

*ROI Aspirations

Understanding the Value of Newspaper Preprint



118 participants



SUBSCRIBERS

NON-SUBSCRIBERS

* How was the study conducted?



Su M T W Th F Sa
Su M T W Th F Sa



Subs₁ — Newspaper

Subs₂ — None

Non-Subs₁ — Newspaper

Non-Subs₂ — None

Su M T W Th F Sa
Su M T W Th F Sa



Subs₁ — None

Subs₂ — Newspaper

Non-Subs₁ — None

Non-Subs₂ — Newspaper

* How was the study conducted?



- * Pre-Study Questionnaire - 118
- * Daily Questionnaires - 3,304
- * Ads - 1,098
- * Daily Purchase Receipts - 10,543 (91,260 items)
- * Post-Study Questionnaire - 118
- * Post-Study Focus Groups - 2

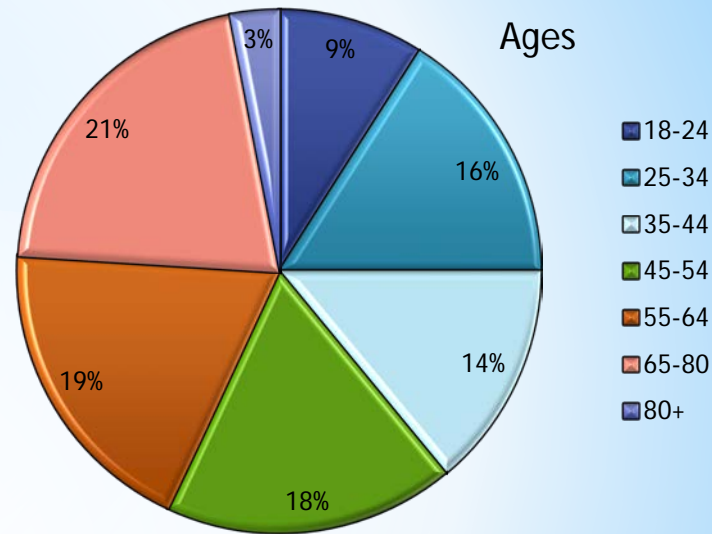
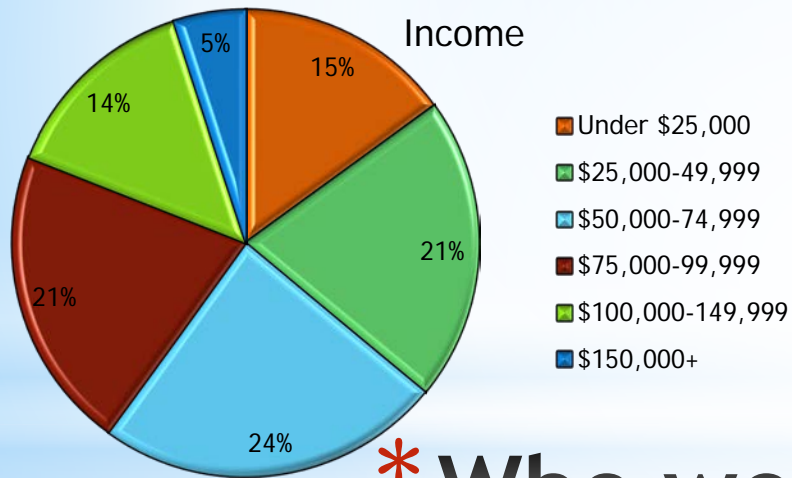
*** Looked at Effects Before, During & After**



