

# Success STORY



EXAMPLE of a  
Newspaper Preprint

Media Vehicle: PREPRINT  
Specialty Retailer

## Valassis' Targeted Preprints Increased 4th Quarter Sales by 16.5%!

### Challenge

Increase sales from new and existing customers without increasing the advertising budget.

### Results

- 12.7% increase in comp sales in Q3.
- 16.5% increase in comp sales in Q4.

These increases reversed a trend of 8 continuous months of negative comp sales!

- This double-digit growth occurred outside of the company's peak sales season. The specialty retailer does approximately 44% of total sales in between April and July and 48.6% of ad spend has been placed against this period.
- The advertising budget remained consistent with the prior year.

Source: Information provided by the specialty retailer.

- In Q3 and Q4, the specialty retailer began reducing endorsement radio in favor of newspaper preprints (supported by traffic radio) - achieving a better ROI.
- The results from the targeted preprints prompted the specialty retailer to change their media mix to 75% preprints and 25% TV and radio. This ratio aligns their advertising activities with best practices of the retail industry.

Source: Information provided by the specialty retailer.

### Insight

- 74% of the target audience, adults age 35-54 with 100K+ household income, read a Sunday newspaper.
- 50% of adults look through a circular prior to making a purchase at a store.
- 28% of adults report ad inserts/circulars as the most influential media for buying decisions. This was the highest percentage of all media, including television at 22% and radio at 3%.

Sources: Scarborough Research, Multi-Market 2003 Release 1 (the client's 17 DMAs were used as the base) and 2004 Vertis Customer Focus® Survey: Retail 2004.

### Strategy

- Use a multivariate model to identify consumers most likely to become customers. Incorporate key variables related to the client's sales data, customer demographics, distance, and MRI audience information.
- Use targeted preprinted inserts, and the promotional environment of newspapers, to advertise the specialty retailer's merchandise to the identified high potential audience.

## Solution

### Identified and Targeted to High Opportunity Areas

- The ZIP Navigator methodology was used to prioritize ZIP codes into quartiles based on potential opportunity.
- The client's budget enabled a circulation of 5 million newspaper preprints.
- Overlaid Valassis' Co-op newspaper database with the prioritized target audience.

### Creative Best Practices

- Oversized preprint (10.5 x 21-inch ad with a 4 x 21-inch flap) enabled a wide selection of merchandise to be shown.

The summer months (June and July) as well as the Holiday season (December) are key for sales. The increase in print space can be leveraged to strategically showcase product categories with seasonal demand.

- This potentially high-involvement purchase decision was supported by listing price points, pictures, and product descriptions
- Complementary products were promoted on the side flap. Coupons, outlined with a heavy dashed line, promoted an additional 10% off accessories as well as free complementary products with purchase.
- Gift certificates were also promoted.
- Website address and store location versioning by DMA made it easier for consumers to shop.