



NEWSPAPER ASSOCIATION OF AMERICA

Newspaper Inserts Drive Consumers to Action

Nine out of ten newspaper readers make shopping decisions based on the insert advertising

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Recent independent research reveals that newspaper inserts continued to drive traffic for retailers this past holiday shopping season.

Two-thirds of newspaper readers either always or regularly look at inserts, according to Coda Ventures' Triad research, a Nashville-based research firm specializing newspaper research. [Coda Ventures](#) recently reported that fewer than nine percent of newspapers readers state that they "seldom or never" look at inserts.(1)

And, most important to advertisers, newspaper inserts drive action. Nine out of ten newspaper readers report that they take one or more of a broad range of specific actions after reading or looking at inserts.

Other recent research by [Research and Analysis of Media](#) (RAM), an international media research company, confirms the crucial role newspaper inserts play in consumer marketing.(2) RAM data shows that nearly nine in 10 of media consumers use newspaper inserts. This is much higher than the usage of direct mailers.

Readers believe they find the best deals in newspapers. Sixty-five percent believe the best deals on products can be found in newspaper inserts.(1) Only 39 percent believe direct mail deliver the best deals. In a fragmented media landscape, newspapers remain an advertising medium with broad audience and reach.

Over many years, a broad range of research has confirmed the trustworthiness and impact of newspaper advertising, including preprints and free-standing inserts (FSIs).

The enduring effectiveness of newspaper inserts also shows up with the continued growth in FSI print coupons. [Kantar Media](#), a global media intelligence firm, documented that while there were fewer pages distributed this past year, there are more coupons per page containing higher value offers. [According to Kantar](#), print coupons still remain a critical promotional tool.(3) Nearly nine in 10 (87 percent) of all readers who use inserts clip and save coupons.(2)

In the past year, new research provided greater clarity on just how actionable newspaper preprint advertising is — and how its impact remains strong, even as digital alternatives to sales circulars have emerged.

For advertisers, “When their boss comes to them with what the difference is in different channels and what’s prompting customers to take action, it’s a much more serious question these days,” says Tom Robinson, chief marketing officer of Coda Ventures. “The overall levels of engagement, when you look at the normative data, speak very highly for newspapers as a medium.”

New Findings on Effectiveness

These studies by Coda/Triad and RAM confirm the effectiveness of newspaper preprint advertising by measuring the actions consumers take.

“A lot of these actions have gone unmeasured,” explains Robinson. “Making the cash register ring is important, but newspapers work in a lot of different ways, and there are actions people have taken they haven’t gotten credit for in the past.”

RAM, which evaluates advertising across multiple channels, has measured the effectiveness of more than 24,000 advertisements since 2006. Of those, approximately 3,000 were newspaper inserts, according to Tanya Holloran, RAM’s U.S. client development manager. To better understand the impact of preprint advertising, RAM conducted a broad-based study of newspaper inserts in late 2015, surveying more than 15,100 readers of newspapers published by 33 U.S. media companies.

Similarly, Coda Ventures launched the Triad Newspaper Ad Effectiveness Service, its syndicated advertising research product, in July 2015. Based on the top 30 U.S. daily newspaper markets, Triad initially focused on run-of-print advertising, but it commissioned a research study in the fall to explore consumer actions based on preprint advertising in more detail, surveying more than 3,600 newspaper readers nationwide.

Among the findings of the two research studies and additional research they conducted:

Newspaper inserts are highly desired by readers. Two-thirds (66 percent) of newspaper readers either always or regularly look at inserts. Fewer than one in 10 (9 percent) seldom or never look at inserts.

Newspaper inserts drive action. Nine out of ten newspaper readers (91 percent) report that they take one or more of a broad range of specific actions after reading or looking at inserts, as illustrated in the box below.(1)

Inserts Drive Action

Actions taken by the 90 percent of newspaper readers who said they take specific actions after reading or looking at inserts:

- Visit a store, dealer, or other location (58%)
- Clipped coupons from a newspaper insert for use at a store (57%)
- Purchased a product advertised in a newspaper insert (41%)
- Considered purchasing a product advertised in a newspaper insert (40%)
- Brought a newspaper insert with them while shopping (34%)
- Saved a newspaper insert for future reference (33%)
- Visited a company's website (26%)
- Passed along a newspaper insert to someone else (24%)
- Gathered more information about products featured in a newspaper insert (20%)
- Searched online to find out more about a product featured in a newspaper insert (19%)
- Recommended a product advertised in a newspaper insert to someone (17%)
- Had a more favorable opinion of the company sponsoring the newspaper insert (14%)
- Checked out an online review after reading a newspaper insert (13%)
- Asked someone's opinion about a product featured in a newspaper insert (10%)
- Asked someone's opinion about the company sponsoring a newspaper insert (10%)
- Visited a company's social media site after reading their newspaper insert (8%)
- Texted someone about a newspaper insert or one of the products advertised (6%)
- Downloaded an app featured in a newspaper insert (6%)
- Took some other action (3%)

