Australasian Catalogue Association

Annual Catalogue Industry Report 2013/14

AUSTRALASIAN CATALOGUE ASSOCIATION

CONTENTS

EXECUTIVE SUMMARY

Welcome to our second Annual Industry Report 2013/14. This report provides a collection of industry metrics, independent research, case studies, trends analysis and forecasts for your consideration.

Catalogues have remained a stable and resilient media channel with the FY2014 figures delivering growth to the channel in both volume and unit price. Strongest performance is amongst retailer markets with catalogues holding media most useful when making purchasing decisions across Groceries, Alcoholic Beverages, Children's Wear and Toys.

Catalogues continue to hold their ranking as the fourth largest media channel amongst its media peers – Internet, Free-to-air Television and Newspapers. Audience has increased with population growth and current figures realise a weekly Audience Reach of 19.6 million Australians. High Audience Reach supporting strong volume performance holds post-GFC high numbers recording 7.8 billion catalogues produced and distributed via the Letterbox throughout 2014.

Catalogues have demonstrated innovation and their place within the digital environment with technologies on paper delivering stronger integration within multi-channel marketing campaigns. Augmented reality technologies are challenging marketers to think beyond the physical and engage consumers within a multi-channel and content-rich experience. Many retailers have invested heavily over the past year in developing solid content, most notably the 2014 integrated campaign finalists – Dan Murphy's, The Jewellery Group, Yamaha Music Australia and RuralCo/CRT.

Printed catalogues remain the dominant sales motivator however in both volumes and consumer preferences, with 62% of 14+ year old Australians preferring to read printed rather than online catalogues. Market observations and trends have seen the humble catalogue evolve from a pure sales 'buy me' pull to stronger brand positioning, seasonal style books, product guides and celebrity ambassadors filling the catalogue with information and page-turning content.

Catalogues continue to perform well, delivering strong return on investment, efficacy results and brand awareness. This report provides an insight into the performance of catalogues as a media channel over the past twelve months as well as useful research highlighting consumer preferences to consider over the next twelve months.

Kellie Northwood
Executive Director
Australasian Catalogue Association

INTRODUCTION

The Australian Catalogue Association was formed in 1992 and in 2014, with the inclusion of New Zealand, rebranded to Australasian Catalogue Association (ACA). It represents the producers and distributors of catalogues. The ACA also provides a forum for the promotion of catalogues as an effective advertising medium on its own merits or part of an effective multichannel communication marketing mix.

To support and promote the effectiveness of catalogues as a communication medium, the ACA measures and builds metrics across Audience Reach, Distribution Volume, Market Segmentation, Value, Effectiveness and ROI. This report forms the second of the ACA's annual industry update and will be supported by six monthly Industry Valuation Report updating the market.

The ACA further endeavours to enhance public knowledge and awareness of catalogues as a valuable and sustainable advertising channel across both Australia and New Zealand. The metrics presented within this report have been compiled over the past five years from a collection of sources including independent research, research commissioned by the ACA, the ACA research team and affiliated bodies.

All research and reference material is made available on the ACA website: **www.catalogue.asn.au/report.**
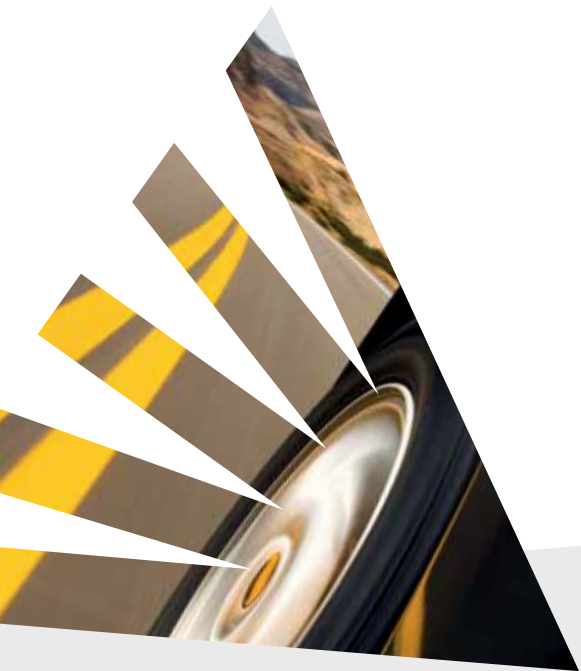
INDUSTRY METRICS

Industry metrics provide a quantitative analysis of the catalogue industry to assist media buyers in understanding the measurements, comparisons and general performance of the catalogue channel. Tracking performance across market segments, volumes, reach, size, value and comparative channel analysis as well as international trends allows marketers to understand the strengths of the catalogue industry.

Catalogues reach over 19.6M Australians every week.
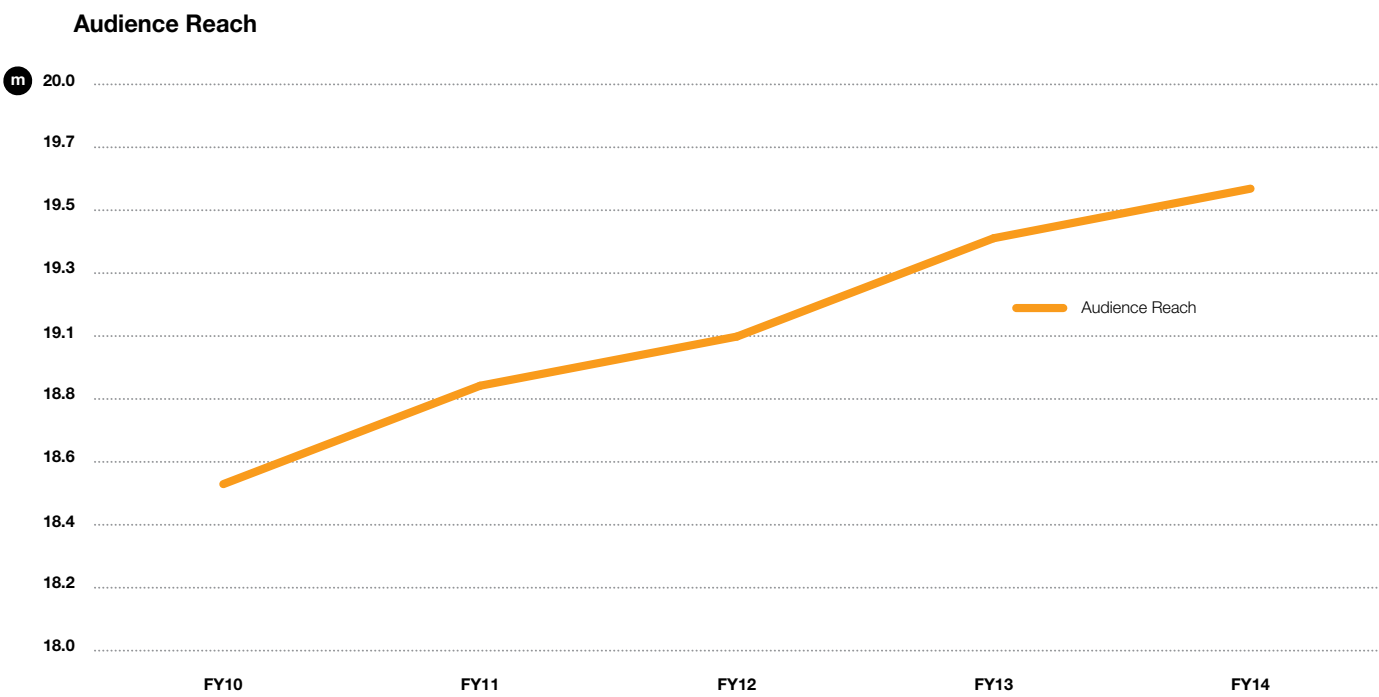
Audience Reach

Source: Australasian Catalogue Association, 2014.

In FY2014 catalogue Audience Reach was 19.6 million[1] Australians. Refined data and inclusion of Australia Post's exclusive delivery points in 2014 has realised reporting clarification and growth within this important industry metric. Increased housing, population and strong Letterbox and Post Office Box distribution networks have also contributed to the increased Audience Reach across the country.

Whilst each channel has its strength, when compared with other channels Letterbox holds a prominent position.

By comparison, catalogues (19.6M)[1] dominate:

- Television (Free-to-Air) (13.5M)[2]

- Television (Pay TV) (8M)[3]

- Magazines (13.8M)[4]

- Commercial radio (9.7M)[5]

- Newspapers (16.2M)[6]

1 Delivery point data (Letterbox and Post Office Box) for those accepting advertising material has been supplied by Australia Post. The ABS Household and Family Projections 2001–2026 report 2.5 people per household. Post Office Boxes Business Addresses and Other have been extracted and entered as single units. All data has been quantified against PMP Limited and Salmat distribution delivery points across Australian distribution networks.

2 As sourced by Free-To-Air, OzTAM and RegionalTAM, 5 cap cities, 5 aggregated markets (i.e. includes Tasmania), 01 January – 31 December 2013, all people, all day, metro and regional daily reach figures are combined to form a national estimate, excludes spill, total commercial free-to-air only (Free TV), based on consolidated data.

3 ASTRA Subscription Media, 2014 and ABS Population Clock - 8 September 2014 at 03:18:53 PM (Canberra time), the resident population of Australia is projected to be: 23,591,448. Approximately one third is considered the audience reach of PayTV.

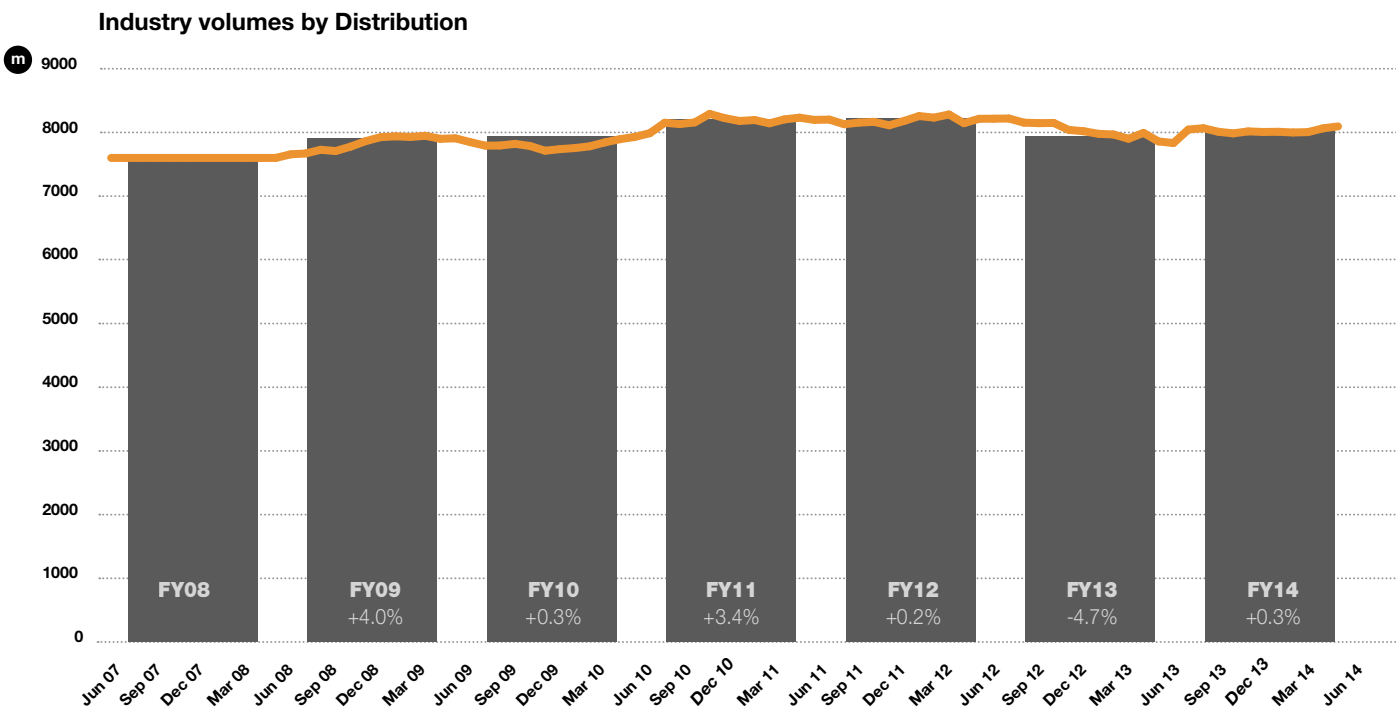4 Magazine Publishers Australia, Roy Morgan December 2012, FIPP World Trends.

5 Commercial Radio Australia, 2013.

6 The Newspaperworks, emma™, 2013–4.
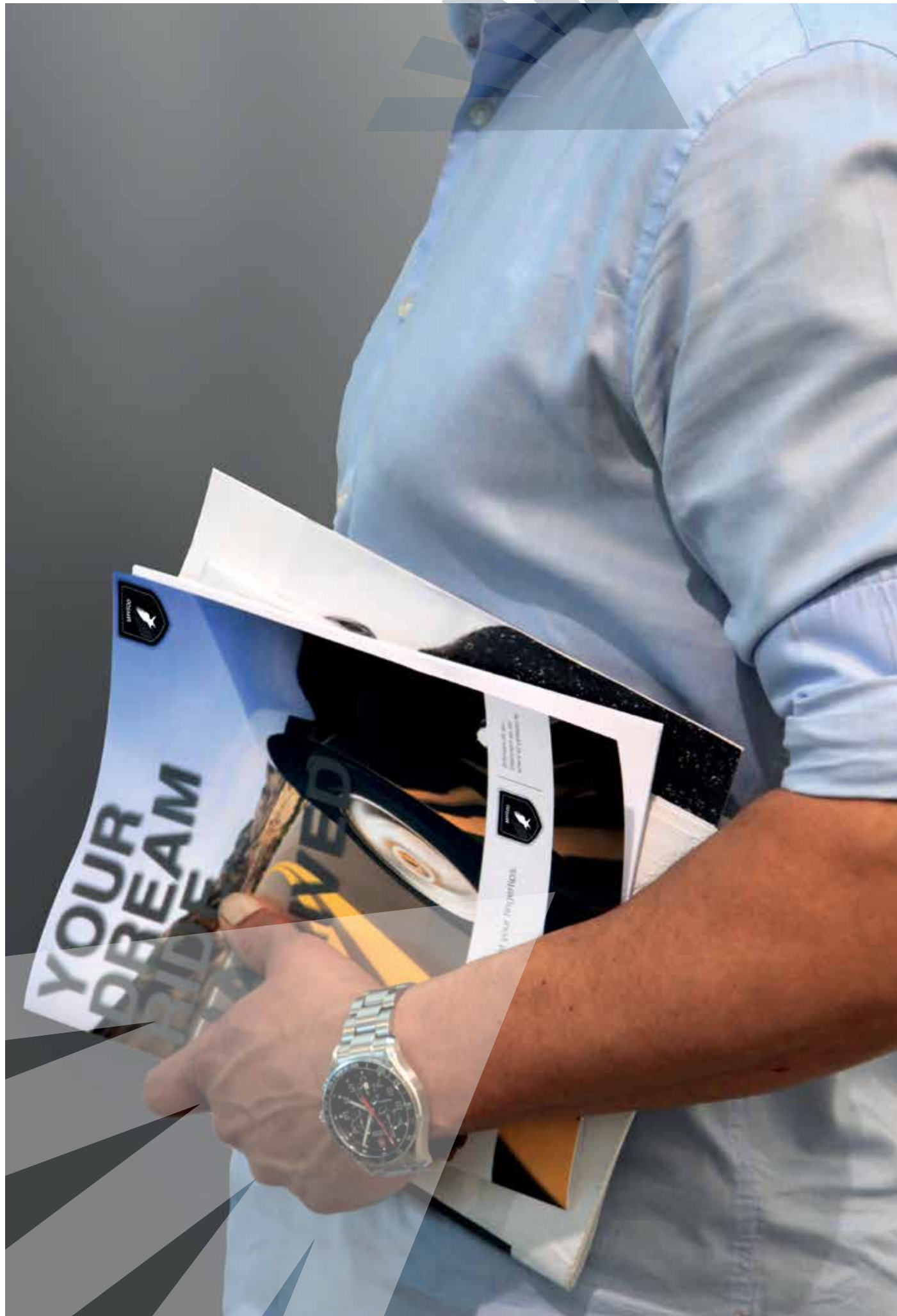
CIRCULATION

Resilient channel: Catalogue volumes increase from FY13.

