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# What makes a Niche a Niche? Towards a Renewal of a Party Type

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#### Abstract

Recently scholars' attention to the niche party concept has greatly increased. Such parties are said to differ in their programatic offer (Wagner 2012b), their behavior in parliaments (Jensen and Spoon 2010), the voters they respond to (Ezrow 2010) and appear to play a crucial role for party competition (Meguid 2005). While researchers agree that niche parties matter, the definitions and measurements of these are manifold and an accordance remains yet to be found. I argue the given concepts of niche parties lack a) either a gap between the measurement and the outlined theoretical concept or b) conceptual clarity as defined by Adcock and Collier (2001: 533). I try to discuss niche parties from a different theoretical perspective, and propose a new approach for their qualification and quantification. My measurement relies on the comparative manifesto project (CMP) data and presents a continuous "nicheness" variable, relying on dimensions based on niche parties' original issue appeals. I argue that niche parties are best understood as parties a) having achieved a market share advantage on a niche issue dimension to its competitors and b) not discussing a broad range of issue dimensions.

"A niche is a hollow place in a wall, often made to hold a statue."<sup>1</sup>

#### 1 Introduction

 $\mathbf{N}$  iche parties have recently found large appeal in political scientists' attention and there is good reason for this. As several studies have shown, niche parties strongly affect party competition in multi-party systems: They are said to differ in their programatic offer (Wagner 2012*b*), their behavior in parliaments (Jensen and Spoon 2010), the voters they respond to (Ezrow 2010) and they appear to play a crucial role for party competition (Meguid 2005). However, so far the niche party concept lacks a common conceptual background: Scholars differ in *a*) their definitions and *b*) their conceptualizations.

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<sup>&</sup>lt;sup>1</sup>Source: Longman Dictionary of Contemporary English.

While the debate on the impact of niche parties' behavior is underway, researchers are still searching for concepts to clarify the defining criteria of niche parties, which results in different parties being perceived as niche and as such makes comparison of the results between studies difficult – if not infeasible.

Lately studies have brought some clarity into the debate and have in fact partly succeeded in delivering – in Sartori's (1976) sense – a minimal definition of niche parties (Wagner 2012*a*; Meyer and Miller 2013). While both studies convince in terms of their clarity and validation, they imply assumptions which are arguable from a theoretical perspective as will be shown in the next section. After having outlined the *status quo* of the current debate on niche parties, a different theoretical perspective drawn from marketing theories will be presented. Niche parties will be understood as parties holding a market share advantage within a narrow range of niche market segments, which are defined by party families' original issue appeals. Section four contains the methodological distractions from my theoretical arguments and presents a weighted nicheness measurement based on the CMP data. Section five presents empirical results and the last section concludes.

#### 2 Agreement on disagreement: the state of the niche party concept

Recent studies on political parties differentiate these ever more often into mainstream and niche parties (Adams, Clark, Ezrow et al. 2006; Ezrow 2010; Meguid 2007; Wagner 2012a; Meyer and Miller 2013). In her seminal work Meguid (2005, 2007) gave a deeper insight to the reason for the electoral success of niche parties and stressed mainstream parties' strategies as the main factor for niche parties' success: Mainstream parties calculatedly alter issue salience and ownership of niche parties' issues in order to enhance their own electoral fortunes (Meguid 2005: 357). Consequently, niches have a profound influence on the issues debated within party systems in case mainstream parties decide to react to niche parties' issue offers. Later studies show that niche parties are less responsive to shifts in public opinion than their mainstream competitors (Adams, Clark, Ezrow et al. 2006: 519 & 523). Likewise they are substantially punished by voters for moderating their party programs. Finally, mainstream parties orientate themselves to the median voter position as a proxy to optimize their vote shares, while niche parties use the median voter within their own electoral constituency as a proxy for their position in manifestos (Ezrow, De Vries, Steenbergen et al. 2010: 283-285). Scholars also found evidence that niche parties act differently than their mainstream sisters in the European Parliament (Jensen and Spoon 2010) and therefore might perform differently in any legislative chamber (Vliegenthart, Walgrave, and Meppelink 2011).

Hence, while scholars seem to agree upon niche parties' importance and partly share

opinions on which degree they matter for politics, the defining features of niche parties are highly debated throughout the literature. As shown in table 1 there appear to be four different definitions, measurements and therefrom resulting subgroups of parties being defined to be niche parties. As a result, scholars do not speak about the same

	Author						
	Meguid	Adams et al.	Wagner	Meyer &			
	(2005)	(2006)	(2012 <i>a</i> )	Miller (2013)			
Concept	1.)	Noncentrist	1.)	Emphasize			
	Reject	or extreme	Do not	policy areas			
	traditional	ideology	emphasize	neglected by			
	orientation of		economic	its competitors			
	politics		issues				
	2.)		2.)				
	Present novel		Emphasize				
	issues		a narrow range				
	3.)		of non-economic				
	Limit of issue		issues				
	appeals						
Method	Party family	Party family	Distance to	Nicheness			
	(von Beyme 1984)	(von Beyme 1984)	mean issue	quality of all			
	Spatial theory	Spatial theory	salience on 9	parties			
	(Downs 1957)	(Downs 1957)	issue dimensions				
Outcome	Green	Green	Dichotomous	Continuous			
	Radical Right	Radical Right	measurement	measurement			
		Communist					
	Regional & Agrarian?	Regional & Agrarian?					

