

Custom Magazine Research Findings

November 2011/April 2012



Executive Summary

Custom magazines communicate with existing customers of a brand or members of an organisation and provide an opportunity for an ongoing relationship between the two.

Key findings of the Custom Magazine Research Findings are as follows:

- Custom magazines have a strong connection with their audience:
 - 81% of people had read their magazine in the last 2 months.
 - 95% of people who were sent a magazine recalled receiving it within the publishing cycle.
 - 74% of people read their magazine immediately upon arrival.
 - 88% of people read their magazine up to 5 times.
- This connection with the audience has a multiplier effect:
 - An average of 2.3 different people read a copy of the magazine
 - Nearly 80% of respondents recommended their magazine to a friend or colleague.
- Custom magazines allow you to get up close and personal:
 - Magazines were read for 40 minutes on average.

Executive Summary

- Custom magazines create deep associations with a brand or organisation:
 - Readers think the brand cares, is relevant to them, can be trusted and is one that they love.
- Content is relevant, informative and engaging:
 - 90% of people think the magazine is a good source of information and content is relevant to the brand.
- While readers know that a custom magazine is a promotional tool, they still respond positively to its content:
 - More than nine in ten knew the magazine was a promotional piece.
 - 64% talked to someone about the product or service of the brand.
 - 54% visited the website of the brand or organisation.
- Custom magazines are the preferred way to receive information on a brand:
 - 31% of people consider custom magazines to be the most credible medium for reporting information about a brand or organisation.
- Mail is the preferred channel to receive a custom magazine:
 - 62% of people prefer to receive magazines by mail.

Methodology

These research findings come from a combination of Publishers Australia Custom Magazines Effectiveness Report November 2011 and the Australia Post Consumer Survey April 2012.

Publishers Australia Custom Magazines Effectiveness Report

Surveys were conducted in August/September 2011 via telephone and online by McNair Ingenuity Research amongst receivers of custom magazines from five key industry sectors lifestyle (Weight Watchers), retail (Coles), automotive (Volkswagon), real estate (Real Estate Institute of NSW) and B2B (Restaurant and Catering Association). A total of 975 people (200 from each magazine group), except Restaurant and Catering where 175 completed). Demographic breakdown of respondents was as follows:

- Gender: 66% female and 34% male.
- Age : 5% aged 18-24, 23% aged 25-34, 34% aged 35-49, 21% aged 50-59 and 16% were 60+
- Household income: 18% less than \$70K, 37% \$70K -\$129,999, 26% \$130K +, 18% no answer.

Australia Post Consumer Survey

1,000 Australians are surveyed online each quarter. Australia Post utilise Quality Online Research (QOR) to compose a panel of respondents that best represent the Australian population in terms of age, gender and geographic location.

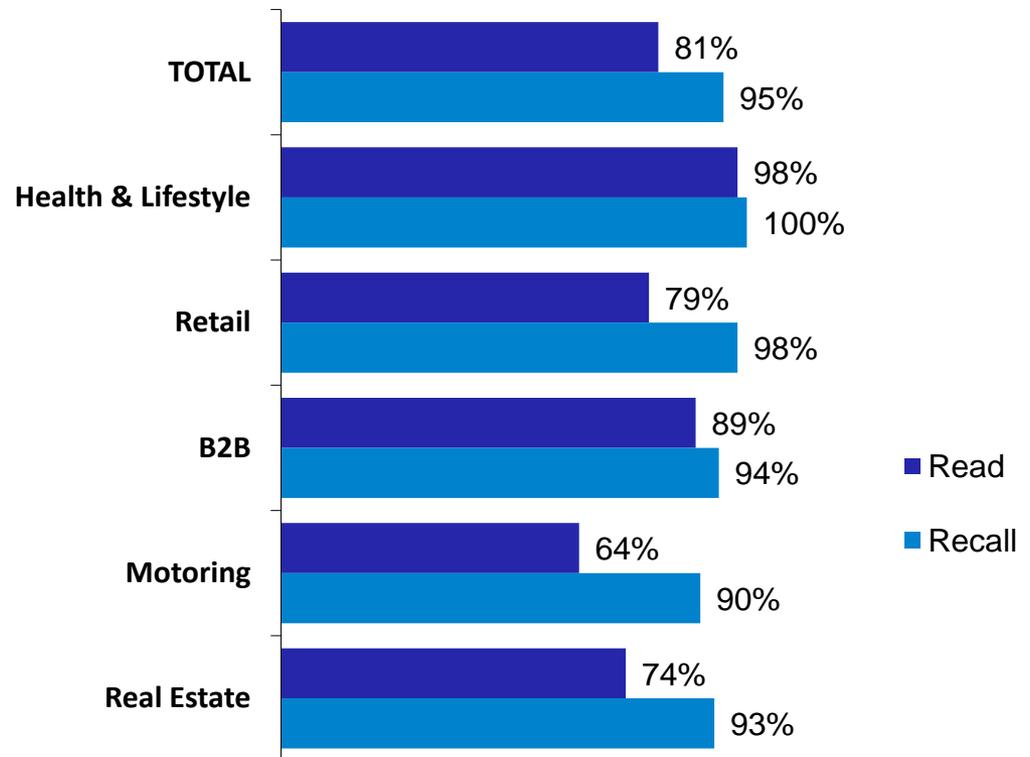
Part of the mail section of the survey asked respondents to specify their preferences for receiving advertising and promotional messages from organisations in different industries as well as numerous types of communication types including magazines.

