



NZ/
INDUSTRY BREKKIE

How New Zealanders use Catalogues: Qualitative research findings

The Real Media Collective

Presenter: Laura Demasi, General Manager,
Social and Consumer Trends, Roy Morgan

February 27, 2019



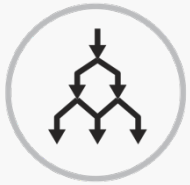
In today's presentation

Our approach

Insights from qualitative research:

- Perception of different types of Direct Mail, where catalogues sit in the media universe
- The role of catalogues: Price vs Inspiration drivers
- The role of catalogues on the Path to Purchase

Our Approach



Methodology

Qualitative focus groups



Target Audience

Catalogue readers

- Heavy
- Medium
- Light

Made a purchase in last 4 weeks



Sample Size & Source

Two groups, mixed gender conducted during December, 2018

- Auckland
- Wellington



Purpose of the research

Explore catalogue usage in New Zealand, following recent work conducted in Australia and new quantitative metrics launched in AU market

Setting the scene...

- Perception of different types of Direct Mail
- Where do catalogues sit in the broader marketing channel universe?
- How consumers use catalogues and Electronic Direct Mail together

How consumers perceive different types of Direct Mail

Catalogues



“Catalogues are the ones you get all the time, every week or every few weeks.”

We call them “catalogues” too

Brandzines



“I keep these ones for a few weeks, put them on the coffee table.”

We call “magazines”

Addressed / non addressed mail



“These usually go straight into the recycling. Sometimes I'll open the charity ones.”

We call “junk mail”

- Very useful
- Considered shopping tool
- Clear & transactional relationship – I give my attention in exchange for discounts

- Not as useful
- Considered ‘marketing’
- What’s in it for me? Benefits unclear

As fewer bills arrive via the letterbox its role is evolving into a shopping channel, which catalogue lovers regard with anticipation



In an era of multi-tasking, distraction and short attention spans catalogues have become a powerfully intimate way to engage

Consumers perceive catalogues as one of the few marketing channels where they retain full control, engaging when they choose



Engaging on my own terms

"I like to sit down and read the catalogues when it suits me. I get to pick and chose the ones I'm interested in. I'm in control of what I choose to look at."

Catalogues are uniquely placed in the marketing channel universe

Catalogues drive purposeful, welcome engagement, in contrast to television and online advertising which consumers described as 'intrusive' or 'background noise' easily 'zoned out' from or 'ignored'



Catalogues



EDM



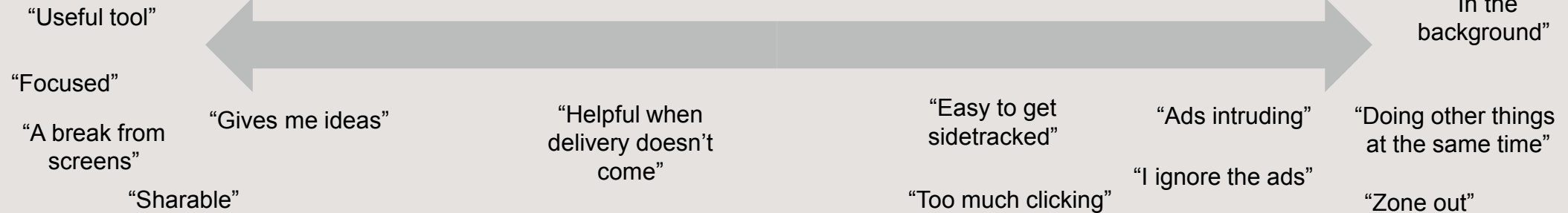
Digital catalogues



Online



TV



Catalogues are a valued tool in the modern shopping ‘tool kit’ – which mixes digital and traditional channels

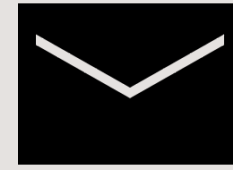
Consumers use Electronic Direct Mail and Catalogues together to get the best savings



Catalogues

Catalogues prompt me to buy things and show me things I didn't know I wanted

"I like the catalogues because you see new things. Often things you weren't thinking of buying before you saw them in the catalogue."



Electronic Direct Mail

EDM shows me more of what I already know I like

"They are all handy – online catalogues, catalogues in the mail, the emails you get. The emails are good because they know what you like to buy already so they are really relevant to me."

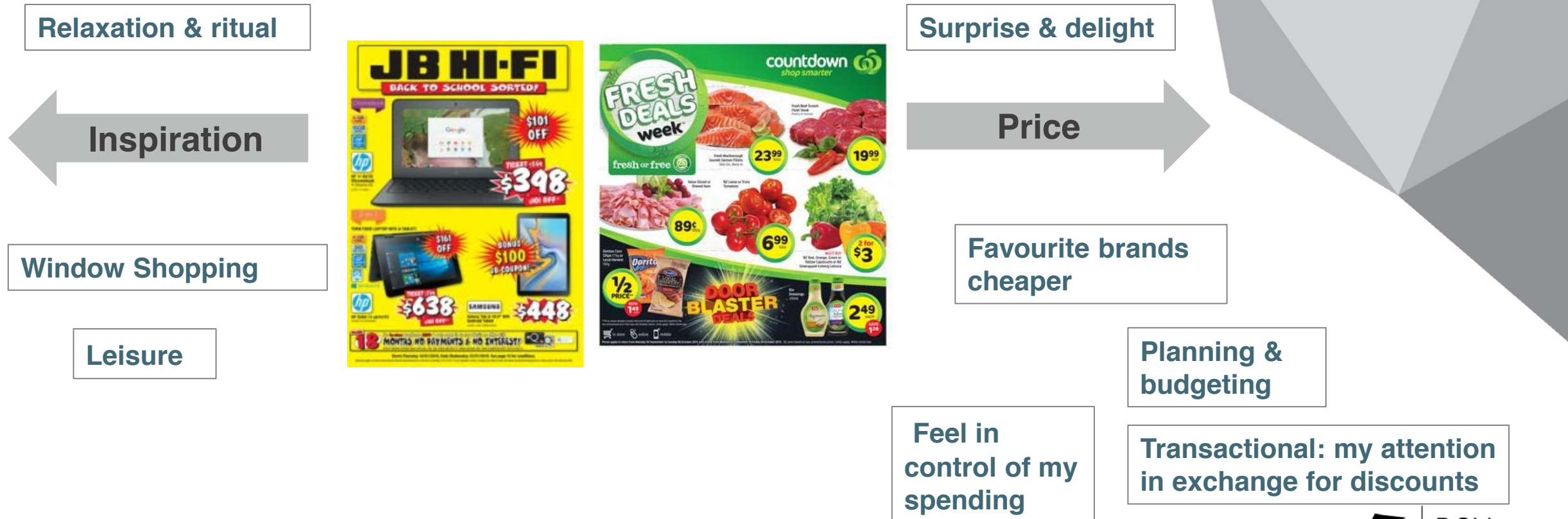
It's important that retail experience doesn't disappoint us by failing to deliver on the catalogue's promise

"It annoys me when they say till 'stocks last' and they don't tell you that there's only 10 of them, so by the time you get there they're all sold out. It's like they bait you to get you into the store."

