READ
RESEARCH
PRESENTATION

APRIL 19-21 2017
Today’s Presentation

- Introduction
- The Establishment Survey
- KANTAR TNS MediaView Study
- GfK nielsen Synergy Study
- BrandMapp Study
- Print – Multiple OTS. Buy 1 Get 1 Free

9:40am
10:00am
10:20am
10:35am
10:45am
11:00am
You have to begin to lose your memory, if only in bits & pieces, to realise that memory is what makes our lives.

Life without memory is no life at all... Our memory is our coherence, our reason, our feeling, even our action.

Without it, we are nothing
So just as memory is central to an individual

The **written word and reading** forms the collective memory of our species.

Without the ability to write down and share our experiences, knowledge & collective learnings in a form that can be consumed by any literate person at any other time or place in any language, we would still be gathering nuts.

Our ability to **share, read, remember and learn** is what separates us from all other creatures. Knowledge transfer and civilisation would not be possible without reading.

**Reading gives humanity a memory.**
The “Killer App” in our electronic democracy is unquestionably Television, which is moving relentlessly towards 60% of AdSpend.

Research from all around the world, over the past 5 decades, has proved conclusively that reading is the best medium to complement and synergise messages and brand recall in conjunction with TV.

Reading is the best way to remember anything
To Pin down TV’s fleeting Image.
INSIGHTS FROM THE ESTABLISHMENT SURVEY
INTRODUCING THE NEW SOCIO-ECONOMIC SEGMENTATION SYSTEM:

SEM
A measure that depicts how you live, not necessarily what you have
NEEDS TO REFLECT SA SOCIETY

Perfectly equal society | | Perfectly unequal society

0 | | 1

Diagram showing the relationship between GDP per capita and GINI co-efficient for various countries, with South Africa highlighted.
THE 14 SEM VARIABLES...

**Final variables:**
- Post Office nearby
- Police station nearby
- Built-in kitchen sink
- Home security service
- Motor car
- **Deep freezer which is free standing**
- Microwave oven
- Floor polisher or vacuum cleaner
- **Washing machine**
- Floor material
- Water source
- Type of toilet
- Roof material
- Number of sleeping rooms

- **Focus on structural items**
- **Low reliance on durables**
- **No reliance on technology items**
- **Short and easy to use**
SEM VS LSM

SEM:

<table>
<thead>
<tr>
<th>SEM</th>
<th>%</th>
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<tbody>
<tr>
<td>1</td>
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LSM:

<table>
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</table>

Source ES 6 months Jul-Dec 2016
THE SEM CONTINUUM

Currently divided into ten groups, but users have the flexibility to define the scores in any percentages they wish.

Low socio-economic living  High socio-economic living
## Demographic Landscape by SEM...

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<tr>
<td><strong>Metro</strong></td>
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<td><strong>Rural</strong></td>
<td>73</td>
<td>60</td>
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<td>7</td>
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<td>3</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: Individual weights*
Don’t Count the People you Reach
Reach the People that Count
Only 1/3 of South Africans Read but the majority of SEM 8-10 do

- 64% in the Total Market
- 36% in the Total Market
- 49% in SEM 8-10
- 51% in SEM 8-10
Reach by SEM
Readers vs. Non-Readers

SOURCE: ES 6 months ended Dec 2016. Past Month cumulative readers of Newspapers or Magazines vs. those who have not read any Newspapers or Magazines.
Readers earn more than non-readers across the entire spectrum of society.

Establishment Survey 6 months Jul-Dec 2016
Readers Earn 50% More than Viewers or Listeners

Monthly income – rand per month

Establishment Survey 6 months Jul-Dec 2016 Yesterday Audiences
The More you Read  The More you Earn

- No schooling or Some primary: R 2 595
- Primary school completed: R 2 730
- Some high school: R 3 213
- Matriculated: R 5 723
- University incomplete: R 10 863
- University completed: R 21 119

National Average: R 5 804

Establishment Survey  6 months Jul-Dec 2016
The More you Listen to Radio The Less you Earn

SEM 8-10

Pers Rand Per Month

- <30 Mins: R16 468
- 30 Mins - 1 Hr: R15 858
- 1-6 Hrs: R14 008
- >6 Hrs: R10 813

Establishment Survey 6 months Jul-Dec 2016
## Time Spent

**Reading/Online** beats broadcast across the board

<table>
<thead>
<tr>
<th>Mon-Fri Minutes</th>
<th>Total</th>
<th>SEM 1 to 4</th>
<th>SEM 5 -7</th>
<th>SEM 8 - 10</th>
</tr>
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<tbody>
<tr>
<td>Magazines</td>
<td>72</td>
<td>67</td>
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<tr>
<td>Newspapers</td>
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<tr>
<td>Reading</td>
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<td>128</td>
<td>132</td>
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<tr>
<td>Internet</td>
<td>104</td>
<td>91</td>
<td>112</td>
<td>114</td>
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<tr>
<td>TV</td>
<td>202</td>
<td>206</td>
<td>204</td>
<td>185</td>
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<tr>
<td>Radio</td>
<td>162</td>
<td>171</td>
<td>157</td>
<td>144</td>
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<table>
<thead>
<tr>
<th></th>
<th>TV VS READING</th>
<th>RADIO VS READING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon-Fri Minutes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>67</td>
<td>27</td>
</tr>
<tr>
<td>SEM 1 to 4</td>
<td>78</td>
<td>43</td>
</tr>
<tr>
<td>SEM 5 -7</td>
<td>72</td>
<td>25</td>
</tr>
<tr>
<td>SEM 8 - 10</td>
<td>41</td>
<td>0</td>
</tr>
</tbody>
</table>
Advertise to Households who can afford your Brand