* 15% one-person households

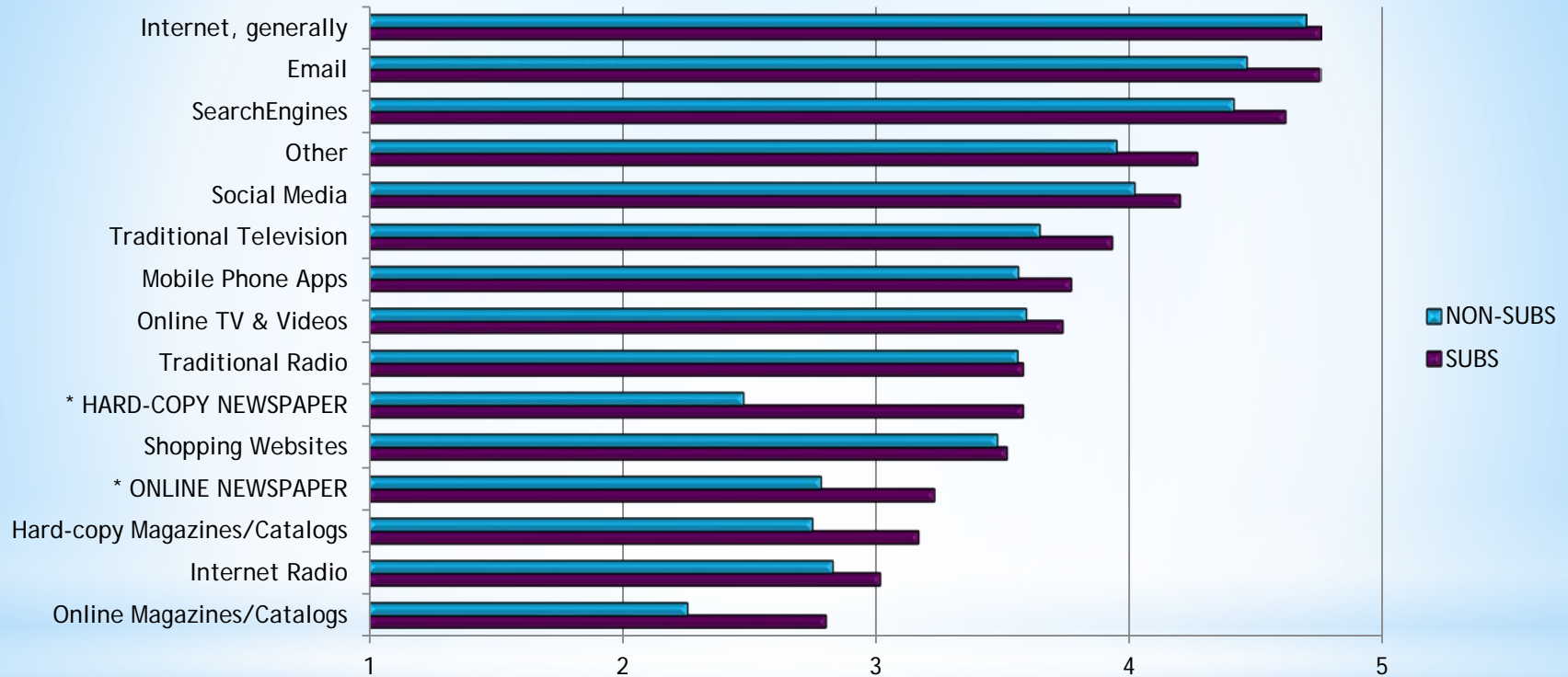
* 61% male

* 62% married



* Who were the participants?





* Media Use Frequency



ROI

- * No *single* ROI
- * **Advertiser's** ROI?
 - * which advertiser?
- * **Consumer's** ROI?
- * Long Term or Short Term ROI?
- * Perceived vs. Actual ROI?
- * Well Designed vs. Poorly Designed Preprint ROI?

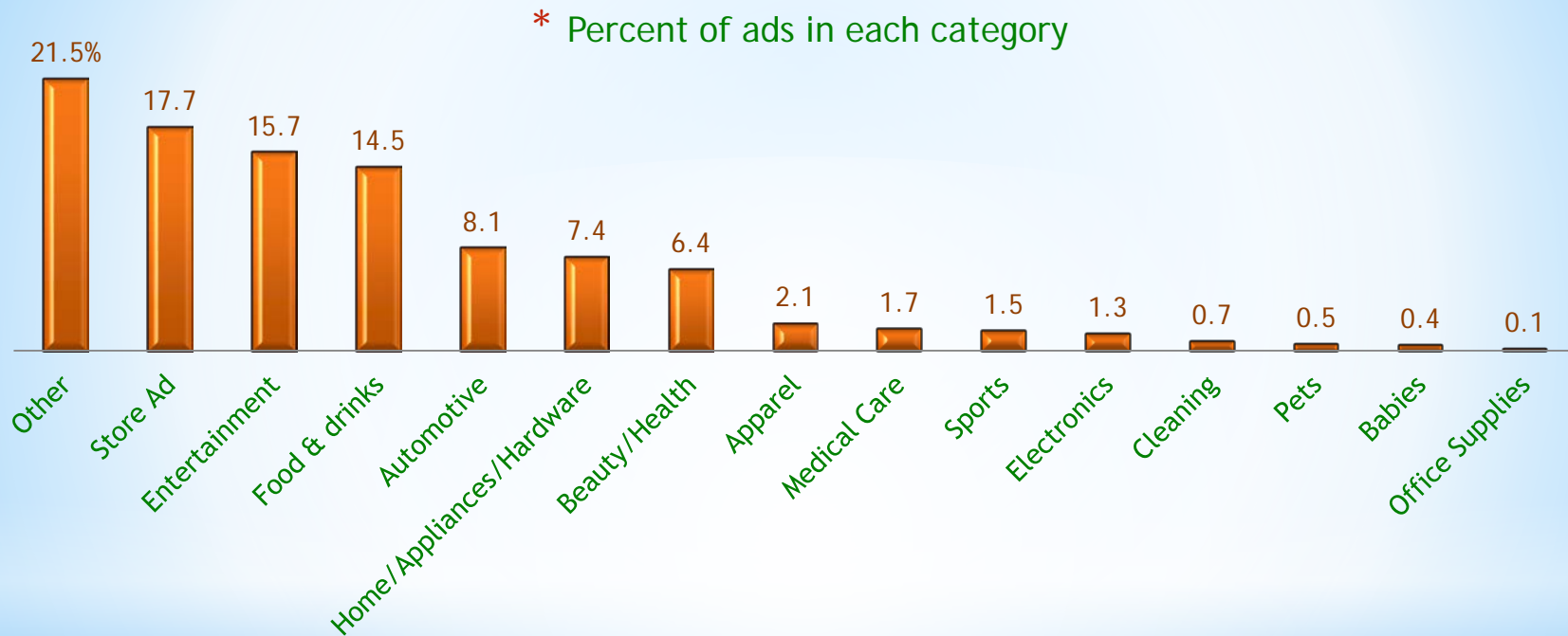
* What is preprint's Return on Investment?