The role of catalogues



Inspiration and price saving are the key drivers of catalogue engagement



We read catalogues to relax

“Reading through the catalogues are my way to unwind. I’m a school teacher so at the end of the day I like to read something that it isn’t too demanding.”

“It’s enjoyable. It’s light reading, I don’t have to think too hard.”

We read catalogues to take a break from screens

“I still read catalogues. Computers are a means to an end for me – for business and to get things done. I don’t spend time on the computer to relax. I’d much rather flick through a catalogue for that.”

We read catalogues to give us ideas and inspiration

“They give you ideas. Like the Harvey Norman catalogue. I was looking for a lounge and I loved the way the whole living room was set up in the catalogue, I wanted to buy all of it.”

“I love the recipes in the supermarket catalogues, they give me ideas and inspiration for what to cook.”

We read catalogues to help us save money on daily essentials

"I run a household of 6 kids so I need to shop smart. I use the catalogues for price comparison."

"I shop at all three supermarkets. I like to see what's on special so I read the catalogues first. Pak'n'Save doesn't have a catalogue, which is a shame."

Catalogues remind us of what we need to buy and send us instore

"I read the supermarket catalogues religiously. They prompt me for the things I need to buy."

"When I have something in the back of my mind that I know I need to buy, like I need a new phone at the moment, if I see it in a catalogue it reminds me, so it gets me into the stores to look."

We love to share our favourite catalogue finds via DIY Social, making catalogues message and mobile friendly

"I just enjoy it, I like to sit down and read them with a cup of tea to unwind."

"I take photos of the recipes in the supermarket catalogues and send them to my sister."

"My daughter lives in Sydney and she sends me photos of things in catalogues she wants for her birthday or Christmas."

We use catalogues as general research and to discover things we didn't know we needed or wanted

"You see things and you get ideas. Things you didn't even know you needed or wanted – the fish smoker I just bought."

"I like to know what things cost so I know I'm not being ripped off."

"Catalogues are an easy way to research. I like to see what's available out there to buy and how much it costs."

Catalogues aren't just about specials, they can be useful reference guides we like to hang on to

"I love the Milly's Kitchen catalogue. It's really comprehensive. You see things in it you wouldn't see in the store because the store is so big and there are so many products. I like to look at the catalogue first to research, to see what the new products are, so then I know what to look for when I got to the store. It's not the type of catalogue you read for specials, it's a reference guide."

Catalogues reach everyone in the household, there's something for everyone

"In my house we divide up the catalogues when they arrive. I go through them and give all of the car, electrical and hardware ones to my husband and he goes through them and usually goes up to the stores to stock up on what's on special. I keep all of the ones I like – the supermarkets, the cooking stores. I give the jewellery and fashion catalogues to my daughter."

Including the kids, who love reading catalogues too

“My 11 year-old likes to read the catalogues, she marks the things she wants. It’s her form of window shopping.”

“The kids love reading the toy catalogues. I don’t mind the kids going through them - it gets them away from screens.”

We sometimes seek out digital catalogues but we prefer to read them in hard copy

"I look at the PDFs of the catalogues online but it's just not the same. I like the feel of paper in my hands."

"I like to read online catalogues too but they are hard to use; hard to look at on your phone, the formatting is hard to flick through, it's hard to turn the pages."

"I love the Bunnings catalogue. I like the hardcopy, so I can keep it for reference later when I need something."

Catalogues show us products in context

“Ezibuy – I love it. I like to see how the whole outfit looks. I’d rather buy from the catalogue than the shop.”

We like to take our catalogues with us instore

"I like to go through and circle what I want. I take the catalogue with me to the store to show the person exactly what I want, so I don't have to find it myself."

Catalogues can trigger a more protracted customer journey involving an intense research phase

"I needed a new sound system so I started collecting all of the electrical catalogues and studied them. Then I called the stores to ask questions. It started the research process for me."

"It's much easier to do research with the catalogues. I wouldn't start by going to the stores first."

Catalogues create desire

“Catalogues are an awareness thing for me, they bring things to mind. I was looking at the Countdown catalogue and they had prawns on special. I wasn’t looking to buy prawns but it put the thought in my mind and I thought, mm.. they look good, so I went up and bought some.”

But if we can't find the sale date it annoys us

"It's really annoying when you can't find when the sale ends. It's usually on the top or bottom corner somewhere, it's hard to find. I don't understand why they do it. That's the whole point of the catalogue, to buy the thing when it's on sale."

"Sometimes I'll see something in a catalogue and make a trip to the store to buy something and they say, 'oh sorry, the sale doesn't start still Tuesday,' and they've sent me the catalogue the week before and there's no obvious sale date on it."

Catalogues on the path to purchase

Catalogues on the path to purchase

Read catalogue

Path 1: Straight to store

- Most likely for supermarket
- Wait until weekly shop
- Special visit to store



Call store or visit website to check availability



Share with friends / family

Purchase



Path 2: Detour via online research

- Major purchase
- Unintended purchase



Visit brand website for more details



Visit competitor websites for price comparison



Search for online product reviews



Visit store, sometimes checkout competitor stores

Purchase



Read catalogue

Path 3: A need to fulfill

- Specific need, 'I need a new dryer'
- Catalogue part of 'research' phase of the customer journey



Visit competitor websites for price comparison



Search for online product reviews



Visit store, sometimes checkout competitor stores

Purchase



No purchase



- Not in stock
- Disappointing retail experience; can't find item, staff not knowledgeable
- Competitor offered cheaper price
- Product quality disappointing
- Out of colour, style, size etc

Read catalogue

Path 4: Inspiration

- Triggering desire
- Often based on price
- Often medium-major purchase
- Novelty purchase, eg Aldi



