

How to Target Your Audience with Free- Standing Inserts

Contents

What are Free-Standing Inserts? 3

The Benefits of Free-Standing Inserts 4

 Strategic Targeting and Mapping..... 4

 Inserts are Cost Effective 4

 An Extremely High Open Rate 4

 Consumers Value FSIs..... 4

 An Affluent Audience 5

 Cross-Channel Results 5

 Inserts Incite Action..... 5

 Lasting Impact 5

 Reach a Huge Audience..... 5

 A Link between Print and Digital 6

 They’re Flexible..... 6

 Highly Measurable Results 6

The Future of FSIs 7

Conclusion 8

What are Free-Standing Inserts?

Free-standing Inserts, or FSIs for short, are those colorful brochures you find in newspapers that offer everything from sales on electronics to grocery store specials to coupons for gardening products and printing services. Big box stores like Home Depot, Target, J.C. Penney and Walmart advertise with them because they know firsthand inserts are a highly effective channel for driving major traffic and generating sales.

FSIs were once thought to be reserved for consumer packaged goods offers, but more and more advertisers are using this channel as an effective way to promote their brand message while reaching budget-conscious consumers who seek value and reliability in the products and services they purchase. FSIs offer flexibility in circulation options making them a budget-friendly tactic, and frequency of distribution allows advertisers to test messages and offers in the market, enabling keen evaluation and swift decision making.

According to Jim Conaghan, vice president of research and industry analysis for the Newspaper Association of America, free-standing inserts typically account for 30% to 50% of newspapers' retail advertising revenue. Though that number can vary by season and the newspaper's size, it shows that, while some advertisers have migrated their campaigns to various digital platforms, those in-the-know still recognize that print media - and FSIs in particular - are a vital ingredient in any integrated, consumer, promotional marketing mix.

The Benefits of Free-Standing Inserts

From a consumer's point of view, FSIs offer benefits like being able to comparison shop at a glance, check for sales, conveniently learn about new products, look for unexpected purchasing opportunities, and plan the week's shopping.

According to *How America Shops and Spends 2013*:

- 3 percent of adults usually check newspaper inserts to see what's on sale while 56 percent use store inserts to plan their regular shopping trips
- Seven in 10 adults say they read or look at newspaper inserts at least occasionally
- 44 percent of adults take newspaper inserts with them while shopping
- 79 percent of those who look at FSIs save them for more than one day

Now let's take a look at the numerous benefits FSIs offer advertisers:

Strategic Targeting and Mapping

Effective targeting goes beyond consumer demographics and takes into account geographical data as well. When purchasing an insert buy for a client, Media Space Solutions uses geospatial intelligence mapping which enables us to map the most efficient media buy to reach the right consumers. Using FSIs to reach your audience means you can choose a single zip code, entire city, market or region for precision targeting.

Inserts are Cost Effective

Newspaper inserts have the same potential as direct mail to reach thousands of consumers but can be had at only a fraction of the cost. Consider the significant savings on postage alone (inserts are about 10 times cheaper than traditional direct mail) and you see the potential they have to broaden a brand's reach at a price that's "doable."

An Extremely High Open Rate

Because inserts are delivered in a well-known and respected source, they have a much better chance of being seen by consumers who trust their local newspapers. Also, the receiving environment of inserts is often less cluttered than the mailbox, making FSIs more effective at delivering brand messages than direct mail.

Consumers Value FSIs

Because free-standing inserts are included in another company's communication, there is a high level of trust associated with the partnership. Consumers simply have a more favorable view of inserts than other forms of media because they inherently trust their local newspaper. In fact, according to the NAA's "How America Shops and Spends" report, newspapers ranked first (or tied for first place) in seven of 12 benefit statements related to advertising platforms, with the top three being "you check for your regular shopping," "most valuable in planning shopping" and "most believable and trustworthy."

Inserts are an effective form of advertising because they cater to consumers who enjoy "window shopping" from the comforts of their living room. Many newspaper subscribers spend their Sunday afternoon thumbing through the colorful inserts to find the biggest sales and offerings from multiple merchants. Advertising with FSIs allows you to get your offer in front of those who are *ready to buy*.

An Affluent Audience

In a 2011 [survey conducted by Ad Age](#), 86% of Americans with an annual income of at least \$100,000 said they read the print version of the newspaper. By using free-standing inserts you can get your message in front of an affluent crowd that has a disposable income.

Cross-Channel Results

Insert media are able to drive consumers to multiple pathways based on your campaign's specific goals. Consumers can reach you by phone, via a website or landing page or by mail – it's your choice.