$$\text{ROI} = \frac{\text{Benefit}}{\text{Cost}}$$

* Our Current Focus





* Product Categories Advertised



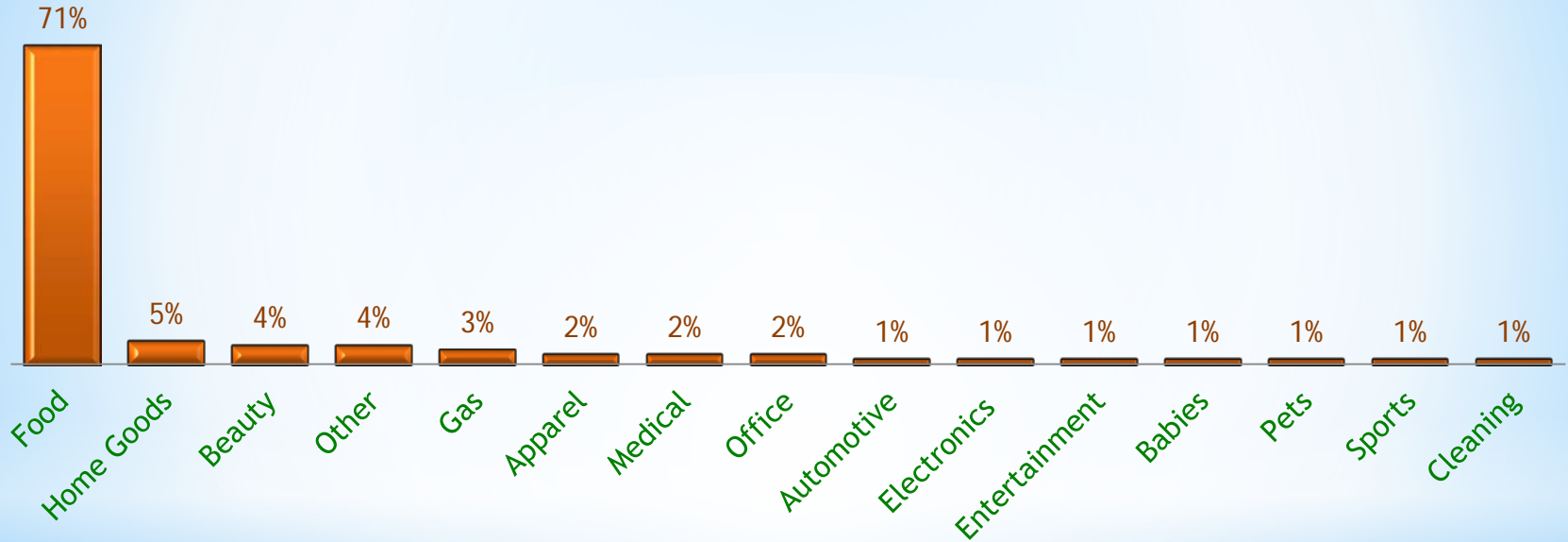
* Average number of days during the month people engaged in these activities



* Shopping Behavior

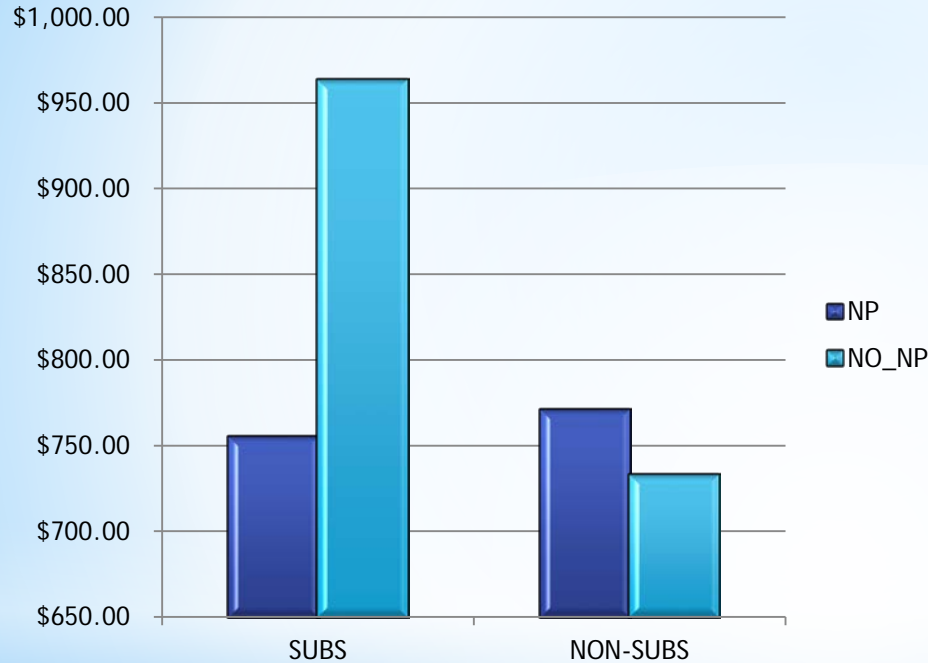


Percent of Total Items Purchased, By Category



* Purchasing Behavior





* Total Average Receipts in 2 weeks

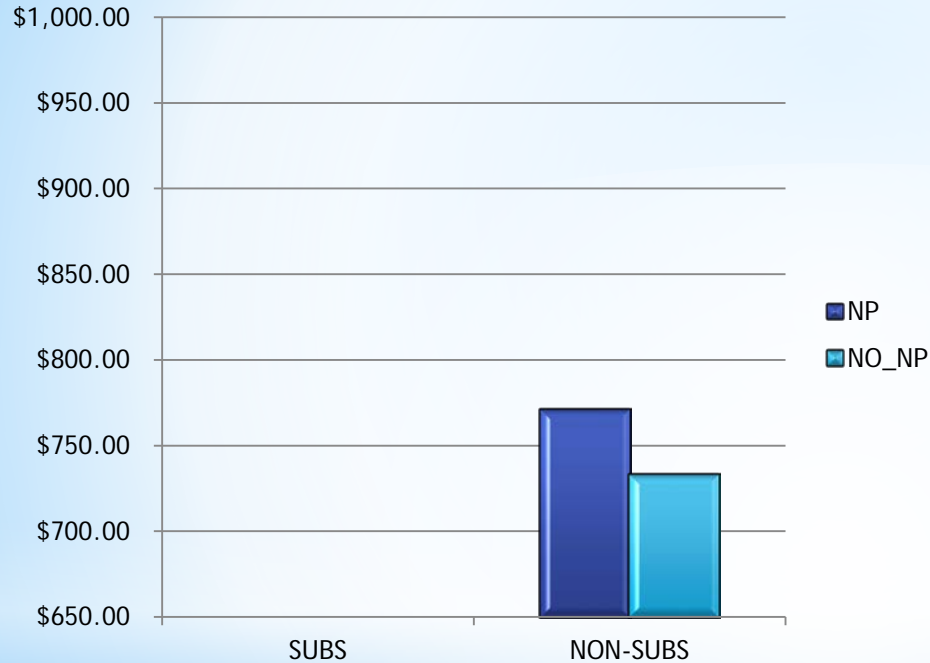
* Impact of information

* *Subscribers save money*

* *Non-subscribers find items to buy*

* Does a newspaper affect total spending?