 Table 1: Niche concepts in comparison

Source: Author's own.

subset of parties when they refer to niche parties, even though various attempts exist to clarify the conceptualization of the latter (Meguid 2005; Ezrow 2010; Adams, Clark, Ezrow et al. 2006; Wagner 2012*a*; Meyer and Miller 2013). How do these studies differ in their concepts? And what are the implications of these disagreements?

## 2.1 Theoretical chasms

Firstly, scholars use different definitions for niche parties based on different theoretical concepts of party competition (see table 1 first column). Meguid's (2005) seminal work defined niche parties in three steps: (*a*) they reject the traditional class-based orientation of politics; (*b*) they raise novel issues, which often do not coincide with existing lines of political division; (*c*) they differentiate themselves by limiting their issue appeals (Meguid 2005: 347-348; Meguid 2007: 3-6).<sup>2</sup> While several studies conclude that green and radical right parties fulfill these criteria (Meguid 2005, 2007; Vliegenthart, Walgrave, and Meppelink 2011), others also include regionalist and anti-EU parties into the niche category (Jensen and Spoon 2010: 3-4; Lynch and Whitaker 2013).

Following publications were indisputably influenced by Meguid's work, but changed the definition of niche parties to a party group which either does not compete for the center in a Downsian special model or holds an "extreme" position (Adams, Clark, Ezrow et al. 2006: 513; Ezrow 2010: 11-13; Adams, Ezrow, and Leiter 2012: 1273). This "Downsian" definition found large appeal amongst scholars, but also presents the biggest shortcomings if we consider the original idea that niche parties differ in their issue offer and not necessarily in their position on a left-right scale. It is important to annotate that this results in a different theoretical assumption: While Meguid's work strongly relates to the concept of issue ownership theories (Petrocik 1996), the latter idea is mainly based on spatial theories (Downs 1957). As such parties on the extremes of a left-right scale might be better defined as extreme parties, but not necessarily as niche parties.

Wagner (2012*a*: 846) finds the concepts to define and measure niche parties in existing studies "relatively basic" as they are established on party families, time-blind and structured around the idea that parties of a particular party family present equivalent offers to voters. In contrast, he thinks of niche parties as (*a*) emphasizing non-economic issues and (*b*) concerned with only a narrow range of non-economic issues (Wagner 2012*a*: 847). They might sometimes represent positions which are new to party competition. Mainstream parties do the exact opposite: They *a*) emphasize economic issues and *b*) include a broad range of issues. This results in a time-variant and "party family blind" approach. As such, Wagner's work not only disagrees with the *a priori* assumption that certain party families are *always* captured by niche parties, but also opened up a discussion on how we should actually measure niche parties, before we analyse their impact on politics.

The most recent concept on niche parties does not discuss niche parties but rather parties' "nicheness". Niche parties are defined as "emphasizing policy areas neglected by its competitors" (Meyer and Miller 2013: 3) based on a theoretical concept strongly related to salience theories (Budge and Farlie 1983). The definition follows the idea to taper a concept and come up with a minimal definition – as proposed by Sartori (1976: 52-57) – and their proposed operationalization presents a continuos measurement. This means they do not *strictly* differentiate between two types of parties, but rather between

<sup>&</sup>lt;sup>2</sup>Note that Meguid (2005: 352) defined mainstream parties according to their left-right position: "Mainstream parties from the 17 countries were initially chosen according to their position on the Left-Right axis. Drawing on the party classification structure proposed by Castles and Mair (1984, 83), mainstream parties of the center-left, or 'Moderate Left,' were defined as those parties with scores of 1.25 to 3.75 on a scale of 0 to 10. Mainstream parties of the center-right, Castles and Mair's 'Moderate Right' parties, were those parties with positions of 6.25 to 8.75" (Meguid 2005: 352).

degrees of nicheness. A continuous measurement is interesting in its own regard because it bypasses the issue of setting a cutoff point between niche and mainstream parties by the observer: The parties decide by themselves how "niche-ish" they are. Furthermore, cutoff points to differentiate between two categories are not only difficult to justify, but often remain rather arbitrary. Yet, defining niche parties purely along the line of backing on issues with less competition involves the danger to also interpret all such parties as niche which achieve a competitive advantage on traditional issues of party competition.

#### 2.2 Differing classifications

Secondly, different definitions end up in different parties being categorized as niche (table 1 third column). Meguid (2005, 2007) and Adams, Clark, Ezrow et al. (2006) only differ in the inclusion of communist parties as niche. However, the inclusion of communist parties is problematic. While it is true that communist parties are usually found on the extreme left on a spatial model, it remains unclear whether such a conceptualization of nicheness is conclusive. By resorting to the idea of the issue ownership theories, it is questionable that communist parties discuss other issues than for instance conservative or christian democratic parties. In fact, communists rather present a different perspective on economic issues: They usually discuss economic issues, but from a Marxean perspective. As such communists parties might have a different perspective on one of the most debated issue of politics, but still discuss the same issue.

