Economics

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ANALYSIS AND EVALUATION OF THE EFFECTIVENESS OF INVESTMENT STRATEGIES IN ELECTORAL CAMPAIGNS

Summary. *Modern electoral campaigns are complex socio-political processes that require substantial financial resources and structured allocation methods. This study presents an approach to analyzing investment strategies used during electoral races at various levels. Several classification schemes are examined, and a framework for evaluating their effectiveness is proposed, based on data from campaigns in Europe, Asia, and North America during the 2024 election cycle. Particular attention is given to digital tools and innovative methods of voter engagement. Statistical data is used to assess the performance of the implemented strategies, with consideration of ethical, legal, and socio-economic factors. The study offers recommendations for optimizing investment strategies in electoral processes, accounting for these factors, and outlines directions for future research on this topic.*

Key words: *investment strategies, electoral race, political campaigns, investment efficiency, political marketing, campaign financing, political technologies, digital technologies.*

Introduction. The rational distribution of financial resources is a decisive factor in preparing candidates and political parties for elections. Investment strategies influence not only the amount of funding raised but also the timing, application logic, and effectiveness of resource allocation. The rising costs of electoral activity in many regions necessitate more precise planning, while evolving communication and marketing mechanisms call for the adaptation of traditional investment approaches to new digital realities. Simultaneously, stricter legislative requirements and growing public scrutiny have increased the focus on transparency in campaign financing [5,6].

An effective investment policy enables the accumulation and optimal deployment of resources to strengthen influence over target social groups. The objective of this study is to conduct a detailed examination of investment strategies used in electoral campaigns, identify the most effective models, and propose recommendations for their improvement [9]. The study pursues the following tasks:

- systematize the investment strategies in use, based on their classification characteristics;
- evaluate their effectiveness through the example of several foreign electoral campaigns in 2024;
- formulate recommendations for improving investment policy and increasing return on expenditure;
- identify potential directions for further research in this domain.

The novelty of this work lies in the integrated analysis of investment strategies, taking into account emerging political technologies, the impact of the digital environment, and the transformation of electoral behavior.

Materials and Methods. The information base of the study includes research by European and other international experts on investment strategies in the context of political campaigns. The methods applied include synthesis, generalization, comparative analysis, case studies, cluster analysis, content analysis, expert evaluation, and visual data representation.

The study draws on the works of the following authors: Cummings J. F. [1], Shaki J., Aumann Y., Kraus S. [10], Slough T. [11], among others.

Results and Discussion. In the majority of electoral campaigns conducted at the municipal and regional levels, there is a prevailing trend of allocating core financial resources to traditional media channels: television, radio, outdoor advertising (banners, billboards), and printed materials. However, in recent years, the share of spending on internet-based platforms has been steadily increasing, particularly in urban areas with high levels of digital literacy.

This trend is largely driven by the growing number of citizens who rely on online sources for information. Younger and middle-aged individuals are especially active online, tend to be relatively financially stable, and therefore play a direct role in shaping public opinion, often forming the core of voter support [17].

Investment strategies in electoral campaigns are categorized according to a range of parameters that define their focus, resources used, and implementation methods. In terms of objectives, strategies may target voter turnout, persuasion of undecided voters, demobilization of opponents, political branding, voter group targeting, or differentiated image formation. Based on the type of resources employed, strategies may rely on financial, informational, organizational, technological means, or on the use of social media platforms.

Classification is also possible by the object of investment: traditional and digital media, field events, analytical research, and the deployment of innovative solutions. With respect to time horizon, strategies can be short-term, medium-term, or long-term. In terms of technological advancement, they may be conservative or innovative. Regarding sources of funding, strategies may be state-funded, privately financed, centralized, diversified, partnership-based, or supported through crowdfunding. Additional parameters include distribution channels (digital or traditional), risk level (aggressive, moderate, or conservative), geographic reach (local, national, international), type of voter engagement (direct or indirect), scale of outreach (mass, segmented, microtargeted, or hybrid), and the timing logic for resource allocation (frontloading, backloading, steady, or pulsed deployment).

Having outlined the characteristics of investment strategies in electoral campaigns, a classification was carried out based on examples from various countries during the 2024 election cycle. The resulting classification reflects the diverse approaches to designing investment strategies in political campaigns across different nations. There is notable variation in the use of budgetary tools, the structuring of tax incentives, tariff mechanisms, and the prioritization of foreign policy agendas. This comparative overview provides insight into how political systems, legislative constraints, and economic conditions influence resource allocation and the development of strategic planning (see Table 1).