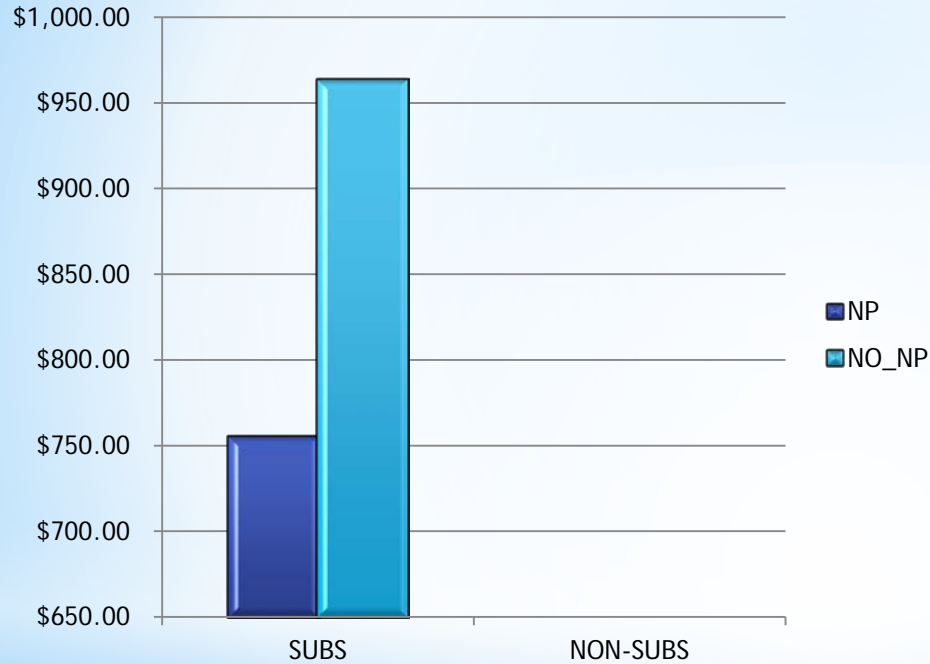




* ADVERTISER ROI

* Does a newspaper affect total spending?

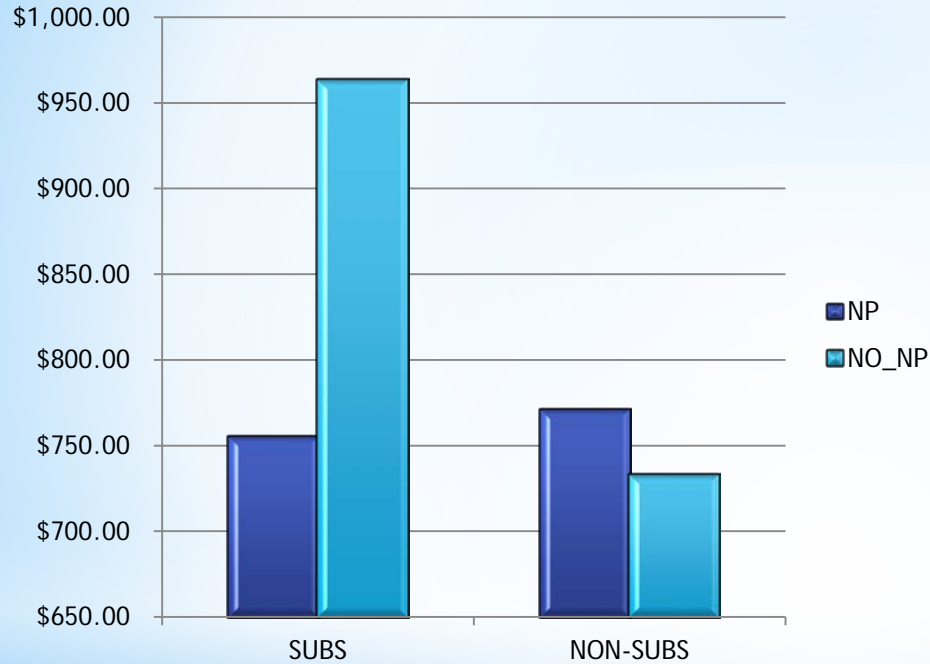




* CONSUMER ROI

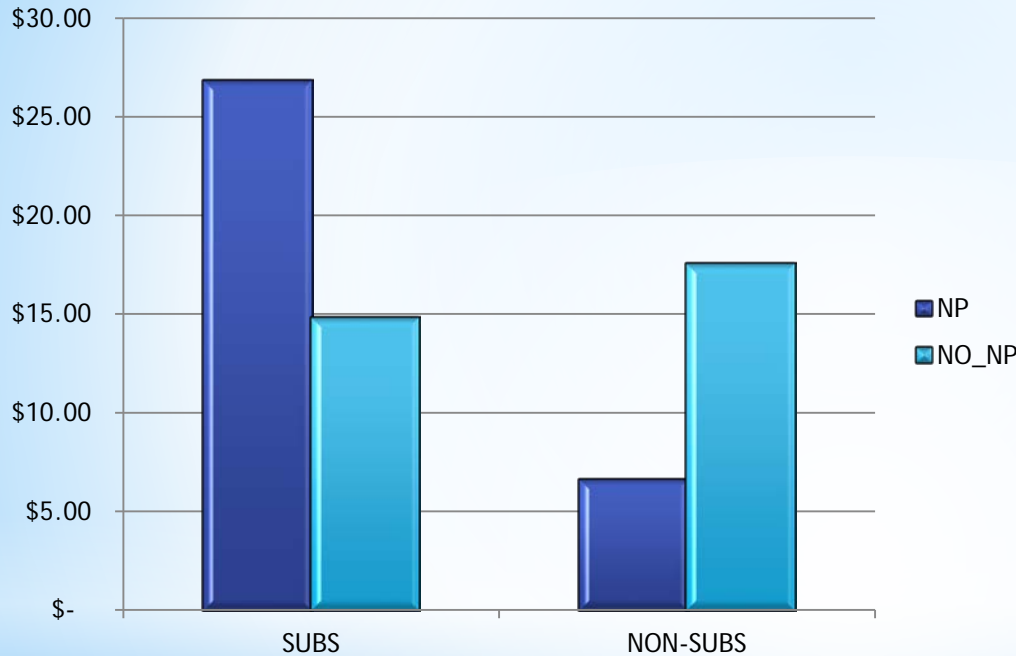
* Does a newspaper affect total spending?





