



THE BENEFITS OF PRINT ADVERTISING

*Effectively Reach Consumers and
Drive Them to Action*



mediaspace
SOLUTIONS

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» INTRODUCTION

Is print dead? This question has been making the rounds in the marketing world ever since the Internet and social media became the new darlings of advertising. While many CMOs have completely migrated their campaigns to the web because of its exposure potential, convenience and cost effectiveness, print still remains a viable option and necessary component of an ad campaign.

Advertising accountability always starts with a single question: Does an ad campaign affect consumer buying behavior? The impact of ad campaigns can be measured on a variety of outcome measures such as aggregate sales for a brand, individual brand choice behavior, and the intermediate effects of awareness and attitudes toward the advertised brand. The research studies that have examined the impact of advertising in different media channels consistently illustrate that

print advertising performs well compared with other media. For example:

In a study of the top 100 advertisers, higher correlations were found between a brand's sales and the amount of *print advertising* bought vs. sales and the amount spent on broadcast advertising.

During a 10-year period, it was found that magazine advertising was more effective than network TV advertising for promoting SUV brands.

Individuals who were exposed to newspaper ads had a higher recognition of ad content than those who had access to an online version of the same advertising message.

What do these findings tell us? That print media is not dead and, in fact, has some advantages compared to its complementary media vehicles.