<table>
<thead>
<tr>
<th>NO. HH:</th>
<th>SEM 1-4</th>
<th>SEM 5-7</th>
<th>SEM 8-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>AVG INCOME</td>
<td>8.4m</td>
<td>4.5m</td>
<td>3.1m</td>
</tr>
<tr>
<td></td>
<td>R4,328</td>
<td>R9,561</td>
<td>R25,252</td>
</tr>
</tbody>
</table>

HOUSEHOLDS VS MONEY

- SEM 1-4: 53 Households, 23 Money
- SEM 5-7: 28 Households, 27 Money
- SEM 8-10: 50 Households, 20 Money

Establishment Survey 6 months Jul-Dec 2016 16m HOUSEHOLDS
Advertise to people who can afford your Brand
18,7m Full or Part time workers

NO. People | SEM 1-4 | SEM 5-7 | SEM 8-10
---|---|---|---
Avg Pers | 8.4m | 5.6m | 4.7m
Income | R3,646 | R7,273 | R17,474

PEOPLE VS MONEY

<table>
<thead>
<tr>
<th>People</th>
<th>Money</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEM 1-4</td>
<td>45</td>
</tr>
<tr>
<td>SEM 5-7</td>
<td>30</td>
</tr>
<tr>
<td>SEM 8-10</td>
<td>25</td>
</tr>
</tbody>
</table>
THE MORE LISTENERS CAN BUY THE MORE YOU PAY TO REACH THEM

Radio CPT Vs. HH Income

Source: Radio Diary Quarter 1 2014     AMPS 2014 ConsumerScope

CORRELATION
CPT & HH INCOME 0,82
PAST MONTH READERS (Universe 6.9m)

- PAPER ONLY: 4.9m (71%)
- ONLINE ONLY: 700k (10%)
- BOTH: 1.3m (19%)

Average Age:
- PAPER ONLY: 36
- ONLINE ONLY: 34
- BOTH: 33
Project Media View: evaluation of media engagement

Research to determine the attitudes and perceptions consumers have of reading relative to other media

April 2017

Engaged
Survey input

Questions included in this survey were largely driven by a variety of other studies done overseas

The chief informant of the questions was work done by BMRB in the UK in 2008 – which sought to develop a cross-media engagement framework.

6 clear strands of engagement form the architecture of this framework:

1. Relevance
2. Trust in the specific media vehicle
3. Mindset and attention given to the medium
4. The medium fulfils a need state
5. The advertising is perceived by consumers to be an integral part of the media experience
6. The medium prompts action
What aspects of ‘engagement’ did we cover?

The survey included both attitudinal as well as behavioural variables – complemented by full demographics

<table>
<thead>
<tr>
<th>Topic</th>
<th>Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media consumption</td>
<td>Frequency of consuming media</td>
</tr>
<tr>
<td>Media attention</td>
<td>Time spent on media</td>
</tr>
<tr>
<td>Quality of attention</td>
<td>Other activities usually doing</td>
</tr>
<tr>
<td>Information source</td>
<td>Media used for different types of information</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Topic</th>
<th>Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction</td>
<td>Overall rating</td>
</tr>
<tr>
<td>Depth of information</td>
<td>Deeper understanding rating</td>
</tr>
<tr>
<td>Media positioning</td>
<td>Media associations</td>
</tr>
<tr>
<td>Media positioning</td>
<td>Advertising associations</td>
</tr>
</tbody>
</table>
Study methodology and approach

**What**
Robust quantitative study *n=2000*

**Where?**
Urban: 7 major metro areas – Johannesburg, Pretoria, Cape Town, Durban, East London, Port Elizabeth & Bloemfontein
Random suburb sampling *(geo-demographic sampling)*

**Who?**
Adults, 15+ years
Sample broadly matched to Establishment Survey metro sample based on IHS data.

**How?**
Face-to-face Computer Aided Personal Interviews on tablets *(enables greater interaction and engagement)*
20 minutes interview duration

**When?**
Interviews conducted: 13 - 27 February 2017
Sample profile: personal demographics (broadly matched to ES)

**Metro area:**
- 58% KZN
- 19% WC
- 14% EC
- 2% FS

**Gender:**
- 50% Female
- 50% Male

**Race:**
- 69% Black
- 15% White
- 11% Coloured
- 5% Indian/Asian

**Language:**
- 27% IsiZulu/Zulu
- 19% English
- 15% IsiXhosa/Xhosa
- 13% Afrikaans
- 11% Sepedi/Northern Sotho
- 6% Setswana/Tswana
- 5% Tshivenda/Lemba/Venda
- 2% Xitsonga/Tsonga/Shangaan

**Age:**
- 23 15-24 years
- 35 25-34 years
- 29 35-49 years
- 13 50+ years

**Average age (mean) = 35 years**

68% vernacular
Sample profile: socio-economic demographics (cont’d…)

**Work status:**
- Working: 58%
- Student: 12%
- Retired: 3%
- Other non-working: 27%

**Occupation (Mentions of 5%+):**
- Manual worker: 23%
- Administrative/clerical: 11%
- Tradesman: 10%
- Customer service: 9%
- Self-employed in informal sector: 8%
- Sales: 6%
- Retail: 6%

**Monthly household Income:**
- Less than R5k: 17%
- R5k-R10k: 35%
- R10k-R20k: 32%
- R20-R40k: 13%
- R40k-R60k: 21%
- R60k+: 17%
- Average (mean) = R13.3K

**Education:**
- Other post-matric: 25%
- Post-graduate: 35%
- Some university +: 40%
- Matriculated: 2%
- Some high school: 5%
- Primary school: 2%
- 17% post-matric

**SEM:**
- SEM 1-5: 40%
- SEM 6-7: 35%
- SEM 8-10: 25%
Sample profile: a new segment to consider - Influencers

Respondents rated themselves on nine statements that relate to influence. ‘Influencers’ were defined as those respondents answering ‘perfectly describes me’ to 4 or more of the statements.

