

THINK LOCAL

*Realise the potential of
regional and community
newspaper media*

Chapter 2: Make the connection

*At the heart of any great local community,
you'll find a newspaper. It is the modern-
day town square, full of news on issues that
affect our lives directly, and stories of local
characters and businesses that enhance the
enjoyment of where we live. For advertisers,
it is the ultimate in trusted media.*

Introduction

Three out of five Australians live in a city with more than 1 million people: Sydney (4.4 m), Melbourne (4.2 m), Brisbane (2.1 m), Perth (1.9 m) and Adelaide (1.3 m).¹ Suburban newspapers reach 4.2 million in the nation's capital cities.²

These big cities are underpinned by their micro-communities, such as the peninsula of Balmain in inner-western Sydney, or the chic of Fitzroy on the edge of Melbourne's CBD.

Research shows we love where we live. Some 65 per cent of city residents have not moved home for at least five years, and more than 5.5 million own their own home. Once they've settled they want to know what's going on in the community, and research tells us that local newspapers play an important role in keeping them in touch.

Different newspapers, different needs

Metro newspapers deliver impressive reach figures. Two out of three people 14+ in Australia's five largest capital cities read a national or metro newspaper each week, so an advertiser might question why they should advertise in local newspapers.

The reason is simple: Readers turn to local newspapers for information about what's going on in their local community: events and activities, important issues, and information about services and businesses where they live.³

Think and act local

This loyalty to a local area is illustrated by the desire to shop locally, especially readers of local newspapers. Some 73 per cent of emma respondents say they prefer to use local services and tradesmen as much as possible; and 76 per cent of those read their local paper - a huge endorsement for classified sections.

¹ Australian Bureau of Statistics, *3218.0 Regional Population Growth*, Australia, April 2014 ² emma, 12 months to September 2014. ³ *The Local Newspaper Report*, The Newspaper Works and Brand Navigator 2012 (readers of community newspapers).

Keeping it local: The top 10 activities in a suburb (ranked on local newspaper readers)

	Population	Local readers
 Go shopping at a supermarket	96%	97%
 Cook dinner for self / family	88%	90%
 Go shopping to a local shopping strip / area	80%	85%
 Visit friends or relatives	83%	85%
 Listen to recorded music	80%	78%
 Go shopping to a large shopping complex / centre	72%	76%
 Some form of exercise (running, swimming, gym etc)	71%	70%
 Watch a dvd / rented movie / tv series	68%	65%
 Do some gardening	62%	67%
 Entertain friends or relatives at home	55%	57%

Source : emma, 12 months to August 2014.

It's a small world

Some 60 per cent of us like to stay in the neighbourhood to do our shopping instead of driving across the city to a mall, and to engage in in-home activities.⁴

The common goal of local newspapers is to service the community by providing local news and information on services, amenities and events in the locality. They are generally free and widely distributed, giving them an extensive footprint.

Ads in local newspapers generate high levels of engagement with readers.

The *Local Newspaper Report* conducted by Brand Navigator for The Newspaper Works reported that 62 per cent of respondents have visited a store as a result of seeing an ad in their suburban paper, while 61 per cent have made a product enquiry after seeing an ad.⁵