Call store or visit website to check availability



Share with friends / family



Visit store

Purchase



No purchase



- Not in stock
- Product quality disappointing
- Out of colour, style, size etc
- Sometimes buy something else

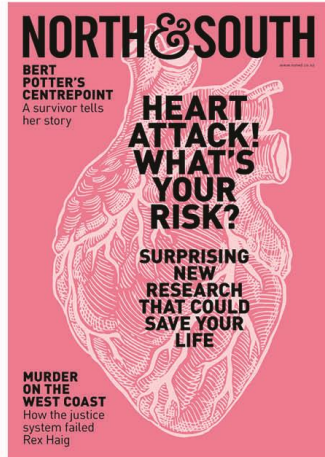


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MEDIA GROUP

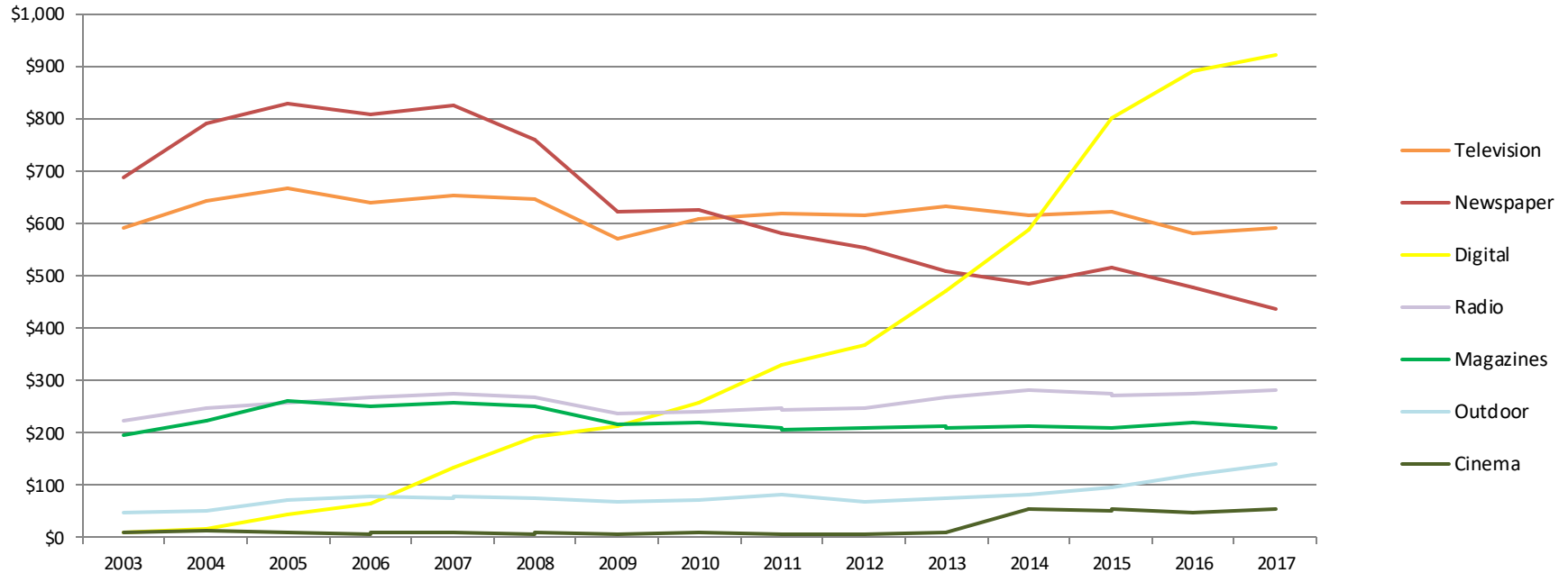
WHO AM I?



Ben Fahy

EDITORIAL DIRECTOR,
CURRENT AFFAIRS.

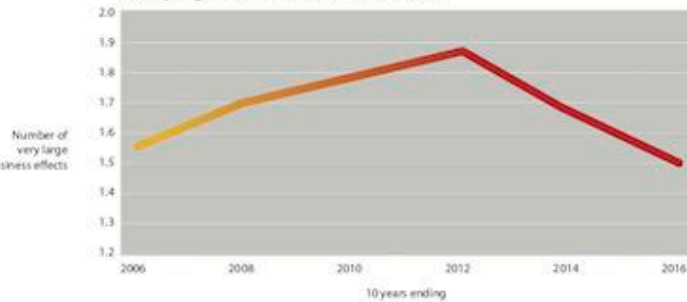
ADVERTISING REVENUE



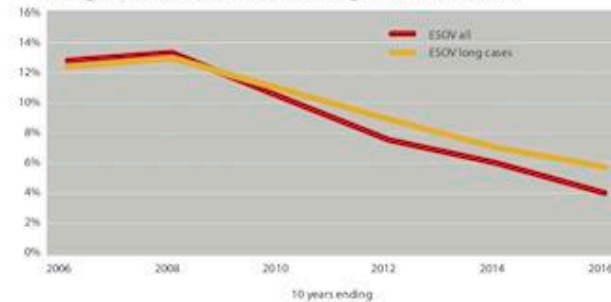
Short-termism on the rise

Some emerging and destructive trends in effectiveness

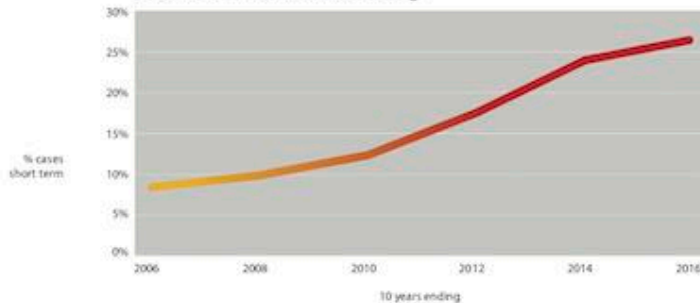
Campaign effectiveness has fallen



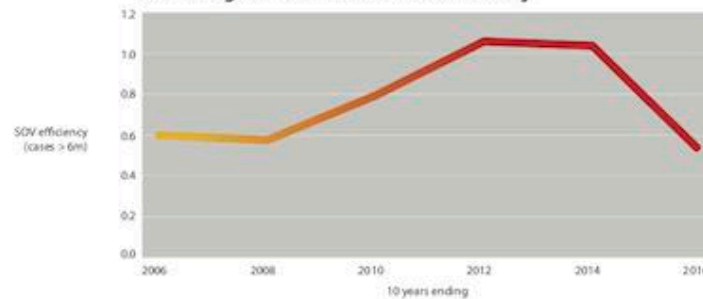
Budgets (ESOV) have been falling across the board



Short-termism has been rising



Even long-term cases have lost efficiency



Peter Field



“There is a major price to be paid for [a focus on short-term activations] in terms of reduced long-term growth and profitability.”