% Describes me perfectly

<table>
<thead>
<tr>
<th>Statement</th>
<th>Influencer</th>
<th>Non-influencer</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I find something new that I like, I recommend it to others</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>I am wholly or partly responsible for the day to day household purchases</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>I like to be kept informed about new products and services</td>
<td>34</td>
<td>34</td>
</tr>
<tr>
<td>I am curious and like to think about how the world works</td>
<td>34</td>
<td>34</td>
</tr>
<tr>
<td>I am the main or joint decision maker when it comes to buying items like TV’s, durables, furniture and cars</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td>I frequently share information about stuff on social media</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>I am one of the main decision-makers at my place of work when it comes to buying products and services</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>People frequently ask me for my advice</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>I am always one of the first of my friends to try new things</td>
<td>23</td>
<td>23</td>
</tr>
</tbody>
</table>

‘Describes me perfectly’ to 4 or more statements = Influencer
Influencers

Who is most likely to be an Influencer?

[Chart showing distribution of Influencers across different categories such as Area, Age, Gender, Race, Language, and SEM.]

- Area: Total, Gauteng, Cape Town, Durban, Eastern Cape, Bloemfontein, 16-24 years, 25-34 years, 35-49 years, 50+ years
- Gender: Male, Female
- Race: Black, White, Coloured, Asian
- Language: IsiZulu/Zulu, English, IsiXhosa, Afrikaans, Sesotho, Sepedi, Setswana
- SEM: SEM 1-5, SEM 6-7, SEM 8-10
What is cross-usage of past month media consumption?

Metro consumers are consuming over 5 media types on average, with 3 in 10 claiming to consume all the listed media on a monthly basis; magazine readers claim the highest repertoire overall; high interaction between newspapers & magazines and internet & social media.

### Repertoire analysis:

<table>
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<tr>
<th>Media Types</th>
<th>Average Consumption</th>
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<tbody>
<tr>
<td>1 media</td>
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<td>2 media</td>
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<tr>
<td>3 media</td>
<td>10</td>
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<tr>
<td>4 media</td>
<td>16</td>
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<tr>
<td>5 media</td>
<td>23</td>
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<tr>
<td>6 media</td>
<td>18</td>
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<tr>
<td>7 media</td>
<td>29</td>
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</tbody>
</table>

Average: **5.3** media/7

### Cross-consumption past month:

<table>
<thead>
<tr>
<th>Media Types</th>
<th>1 media</th>
<th>2 media</th>
<th>3 media</th>
<th>4 media</th>
<th>5 media</th>
<th>6 media</th>
<th>7 media</th>
<th>Avg. no.</th>
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<td>49</td>
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<td>Newspapers</td>
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<td>67</td>
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<td>99</td>
<td>99</td>
<td>99</td>
<td>99</td>
<td>99</td>
<td>100</td>
<td><strong>5.3</strong></td>
</tr>
</tbody>
</table>

High cross-usage between print media and internet/social media.
Quality of attention: Focused time spent consuming media

Despite spending less time on print media, consumers are less distracted when reading newspapers or magazines; over one-half of newspaper readers, and a similarly high number of magazine readers say they are focused when reading and aren’t doing any other activity simultaneously; reading online is the next ‘least distracted’ medium.

<table>
<thead>
<tr>
<th>Not doing something else</th>
<th>Eating or drinking</th>
<th>Watching TV</th>
<th>Listening to the radio</th>
<th>Socialising</th>
<th>Travelling or driving</th>
<th>Activities in the home such as cooking, housework, child care, etc.</th>
<th>Accessing social media</th>
<th>Using your mobile phone or tablet</th>
<th>Working or studying</th>
<th>Avg. no. activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56</td>
<td>50</td>
<td>37</td>
<td>28</td>
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<td>18</td>
<td>18</td>
<td>18</td>
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<td>1.2</td>
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<tr>
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<td>32</td>
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<td>41</td>
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<td>Watching TV</td>
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<td>19</td>
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<td>6</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>1.4</td>
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<tr>
<td>Listening to the radio</td>
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<td>13</td>
<td>11</td>
<td>19</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>16</td>
<td>25</td>
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<td>22</td>
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<td>6</td>
<td>6</td>
<td>1.1</td>
</tr>
<tr>
<td>Travelling or driving</td>
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<td>5</td>
<td>5</td>
<td>12</td>
<td>1</td>
<td>25</td>
<td>65</td>
<td>62</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>Activities in the home such as cooking, housework, child care, etc.</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>6</td>
<td>12</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.1</td>
</tr>
<tr>
<td>Accessing social media</td>
<td>3</td>
<td>4</td>
<td>8</td>
<td>-</td>
<td>12</td>
<td>8</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Using your mobile phone or tablet</td>
<td>2</td>
<td>3</td>
<td>10</td>
<td>16</td>
<td>12</td>
<td>11</td>
<td>3</td>
<td>11</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Working or studying</td>
<td>2</td>
<td>2</td>
<td>10</td>
<td>6</td>
<td>2</td>
<td>14</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1.1</td>
</tr>
<tr>
<td>Avg. no. activities</td>
<td><strong>0.8</strong></td>
<td><strong>0.9</strong></td>
<td><strong>1.2</strong></td>
<td><strong>1.7</strong></td>
<td><strong>1.4</strong></td>
<td><strong>1.8</strong></td>
<td><strong>1.1</strong></td>
<td><strong>1.1</strong></td>
<td><strong>1.1</strong></td>
<td></td>
</tr>
</tbody>
</table>

Top mentions shown ranked on newspapers; activities over 20% highlighted.
What media are used to access information?