* Does a newspaper affect total spending?





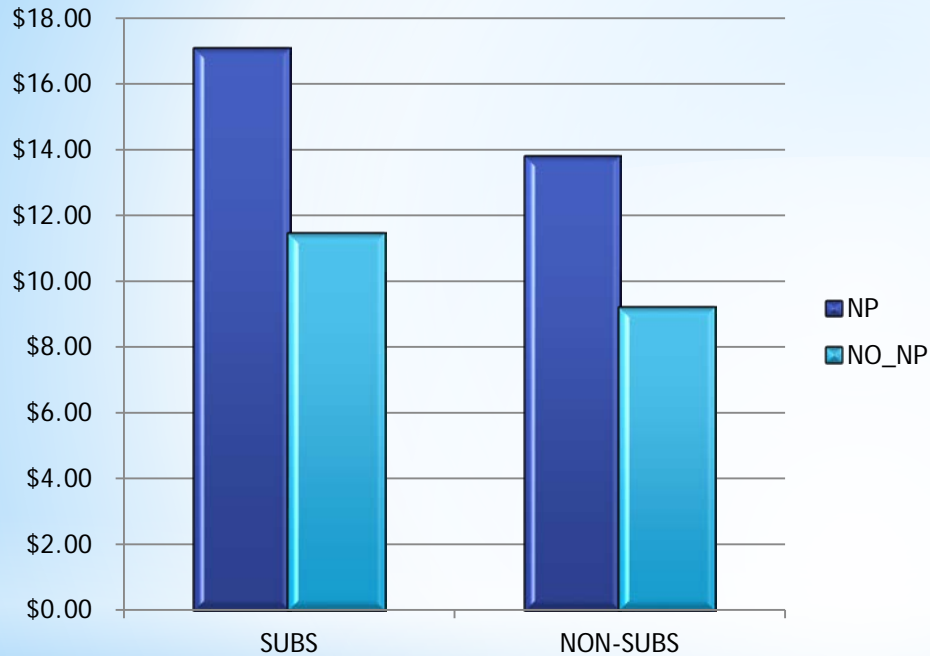
* From preprint ONLY

* **Subscribers** spend more when receiving newspaper

* Nearly the opposite of overall spending.

