



THE REAL MEDIA COLLECTIVE
**INDUSTRY
INSIGHTS
REPORT**

2022

THE REAL MEDIA COLLECTIVE

Representing paper, print,
publishing, mail, packaging
and distribution across
Australia and New Zealand.

Kellie Northwood
Chief Executive Officer





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LETTERBOX MARKETING

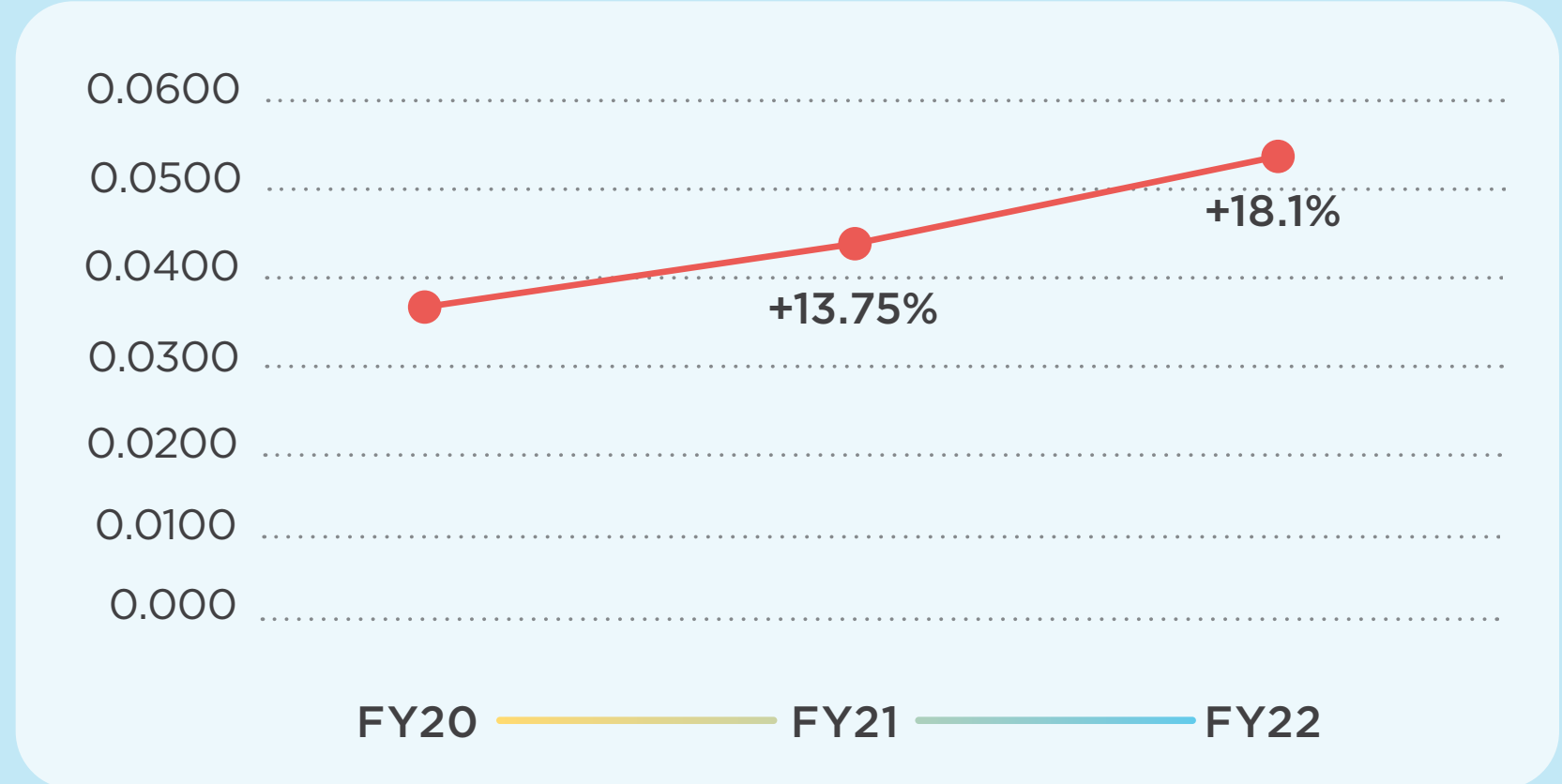
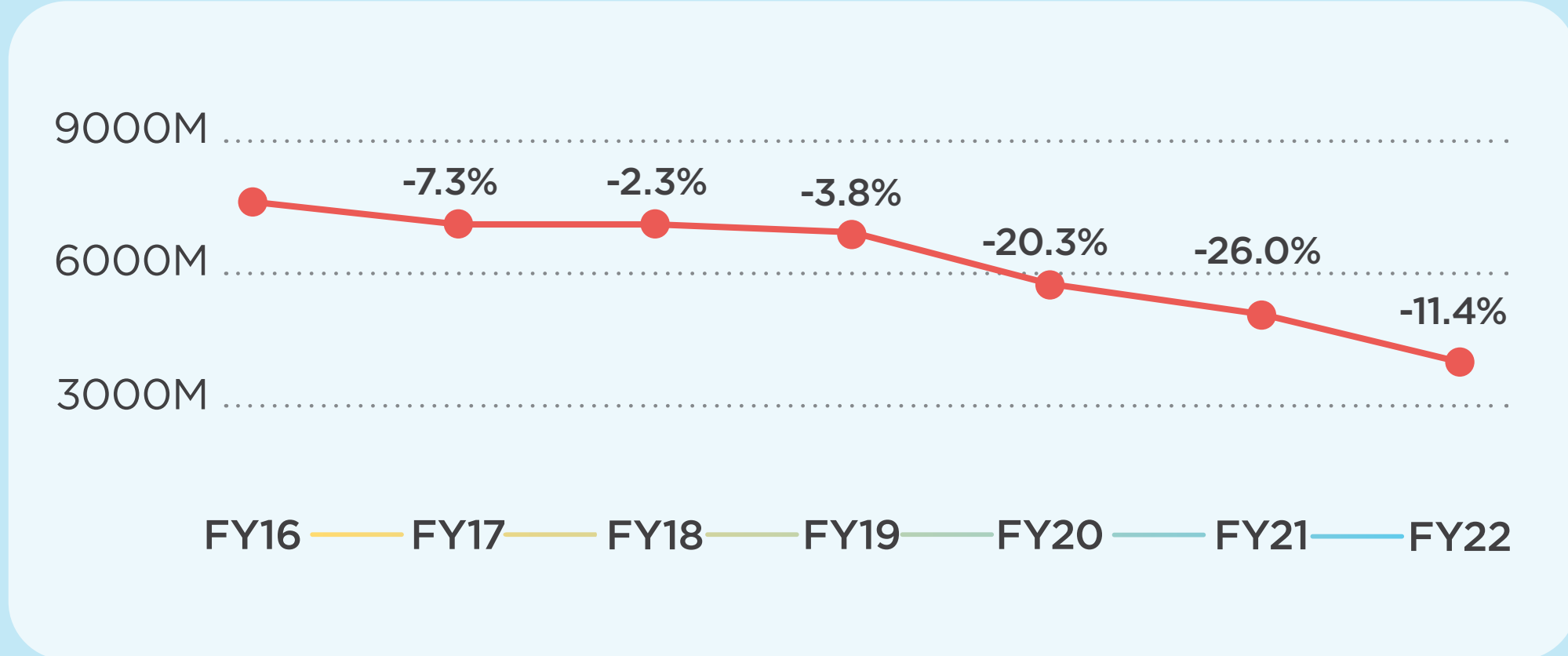
LETTERBOX
-9.0%
 Distribution volumes through Covid

