



NEWSPAPER ASSOCIATION OF AMERICA

**Engaging Shoppers:
*Consumers & Newspaper Media 2016***



***Power Your Media Plan with
Newspaper Media - Print, Online & Mobile!***

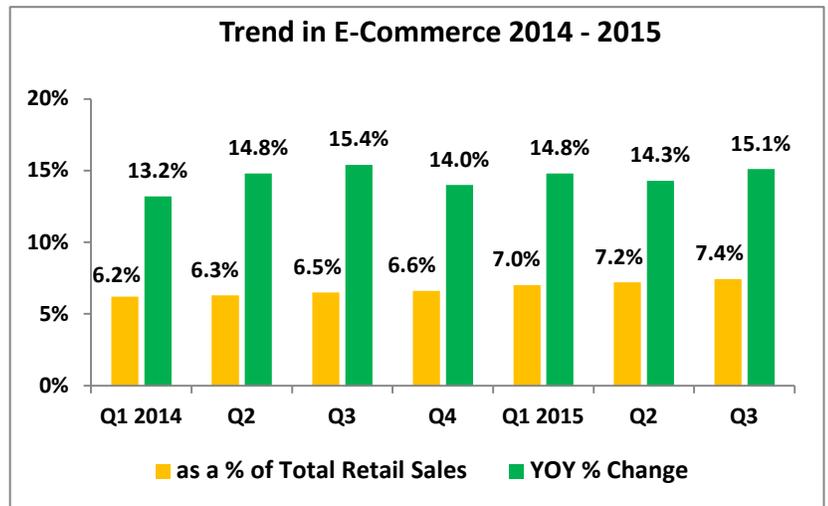
Retail Outlook 2016

Retailers have a challenging task in attracting customers in the current economy. A wide variety of macroeconomic factors—from oil prices to wage stagnation to the impact of technology—all make the task of generating customer traffic, both in-store and online, a daily struggle.

On one hand, the plunge in crude oil prices the past year drove gasoline prices downward, providing welcome relief to consumers' wallets. On the other hand, consumer income has barely budged in the past few years. Sentier Research, a Washington, D.C.-based firm which tracks household income, reported that real annual household income in 2015 was a mere 1.8% higher than it was at the beginning of the current economic expansion in June 2009.

Moody's Investor Service, in a December 2015 forecast, predicted retail sales growth for 2016 in the 4% to 5% range, with eight out of thirteen retail sub-sectors exceeding 5%, including home improvement and auto parts. Trading Economics, a New York City-based econometric forecasting firm, suggest slower retail sales growth running in the 2% to 3% range for the year.

E-commerce gets a lot of attention in the advertising and media worlds. With e-commerce growing in the mid-teen range persistently the past two years, it is no wonder that it draws much attention from the business press, especially during the hectic holiday season in the fourth quarter. The effect of online retail giants like Amazon on the consumer marketplace is enormous. Nevertheless, e-commerce overall accounts for just over 7% of total retail sales, according to the quarterly figures estimated by the U.S. Census Bureau. The overwhelming amount of retail sales still consists of people walking into stores and purchasing merchandise.



So the advertising challenge of raising awareness and motivating consumers to purchase, whether in-store or online, remains. And the engaging platforms offered by newspaper media are the best bet to draw consumers to make the retail connection.

The Strength of Newspaper Print Media

- Newspapers attract an audience of adults engaged with all types of content—news, features, sports, comics—and advertising.
- 86 million adults read the print newspaper on a typical Sunday. Over the course of a week, more than 129 million adults will connect with print newspapers, paying for the copies delivered to their homes or buying them at newsstands, convenience stores, or other locations.



- Print newspapers deliver an affluent, upscale audience to advertisers. Nearly six in 10 (56%) adults with household incomes of \$100,000 or more read the print newspaper during the week, as do 59% of those with incomes of a quarter million dollars or more. 58% of college graduates and 61% of those with advanced degrees read the print newspaper during the week.
- Preprints in the weekday and Sunday newspaper move consumers—not just self-described newspaper readers—to act in a variety of ways. Nearly eight in 10 (78%) adults have taken some action in the past 30 days from an ad in a circular appearing in the newspaper package.

Newspaper Digital Platforms: Impressive Reach Among Online Adults

The digital audience engaged with newspaper content reached a new peak in August 2015, totaling 179.3 million adult unique visitors. That constitutes a 10% increase in adult unique visitors measured by comScore in August 2014, and is double the growth rate for the Internet overall (5%).

The comScore data also revealed the following:

- More than nine in 10 men (93%) and women (92%) ages 25-44 who were online in August 2015 engaged with newspaper digital content.
- The newspaper digital audience grew more than twice as fast than the overall internet audience for age groups 18-24, 25-34 and 35-44.
- Half of the newspaper digital audience is composed of those who use only mobile devices (smartphones or tablets) for their newspaper digital content
- Eight in 10 of the newspaper mobile audience use smartphones exclusively for access.



- Half of the newspaper digital audience is composed of those who use only mobile devices to interact with newspaper websites. Just over one-quarter (27%) of the audience uses PCs (desktop or laptops) only, while less than one-quarter (23%) use both mobile and PCs during the month.