* Department Store Spending



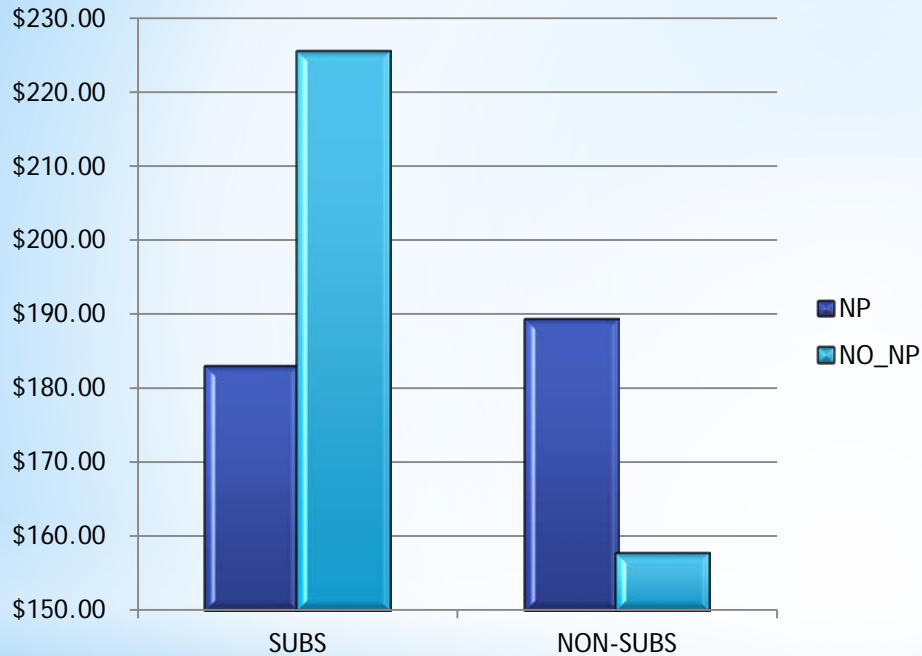


* *From preprint ONLY*

* **Subscribers AND Non-Subscribers** spend more when receiving newspaper

* **Drug Store Spending**



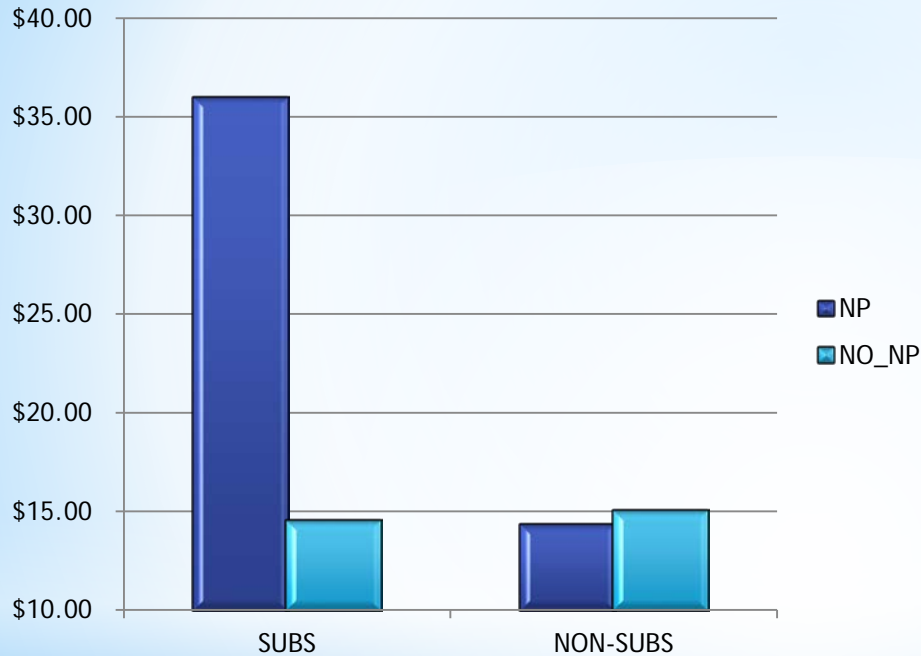


* *From preprint ONLY*

* Only **Non-Subscribers** spend more when receiving the newspaper.

* **Superstore Spending**





* From preprint ONLY

* By **PRODUCT** type,
rather than by **STORE**
type

* Apparel Spending





* From preprint ONLY

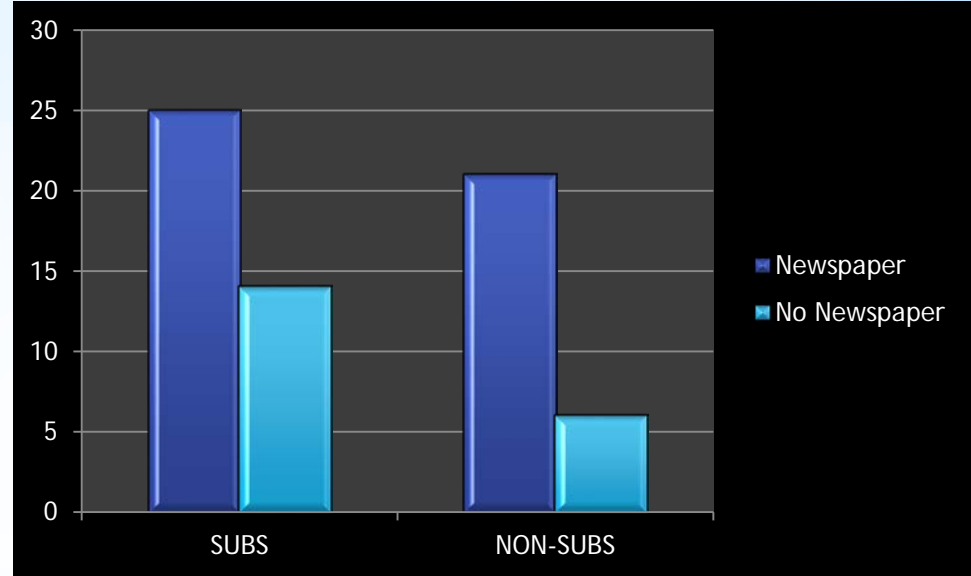
* Also by PRODUCT type

* Note: very similar to the Department Store spending.

* Beauty Spending



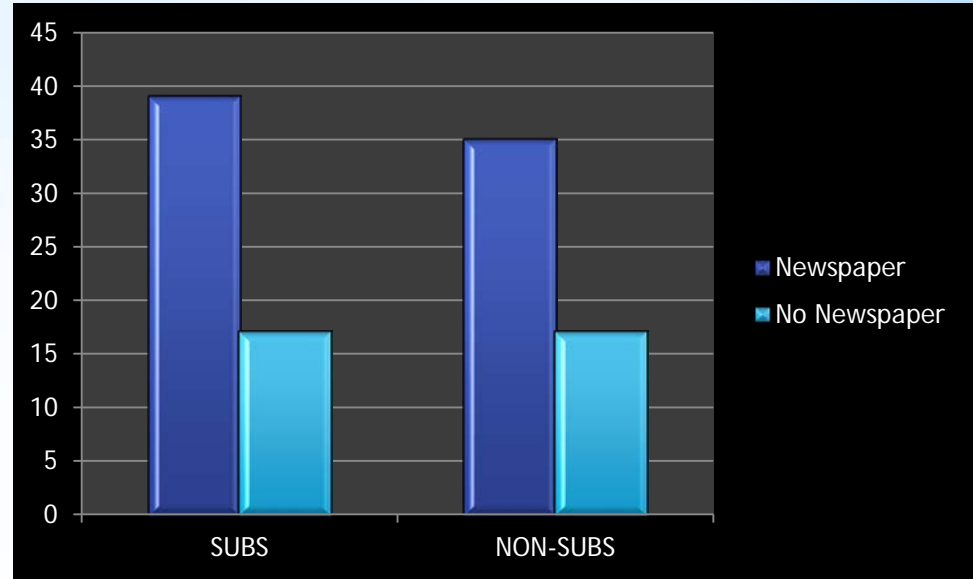
* Ads appear online and in other print media, but *they keep more ads with newspapers*



* Do they keep ads?