Custom magazines have a strong connection with their audience.

Have you read the following magazine in the last 2 months?
Which of the following magazines do you recall receiving in the past two months?

Over 81% of people had read their magazine in the last two months.

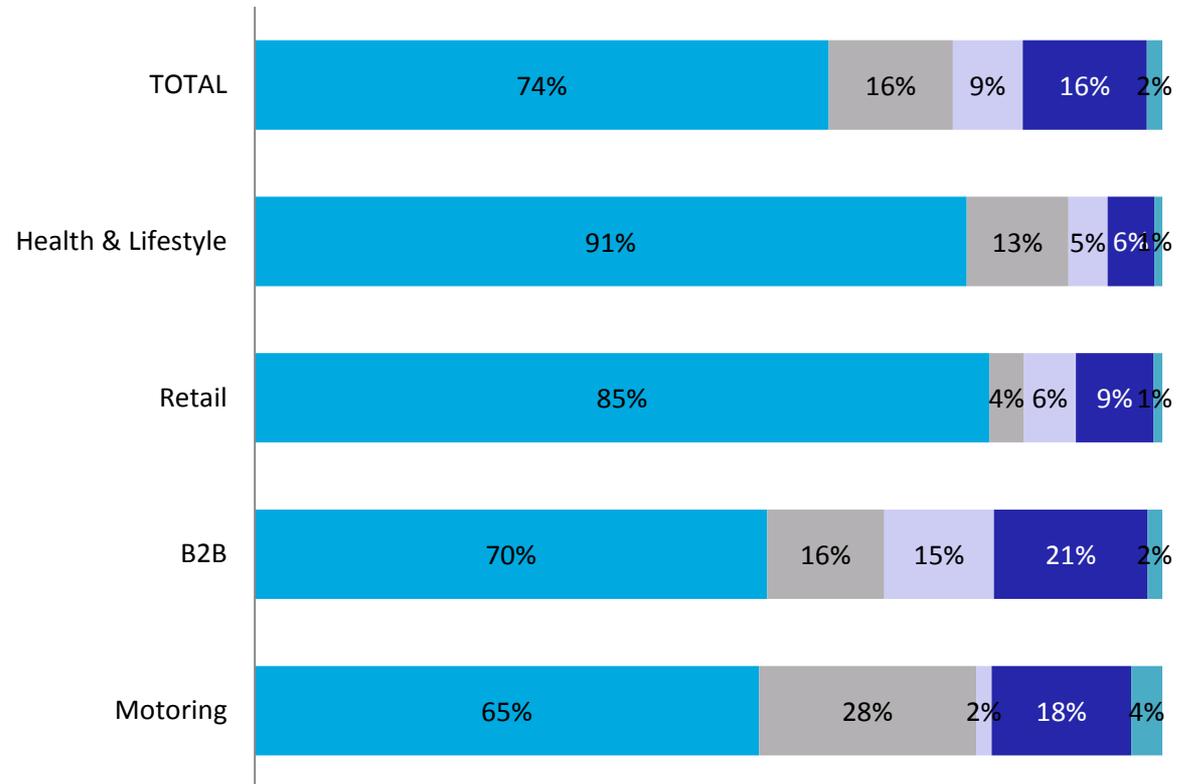
Overall 95% of people who were sent magazines recalled receiving the magazine within the time frame of the publishing cycle.



Custom magazines have a strong connection with their audience.

Which of the following happens when you first receive your magazine?

The majority of respondents read the magazine immediately upon arrival demonstrating they are interested in and genuinely enjoy reading the magazine.