LETTERBOX
+4.68%
 Distribution volumes Covid recovery

GROCERY
 For every \$1 spent on a catalogue
\$11.20
 returned to in-store sales

PHARMACY
 For every \$1 spent on a catalogue
\$10.33
 returned to in-store sales

CIRCULATION

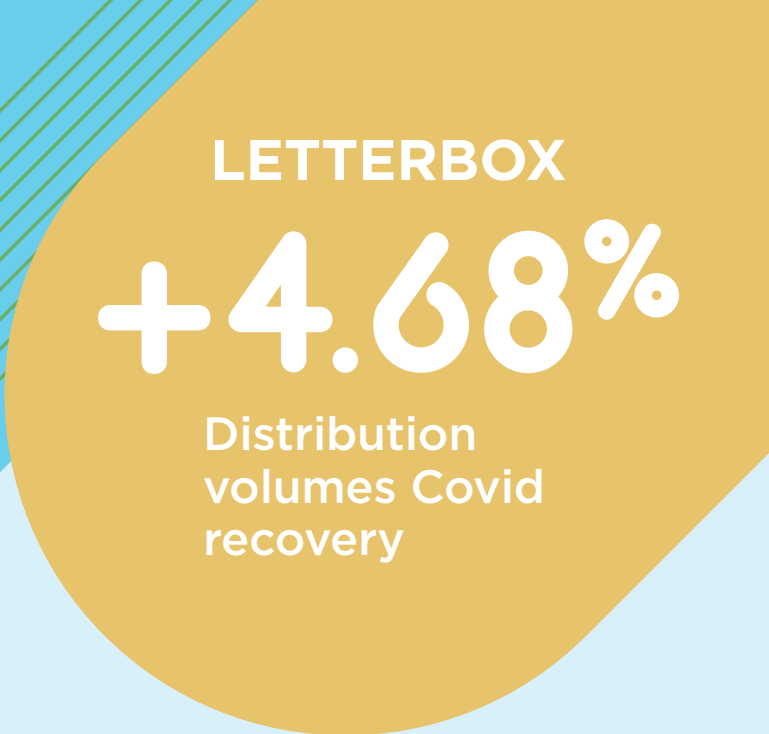
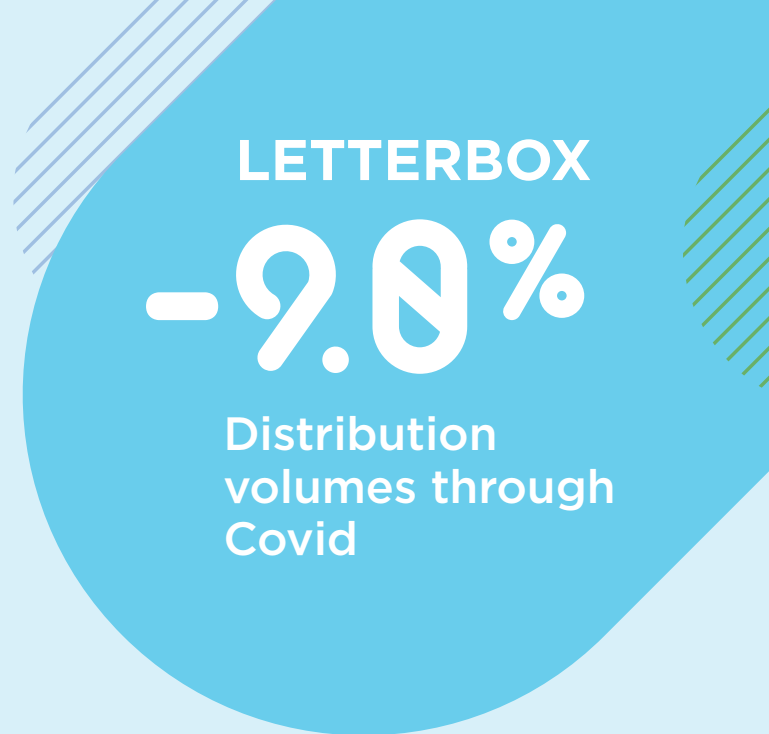


COVID, supply chain shortages, paper price increases and industry consolidation has hit the catalogue letterbox distribution volumes, however there have been recovery windows and frequency lifts in the use of the channel from brands and retailers.

