

Flyers the most effective form of advertising

Contributed by GfK
Thursday, 29 June 2006

Flyers the most effective form of advertising

Results of the GfK survey "POS measures in the hypermarket" on advertising in the German retail sector Nuremberg, September 18, 2006 " Purchasing decisions of seven out of ten consumers are influenced by flyers and leaflets. To promote sales, store managers also particularly like using sampling campaigns with promotional teams. These are the results of the survey "POS measures in the hypermarket" for which GfK Panel Services surveyed store managers and consumers throughout Germany in summer 2006.

Flyers and leaflets specifically highlighting the latest special offers are the most effective form of sales promotion at the point-of-sale (POS). 71% of consumers stated that their purchasing decisions were guided by this type of pamphlet. Four years ago the number was slightly higher at 74%. However, it is not just at the POS that flyers reach consumers. Currently, four out of five German consumers regularly receive flyers through the post. Not even one in ten throw them away immediately and for the majority of consumers, these pamphlets serve as the basis for their next purchasing decision, the targeted search for special offers or for information on current offers.

The influence of samples given away in-store has risen sharply. In 2002, less than one in three considered samples and trial packages as relevant to their purchase, while today almost half of all consumers are convinced by this form of advertising.

Consumers prefer POS measures with additional benefits

Most POS measures appeal equally to younger and older consumers irrespective of gender. There are bigger differences when it comes to campaigns featuring promotional teams, store announcements and sales radio programs as well as on-packs, which men tend to be noticed more by men than by women. By contrast, flyers and leaflets are more popular with women than men. People aged 50 and over pay more attention to promotional teams than younger consumers do. However, younger consumers are generally considerably more influenced by POS measures. In principle, consumers like special offers which offer an additional benefit when the product is purchased or which strengthen the benefit of the product purchased.

Manufacturers rely particularly on sampling campaigns

This is also the reason why sampling campaigns are the measure most frequently employed by manufacturers " regardless of their purchase relevance. Promotional teams have already been on site in 97% of stores this year. With coverage of 98% of retail outlets, the deployment of external sales teams was slightly more frequent in 2002.

Compared to the prior year, the use of decorated merchandisers and displays has considerably declined. In 2002, the highlighted placement of goods was still the second most common POS measure at around 97%. This year, the use by manufacturers of special displays to highlight their products on the shelves amounted to only 90%. Consequently this measure has slipped to number 5 in the frequency table.

By contrast, coupons and discount vouchers are recording a real boom. In 2002, this type of measure was used by around half of manufacturers. In 2006, three quarters are employing such loyalty campaigns to promote sales of their own products.

The survey

1,465 consumers and 252 store managers in German hypermarkets and self service department stores representing a wide range of retailers were surveyed in face-to-face interviews in May and June this year for the "POS measures in hypermarkets" survey. The main topic of the survey is the use, awareness and evaluation of POS measures. In addition, the survey also asked which manufacturers were using advertising measures at the POS, what customers thought of these and whether the advertising measures motivated consumers to purchase the goods.

The GfK Group

The GfK Group is the No. 4 market research organization worldwide. Its activities cover five business divisions, Custom Research, Retail and Technology, Consumer Tracking, Media and HealthCare. In addition to 13 German subsidiaries, the Group has over 130 subsidiaries and affiliates located in more than 70 countries. Of a current total of over 7,700

employees, 80% are based outside Germany . For further information, visit our website: www.gfk.com.

Â