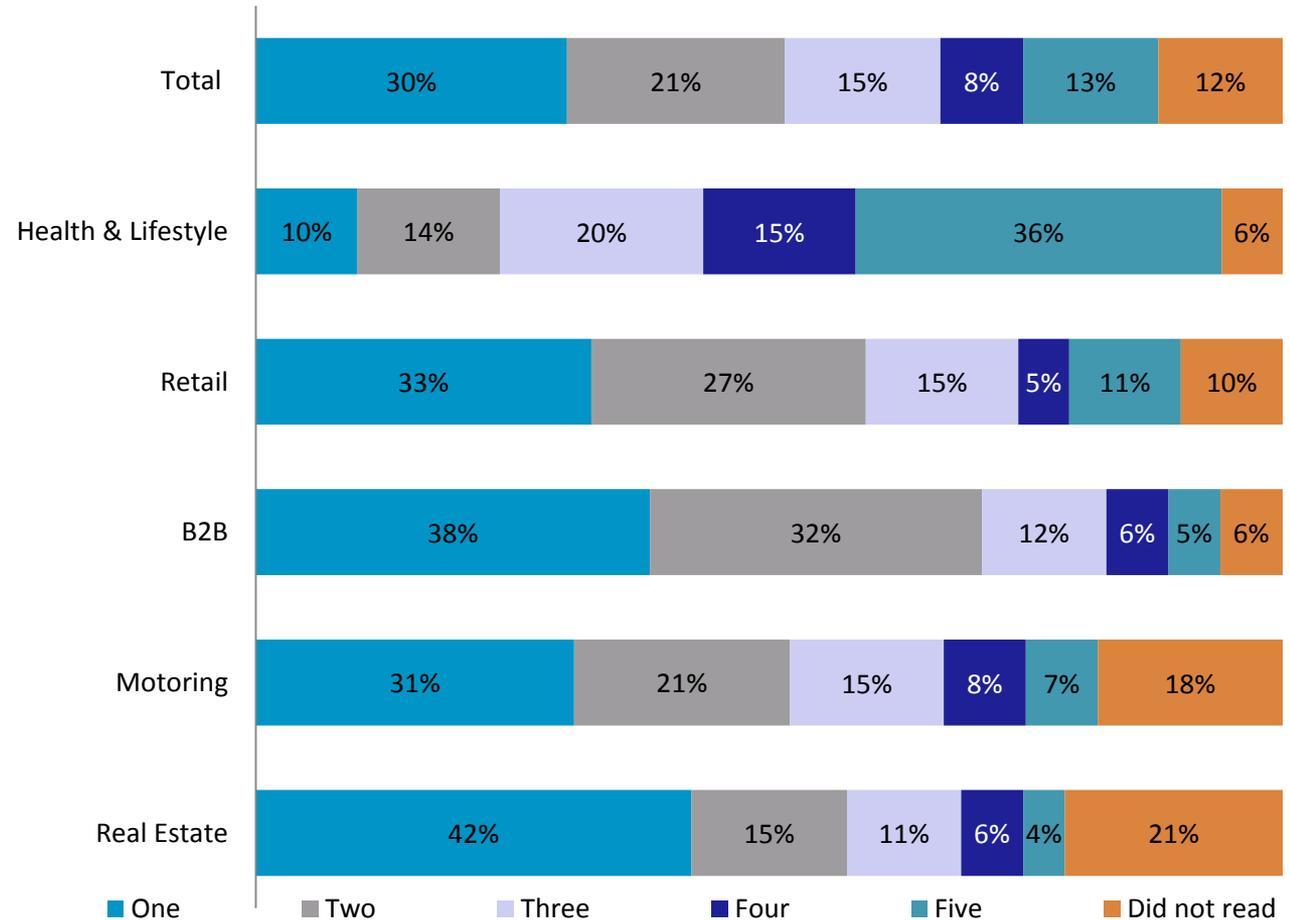
■ You read it ■ Someone else reads it ■ Everyone in the household/office reads it ■ It sits in a common area ■ It is thrown away

Custom magazines have a strong connection with their audience.

On how many different occasions did you read the latest issue?

88% of people read their magazine up to 5 times which is a key indicator of how engaged the reader is with their magazine.

On average respondents read their copy on 2.2 different reading occasions.