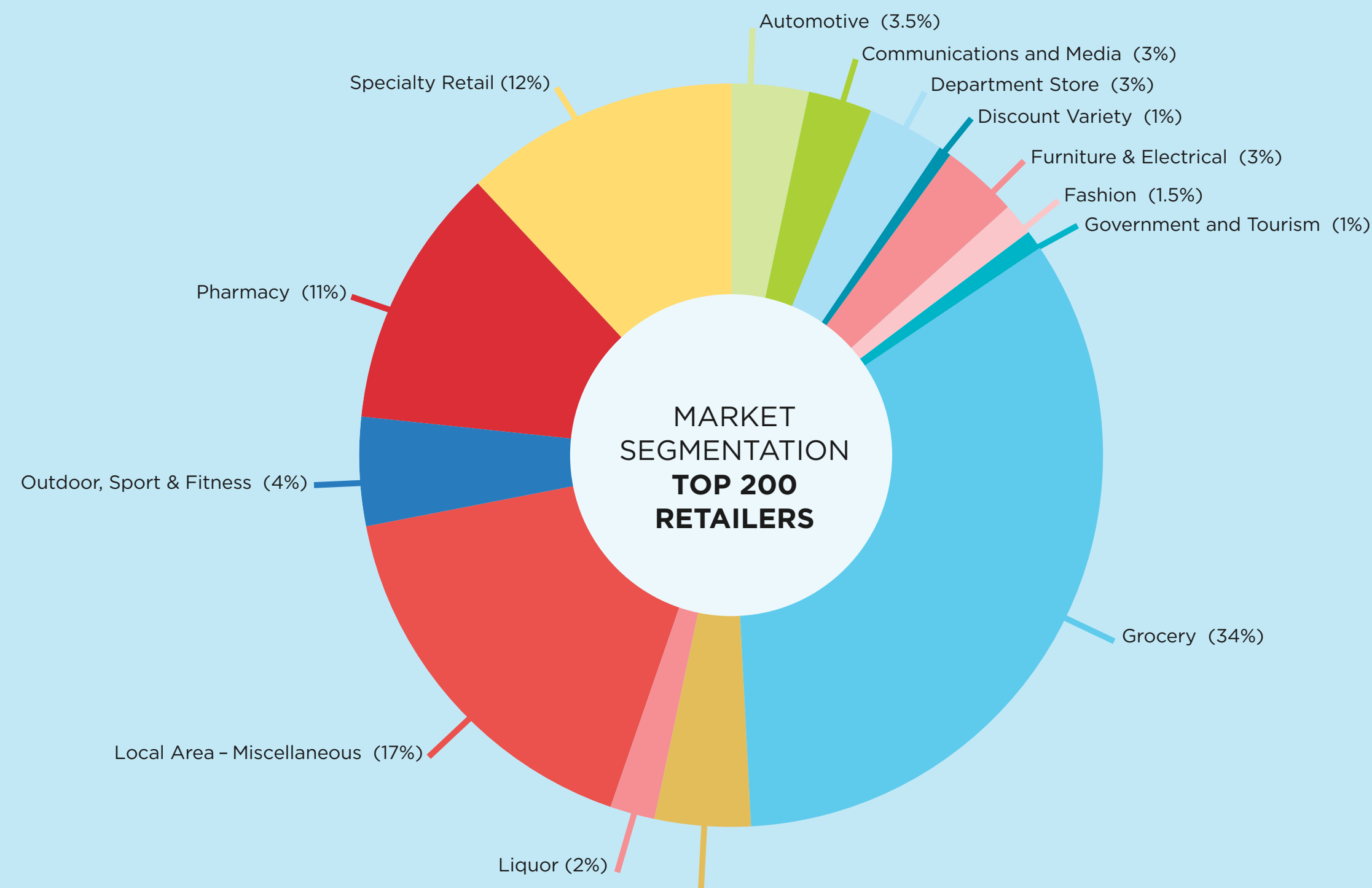
Catalogue weight increase by 34.4% through the pandemic.

Despite supply chain and paper price pressures, the catalogue sector has remained buoyant with retailers adding pages and content whilst reducing frequency due to floods, lockdowns and other impacts on distribution networks. The quarter leading up the end of financial year, always a low letterbox distribution month, realised a +4.68% increase which is also reflected in the scheduling volumes now being established as supply chains are settling.

LETTERBOX MARKETING



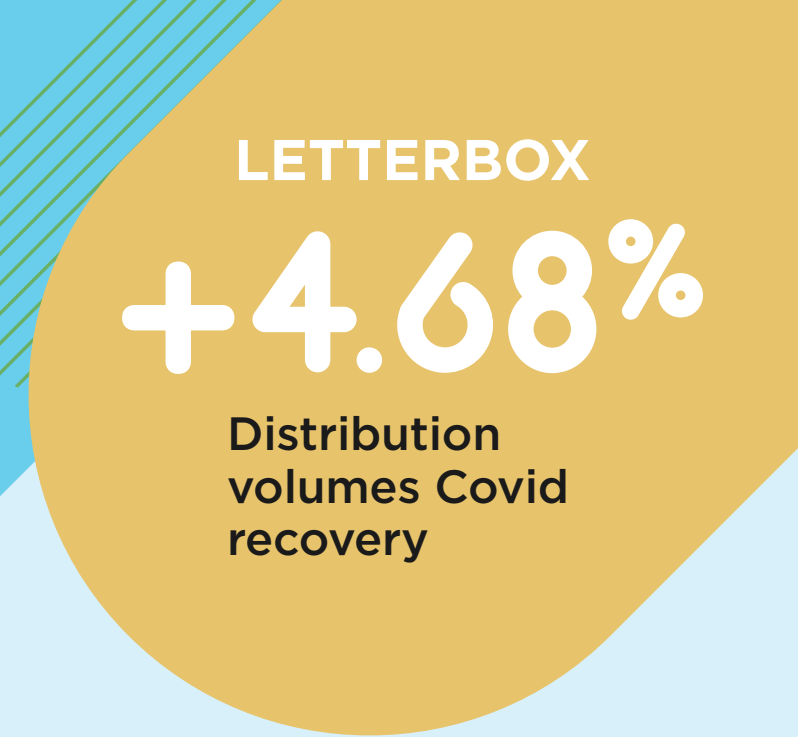
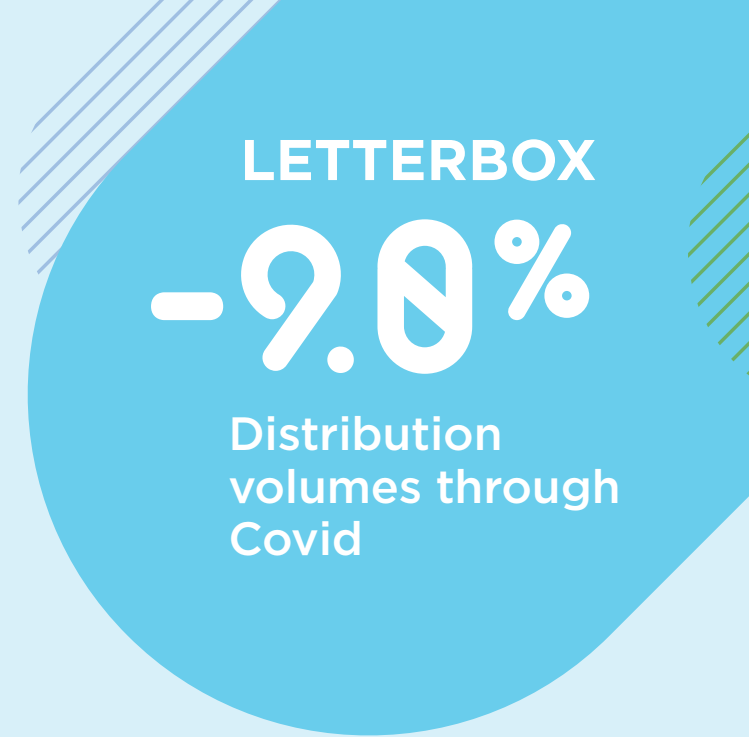
MARKET SEGMENTATION