Universally, consumers are accessing media for the news and weather

<table>
<thead>
<tr>
<th>News</th>
<th>Weather</th>
<th>Sports</th>
<th>Sales/deals</th>
<th>Lifestyle</th>
<th>Best price on electronics, cellphones, furniture, etc</th>
<th>More info on expensive items want to buy</th>
<th>Compare prices on everyday items</th>
</tr>
</thead>
<tbody>
<tr>
<td>98%</td>
<td>98%</td>
<td>91%</td>
<td>90%</td>
<td>87%</td>
<td>84%</td>
<td>81%</td>
<td>81%</td>
</tr>
</tbody>
</table>
### What media are used to access information?

Other than for news, weather and sports, newspapers rank second behind TV for accessing information about a wide variety of matters. Magazines perform well for lifestyle topics.

<table>
<thead>
<tr>
<th>News</th>
<th>Weather</th>
<th>Sports</th>
<th>Sales/deals</th>
<th>Lifestyle</th>
<th>Best price on electronics, cellphones, furniture, etc</th>
<th>More info on expensive items want to buy</th>
<th>Compare prices on everyday items</th>
</tr>
</thead>
<tbody>
<tr>
<td>98%</td>
<td>98%</td>
<td>91%</td>
<td>90%</td>
<td>87%</td>
<td>84%</td>
<td>81%</td>
<td>81%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TV</th>
<th>TV</th>
<th>TV</th>
<th>TV</th>
<th>TV</th>
<th>TV</th>
<th>TV</th>
<th>TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>87%</td>
<td>89%</td>
<td>79%</td>
<td>64%</td>
<td>60%</td>
<td>54%</td>
<td>50%</td>
<td>52%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Radio</th>
<th>Radio</th>
<th>Radio</th>
<th>Newspapers</th>
<th>Newspapers</th>
<th>Newspapers</th>
<th>Newspapers</th>
<th>Newspapers</th>
<th>Newspapers</th>
</tr>
</thead>
<tbody>
<tr>
<td>49%</td>
<td>33%</td>
<td>36%</td>
<td>48%</td>
<td>31%</td>
<td>39%</td>
<td>33%</td>
<td>47%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Newspapers</th>
<th>Internet</th>
<th>Newspapers</th>
<th>Radio</th>
<th>Magazines</th>
<th>Internet</th>
<th>Radio</th>
<th>Internet</th>
<th>Radio</th>
<th>Magazines</th>
</tr>
</thead>
<tbody>
<tr>
<td>44%</td>
<td>22%</td>
<td>35%</td>
<td>32%</td>
<td>30%</td>
<td>28%</td>
<td>22%</td>
<td>30%</td>
<td>22%</td>
<td>30%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internet</th>
<th>Internet</th>
<th>Internet</th>
<th>Internet</th>
<th>Radio</th>
<th>Radio</th>
<th>Social media</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>21%</td>
</tr>
</tbody>
</table>

**KANTAR TNS**
What does this mean for the reading narrative?

Print media and, to a lesser extent the internet, uniquely occupy the ‘high quality’ focused time quadrant.
Satisfaction: Overall rating of media used

TV outperforms all other media by a long way in terms of meeting overall needs of a medium. Newspapers achieve an overall score slightly behind that of the internet.
Which consumers are most satisfied with newspapers? (Average = 55% T3B rating)

Durban residents, Asians, older consumers and Influencers are most satisfied currently with newspapers

Metro area:
- Gauteng: 57%
- Cape Town: 46%
- Durban: 62%
- Eastern Cape: 37%
- Bloemfontein*: 63%

Gender:
- Gender: 57% Male, 52% Female

Race:
- Race: 64% A, 57% B, 56% W, 39% C

Age
- 15-24 years: 45%
- 25-34 years: 54%
- 35-49 years: 60%
- 50+ years: 60%

Language:
- Tsonga*: 67%
- Sepedi: 61%
- IsiZulu: 57%
- IsiXhosa: 55%
- Setswana: 53%
- Afrikaans: 52%
- Sesotho: 52%
- English: 51%

Influencer:
- Yes: 70%
- No: 48%

SEM:
- SEM 1-5: 57%
- SEM 6-7: 54%
- SEM 8-10: 54%

Caution: small base size (n=30-49)
Imagery perceptions

We look at the image associations in 3 different ways …

Drivers of the ideal (media type) (advertising medium)
Relative performance
Differentiation
Drivers of the ideal media type

The ‘ideal’ media type must be believable, be one that is easy to remember from and that one looks forward to engaging with, and must be fun and entertaining