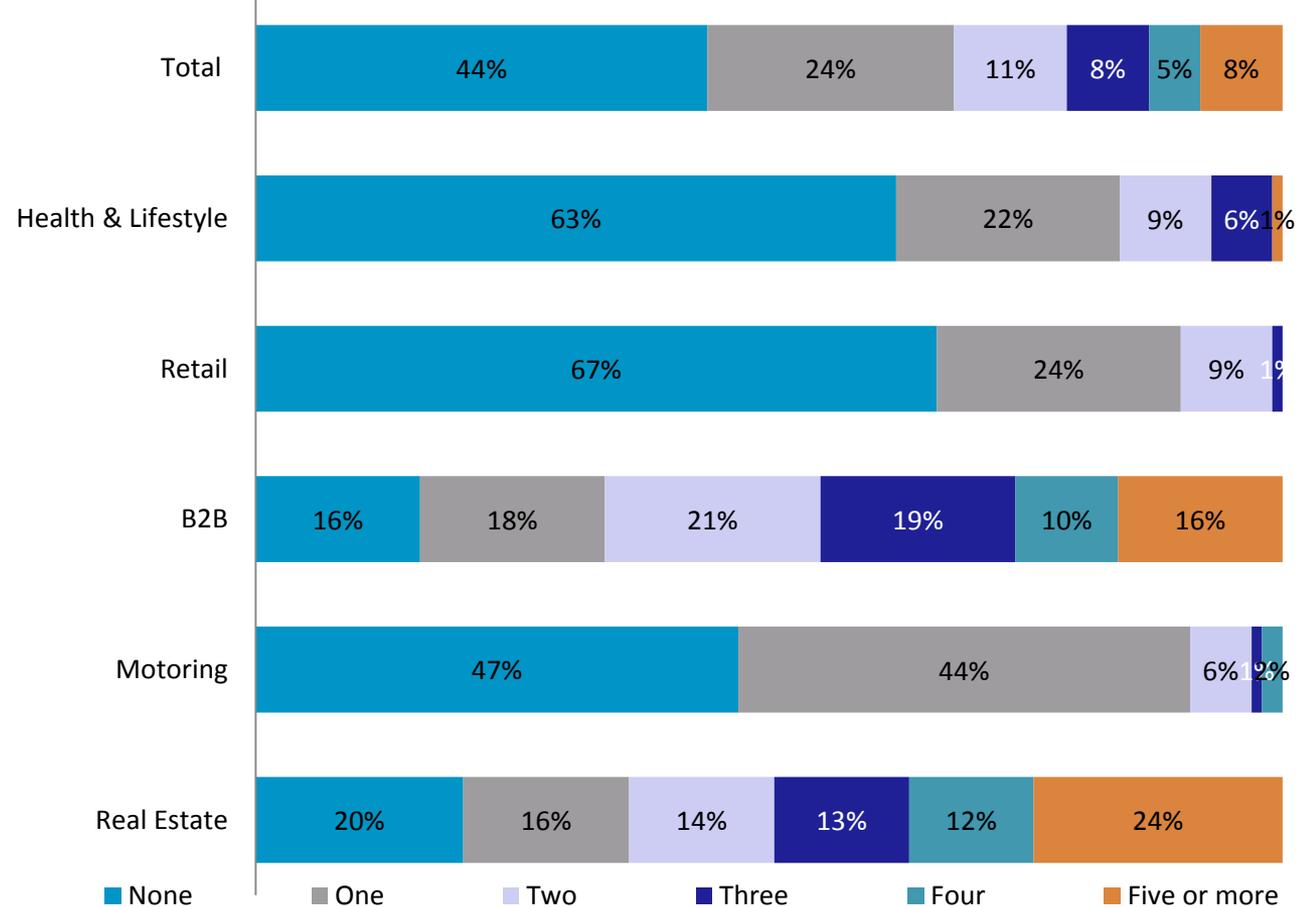
This connection with the audience has a multiplier effect.

Apart from yourself, how many other people in your household/office read the magazine in the last month?

On average 2.3 people read a copy of their magazines.

Business magazines were more likely to have multiple readers per copy than consumer magazines.