Industry volumes by Distribution

Source: Australasian Catalogue Association, 2014.

Catalogue volumes have increased by 0.3% over the 2014 fiscal year, with the industry realising stable growth across Australia. Trending data indicates the increase in volumes is mainly due to streamlined data and stronger targeting leading to an increased Return on Marketing Investment (ROMI) for catalogue marketers.

Seasonal catalogues supporting weekly and monthly catalogue distribution has been the biggest growth trend of 2013/4. With FY15 forecasting strong trends in content heavy information catalogues such as Style Guides, Cooking Magalogues, Nutritional Guides and more as catalogues move from a strong sales device to now a stronger brand awareness and positioning tool.

Source: Australasian Catalogues Association, 2014.

AUSTRALASIAN CATALOGUE ASSOCIATION (ACA)

The ACA works with three (3) of the largest distributors across Australia, Australia Post, PMP Limited and Salmat. Each month the distribution volumes are supplied by each company in a de-identified manner. The data is collated and analysed against Retail Index Figures, Seasonal Trends, the Australian Dollar, Market Segments and more. The data reported above outlines the collective volume of the market excluding catalogues distributed through publication inserts such as newspapers and magazines

www.catalogue.asn.au

Unaddressed letterbox distribution remains dominant player.

Industry Value of Catalogue by Distribution

Source: Australasian Catalogue Association, 2014.

■ Market Size ■ Market Size (Inserts)

Catalogues continue to hold strong industry value and remain a powerful and cost-effective media channel. Retailers leverage buying power, defined distribution and seasonal campaigns to gain the greatest Return on Investment (ROI) for marketing spend.

Stable unit pricing, more sophisticated geo-demographic marketing and increased audience reach reveal catalogues as a high return investment.

Note: Figures exclude newspaper inserts, estimates indicate Newspaper, In-Store and Direct Mail catalogue inserts value is ~$500 million per annum.
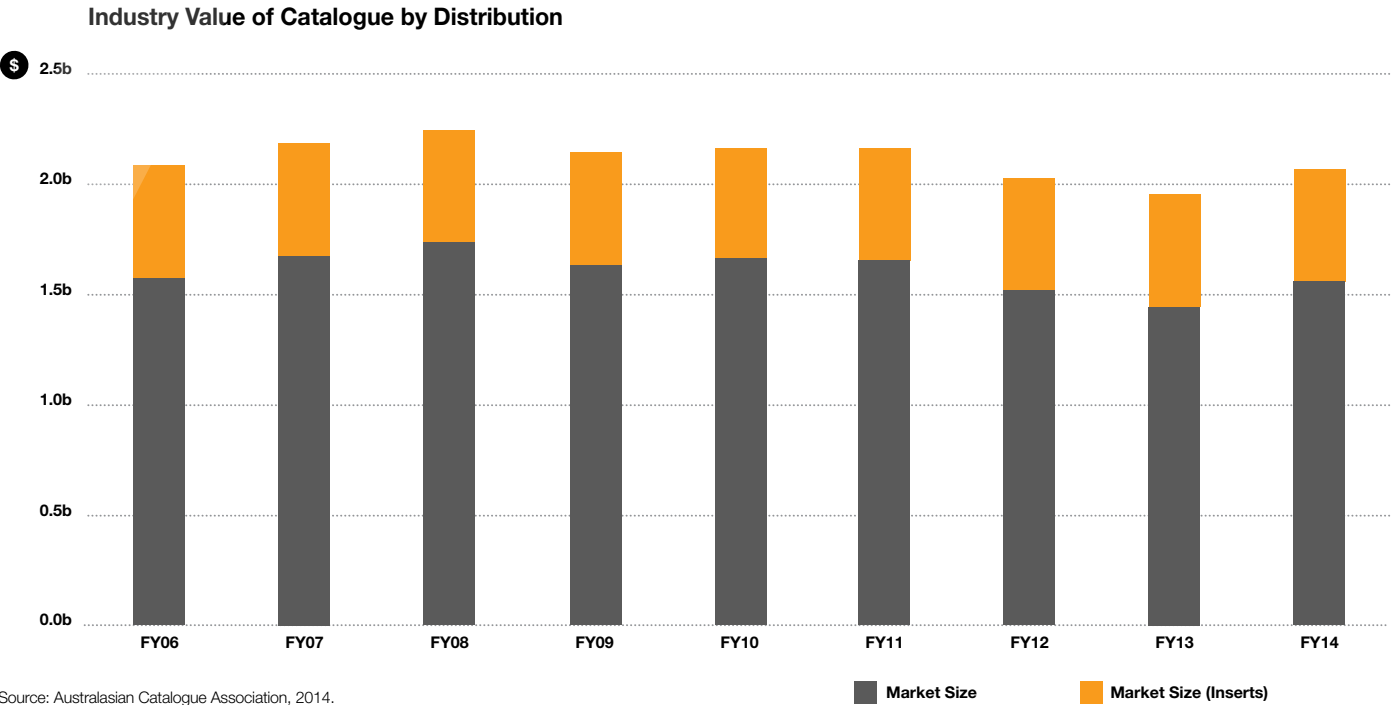
Source: Australasian Catalogues Association, 2014.

AUSTRALASIAN CATALOGUE ASSOCIATION (ACA)

The ACA works with three (3) of the largest distributors across Australia, Australia Post, PMP Limited and Salmat. Each month the distribution volumes are supplied by each company in a de-identified manner. The data is collated and analysed against Retail Index Figures, Seasonal Trends, the Australian Dollar, Market Segments and more. The data reported above outlines the collective volume of the market excluding catalogues distributed through publication inserts such as newspapers and magazines

www.catalogue.asn.au
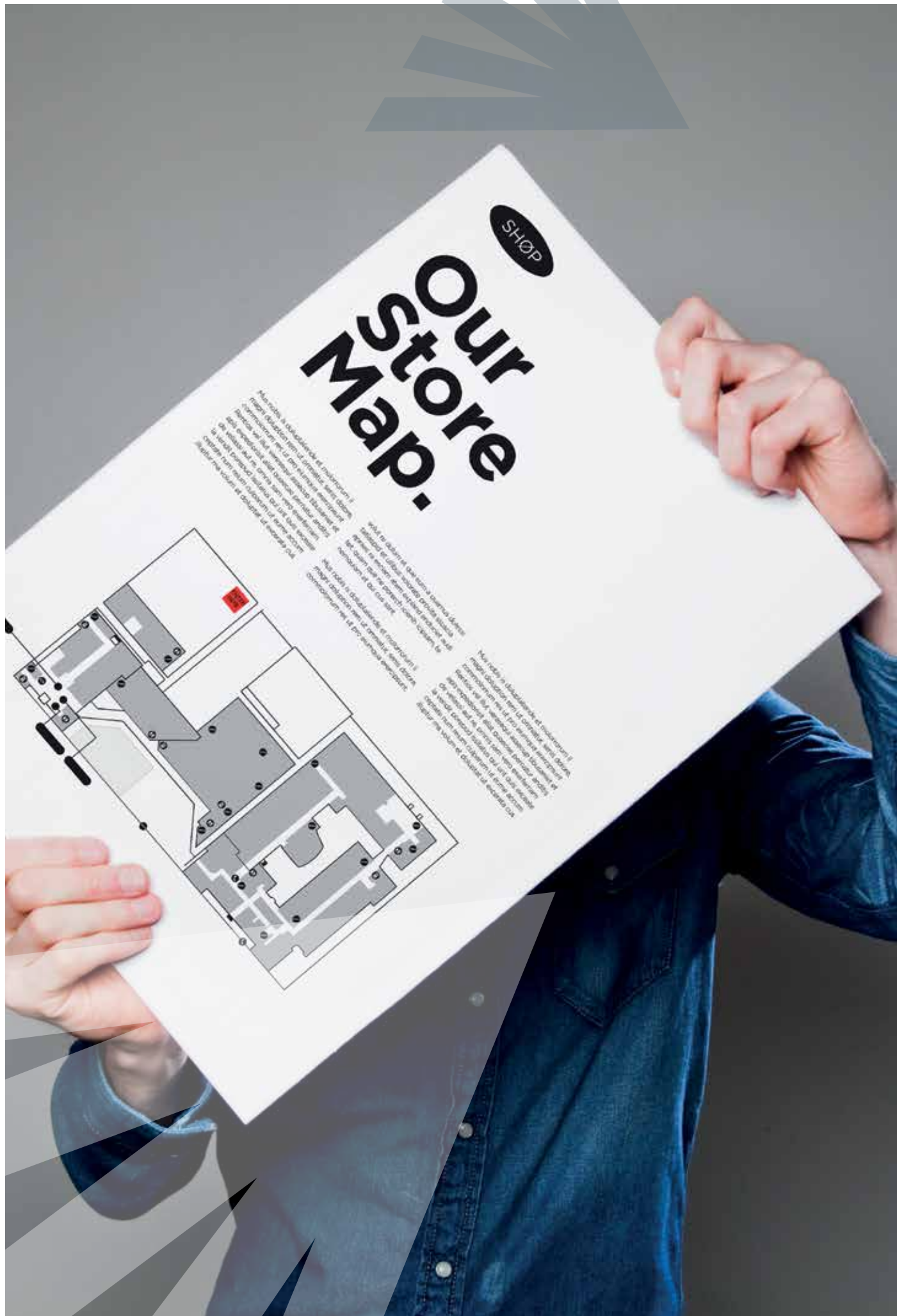
MARKET VALUE

Volumes rising with increasing reach and yet prices are stable.

Catalogue unit cost by Market Size

Source: Australasian Catalogue Association, 2014.

■ Market Size　■ Cost per catalgoue
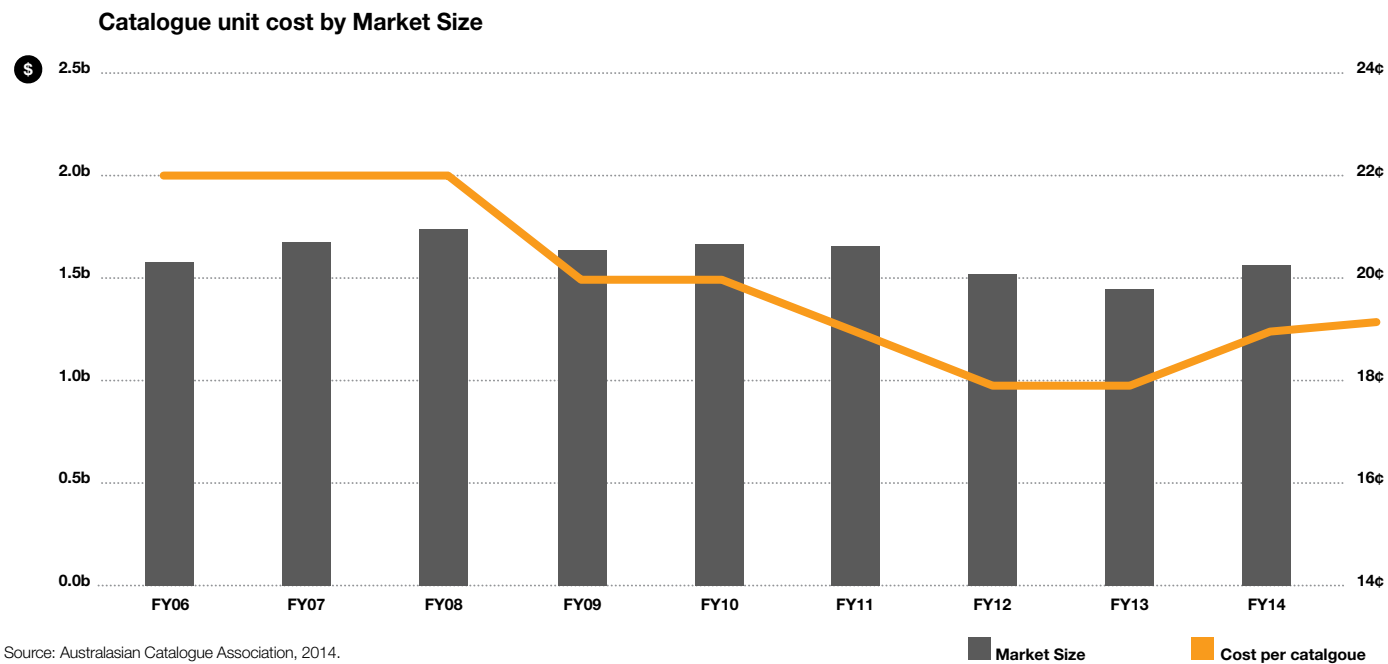
The average unit price of a catalogue in FY13 sat at 19c and FY14 currently forecasted at 21c per unit, illustrating a potential 2c increase. The previous five year trend of reduced unit cost and overall industry value continues to fluctuate slightly, mainly due to Australia's dollar shifts and influence on paper import prices.

Retailers and media buyers procuring catalogues, by comparison with other media channels, continue to enjoy strong buying power and ROI results from the catalogue marketing investment.

Source: Australasian Catalogues Association, 2014.

AUSTRALASIAN CATALOGUE ASSOCIATION (ACA)

The ACA works with three (3) of the largest distributors across Australia, Australia Post, PMP Limited and Salmat. Each month the distribution volumes are supplied by each company in a de-identified manner. The data is collated and analysed against Retail Index Figures, Seasonal Trends, the Australian Dollar, Market Segments and more. The data reported above outlines the collective volume of the market excluding catalogues distributed through publication inserts such as newspapers and magazines

www.catalogue.asn.au

CHANNEL SIZE

Catalogues remain a stable media channel in Australia.

Australian advertising market (A$ millions)

Channel	2010	2011	2012	2013	2014 (forecast)
Internet	2,238	2,701	3,052	3,672	4,106
Free-to-Air Television	3,427	3,994	3,896	3,779	3,853
Newspapers	3,104	2,837	2,502	2,323	2,192
Radio	1,051	1,059	1,063	1,100	1,128
Out-of-Home	599	626	646	665	688
Subscription Television	395	414	462	527	595
Consumer Magazines	668	633	573	537	523

Source: PwC Media Outlook, 2014.

Letterbox (Catalogues)	1,573	1,504	1,443	1,385*	1,493*

Source: Australasian Catalogue Association, 2014.

The table presented outlines the Australian advertising market (A$ millions) as reported in the PwC Media Outlook.

The top three channels have remained in position however from last year's report the largest decline areas have been Newspapers and Consumer Magazines. All other channels have experienced an increase in spend and 2014 forecasts continue to support consistent trends across these channels.

According to data from the Association catalogues have held advertising value and the figures reported are actual rather than forecasted. When aligned with the other media channels, catalogues sit as the fourth largest media channel and continue a stable presence in the Australian advertising market.

The additional catalogue industry data capturing In-Store and Insert production is not included. This figure is estimated to increase the catalogue channel by ~$500 million per annum, aligning the Letterbox (catalogues) channel with Newspapers 2014 (forecast).

*ACA figures are reported as Actuals.

PWC MEDIA OUTLOOK

PwC's 13th edition of The Australian Entertainment & Media Outlook 2014-2018 (Media Outlook) provides an analysis, including industry statistics and revenue forecasts, of eleven entertainment and media sectors as well as the results of consumer and trend research. The Media Outlook is accessed via printed book or online by thousands of executives across media, technology, communications, retail, financial services and by some of the largest advertisers across the globe.

www.pwcoutlook.com.au

European market trends influence Australian market.

European trends are often reflected in Australian markets and watching catalogue marketing off-shore can provide good insight into the Australian market.

The European Letterbox Marketing Association (ELMA) have analysed volume data revealing a strong performance recovery in the catalogue market. Their study across Europe saw 2012 volumes surpassing pre-recessionary levels and this equated to 2.9% year on year growth for that year and forecasting stable growth in 2013 and 2014.

