

# MEPA Newsletter

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## SALES UNCOVERED

This study, conducted by TNS on behalf of PPA Marketing, explores how the use of magazines can contribute to a variety of sales-related campaign objectives.

The key lessons are that magazines can be used to:

- Boost sales by more than 11 percent on average
- Build market share and penetration by boosting market share volumes by more than 8 percent
- Improve sales performance further by increasing magazines' share of the budget
- Win new customers by delivering more than 8 percent additional market penetration on average and, in addition, boost average weight of purchase
- Give positive support to below-the-line promotion by adding 7 percent more market value share on average
- Work effectively with television advertising by contributing to a 30 per cent overall increase in sales when used with TV
- Generate similar sales levels as TV but at substantially lower cost
- Delivered a positive return on investment by generating an average return of more than two-and-a-half times the investment, over the course of a year.

Source: Periodical Publishers Association

## THE CASE FOR NEWSPAPERS: WORLD'S BEST ADVERTISING MEDIUM

Ten reasons why newspapers are still the best advertising medium. That's what the World Association of Newspapers delivered to the world's advertising executives at the International Advertising Association's 39th World Congress in Beijing, China.

"The newspaper is the new mass-market medium," said Gavin O'Reilly, Chief Operating Officer of Independent News & Media PLC and First Vice President of WAN, who made the case for newspapers at the annual gathering of the advertising industry's global decision makers and opinion leaders.

Consumers are overwhelmed with more than 3,000 marketing messages every day -- everywhere they look, and much of it unwanted, said Mr O'Reilly. At the same time, broadcast media are fragmenting and outlets are failing to deliver their former mass audiences. In this evolving media world, newspaper advertising maintains the respect of its audience and continues to supply an optimum environment for successful advertising, he said.

"Remember that the consumer is being bombarded and increasingly finds advertising intrusive and annoying. This is particularly relevant to the broadcast media," said Mr O'Reilly. "Remember that an advertiser's agenda is very, very simple -- they want rock-steady reach, reliable demographics, and do not want to pay a premium for a dwindling, haphazard audience.

"Remember that fragmentation is not a fad or the latest buzzword. It is being driven by a mixture of technology and consumer choice. It is only newspaper -- with its host of product attributes -- that can consistently and cost effectively deliver to that ever-elusive customer."

"We in the newspaper industry are simply getting better at our business," said Mr O'Reilly.

"Gone are the days when editors say 'publish and be damned.' Today's editors are acutely commercial, inventive, creative and ever-responsive to new product development and change. Not a year passes in our group -- or any newspaper group for that matter -- when a host of new products are not launched, with the one aim of presenting a more vibrant product and environment for readers and advertisers alike."

Mr O'Reilly is Chief Operating Officer of Independent News & Media PLC, a Dublin-based international media group with its main operations in Australia, Ireland, New Zealand, South Africa and the United Kingdom. The group has a US\$2 billion turnover from newspapers, new media, radio and outdoor advertising, and last year produced a record \$260 million in operating profits.

He is also First Vice President of WAN, the industry leader in training and event management, the central repository of all industry information and statistics, and the leader in research and development which identifies and communicates emerging media trends. In particular, WAN's Shaping the Future of the Newspaper project has become a key strategy resource for the industry.

Here are the top 10 reasons why newspapers are still the best advertising medium:

- The medium works. Recent effectiveness studies show that when newspapers are added to TV-only advertising, both brand awareness and -- more importantly -- the propensity of consumers to buy a product increases dramatically (as much as 400 percent in one study).
- Newspapers deliver reach and influence. In one recent study in Japan, consumers evaluated various media and said newspapers were more accurate, had broader, more credible content, more useful information for daily life, were more intellectual and possessed more memorable and lasting content.
- Newspapers target and deliver wealthier consumers. As prosperity increases, so does consumption of newspapers. The opposite is true of television.
- Newspapers generate response for their advertisers.
- Newspapers offer flexibility in terms of budgets and formats.
- Newspapers offer real outlets for creativity and delivering advertising effectiveness.
- Newspapers offer constant innovation in their quest to attract new readers and offer enhanced advertising platforms.
- Contrary to market myths, newspapers continue to grow circulation and readership on a global basis, thanks to innovations and proactive marketing.
- Newspapers work very well in partnership with other media.
- The newspaper is the "ultimate browser."

"It is the medium with the most compelling product attributes," said Mr O'Reilly. It is portable and extremely convenient. It engenders loyalty on a daily basis. It is widely accessible worldwide. It is easily disposable, with the option to cut out and keep articles and ads of interest. It is content rich. Its articles and advertisements have a shelf-life beyond the immediacy of first-time consumption."

And all of this for less than the price of a cup of coffee," he said.

The Paris-based WAN, the global organisation for the newspaper industry, represents 18,000 newspapers; its membership includes 72 national newspaper associations, individual newspaper executives in 102 countries, 13 news agencies and ten regional and world-wide press groups.

**Source: WAN**