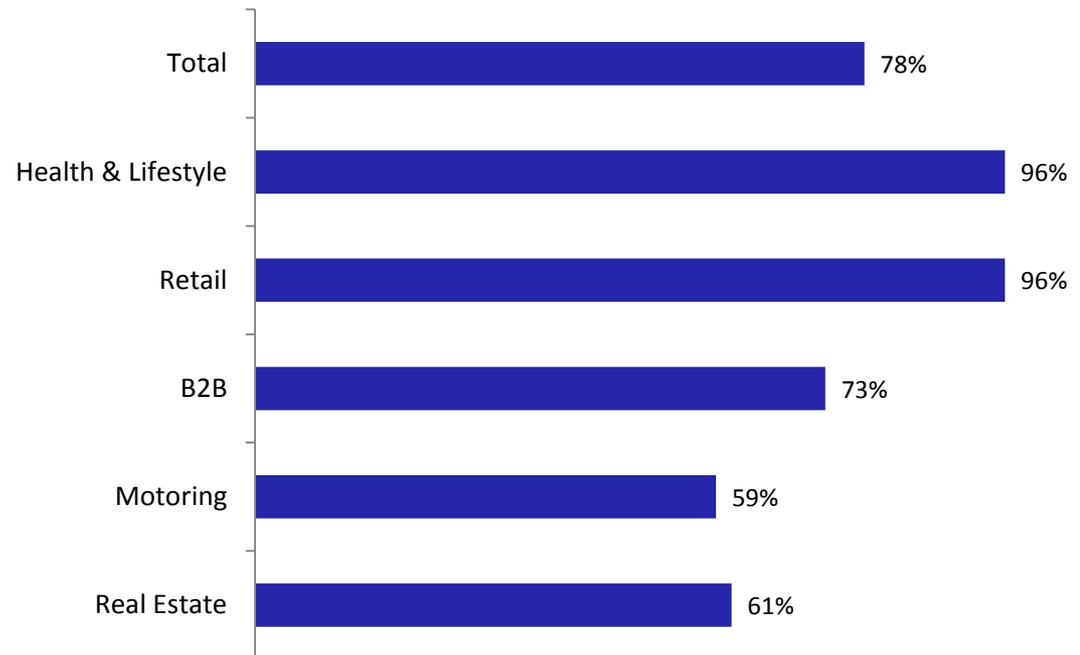
This demonstrates a significant multiplier effect. Not only do custom magazines connect with their intended audience, they also connect with those who are passed on the magazine.



This connection with the audience has a multiplier effect.

Would you recommend the magazine to a friend?

Nearly eight in ten respondents recommended their magazine to a friend or colleague. Further evidence that this multiplier effect extends beyond individual and work colleagues to a personal level.



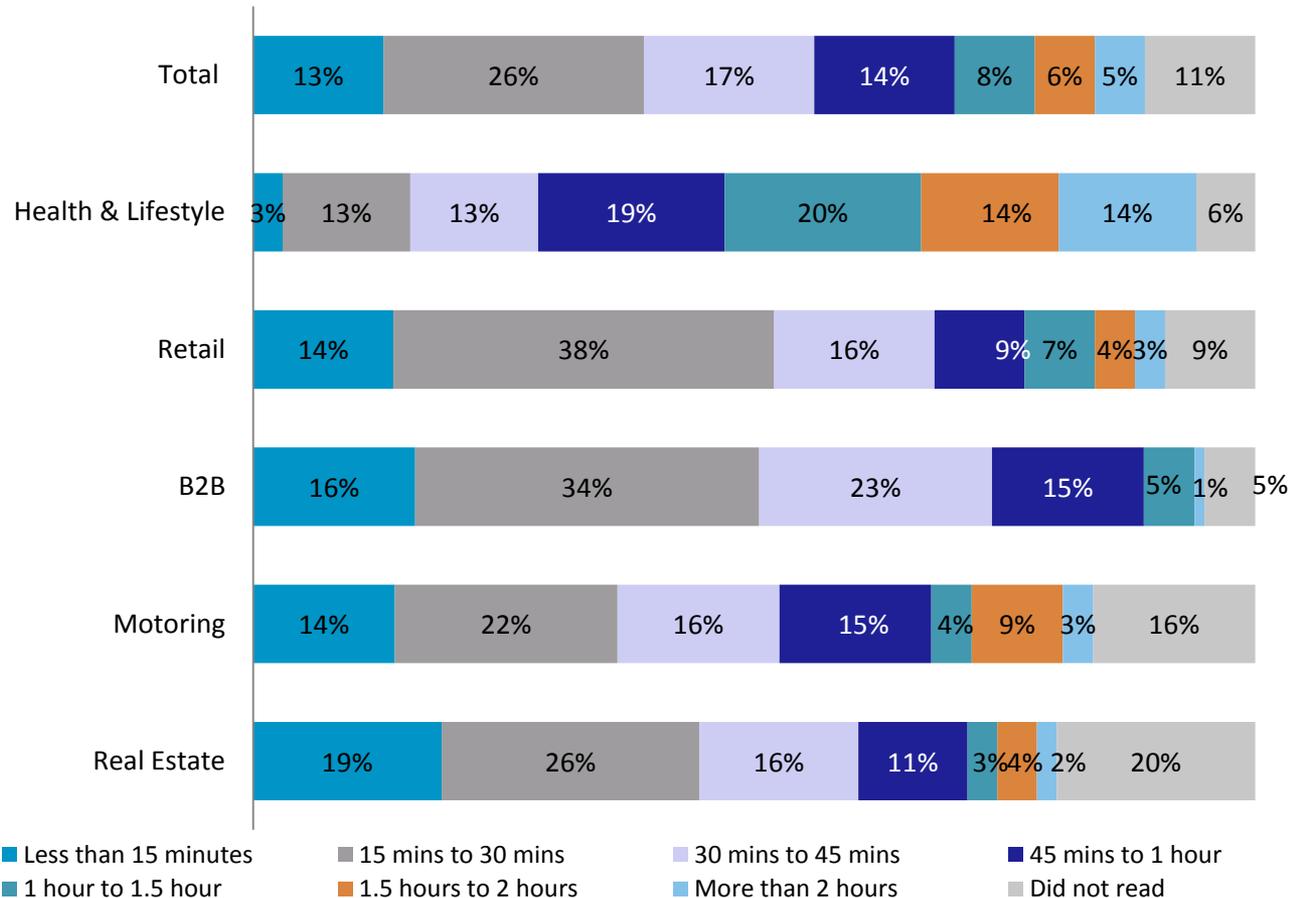
Custom magazines allow you to get up close and personal.