<table>
<thead>
<tr>
<th>High</th>
<th>Ideal media type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Info is always believable</td>
</tr>
<tr>
<td></td>
<td>Remember things from it</td>
</tr>
<tr>
<td></td>
<td>Look forward to it</td>
</tr>
<tr>
<td></td>
<td>Fun and entertaining</td>
</tr>
<tr>
<td></td>
<td>Spend quality time</td>
</tr>
<tr>
<td></td>
<td>Best way to learn and remember</td>
</tr>
<tr>
<td></td>
<td>Makes you think/inspires you</td>
</tr>
<tr>
<td></td>
<td>Makes you better informed than others</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Moderate</th>
<th>Engage when want time on your own</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Operates in ethical manner/best interest at heart</td>
</tr>
<tr>
<td></td>
<td>Pay close attention/not distracted</td>
</tr>
<tr>
<td></td>
<td>Engage at own pace and in own time</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lower</th>
<th>Variety of content</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trust it to always provide reliable info</td>
</tr>
<tr>
<td></td>
<td>Enjoy sharing with family/friends</td>
</tr>
<tr>
<td></td>
<td>Connects you with other people</td>
</tr>
<tr>
<td></td>
<td>Enjoy it while doing other things</td>
</tr>
</tbody>
</table>
Media association perceptions map: 

differentiation

ENTERTAINMENT

AUDIENCE

AUTHORITY

LEARNING

Reading's territory:

Axis 1: 56%  CONNECTION

Axis 2: 28%
Advertising attributes association: performance

Newspaper ads and leaflets/inserts are perceived similarly by consumers – relevance and trust are big strengths

Ideal medium
Notice/pay attention to ads
Advertising is relevant/useful
Like the ads
Trust the advertising
Provides info to make best purchase decision
Advertising is entertaining
Able to only look at advertising of interest
Discussed advertising seen/heard
Discussed brand/product after seeing advertising
Bought/used product/service as result of advertising
Looked for more info about product/brand
Allows price comparison
Visited/store outlet result of seeing advertising
Just enough ads to not get annoyed

High

Moderate

Lower
Media advertising association map: differentiation

- **ADS ON SOCIAL MEDIA**
  - Able to only look at advertising of interest

- **ADS ON INTERNET**
  - Looked for more info about product/brand
  - Provides info to make best purchase decision

- **CINEMA ADS**
  - Advertising is entertaining
  - Like the ads

- **TV ADS**
  - Just enough ads to not get annoyed
  - Ideal medium for advertising

- **OOH ADVERTISING**

- **MAGAZINE ADS**

- **NEWSPAPER ADS**
  - Bought/used product/service as result of advertising
  - Visited/store outlet result of seeing advertising

- **INSERTS, LEAFLETS, PAMPHLETS**

**Axis 1: 69%**

**Axis 2: 12%**

**KANTAR TNS**

48
What does this mean for the reading narrative?

Reading media channels uniquely sit in the ‘learning and information’ territory.
Reading Occasions

Print is the only medium where you pay for one OTS, but get at least 60% more!

- Daily newspapers: OTS = 1.9
- Weekend newspapers like the Sunday Times, Rapport or City Press: OTS = 1.6
- Weekly magazines such as Drum, You or Move: OTS = 1.8
- Monthly magazines: OTS = 1.8

Once 2-3 times 4 or more times

Daily newspapers: 55% Once, 34% 2-3 times, 11% 4 or more times
Weekend newspapers: 71% Once, 23% 2-3 times, 6% 4 or more times
Weekly magazines: 66% Once, 24% 2-3 times, 10% 4 or more times
Monthly magazines: 61% Once, 30% 2-3 times, 9% 4 or more times
**Reading Occasions**

There are pronounced skews in number of reads of the same issue towards older, more upmarket, more influential readers

<table>
<thead>
<tr>
<th>Total</th>
<th>Age</th>
<th>SEM</th>
<th>Influencer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15-24 years</td>
<td>25-34 years</td>
<td>35-49 years</td>
</tr>
<tr>
<td>Daily newspapers</td>
<td>1,9</td>
<td>1,6</td>
<td>1,9</td>
</tr>
<tr>
<td>Weekend newspapers</td>
<td>1,6</td>
<td>1,4</td>
<td>1,4</td>
</tr>
<tr>
<td>Monthly mags</td>
<td>1,8</td>
<td>1,8</td>
<td>1,8</td>
</tr>
<tr>
<td>Weekly mags</td>
<td>1,8</td>
<td>1,6</td>
<td>1,8</td>
</tr>
</tbody>
</table>
The reading narrative

This initial in-depth look into urban South African consumers’ perceptions of media engagement confirms many hypotheses about the role of reading

- Reading newspapers, magazines and the internet benefits from more **focused attention** and less distraction
- This ‘deep reading’ translates into a better transfer of information to long-term **memory** and clearer **comprehension**
- The **multi-sensory** experience of holding print media might help enrich **memory** and **recall**
- Maintaining consistent **structures** within the print content helps consumers **navigate** and to form further memory traces
- Print media and broadcast media sit at opposite ends on a **rational/emotional spectrum**, fulfilling different sets of needstates
  - Broadcast media is **fun and entertaining**, making for an emotional connection; reading print media is **deliberate and controlled**, yielding far more rational behaviour
  - Creating an **integrated campaign** that utilises both sets of needstate fulfilment has been proven to increase ROI
- Newspapers are the second media source behind TV for many topics of **information**, particularly for **pricing**; similarly, inserts and pamphlets are seen as the top media (behind TV’s halo) for **price comparisons** and are differentiated by prompting a **call to action**
  - Clearly, consumers have come to rely on these information vehicles as critically important sources for **purchase decisions**
- Magazines’ heartland is in its **varied and inspirational content**; consumers further enjoy being in **control** of reading the content and advertising on their own terms
- Reading online largely is **aligned with print media** on many behavioural and attitudinal aspects though perceptions of its advertising sit in a territory closer to social media
Final words: the power of an integrated campaign

Why Print Media?