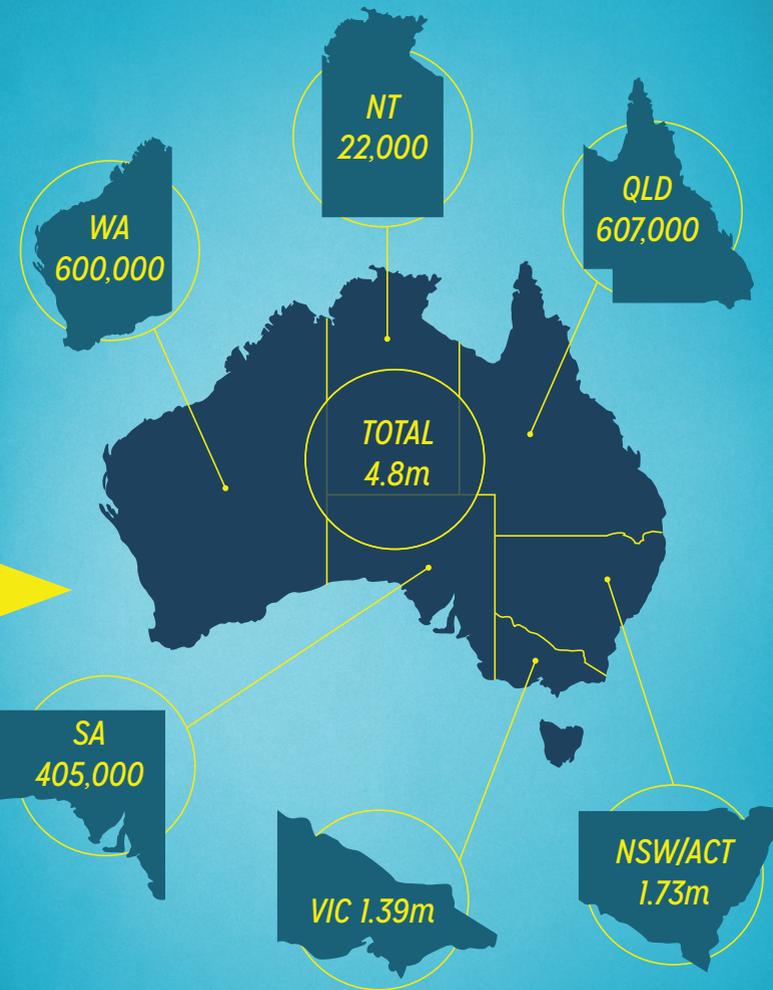


A special relationship

The connection to the community that these newspapers have is reflected in the readership numbers, with close to 4.8 million people reading their local paper, including 4.2 million in the metro markets.⁶

⁴ emma, 12 months to September 2014. ⁵ *The Local Newspaper Report*, The Newspaper Works and Brand Navigator 2012 (readers of community newspapers). ⁶ emma, 12 months to September 2014.

Community Newspaper Reach By State



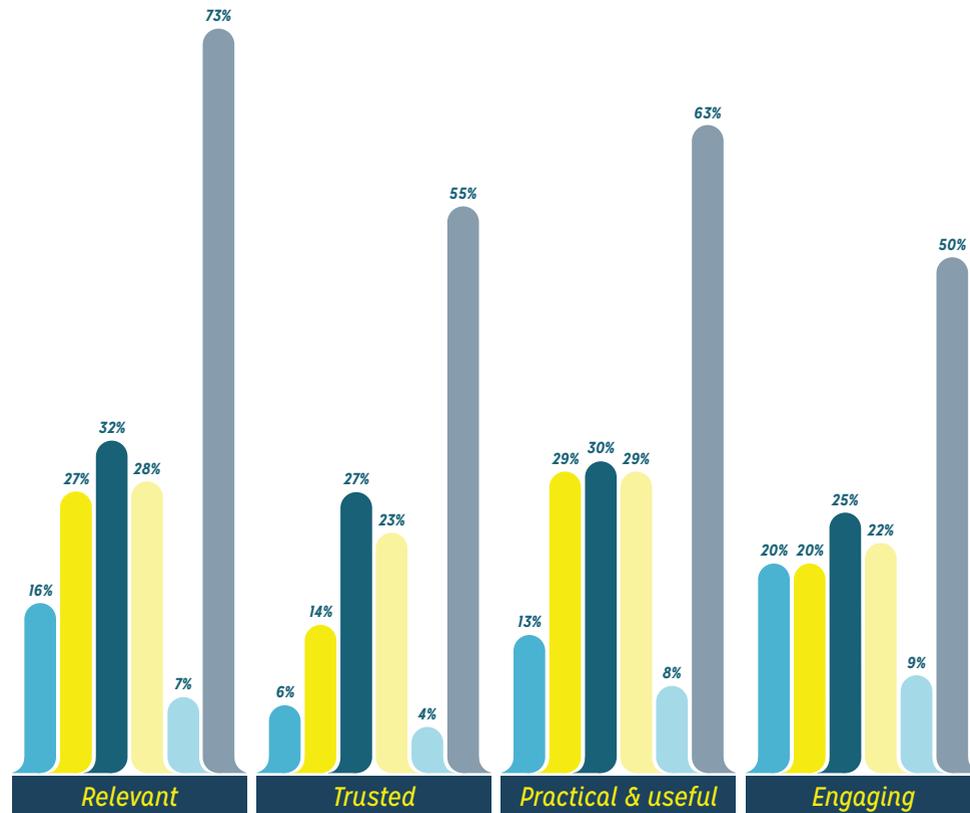
Community Newspaper Reach By City

Sydney	Melbourne	Brisbane	Perth	Adelaide
1.57m	1.27m	358,000	557,000	405,000

Source : emma, 12 months to August 2014.

The emotional dimension

Readers say they “provide information that is relevant to me” (73%), “is a trusted source of information” (55%), “provides practical information” (63%), and “is an engaging source of information” (50%).



Key:

- Social media
- Catalogues / flyers in letter box
- Advice from friends / family
- Websites with local information
- Outdoor advertising
- Community newspapers

Source : *The Local Newspaper Report*, The Newspaper Works and Brand Navigator 2012 (readers of community newspapers).

Leveraging power

For brands with a local footprint, newspapers offer powerful marketing opportunities. Advertisers can take advantage of the high engagement and strong trust readers have in their local titles in two key ways:

1. Drive call-to-action through tactical advertising.
2. Create connections through community focussed brand advertising.