The assumption that parties of the same ideological family emphasize comparable issues might empirically be less problematic than it appears on first sight (Wagner 2012*a*: 855-859), but needs to be rejected from a theoretical point of view. As already pointed out, this results in a time-invariant measurement of niche parties: A green party will always be a niche party, a social democratic party will always be a mainstream party. This means even if parties change their offer, parties will always stay a niche party – unless parties switch from one party family to another. Yet, parties alter their profile across time and might switch from niche to mainstream or *vice versa* (Meyer and Wagner 2013). Parties can be expected to emphasize different issues at different points in time to meet environmental demands in order to achieve their defined goals (Harmel and Janda 1994). As a result, relying on a party family concept exclusively based on parties' origins might not be the most sensible way to detect niche parties.

Recent studies used the cmp data to derive time-varying niche measurements (Wagner 2012*a*; Meyer and Miller 2013). These studies rely on comparable efforts to aggregate the cmp issues into broader issue dimensions. In both cases the used issue dimensions do not reflect on niche party issues, but were established to measure the de-alignment thesis (Wagner 2012*a*; Stoll 2010) and ministerial portfolio allocations (Meyer and Miller 2013; Bäck, Debus, and Dumont 2011). However, some niche parties present issues to party competition which are not present in a single ministerial portfolio, but split across ministerial portfolios. Therefore extreme right parties and regionalist parties display a comparable low nicheness score (Meyer and Miller 2013: 7), since their "owned" issues are divided across several dimensions and not because their platforms are mainly concerned with traditional issues of party systems. Furthermore, both studies rely on vote-shares introduced as weights into their measurements (Wagner 2012*a*: 853; Meyer and Miller 2013: 4), which appears to be endogenous once scholars are interested in explaining niche party's election successes with a variable partially depending on party's vote-share. Finally, while Wagner (2012*a*: 847) rightly reflects in his theoretical definition of niche parties on the range of issues debated within manifestos, Meyer and Miller (2013: 3) definition appears to be missing this important second dimension of niche parties.

I conclude the main problem of the earlier measurements is their underestimation of country differences and the overestimation of similarities across countries (Meguid 2005; Adams, Clark, Ezrow et al. 2006). The underlying supposition of the described concepts is strongly bounded to the idea that a certain party family is composed of niche parties in every party system across time (Meguid & Adames et al.).<sup>3</sup> Especially this assumption remains questionable, once the theoretical issues which are linked to the party family concept are borne in mind (Mair and Mudde 1998). Finally, the niche party concept so far is not bound to a single theoretical concept, but often subject to a mix of Downsian and issue ownership approaches. While recent studies brought some clarity into the theoretical qualification and empirical quantification of niche parties (Wagner 2012*a*; Meyer and Miller 2013), the dimensions used to measure niche parties are subject to some concern. Therefore, the question arises whether there is a possibility to provide theoretical clarification by building on existing studies to derive a suitable empirical tool to measure niche parties.

### 3 Starting from scratch: parties, products & market segments

A re-conceptualization of niche parties is needed in order to combine the arguments outlined in the last section and address existing critique. Instead of claiming what the existing concept "really" means (Adcock and Collier 2001: 532), the following section outlines a somewhat different approach to niche parties. I advocate the search for a minimal definition which at the same time does not miss necessary definitional criteria for the niche concept. Consequently, I define niche parties as:

a) Holding a market share advantage on a niche market segment to its party system

<sup>&</sup>lt;sup>3</sup>While Meyer and Miller (2013) do not share this assumption – a party can be a niche an all of their eleven dimensions –, they still rely on the eleven dimensions defined by Bäck, Debus, and Dumont (2011).

#### competitors.

#### b) Not discussing a broad area of market segments.

Partly built on ideas of marketing theory (Porter 2004; Butler and Collins 1996), party systems are regarded as markets, incorporating various segments. These segments can be defined by numerous issues.<sup>4</sup> The space in which parties compete is a market in which several products (segments) are offered. One product might for example be illustrated by the beverage market: There is one "original" ice tea done by Nestea, there might be an attempt by Volvic to compete on the ice tea segment by presenting a sugar-free ice tea and there are several minor ice tea producers. The last ones might anticipate the competition on the ice tea segment as too challenging. A newcomer on the beverage market therefore perceives the ice tea segment as highly competitive and anticipates a low income from this segment. Such producers will focus on less competitive market segments or take chances by even introducing a new beverage. By doing so they not only introduce a new segment into the beverage market, but also obtain a first mover advantage on the market making it difficult for competitors to incorporate this niche segment.