7. Adding print increases the ROI

- An effective marketing campaign works best when print is used with other media as one element of an integrated solution
- Print media will not only add to the ROI, it will also enhance the ROI of TV or online in the mix
- BrandScience’s analysis of 500+ European cases shows that, in case of FMCG, TV’s ROI increased with 61 per cent when used in combination with print advertising and the total campaign ROI increased with 57 per cent with the combination of TV and print media
GfK Marketing Mix Evaluator (MME)
How we evaluate advertising effectiveness

GfK South Africa
Elements of the perfect marketing mix

Why is it so important to get your mix right?

Time to remix
To measure the **relative effects** of different advertising strategies across media channels and with particular impact that print plays in ROI

Multiple Regression was used to measure the relationship between
- The ‘volume’ of advertising **by media type (ad spend)**
- The **value of purchases** of advertised brands **by panel members** who were users of that media type, and therefore **assumed to have had the opportunity to see/hear that advertising**
- No controlling variables such as demographic measures, loyalty to the brand, category usage, etc. were used in this analysis

The small discernible effect of advertising visible in panel data shows, for certain brands and categories, a positive effect linkable to changing volumes of advertising. Selected cases where the effect of print advertising is positive have been reported to illustrate the effect print advertising can have.

<table>
<thead>
<tr>
<th>Situation</th>
<th>Approach</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>To measure the relative effects of different advertising strategies across media channels and with particular impact that print plays in ROI</td>
<td>Multiple Regression was used to measure the relationship between • The ‘volume’ of advertising <strong>by media type (ad spend)</strong> • The <strong>value of purchases</strong> of advertised brands <strong>by panel members</strong> who were users of that media type, and therefore <strong>assumed to have had the opportunity to see/hear that advertising</strong> • No controlling variables such as demographic measures, loyalty to the brand, category usage, etc. were used in this analysis</td>
<td>The small discernible effect of advertising visible in panel data shows, for certain brands and categories, a positive effect linkable to changing volumes of advertising. Selected cases where the effect of print advertising is positive have been reported to illustrate the effect print advertising can have.</td>
</tr>
</tbody>
</table>
How did we get all this valuable data?

GfK Consumer Panel across 9 Provinces, LSM 4 – 10, Urban and Rural HH’s, scanning all household purchases made on a day to day basis

3000 Households, with either a cell phone or internet connection using demographic profiles from AMPS 2015B and Stats SA annual mid-year population estimates fully representing 13.1 million South African Households

Technology is scanners placed in Panelist homes and Quality checked through stringent Global standards

Interviews conducted with Main Household Purchaser to determine media consumption patterns across TV, Radio, Digital and Print 2250 Household incidence across 6 months data used

- PRC supplied GfK with Adex advertising spend
- Recording spend total by month
- By main media type – TV, Radio, Print
- For all advertised brands in the Food, Personal Care and Beverages Adex product groups
Multiple Regression formed the core analysis

Multiple Regression was used to measure the relationship between volume of advertising by media type as represented by advertising spend in Rands, and value of purchases of advertised brands by panel members who were users of that media type, and therefore assumed to have had the opportunity to see/hear that advertising.

No background or controlling variables such as demographic measures, loyalty to the brand, category usage, etc. were used in this analysis.

Allowing the constant of the regression equation and the residual of the $r^2$ to account for all such background influencers of brand spend.

This analysis was only intended to measure the relative effects of different advertising strategies and especially the effect of including print advertising in the strategy.
Elements of the perfect tune

Why is it so important to get your mix right?

Time to remix
GfK selected 40 product categories and 154 brands for synergy analysis – specific criteria was implemented to conduct the study:

1. **Purchase/ Print Relationship:**
   - Read YES /No
   - Categories & Brands selected if print was used & achieved print ROI
   - 36 product categories & 32 brands qualified for in-depth, deep-dive analysis
     - 6 Categories and Brands selected that showed a positive relationship between purchase and print advertising

2. **Category/ product selection qualifying criteria:**
   - Product monthly penetration greater than 4% in panel data
   - Total media ad spend greater than R100k
   - Significant variance in the data

3. **TV baseline:**
   For the purposes of this study TV forms the baseline of the assessment… TV advertising remains the most effective medium…
   All Categories and brands show for every R1.00 spent what is the return on your Rand
   But what is important is… **It’s all about SYNERGY to achieve optimum ROI!**

Competitive advantage → profitable sales → higher ROI
Selected to include in our Synergy Analysis that met criteria and highlighted positive print impact were 6 Categories

**6 Categories and Brands** were selected and included in the following case studies:

- **Beverages**
  - CSDS – Coca Cola
  - Energy Drinks
  - Tea – Five Roses, Freshpak

- **Dry Groceries**
  - Soup – Knorr Soup
  - Sauces – Tabasco
  - Sugar – Huletts

All Categories and brands show for every R1.00 spent what is the return on your Rand

For every R1.00 we get…

- **Beverages**
  - CSDS – Coca Cola
    - TV & PRINT: R1.01 (100%)
  - Energy Drinks
  - Tea – Five Roses, Freshpak

- **Dry Groceries**
  - Soup – Knorr Soup
    - TV, RADIO & PRINT: R0.45 (45%)
  - Sauces – Tabasco
  - Sugar – Huletts

- **Sauces**
  - Tabasco
    - TV & RADIO: R0.10 (10%)

---

*For marginal ad spent post a normative effect of a strong TV baseline spend. **key to note radio ad spend not consistent across all categories in the case studies.
1. Elements of the perfect mix

2. Why is it so important to get your mix right?

4. Time to remix
Synergy Analysis: Coca Cola

Adding print to Coca Cola's large TV and radio spend has a measurable and visible effect...