Millennials and Newspaper Media

Millennial retail shoppers are very engaged with newspaper media, in print and online.



Major Department Stores		
	Shopped Past 3 Months	Shopped Past 30 Days
Read Print Newspaper Past Week	40%	40%
Read Print Newspaper or Newspaper Digital Content Past Week	58%	58%
Clothing Stores		
	Shopped Past 3 Months	Bought Past 3 Months
Read Print Newspaper Past Week	41%	40%
Read Print Newspaper or Newspaper Digital Content Past Week	58%	58%
Shopped in Past 3 Months		
	Jewelry Stores	Bridal Shop
Read Print Newspaper Past Week	46%	41%
Read Print Newspaper or Newspaper Digital Content Past Week	64%	63%

Advertising in the print newspaper can drive Millennials to retail action. Some findings about them in the report *How America Shops & Spends 2014* include the following:

- Three-fourths (74%) of Millennials have taken some kind of action as a result of seeing a newspaper ad in print during the past month.
- Nearly six in ten (59%) of Millennials became aware of a sale.
- Four in ten (42%) bought something that was advertised in the print newspaper.
- Almost half (48%) clipped a coupon.
- Half (51%) took an action online after reading a print newspaper ad.



- More than four in ten (42%) checked out a website to learn more about a product or service advertised in the newspaper.
- More than one-third (36%) search online to get more information about a product or service after seeing an ad printed in the newspaper.
- Nearly one in five (18%) bought something online that they saw advertised in the print newspaper.

Moms and Newspaper Media

- Nine in 10 (89%) of adults with children in the household used advertising to help plan shopping or make purchasing decisions in the past seven days.
- And six in 10 of those (59%) used print newspapers for that purpose. Combined with using local newspaper websites, the net reach of newspaper media for that group is 66%.



Major Department Stores		
	Shopped Past 3 Months	Shopped Past 30 Days
Read Print Newspaper Past Week	45%	45%
Read Print Newspaper or Newspaper Digital Content Past Week	60%	60%
Clothing Stores		
	Shopped Past 3 Months	Bought Past 3 Months
Read Print Newspaper Past Week	45%	45%
Read Print Newspaper or Newspaper Digital Content Past Week	60%	60%
Shopped in Past 3 Months		
	Jewelry Stores	Bridal Shop
Read Print Newspaper Past Week	49%	50%
Read Print Newspaper or Newspaper Digital Content Past Week	66%	69%
Shopped in Past 3 Months		
	Sporting Goods Stores	Florists Shops
Read Print Newspaper Past Week	47%	50%
Read Print Newspaper or Newspaper Digital Content Past Week	63%	65%

- Eighty percent of adults with children in the household took action in the past 30 days as a result of advertising in the print newspaper. This includes 63% who became aware of a sale, 57% who bought something advertised and 55% who clipped a coupon.
- 70% of adults with children in the household report regularly or occasionally reading advertising inserts in the newspaper.
- 86% of adults with children in the household check inserts in the Sunday newspaper for grocery or food stores. Some other categories: department stores (67%), discount stores (61%), home electronics or computer stores (59%), drug stores (51%).
- 62% of adults with children in the household agree with the statement, “Checking newspaper advertising inserts saves you time and money.” 73% agree that they “usually check the inserts to see what’s on sale or other special savings.” 59% “enjoy browsing through inserts even if they are not looking to anything in particular.”
- Adults with children in the household the household keep the

Sunday store inserts in their household for an average of 4 days.

- 57% of adults with children in the household say newspaper inserts are easier to deal with coupons than online circulars.



- 73% of adults with children in the household have used newspapers for coupons in the last 30 days.

Men and Newspaper Media

- Nearly eight in ten (78%) of men have taken some action in the past month as a result of reading an ad in the print newspaper.
- Six in ten men became aware of a sale after reading an ad in the print newspaper in the past month.
- Half (48%) of men in the past month purchased an item they saw advertised in the print newspaper.
- Four in ten men were moved to take an action online after seeing a print ad in the newspaper.
- Almost four in ten (38%) picked up shopping ideas by reading a print newspaper ad in the past month.



Major Department Stores		
	Shopped Past 3 Months	Shopped Past 30 Days
Read Print Newspaper Past Week	52%	51%
Read Print Newspaper or Newspaper Digital Content Past Week	64%	64%
Clothing Stores		
	Shopped Past 3 Months	Bought Past 3 Months
Read Print Newspaper Past Week	52%	52%
Read Print Newspaper or Newspaper Digital Content Past Week	65%	65%
Shopped in Past 3 Months		
	Jewelry Stores	Bookstores
Read Print Newspaper Past Week	57%	52%
Read Print Newspaper or Newspaper Digital Content Past Week	70%	66%
Shopped in Past 3 Months		
	Sporting Goods Stores	Florists Shops
Read Print Newspaper Past Week	52%	58%
Read Print Newspaper or Newspaper Digital Content Past Week	66%	71%

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For more information about how you can engage shoppers using newspaper media, please contact Rich Schiekofer,

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