Approximately how long in total did you read the latest issue of your magazine?

Magazines were read for 40 minutes on average.

Health & Lifestyle magazines are read the longest with 48% of people reading them for more than 1 hour.

This is an invaluable amount of regular face time with a customer. Time that can be spent connecting with the customer and enhancing customer retention.



And create deep associations with a brand or organisation.

Thinking about your magazine please describe how much you agree or disagree with the following statements about the brand or organisation:

Readers of custom magazines have very favourable opinions of the brand or organisation compared with non-readers. They think the brand cares, is relevant to them, can be trusted and is one that they love. All these points demonstrate the value of custom magazines in building a long term customer retention strategy.



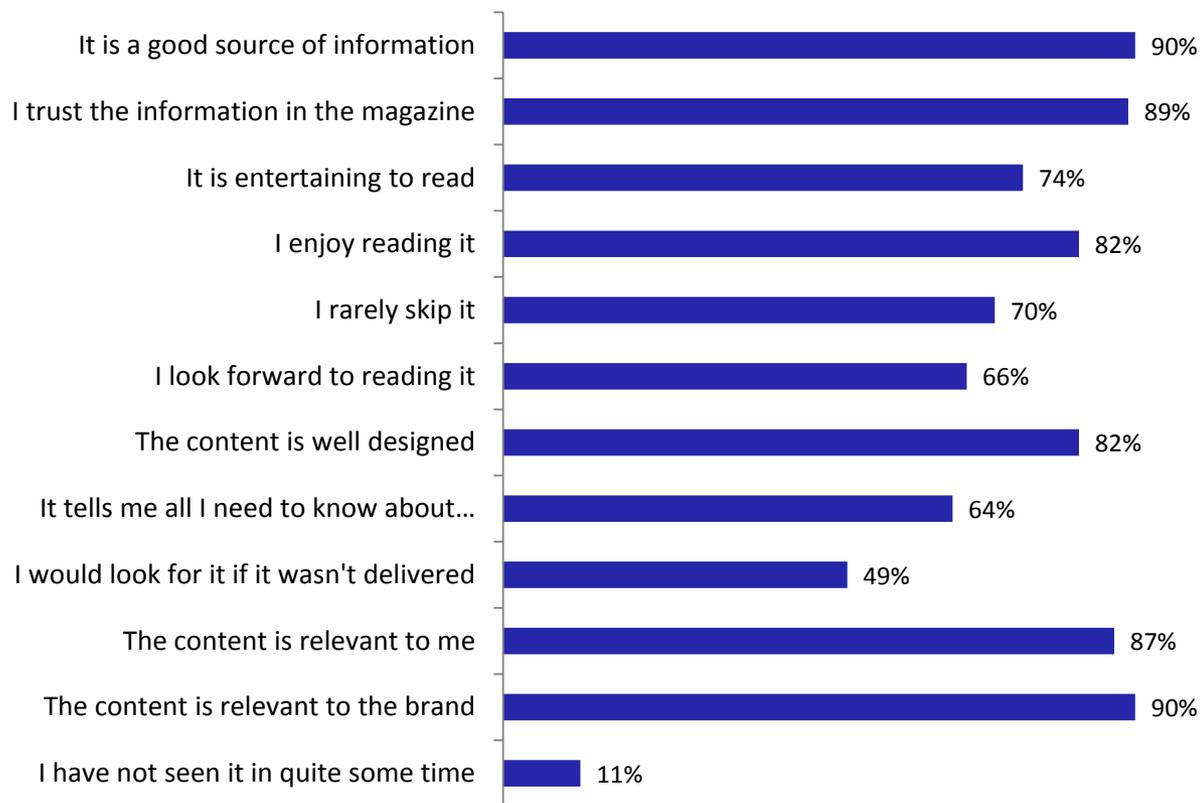
Content is relevant, informative and engaging – proven ingredients for customer engagement.

