

NEWS

For Immediate Release
August 11, 2005

For More Information
Contact: Jackie Bland
703/264-7200
E-mail jbland@primir.org

NEW PRIMIR STUDY ASSESSES PROSPECTS FOR RETAIL PRINT ADVERTISING

Print is the principal medium used by key retailer categories such as food, home improvement, drug, discount, consumer electronics and department stores. These retailers spend more on print than on other advertising media and than on promotion. They report that they prefer print because it yields results, it is measurable, and it provides a higher return on the advertising investment than other media. During the past five years (2000-2005), however, retail print advertising fell along with non-print advertising.

This is according to a new research study published by Print Industries Market Information and Research Organization (PRIMIR), entitled "Future Direction and Trends in Retail Print Media Advertising."

Principle objectives of the research were to:

- Determine future trends and potential growth for print media in retail advertising in the United States, Canada and Mexico
- Identify marketing strategies that could influence the use of retail print media
- Evaluate the impact of new media on retail print advertising
- Understand the role of retail print media in multi-channel marketing

According to Wilkofsky, Gruen Associates (WGA), New York, who conducted the research and presented their findings at the recent PRIMIR meeting in Baltimore, "Beginning in 2004 and continuing in 2005, there has been a rebound in retail sales. Retailers became more optimistic about their sales prospects and began to allocate more resources to advertising, including retail print advertising. And, study respondents expect they will spend more on retail print going forward."

The study goes on to report "growth will be led by direct mail, inserts and in-store circulars more so than by run-of-press (ROP) advertising in newspapers and magazines. Retailers feel ROP ads are often not read because they are buried in the publication." For all but Newspaper ROP advertising, WGA forecasts that the growth will continue through 2010.

Print Category	Growth 2005-2010
Newspaper FSI	2.6%
Newspaper ROP	0%
Magazines	3.1%
Direct Mail	4.9%
In Store Circulars	3.9%

More good news for the printing industry is that "retailers view the Internet as complementary to their print campaigns rather than as a substitute. The Internet helps build leads and attract interest. Retailers follow up with print material to provide more information and to present their store in a more favorable environment. "

For more information about this study or PRIMIR membership, contact Jackie Bland at 703/ 264-7200, ext. 287 or jbland@primir.org. PRIMIR was created from the merger of the Market Research Committee of NPES The Association for Suppliers of Printing, Publishing and Converting Technologies and the Graphic Arts Marketing Information Service (GAMIS). Its headquarters is at 1899 Preston White Drive, Reston, VA 20191. PRIMIR is on the World Wide Web at www.primir.org.

###