Table 1

Classification of Investment Strategies in Electoral Campaigns Based on Country Examples from 2024 [19]

Country / Region	Key Budget Policy Directions	Tax Policy	Trade Restrictions and Tariffs	Geopolitical Priorities
USA	Deficit maintenance and subsidies (if Biden is re-elected)	Potential extension of Trump Tax Cuts if Republicans retain a majority	Possible increase in import tariffs (10% unified rate) targeting China (under Republican scenario)	Divergent stances on Ukraine (House Republicans oppose additional funding)
	Possible rollback of select incentives (if Trump wins)	Higher taxes on the wealthy if Democrats gain more influence	Status quo on tariffs likely if Congress remains balanced	Bipartisan support for military aid to Israel
				Democratic platform signals possible support for Taiwan
Mexico	Spending focused on stimulating domestic production and nearshoring	Conservative stance on rate changes	Strengthened ties with the US	Anticipated reforms in 2024, candidate C. Sheinbaum signals a possible policy shift

Country / Region	**Key Budget Policy Directions**	**Tax Policy**	**Trade Restrictions and Tariffs**	**Geopolitical Priorities**
	Moderate budget oversight	Emphasis on fiscal stability	Search for new investors amid manufacturing relocation	Significance of future parliamentary composition
Argentina	Budget restructuring planned	Tax incentive optimization expected	Traditional focus on agricultural exports	Power shift initiated broad reforms
	Reform package approved targeting economic stabilization	Reevaluation of rates and duties to fund reforms	Exploration of new sales channels	Dependence on external creditors for key projects
China (in the context of US trade tensions)	Remains a major trading partner for many countries	Domestic support measures targeting specific sectors	Risk of additional US tariffs increases under Republican scenario	Limited cooperation with the US amid geopolitical tensions
	Possible countermeasures to mitigate restriction risks		Promotion of import substitution within China	Expansion into alternative markets (Asia, Africa)
European Countries	Maintenance of social spending while keeping debt at sustainable levels	EU corporate tax policy may shift with the economic climate	Cooperation within the EU framework, unified tariff conditions	Consistent policy on Ukraine regardless of national elections
	Short-term injections to support select industries	Fiscal incentive debates in some countries	Potential tightening of measures against third countries in case of conflict escalation	High currency volatility tied to expectations of ECB policy easing

The presented information illustrates the diversity of political trajectories that shape differing conditions for investors. Each case involves specific risks and opportunities related to taxation, public expenditure levels, and the prospects for trade cooperation. These characteristics form the basis for designing flexible solutions tailored to the specifics of each strategic direction.

The effectiveness of an investment strategy in an electoral campaign depends on its alignment with political and social realities. Analysis shows that digital and innovative strategies demonstrate the highest levels of effectiveness, particularly among younger voters; traditional methods are gradually losing ground but remain important for older demographics; and the greatest success is achieved through integrated, multi-channel approaches [5].

The following data reflect the evaluation of investment strategy performance based on both quantitative Conviction Scores and qualitative commentary. A detailed breakdown of each segment helps identify emerging trends and risks, taking into account the current political and economic context. The data also highlight how capital allocation and the resilience of financial instruments shift under electoral influence (see Table 2).

Table 2

Results of the Effectiveness Assessment of Investment Strategies in Foreign Electoral Campaigns in 2024 (based on Conviction Scores and Key Observations) [19]

Segment	CS (Conviction Score)	Change (vs. previous period)	Brief Description
Global Macro	3.00	–0.25	Moderate growth slowdown scenario with persistent signs of contained inflation
Rates	3.00	No change	Stable yield curve outlook, with potential spikes tied to changes in Fed communication
Credit (Corporate Debt)	4.00	No change	Increased interest in corporate bonds amid expectations of a soft landing in the US
Currency (USD	2.75	–0.25	Anticipation of a USD shift amid correction

Segment	CS (Conviction Score)	Change (vs. previous period)	Brief Description
Perspective)			of an overvalued euro
EM Fixed Income	3.00 (corporate) / 2.50 (sovereign)	No change	Volatility due to elections in the US and emerging markets
Multi-Asset	3.20	–0.30	Neutral stance with readiness to reassess risks, focus on sectors with growth potential
Global Equity	3.00	No change	Optimism in corporate earnings following rate cuts and inventory adjustments
Global Emerging Markets Equity	2.50	+0.25	Rebound driven by moderate valuations and expectations of production reallocation

The Conviction Scores and accompanying commentary illustrate varying levels of market sensitivity to political shifts. In some cases, optimism is driven by accommodative monetary policy; in others, caution prevails due to potential fiscal constraints or geopolitical uncertainties. This analysis provides a structured basis for forecasting and enables timely adjustments in investment strategies.

A reprioritization is underway across key sectors such as energy, taxation, healthcare, and beyond. The following summary outlines the projected performance of various investment strategies in light of recent political statements and potential legislative developments (see Table 3).