Transferred to party systems traditional segments of the party competition exist within every system. Segments dominated by mainstream parties are composed of highly competitive issues. These traditional segments are not associatively owned by a single party (Walgrave, Lefevere, and Tresch 2012). Instead some parties might be perceived more competent than others on one of these segments at certain points in time, but never as being the only horse in the race. Competition on traditional segments is characterized by offer differentiation: Parties compete by giving different answers to the same questions. One party favors to extend welfare state expenses, another one claims welfare state retrenchment in order to fight economic stagnation.

In contrast, niche segments are largely associated with certain party families. For instance in a survey in Belgium 87 % of the Flemish respondents spontaneously linked green parties to environmental issues, while only 45 % linked Liberals to taxes (Walgrave, Lefevere, and Tresch 2012: 774-779). Parties sharing comparable original motivations and originating from the same ideological ideas of a certain cleavage in different countries – e.g. working class movement; the ecological movement – are identified as belonging to the same party family (Rokkan 1970; von Beyme 1984) and capturing comparable market segments across countries in their infancies. Drawing on these thoughts certain party families are perceived as niche parties, because these parties share comparable niche issue appeals within families across countries (Meguid 2005, 2007).

<sup>&</sup>lt;sup>4</sup>It is important to note that segments are not cleavages. In contrast to cleavages segments are firstly elite-driven: Parties control the market of politics and *might* absorb issues discussed by the public.

However, parties are not immune to change. Concepts relying only on parties' origins are not far-reaching enough (Mair and Mudde 1998: 214-223). The German Green party might be less interested in environmental issues today than the green party in Canada or the German Greens in 1983, or *vice versa*. As such, the salience of market segments should vary across *time* and *countries*, also within party families. It still seems to be a fair conclusion that a green party which remains "true" to its party family's issue appeals, is a niche party in a given party system if other parties did not incorporate their original issue appeals and the party had not significantly distanced itself from its roots. Such parties can then be understood as niche parties or being more "niche-ish".

Yet, empirical examples for parties following paths of deracination from their roots are numerous. Green parties in Western Europe attempted to broaden their issue appeals beyond environmental questions to related topics such as health, agriculture and inequality (Poguntke 2002: 139). Also green parties in Germany and Italy effectively dropped their ideology of pacifism by going to war in former Serbia. The Austrian Freiheitliche Partei Österreichs (FPÖ) and the Swiss Schweizerische Volkspartei (SVP) both radicalized their programs and are nowadays perceived as radial right populist parties (Mudde 2014: 219). Finally, Scandinavian agrarian parties successfully distanced themselves from their origins in order to assure electoral survival (Arter 2013; Arter 2012; Christensen 1997; Meyer and Miller 2013: 4).

To take account of parties' deracination, market segments should be thought of as reflecting party families original issue appeals. Niche parties can then be conceptualized to mainly neglect traditional market segments served by traditional party families – such as conservative parties; social democratic parties; liberal parties; christian democratic parties –, and emphasizing market segments with less competitors and only a limited number of these (Butler and Collins 1996: 32). By doing so niche parties hold a first mover advantage: Once they successfully compete on a niche segment, the only options left for competitors is to either follow suit or ignore them. Yet, if mainstream parties are competing on a niche segment before the median voter perceives this segment as important and lasting,<sup>5</sup> the mainstream party might be punished in upcoming elections (Ezrow 2010).

To summarize, niche parties are here understood as parties competing preliminary on niche market segment and to not discuss a broad range of issue appeals. Such parties might be associated with certain party families, especially if a party remains linked to its party families' origins and other parties within a party system have not overtaken the issues discussed by that party family.

<sup>&</sup>lt;sup>5</sup>Lasting in the sense that a topic is constantly debated issue and not just a short-term change of issue appeals.

#### 3.1 Niche market segments

In order to account for these theoretical thoughts five dimensions were established using the comparative manifesto project (cmp) data reflecting on niche party families original issue appeals: ecological, agrarian, regional, extreme right and eurosceptic segments. As has been discussed before the communist party family is not understood as competing on niche segments, but rather as a group of extreme left parties presenting divergent answers to issues belonging to traditional market segments of party competition. Therefore the five niche dimensions do not contain a communist dimension. Table 2 describes the five dimensions, their definitional criteria, the manifesto project codes used to measure these dimensions and the relevant literature on which these dimensions are based on.

The ecologic dimension reflects on environmental protection, economical sustainable development and peace as a general goal. At their origins green parties hold strong relations to pacifist and environmental movements. Instead of focussing on economic goals and achievements, green parties called for sustainable economic development not harming the environment (Müller-Rommel 1993: 17-18). The extreme right market segment calls for nationalism, "mono-culturalism" and law and order (Mudde 1999: 187-190; Mudde 2000: 169-176). One dimension has been created which reflects on anti-EU parties - such as UK Independence Party (UKIP) in the UK or the Alternative für Deutschland (AFD) in Germany. Eurosceptic parties largely lack success in national parliaments, but their raison d'être of an anti-European standpoint has been described as "at the periphery of party systems" (Taggart 1998: 363) and could be well understood as a niche segment. Another party family which has been present in its absence for the most part on the debate about niche parties is the agrarian party family. Originating from the idea to represent farmers' interests (Christensen 1997: 391), they also competed by using a niche segment up until the 1970s. Finally, one dimension reflects on the regional party family. The regional party family outlines a borderline case, since many issues regionalists discuss are well categorized into traditional market segments. Yet, I agree with the existing literature that the family's strong claim for autonomy for the regions it acts in justifies an inclusion into the niche segments (Jensen and Spoon 2010: 176-177).

