

# How community newspapers can drive sales

In Chapter Three, we show how local newspaper advertising builds awareness and affinity - and how that converts into sales.

## Shoppers Stay Local

A study by National Australia Bank has found Australian businesses receive 45 percent of their sales from local customers.<sup>1</sup> Data from the readership survey, emma, aligns to this finding. It reveals 51 percent of consumers prefer to shop locally<sup>2</sup> while a similar number (48%) will use local services and tradesmen where possible.<sup>3</sup>

If local consumers identify with ads relating to a store around the corner, then it's reasonable to assume value and potential revenue exists from investing marketing dollars to highlight the presence of a retail brand in a local community.

## Building Local Brand Awareness

Building awareness is an essential element for any local business. The data shows newspapers get this job done effectively. Some 42 percent say the local press is their main source of information about what is going on in their area.<sup>4</sup> For brand managers, a monthly reach of 12 million readers of regional and community newspapers is a powerful enticement to use print.

## Boosting Brand Affinity

The phrase "brand affinity" means consumers have a positive feeling towards a brand or store. Local marketing helps create that connection. Local newspapers know all about that because they rely on this very dynamic. A newspaper that is not trusted by its readership has, effectively, no readership or business future. This is rarely the case. Some 6.3 million consumers say they look forward to reading their local newspaper.<sup>6</sup>

The fact that local newspapers are trusted by their communities offers advertisers a halo effect. Data shows that independent editorial has a positive, psychological impact on the ads it surrounds.<sup>7</sup> The Local Newspaper Report says readers feel more positive about a store or business that advertises in their local paper (57%).<sup>8</sup>

### *The role of local newspapers*

Regional newspapers are seen as helping to define the identity of the region. They reflect its mind and mood and stand up for it, while also acting as a watchdog.<sup>9</sup>

Community newspapers are seen as the heartbeat of their suburb, connecting readers with their community by providing practical and motivating information<sup>10</sup>

### Proven to Drive In-store traffic

Call-to-action is often at the core of an effective advertisement and the resulting sales figures are the benchmark for return on investment.

Research shows readers are more likely to act on an ad they've seen in their local newspaper, rather than on TV or radio. The range of responses vary depending on the call-to-action - a special offer, website deal or a hotline for orders.

For bricks-and-mortar retailers, in-store traffic is often the goal, of course. Recent research commissioned by NewsLocal, a publishing business owned by News Corp Australia, shows just how powerful local newspapers are in attracting customer's in-store.<sup>11</sup> It finds:

- 72% of readers go in-store seeking what was featured in a sale ad in their local newspaper
- 66% go in-store to browse after reading a sale ad in their local newspaper

Its research also reveals 66 percent of local newspaper readers visit an advertiser's website after reading a sale ad in a local newspaper.

The Local Newspaper Report highlights how well local newspaper advertising does in terms of driving interest. One in two regional newspaper readers and three in five community newspaper readers enquired about a product or service

they saw in their local newspaper.<sup>12</sup>

## Consumers Prefer Local Newspaper Ads to the Competition

The Newspaper Works' Local Newspaper Report shows advertising in local newspapers has a greater impact than other local media.

*Community newspaper readers are;*<sup>13</sup>

- More than three times as likely to visit a store or business because of a newspaper ad compared with one seen on local TV and almost twice as likely as letterbox catalogues and flyers (62% vs 17% for local TV).
- More than ten times as likely to enquire about a product or service as a result of a newspaper ad compared with outdoor advertising (61% compared with 5% for outdoor advertising).
- More than three times as positively disposed towards newspaper advertisers than those that advertise via letterbox flyers and catalogues (58% compared with 18% for letterbox flyers/catalogues).

*The trust factor*

- Vodafone launched a three-step brand program designed to rebuild trust.
- Twice as likely to have enquired about a product or service because of a newspaper ad than one played on local radio.
- Nearly twice as likely to have visited a store or business because of a newspaper ad vs local TV.
- Three times more likely to keep details of a newspaper ad than they are from letterbox flyers and catalogues (46% compared with 14% for letterbox flyers/catalogues).

Case study: IKEA puts it all together

IKEA is a brand adept at supporting national campaigns with targeted local newspaper advertising.

This localised creative was published in regional newspaper The Southern Times

on September 25 2014. The ad promotes the sale of bedroom furniture at IKEA depots in the West Australian centres of Bunbury and Busselton and offers a free delivery service to shoppers in these areas.

Ad effectiveness research of residents in the Bunbury and Busselton areas, carried out by Ipsos Media CT, shows that this advertisement generated positive results for IKEA.<sup>15</sup>

It significantly boosted local knowledge of the two IKEA depots among target customers with 43 percent of respondents saying it improved their awareness.

The ad helped IKEA increase brand affinity, too. One in three respondents (31%) said the local execution gave them a better feeling about the brand, while 25 percent of those who saw the ad said they would visit one of the two stores advertised.

## Sources

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