How much do you agree with the following statements that describe your opinion of your magazine?

The majority of readers have positive opinions about their magazines. In particular readers of custom magazines agree that:

- The magazine is a good source of information
- The content is relevant to the brand
- They trust the information in the magazine
- The content is relevant.

If customers can enjoy relevant and informative content they will be more likely to read the magazine which will continue the long term relationship between brand and customer.



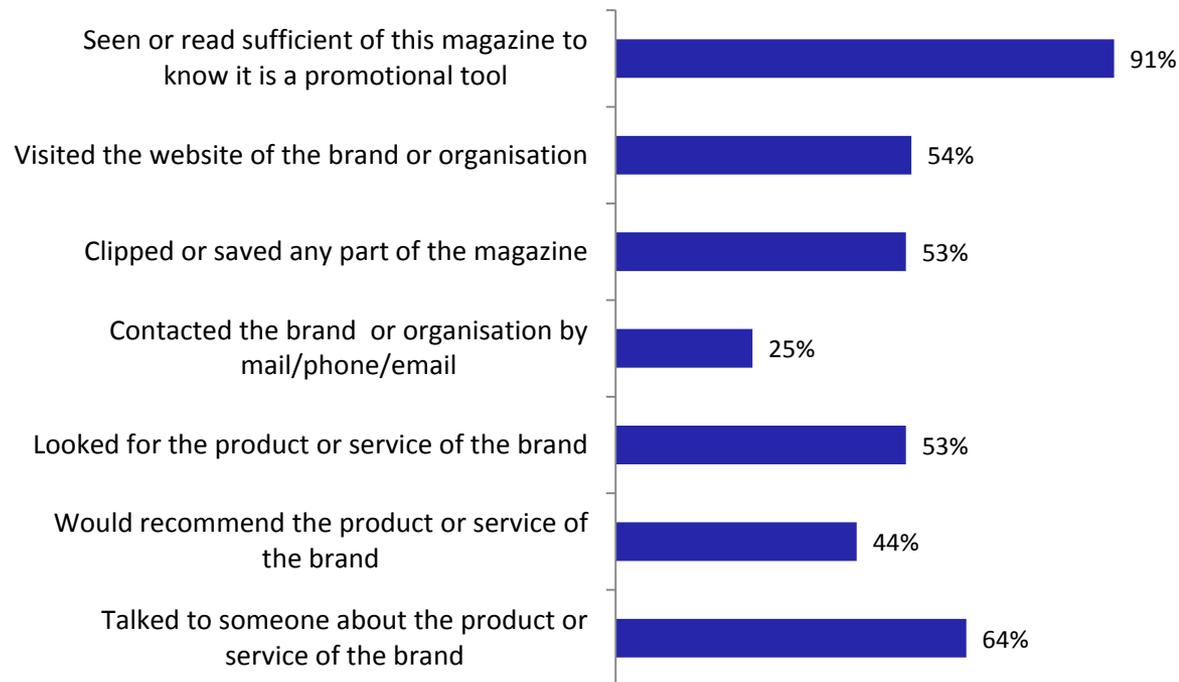
While readers know that a custom magazine is a promotional tool, they still respond positively to its content.

Thinking about advertising in the magazine, which of the following statements describe your opinions?

More than nine in ten readers knew that the magazine was a promotion for the relevant brand or organisation.

Despite this, they still act or respond to content. Two thirds talked to someone about the product or service and more than half visited the website of the brand or service, clipped or saved the magazine or looked for the product or service of the brand.

So not only do people read the content, they respond to it in a positive way.