Inserts Incite Action

Jim Conaghan, NAA's vice president of research and industry analysis says, "Preprint is also an action medium," and indicated that 81 percent of newspaper readers typically take action every month as a result of seeing an ad in any section of the newspaper. Actions include gaining awareness of a sale, clipping a coupon, or visiting a bricks-and-mortar establishment. There are actions that readers take online as well such as visiting a website directly, using a search engine like Google to find more information and making an actual online purchase. Something to note is that of the readers surveyed by NAA, 44 percent said they took inserts to the store with them, and 44 percent also said they used them to make an unplanned purchase.

Lasting Impact

On average, free-standing inserts are kept in homes for 3 or more days by 62 percent of readers, with heavy users – generally female subscribers - keeping inserts from product categories much longer than that. One-fourth of readers keep inserts that interest them a week. 35 percent of all women age 35-54 keep preprints at least a week, as do 34 percent of African Americans.

Reach a Huge Audience

According to a [Consumer Usage Newspaper Advertising Report](#) conducted by the Newspaper Association of America, 83 percent of adults said they regularly or occasionally read newspaper inserts, and 70 percent had used them in the past 30 days of the survey. That's a huge portion of newspaper readers to get your message in front of.

A Link between Print and Digital

With the emergence of QR Codes, robust Web portals and personalized URLs, creating a link between print and digital has never been easier. Newspaper inserts have the ability to leverage these links and offer consumers an engaging and interactive online experience. This traditional print channel is no longer static but an opportunity to begin a two-way dialogue with interested consumers.

They're Flexible

In order for advertisers to deliver their messages in a way that is highly impactful and accurate, they must have complete flexibility with their media buys. Free-standing inserts can be ordered as catalogues, cards, or single sheets; and they can also be distributed in large or small formats, on light or heavy stock, and on the day that makes the most sense.

Highly Measurable Results

Insert media can be easily tracked, measured and analyzed to determine the impact it had on your overall campaign. Advertisers can gauge which newspapers are the most effective, what their cost per acquisition is and direct their ad spend in the successful markets only. If you can't measure results, how will you know if you've reached your objective?

The Future of FSIs

While many confused and/or uninformed advertisers have abandoned traditional print media for digital solutions, industry insiders predict the future of free-standing inserts looks very bright. The fact is, there are no digital applications yet that are able to come close to reaching an insert's audience, which is an estimated 50 million households per week.

According to Brian Costello, former VP and GM at Valassis Direct Mail and now owner of Costello Group, a marketing consulting firm, 90% of coupons still are sourced through *print*. "The FSI is very economical for retailers," Costello says. "It's an incredibly efficient way to market services. Digital hasn't figured out how to have the kind of reach with that kind of pricing."

Nancy Lane, president of the Local Media Association has said, "FSIs are stable now, and I think retailers still get good [return on investment]. It's [been] a big part of their ad budget and continues to be because it works. The big preprint package [in the Sunday paper] is one of the most effective forms of advertising. That model doesn't easily translate to a digital model. There's no platform to compete on the digital side."

The last few years have seen companies attempt to launch competitive digital insert alternatives, including Lane's own Zip2Save that launched in 2009 and closed in 2013. Other digital channels that have seen some success have included Gannett Co.'s ShopLocal, a platform which provides incentives, coupons and other offers, and Wanderful Media's Find&Save.

Although its annual revenue is between \$5 million and \$10 million, and despite the fact the Find&Save app reaches about 1 million users currently, the company owners acknowledge that is nowhere near the 50 million households reached by preprints every single week.

"Moving advertising dollars solely to digital has not paid off for retailers," says Lane, who's heard many retailers, including big box giants like Target and Sears praise the effectiveness of inserts in their marketing. Some retailers such as J.C. Penney and Lowe's pulled out of preprint marketing, "but the [return on investment] wasn't there so they went back to preprint," she says.

As long as newspaper circulation remains steady, the future of free-standing inserts will remain steady and the newspaper industry will eventually find a way to use both print and digital forms reaching different audiences.

Conclusion

Today's consumers use a wide array of media channels over the course of a week to assist them in making purchasing decisions. Having said this, they have definite preferences for what media they choose to use when their goal is to check advertising intentionally. Newspapers, by far, remain consumer's medium of choice.

Advertising with newspaper inserts provides advertisers with an ability to develop hyper-local campaigns that reach their target market with effective messaging and well-positioned offers. FSIs are more cost effective than direct mail, shared mail, radio, and television, and they offer guaranteed delivery into thousands of homes each week. Not to mention inserts may be targeted by zip code or demographics and have an ability to generate instant responses and sales. If you haven't yet put this time-tested method of marketing to work for you, what are you waiting for?