The Ad Contrarian



“As an ad medium, the web is a much better yellow pages and a much worse television.”

REALITY

PERCEPTION

EBIQUITY REPORT

WHAT ADVERTISERS & AGENCIES ARE SAYING

What advertisers and agencies say

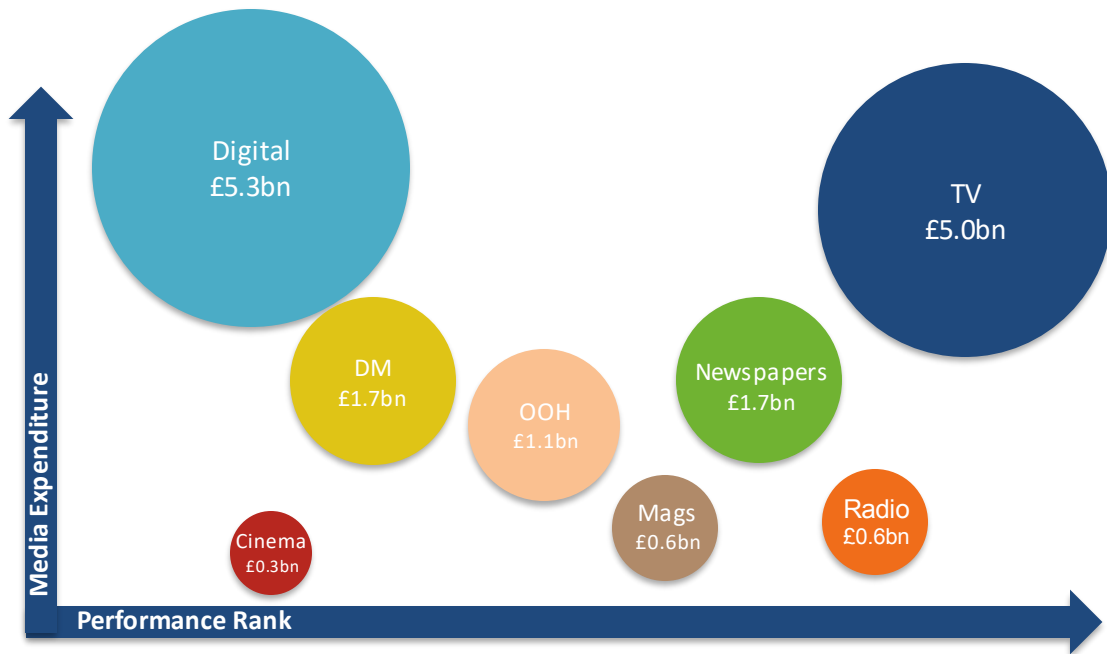
1	TV	48.9
2	Online video	41.6
3	Social media	41.3
4	Out of home	39.6
5	Cinema	39.1
6	Radio	38.9
7=	Newspapers	36.3
7=	Direct mail	36.3
9	Online display	35.5
10	Magazines	35.1

Base: All n=116, each respondent rated 2 attributes

OVERALL PERFORMANCE RANKING

What the evidence says

1	TV	107.1
2	Radio	103.2
3	Newspapers	87.8
4	Magazines	79.5
5	Out of home	71.7
6	Direct mail	67.0
7	Social media	65.8
8	Cinema	61.4
9	Online video	57.6
10	Onlinedisplay	50.0



FOUR MAIN DRIVERS

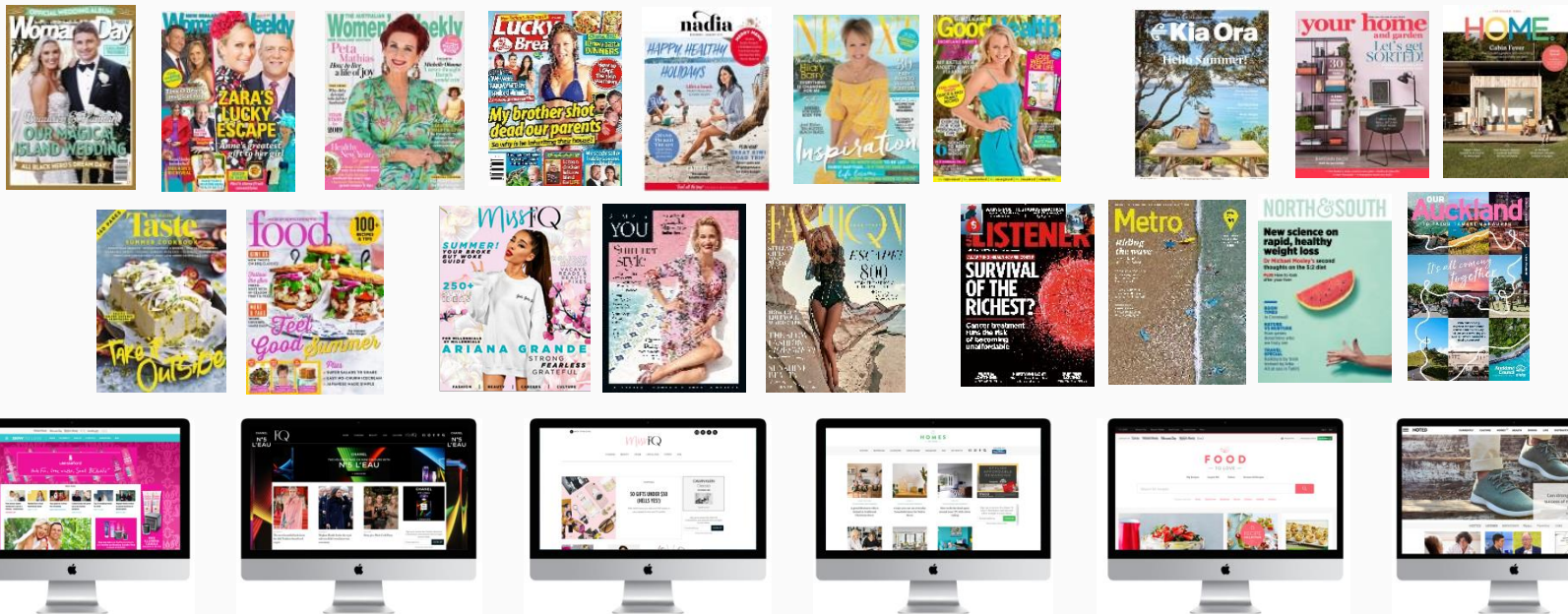
FOR MEDIA SELECTION

1. Clear Targeting
2. Ability to show strong ROI
3. Emotional response to a message
4. Increased brand salience

DAVID THOMASON
Chief Strategist, FCB New Zealand

BRANDS & AUDIENCES

3M New Zealanders have read our magazines in the past year
and Bauer digital network has 1.4M visitors per month