Source: Coda/Triad Newspaper Insert Study, October 2015

In its own research, RAM found even larger numbers of people clipping and saving coupons — 87 percent of all readers who use inserts, and 92 percent of women between the ages of 35 and 54:

Actions Insert Readers Take:

- Clipping and saving coupons (87%)
- Comparing prices (54%)
- Saving inserts until they need to purchase an advertised item or service (54%)
- Taking inserts to the store with them (52%)
- Making unplanned purchases as the result of sales or promotion offers (42%)
- Sharing inserts with family members or friends (27%)

Source: RAM Inserts Study, November 2015

Inserts are significantly more actionable than run-of-print advertising. RAM's research revealed that preprints generate a 25 percent increase in stopping power and advertising recall than run-of-print ads (54 percent vs. 43 percent). "That's a very compelling story," Holloran says.

Newspapers as the Medium of Choice

Both studies revealed that newspapers remain the delivery medium of choice for advertising circulars and other free-standing inserts. Among their findings:

Readers consider newspapers the preferred source for preprint advertising. More than three-quarters (76 percent) of readers prefer to receive preprinted inserts in their regular newspaper.⁽¹⁾ Only half (50 percent) prefer circulars delivered to their mailboxes, while fewer favor circulars they picked up at the store (45 percent) or that they download or print themselves (31 percent).

Among media consumers who use both print and digital versions of advertising circulars, 62 percent prefer printed newspaper inserts. Only 14 percent prefer direct mail advertising, and fewer still (11 percent) prefer online or email versions of advertising circulars.

Newspaper inserts drive more use than other circulars. Nearly nine in 10 (86 percent) of media consumers use newspaper inserts, a proportion much higher than the usage of direct mailers such as Red Plum (63 percent) and ValPak (41 percent).⁽²⁾

Readers believe they find the best deals in newspapers. The majority of readers (65 percent) believe the best deals on products can be found in newspaper inserts. Only 39 percent believed direct mail delivered the best deals, and fewer still felt that circulars picked up at the store (37 percent) or that they downloaded or printed (29 percent) offered the best bargains.

Newspaper readers value inserts. More than eight in 10 newspaper readers believe newspaper inserts help them get the best deal (86 percent), allow them to see all the products a company offers (84 percent), and save them money (83 percent). Majorities use newspaper inserts to find out more about

products (79 percent), save inserts until it's time to use them (76 percent), enjoy reading newspaper inserts (74 percent), believe inserts save them time (71 percent), and use them to plan shopping schedules (70 percent) and learn more about unfamiliar products (69 percent).(1)

Newspaper readers use inserts frequently. More than half (62 percent) of those who use printed newspaper inserts use them once a week or more often.(2)

Newspaper inserts have a long shelf life. Almost half (46 percent) of newspaper readers keep a typical insert for four days or longer.(1)

Most-Read Newspaper Inserts

Retailers including grocery stores, superstores like Walmart, Target, and Costco, department stores, and drugstores represented the most-read and looked-into newspaper inserts, followed by inserts focusing on specific categories.

- Grocery items (75%)
- Superstore products, like Walmart, Target, Costco (46%)
- Department store products (42%)
- Drugstore products (40%)
- Specialty retail products (36%)
- Home improvement products (27%)
- Electronics (27%)
- Home furnishings (26%)
- Apparel or fashion accessories (26%)
- TVs or appliances (24%)
- Lawn and garden products (20%)
- Computer equipment and accessories (20%)
- Sporting goods (19%)
- Cars/automotive services (18%)
- Mobile phones/plans (18%)
- Home decorating products (19%)
- Travel/vacation packages (16%)
- Healthcare/medical/dental services (13%)
- Financial services and retirement products (11%)
- Internet-related services (11%)
- Other (12%)

Source: Coda/Triad Newspaper Insert Study, October 2015

What Insert Readers Want

The types of advertisers insert readers look for in advertising circulars include:

- Grocery or food stores (91%)
- Department stores (60%)
- Drug stores (57%)
- Discount stores (45%)
- Home building centers (38%)
- Home electronics stores (33%)
- Office supply stores (27%)
- Sporting goods stores (24%)
- Appliance stores (17%)
- Home furnishing stores (16%)

Source: RAM Inserts Study, November 2015

The Power of Opt-In/Requested Products

While the new research cited above focuses on full-run inserts, other recent studies have confirmed the value of total market coverage and opt-in products.

The opt-in Sunday Select program now reaches 4.7 million nonsubscribers in the top 30 U.S. markets. In May 2015, [MediaWorks](#), a newspaper publisher consortium covering the top 30 U.S. markets, commissioned a study by [Radius Global Market Research](#) on the impact of Sunday Select.(4)

Among its findings:

Sunday Select use mirrors that of newspaper inserts. More than eight in 10 Sunday Select subscribers (83 percent) open the preprint package at least monthly, as compared to 80 percent of Sunday newspaper subscribers. More than 50 percent engage with Sunday Select weekly or nearly weekly (three or four times a month).