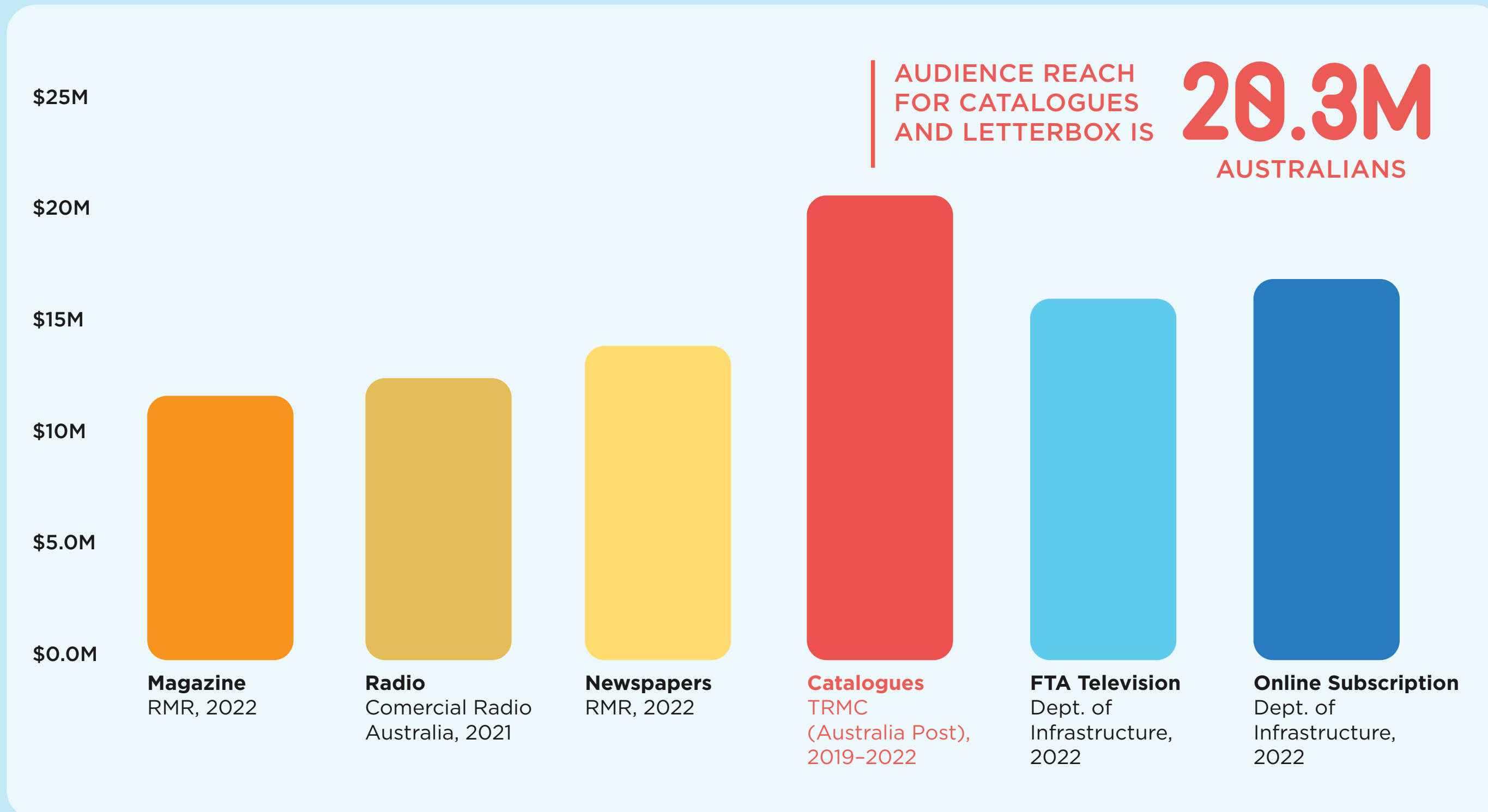
INCREASES REALISED ACROSS

- Grocery
- Hardware
- Pharmacy
- Specialty Retail
- Fashion
- Outdoor, Sport & Leisure