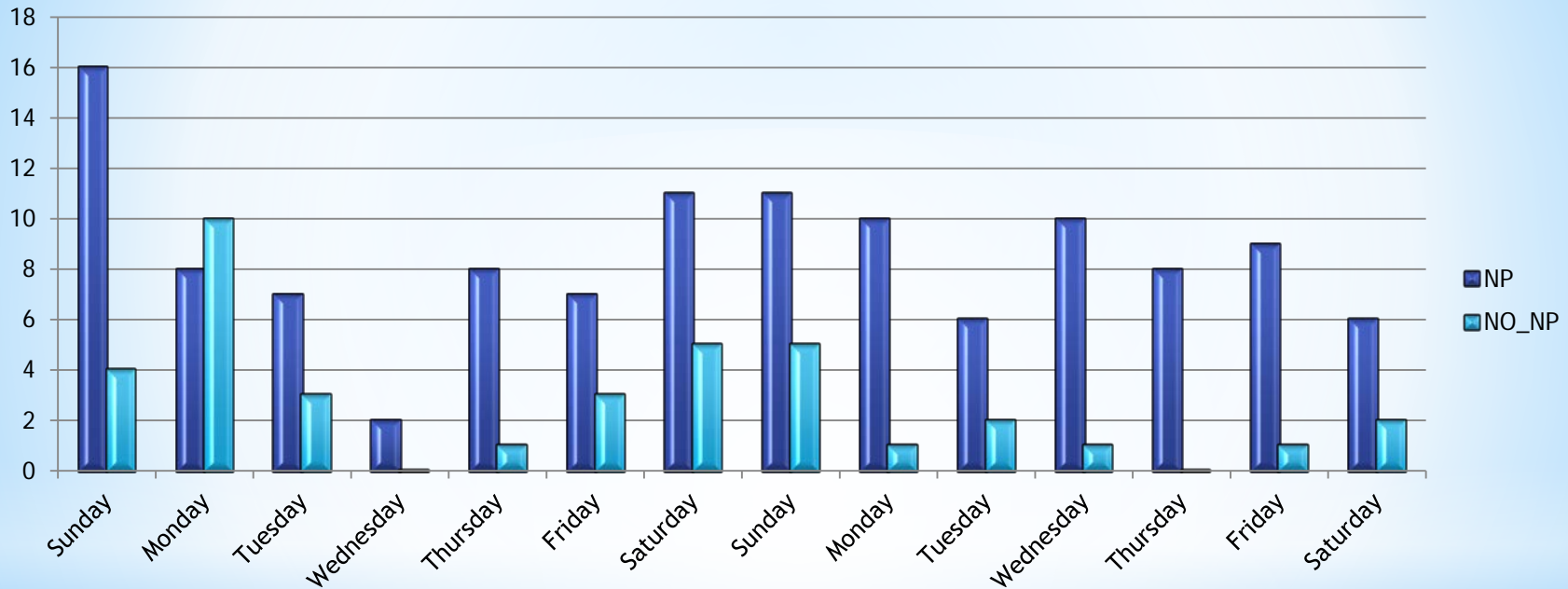


* Available in stores,
online, shared mail ...
but *look at the effect
of newspapers!*



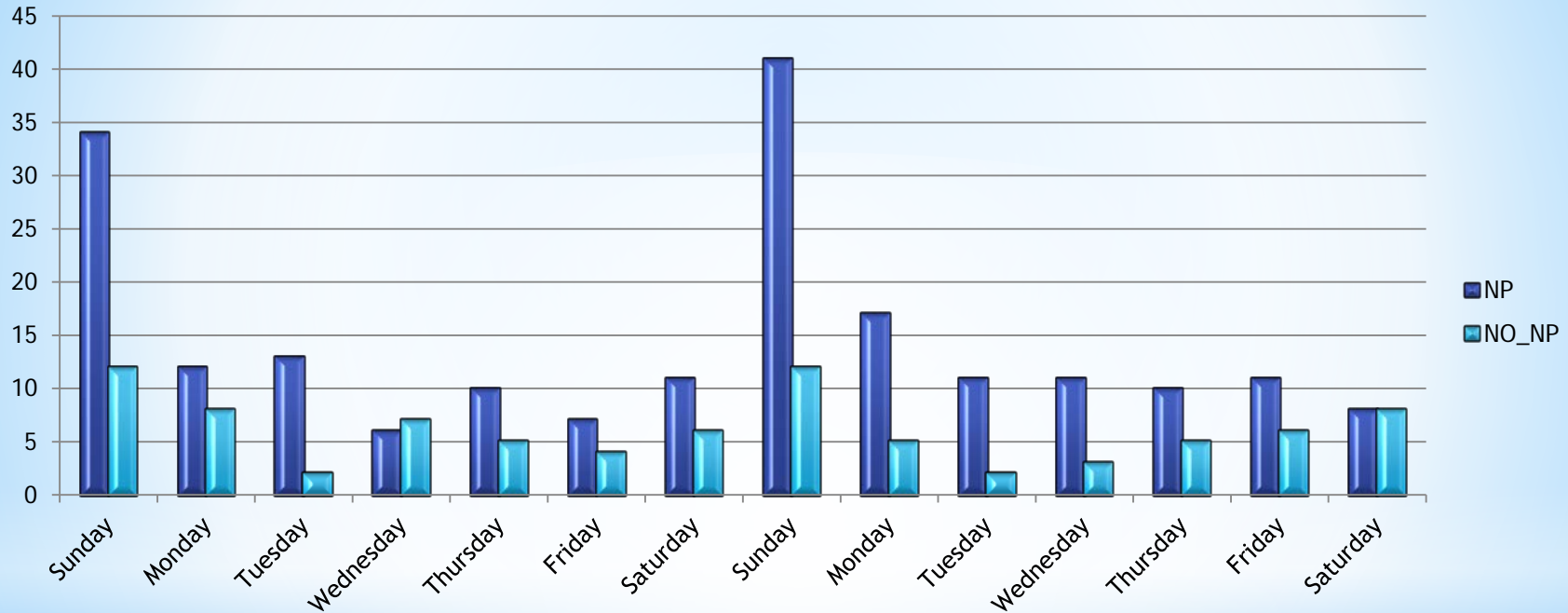
* What about coupon clipping?