In contrast to existing studies these five dimensions reflect exclusively on issues associated with niche party families.<sup>6</sup> Furthermore, the five dimensions are strongly bound to theoretical thoughts on niche market segments, while previous studies used predefined dimensions intended for other purposes (Wagner 2012*a*; Stoll 2010; Meyer and Miller

<sup>&</sup>lt;sup>6</sup>Since cmp codes are outlining percentage points of all sentences used in a manifesto, the other dimensions are still present as the remaining percentage points not considered in my measurement. For example: A green party focussing 25 % of its manifesto on the ecological dimension, necessarily uses the remaining 75 % on non-niche issues in case the other four niche issues are not present in its manifesto.

<b>Table 2:</b> Party fam	ilies & their defining criteria			m scra
Party family	Defining criteria	CMP codes	Literature background	tch
Ecology	-main focus on environmentalism	Per501(Environmental Protection)	(Müller-Rommel 1985)	pa
	-sustainability as a generalizable aim	Per416(Anti-Growth Economy: Positive)		rti
	-pacifism	Per106(Peace: Positive)		es,
Agrarian	-agriculture	per703(Farmers)	(Christensen 1997: 393);	pro
	-urban vs. rural		(Batory and Sitter 2004: 524)	odu
Regional	-regionalism, autonomism or separatism of region of origin	Per301(Decentralization)+	(Müller-Rommel 1998: 19)	icts
		Per302(Centralization)		s &
	-focussed on issues affecting the region of origin	Per706(Non-economic Demographic Groups)	(Brancati 2007: 138)	m
<b>Extreme Right</b>	- nationalism: congruence between state and nation	per601(National Way of Life: Positive)+	(Mudde 1999: 187-190)	ark
		Per602(National Way of Life: Negative)		et
	-"mono-culturalism": homogenisation of nation $\&$	Per607(Multiculturalism: Positive)+		seg
	xenophobia	Per608(Multiculturalism: Negative)		gmo
	-belief in law and order	Per605(Law and Order)		ent
Eurosceptic	- opposition to EU	Per406(Protectionism: Positive)+	(Taggart 1998: 368)	s
		Per407(Protectionism: Negative)		
	-protectionism of own market	Per108(European Community/Union: Positive)+		
		Per110(European Community/Union: Negative)		
Courses Author's on	Docod on Wiend (1006, 20 47). von Borrino (1084)			
JUNICE: AULINI S UN	VII. DASCU UII WALE (1770: 27-47); VUII DEYIHE (1704).			
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				,

2013; Bäck, Debus, and Dumont 2011). However, to measure niche parties it is important to understand the competitive advantages parties hold on issue dimensions relevant for parties belonging to families associated with nicheness. Issues at the core of party competition – such as any economic issue, welfare policy, freedom and democracy – might be more or less debated in manifestos and parties might be perceived as being competent on some of these issues, but these issues are not understood as being relevant to measure niche parties.

#### 4 Data & measurements

The 2013 cmp data was used to guarantee a time varying and consistent measurement of parties' nicheness (Budge, Klingemann, Volkens et al. 2001; Klingemann, Volkens, Bara et al. 2006; Volkens, Lacewell, Lehmann et al. 2012). The cmp data is based on a content analysis coding of 'quasi-sentences' within party manifestos into 56 broader issue categories (Budge, Klingemann, Volkens et al. 2001; Klingemann, Volkens, Bara et al. 2006). It aims to measure the salience of different issues across parties, countries and time. It is the most proficient data source containing longitudinal and cross-national data of party manifestos: The data can be used to analyse party positions across time and nations starting from 1943 until 2013.<sup>7</sup> As Laver (2001: 66-75) has shown, using the cmp to derive policy positions of parties may result in flawed estimates. However, in contrast to spatial modeling of party positions, the presented concept of niche parties is built on the ideas of issue ownership theories (Budge and Farlie 1983; Petrocik 1996). Thus, using cmp in line with their original intents seems unproblematic (Wagner 2012a: 852). Furthermore, cmp data has also been criticized for providing an accuracy of party's issue emphasis which is too optimistic and as such the data can significantly change from one election year to another. In order to control for this noise in the data, but also for the theoretical reason that parties are to a large extend path-dependent and cannot completely change their issue appeals from one election to another, I calculate the average issue emphasis using the election at t and the previous election t-1.<sup>8</sup> Finally, parties had to achieve five seats in the federal legislature or at least 5% of the popular *vote share* to be included into the analysis to assure a comparable party relevance across time and countries (Meyer and Miller 2013). Included are only countries understood as belonging to advanced Western Democracies to assure a comparable meaning of party families across countries.<sup>9</sup> However, there are no statistical reasons to limit the following

<sup>&</sup>lt;sup>7</sup>The timeframe depends on countries and election years.