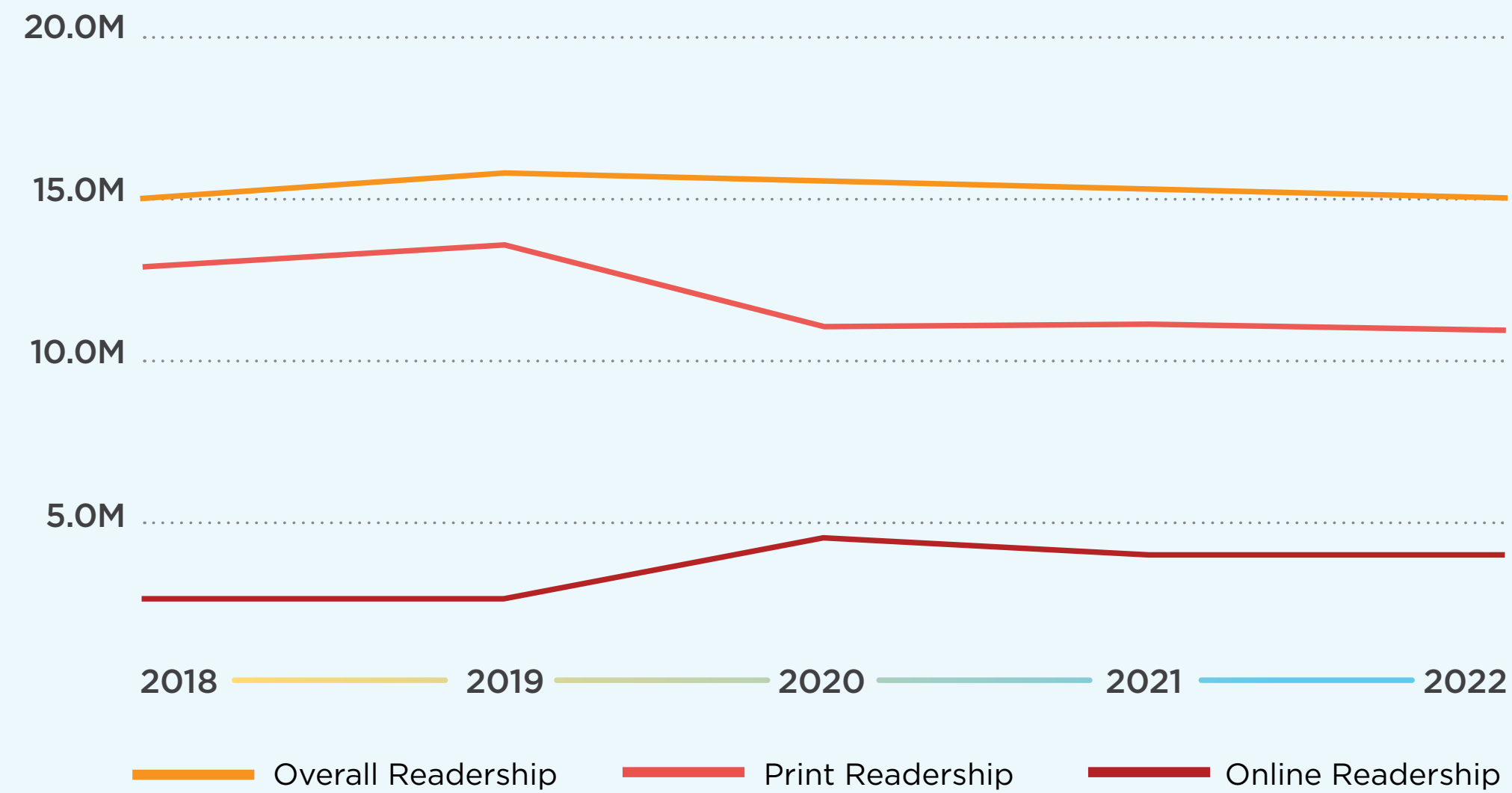
LETTERBOX MARKETING



READERSHIP AND REACH



MAGAZINE READERSHIP



Consumers	Preference	Marketers
Cinema ads	1 st	Online video ads
Sponsored events	2 nd	Social media stories
Magazine ads	3 rd	Influencer content
Point of sale ads	4 th	Television ads
Newspaper ads	5 th	Digital OOH ads

30 MINUTES VS 3 MINUTES

Audiences spend approximately 30 minutes each week engaging with brands through print magazines, compared to just 3 minutes a month through online magazines¹.



MAIL MATTERS

Recent research by Accenture commissioned by Australia Post, had some surprising revelations about the value of mail. The research shows that mail remains an effective and essential communication tool, helping businesses tackle the challenges of driving short-term results with long-term objectives like brand value and customer loyalty.



01

The research reports, more than 80% of people read mail immediately compared to 63% who open emails straight away.

The digital natives of younger generations, 18 to 35 years old, were more likely than older groups to report seeing mail as 'personalised' and 'considered' approach. Nearly two-thirds suggest that receiving mail provides a sense of affirmation that digital communications lack, making them 'feel important'. Compared to email, 81% of people are more likely to read the entire message 54% retain the message's information.

02

52% of respondents say it seems like mail senders take their information more seriously, and 58% say they prefer mail for important information compared to 48% who prefer email. Respondents say mail makes them feel valued by a company, an opportunity to build emotional connections.