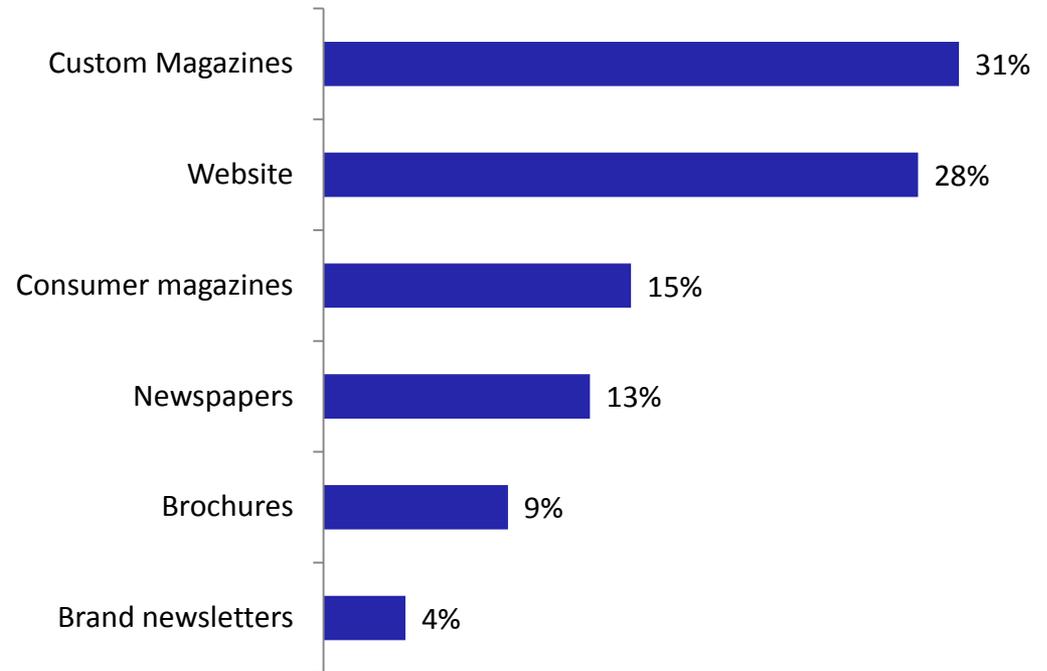


Custom magazines are the preferred way to receive information on a brand.

Think about each media and tell me which is the most credible in reporting information about a brand or organisation?

Custom magazines are considered to be the most credible medium for reporting information about a brand or organisation.

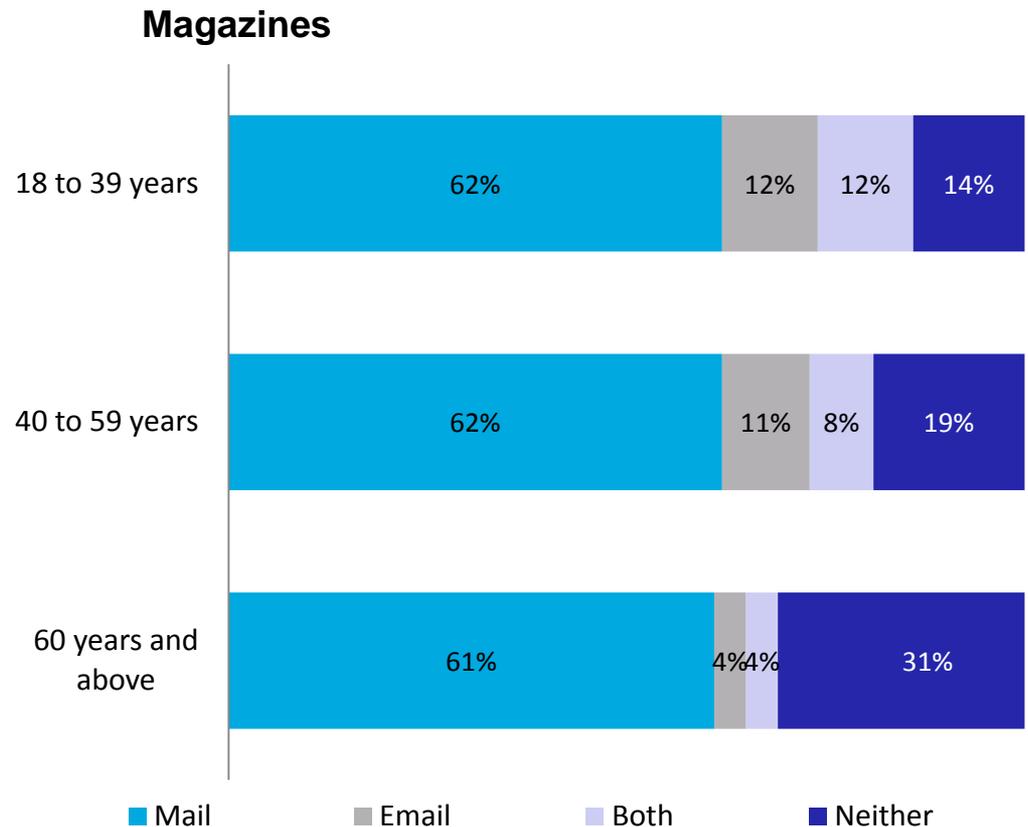
Since customers prefer to receive information in this format it makes sense to incorporate custom magazines into a integrated customer retention program .



Mail is the preferred method to receive a custom magazine.

How would you prefer to receive the following types of communication?

Customers unanimously prefer to receive magazines via the mail compared to email or a combination of both. Interestingly, this preference for mail remained consistent throughout all age groups. While we might think the younger generation are tech savvy and only consuming high volumes of digital media, they are still highly receptive to receiving magazines via personally addressed mail.



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and one of our Australia Post Account Managers will contact you.