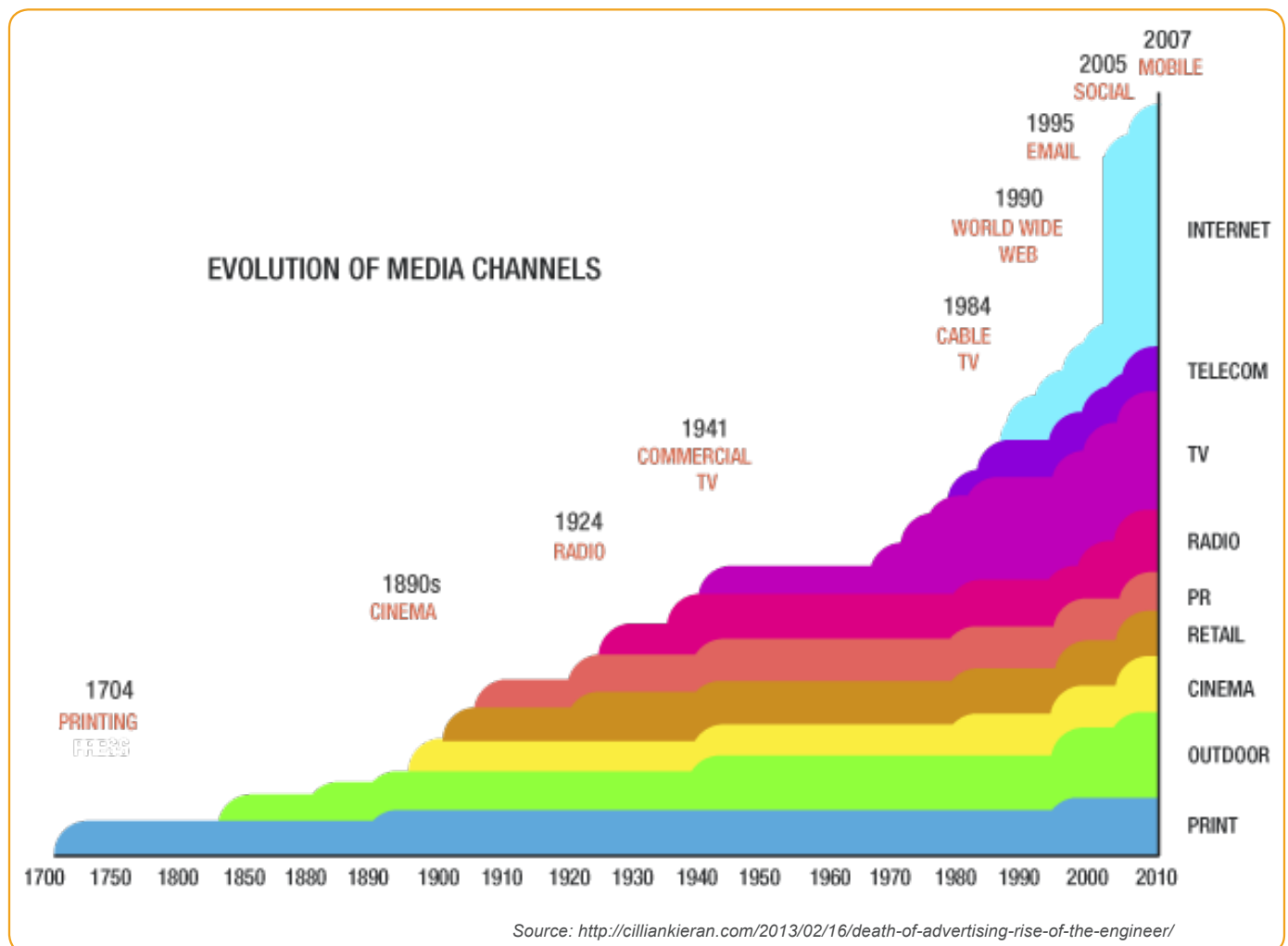


» THE CURRENT MEDIA LANDSCAPE

Advertising has been a vital part of business for centuries. During the early Greek and Roman civilizations, tradesmen used signs to advertise their goods and services (*Signs of the Times*, 1976). Until the middle of the 17th century, advertising was exclusively an outdoor medium used to direct customers to local merchants. When the printing press became widely adopted, local newspapers began publishing and carrying classified advertising. During the 19th century, savvy merchants used the press *and* the postal system to print the first commercial catalogs.

By the mid 20th century, the growth of radio and television attracted big advertising dollars as these new media began to compete with print. Then, with the explosive growth of the Internet, the media environment became even more fragmented and competitive.

The moral behind this history lesson is that each time new media emerges, advertisers flock to it and voices claim “the sky is falling” and an ‘old’ media channel is pronounced dead, or dying, as print advertising has been labeled during the last decade.



Before we get into the specific benefits of print, let's take a look at some eye-opening statistics:

In a paper titled, "Why Newspapers? They Add Value for Advertisers," released by the NAA, several facts regarding newspapers and print media are highlighted to demonstrate they are still significant channels in which to reach consumers:

- 73% of adults read a newspaper or visit a newspaper website in an average week
- Customers for many products and services are also the heaviest newspaper readers
- The newspaper is the most used advertising source for coupons
- The newspaper is read by the majority of consumers planning a vehicle purchase
- Newspaper website users are prime prospects for advertisers

Other industry research has uncovered compelling findings as well:

- 39% of U.S. adults read traditional daily newspapers (with 43.6% being college graduates and 51% being post-graduates)
- 46.5% of individuals earning \$100,000 to \$250,000 annually AND 53.6% of individuals

earning more than \$250,000 annually subscribe to daily newspapers

- Visitors spend an average of 3.4 billion minutes per month browsing newspaper websites
- 58% of 25- to 35-year-old adults and 73% of individuals earning more than \$100,000 annually visit newspaper websites daily
- 41% of consumers seek newspaper advertisements when looking for possible purchases
- 46% say newspapers are their preferred medium when receiving advertising information (television comes fourth at 10%)
- 41% see newspaper ads as valuable information sources when planning a purchase and only 4% will avoid newspaper advertisements (television comes in at 23%)

Contrary to what many CMOs assume about print media, these statistics point to a viable advertising channel that brands may use to expand their market reach and increase their bottom line.

Now, let's take a look at some of the specific benefits print advertising offers.

73% of adults read a newspaper or visit a newspaper website in an average week

» TARGETED MARKETING

Print allows advertisers to target a specific demographic who share common interests, professions, hobbies and a variety of other factors. In addition, many print publications provide readership demographics that include average household income, age, location and spending habits.

The NAA studies newspaper readership in order to outline how newspaper audiences vary. In that research, the NAA separated newspaper readership by gender, education, age and household income to illustrate how effective newspapers can be in targeting a specific audience for a campaign. Their findings showed that almost 39% of U.S. adults are still reading daily newspapers. An estimated 24.6% of the total 18- to 34-year-olds, 45.8% of those over

35-years-old and 55.1% of adults over 55-years-old are still reading the newspaper, which proves that newspapers have a great readership and are highly effective at segmenting that readership.

Knowing the target audience of a publication allows advertisers to position their message accordingly. For example, a company with stores in multiple locations can advertise different locations in the corresponding newspaper. Likewise, a clothing company with lines for men and women could advertise each individual line in a publication targeting the respective audience.

Without the ability to strategically target messaging, advertisers can only throw money at a campaign and hope for the best.

» STRONG READERSHIP

As the NAA study illustrates, readership of print publications is still very strong. Currently, *Daily readership* of newspapers alone is approximately 127.1 million, and *Sunday readership* is approximately 132.4 million. That's nearly one-third of the U.S. population reading the newspaper in any given week.

Eight in ten (78%) adults read national and local newspapers in print and online every week. Of those who are reading, 66% receive their newspaper content in print while 48% read it online. Even better for the local publications and the advertisers who want to spread their message locally, 66% read the local paper in print each week.