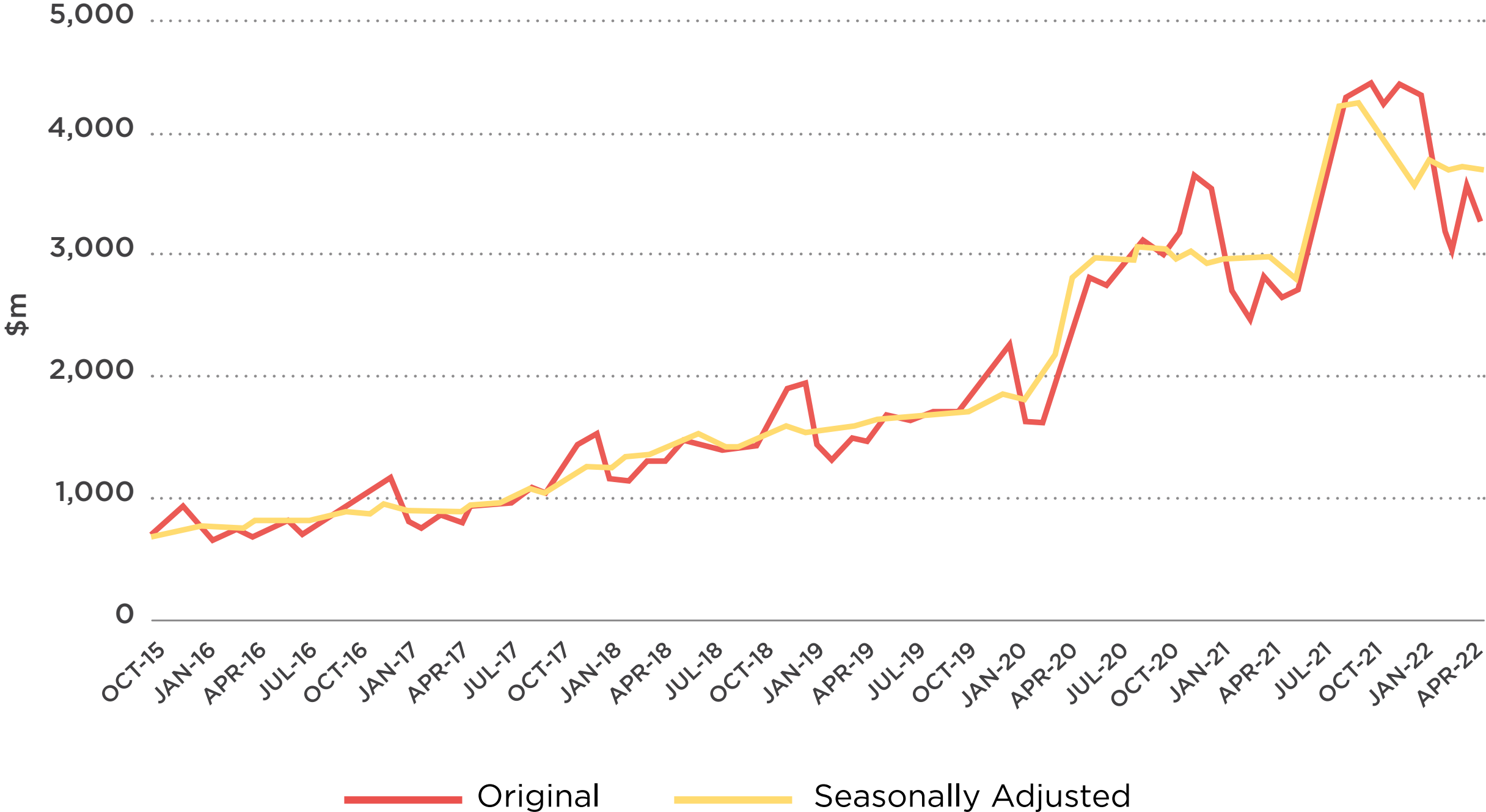
03

Research suggests that audiences are more likely to trust and retain information when they receive it through mail. It can be an ideal channel for communication that needs to convey detailed information such as operational, product or account updates.

ONLINE RETAILING



TOTAL ONLINE, ORIGINAL AND SEASONALLY ADJUSTED



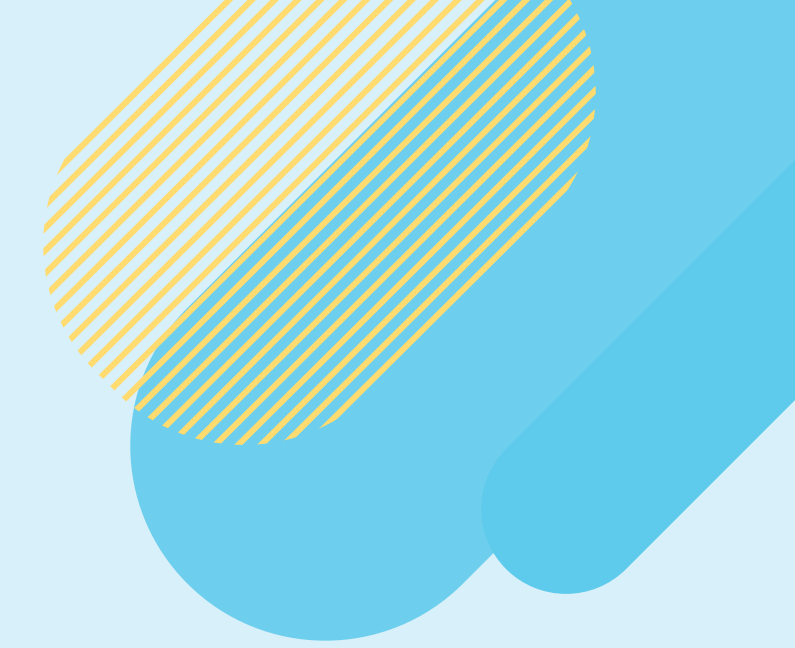
24.4%

INCREASE THROUGH-THE-YEAR IN TOTAL ONLINE RETAILING TURNOVER

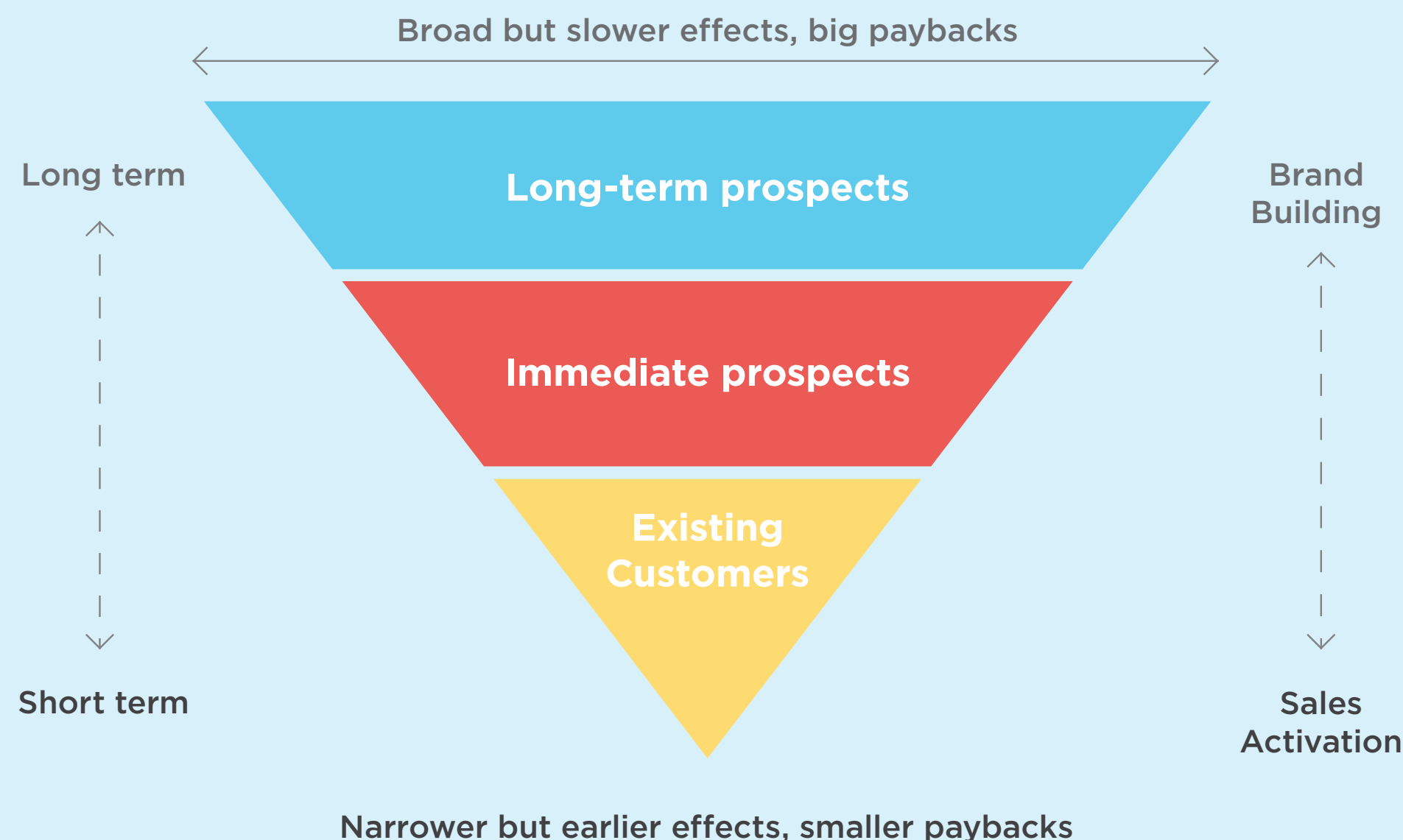
10%

DECREASE IN PROPORTION OF ONLINE SALES TO TOTAL RETAILING

BINET & FIELD - BALANCING YOUR BUDGET



74% MARKET-SHARE
GROWTH WITH
PRINT AND DIGITAL.



