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.

Think Local

Realise the potential of regional and community newspaper 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.

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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)

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

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.\(^6\)

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\(^4\) 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.
**The emotional dimension**

Readers say they “provide information that is relevant to me” (73%), “is a trusted source of information” (65%), “provides practical information” (63%), and “is an engaging source of information” (50%).

**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:

- 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.

Creating positive connections with a community demonstrates how a brand is part of our lives, serving as an effective way to created 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).

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**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.

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