» ENGAGEMENT

Nielsen defines engagement as 'emotional involvement or commitment,' 'total attention toward something: captivation, concentration, engrossment, enthrallment, involvement, fascination,' 'occupying the attention or efforts,' 'to attract and hold fast,' and finally, 'the state of interlocking.'

Consumers are more engaged when reading printed material, unlike websites, which are often

skimmed in as little as a 15-second visit. In fact, a study shows that people read digital screen text 20% to 30% slower than printed paper (Alshaali & Varshney, 2005). With the advent of pop-ups, flashing banner ads, texting and social media, consumers of digital media are far more distracted than those who consume print media. It's hard to be totally engaged when you're totally distracted.

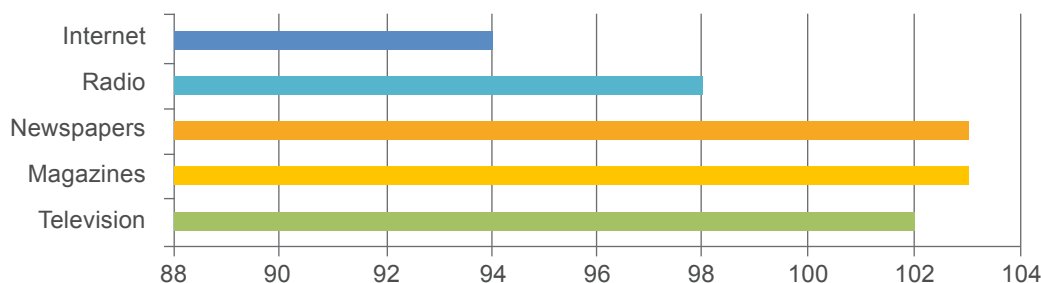
» TRUST

Newspapers are a source of reliable information in a world overloaded with the unreliable. **According to a Nielsen study, 54% of respondents said** newspapers "operate in an ethical manner and have the public's best interest in mind."

A newspaper's coverage of events, important issues and strong opinion pieces that offer points of view and courses of action are generally the starting point for discussion within a community. A newspaper acts as the community's (or nation's) watchdog, record keeper and often its spokesperson. It also plays an important role in the day-to-day life in every city and town across the country.

As they begin their search for an important household item, consumers usually turn to the pages of the newspaper to study advertisements and promotions placed by local merchants. When planning vacations, readers turn to the newspaper for information about possible destinations, accommodations and other travel information.

The chart below shows the most trusted sources of media for principal shoppers in the household by Index. Magazines and newspapers are tied for first, followed closely by television. The Internet and radio actually under-index as trusted sources.



Source 2011 Doublebase GfK MRI

» SPECIAL AD POSITIONING

A major benefit of print advertising is that a CMO can request special ad positioning. This means you can have your ad placed on a specific page or within a column article for even more brand exposure.

In Fielding and Bahary's 2003 Worldwide Readership paper, much attention was paid to the

question of ad positioning (Fielding and Bahary, 2003). Fielding and Bahary conducted primary research among 24,000 households across a four-week period. The research involved showing respondents ads and asking them follow-up questions including whether they recalled seeing the ad. This study found that "positioning does have a significant impact on the recall of advertising."

» HIGH RETENTION RATES

Print ads can be viewed in a single glance and do not require scrolling or clicking through. As discussed earlier, when people read offline, they tend to have longer attention spans. Web reading is useful for gathering quick bits of information, but people pay more attention to what they are reading in print. For this reason, consumers tend

to remember more of what they read (and see) in print.

Print readers are also very loyal readers. People who read print publications do so regularly. This loyalty, combined with the high retention rates, make print a very important medium for branding.

» LESS COMPETITION

Although we're doing our best to educate business owners and advertisers about the benefits of print advertising, the truth remains that many businesses are relying solely on the Internet for their advertising needs. This decline

in print advertising can actually be used as a marketing advantage. Print publications are now less crowded, allowing more room for your ad to shine, and possibly even cheaper prices for that ad space.

» AN AFFLUENT AUDIENCE

In 2011, Ad Age used their Mendelsohn Affluent Barometer to track new and traditional media use among America's most affluent consumers. This monthly survey consisted of more than 1,000 online interviews with respondents making at least \$100,000 in annual household income -- in other words, the 20% of Americans who account for about 60% of U.S. income and approximately 70% of U.S. net worth.

When asked how they read magazines, 93% said they read hard-copy print versions; in contrast, less than a third read them on computers, and no other format garnered more than 10%. The same pattern is evident for newspapers, which

86% read in print, compared to the 39% who read them on computers, and 14% who read them via smartphone. TV shows are watched on TVs by 94%, followed by 23% who watch them on computers. Websites are viewed on computers by 94%, followed by 32% viewing them on smartphones. The pattern is clear across all media. The vast majority consume content through its most traditional outlet: magazines and newspapers in print, websites on computers, video content through TVs and so on.