<sup>&</sup>lt;sup>8</sup>Since such a lag method always results in the loss of the very first data point, the entry election year of every party has been used for the first election year and not an average across two points in time.

<sup>&</sup>lt;sup>9</sup>Australia; Austria; Belgium; Canada; Cyprus; Denmark; Finland; France; Germany; Greece; Ireland; Iceland; Italy; Luxembourg; Malta; Netherlands; New Zealand; Northern Ireland; Norway; Portugal; Spain; Sweden; Switzerland; United Kingdom and the United States.

measurement only to my country selection.

#### 4.1 Who dominates which market segment?

In order to understand who holds a certain market segment advantage I propose to generate a continuous nicheness measurement – on first sight similar to the measurement suggested by Meyer and Miller (2013). The following measurement can be understood as a sort of standard deviation of parties' issue appeals:

$$\exists_{p} = \sqrt{\frac{1}{5} \sum_{i=1}^{5} (x_{ip} - W_{i,-p} * \overline{X}_{i,-p})^{2}}$$
(1)

,with  $x_{ip}$  being  $party_i$ 's emphasis on one of the five issue dimensions;  $\overline{X}_{i,-p}$  being the mean party system emphasis on one of the five dimensions excluding  $party_i$ . The result  $\exists_p$  outlines the score of the squared distance of a party from its competitors, standardized across the five market segments as outlined previously. Results of equation (1) can be read as follows: if all parties in a given party system discuss the same market segment, this results in a low nicheness score for all parties in that party system. In contrast, the more a party differs from its competitors the higher is its nicheness score. As such the higher a party's  $\exists_p$  score, the more shares of the five market segments are owned by  $party_i$ .

Since parties' emphasis should differ across countries – in a two party system the  $\exists_p$  score should be comparably low for all parties; while in systems with more than four parties the  $\exists_p$  score should be comparably higher for all parties – it is more interesting to measure the market shares controlled by one party compared to the share of the remaining parties of a party system:

$$\overline{\ni}_p = \ni_p - \mu_{-p} \tag{2}$$

In this equation  $\mu_{-p}$  is the mean of all parties standard deviation scores excluding again the  $party_i$  of interest. Equation (2) delivers a nicheness score of a given  $party_i$  picturing the nicheness compared to all other parties' nicheness within a party system.

In contrast to Meyer and Miller (2013),  $W_i$  in equation (1) is not defined by parties' vote-shares. Instead  $W_i$  quantifies the second dimension of the nicheness concept: the range of issue dimensions debated by parties. A specialization index was created based on Shannon's entropy (Shannon 1949; Colwell and Futuyma 1971; King and Wand 2006):<sup>10</sup>

<sup>&</sup>lt;sup>10</sup>To be precise, since the classical Shannon Entropy is undefined for zeros, a transposition of the Shannon entropy is used. The mathematics behind the transposition can be found in the appendix A.1 on page 23. Shannon entropy has been successfully used in a wide variety of cases across all disciplines from communication studies to biology.

$$D = ln\left(\frac{1}{\prod_{i=1}^{43} x_{ip}^{x_{ip}}}\right)$$
(3)

$$W_i = max_D - D \tag{4}$$

with higher values representing parties with narrower platforms.<sup>11</sup> The mean system emphasis excluding  $party_i$  is therefore weighted by party system competitors' range of issues discussed in their manifestos.

For this purpose every single issue within the cmp data has been included. In case the cmp data provides a positive and a negative dimension of the same issue – for instance welfare state expansion and welfare state limitation – the issues have been collapsed into one dimension, again to stick to the concept of issue ownership theories: It seems abstruse that welfare expansion and welfare limitation outline two distinct issues and not the same issue. In order to obviate criticism on vote based measurements, the mean party system emphasis on a certain issue was weighted by party platform specialization. Since only niche segments are weighed by  $W_i$ , the assumption is that narrower platforms have a stronger influence on the agenda-setting of niche issues. Parties preliminary competing on one of the five niche segments are understood as holding a first mover advantage as outlined previously: Since they introduced these issues into the arena of party competition, they hold an competitive advantage outlining an entry barrier for competitors and therefore have a profound influence on the agenda-setting of these issues (Tresch, Lefevere, and Walgrave 2013).

Previous measurements included weights by parties' popular vote gains (Wagner 2012*a*; Meyer and Miller 2013). The assumption standing behind such vote weighted measurements is that bigger parties have higher agenda setting capabilities. However, including vote-shares to stretch the distance between smaller and bigger parties maps a conceptual distance between theoretical arguments – driven by issue ownership theories – and measurements which then reflect on parties' vote gains. Especially since the literature frequently explicitly excludes the necessity of niche parties to be small in the sense of vote shares (Ezrow 2010: 11-13; Wagner 2012*a*: 851-852).