Table 3

Performance Characteristics by Type of Investment Strategy [18]

Strategy Type	Proposed Measures and Regulatory Shifts	Potential Impact on Investment Effectiveness
Energy & Sustainability	– Simplification of regulatory norms, prioritization of hydrocarbon extraction, and support for nuclear	– Accelerated deployment of traditional energy projects by lowering administrative barriers

Strategy Type	Proposed Measures and Regulatory Shifts	Potential Impact on Investment Effectiveness
	energy – Potential rollback of "green" initiatives similar to Trump's first term – Plans to withdraw from the Paris Agreement, reduction of clean energy subsidies	– Short-term return growth for fossil fuel-linked companies – Instability risks for "green" projects amid changes in funding
US–Canada Cross-Border Issues	– Revision of USMCA terms, stricter tariff policy with possible concessions for Canada – Expected easing of environmental regulations for highways and pipelines	– Gains for US domestic market-oriented industrial groups – Uncertainty for Canadian suppliers, especially in energy and digital sectors
Tax Issues	– Extension of TCJA tax cuts, reduction of corporate tax rate to 15% – Use of budget reconciliation for expedited tax reform	– Inflow of investment into corporate sector due to lower tax burdens – Risk of increased budget deficit and disputes over "green" tax credit provisions
Health Care	– ACA adjustments (subsidy cuts, stricter Medicaid eligibility) – Potential reduction in drug market regulation – Shift to block grant models for Medicaid	– Cost savings for businesses involved in insurance payouts – Possible reduced access to insurance programs, affecting healthcare sector demand
International Trade	– New tariffs against China (up to 60% on select categories), unified 10% import duty – Promotion of reindustrialization and reshoring	– Support for domestic producers and key industries – Risk of retaliatory trade measures and supply chain disruptions
Infrastructure	– Revision or slowdown of IIJA implementation despite support from some Republicans – Emphasis on public-private partnerships and accelerated permitting processes	– More opportunities for investors in concession-based projects – Uneven development across regions due to loss of previously allocated federal funding
Consumer	– Change in CPSC leadership, shift	– Reduced regulatory burden for

Strategy Type	Proposed Measures and Regulatory Shifts	Potential Impact on Investment Effectiveness
Product Safety	toward voluntary standards and fewer mandatory rules – Focus on Chinese imports and monitoring of e-commerce platforms	some manufacturers – Increased scrutiny of Asian logistics and import channels
Financial Services	– Further rollback of Dodd-Frank provisions, limits on CFPB powers – Promotion of cryptocurrency development, higher lending limits – Political pressure on the Fed to reduce its independence	– Strengthening of traditional and fintech firms through lower compliance costs – Risks to consumer protection and market stability due to weakened oversight institutions

This overview reflects how political shifts influence investment climates across sectors, offering investors insights into emerging risks and opportunities. Strategic planning under such conditions requires flexible, context-aware approaches.

Future decisions by the Republican majority will largely depend on internal party debates and the balance of interests within key congressional committees. In parallel, there will likely be growing demand for flexible investment strategies focused on sectors with lower regulatory uncertainty.

Recommendations aimed at enhancing investment efforts and properly identifying the channels through which these investments can be directed to build voter trust and increase visibility for specific candidates include [6; 12; 14]: strategic investment planning; optimization of media investments; technological optimization; organizational streamlining; regional adaptation of investment strategies; temporal optimization of investments; implementation of integrated performance assessment systems; development of hybrid investment models; personalization of investment strategies; optimization of temporal investment distribution; advancement of analytical and technological competencies.

These recommendations may be used by campaign managers, political advisors, candidates, and political marketing specialists to optimize financial allocations and improve the overall effectiveness of electoral campaigns.

Conclusion. The study demonstrates that the effectiveness of investment strategies in electoral campaigns depends heavily on the combination of resource capacity, chosen promotional channels, and the degree of adaptation to political and social conditions. Digital tools and innovative methods continue to lead in engaging younger audiences, while traditional formats remain relevant for older demographic groups. The collected data indicate that combining multiple strategic approaches enhances return on investment—particularly when financial planning accounts for regional characteristics and the dominant mode of communication with voters.

The recommendations provided in this paper are designed to optimize spending, enable the rational use of information channels, and facilitate the integration of hybrid technological solutions. Developing a unified monitoring and evaluation system will help identify weaknesses early and adjust the strategy accordingly. Future research should expand the empirical base and apply advanced big data analysis methods to explore the link between investment configurations and electoral outcomes in greater depth. This will offer a more comprehensive understanding of how voter preferences are shaped in different socio-economic contexts and improve the efficiency of electoral campaign financing.

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