominent faces emerged in the various local State units of AAP Nationwide. Punjab was one state where it did extremely well in 2014 Lok Sabha Elections. What happened to those Local Leaderships? Most of them left citing excessive interference by central leadership as the reason. They had a fair chance in Punjab Vidhan Sabha Elections in 2017. First the central leadership sacked two MP's Dharamvir Gandhi and Harinder Singh Khalsa. They sacked their Punjab Convener Sucha Singh Chotepur in 2016. There were negotiations with Navjot Singh Sidhu in 2016 for his joining AAP, and many feel that he would have been a strong CM face....Contd

...Continued

.. However, Kejriwal didn't probably agree on Navjot Sidhu as the CM Face. The accusation against Arvind Kejriwal is that he doesn't want any strong face in the party , particularly those who have the potential to threaten his supremacy in the party in future. Even after Punjab Elections (2017,AAP became the Principal Opposition Party) , leader of the opposition Sukhpal Khaira, a strong emerging face in Punjab unit was suspended from AAP (2018), and he went on to form his own party. AAP could return with only 1 MP from Punjab in 2019 Lok Sabha elections, against 4 in 2014 elections.

On analysing various State Units of AAP, we could conclude that status of supremacy of Arvind Kejriwal in AAP is harming its expansion prospects. It came to power in State of Delhi in 2013, 2015 and 2020 through disruptive marketing activities. Arvind Kejriwal was the face of those disruptive Marketing activities. AAP needs some strong local faces who can act as faces of disruptive marketing in their respective states.

In light of the above, and after analysing current status of AAP's efforts in creation of local State Leadership. AAP gets 3.5 out of 10 on this Marketing parameter, and it goes towards Liabilities side of its Balance Sheet

Score on “Differentiation Quotient”

AAP tasted success in the very first year of its formation. Adopting meaningful differentiators was one of the main reasons for its success in Delhi elections. They introduced some unheard differentiators like Free Water, Cheap Electricity and also on Healthcare, Education and Transport. They also created a differentiator by displaying time bound honesty in implementing their Election Manifesto. This was unheard in Indian Politics. Their Promotion mix also had many differentiators. The need for future is to adapt these differentiators to make them more meaningful for National Politics. This section of the document measures AAP's Differentiation Quotient. For the sake of standardization and effective comparison, we have kept the parameters and procedures same as those used in BJP's and Congress Party's Marketing Balance Sheets.Contd

...Continued

Differentiation Quotient can be defined as the capacity of an Organization to keep rolling meaningful differentiators in a persistent manner. Meaningful differentiators mean differentiators in terms of those parameters which are perceived higher in relevance hierarchy by the voters (Relevance parameters were discussed earlier in this balance sheet). Three relevance parameters discussed earlier were Hindu Pride, Nationalism and Development. 20%, 40% and 40% were the respective weights. Differentiation Quotient was also bifurcated in the same proportion (out of the total 40 marks, 8, 16 and 16 respectively). Following are the details...

a) Hindu Pride: Though this is not AAP's main product parameter, it is relevant because it is one of the three main product parameters desired by Voters (Currently). Can AAP do anything meaningfully different on this parameter in future? On one hand we have BJP which is tilted towards Hindu Pride, and on the other hand are Congress Party and many regional parties which though maintain that they are the Secular faces, but are often accused by BJP and their Voters for showing their tilt towards Muslims. AAP doesn't have its pre-defined vote bank on National basis, and can strengthen its position only by eating into someone else's Vote Share.Contd

....Continued

... Thus, they can't afford to tilt towards either side. That's the best they can do. Their best chance is to keep maintaining a neutral stance, a kind of balance on this parameter, and their recent actions (discussed under previous Marketing Parameter) prove that they are moving in this direction. On the basis of future projections, and based on their recent actions and statements, AAP gets 4 out of 8 on this differentiation parameter.