To summarize, the measurement reflects on parties' market dominance within their party systems on niche segments and the broadness of their electoral platforms: The higher a party's  $\overline{\ni}_p$  score the more market share advantages it holds in comparison to its competitors and the narrower its issue offering. If a party tends to discuss several market

<sup>&</sup>lt;sup>11</sup>The results of the  $W_i$  can be found in the appendix page in table 4 on 24 and in figure 4 on page 23. As the attentive reader might expect, special issue parties outline the most narrow platforms on average across party families. Equation (4) is used to invert the scale, since the minimum of equation (3) is defined by zero the minimum value is not needed to invert the scale.

segments, its nicheness score is lower: The more market segments a party discusses, the closer its  $\overline{\ni}_p$  score will be to a uniform distribution. In other words, parties which do not emphasize certain issues, but discuss a broad range of issues, will most likely not have any market advantages on one of the five niche market segments and score low on  $W_i$ .

## 5 Parties in niche markets: a validation

What are the classifications resulting from this measurement? Figure 1 presents the nicheness measurement grouped by party families. Since cmp data has been blamed for being untrustworthy especially for the period before 1970 (Hansen 2008; Pennings 2006), results prior to 1970 have to be read with caution. In general the results underpin



Figure 1: Violin plot of nicheness across party families, 1944-2013

#### Source: Author's own.

*Note:* Violin plots are the estimated kernel density of nicheness displayed with box plots, marker is the median, box indicates interquartile range, spikes extending to the upper- and lower-adjacent values; N=2001.

the prior outlined theoretical assumptions. As in previous studies the traditional party families – conservatives, christian democrats, liberal and social democratic parties – are the most 'mainstreamish' parties. Interestingly prior to 1970 communist and christian democratic parties appear to outline higher niche values than the remaining traditional party families, but after 1970 this trend barely holds only for the christian democratic

parties.<sup>12</sup> Nationalist parties are showing distinctively higher niche values after 1970. In fact, the results prior to 1970 again underpin reliability issues in the manifesto codings prior to 1970. As expected green, regional and agrarian parties show the highest nicheness score. Interestingly agrarian parties became more mainstream in the period after 1970, which appears to be in line with existing literature on agrarian parties (Christensen 1997; Arter 1999).

Figure 2 outlines the nicheness movement of the agrarian parties in Norway, Sweden and Finland. All Scandinavian agrarian parties outlined comparably high nicheness scores during their existence and all faced the inevitable shrinking of their traditional electorates. However, from the beginning of their existence the three Centre Parties



Figure 2: Scandinavian agrarian parties in comparative perspective, 1945 - 2011

Source: Author's own.

in Norway, Sweden and Finland outlined two distinct nicheness movements. The Norwegian Centre party showed low nicheness scores until the late 1960s but then stabilized above a nicheness score of .4 due to broadening its platform on regional and environmental issues (Christensen 1997: 393). In contrast, both the Swedish and Finnish Centre Party assigned more importance to agricultural issues (until 1964 > 10 % in case of Sweden; until 1970 > 10 % in case of Finland) at the beginning and lowered their nicheness score until the Mid 1970s. After 1970 both parties movements can be best described as constant fluctuation. The Finnish rural party never competed strongly on any seg-

<sup>&</sup>lt;sup>12</sup>To make comparison easier for the reader, the nicheness score has been standardized to range from 0 to 1 throughout this section.

ment of the five niche dimensions and therefore always scores with low nicheness scores. Yet, its distant successor, the True Finns, started to focus on the nationalist dimension – especially ethno-nationalist thoughts and appear to have successfully incorporated the nationalist dimension in Finland (Arter 2012: 815). This example of the Scandinavian agrarian parties underpins the necessity to take time and issue emphasis changes into consideration. Furthermore, it appears to be a shortcoming that existent studies did not account for agrarian parties as niche parties, since especially in their origins these parties appear to emphasize issues at the periphery of their party systems.

Figure 3: German Greens: from niche to mainstream and back again?



Source: Author's own.

Figure 3 shows in the left hand graph the German Green's movement on the nicheness score (nicheness) and range of issues addressed in manifestos (specialization), while the right hand side shows the changes of the German Greens in their issue emphasis on the ecologic market segment (ecology) versus the movement of the mean system emphasis on ecology<sup>13</sup> – all across time. The Greens have significantly distanced themselves from their original nicheness position. After the reactor meltdown in Chernobyl (1986) and the reunification of Germany (1990) its competitors raised their issue emphasis on ecological issues. Yet, starting in 1994 the German Greens also significantly reduced the discussion of ecology in their manifestos – starting with a share of 22.5 % (1980) and cutting it almost by half with 11.9 % (2005; 2009) in their manifestos. Accompanying this

<sup>&</sup>lt;sup>13</sup>This measures how much the remaining parties in Germany discussed ecological issues. The Greens are excluded from this mean calculation.

change is a ever stronger emphasis on social democratic issues. Finally, the Greens had substantially stretched the range of issues they debated in their manifestos until they were elected into a government coalition with Social Democratic Party (SPD) in 1998 for the first time. Interestingly this point in time marks their lowest nicheness score.

