

Success STORY



Media Vehicle: Newspouch
Retail-Mass Merch

Product Sales Increase by 102%!

Manufacturer Case Study . . .

Challenge

Identify markets with the highest opportunity in order to kick-off seasonal products and build awareness of new products with a promotional campaign designed to drive traffic and sales to Toys "R" Us and Wal-Mart locations.

Results

Generated Revenue

- During the two weeks following the Newspouch® program, the two retailers experienced a lift in sales, compared to 2002:*
- The overall increase was 102%. The manufacturer's sales increased from \$4,109,261 to \$8,285,677 among the two retailers.
- Each retailer experienced significant increases in sales of the manufacturer's products: **
 - Wal-Mart, + 90%
 - Toys "R" Us, +106%
 - Target stores were incidentally covered by the promotion and experienced a sales increase of 285%.
 - Every dollar spent resulted in \$1.68 in incremental sales.

*2002 Wk Ending Mar 22nd & Mar 29th 2003 Wk Ending April 11th & April 18th

**The promotional period also included television support.

Increase in Brand and Product Awareness

- 64.0% of all respondents recalled the manufacturer's advertisement and pamphlet.
- 37.5% of respondents who recalled the manufacturer's advertisement stated that they were not aware of the variety of products produced by this client.

Intent to Purchase

- 25.5% of respondents who recalled the manufacturer's advertisement stated that they have purchased a product (13.7%), or will definitely (6.3%) or probably (5.5%) purchase a product from this manufacturer in the future.

Additional Results

- The manufacturer increased product sales to key retailers by \$9 million due to the anticipated sales activity that the promotion would generate.
- The advertised website, toll-free number, and birthday club had significant increases in traffic following the drop.
- The online birthday club membership tripled during the next month.
- Research found that 38.5% of past and likely purchasers stated they were willing to spend \$50.00 or more on one of the manufacturer's products.

(Base: Respondents who had already purchased, or stated they will definitely or probably purchase a product of the manufacturer in the future. 65 respondents, or 16.3% of all 400 respondents.)

Source: Verified Audit Circulation

Insights

- 65% of adults who have shopped on the Internet for this product category (past 12 months) also read a Sunday newspaper.
- 63% of adults who own a home, have children age 0-5 years, and have shopped at either Wal-Mart or Toys "R" Us (past 3 months) also read a Sunday newspaper.

Source: Scarborough Research Multi-Market 2003 Release 1

Impact

- Use the high impact Newspouch® product to break through the clutter and deliver the catalog.

Solution

Segmentation and Reach - Target Navigator™ Process

The Designated Market Areas (DMAs) with the manufacturer's sales were the basis for the target audience. The markets' potential opportunity was then segmented further utilizing the Target Navigator™ methodology.