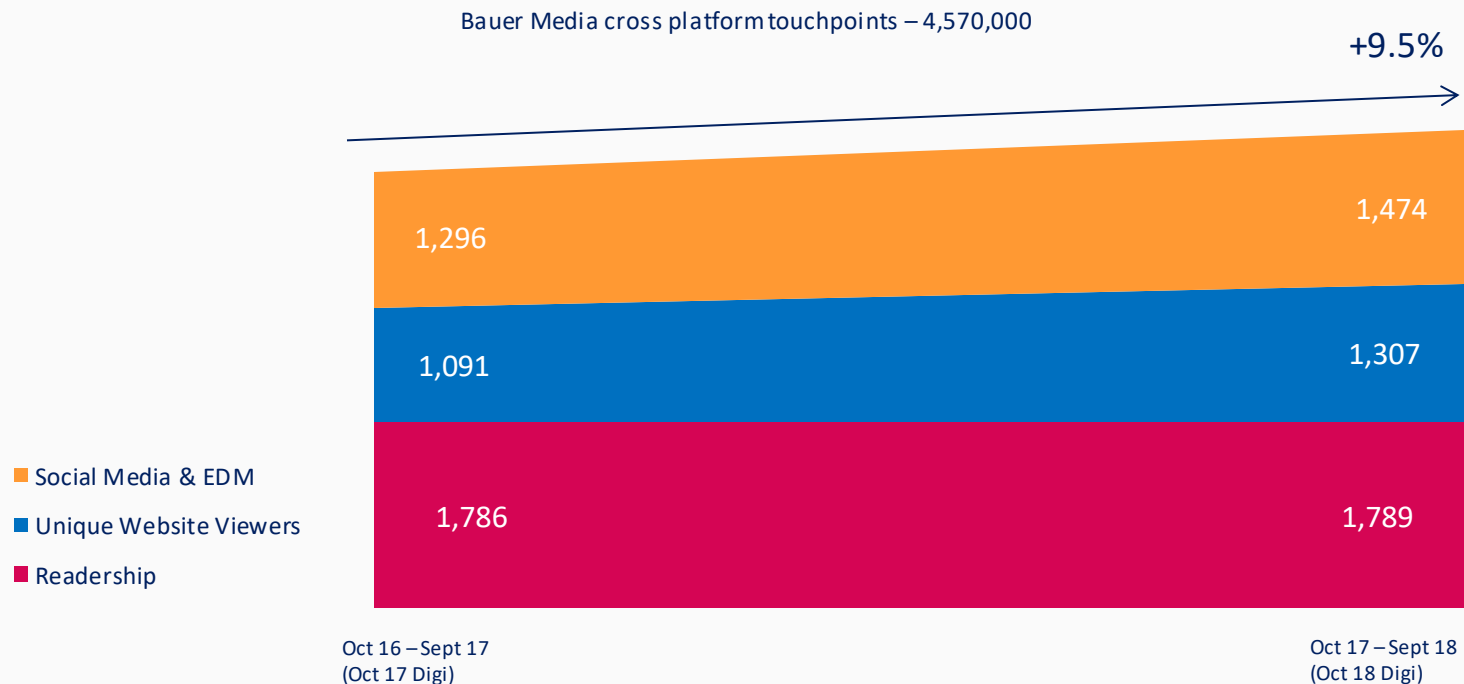
MASS WEEKLIES

FEMALE LIFESTYLE

PREMIUM LIFESTYLE

SOURCE: NIELSEN CMI (OCT17-SEP18).
GOOGLE ANALYTICS OCT 18.