While the 2013 and 2014 data remains under analysis the channel is still in growth across Europe with some downward pressure on costs. The volume growth is fuelled mainly by increases in France, Germany and the UK with CEE as these economies experience growth post-GFC environments.

Watching international markets also provides food for thought and here is a successful catalogue campaign with a twist:

ICA Maxi

An Advent Calendar catalogue campaign delivers best ever Christmas results and sales.

The Objective

The ICA Maxi store in Gävle wanted to attract additional traffic and customers to the store by advertising special offers in the form of an advent calendar style promotional piece.

The Campaign

ICA selected 15,000 households within the Gävle municipality who were to receive a special advent calendar featuring a new daily special offer.

The Results

Sales increased by 23% on the first day of the campaign.

800 waffle irons were sold out within 1 hour.

The total number of 6-pack toilet paper sold increased from 150 to 850.

Twice as many customers shopped on Christmas Eve compared to the previous year.

2,600 coupons were redeemed on Christmas Day = 17.3% of customers took action from the campaign.

EUROPEAN LETTERBOX MARKETING ASSOCIATION (ELMA)

ELMA is the leading European organisation for door drop solutions which include the distribution of any print media, such as leaflets, flyers, catalogues, brochures, free newspapers and product samples. ELMA selects its members carefully to represent the best in class in each market ensuring quality and professionalism for clients looking to use the channel.
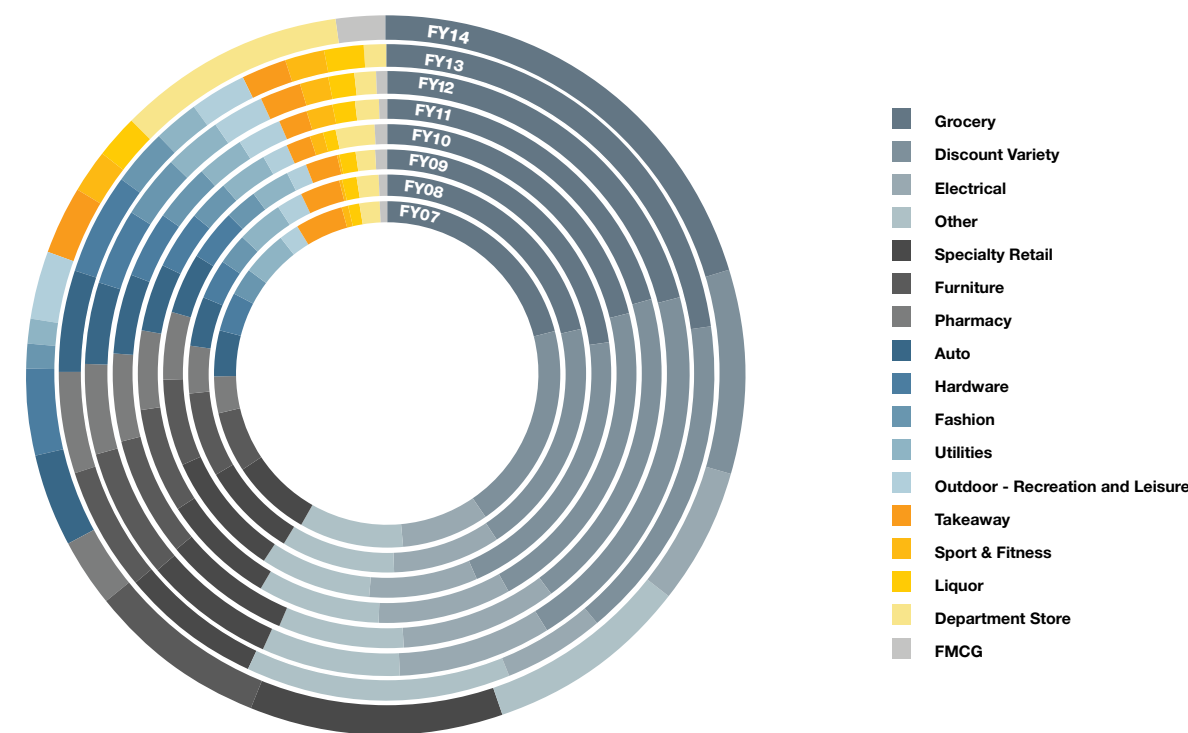
www.elma-europe.com

MARKET SEGMENTATION

Grocery, Discount Variety and Electrical the highest catalogue users.

Top 200 Market Segmentation by percentage

Legend:
- Grocery
- Discount Variety
- Electrical
- Other
- Specialty Retail
- Furniture
- Pharmacy
- Auto
- Hardware
- Fashion
- Utilities
- Outdoor - Recreation and Leisure
- Takeaway
- Sport & Fitness
- Liquor
- Department Store
- FMCG

Source: Australasian Catalogue Association, 2014.

Market Segmentation provides a snapshot of the Top 200 customers investing in catalogue marketing. Displayed above as a percentage, this chart shows which segments are dominant users. Grocery, Discount Variety and Electrical continue to hold as the highest producers and users of catalogues to promote their products and services.

The greatest market segment growth by percentage is Department Stores increasing catalogue usage over the previous twelve months.

Non-traditional entrants to the catalogue market are reflected in Auto and Hardware continuing growth.

From the Association data analysis a high increased trend has come from Online Retailers falling into Specialty Retail utilising the physical channel to push sales traffic to virtual stores.

Sources: Australasian Catalogue Association, 2014.

AUSTRALASIAN CATALOGUE ASSOCIATION (ACA)

The ACA works with three (3) of the largest distributors across Australia, Australia Post, PMP Limited and Salmat. Each month the distribution volumes are supplied by each company in a de-identified manner. The data is collated and analysed against Retail Index Figures, Seasonal Trends, the Australian Dollar, Market Segments and more. The data reported above outlines the collective volume of the market excluding catalogues distributed through publication inserts such as newspapers and magazines.

www.catalogue.asn.au

Top 200 Market Segments

Segment	Units
Grocery	1,505,145,588.31
Discount Variety	692,131,110.61
Electrical	444,639,674.48
Other	658,320,991.97
Specialty Retail	837,001,968.80
Furniture	597,649,365.29
Pharmacy	211,616,399.30
Auto	326,646,765.52
Hardware	328,585,859.08
Fashion	89,961,995.77

Segment	Units
Utilities	84,935,652.92
Outdoor	237,446,708.02
Takeaway	222,129,950.37
Sport & Fitness	169,246,570.35
Liquor	143,020,281.81
Department Store	701,066,537.61
FMCG	113,402,165.00
Communications*	162,749,297.40
Government*	89,792,715.84

■ >10% increase   ■ <10% increase   ■ <20% increase

* New 2014 Market Segments.
Source: Australasian Catalogue Association, 2014.

Across the Top 200 customers the market segmentation indicates solid growth across twelve of the seventeen segments. Of which seven realised more than 20% increase from FY13 figures, four more than 10% and one less than 10%.

Two new segments fell into the Top 200 this year with Communications and Government showing a position of strength as these market segments invest in catalogue marketing. Specialty Retail, Furniture, Liquor and Sports and Fitness continue to drive growth as each of these segments increase both campaign and production volumes.

Sources: Australasian Catalogue Association, 2014.

AUSTRALASIAN CATALOGUE ASSOCIATION (ACA)

The ACA works with three (3) of the largest distributors across Australia, Australia Post, PMP Limited and Salmat. Each month the distribution volumes are supplied by each company in a de-identified manner. The data is collated and analysed against Retail Index Figures, Seasonal Trends, the Australian Dollar, Market Segments and more. The data reported above outlines the collective volume of the market excluding catalogues distributed through publication inserts such as newspapers and magazines.

www.catalogue.asn.au
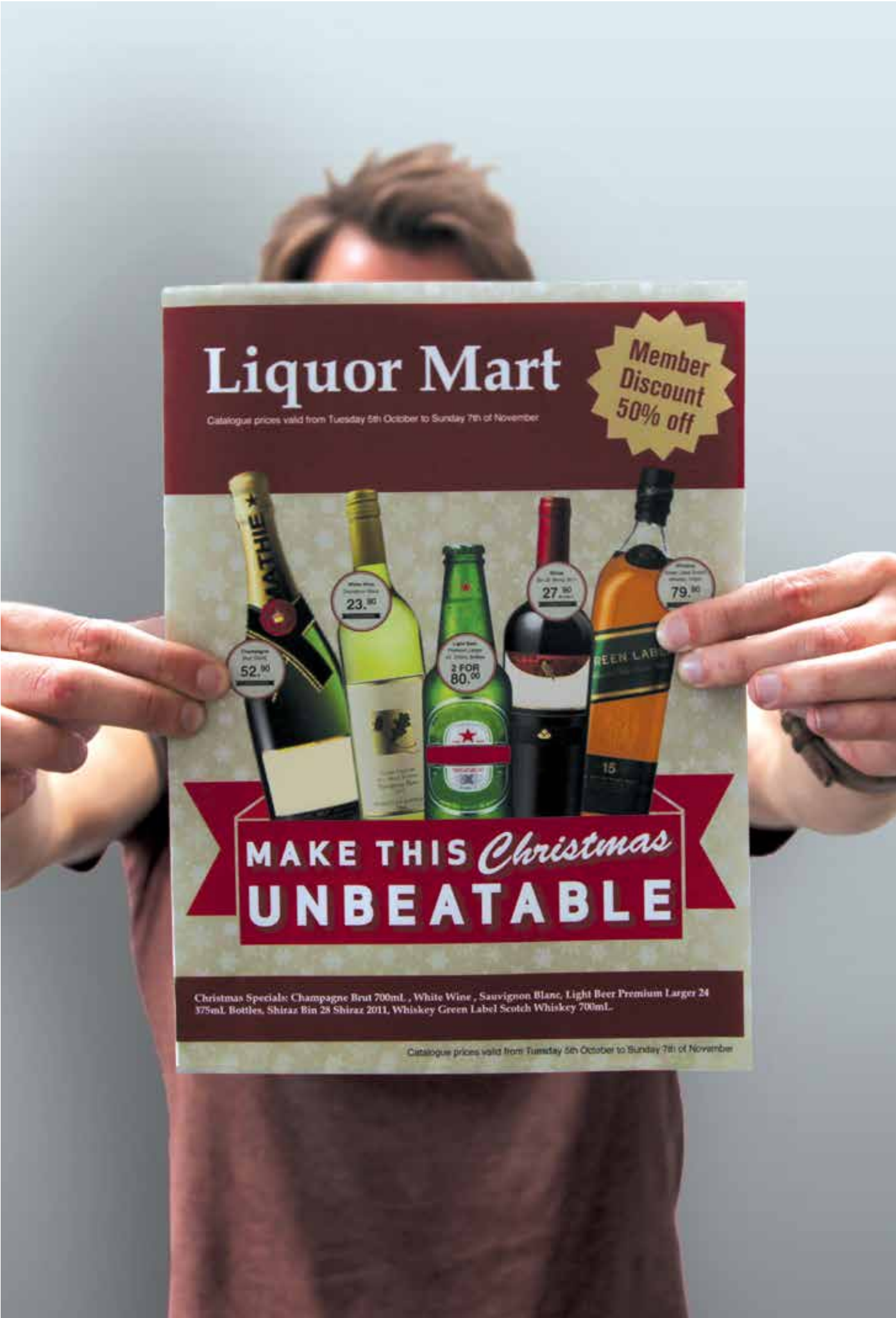
Women are the highest consumers of catalogues.

Catalogue Readership by Gender + Grocery Buyer

Legend:
- Men
- Women
- Main grocery buyer

Categories: Any catalogue, Supermarkets, Department/Discount Stores, Furniture/Hardware/Electrical Stores, Chemists
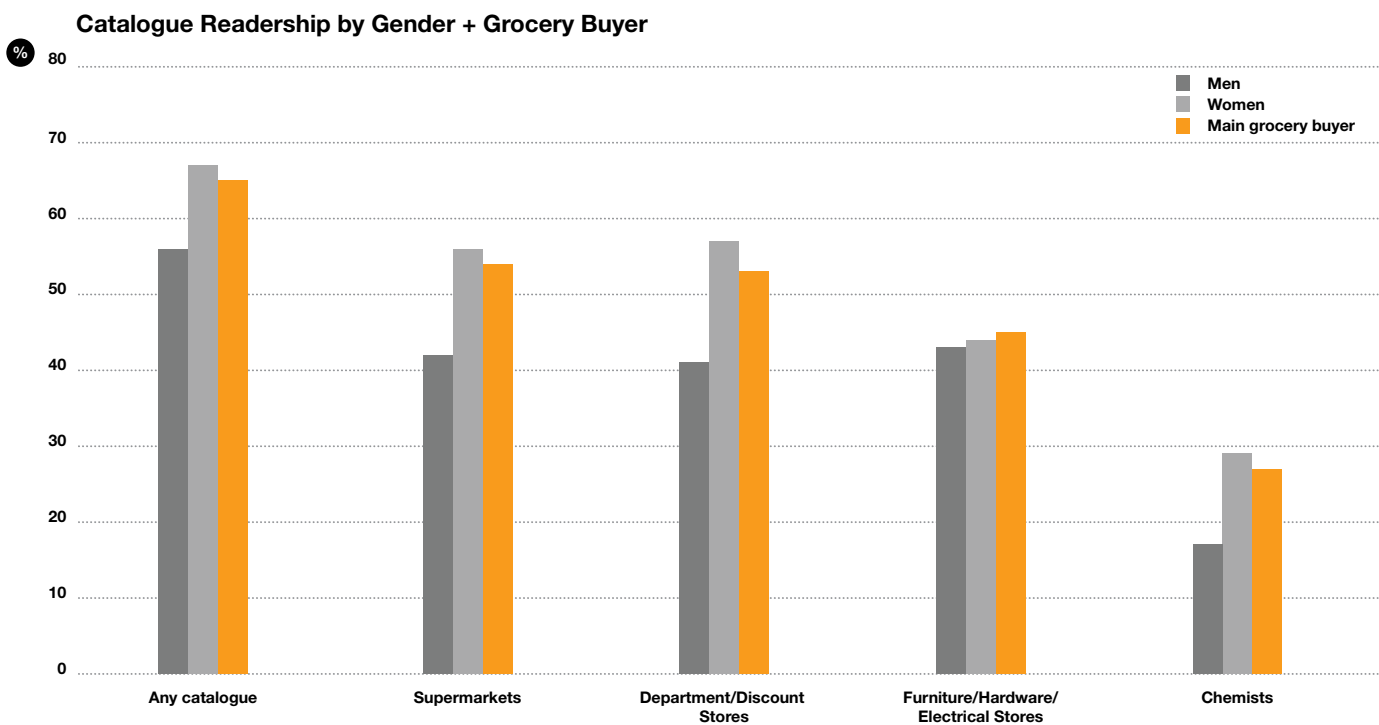
Source: Roy Morgan, 2014.

Roy Morgan Single Source survey approximately 50,000 Australians determining consumer attitudes and buying behaviour.

The largest catalogue readership identified was within Department/Discount Variety stores and Supermarkets.

Women remain the highest readership group across each of the catalogue categories shown.

This data shows that the main grocery buyer and shopper in households are also very likely to read catalogues.

Source: Roy Morgan Single Source, January-December 2013

ROY MORGAN

Founded in 1941, Roy Morgan Research has built a reputation for providing meaningful, insightful, actionable information to assist marketers, the media, government and institutions make better, more informed decisions. Australia's largest, independently owned market research company, Roy Morgan Research offers a suite of both quantitative and qualitative research services.

Utilising the proven accuracy of face-to-face interviewing Roy Morgan's Single Source survey also incorporates multi-mode data capture including a self-completion media diary and consumer poll as well as web-assisted interviewing. Single Source's approximately 50,000 respondents per year are asked about a broad range of topics including their attitudes, media consumption, brand & product usage, purchase intentions, financial information and leisure activities to obtain fully rounded profiles of Australian consumers.

www.roymorgan.com

ENGAGEMENT

Engaging the consumer and holding a conversation for a period of time allows companies to develop strong relationships with potential customers. Insight into which consumer groups read catalogues and how long they spend reading them or interacting with them is important in understanding the power of the catalogue. Whether offering a comprehensive product range, brand positioning, new store or product offering, engaging your customers is critical when communicating your messages.