Binet and Field discuss the 60:40 rule, that splits the budget 60% for brand building and 40% for activation to deliver maximum effectiveness (Tom Roach, 2022).

They argue that a long term approach towards brand building delivers broader and bigger effects (Tom Roach, 2022).

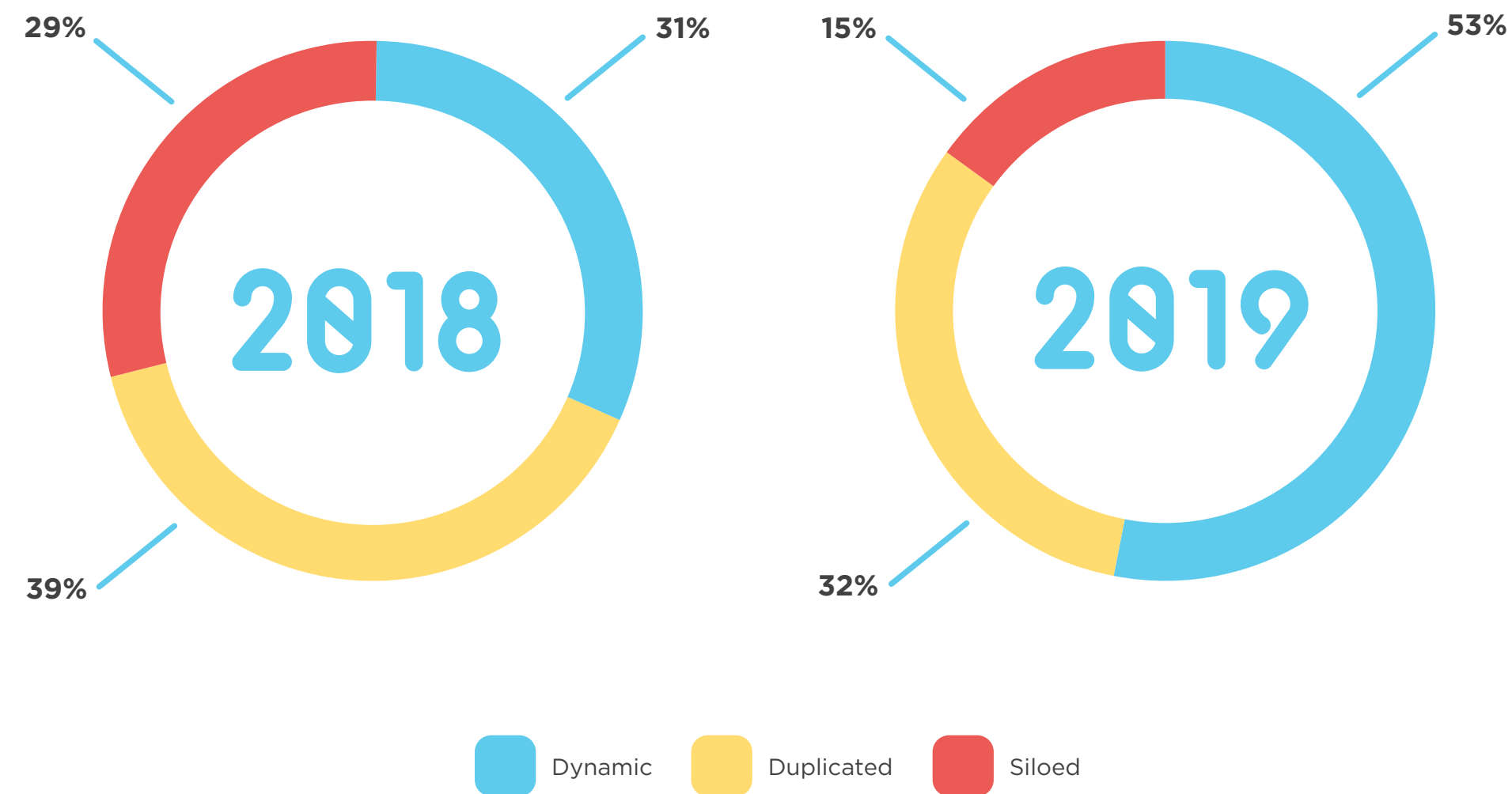
Further they argue that campaigns that include a combination of print and digital have a 74% greater likelihood of driving major market share growth and are 58% more likely to deliver profit (Mi3, 2021).

Sources:
Tom Roach, 2022
Les Binet and Peter Field, The Long and the Short of It, IPA (Figure 22)