Print delivering 8 times a larger effect
Synergy Analysis: TEA

Print in the Total Tea category delivers a measurable effect

Print delivered a **68 times** larger effect
Synergy Analysis: Five Roses Tea

Print advertising delivers **36 times** the effect of TV advertising!

Print delivered a **36 times** larger effect
Brand Case Study: Freshpak

Print advertising delivers **33 times** the effect of TV advertising!

![Chart showing the comparison between print and TV advertising effectiveness. The chart indicates that print advertising had a 33 times larger effect than TV advertising.]
Synergy Analysis: SUGAR

Continuous presence increased incidence and spend for the sugar category

Print delivered a **15 times** larger effect

Panel purchases value, Adex Adspend, Multiple Regression

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In conclusion

• Product groups need to be analysed at the highest level in order to establish a reliable measure of the relationship between advertising spend and household purchase value.

• The selected case studies demonstrate the effect of print advertising spend on household purchasing.

• Synergy analysis shows that combining different media types renders a better result than single medium strategies.
Wealthy South Africans are more interested in reading than traveling, gardening, eating out and socializing!

Q: WHICH OF THE FOLLOWING ACTIVITIES AND PASTIMES ARE YOU INTERESTED IN? (Top 20 only)
Wealthy South Africans recognise reading, both online and in general, as one of their top three activities in life, after (or on par with) watching movies and listening to music.

Q: WHICH OF THE FOLLOWING DO YOU DO ONLINE?

- Read magazines / blogs: 44%
- Download music: 44%
- Search for jobs: 35%
- Make phone calls (e.g. Skype): 34%
- Download movies: 27%
- Listen to radio: 22%
- Play games: 20%
- Take online courses: 20%
- Watch TV: 17%
- Visit adult websites: 12%
- None of these: 11%
- Use dating websites: 5%
- Gamble: 4%

Q: Q: WHICH OF THE FOLLOWING DO YOU DO ONLINE?
The percentage of wealthy South Africans who buy and who read magazines has not changed noticeably for the past three years.

<table>
<thead>
<tr>
<th>Segment</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>80%</td>
<td>77%</td>
<td>80%</td>
</tr>
<tr>
<td>YB males</td>
<td>70%</td>
<td>71%</td>
<td>75%</td>
</tr>
<tr>
<td>YW males</td>
<td>71%</td>
<td>69%</td>
<td>62%</td>
</tr>
<tr>
<td>OB males</td>
<td>80%</td>
<td>81%</td>
<td>80%</td>
</tr>
<tr>
<td>OW males</td>
<td>86%</td>
<td>80%</td>
<td>81%</td>
</tr>
<tr>
<td>YB females</td>
<td>87%</td>
<td>84%</td>
<td>87%</td>
</tr>
<tr>
<td>YW females</td>
<td>70%</td>
<td>73%</td>
<td>74%</td>
</tr>
<tr>
<td>OB females</td>
<td>87%</td>
<td>85%</td>
<td>90%</td>
</tr>
<tr>
<td>OW females</td>
<td>80%</td>
<td>79%</td>
<td>92%</td>
</tr>
<tr>
<td>Buyers</td>
<td>66%</td>
<td>64%</td>
<td>66%</td>
</tr>
</tbody>
</table>
87% of wealthy South Africans read magazines and 64% still buy magazines

Q. ARE YOU BUYING MAGAZINES MORE, SAME OR LESS THAN YOU WERE A YEAR AGO?

- More: 5%
- Same: 23%
- Less: 36%
- I don't buy magazines (but still read magazines): 23%
- I don't read magazines at all: 13%
Tough economic times and the influence of free web content are equally responsible for fewer magazine sales

Q: WHY ARE YOU BUYING FEWER MAGAZINES?

- My interests have changed: 14%
- The quality of magazines has dropped: 16%
- I don't have as much time to read: 26%
- I can't justify the money: 43%
- I get the content I need online: 46%
- Other reason: 4%
85% of magazine readers pass their mags on to family and friends.

Q: HOW OFTEN DO YOU PASS ON OR SHARE YOUR MAGAZINES WITH FRIENDS OR FAMILY?
Nearly half (48%) of all readers recognize being able to pick up and dip in multiple times as the attribute they most associate with magazines.

Q: WHICH OF THE FOLLOWING STATEMENTS DO YOU AGREE WITH WHEN IT COMES TO PRINTED MAGAZINES?
Q. HOW OFTEN HAVE YOU BOUGHT SOMETHING YOU SAW ADVERTISED IN A PRINTED MAGAZINE?

- **Never**: 24%
- **Sometimes**: 70%
- **Often**: 6%

76% of magazine readers associate magazine adverts as being a direct trigger to purchase!
Q. ARE YOU BUYING NEWSPAPERS MORE, SAME OR LESS THAN YOU WERE A YEAR AGO?

- I don't read newspapers at all: 24%
- Same: 17%
- Less: 22%
- I don't buy newspapers, but still read them: 35%

76% of wealthy South Africans still read printed newspapers
Q: WHICH OF THE FOLLOWING STATEMENTS DO YOU AGREE WITH WHEN IT COMES TO NEWSPAPERS?

