
Living Local Research

June 13, 2014

I recently spent some time with a Global Business Development Manager who has written development programs for major brands (including our very successful banks in Australia). These programs are to re-focus, market to and re-connect with their local customers using local area marketing as a simple and cost effective way to increase sales and success.

I have also just watched one of the major bank's YouTube video offered as business tips for their clients that encourages businesses to "increase sales through local area marketing - including local publications".

Now, at Coffee News, a local community based paper committed to connecting businesses to local communities, we have always known this (after all, that is why Coffee News was developed in 1988 and has been successfully doing this for decades) - but why the sudden "re-focus" back to local. (Read more for Research results).

Could it be that all the science behind "data mining" is telling us what was always good common sense? Recent research tells us that local area marketing is crucial (shared to the right). Secondly, in my view, there has been a realisation that the promised "digital revolution" hasn't made our businesses huge overnight global successes with online customers knocking our virtual doors down - at little or no cost.

Does this mean digital is dead?

A recent quote reported in the industry by Marc Pritchard, Global Brand Building Officer of Procter & Gamble (the world's largest buyer of advertising) that "digital marketing is dead", was quite startling. Coupled with the Australian entrepreneur Dick Smith's statement that "All this raving about how fantastic the internet is at advertising - it doesn't work" simply highlights that the hype around digital may not meet the promise. For local businesses, expectations may have been unrealistic, and/or the reliance on digital advertising alone may have missed the mark. There is a new phrase "Digital Back" that Marc Pritchard referred to - if you are going to use the digital world you need to "build your way back to the rest of the marketing mix". You have to remember also that digital hype is created by that industry to generate their own revenue streams, which change and

increase regularly with new offers. The chase to get ahead of your competitors is always then at more cost to you. I receive a regular "Trendwatching" report, and am conscious that this report is specifically for 'trends' within the digital industry - not for all media. Taken out of context, we can develop a bias that is not beneficial.

Now please, if you're in the digital marketing industry, don't write to me protesting. I am not against digital marketing and believe that every business needs to have a multi-media approach that includes a quality digital presence. However that is my point. It should be a part of the multi-media approach which includes traditional media and methods to connect local businesses with their local customers.

As a consumer, I have often used the internet to find products - of course I have. But my search is specific. I already know what I'm looking for. Advertising online is like finding a needle in a haystack amongst a product's innumerable competitors. There's so much out there, and generally, the people online already know what they're looking for. A common complaint is the "intrusive advertising" that pops up and annoys people on a computer screen and then keep 'representing' themselves. I can't tell you how many times this has happened to me and I quickly click the x to close the intrusion.

Target the audience digital doesn't reach

With Coffee News, people pick up our paper because they want to, and the advertising is secondary - yet powerful with built in psychological tools that gets the ad remembered. I may not know I want that service, or even know that such a service or product existed, until I see it 'in my hands'.

With Coffee News, we provide the introduction and the constant branding to business that would otherwise be lost in the digital 'mess'. And we do it affordably and exclusively for local businesses. No big budgets - and no competitors!

Coffee News is trusted part of the community. Coffee News has a niche market that targets a specific group of consumers in targeted markets (reaching people with disposable income in a receptive environment) and is the perfect supplemental advertising medium to complete a firm's marketing mix. It provides valuable community information, such as links to business, events and community organisations.



Existing users see it is a highly valued and trusted publication.

'Top of Mind Awareness' is owning the space that your product or service occupies in your prospects mind which influences them to buy from you when ready. That can be very expensive digitally. Coupled with the fact that only 2-5% of people are "NOW" buyers, it is crucial to a business in developing their local marketing plan to establish:

1. How to affordably local area market with the required weekly presence to keep you "top of mind"; and
2. What the local buyers are looking for from you (community involvement and support); and
3. What trusted local advertising mediums fit these values and criteria (community, affordability and weekly consistency) that you can align your marketing with.

Even national brands have a local presence - and are re-connecting to this model and their local customers. Read the research and you'll understand why, and most importantly, why Coffee News needs to be a highly valued part of your marketing mix.

What the research discovered:-

- People are loving local more than before - They continue to spend most of their time and money locally - Local

media is the best way to take advantage of the new rise of local - It works. People act on it

"Local Newspapers have highly engaged audiences, the most believable advertising and a powerful effective medium" (The New Shopper: Today's Purchase Path and the media that influences it)

People live their lives locally and spend most of their time close to home: 80% - "within 10 km of home" 93% - "within 20km of home" 81% - "I try to buy locally whenever I can" 93% - "I like companies that involve themselves in the local community" 84% - "I am more likely to buy brands that give something back to the local community" People spend most of their money locally: 76% - "within 10 km of home" 92% - "within 20 km of home"

People are Focused on Local 32% "The country is improving" (2008: 31%) 70% "Overall, I would say my local area is improving" (2008:57%) 81% "The recession has made supporting my local community more important"