HOW NEW ZEALANDERS are connecting with us

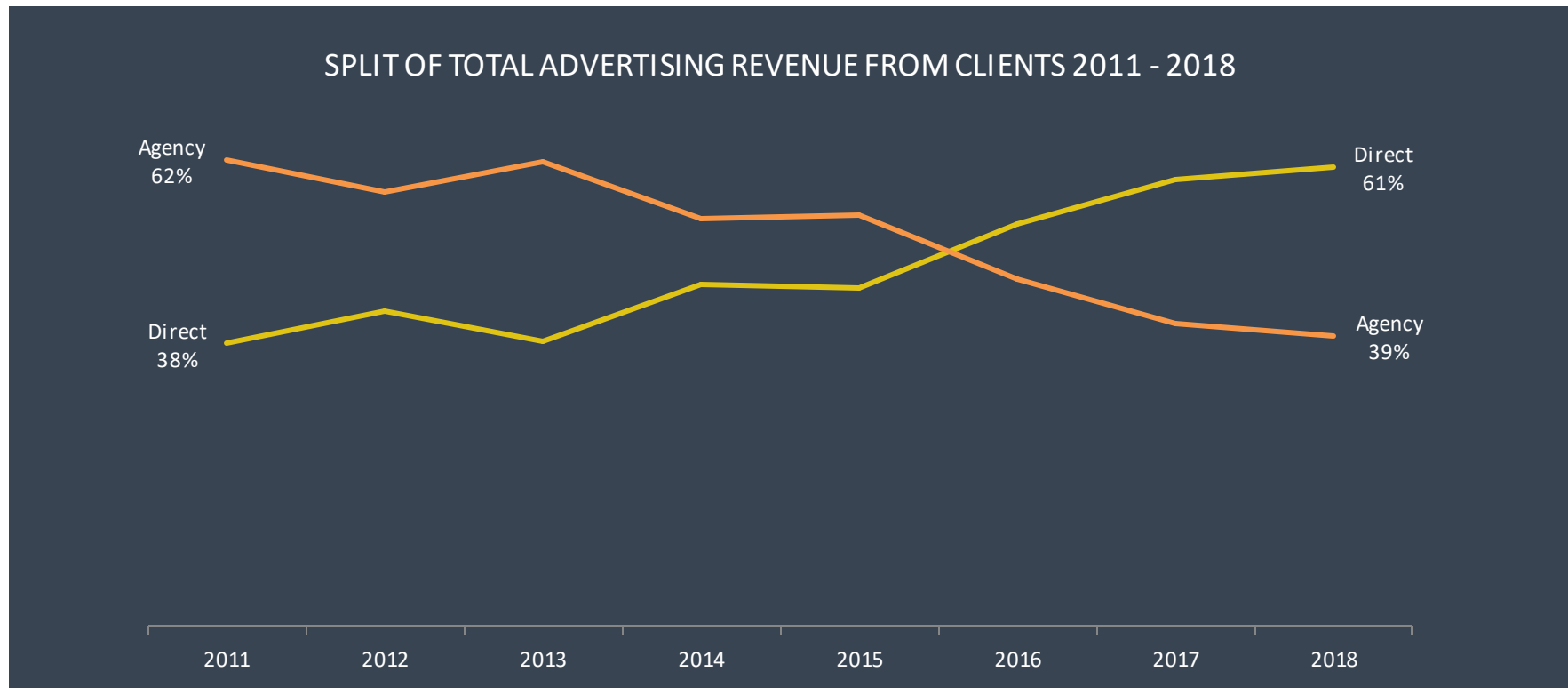


SOURCE: GOOGLE ANALYTICS JULY16 VS JULY18, UNIQUE AUDIENCE FIGURES DUPLICATED. SOCIAL AND EDM NUMBERS TO JULY18. NIELSEN CMI (APR15-MAR16 VS. APR17-MAR18). SINGLE ISSUE REACH BAUER CONSUMER TITLES, LIKE WITH LIKE TITLES MEASURED.



MEDIA GROUP

THERE HAS BEEN A SHIFT IN THE TYPE OF CLIENTS WE'RE WORKING WITH



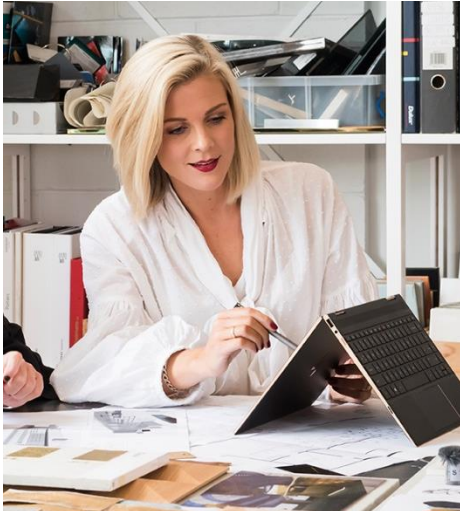
THEN

BRAND ADS
ADVERTORIALS

NOW

BRAND AD
NATIVE
SPONSORED CONTENT
DIGITAL DISPLAY/CONTENT
LIVE EXPERIENCES
SAMPLING
COMPETITIONS
COOK BOOKS
INFLUENCERS
VIDEO
DIGITAL PLATFORMS
ONE SHOTS
CATALOGUES
EVENT MANAGEMENT
INSIGHTS
GOODIE BAGS
LICENSING
AND MORE

HP SPECTRE 360
the REINVENTORS



DESIGN
MATERIAL CREATIVE



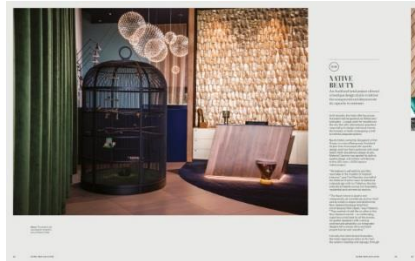
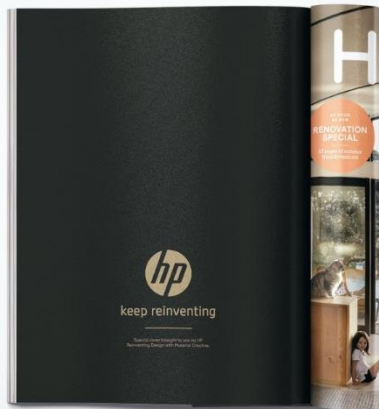
MUSIC
SACHI



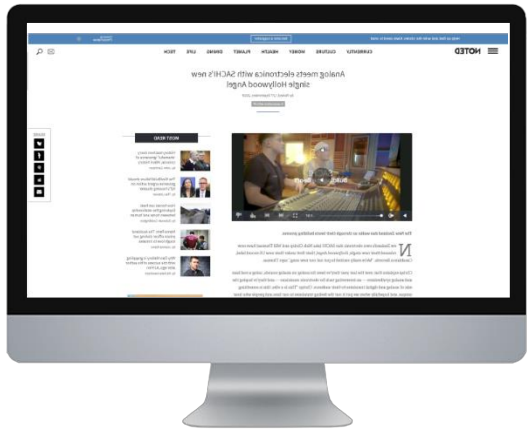
FASHION
HARMAN GRUBISA



REINVENTING DESIGN
MATERIAL CREATIVE



REINVENTING MUSIC
SACHI







*The
California
Sunday
Magazine*

LISTEN.

Just

bring

th i s
outside

Be an Outsider

No, seriously. Take this outside.

Where days have names
like beach, snow and bluebird.

And where the smell of a campfire
means you're in the right place.

You don't need a passport to come here.

An invitation to play here.

Or a membership to belong here.

Just step outside your front door,
and you've arrived.

You can forget your age, your worries,
even your bathing suit.

Just don't forget to bring your friends.

It doesn't matter where you come from.

Only that you come often.

So wherever you are, join us.

Because on the inside, we're all outsiders.

And if it's outside, we're all in.

Be an Outsider

No, seriously. Take this outside.



The Atlantic

In 2006, The Atlantic derived 86% of its revenue from print, including both ads and subscriptions. In 2017, print accounted for 19% of The Atlantic's revenue. Its live events business now hosts nearly 150 events a year and accounts for 16% of the brand's revenue. Digital took over from print in 2011 and made up the vast majority of revenue, around 60% of it from native campaigns, and it also created a digital consulting business that accounts for about 10%.

Bob Cohn, chair



“A crisis is a terrible thing to waste.”