ENGAGEMENT

Australians keep catalogues for future reference, and spend more than 30 minutes a week reading them.

Catalogues, Leaflets or Brochures kept in Australian Homes
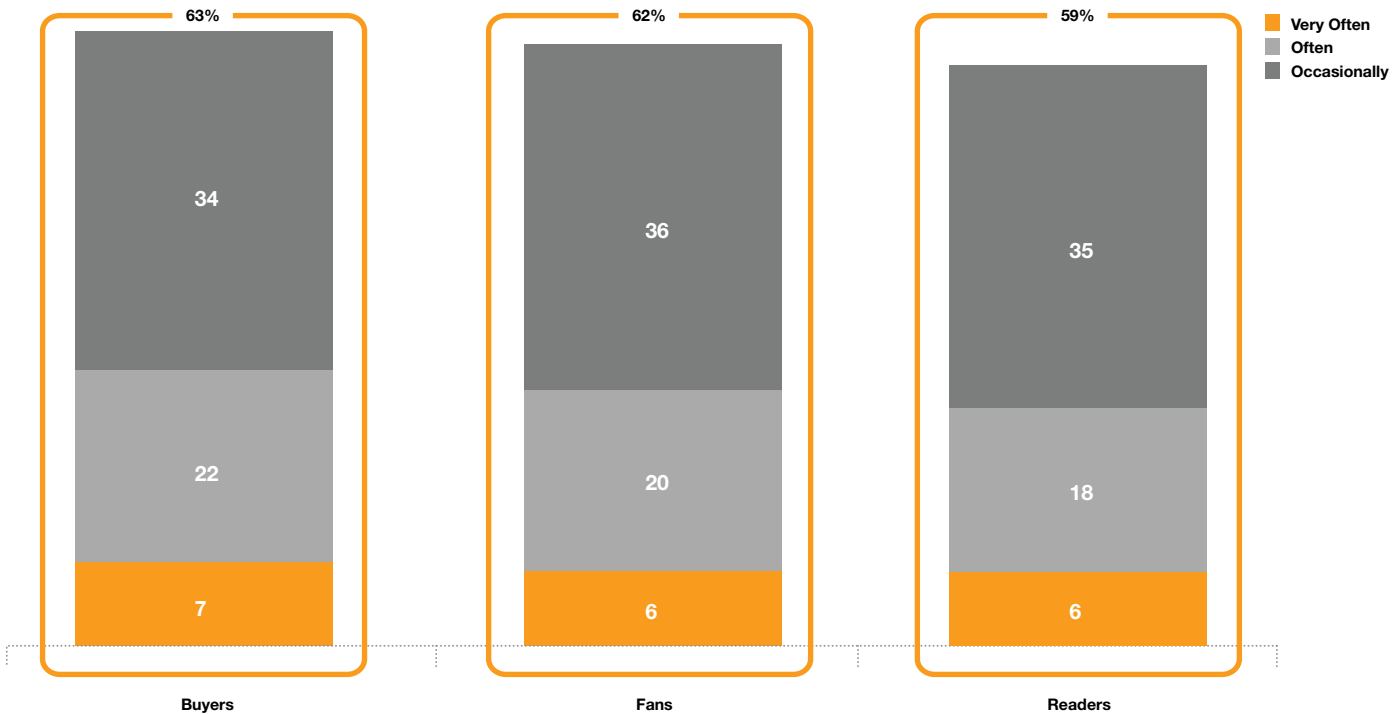
Source: Nielsen Consumer and Media View, 2014.

The strength of relationship between readers and catalogues, leaflets and brochures is demonstrated by how often they are kept in the home and the amount of time people spend reading them.

Catalogues, leaflets or brochures are regularly kept in the home. 63% of Buyers, 62% of Fans and 59% of Readers hold on to them at least occasionally.

Of all Australians who have read catalogues, leaflets or brochures in the past four (4) weeks, in a typical week:

• Those who are Monday to Friday readers spend – on average – more than 30 minutes reading catalogues, leaflets or brochures.

• Saturday readers spend an average of around 26 minutes and Sunday readers 27 minutes with their catalogues, leaflets and brochures.

NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands. For more information.

www.nielsen.com

62% of Australians read catalogues.

Catalogue Readership by Age

Legend:
- Online
- Print

X-axis categories: Australians 14+, 14–24, 25–34, 35–49, 50+
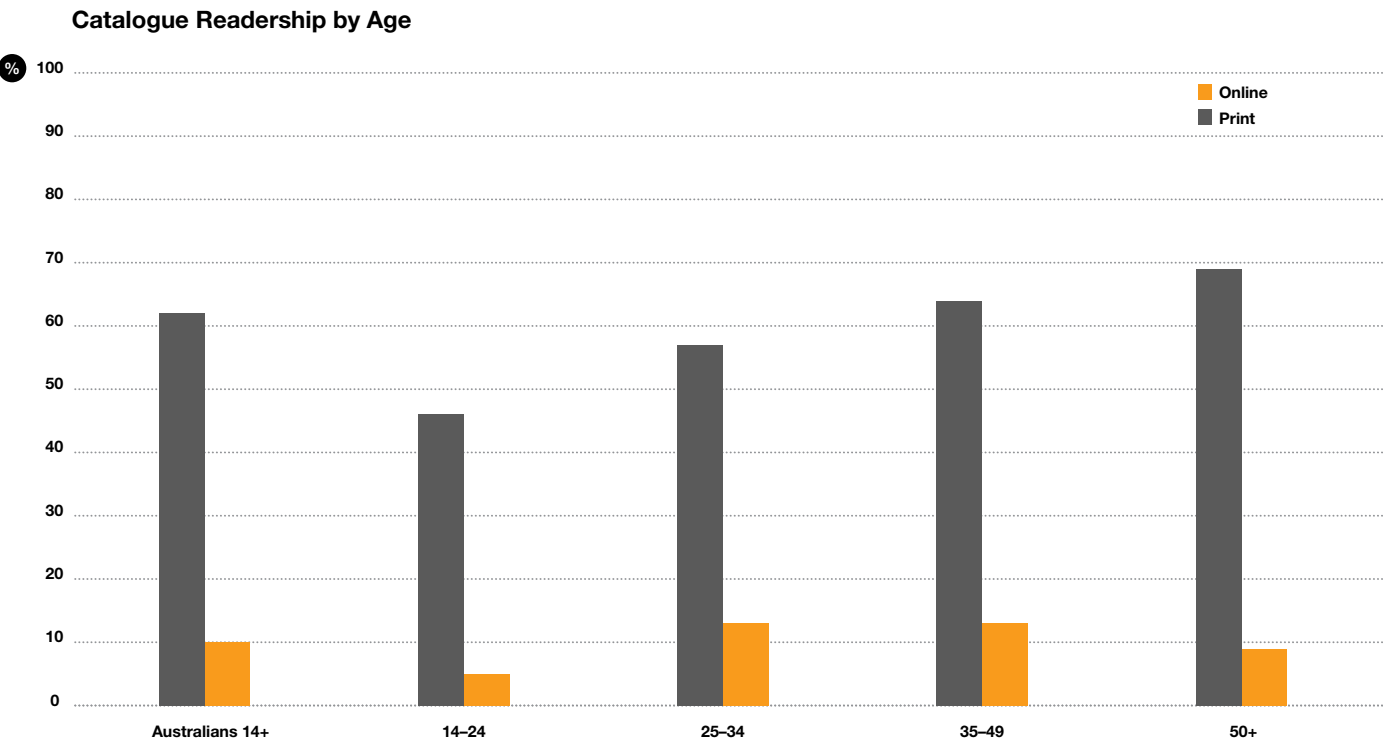
Source: Roy Morgan Single Source (Australia), January–December 2013.

62% of Australians aged 14+ read catalogues in an average four (4) week period.

58% of 25-24 year olds, a powerful consumer market, read printed catalogues compared to 12% reading online.

Australians aged 50+ are the strongest consumers with 69% reading printed catalogues and 9% viewing online.

Most powerfully are the 14-24 year olds continuing to dispel the myth they prefer digital communication methods with a strong 46% reading the printed catalogue.

ROY MORGAN

Founded in 1941, Roy Morgan Research has built a reputation for providing meaningful, insightful, actionable information to assist marketers, the media, government and institutions make better, more informed decisions. Australia's largest, independently owned market research company, Roy Morgan Research offers a suite of both quantitative and qualitative research services.

Utilising the proven accuracy of face-to-face interviewing Roy Morgan's Single Source survey also incorporates multi-mode data capture including a self-completion media diary and consumer poll as well as web-assisted interviewing. Single Source's approximately 50,000 respondents per year are asked about a broad range of topics including their attitudes, media consumption, brand & product usage, purchase intentions, financial information and leisure activities to obtain fully rounded profiles of Australian consumers.

www.roymorgan.com

EFFECTIVENESS

Defining effectiveness is directly linked to how successful a campaign is in achieving the desired result. Whether your goal is brand awareness or loyalty, sales and marketing targets, growth or communicating product range, a new store or even a product launch. Achieving your campaign goals determines its effectiveness. Success is demonstrated by an intended or expected outcome that aligns with your campaign goals. This is of significant importance when determining which media to choose.

EFFECTIVENESS

62% of Australians rank catalogues as number one.

Top 10 most effective advertising channels

Rank	What Australians say		Rank	What Marketers think		
1	Catalogues & Flyers	62%	6	Email Marketing	69%	▲
2	TV Advertising	52%	2	TV Advertising	56%	=
3	Press Advertising	40%	5	Personalised Direct Mail	54%	▲
4	Radio Advertising	32%	1	Catalogues & Flyers	53%	▼
5	Personalised Direct Mail	29%	8	Social Media Advertising	49%	▲
6	Email Marketing	25%	4	Radio Advertising	47%	▼
7	Outdoor Advertising	23%	9	Online Display Advertising	44%	▲
8	Social Media Advertising	17%	7	Outdoor Advertising	40%	▼
9	Online DisplayAdvertising	12%	3	Press Advertising	37%	▼
9	Telemarketing	4%	10	Telemarketing	62%	=

Source: Australia Post White paper – Views on media channels, June 2014

Australians ranked catalogues as the most effective advertising channel in influencing their purchasing decisions, while marketers ranked email marketing as the most effective. Clearly there is a disconnect in what Australians are saying works for them and what marketers think works.

This is further confirmed by the fact that of the Top Five channels ranked by Australians, three have experienced declines in advertising spend over the past twelve months.

AUSTRALIA POST

Australia Post has been keeping Australia connected for more than 200 years. They do this by delivering mail, helping businesses and consumers with parcels, and providing a national retail network that supports local communities and organisations. As the needs of the community have evolved, so have Australia Post, with a range of services spanning their stores, online and the MyPost Digital Mailbox. They complement Their national logistics and retail network with convenient digital products to help make everyday life a bit simpler.
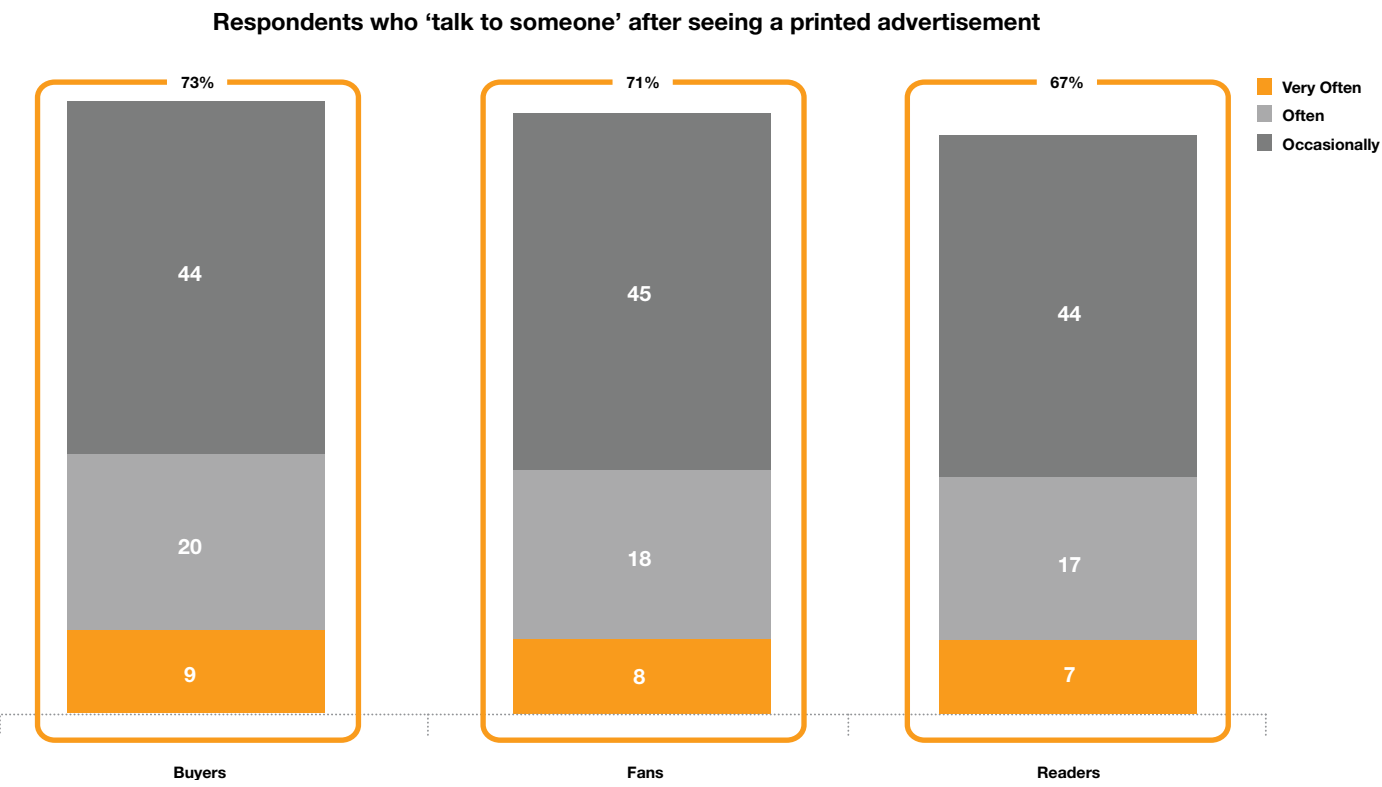
www.auspost.com.au

ADMA

ADMA is the leading authority and go-to resource for creative and effective data-driven marketing across all channels and platforms.

By providing guidance, ideas, insight and innovation, ADMA assists members in advancing their marketing to become responsible, effective and enlightened.

www.adma.com.au

73% of Buyers talk to someone after seeing something advertised in catalogues.

Respondents who 'talk to someone' after seeing a printed advertisement

Legend: Very Often / Often / Occasionally

73% — Buyers: 44, 20, 9
71% — Fans: 45, 18, 8
67% — Readers: 44, 17, 7

Source: Nielsen Consumer and Media View, 2014.