1. Drive store traffic

The *Local Newspaper Report* provides clear evidence that advertising drives footfall. Readers are:⁷



More than three times as likely to visit a store or business because of a newspaper ad compared with one seen on local TV (62% vs 17% for local TV); and



More than 10 times more likely to enquire about a product or service as a result of a newspaper ad compared with outdoor advertising (61% vs 5%).

2. Create connections

Advertisers need to look for every advantage they can find in creating connections with consumers because it's a challenge to cut through the noise. With almost \$13 billion was spent on advertising in the last financial year, consumers are bombarded with messages from hundreds of brands.⁸

Creating positive connections with a community demonstrates how a brand is part of our lives, serving as an effective way to create or reinforce trust.

The data shows that brands can use local newspapers to build their profile in a community. Readers are more than three times as positively disposed towards advertisers in local newspapers than those that advertise via letterbox flyers and catalogues (58% vs. 18% for letterbox flyers/catalogues).⁹

⁷ *The Local Newspaper Report*, The Newspaper Works and Brand Navigator 2012 (readers of community newspapers).
⁸ CEASA, *Advertising Expenditure in Main Media*, 30 June 2014. ⁹ *The Local Newspaper Report*, The Newspaper Works and Brand Navigator 2012 (readers of community newspapers).

Case study:

The bond of trust between local papers and their audiences gives an effective platform for brands to reach consumers. Vodafone capitalised on this when it embarked on a campaign to win back customer trust following several well-publicised network failures.

Vodafone used local newspapers to improve brand sentiment

Winning customer confidence

In the study, *How Vodafone Australia is earning back trust one conversation at a time*, Barbara Messer outlines the serious network problems faced by Vodafone Australia between 2010 -2012.¹⁰

The result of these outages had dire consequences for the brand. Net Promoter Scores over the period fell considerably and the business haemorrhaged 1 million customers in 12 months. Kim Clarke, then Vodafone CMO, said in July 2014: "In essence, we went from being the most to the least trusted telecommunications brand in Australia."

The trust factor

Vodafone launched a three-step brand program designed to rebuild trust.

- Address the root cause
- Know your strengths and leverage them
- Create an inside-out change program

The first step meant extensive improvements had to be made to the network and to the way the company interacted with customers.

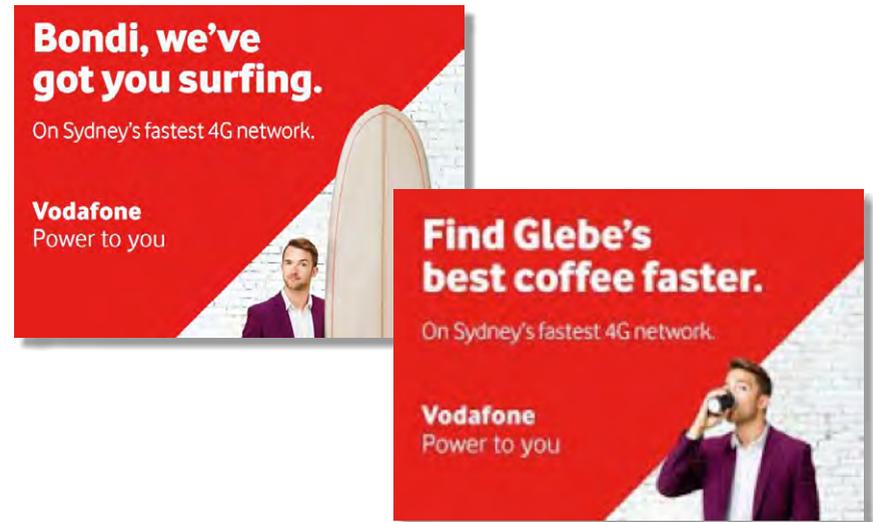
Once these improvements were made, Vodafone identified five geographic areas in which service improvements led to significant increases in customer sentiment scores.

¹⁰ *How Vodafone Australia is earning back trust one conversation at a time*. Barbara Messer, ADMA Global Forum, July 2014.

Love hyper-local

Vodafone wanted to build on positive customer sentiment in these areas by promoting its newly improved service to win back market share. It invested in a highly-targeted, hyper-local media mix campaign incorporating local newspapers and outdoor advertising in specific localities

The campaigns announced Vodafone's new 4G service and its additional coverage with clever, localised messaging.



Results

The service improvements and subsequent local marketing activities provided strong results.

- 20 percentage point increase in network sentiment
- 10 point increase in trust
- 20 point increase in Net Promoter Scores
- 20 point increase in positive word of mouth

Brand consideration grew 27 per cent over the course of the transformation campaign.

Local newspapers played their role by providing Vodafone with a trusted platform that encouraged readers to reappraise the brand after a difficult period.



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If you have any questions or if you want to know more about how to apply the strategies discussed, please get in touch:

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