- None of these: 32%
- I like the ritual of a daily or weekly paper: 25%
- They are easier to read than digital devices: 24%
- I like that I can pass them on to other people: 24%
- I like their 'touch and feel': 21%
- There's content in newspapers I can't find anywhere else: 14%
- I like the fact that newspapers have a beginning and an end: 13%
- Printed content is more credible than digital: 9%
- I like the edited package of content in a newspaper: 8%
- Pictures are much better in print than on a digital device: 6%

1 in 4 wealthy South Africans like the ritual of a printed newspaper.
Q: WHEN IT COMES TO READING THE FOLLOWING TYPES OF MAGAZINES, ROUGHLY HOW MANY TIMES DO YOU PICK UP AND READ/PAGE THROUGH A SINGLE COPY?

<table>
<thead>
<tr>
<th>Magazine Type</th>
<th>Once</th>
<th>2 – 3 times</th>
<th>4 or more times</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooking and entertaining</td>
<td>16%</td>
<td>36%</td>
<td>43%</td>
<td>5%</td>
</tr>
<tr>
<td>Home décor and gardening</td>
<td>25%</td>
<td>41%</td>
<td>28%</td>
<td>5%</td>
</tr>
<tr>
<td>Pregnancy and parenting</td>
<td>26%</td>
<td>41%</td>
<td>26%</td>
<td>8%</td>
</tr>
<tr>
<td>Female general interest</td>
<td>27%</td>
<td>41%</td>
<td>27%</td>
<td>5%</td>
</tr>
<tr>
<td>Science and technology</td>
<td>28%</td>
<td>41%</td>
<td>26%</td>
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<td>Motoring</td>
<td>29%</td>
<td>37%</td>
<td>28%</td>
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<tr>
<td>Travel, holiday and wildlife</td>
<td>29%</td>
<td>45%</td>
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<tr>
<td>Sport and hobby</td>
<td>32%</td>
<td>40%</td>
<td>22%</td>
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<td>Farming and agriculture</td>
<td>33%</td>
<td>31%</td>
<td>28%</td>
<td>7%</td>
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<tr>
<td>Male interest</td>
<td>33%</td>
<td>39%</td>
<td>22%</td>
<td>6%</td>
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<tr>
<td>Pet magazines</td>
<td>34%</td>
<td>40%</td>
<td>20%</td>
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<tr>
<td>General interest</td>
<td>37%</td>
<td>39%</td>
<td>17%</td>
<td>8%</td>
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<tr>
<td>Business and news</td>
<td>40%</td>
<td>38%</td>
<td>15%</td>
<td>6%</td>
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<tr>
<td>Entertainment &amp; celebrity</td>
<td>44%</td>
<td>37%</td>
<td>11%</td>
<td>8%</td>
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<tr>
<th>Avg Read Frequency OTS</th>
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<tr>
<td>1.9</td>
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</table>
Q: WHEN IT COMES TO READING THE FOLLOWING TYPES OF NEWSPAPERS, ROUGHLY HOW MANY TIMES DO YOU PICK UP AND READ/PAGE THROUGH A SINGLE COPY?

**Newspapers Buy 1 OTS get 1 Free**

- **Weekend Newspaper**
  - Once: 59%
  - 2 – 3 times: 26%
  - 4 or more times: 10%
  - Don't know: 5%
  - Avg single issue read frequency (OTS): 1.8

- **Weekly Newspaper**
  - Once: 49%
  - 2 – 3 times: 34%
  - 4 or more times: 12%
  - Don't know: 6%
  - Avg single issue read frequency (OTS): 2.0

- **Daily Newspaper**
  - Once: 54%
  - 2 – 3 times: 28%
  - 4 or more times: 12%
  - Don't know: 6%
  - Avg single issue read frequency (OTS): 2.0
Media Planning
Crash Course
April 19-21 2017
MEDIA PERFORMANCE
HOW DOES EACH MEDIA TYPE PERFORM AGAINST THE TARGET MARKET

How many people can we reach for each R1 spent?

How impactful (memorable) is each medium compared to the other?

To answer these questions and give the PRC members insight into how and why media planners choose each medium we are going to use the Echo MCC® (Media Comparison Calculator)
One of the most fundamental measures in assessing media performance is the Cost Per Thousand (CPT). This is the cost to reach One Thousand Target Market Individuals or Households via a given advertising medium. It is also referred to as the CPM (since M is the roman numeral for 1,000). So:

\[
\frac{\text{COST}}{\text{AUDIENCE (000's)}} = \text{C.P.T}
\]

The lower the CPT the more exposure gained, and hence the greater ROI an advertiser will get on their advertising investment. This is best shown by way of simple examples in the next slides.
Assume we spend R1M on each medium A and B: Dividing this investment by the audience (in 000’s) they each deliver we arrive at a CPT:

**MEDIUM A**

\[
\text{COST} \quad \frac{R1,000,000}{1,000} = R1,000 \text{ CPT}
\]

**MEDIUM B**

\[
\text{COST} \quad \frac{R1,000,000}{2,000} = R500 \text{ CPT}
\]

So Medium B has a CPT that is half that of medium A. (R500 VS R1,000).

It costs half as much to reach 1,000 people with medium B vs medium A.
COST PER THOUSAND

AS USED IN MEDIA PLANNING

So when media planners decide what media types and vehicles to put on the schedule, they turn the previous CPT formula around to see the delivery of each medium:

\[
\text{C.P.T.} = \frac{\text{AUDIENCE}}{\text{GRP'S}} \times \text{COST}
\]

So when doing the inter-media comparison, based on the CPT of each medium, we know what audience we will reach with each different medium. Note this is conducted on rate card rates, before any discounts are negotiated.
The Purchase Funnel
Influences at Each Step in the Funnel