Findings

Catalogues, leaflets and brochures are conversation pieces. 64% of Buyers often ("very often" + "often") talk to someone after seeing something advertised in catalogues, leaflets or brochures. This applies across other highlighted groups – 63% of Fans and 61% of Readers.
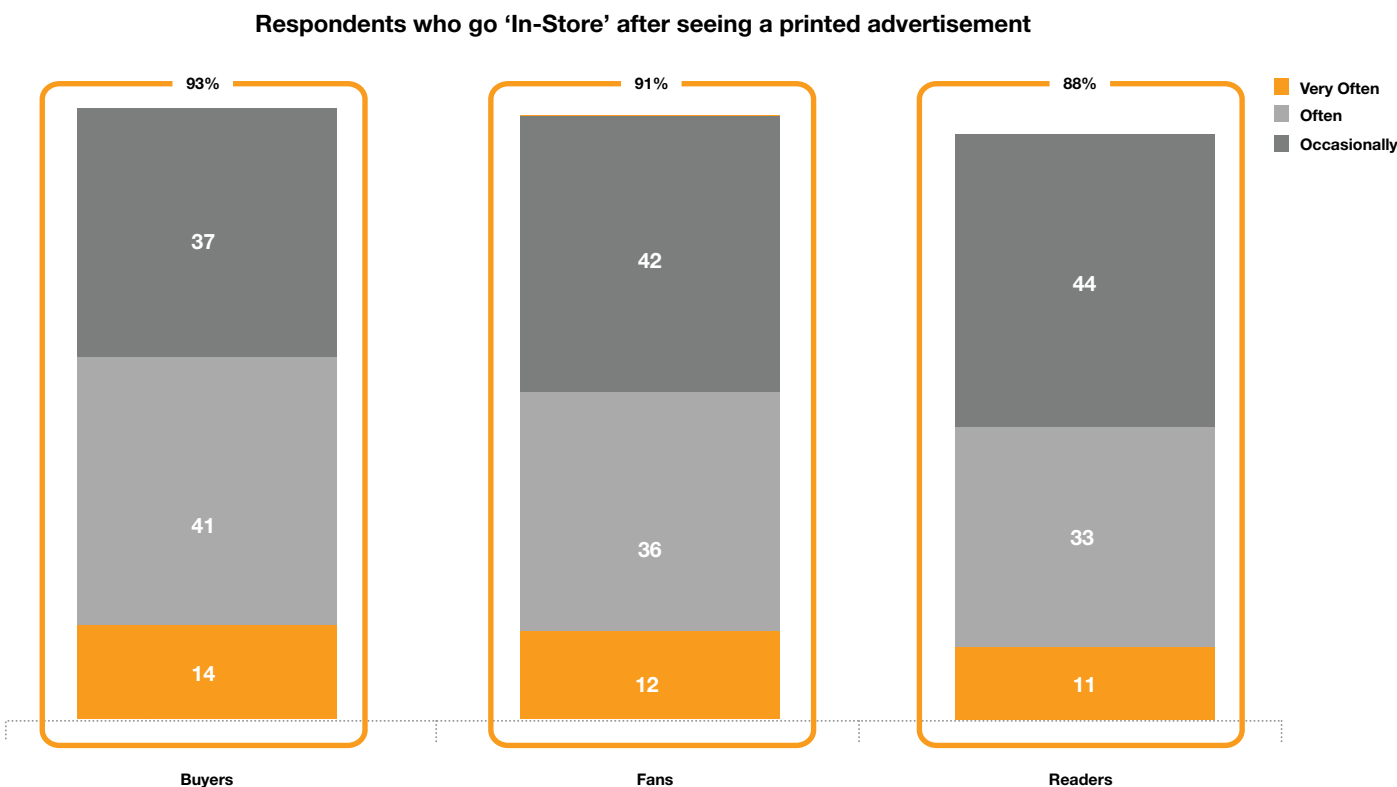
Methodology

Consumer & Media View is a syndicated multi-media database that incorporates information collected from people aged 14+ nationally. The data is collected through a combination of a modular online self-complete survey, and fused media currency ratings for TV (OzTAM), Radio (CRA) and Online (Nielsen).

The results are weighted using estimates from the Australian Bureau of Statistics (ABS) to produce statistically reliable results for the entire population. The Consumer & Media View survey is online 40 out of the 52 weeks a year (no survey conducted late December/early January due to holiday season).

The Consumer and Media View National database is collected on a rolling 12-month survey (i.e. the newest month old data is added and the oldest month is dropped). Databases are updated 10 times per year.

93% of Buyers go In-Store after reading a catalogue.

Respondents who go 'In-Store' after seeing a printed advertisement

Legend: Very Often / Often / Occasionally

93% — Buyers: 37, 41, 14
91% — Fans: 42, 36, 12
88% — Readers: 44, 33, 11

Source: Nielsen Consumer and Media View, 2014.

Findings

Consumers go into the store after reading catalogues, leaflets or brochures. 93% of Buyers, 91% of Fans and 88% of Readers say they go In-Store often or occasionally from reading a catalogue.

Whether a consumer looking in the market (Buyer), a heavy catalogue consumer (Fan) or general consumer (Reader), catalogue marketing prompts action amongst more than half the consumer group.

NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands.

www.nielsen.com

EFFECTIVENESS

62% of Buyers visit Online Stores after reading catalogues.

Respondents who 'go online' after seeing a printed advertisment

Legend: Very Often | Often | Occasionally

Buyers: 62% — 37 / 20 / 5
Fans: 61% — 38 / 18 / 5
Readers: 60% — 38 / 17 / 5

Source: Nielsen, 2014

Catalogues, leaflets and brochures drive more than half the consumers online. 62% of Buyers, 61% of Fans and 60% of Readers visit websites after seeing goods and services advertised in print.

NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands.
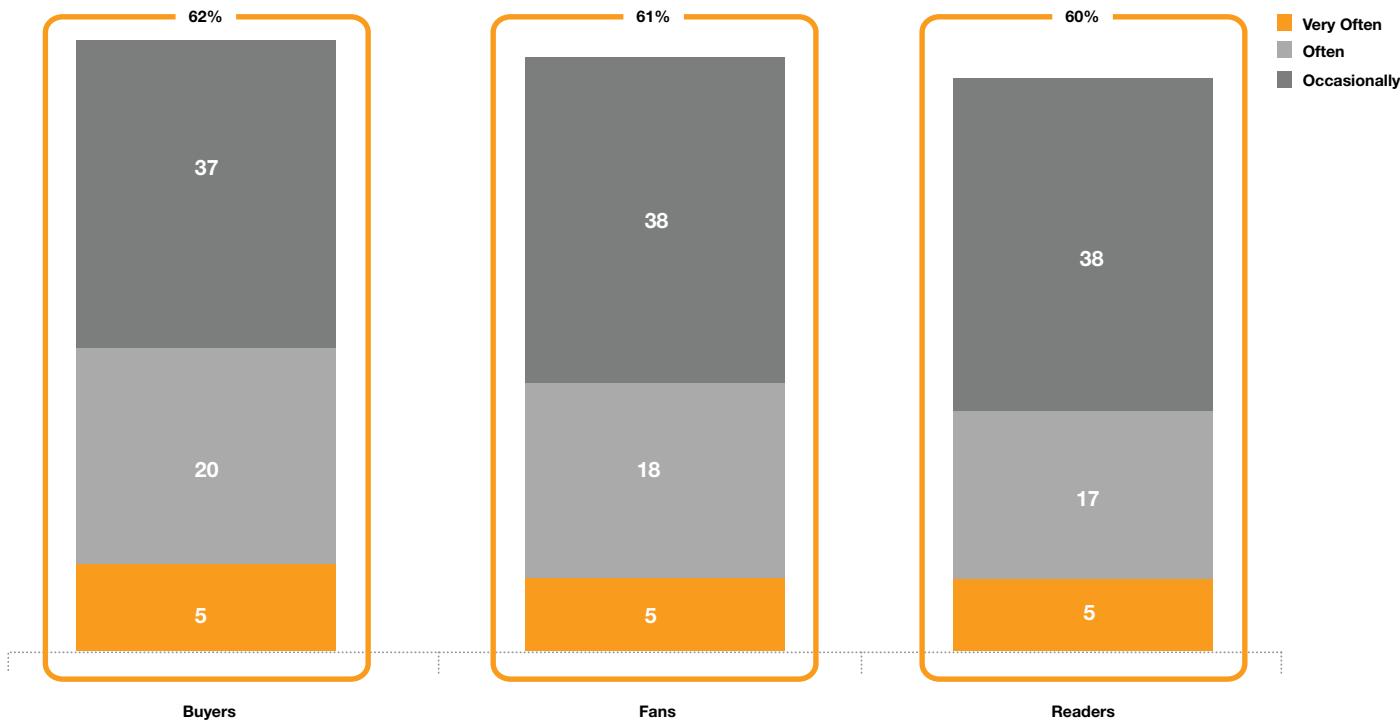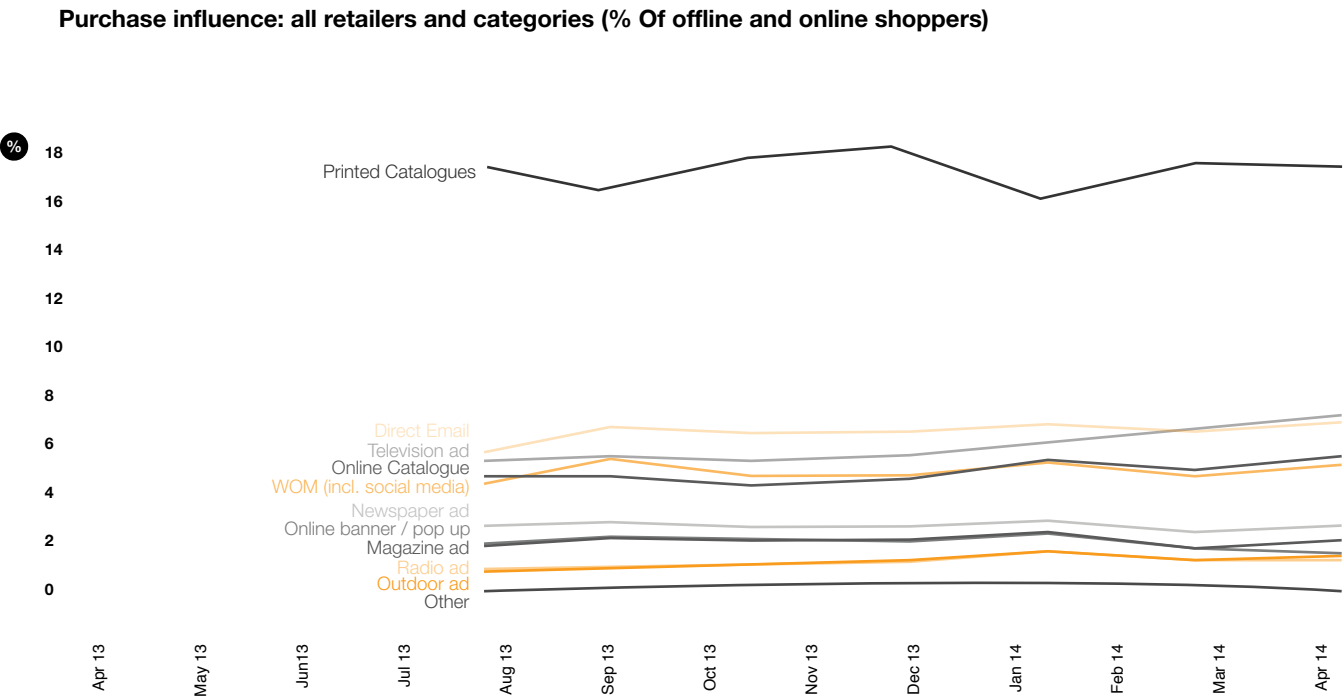
www.nielsen.com

Catalogues rank as the highest influencer above all other channels.

Purchase influence: all retailers and categories (% Of offline and online shoppers)

Chart labels:
- Printed Catalogues
- Direct Email
- Television ad
- Online Catalogue
- WOM (incl. social media)
- Newspaper ad
- Online banner / pop up
- Magazine ad
- Radio ad
- Outdoor ad
- Other

Y-axis (%): 0, 2, 4, 6, 8, 10, 12, 14, 16, 18

X-axis: Apr 13, May 13, Jun13, Jul 13, Aug 13, Sep 13, Oct 13, Nov 13, Dec 13, Jan 14, Feb 14, Mar 14, Apr 14

Source: BDA Marketing Planning, 2014.

Australians were surveyed to determine which media channel had the strongest and most frequent influence on their purchasing decisions. Media channels included:

Traditional – Printed Catalogue, Television. Newspaper, Magazine, Radio and Outdoor.

Non-Traditional – Internet (Online Banner/Pop Up), WOM (Social Media), Online Catalogues and Direct Email (Email Marketing).

Both offline and online shoppers were surveyed.

Printed Catalogues across both survey groups performed the strongest. With Direct Email, Television and Online Catalogue following respectively.

BDA MARKETING PLANNING

BDA Marketing Planning (BDA) is a specialised strategic business planning consultancy that aims to increase client profitability through proprietary methods of systematic demand planning, consumer understanding and future modelling.

BDA solves client problems, fills knowledge gaps and enhances accuracy and confidence in strategic decision making.

BDA take a fact based, empirical approach and work through problems logically and systematically. Clients value BDA's ability to synthesise large volumes of information, isolate the most critical insights and ideas, and help deliver forward thinking strategy.

www.bdamarketing.com.au
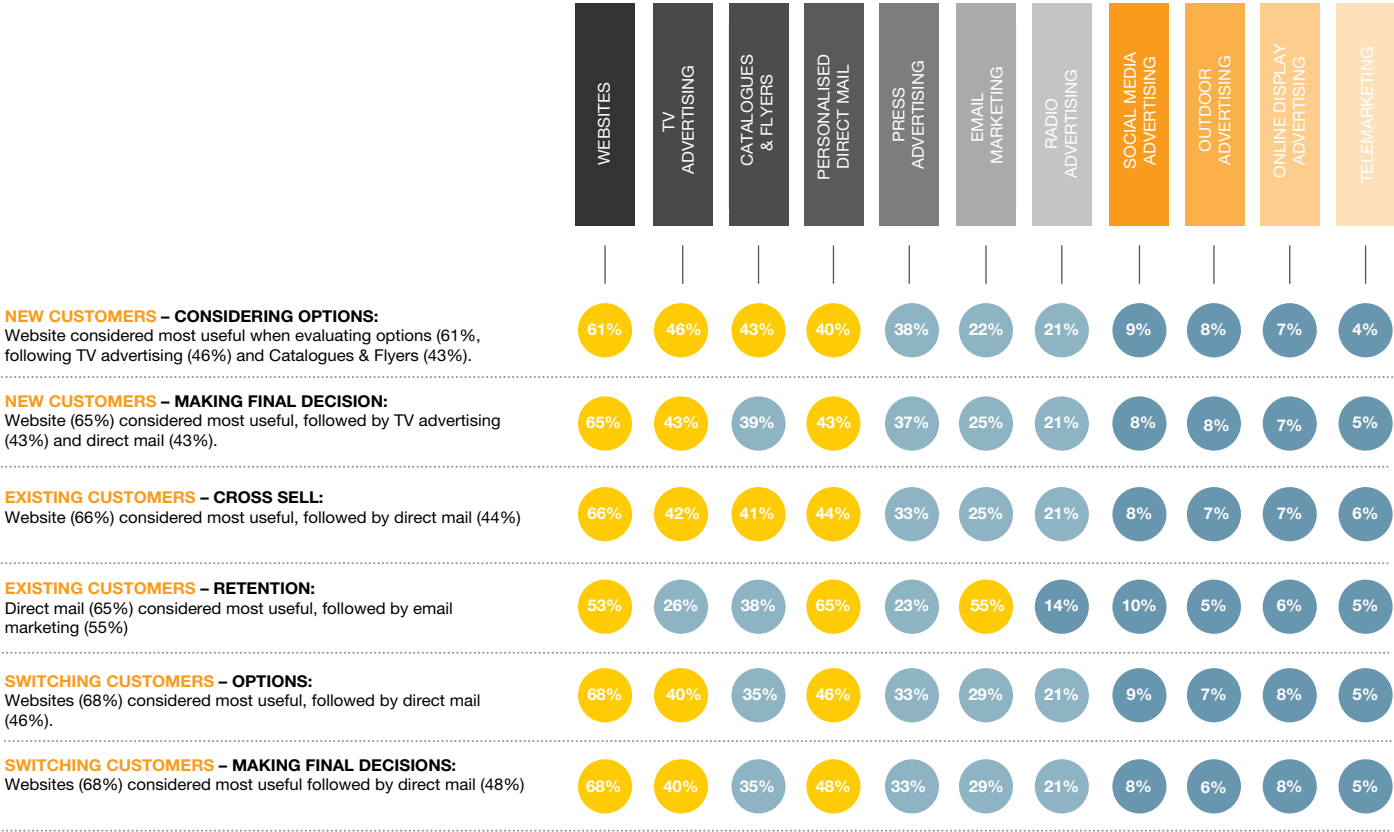
PATH TO PURCHASE

Understanding your customer's path to purchase allows you to refine your marketing campaigns and engagement strategies to deliver optimal results. Understanding your customer's purchasing journey allows you to create the most useful communication campaign for your customers.