Sunday Select's readership complements the newspaper audience. Readership is more likely to be female, married, in the 35-64 age group, and have a college degree.

Sunday Select users are engaged with the product. Nearly seven in 10 (69 percent) read Sunday Select the day they receive it, a key factor in planning weekend shopping trips. More than half (59 percent) review all the content included in the package, and the average user spends 26 minutes a week reading Sunday Select. Three-quarters of readers (74 percent) say they look forward to receiving the product.

Sunday Select drives shopping behavior. More than eight in 10 users (84 percent) believe the packages are a convenient way to get deals. Three-quarters (73 percent) say they are a helpful tool to guide buying selections, and two-thirds (66 percent) say they are smarter shoppers for using Sunday Select. Moreover, 89 percent of those who read Sunday Select say the inserts impact their shopping behavior, and one-third of their shopping trips (34 percent) are directly motivated by Sunday Select content. Highly engaged users visited specific stores on 60 percent of their shopping trips because of something they saw in the product.

Millennials: Engaged With Newspapers — and With Inserts

Contrary to popular belief, the new research confirms that millennials continue to value newspaper advertising, and particularly inserts. Among the findings:

More than eight in 10 (83 percent) of media consumers 35 and younger use printed newspaper inserts. Like all consumers, they are far more likely to actually use newspaper insert advertising than direct-mail products like Red Plum (66 percent) and ValPak (43 percent).(2)

Millennials respond as strongly to newspaper advertising as previous generations. Across all newspaper ad categories, millennials generate slightly higher recall scores (58 percent) than Gen Xers (57 percent) and Boomers (54 percent), according to Coda/Triad's *The Newspaper Generation* research report.(5) The report, which found that newspapers remain the most trusted media source for millennials, also found similar high recall scores as other generations in such crucial categories as grocery stores, office supplies, sporting events, and computers and technology.

Millennials act on insert advertising. Research suggests that some specific actions, including gathering more information about an advertised product or service, generate high responses across all age groups, including millennials, although others, such as accessing social media, vary. (1) Millennials are significantly more likely to use inserts to plan shopping trips, with 47 percent doing so, compared to 36 percent across the full age spectrum.(2)

Newspaper publishers should not automatically shy away from demographic comparisons, researchers say. "While the larger trend is moving away from selling demographics and more about communities of interest with the landscape being so fragmented, there are still agencies and advertisers who want to reach that group," Holloran says.

The Online Opportunity

While all age groups find printed newspaper inserts easier to use than their online counterparts, electronic versions of advertising inserts and circulars are growing in importance — although they lag significantly in utility and use. Among recent research findings:

Consumers are seeking out digital advertising. More than three-quarters said they look online for digital advertising circulars. Respondents under 35 are the most likely to look online for digital circulars, with women 35-54 and those with higher incomes also more likely to do so.(2)

The store's website (65 percent) and email (54 percent) are the most popular ways to access these online inserts, followed by aggregator apps like shoplocal.com and findnsave.com (14 percent) and newspaper websites (12 percent).(2) Newspaper websites and e-editions are the least used method cited by survey participants, suggesting a potential area of opportunity for publishers.

Online utility is lacking. While RAM found that millennials use digital newspaper inserts slightly more than printed newspaper inserts (86 to 83 percent, respectively), these younger consumers still find printed newspaper inserts easier to use than digital versions. Some 87 percent agree that printed newspaper inserts are easy to use, compared to only 38 percent who believe digital versions of advertising circulars are easy to use. Millennials also found print inserts easier to take with them when shopping, easier to find items, and easier to make comparisons than when using digital versions.(2)

Online advertising is supplementing, not replacing, printed newspaper inserts. Nearly nine out of ten people (84 percent) using online advertising in the past month took some action during the same period as the result of a printed advertising circular in the newspaper (*How America Shops and Spends, 2014*).(6)

The research conducted by Coda/Triad and RAM represent the first large-scale research product focused broadly on preprints for either company. Their work has helped broaden the existing research base, as well as the understanding that newspaper inserts not only reach a broad audience of consumers, but drive them to specific — and valuable — actions for their advertisers.

"Overall, it's a very high value product to consumers," says Ryan Busch, RAM's senior business development manager. "The numbers tell that story very clearly."

References:

1. Coda/Triad, Newspaper Insert Study, October 2015.
2. Research and Analysis of Media (RAM) Inserts Study, November 2015.
3. Kantar Media, "[Kantar Media Reports Dollar Value Of Free Standing Insert \(FSI\) Coupons Offered In 2015 Increased 3.7 Percent To \\$515 Billion](#)," 2015.
4. MediaWorks/[Radius Global Market Research](#), The Impact of Sunday Select, May 2015.
5. Coda/Triad, *The Newspaper Generation Report*, 2015
6. NAA, *How America Shops and Spends*, 2014.