**Republican Presidential Candidate Funding from Silicon Valley**

**Client Brief**

**Objectives:**

* Test assumptions about the balance of funding from Silicon Valley zip codes.
* Understand the trends in funding to Republicans in the 2016 cycle so far, relative to those by a similar period of the 2008 cycle.
* Assist Republican party leaders seeking to improve fundraising by directing marketing expenditures to those areas in which Republicans have, on average over the past three presidential election cycles, sourced the lowest amounts of funding or those for which funding declined in 2016 (to date) versus 2008. Toward this end, identify areas in which funding to Republicans has fallen disproportionately from 2008 to 2016 on a frequency and dollar basis, and the zip codes with the lowest median contributions to Republicans in 2016 to date and a similar period of the 2008 cycle.

**Main Findings:**

* All assumptions about the breakdown of Republican versus Democratic funding from Silicon Valley hold true. On a dollar basis, Republicans received less funding than Democrats in 2008 and 2012, and have so far received less funding in the 2016 cycle. Additionally, there are more contributions recorded for Democrats than Republicans in each cycle.
* The timeline of giving is likely a factor when comparing sums of giving across cycles, however, as the 2016 cycle is not yet over. Monthly totals show that some of the months with the highest levels of giving have not yet occurred in the 2016 cycle. For Democrats, the month of highest giving came in September of the election year in both 2008 and 2012 – which has not yet transpired in the 2016 cycle. For Republicans, the second-highest giving was in August of the election year in 2008 and the top three giving months were June, September, and October of the election year for the 2012 cycle – all of which are not represented in the 2016 data.
* Controlling for timeline, the assumption that Democrats received more than Republicans in 2008 holds true for a prorated subset of 2008 as well as for the full cycle. Democrats received $7,209,363 while Republicans received $2,604,544 in the first 677 days of the 2008 cycle, which represents the same time period as from the first contribution through the end of May in the 2016 cycle.
* Compared with a similar segment of the 2008 cycle, 2016 has seen a stable sum contributed to Republicans across zip codes but a near doubling in contribution frequency. These diverging trends suggest that the amount of each contribution has declined.
* At the zip code level, comparing funding in the 2016 cycle through May with a prorated segment of 2008…
  + Segments of Hillsborough (94010), Menlo Park (94025), Menlo Park/Atherton (94027), Mountain View (94040, 94041, 94043), and Palo Alto (94306) saw declines in the number of individuals contributing to Republicans that came in over a standard deviation below the average change in contributions (50).
  + Segments of Hillsborough (94010), Menlo Park (94025), Atherton/Menlo Park (94027), San Carlos (94070), and Palo Alto (94302) saw a decline in total contributions ($) to Republicans that was below a standard deviation under the average change of -$3,758.
  + Zip codes with the lowest median contribution to Republicans in both cycles included areas in Belmont (94002), Burlingame (94011), Mountain View (94043), Redwood City (94066), and Palo Alto (94302). In some cases (segments of Belmont, Mountain View, Redwood City), the zip codes are generally large contributors but donated a small amount to Republicans as a share of total funding. In other cases (segments of Burlingame and Palo Alto), the areas are low contributors overall, and the low level of Republican funding is mirrored on the Democratic side.

**Recommendation:**

* Focus on areas in which funding to Republicans has fallen, but has *not* been accompanied by a rise in Democratic funding. Measured by a fall in contribution sums between the prorated portion of 2008 to the 2016 cycle to date, these zip codes include segments of Burlingame (94010) and Menlo Park (94025, 94027). In these cases, the decline in Republican presidential candidates has been mirrored by a similar fall in funding to Democratic candidates. Hence, the fall in funding to Republicans likely reflects a lack of engagement from the existing Republican funding base in the current election rather than a shift in sentiment toward the Democratic party, and may serve as ripe stomping grounds for strategic efforts to boost funding to Republicans from the Valley.