MACI SWIMWEAR summer 2014

A/W 14 Style update

PATH TO PURCHASE

What channels are consumers using on the path to purchase?

	WEBSITES	TV ADVERTISING	CATALOGUES & FLYERS	PERSONALISED DIRECT MAIL	PRESS ADVERTISING	EMAIL MARKETING	RADIO ADVERTISING	SOCIAL MEDIA ADVERTISING	OUTDOOR ADVERTISING	ONLINE DISPLAY ADVERTISING	TELEMARKETING
NEW CUSTOMERS – CONSIDERING OPTIONS: Website considered most useful when evaluating options (61%, following TV advertising (46%) and Catalogues & Flyers (43%).	61%	46%	43%	40%	38%	22%	21%	9%	8%	7%	4%
NEW CUSTOMERS – MAKING FINAL DECISION: Website (65%) considered most useful, followed by TV advertising (43%) and direct mail (43%).	65%	43%	39%	43%	37%	25%	21%	8%	8%	7%	5%
EXISTING CUSTOMERS – CROSS SELL: Website (66%) considered most useful, followed by direct mail (44%)	66%	42%	41%	44%	33%	25%	21%	8%	7%	7%	6%
EXISTING CUSTOMERS – RETENTION: Direct mail (65%) considered most useful, followed by email marketing (55%)	53%	26%	38%	65%	23%	55%	14%	10%	5%	6%	5%
SWITCHING CUSTOMERS – OPTIONS: Websites (68%) considered most useful, followed by direct mail (46%).	68%	40%	35%	46%	33%	29%	21%	9%	7%	8%	5%
SWITCHING CUSTOMERS – MAKING FINAL DECISIONS: Websites (68%) considered most useful followed by direct mail (48%)	68%	40%	35%	48%	33%	29%	21%	8%	6%	8%	5%

Source: Creating connections that matter: How Australians want to hear from brands, Australia Post, 2013.

Consumers travel a path to purchase from discovering a product or brand, to considering and evaluating it, making a final decision, then purchasing a product or service.

Along this process consumers consider different channels more useful than others. Catalogues & flyers consistently rank in the Top 4 channels considered most useful at different times in the path to purchase.
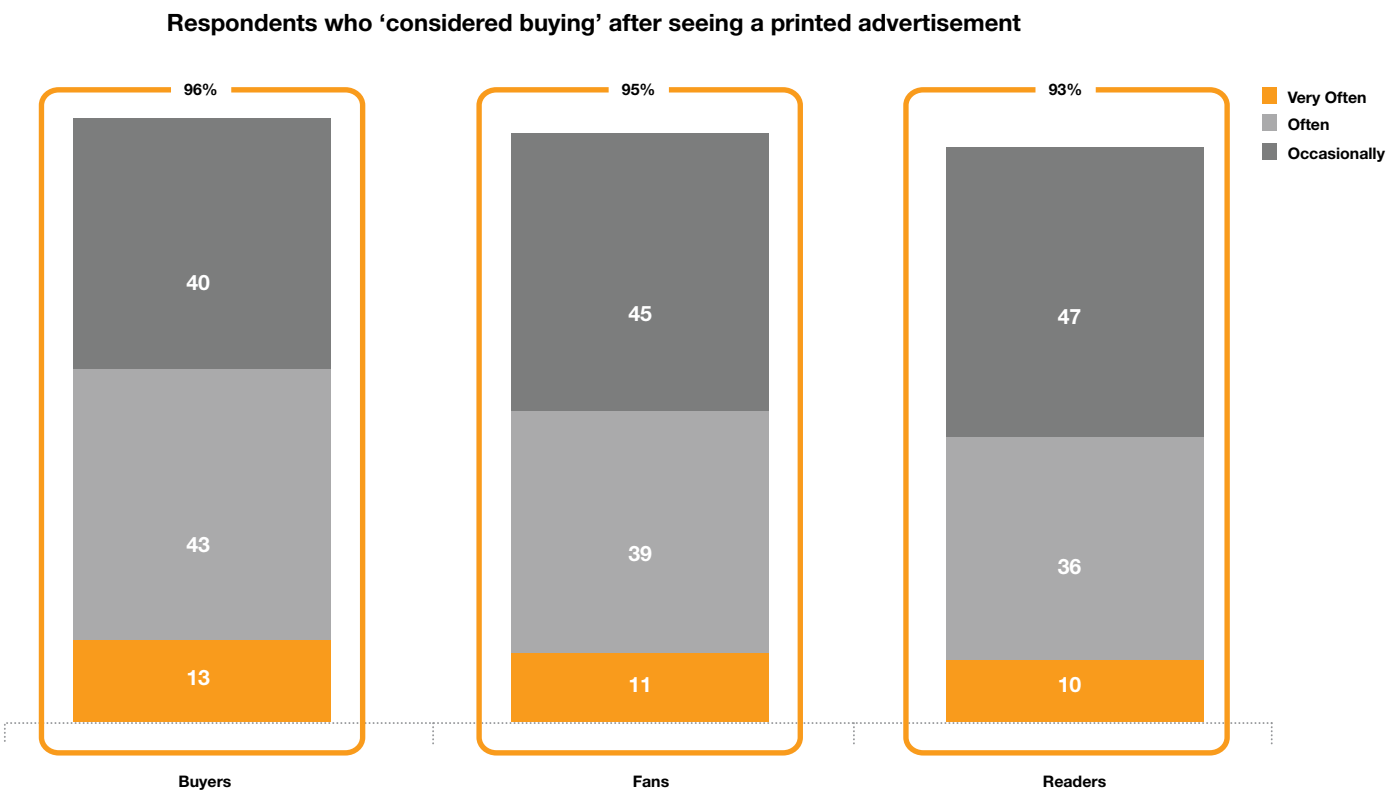
Consumers consider catalogues and flyers easy to refer to later, informative and easy to understand which may explain why they are so useful at these different stages.

AUSTRALIA POST

Australia Post has been keeping Australia connected for more than 200 years. They do this by delivering mail, helping businesses and consumers with parcels, and providing a national retail network that supports local communities and organisations. As the needs of the community have evolved, so have Australia Post, with a range of services spanning their stores, online and the MyPost Digital Mailbox. They complement Their national logistics and retail network with convenient digital products to help make everyday life a bit simpler.

www.auspost.com.au

Catalogues drive purchase consideration.

Respondents who 'considered buying' after seeing a printed advertisement

Legend
■ Very Often
■ Often
■ Occasionally

Buyers: 96% — 40 / 43 / 13
Fans: 95% — 45 / 39 / 11
Readers: 93% — 47 / 36 / 10
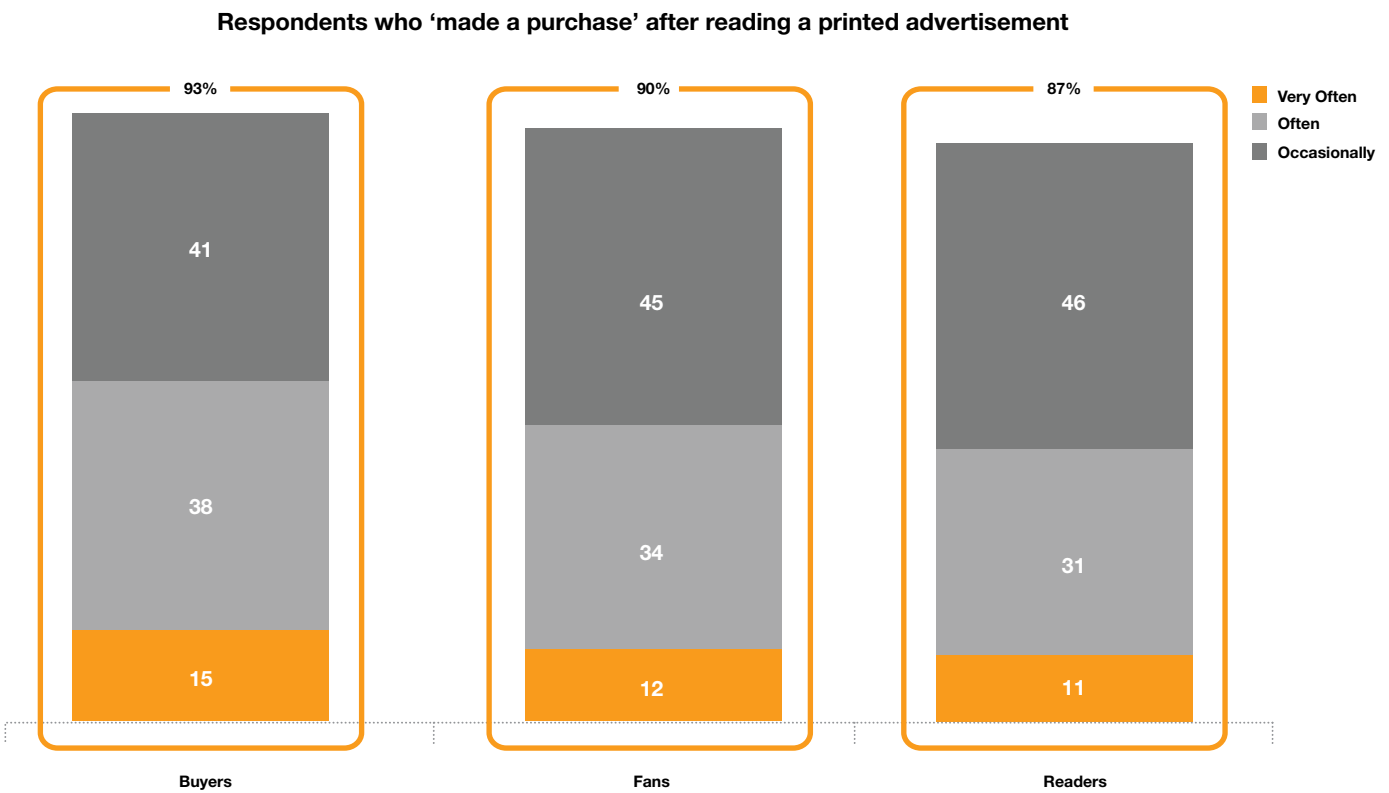
Source: Nielsen, 2014

91% of Buyers, 95% of Fans and 93% of Readers report that reading a catalogue drives action and purchase consideration.

Many consumers take action as a result of seeing goods and services advertised. This includes:

• talking to friends and family,

• visiting websites,

• going in store,

• keeping for future reference,

• actively considering buying goods or services, and

• making the purchase.

Nine out of ten readers across the three groups surveyed have considered buying something after seeing it advertised in catalogues, leaflets or brochures.

Receiving and reading catalogues leads to purchases.

Respondents who 'made a purchase' after reading a printed advertisement

Legend
■ Very Often
■ Often
■ Occasionally

Buyers: 93% — 41 / 38 / 15
Fans: 90% — 45 / 34 / 12
Readers: 87% — 46 / 31 / 11

Source: Nielsen, 2014

Customers who receive and read catalogues make purchases. Customers who have bought within the last seven days – 93% of Buyers, 90% of Fans and 87% of Readers at least occasionally buy goods or services after seeing them advertised in catalogues, leaflets or brochures.

Buyers reflect buying habits in the Very Often (15%) at the highest reported level with Fans (12%) and Readers (11%) following respectively.

All three reporting categories demonstrate a 30%+ data tier for purchasing from a catalogue Often.

NIELSEN

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA, and Diemen, the Netherlands.

visit www.nielsen.com

Most useful media channel when making purchasing decisions.

	A used motor vehicle	A new motor vehicle	Car/auto parts and accessories	Real estate	Home improvements or renovations	Home interiors or furnishings	Home entertainment/ electronics
Catalogues	1%	4%	17%	4%	12%	21%	28%
Internet	57%	50%	42%	52%	33%	30%	37%
Newspapers	22%	15%	6%	25%	6%	4%	4%
Magazines	2%	5%	3%	3%	16%	18%	6%
Radio	1%	1%	1%	1%	1%	0%	1%
Television	2%	8%	2%	2%	7%	5%	5%
Yellow Pages	1%	2%	7%	1%	7%	3%	2%

	Large kitchen/ laundry appliances	Small electrical appliances	CDs/DVDs	Books	Toys	Cosmetics & toiletries	Clothing & fashion
Catalogues	32%	36%	27%	24%	39%	36%	36%
Internet	35%	33%	37%	41%	28%	24%	25%
Newspapers	4%	4%	3%	6%	2%	3%	3%
Magazines	4%	3%	4%	5%	3%	10%	12%
Radio	1%	1%	3%	1%	0%	0%	0%
Television	5%	4%	4%	2%	4%	4%	5%
Yellow Pages	2%	1%	1%	1%	1%	1%	0%

Catalogue Media represented in Top 3 ranking in Orange 1st ☐ 2nd ☐ 3rd ☐

All other media channels ranking first highlighted in grey ☐

Source: Roy Morgan Research Single Source (Australia) April 2013 – March 2014

Catalogues rank top 3 in 18 of 28 categories.

	Alcoholic beverages	A home loan or other loans	Finance/investment products	Insurance	Computers, computer suppliers peripherals	Mobile phones/ phone providers	Services such as, plumbers, electricians
Catalogues	42%	2%	2%	2%	18%	18%	2%
Internet	20%	50%	48%	51%	48%	47%	31%
Newspapers	8%	9%	10%	6%	4%	4%	12%
Magazines	2%	2%	3%	2%	3%	3%	1%
Radio	1%	2%	1%	2%	1%	1%	1%
Television	5%	9%	7%	10%	4%	6%	2%
Yellow Pages	1%	3%	3%	5%	3%	4%	33%

	Employments/jobs	Childrens wear	Groceries	Entertainment/movie listings	Restaurants	Travel or accommodation	Health, wellbeing & fitness
Catalogues	1%	40%	49%	2%	2%	3%	3%
Internet	51%	23%	18%	46%	45%	59%	41%
Newspapers	25%	2%	7%	26%	13%	9%	9%
Magazines	0%	6%	2%	2%	4%	6%	18%
Radio	1%	0%	1%	1%	2%	1%	2%
Television	1%	4%	5%	3%	3%	4%	5%
Yellow Pages	1%	0%	0%	1%	13%	4%	4%

Catalogue Media represented in Top 3 ranking in Orange 1st ☐ 2nd ☐ 3rd ☐

All other media channels ranking first highlighted in grey ☐

Source: Roy Morgan Research Single Source (Australia) April 2013 – March 2014

49% of Australians 14+ find catalogues the most useful medium for providing information when purchasing or selecting Groceries, the highest percentage across all categories surveyed.

Toys (39%), Cosmetics & toiletries (36), Clothing & fashion (36%), Children's wear (40%) and Alcoholic beverages (42%) also ranked number one over all other media channels as the most influential media when making purchasing decisions.

Car/auto parts and accessories, Home improvements or renovations, Home entertainment/electronics, Computers,, computer suppliers peripherals, Mobile phones/phone providers, Large kitchen/laundry appliances, CDs/DVDs and Books demonstrate dominance when developing integrated campaigns to market and partnering with Internet.

Source: Roy Morgan Research Single Source (Australia) April 2013 – March 2014

Data was collected from April 2013 to March 2014. Australians were asked what is the most useful medium when making purchasing decisions. Catalogues ranked first across 7 categories, second across 8 categories and third across 2 categories.

In total across all 28 categories, catalogues ranked in the top three in 17 categories.