The age of diversification



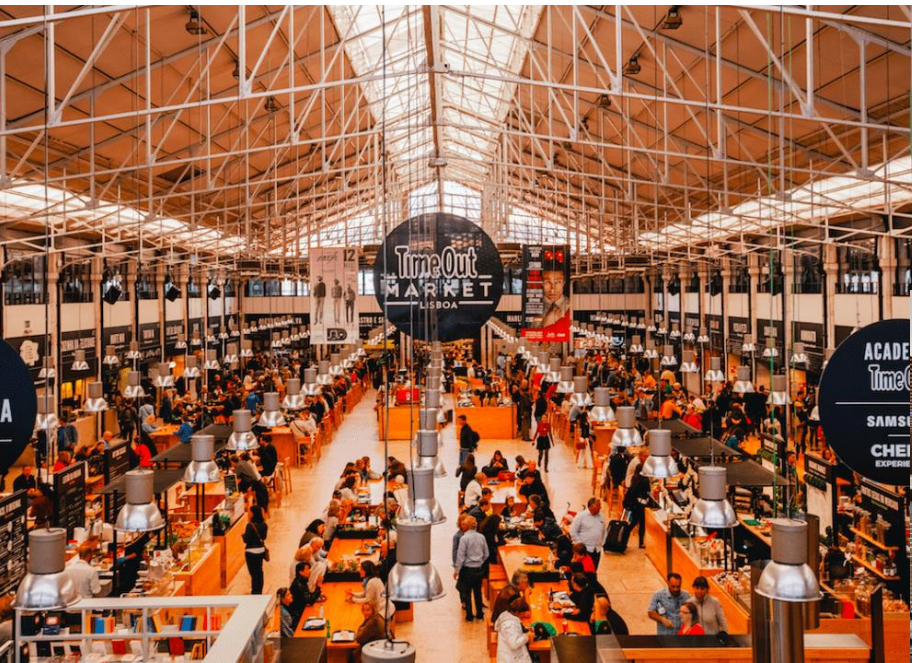


Complex Media



Buzzfeed





Metro



Urbanaut



Allbirds



ROTY recipes, Top 50

Custom publishing





THE INSIGHTS POWERHOUSE

- Deep understanding of New Zealand and Australian consumers is part of our DNA.
- Trans-Tasman team of 14
- Proprietary Research panels;
 - All Woman Talk & His Call 10,000+ New Zealanders
 - The Insiders- 10,000+ Australians.
- Multi-channel recruitment strategy to drive representativeness.
- 10 year knowledge bank with an average of 150 studies per year.



PROVEN PARTNERSHIPS

Showcasing Our Client Work



*Successful insights relationships with many well known
New Zealand brands*

Howard Luck Gossage



“The real fact of the matter is that nobody reads ads. People read what interests them, and sometimes it’s an ad.”

Ziera



ZIERA WELCOME

Introducing Ziera's stunning new season collection

Hello and welcome to the latest edition of our Ziera magazine showcasing an exciting new season of the shoes, you and your feet love. From sophisticated sandals to laid back loafers, the new collection from Ziera promises summer love for everyone.

Drawing inspiration from around the world, luxurious leathers, riveting metallic detailing, zesty colors and animal prints all feature heavily this season - making tone of our most fashionably diverse yet.

At Ziera we embrace each woman's uniqueness. We know you're style savvy and you like fresh, cool on-trend shoes, but you have no room's a girl for fashion that is a pain. Our Spring/Summer collection is designed to be the fashion woman has to trade fashion for comfort this season.

Ziera shoes are beautifully made to fit using only the highest quality materials that deliver a completely distinctive take on style with substance.

In this new season magazine you'll not only learn how to incorporate the latest trends into your wardrobe this summer but we'll also show you how to look your best with insider tips and tricks.

Our innovative and interactive online magazine app is also back. Here you can find even more style inspiration with extra content, expert advice and a special video. Tap to engage for all the details on how you can download your own copy for free. Consider it a special gift of shoes can change your life, so what are you waiting for?

Love Ziera

PS Let us know what you think of our magazine; email us at ziera@magazine@ziera.com.



All prices correct as of September 1, 2015. The prices of shoes may vary due to exchange rates and other factors. Please check our website for the most up-to-date information.

SUMMER SHOWCASE

Ziera's Group Design Leader Angela Roper shares the inspiration behind the key shoe looks for summer 2015

WILD ABOUT CAMO
Spring/Summer 15 sees the arrival of the Mermaid Camo, a stylish update on a perennial favourite. We've given this popular slide a new direction, with an abstract jungle-like feel to deep shadow tones. The cross strap is another fresh twist on this classic.

SHINE ON
The Dana in Black Stingray is a step on from the reptile texture of last season. The Dana's clean lines show off the rich caviar finish accentuated with a chic metallic trim for a touch of glam.

IN THE SWIM
White continues to grow in popularity, with this season's wet-look patent playing on poolside themes. And the Lina Off-white loafer fits every bit as comfortably as its soft luxe look suggests.

MONO MANIA
With the popularity of prints this season, we've created a graphic pattern that flirts with the black and white trend. While looking like a modern flat, the Devan in Black/White Mania has an internal wedge to provide underfoot comfort and support.

WALK TALL
Ethno-chic is a growing trend, with the combination of woven texture, basket weave, braiding and African-inspired prints. The platform has been rocking the catwalk and high street for a few seasons now and our Woven in Tan Weave gives you the best of both worlds: added height while keeping your feet flat all day long.

MIRROR MIRROR
Metallic finishes remain a strong trend, with high-shine, mirrored surfaces particularly in favour. Silver and gold prevail, replacing the rose gold of previous seasons. Tera combines high-shine Silver with Navy to create a fresh take on the black nail.

F A S H I O N

Affiliate Marketing

Across our network we are writing custom stories every day around Lifestyle, Food, Homes, Current Affairs, Fashion, Beauty and Travel content.

When advertisers become an affiliate partner we can place buy buttons on relevant product mentions that click through to advertisers sites and generate new leads and online sales.



Shoppable Imagery



Wearables

Fitness technology is constantly improving to offer new ways to take control of your personal health goals. Amp up your exercise routine with a set of Bluetooth headphones for connectivity and of course, an epic workout soundtrack. For



Loyalty NZ



Mary Direen



“There’s nothing quite like having something physical in your hands that you can look through and our research shows that families will sit down and go through the guide and circle the things they want and the kids can pick out the toys they might want for Christmas.”