Yet, after 1998 the Greens managed to almost stagnate their nicheness score. This is due to the movement of its competitors: By 1995 ecological issues found their peak of interest in the German party system. Later on the mean system emphasis on the ecological dimension almost diminishes completely. This de-emphasizing of the ecological niche in Germany allowed the Greens to conserve their ownership of the ecological dimension with comparably low emphasis on environmental issues in their own manifesto. Even if voters still mainly perceive and appreciate the German Greens as an antinuclear and environmental party (Rüdig 2012: 122-124), the movement towards a rather social democratic portfolio might have underpinned the record vote result in 2009 by attracting even more voters from the SPD. As such, the party system de-emphasis of the ecological dimension after 1995 has helped the Greens to broaden their manifesto and gaining voters from the SPD by increasing efforts on other issues than their ideological origins.

#### 6 Conclusion

The debate on the impact of niche parties' behavior is underway (Meguid 2005, 2007; Adams, Clark, Ezrow et al. 2006; Ezrow 2010; Jensen and Spoon 2010), while researchers are still searching for concepts to clarify the defining criteria of niche parties (Wagner 2012*a*; Meyer and Miller 2013). This paper aimed to meaningfully contribute to the debate what a niche party actually is. In drawing on marketing literature (Porter 2004; Butler and Collins 1996), I defined niches as: *a)* Holding a market share advantage on a niche issue dimension to its party system competitors and *b*) not discussing a broad area of issue dimensions.

I proposed to combine the arguments put forward by Meguid (2005, 2007), Wagner (2012*a*), and Meyer and Miller (2013): In constructing market segment dimensions which reflect on the original issue appeals scholars allocate to niche party families, I calculated a nicheness measurement similar to the proposed method by Meyer and Miller (2013), but excluding any impact of vote-shares. My measurement then reveals whether parties stick to their original issue appeals and how competitors' movements on market segments affect other parties. The last section validated the nicheness measurement and the example of the German Greens outlined the usefulness of including a second dimension into measurements of niche parties, namely the broadness of their platforms.

However, there is still space for further development. The introduced measurement is measuring parties' "nicheness" and does not provide a clear cut between mainstream and

niche parties. While such cut-off points might often be rather arbitrary, they also outline the attractiveness for researchers to give clear statements about certain party types. However, continuous measurements are only one defined cut-off point away from being dichotomous and as such researchers could develop their own cut-off points depending on the interests of their studies.

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## A Appendix

#### A.1 Shannon's entropy

$$SEI = -\sum_{i=1}^{12} x_{ip} ln(x_{ip}) = -\sum_{i=1}^{12} ln(x_{ip}^{x_{ip}}) = -ln \prod_{i=1}^{12} (x_{ip}^{x_{ip}}) = (-1)ln \prod_{i=1}^{12} (x_{ip}^{x_{ip}})$$
$$= ln \left(\prod_{i=1}^{12} (x_{ip}^{x_{ip}})\right)^{-1} = ln \left(\frac{1}{\prod_{i=1}^{12} x_{ip}^{x_{ip}}}\right)$$

### A.2 Further table and figures

Figure 4: Violin plot of Shannon's entropy across party families, 1944-2013



Source: Author's own.

*Note:* Violin plots are the estimated kernel density of nicheness displayed with box plots, marker is the median, box indicates interquartile range, spikes extending to the upper- and lower-adjacent values; N=2002.

**Table 3:** Summary of nicheness

Party family	Ν	mean	sd	min	max	øvote-share
ecologist	76	0.49	0.18	0.20	1.00	6.46
communist	199	0.28	0.07	0.09	0.57	10.71
social democratic	510	0.26	0.08	0.00	0.5	27.75
liberal	303	0.27	0.07	0.09	0.58	13.46
christian democratic	255	0.29	0.07	0.09	0.55	22.73
conservative	332	0.27	0.08	0.01	0.59	27.55
nationalist	67	0.38	0.16	0.18	0.89	9.58
agrarian	112	0.35	0.13	0.09	0.7	13.64
ethnic-regional	75	0.40	0.15	0.08	0.85	5.76
special issue	72	0.30	0.12	0.18	0.86	7.26
Total	2001	0.29	0.11	0.00	1.00	19.41

Source: Author's own.

 Table 4:
 Summary of specialization index

Party family	Ν	mean	sd	min	max
ecologist	76	0.66	0.38	0.18	2.23
communist	199	0.79	0.45	0.07	2.71
social democratic	510	0.62	0.40	0.05	2.29
liberal	303	0.72	0.45	0.11	2.62
christian democratic	255	0.54	0.32	0.13	2.44
conservative	333	0.65	0.43	0.00	2.48
nationalist	67	0.96	0.68	0.14	2.90
agrarian	112	0.88	0.52	0.22	2.62
ethnic-regional	75	0.65	0.37	0.18	1.75
special issue	72	1.01	0.54	0.20	2.14
Total	2002	0.69	0.45	0.00	2.90

Source: Author's own.