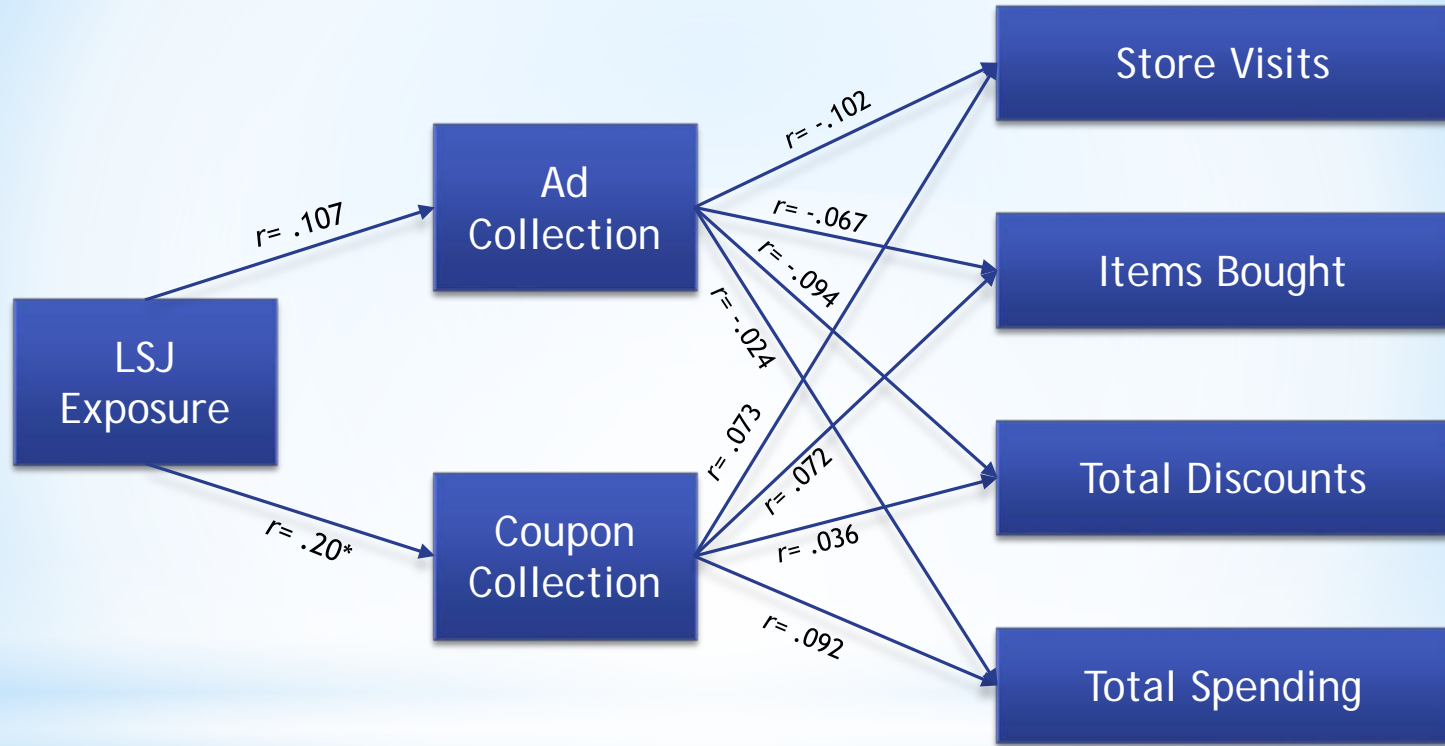
* Number of People Keeping ADS- by DAY





* Number of People Keeping COUPONS- by DAY

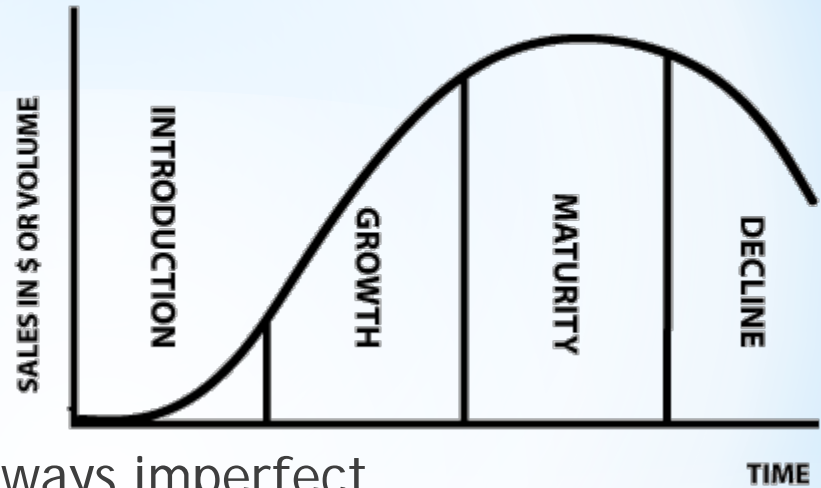




* Beginnings of a Model



- * An ad can be of tremendous value, even when it doesn't sell a single product!
 - * It can be defensive
 - * It can be long-term



- * A measure of ROI is almost always imperfect.
- * Real value of this research is to IMPROVE your ROI.

* Remember



* NEWSPAPERS

- * Sell the “savings,” not just the news, to consumers.
- * Develop a strategy re which advertisers to target.

* ADVERTISERS

- * Consider ROI only with an eye on your objectives.
- * Consider both long-term and short-term effects.
- * Stores: recognize different products may have different ROIs.

* A Few Action Items



* ... and more to come!

* **THANK YOU**