Source: Roy Morgan Research Single Source (Australia) April 2013 – March 2014

ROY MORGAN

Founded in 1941, Roy Morgan Research has built a reputation for providing meaningful, insightful, actionable information to assist marketers, the media, government and institutions make better, more informed decisions. Australia's largest, independently owned market research company, Roy Morgan Research offers a suite of both quantitative and qualitative research services.
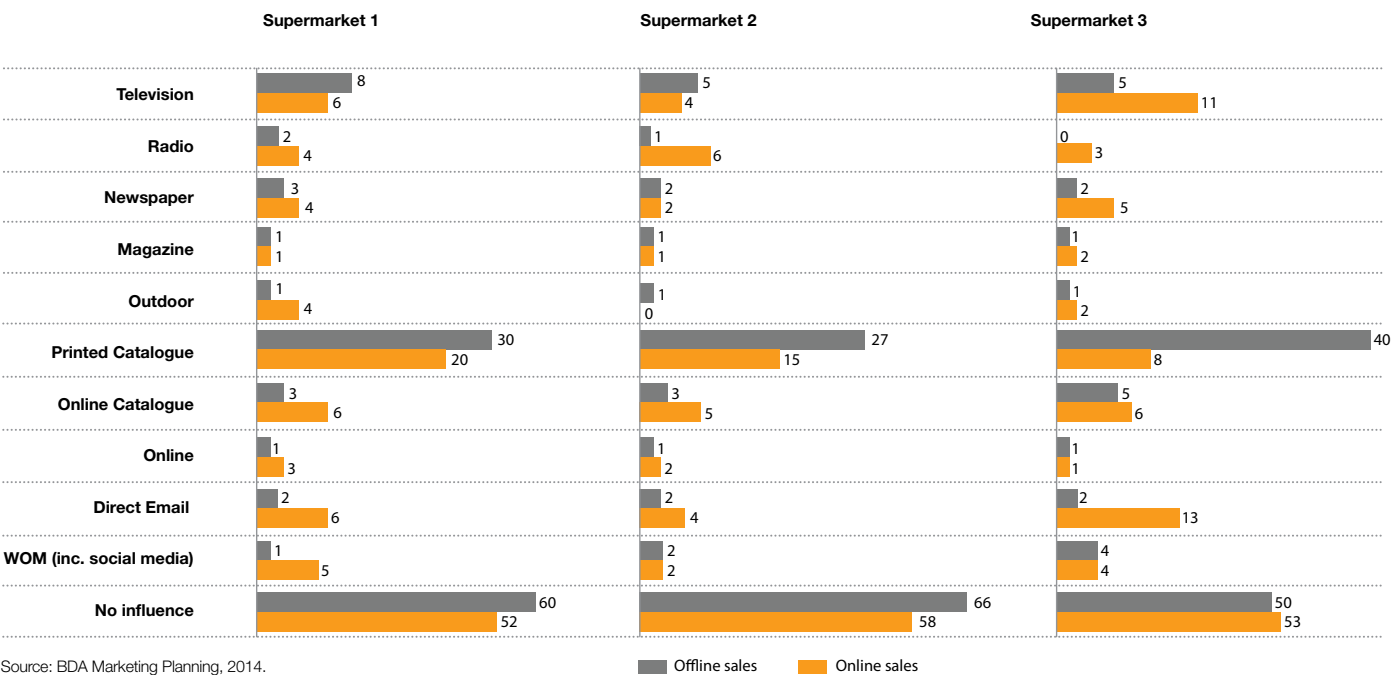
Utilising the proven accuracy of face-to-face interviewing Roy Morgan's Single Source survey also incorporates multi-mode data capture including a self-completion media diary and consumer poll as well as web-assisted interviewing. Single Source's approximately 50,000 respondents per year are asked about a broad range of topics including their attitudes, media consumption, brand & product usage, purchase intentions, financial information and leisure activities to obtain fully rounded profiles of Australian consumers.

www.roymorgan.com

Which advertising channels do consumers believe are more effective in influencing their purchase decisions?

Channel	Supermarket 1 Offline	Supermarket 1 Online	Supermarket 2 Offline	Supermarket 2 Online	Supermarket 3 Offline	Supermarket 3 Online
Television	8	6	5	4	5	11
Radio	2	4	1	6	0	3
Newspaper	3	4	2	2	2	5
Magazine	1	1	1	1	1	2
Outdoor	1	4	1	0	1	2
Printed Catalogue	30	20	27	15	40	8
Online Catalogue	3	6	3	5	5	6
Online	1	3	1	2	1	1
Direct Email	2	6	2	4	2	13
WOM (inc. social media)	1	5	2	2	4	4
No influence	60	52	66	58	50	53

Source: BDA Marketing Planning, 2014.

■ Offline sales   ■ Online sales

Printed catalogues are the biggest influencer for both online and offline purchases at the top three Supermarket retailers in Australia. With catalogues far surpassing all other media channels as holding the greatest influence of offline sales at 30%, 27%, and 40% of respondents across all three Supermarket companies citing catalogues as the highest influencer on purchases.

In both online and offline (in-store) sales, the printed catalogue performs strongly over other media channels.

BDA MARKET PLANNING

BDA Marketing Planning (BDA) is a specialised strategic business planning consultancy that aims to increase client profitability through proprietary methods of systematic demand planning, consumer understanding and future modelling.

BDA solves client problems, fills knowledge gaps and enhances accuracy and confidence in strategic decision making.

BDA take a fact based, empirical approach and work through problems logically and systematically. Clients value BDA's ability to synthesise large volumes of information, isolate the most critical insights and ideas, and help deliver forward thinking strategy.

www.bdamarketing.com.au

RETURN ON INVESTMENT

Return on Investment (ROI) or Return on Marketing Investment (ROMI) provide a good analytical measure on the effectiveness of your marketing campaigns. The strength of any ROI or ROMI analysis is the inclusion of campaign period, investment figures, sales activity and/or brand equity.

printspace™

art prints & stationery
boutique products designed & made in australia

FREE SHIPPING
Hurry ends 16.06.14

Order your boutique art online now
printspace.com.au
use special code
'whynot' at checkout

BARCELONA

SPAIN

À VOTRE SANTÉ

Monkey

printspace.com.au

66% revenue increase from catalogue campaign.

Introduction

The ACA commissioned an independent case study with an Online Retailer who had never marketed via catalogues, the results were impressive.

Background

Printspace® is a boutique label producing unique art and stationery. Locally created designer art prints and stationery are inspired by all things modernist with a strong appreciation of their favourite design era – the mid 20th century.

Printspace® is an Online Retailer with limited store front distribution.

Methodology

Printspace® being an Online Retailer and having never produced or distributed catalogues via Letterbox Distribution embarked on a catalogue campaign for their business.

"We have always understood the importance of communicating who we are to the market, however we weren't sure how to approach Letterbox Distribution", Nicholas Girling, Printspace®.

An 8pp full colour catalogue was designed with a Discount Code offering Free Shipping. The campaign ran for three (3) months, May to July 2014.

140,000 catalogues were printed for distribution in selected zones.

Zone selection was based upon demographic knowledge of the specified target market.

The specified target market was based on existing data of the twenty-five (25) highest spending suburbs in Melbourne, VIC. Based on individual purchases. It was determined from existing data that it was quite rare to have more than one (1) purchase from different suburbs. The statistics on historical sales did not show any specific grouping of suburbs and therefore a cross-demographic market was selected based on previous demographics rather than geographical positioning.

"We discussed and considered the Call to Action at length. We determined in-house that we did not want to de-value our product too much as we recognised that the catalogue would be kept for a period of time and our design was an investment in brand awareness as well as a tool to drive sales," Nicholas Girling, Printspace®.

Discount Offered

The offer was 'Free Shipping' for customers who referenced the special code provided.

During the campaign, a second promotion was run to ask customers to join the email newsletter and enter a competition to win a limited edition print to the value of $450.00.

"A customer at an external market advised that they had kept the catalogue which they received in the letterbox. It is our expectation that as our product is gift based and people will keep the catalogue and use it for when they need a gift. This is not always reflected in the immediate data," Nicholas Girling, Printspace®.

CASE STUDY – PRINTSPACE

Results and Findings

In the three (3) month window of data collection Revenue, Order Value and Traffic into Store realised significant increases.

The strength of applying technologies on paper were also identified. Printspace® is fluent in digital data management and was surprised by the market engagement with the catalogue. From this they determined that applying augmented reality technologies to their catalogue could deliver higher sales results and direct connection to their sales portals.

"There has been a 65% increase from June 2013 and June 2014 of customers using mobiles and tablets to view the site. Using AR or a QR code is an opportunity we would consider for other catalogue campaigns in the future", Nicholas Girling, Printspace®.

The campaign window May to July 2014 delivered the following strong results:

- Revenue increase of 65.96%

- Order volume increase of 11.64%

- Average order value up 48.66%

Specific Product Lines also realised recorded increases across two (2) main product lines – Personalised Products and Limited Edition Products.

Personalised Products

Personalised products include personalised Birth Posters, Name Prints and other customised print and stationery. This product category saw significant results as follows:

- An increase in Order Volume by 38.10%, and

- A revenue increase in personalised products by 48.38%.

Limited Edition Products

Limited Edition product line is the highest value and profit line for the business. This product line realised a staggering 788.06% increase in Revenue throughout the catalogue campaign window. This pushed the average order value up 48.66%.

Conclusion

Printspace debriefed the entire campaign and determined building an offer around a specific product line or a specific product category would be considered in a future campaign. In this way, a special offer could stimulate a transaction of a particular product line at a discounted rate, or loss leader, and the other product lines price offering remains consistent with other pricing. Other tactics relating to incentives for customers joining our email newsletter would also be considered as part of a print promotion – rather than solely being communicated online.

Supporting on-going business initiatives, 85 email addresses were also collected from the Limited Edition competition offer. Printspace® has marketed the brand via social media, local exhibition, market circuits and newspaper inserts through buying groups. This was the first catalogue promotion conducted and delivered higher results than expected. Future consideration has been given on how to further increase results, technology on paper, linking the catalogue campaign to other media channels and longer campaign windows.
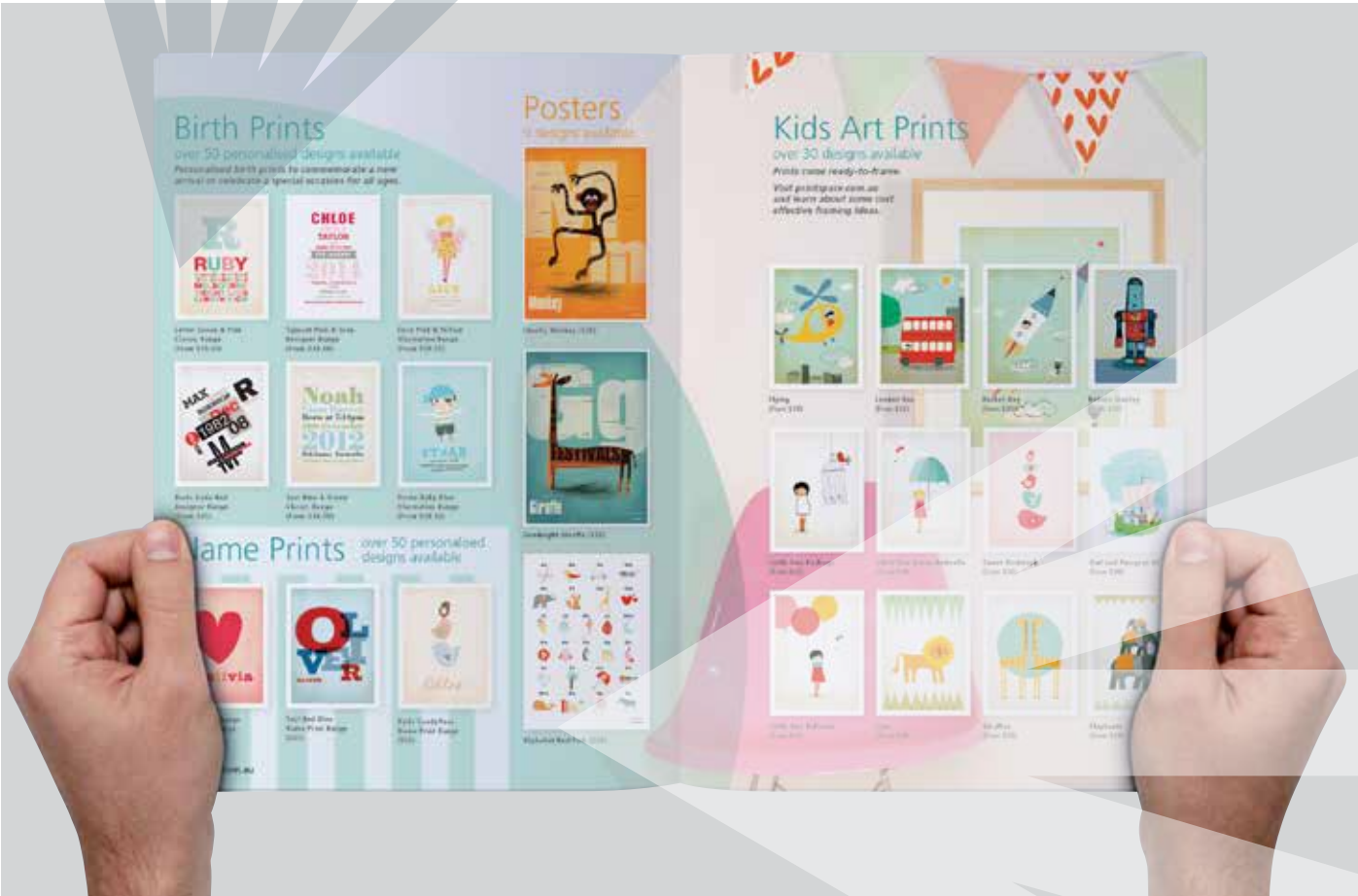
	Order Value increase	Revenue increase	Traffic into Store increase
May 2013 vs May 2014	69.4%	49.28%	10.43%
June 2013 vs June 2014	20.67%	28.12%	22.01%
July 2013 vs July 2014	68.40%	79.27%	19.64%

Understanding the importance of product placement within catalogues is key.

Retailer investment within catalogues remains a valuable part of their marketing mix and understanding some of the science behind the allocation of catalogue real-estate, as well as the data of advertising trends in catalogues, is critical to any marketer within or considering entering the catalogue marketplace. Recent data from Commercially Retail provides some insight into this year's trends.

Retailer catalogues continue to play a critical role in the sales process and have an immense influence on the causal link to product and brand performance within the retail environment. Suppliers and brand owners appreciate that the presence of their products in retailer catalogues is one of the most effective and timely ways to communicate with existing or prospective customers.

Specifically if we are to look at the highly competitive supermarket industry with unit sales in the thousands and revenue in the millions from one product placement in one catalogue for one week, the value of product placement, front page real-estate and pricing incentives become more and more relevant.

When reviewing supermarket chains over the past twelve month period, it can be seen that there has been a proportional shift in category support this year to 'Household and Cleaning' and 'Snack foods' with a proportional decline in 'Confectionery' and 'Biscuits' being advertised within retailer catalogues.

Further, the average advertised price (or change in pack mix) within several categories changed markedly this year. Of interest was one of the largest categories being the beverages/drinks category where the average advertised product (or pack mix) lifted 7.9% when compared to last year's advertising at individual product level. This has been driven by consumers being incentivised to purchase larger packs, however being rewarded comparatively with a lower price per unit/ml.

Retail marketers are continuing to work either in isolation or with manufacturers and suppliers to develop sales campaigns to incentivise sales activity whether unit price fluctuations, price discounts or spot specials the catalogue communicates the message. Retailers, Suppliers and Manufacturers are continuously reviewing the 'coverage' their products receive within the weekly supermarket catalogues as this delivers optimal sales windows.

Furthermore, from a qualitative perspective since 2013 there has been increasing movement to a more sophisticated level of engagement with consumers via retailer catalogues. This has been evidenced with the growth of educational and meal deal offerings, alongside appropriate product placement and ancillary services offered directly by retailers.

Celebrity chefs pushing meal solutions and endorsing the message deliver a strong blend of expertise, excitement and education. In addition grocery retailers have at every opportunity maximised their own brands with the offering of new and evolved services, endorsing their own brand positions and reinforcing existing brand values – 'your fresh food people', ' your local offering', 'down, down, prices go down' and 'lower than low prices'.