b) Nationalism: In light of the current Corona Pandemic, and in light of the projected Economic impacts, we project that the two key parameters Nationalism and Development are likely to merge in the coming years, and this trend is most likely to stay till next Lok Sabha Elections. Corona Pandemic is also likely to tilt the definition of Nationalism more towards re-building India. This may suit AAP, but the need is to develop Strong State Units which can strengthen it on booth level. AAP may have scored below average on Nationalism under "Relevance of Product Parameters in Voter's Mind", but it is a party on rise, and in the current circumstances has the potential to come up with some meaningful differentiators. Based on this potential, AAP gets 8.2 out of 16 on this parameter. ...Contd

....Continued

c) Development: This is the main Positioning parameter for AAP. Its Delhi development model is about providing basic Public facilities with improved quality and at subsidised prices. Our Economic Projections suggest a World Wide recession, and in those circumstances , there may be increased demand for Delhi model in many other states. This is an opportunity for AAP, and the party has the potential to come up with some extremely meaningful differentiators under such circumstances. Based on these future Projections, AAP gets 12 out of 16 on Development Differentiation Quotient.

Overall Score of AAP on Differentiation Quotient is 24.2 and this goes towards Assets side of its Marketing Balance Sheet.

Adjustment of Liabilities Score

According to Kujnish Vashisht's Marketing Balance Sheet model, since Liabilities score is a negative score, it should be subtracted from the par score (50% of maximum score of that Marketing Parameter) to get the adjusted Liabilities score. After making this adjustment, the total adjusted Liabilities score of Aam Aadmi Party is 7.45

Overall Marketing Balance Sheet Score for Aam Aadmi Party

Asset Score of Aam Aadmi Party is 30.6 and their adjusted Liabilities Score is 7.45. Net Marketing Balance Sheet Score for Aam Aadmi Party is 23.15 out of 100.

Note: Since this is a Mini version of Marketing Balance Sheet, results may vary when the comprehensive version of this Balance Sheet is constructed. In comprehensive version, Marketing Parameters, their weightage, and the scores on Marketing Parameters are all based on comprehensive Market Research, which includes collection of Primary data. Mini Version is mainly based on Secondary data sources.

Summary of Findings and Conclusions

- Score of 23.15 is way below BJP and Congress Party. Many would argue and counter this score on the basis AAP's performance in recent Delhi State Elections. They should note that this Marketing Balance Sheet is for National Politics. Had it been only for Delhi, AAP would have scored higher than both BJP and Congress. This score is based on current Political, Social and Economic Circumstances, and since all these parameters are dynamic, Score is likely to change in future. I'll keep posting updates on changes in Marketing Balance Sheet Scores on my Blog www.chanakyaaneeti.com.
- On Differentiation Quotient, AAP's score is higher than both BJP and Congress. Differentiation Quotient is a measure of future Potential, and a score above BJP and Congress shows that AAP is likely to show better growth rate than BJP and Congress in future.

.....Contd

.....Continued

- Though AAP is absolutely clear about its Product and target segment, their reach is at present limited to only a few pockets. That's why the adoption level of their product (National Level) is low at present. They need to build up their organisation for improving product adoption levels, and this may require some more time and resources.
- For organisational growth, emergence of strong local leadership on State Levels is a must. Over dominance by Central Leadership in State Local Units is not letting this happen

....Continued...

.....Continued

- Though one sees Arvind Kejriwal frequently on news Channels, his Brand Equity is way below Narendra Modi and Rahul Gandhi. The reason is reach of AAP to only a few Geographical Segments and to only a few Economic Class Segments. A rethinking on this strategy is recommended.
- AAP's vision is still not clear on National Economic Policy. This is acting as a deterrent for its acceptance among higher Economic Classes
- While AAP is mainly Positioning its Product on the basis of development for Lower Income Groups, some more Positioning Differentials are required to make the product more relevant for National Politics.

Future Assignments

I am in the process of preparing Marketing Balance Sheets of Interesting Public Personalities, Politicians, Political Parties. Any Organisation/Individuals interested in their Customized Marketing Balance Sheets can contact me at 91-9878904347, expedient33@gmail.com.

Keep Visiting my Blog www.chanakyaaneeti.com

Thanks and Regards

Kujnish Vashisht

KV's ChanakyaShaala®