Gary Vaynerchuck



“Jab, jab, jab, right hook. Provide value, provide value, provide value, ask for the sale.”

Resene



Kia Ora

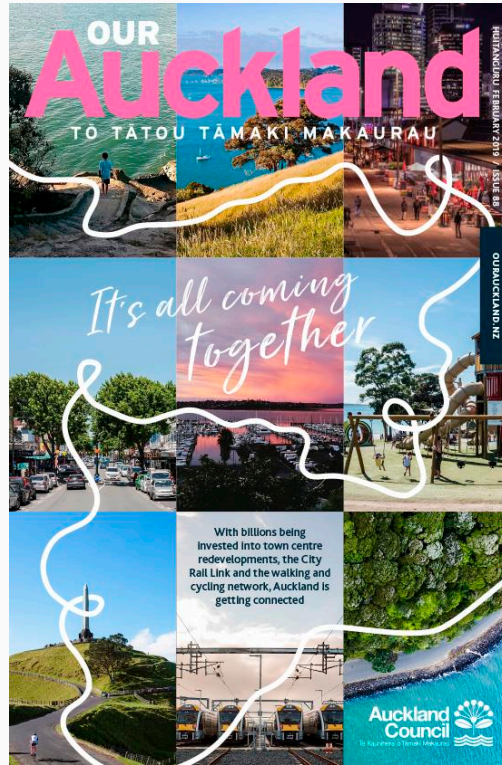


Carly Wigley



“It’s a really, really important touch point and a reflection of who we are and what we represent. It’s [predominantly] an entertainment piece, but it also give us the opportunity to engage with our customers and share our stories with them.”

OurAuckland launch





84% of Aucklanders
agree it's important to know
what is going on in your city

The big plan

MISSION STATEMENT

OurAuckland is a publishing partnership between Auckland Council and Bauer Media, two organisations that share the goal of pushing Auckland forward. It acts as an ambassador for the region, celebrates its unique identity and unifies Aucklanders in shared experiences and conversations. Through a blend of inspiration, discovery and utility, OurAuckland encourages readers to uncover all corners of their city and informs them of the diverse issues that matter so they can live a more fulfilling and engaged life. OurAuckland provides the news you can use in an energetic, optimistic, inclusive and fun way. A catalyst for both celebration and change, OurAuckland drives pride in the city, its council and a deep sense of connection for all Aucklanders.



On the up

THERE ARE MANY REASONS FOR ESTABLISHING THIS PUBLISHING PARTNERSHIP. BUT THERE ARE THREE MAIN ONES.

1

Bauer's scale will save ratepayers money

2

Bauer's content creation skills and insights expertise will create a better, bigger and more engaging magazine

3

Bauer's focus on the magazine will free up internal council resource

BUT WAIT, THERE ARE EVEN MORE REASONS.

4

Content efficiencies with the opportunity to repurpose content across platforms

5

Perception changes around Auckland Council and its actions.

6

Greater satisfaction with stakeholders – both internal and external as well as partner organisations.

7

Opportunity to grow sponsorship and partner relationships as well as establish new strategic partners.

8

Increased attendance at events.

9

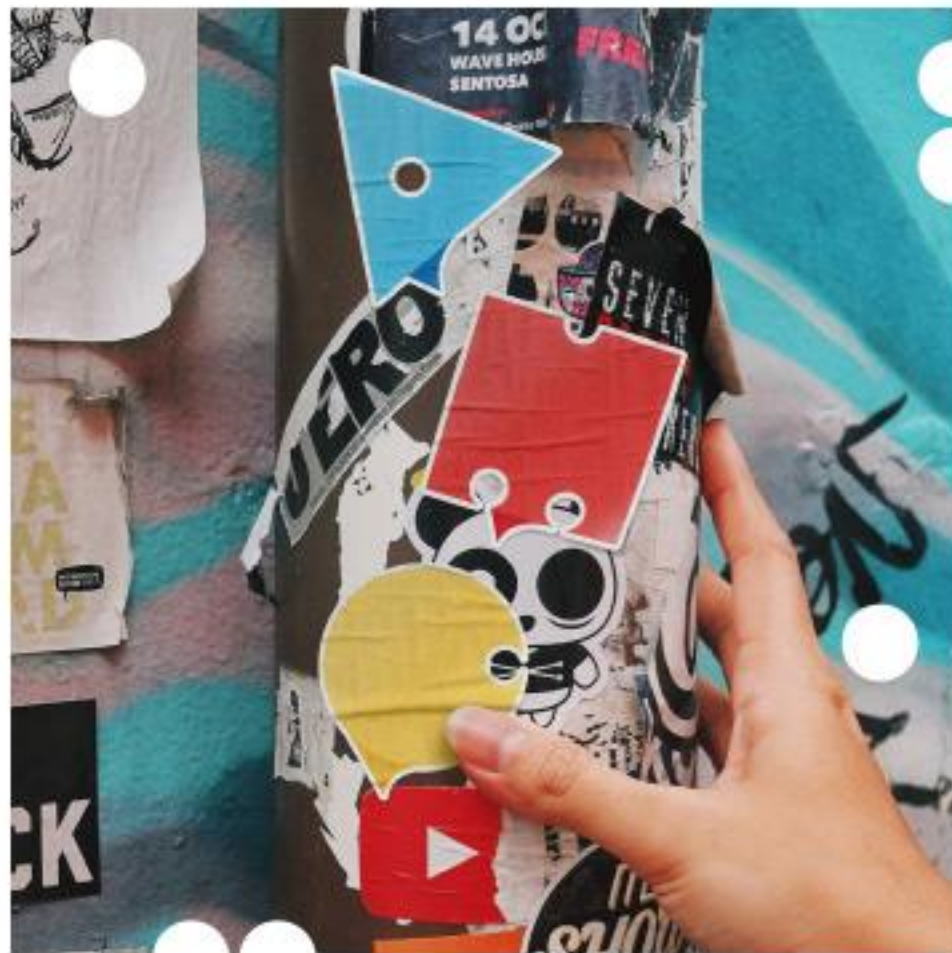
Increased uptake of council initiatives and services



Rory Sutherland



“There is no sensible distinction to be made between value created in a factory and value created in an advertising agency ... Our perception of, and reaction to, reality is subjective. How you feel about products, or even about your life, is at least as important, and probably much more important, than the product or your life’s objective characteristics.”



Thank you to our members
for their ongoing support of
The Real Media Collective.