Content continues to be king and drives not only product placement within the catalogue, but also sales and in-store attraction.

COMMERCIALLY RETAIL

Commercially Retail is Australia and New Zealand's leading advertising monitoring agency with a vision of delivering brands and distributors detailed information, statistics and associated value based around their products advertised in retailer print mediums.
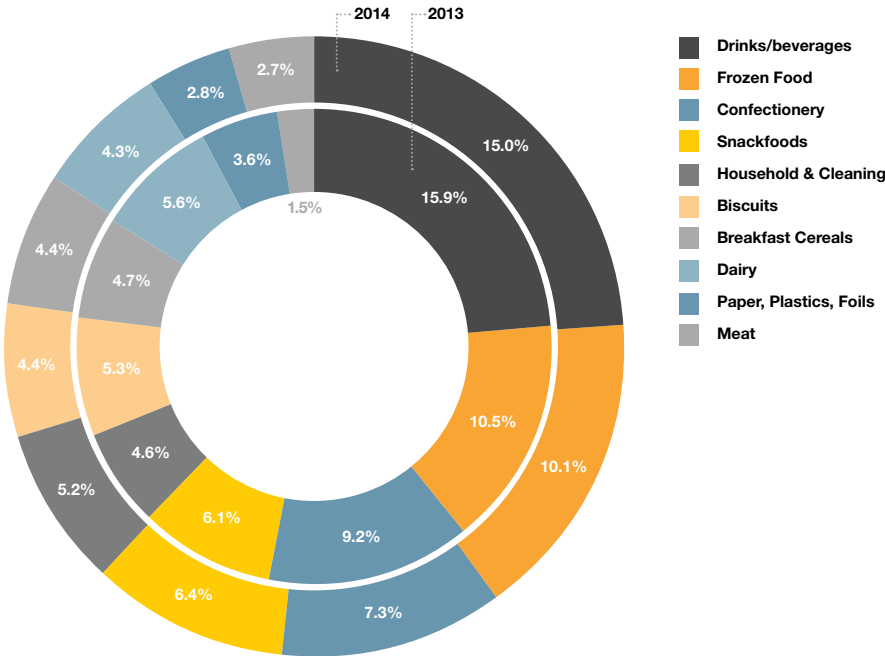
Commercially Retail's suite of advertising services provides facts, with over 80,000 advertisements captured monthly and insights in relation to retailer driven advertising including the medium of catalogues.

CR delivers a comprehensive picture of the marketplace from an advertising market and promotional perspective down to individual SKU. This understanding leads to enhanced commercial decision making with respect to product, brand, category and retailer advertising support levels for both retailers and suppliers.

www.commerciallyretail.com.au

Percentage breakdown of products, advertised in Supermarket catalogues

2014   2013

- Drinks/beverages
- Frozen Food
- Confectionery
- Snackfoods
- Household & Cleaning
- Biscuits
- Breakfast Cereals
- Dairy
- Paper, Plastics, Foils
- Meat

2014: 15.0%, 10.5%, 9.2%, 6.1%, 5.2%, 4.4%, 4.4%, 5.6%, 4.3%, 2.8%
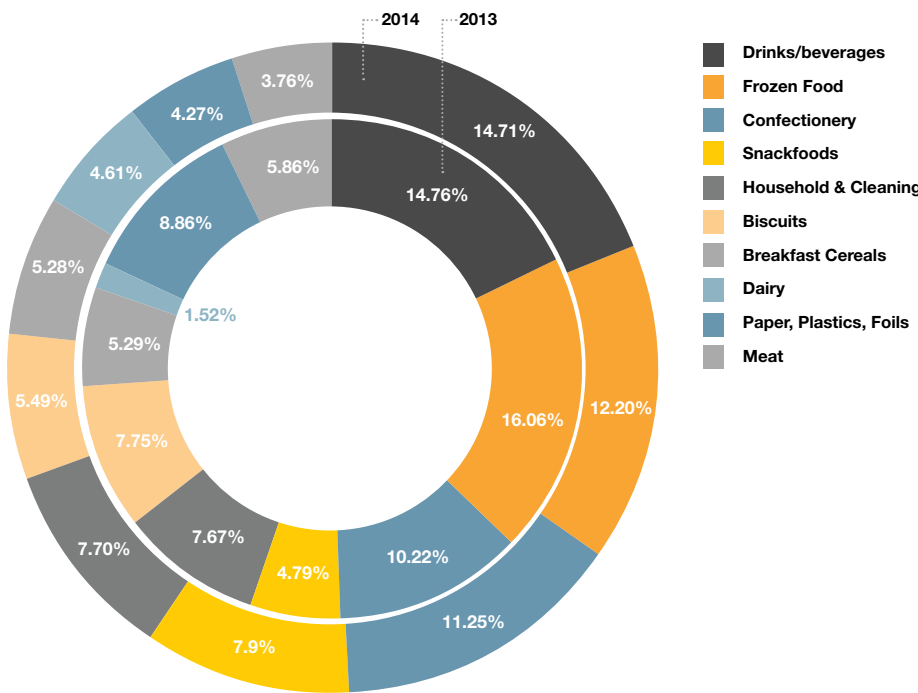2013: 15.9%, 10.1%, 7.3%, 6.4%, 4.6%, 5.3%, 4.7%, 1.5%, 3.6%, 2.7%

Source: Commercially Retail, 2013-2014.

Front page of the catalogue delivers highest sales results

Percentage breakdown of products, advertised on the front cover of Supermarket catalogues

2014   2013

Drinks/beverages
Frozen Food
Confectionery
Snackfoods
Household & Cleaning
Biscuits
Breakfast Cereals
Dairy
Paper, Plastics, Foils
Meat

3.76%
14.71%
4.27%
5.86%
14.76%
4.61%
5.28%
8.86%
1.52%
16.06%   12.20%
5.29%
5.49%
7.75%
10.22%
7.70%
7.67%
4.79%
11.25%
7.9%

Source: Commercially Retail, 2013-2014.

Having an offering on the front page of a catalogue is the most valuable real-estate within the catalogue media channel. Both retailers and suppliers appreciate this has a significant sales affect when compared to other pages within a retailer's catalogue. Traditional above the line weightings have this index as a multiple of ten and this weighting can be applied across other retail sectors.

When retailers are developing campaigns to attract customers into store they are aware of the power of the front cover and ensure the strongest offering is presented. Furthermore suppliers are well aware that the elasticity of demand will increase dramatically as a result of front page positioning and consider this in their offerings to the retailer. Traditionally referred to as 'loss leaders', the front page catalogue offering is what brings customers into store and drives overall sales growth for the catalogue sales window.

The past twelve months data analysis of front page product placements shows some significant shifts in terms of category support with 'Snackfoods' (up 3.11%) and 'Dairy' (up 3.09%) both showing strong increase in coverage from 2013 to 2014. Within these categories, the product groups showing strongest push from retailers have been 'canned food' and 'bakery' products.

These categories show the greatest increase in retail catalogue placement or 'Share of Voice' within a catalogue and reflecting this leading brands and associated promotional ranges have increased their sales incentives across these product categories.

Source: Commercially Retail, 2013- 2014.

SUSTAINABILITY

The sustainability of any media channel must be assessed across three areas: environment, social and economical impact. Understanding industry employment figures, commitment to the environment and economical sustainability is an important measure when understanding an industry's sustainable credentials.
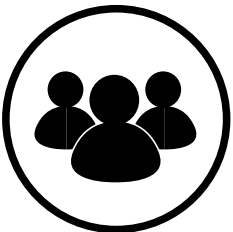
SUSTAINABILITY QUICK STATS
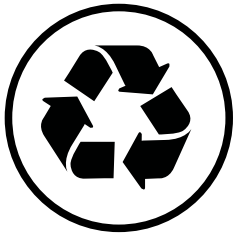
71% of catalogues are recycled across Australia (ACA, 2013).

100% of catalogues produced in Australia are recyclable (ACA, 2014).

95% of Australian households reuse/recycle their paper products, this figure includes catalogues (Two Sides Australia, 2014).

~60,000 Australians work within the Catalogue and Letterbox Distribution industries (ACA, 2014).

233,162 Australians are employed across the Commercial Print industry (PIAA, 2014).

SUSTAINABILITY QUICK STATS

$2.1 Billion, the size of the Australian catalogue industry, including Letterbox, In-Store and Newspaper/Magazine Inserts (ACA, 2014).

0.3% increase, the increase in catalogue production volumes FY14 (ACA, 2014).

$3.3 Billion, the contribution to the Australian economy of the Commercial Print Industry, including Catalogue production (PIAA, 2013).

90% of deforestation is caused by unsustainable agricultural practices, not from paper industry harvests (Two Sides Australia, 2014).

Australia's planted forests doubled in size from **one million hectares** in 1994 to **two million hectares** in 2010 (Two Sides Australia, 2014).

Sustainable forestry is the commercial norm with thirty (30) certification programmes in existence around the world and two main auditable programmes, collectively certifying **440 million hectares** of forest across the globe (Two Sides Australia, 2014).

The view from the street.

Behind every catalogue delivery is a person, walking the streets, often in the early hours, delivering to your letterbox. The number of Walkers throughout Australia is estimated at ~30,000 and they do a good job. Of the ~7.86 billion catalogues delivered last year the Distribution Standards Board (DSB), the body collecting complaint data, recorded only 365 complaints for the year – that is a near perfect success rate. Yet, what do we know about this job? The ACA spent the morning with veteran walker, Jenny Thomson, to find out the view from the street.

Jenny has been delivering catalogues throughout the Frankston area for twelve (12) years, delivering five rounds twice weekly her stories range from the practical logistics to the highly amusing.

"The most time-consuming part of the job is the collating, I have a lovely high bench and I spread all the catalogues out into delivery piles of no more than ten catalogues, it's too bulky otherwise. Sometimes it can take 30 minutes, sometimes two hours and the whole time I am hoping like heck the driver has delivered enough of each one," says Jenny.

"I have a good driver and he's never not dropped the right amount, but I always fret."

Jenny didn't plan on becoming a Walker, it's her kids fault. Her eldest boy wanted to earn money to go on an overseas trip with the school. He saw an advertisement in the paper and applied. Jenny knew he needed some support and decided to help him. She thought it was a good way for her son to raise the money he needed and she felt helping him with collating, sorting and delivering was for a good cause.

His (and his mother's) hard work paid off and he saved enough money for his overseas trip.

His older brother soon recognized this was something he could benefit from and also signed up. The two boys growing up through their teenage years paying for their mobile phones, branded sneakers and then their own cars all from walking.

"I saw pretty quickly that the boys were learning some good values. It has taught them to be great savers and manage their money. They've gone overseas, entered school programs, bought their own cars, expensive toys and phones. Things we couldn't have afforded along with everything else," says Jenny.

Occupational hazards do exist and aggressive dogs and poor weather conditions have had Jenny on the run on occasion. She explains, "Last year I put the catalogue in the letterbox and the dog grabbed the catalogues from my hand, I just dropped them and ran. I got a real fright!"

Slippery driveways, mud, pebbles and uneven footpaths are all things to be cautious of, however Winter is the hardest slog as the mornings and nights are cold and dark. Then again, Jenny says in the warmer weather with longer daylight hours, it's really peaceful to do a drop.

According to Jenny, "all Walkers are fans of Daylight Savings!" as the balmy evening distribution drops everyone enjoys it more – "even the dog!"

In the main, the job is "a bit of extra pocket money, it's good exercise and the dog gets a good walk. Nothing is really bad about it, in twelve years I've only really had two bad experiences and in the main people are really friendly. I have some homes where the people are waiting for me to deliver and we always have a nice chat, that and signing off the last delivery on the round always gives me a sense of satisfaction, there are people I know working big jobs who don't get the same satisfaction I get from my job – there's something in that I think."

And we think Jenny may well be right.

Name: Jenny Thomson

Years Distributing: Twelve years

Rounds: Five rounds

Drops: Twice weekly

Likes: Exercise, pocket money and life lessons it taught her boys

Dislikes: Aggressive dogs and slippery driveways

REFERENCES AND ACKNOWLEDGEMENTS

1. ACA Industry Report 2012/13, Australian Catalogue Association, Australia Post, 2013

2. ADMA and Australia Post, Creating connections that matter: How Australians want to hear from brands, American Forest and Paper Association, March 2013

3. Areni, Charles S. and Miller, Rohan, Sales effects of in-store radio advertising, Journal of Marketing Communications, The University of Sydney, Routledge, June 2012

4. ASTRA, ASTRA Subscription Media, 2014 – Audience Reach, Australia Post, 2014

5. Auld, S.; Crowe, A; and Northwood, K., Annual Industry Report 2013, 2012

6. Australasian Catalogue Association, Australia Post, PMP Limited and Salmat, Letterbox Volume Statistics, 2014, Independently commissioned with BDA Market Planning, 2014

7. Australia Post, Letterbox, Post Office Box and General Business Delivery Point Data – ELMA – www.elma-europe.com, 2012

8. Australian Address Reference File (AARF), Australian Address Reference File (AARF), Two Sides – Australia   2014

9. Australian Bureau of Statistics, Australian Demographics Statistics 2013, Printing Industry Association of Australia, 2014

10. Australian Bureau of Statistics, ABS Household and Family Projections 2001 – 2026, Australian Catalogue Association, 2014

11. Australian Bureau of Statistics, ABS Population Clock – Salmat, 2014

12. Australian Bureau of Statistics, Census Population & Housing 2011, Melcher Media, North Point Press 2013

13. Australian Catalogue Association, Australia Post, PMP Limited and Salmat, Letterbox Volume Statistics, 2013, North Point Press, 2002

14. BDA Market Planning, Retailer Purchase Influence Study, The Neilsen Company, 2013

15. Commercial Radio Australia, Commercial Radio Australia, 2013 – Audience Reach, Australian Catalogue Association, 2014

16. European Letterbox Marketing Association, ELMA Pan-European Census 2012, PwC, 2014

17. Free TV Australia, Free-To-Air, OzTAM and RegionalTAM – Audience Reach, Commercially Retail, 2014

18. Girling, Nicholas, Printspace : Catalogue Case Study, 2014

19. Healey, Bill, PIAA Metrics, 2014

20. LDN, Smart spending, Roy Morgan Research Ltd., September 2013

21. Magazine Publishers Australia, Magazine Publishers Australia, Roy Morgan December 2012, FIPP World Trends – Audience Reach, Roy Morgan Research Ltd., 2012

22. McDonough, W. and Braungart, M., The Upcycle : Beyond Sustainability – Designing for abundance, Fourth Estate, London, 2012

23. McDonough, W. and Braungart, M., cradle to cradle : Remaking the Way We Make Things, AMP Capital, 2012

24. Nielsen Consumer and Media View, 2014

25. PwC, Outlook – Australian Entertainment and media 2014–2018, Free TV Australia – www.freetv.com.au, e 2014

26. Roy Morgan, Roy Morgan Single Source (Australia), ASTRA – www.astra.org.au, e 2014

27. Roy Morgan, Media Most Useful (Australia), Australian Government, e 2014

28. Roy Morgan Research, How we collect and process Single Source data in Australia, Magazine Publishers Australia, e 2014

29. Roy Morgan research, FIPP World Trends, Commercial Radio Australia – www.commercialradio.com.au, e 2014

30. Sansom, Ian, Paper An Elegy, The Newspaperworks – www.thenewspaperworks.com.au, 2013–2014

31. Shopping Intent Report, AMP Capital, Australian Government, 2011

32. The Newspaperworks, emmaTM, Australian Government, 2013

33. Thomson, Jenny, Walker – View from the street, Australian Catalogue Association, 2013

34. TSA Limited, Two Sides Australia – Myths and Facts, Australasian Catalogue Association, 2014

35. TSA Limited, VoPP Industry Report 2014, Value of Paper and Print – www.valueofpaperandprint.com.au, 2014

36. Wood, Stuart, Commercially Retail – Advertising Share of Voice in Catalogues, 2013