OFFLINE AND ONLINE - ITS NOT ONE OR THE OTHER

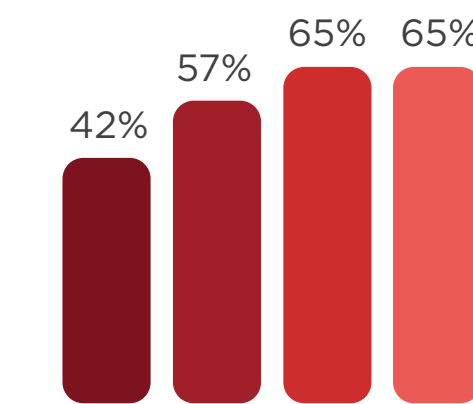
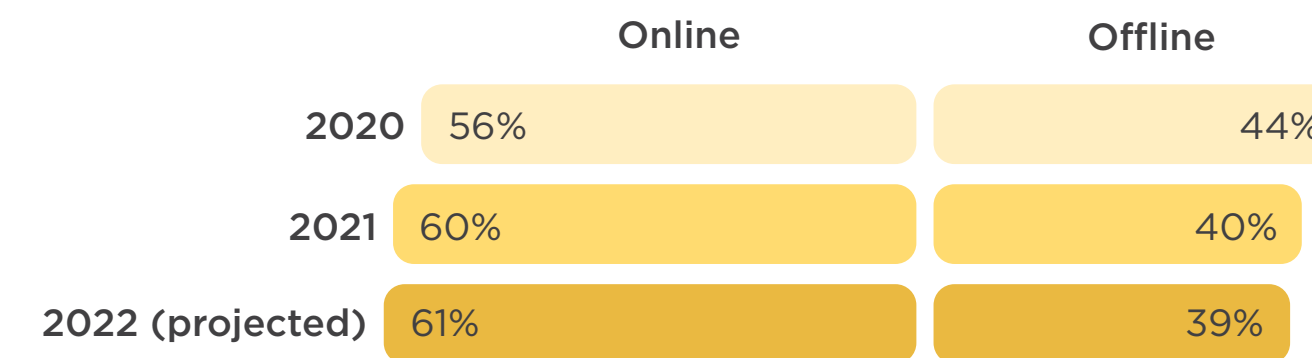
CROSS-CHANNEL MARKETING IS CATCHING UP WITH CUSTOMERS

Marketers Who Describe Their Cross-Channel Coordination as Follows

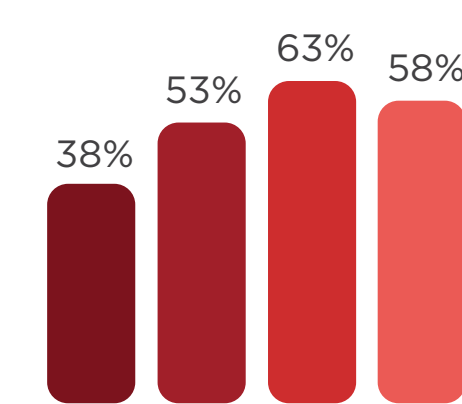


DIGITAL ACCELERATION SPARKS DEMAND FOR PERSONALISATION AT SCALE

Customers' Estimated Split of Online and Offline Interactions with Companies



57% of customers prefer to engage through digital channels



53% of customers prefer to purchase online versus in store





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RETAILERS & BRANDS SHOWING LEADERSHIP



TARGET

Target created a campaign called 'Denimland' to let their diverse customer base know that Target can be their number one denim destination, with high-end quality at affordable prices. As a result, sales were 8% higher than forecast, with women's apparel performing an outstanding 45% better than forecast.

GRAND CENTRAL

'Grand Central' is a shopping centre located in regional city of Toowoomba in Queensland, which launched the 'Grand Central Winter' campaign inspired by the parks and gardens in the city targeting females aged 25-50 seeking inspiration for latest seasonal trends. As a result of the campaign, monthly sales saw a growth of 2.2% in apparel and 5.3% in cosmetics in July. In August, an increase of 10.6% in homeware sales, 1.2% in jewellery, 16.2% in apparel; and 11.6% in cosmetics across the shopping centre.

ALDI SUPERMARKETS

ALDI launched the 'SNOW GEAR catalogue' promoting the ski gear available at their stores for customers to not have to compromise on quality whilst saving money. The campaign was targeted at budget-conscious families, avid skiers and boarders who enjoy a fresh look each season. The campaign was a huge success with people lining outside the stores before the opening time. 10% increase on sell through, an increase in YOY sales dollars over 15% for the ski gear category and almost 100% sell through on both adults and kids ski jackets. Further, an increase of almost 15% YOY sales across core range of groceries.

MYER

Myer launched the 'Feel Like New?' campaign to answer the questions 'What's new for me at Myer?', with a focus on 35+ women who need help navigating/interpreting new colours, brands and styles to suit them. An Omni-Channel approach with the catalogue acting as an anchor, this campaign was a success. Significant growth against last year, best results from 45-54 aged customers. Sales uplift per member targeted, at +5% and the shop rate was up by approximately +4% with an ROMI of x4.

women's apparel

45%

Better than forecast



16.2%

Sales increase in apparel



10%

Increase on sell-through



+5%

Sales uplift per member targeted



MAKE IT MEMORABLE

Engaging your customers in a way that creates memory and recall that aligns with your brand increase return on marketing investment.

All channels, not only established, must offer creative innovation to inspire information-rich consumers. We are limited only by our imaginations as technologies offer endless solutions for marketers and agencies.



SENSORY PACKAGING FOR THE VISUALLY IMPAIRED

Kellogg's has added a scannable code to its cereal boxes, helping people with sight loss to find the right products in the supermarket and making shopping more accessible. In addition, the 'Navilens' code allows anyone with a smartphone to scan the code from distance of 12 metres. Kellogg's is the first company in the world to use NaviLens technology in packaging.



WASH DAY SUSTAINABILITY

Unilever recently launched their first paper-based bottles for their OMO laundry detergents in Brazil. With aims to reduce the use of single use plastic, the bottles are made from responsibly sourced wood pulp which are fully recyclable and compostable. The launch was made as part of their commitment to halve their use of virgin plastic by 2025.



WATCH STRAPS FOR THE ECO-CONSCIOUS

Luxury Swiss watchmaker IWC Schaffhausen have launched a new line of paper straps for watches. The 'TimberTex Straps' are made of 80% plant fibre, sourced from FSC-certified trees. The straps go through 60 manufacturing stages, resulting in highly luxurious straps that are durable, environmentally friendly, and water-resistant.



FIREPROOF NEWSPAPER

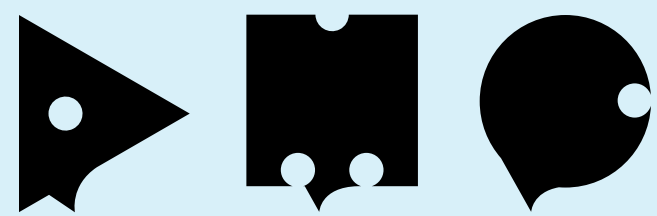
Argentinean ad agency Hoy Buenos Aires has created the world's first fireproof newspaper, spreading awareness about forest fires in the Patagonia region of Argentina - 95% of which are started deliberately, using newspapers. The campaign aimed to raise funds to donate to the Firefighters Foundation of Argentina.

THANK YOU.

Representing paper, print, publishing, mail, packaging and distribution across Australia and New Zealand.

Kellie Northwood

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the
real·media·collective