

# Why the letterbox is the newest shopping channel

Do you think the rise of online shopping is set to put the catalogue industry out of business? Think again, writes The Real Media Collective CEO Kellie Northwood



We've all got one, standing proudly at the front of our homes, some brightly coloured, some discreet slips hidden in a wall with many others – our letterbox. The letterbox, once filled with bills and bad news, is now a place for parcels and shopping. Our newest shopping channel in a consumer-savvy era, and how brands capture this, is seeing the rise of the real with catalogues and letterbox marketing taking front row.

The catalogue hasn't gone anywhere. With a 2.6 per cent circulation growth last year and an audience reach of 20.3 million Australians, the catalogue has maintained resilience in an ever-evolving marketing toolbox. We have so many channels, new disruptors, established bastions, omni, multi, keep on adding the new terms and jargon, yet still catalogues have remained stable. But how? Is the catalogue of today the same as it was five, 10, 20 years ago? How can we understand this more and how can we understand how consumers are using catalogues in today's busy world? We decided there was only one way to find this out – ask them. So we did.

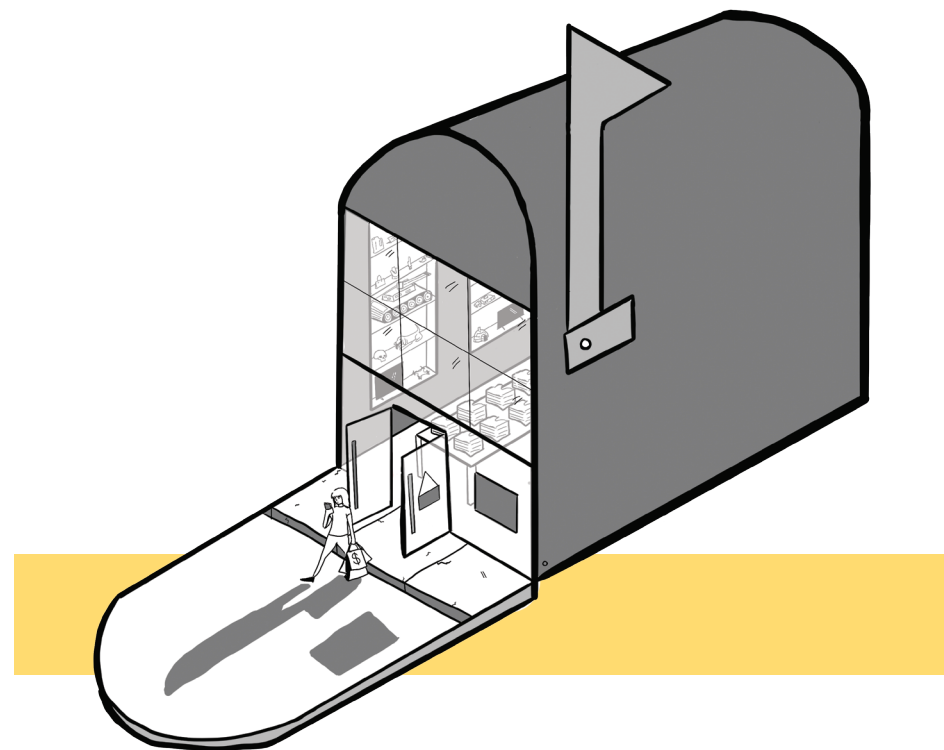
We wanted to understand if all the innovative thinking and strategy being developed in the agencies and marketing think tanks was resonating. What do consumers think of catalogue and letterbox marketing? The learnings have been staggering and only the beginning of a journey. Starting with a partnership with Roy Morgan Research to gain qualitative data, the focus groups were rolled out. Participants explored how they perceive catalogues, why they go to their letterbox, what they like and dislike, who they share catalogues with, what do they use them for, how regularly and more.

Consumers' language when explaining what catalogues mean to them was emotive, yet empowering. "It's a form of window shopping, instead you're doing it in your nice cosy chair without leaving home." Consumers complain when catalogues don't arrive and the industry knows when a distribution window is missed – the calls are overwhelming with complaints from those waiting. This point shouldn't be lightly dismissed. Ponder it for a moment. If Channel Nine didn't run advertisements in a program how many viewers would complain? Catalogues are honest, and consumers know it and welcome it. They engage on their terms and therefore the messaging is far more compelling.

Catalogues were reported as a 'useful tool' that provides 'ideas', 'price comparison' and 'value'. "You get ideas from catalogues. Sometimes you go through ones and you think, 'oh, I like that' or 'I like the way that bedroom has been put together' and go and copy it. I actually have done that." This thinking about catalogues and letterbox marketing could once have been exclusive to magazines only. However, as the advertising and marketing landscape has changed, so have consumer perceptions and engagements.

Major brands including David Jones, Myer, Coles and more are tapping into custom publishing, or magalogues if you will, to offer stronger brand equity to their readers. This is usually executed through a series of look books that offer styling tips rather than simply pushing price.

Retailers are also pushing the print boundaries through paper stock and imagery to saturate the pages and stimulate the senses. This evolution may be part of the language changes from consumers, as they discuss catalogues less as a sales only piece



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How consumers shop is changing radically, and with the expansion of online retailers and online shopping, the catalogue becomes a physical touchpoint. It is why Amazon has developed the 'Toy Catalogue', why JC Penny returned to its publication, Big W redefined its styling, and so the list goes. Retailers know that the catalogue is not only an advertising channel to sell more products, but also a brand driver and firm presence in the home.

Within the focus groups, much conversation revolved around share-ability. Consumers report they not only share within their home, but share amongst their wider family and friends. "We have a WhatsApp group for the family. We'll

screenshot stuff from catalogues we think each other might like. My sister lives out of town, so she's always sending me screenshots of things to get for her, or ideas for the kids' birthdays when the toy catalogues come out."

When asked would they interact with the brand within social media, this was immediately rejected. Social is for friends, not brands. It appears the empowerment and fluidity of how consumers interact with catalogues is endearing with both consumer and retailer knowing their role and boundaries.

Consumers perceive catalogues as one of the few marketing channels where they retain full control and engage when they choose to, as opposed to other advertising that is disruptive. This is where the common phrase 'retail therapy', which was once associated with making a purchase, has now found its new meaning in catalogues. The so-called 'therapy' begins with flicking through the pages at the consumers' leisure – it's enjoyable, relaxing even. "Catalogues aren't in your face like TV ads or those pop up ads online. I choose to read the catalogues when I feel like doing so. Like when I'm having a cup of tea. It's my choice."

The findings were clear – the letterbox is open for business, moving from a transactional portal to a place where new shoes, sneakers and even hardware items arrive. Partnering these deliveries with custom publications or catalogues is key to ensuring the next purchase, the inspirational trigger.

*For more information on the research, go to [www.therealmediacollective.com.au/industry-reports](http://www.therealmediacollective.com.au/industry-reports)*