With advertising accountability at an all-time high, it makes sense to put your campaigns in front of those with the most discretionary income.

	MAGAZINES	NEWSPAPERS	TV	WEBSITES
Read hard copy	93%	86%	--	--
View on computer	27%	39%	23%	94%
View on smartphone	9%	14%	7%	32%
View on television	6%	7%	94%	13%
View on Tablet computer	6%	7%	6%	15%
View on tablet via website	5%	6%	3%	14%
View on tablet via app	4%	4%	4%	8%
View on e-reader	4%	3%	--	5%

» A STRONG LINK TO RETAIL

The desired result of an ad campaign is the purchase of a product by a consumer, and print has a proven link to profitable retail results. According to the 2011 *"How America Shops and Spends"* report, newspapers were the go-to medium when a consumer's *intention* was to be exposed to consumer advertising for the

means of purchasing a product. Newspapers lead this indicator with 35%, followed by the Internet at 28%. Other categories measured include television, direct mail and catalogs. The study goes on to show that 84% of newspaper readers are looking for these print ads, whether it be ROP or preprint.

» YOUNGER GENERATIONS STILL READ PRINT

It's no news that younger generations consume media differently than their older counterparts, and they have, without question, been early adopters and heavy users of emerging technology and alternative platforms.

But even today's younger consumers show the characteristic pattern of consuming media through its most traditional outlet, even as they show more cross-platform "experimentation." For example, among those ages 18 to 34:

- 88% read magazines in print, followed by 35% who read them online
- Newspapers show the greatest amount of experimentation -- 70% read newspapers in print, followed relatively closely by 54% who read them online

- 94% view video content on TV, followed by 35% who do so on computers
- 93% read websites on computers, followed by 38% who do so on smartphones



» PRINT HAS EVOLVED

Print advertising has become more than just print advertising. In today's digital age, print has evolved to embrace online, tablet and mobile counterparts as well. A key finding in the State of the News Media 2012 report is that "no matter what the device, digital news consumption continued upward in 2011" (Pew Center for Research). The report shows that 51% of smartphone owners and 56% of tablet owners use their devices to get news. This cross-platform relationship allows consumers to interact with their media product of choice multiple times per day.



» PRINT MEDIA WORKS SYNERGISTICALLY WITH ONLINE ADS

Print media works synergistically with interactive online advertisements to produce superior results for advertisers. The NAA paper titled, "Why Newspaper Media? They Add Value for Advertisers" cites:

- Among people who research products and services after seeing them advertised in newspapers, two-thirds (67%) use the Internet to find more information. Of that group, nearly 70% of consumers actually make a purchase following their additional research.
- Newspaper readers respond to ads in their newspapers. More than half (56%) of respondents either researched or purchased at least one product they saw in the newspaper in the last month.
- Newspaper advertising drives web traffic. Of those who said they researched at least one product they saw in the newspaper, 67% said they conducted research online, compared with 48% who visited a store, 23% who called a store and 23% who asked a friend.
- Use of newspapers and the Internet reinforces consumer confidence. Nearly 50% of the respondents said that seeing a product in the newspaper after seeing it online would make them trust the product more, and be more likely to purchase, illustrating the value of reaching the same customer through multiple media.
- Of the more than half of respondents who said they either purchased or researched a product after seeing a newspaper ad in the last month, 42% reported they purchased a product and 44% said they researched at least one product (with some overlap between the groups).
- Overall, nearly 30% of Internet-using newspaper readers went online to research at least one product they saw in the newspaper (on average, they researched nine).

A STRONG CALL TO ACTION

As mentioned previously, the desired result of any ad campaign is to generate a response within a targeted audience; namely, to get that audience to take action and make a purchase. One of the statements in Nielsen's survey was, 'I am more likely to purchase products I see advertised in or on them.' The top five responses were: national newspaper,

microblog (Twitter), local newspaper, national newspaper website and local newspaper website.

Without a doubt, newspaper advertising drives people to action and after seeing products or services advertised in newspapers or on newspaper websites, people are more likely to purchase them.

CONCLUSION

The advent and increasing popularity of digital media has relegated print advertising to the background, and many companies have turned to the Internet and mobile marketing to promote their brand and acquire new customers. Nonetheless, print advertising still carries a host of benefits despite these web-centric times. At the end of

the day, the best way to market your business is to utilize as many media channels as necessary, including print, to reach every corner of your target demographic.