

THE COMPETITION TRIBUNAL

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	OTTAWA, ONT. # <i>156(a)</i>	

IN THE MATTER OF an application by the Director of Investigation and Research for orders pursuant to section 92 of the Competition Act R.S.C. 1985, c. C-34, as amended;

AND IN THE MATTER of the direct and indirect acquisitions by Southam Inc. of equity interests in the businesses of publishing The Vancouver Courier, the North Shore News and the Real Estate Weekly

B E T W E E N:

**THE DIRECTOR OF INVESTIGATION
AND RESEARCH,**

Applicant,

- and -

**Southam Inc., Lower Mainland
Publishing Ltd., RIM Publishing
Inc., Yellow Cedar Properties Ltd.,
North Shore Free Press Ltd.,
Specialty Publisher Inc.,
Elty Publications Ltd.,**

Respondents.

COMPETITION TRIBUNAL
TRIBUNAL DE LA CONCURRENCE

File No. CT-90/1
 No. du dossier
Director v *Southam*
 Exhibit No. B-46: 12:00
 de la pièce
 Date on Oct. 23, 1991
 Déposé le
 Registrar G. Lelkemen
 Grettier

A F F I D A V I T

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RIM PUBLISHING INC., YELLOW CEDAR PROPERTIES LTD.,
NORTH SHORE FREE PRESS LTD., SPECIALTY
PUBLISHER INC., ELTY PUBLICATIONS LTD.**

Respondents

AFFIDAVIT OF ANGUS REID

I, Angus Reid, of the City of Winnipeg, in the Province of Manitoba, MAKE OATH AND SAY:

1. Since 1980 I have been the President of the Angus Reid Group Inc., in Winnipeg, Manitoba. Formed in late 1979, Angus Reid Associates has grown to become one of Canada's largest marketing/social research firms.
2. On August 15 of this year I swore an Affidavit in this proceeding to which was attached a true copy of a report on the results of a retail advertiser survey conducted for Southam Inc. accompanied by copies of the survey questionnaire.

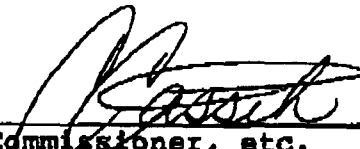
- 2 -

3. I have since prepared a supplemental report to clarify the methodology used to conduct the retail advertiser survey, to focus my discussion of the implications of a price increase in either the daily or community newspaper and to correct errors in the data presented. Attached as Exhibit "A" to this my Affidavit is a true copy of my supplemental report.

Sworn before me at the)
City of Winnipeg in the)
Province of Manitoba)
this 9th day of October 1991.)



ANGUS REID



A Commissioner, etc.

A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF MANITOBA
MY COMMISSION EXPIRES 20/10/92

This is Exhibit "A" to the
Affidavit of Angus Reid,
Sworn before me on the 9th day
of October, 1991



A. HOENIG, ETC.

A COMMISSIONER FOR OATHS
IN AND FOR THE PROVINCE OF MANITOBA
MY COMMISSION EXPIRES 20/10/92

ANGUS REID

October 9th, 1991

95940/23

**SUPPLEMENT TO THE
RETAIL ADVERTISERS STUDY**

PREPARED FOR: Blake, Cassels & Graydon

PREPARED BY: Angus Reid Group, Inc.

October 9, 1991

INTRODUCTION

This is a supplement to the report of survey findings tabled on August 15, 1991 ("the August 15 report").

PART I

This part contains a detailed review of the methodology employed to complete the survey of retail advertisers in the Greater Vancouver area commissioned by Blake, Cassels & Graydon and undertaken by the Angus Reid Group.

PART II

This part contains a further analysis of the switching behaviour of advertisers.

PART III

This part contains corrections to the report due to an error in the tabulation of Tables 3 through 9 of the August 15 report.

PART I. DETAILED METHODOLOGY

1.0 SAMPLING FRAME

For every survey, it is important to have a sampling frame which is as representative as possible of the overall target population for the study. In constructing the sampling frame for this study, a conscious effort was made to avoid some of the common and less complete list sources which might be considered candidates for the sampling frame, such as Yellow Pages lists and direct marketing lists which can be purchased from commercial list vendors. Instead, a multi-phased approach was used to construct the most complete and representative sampling frame possible. The first phase in constructing the frame was to build a list based on the names of retailers who advertised in the Pacific Press newspapers and the two community newspapers targeted in the study - The North Shore News and The Courier. The second phase of this approach to constructing a sampling frame consisted of a "random walk" enumeration of retail establishments within the circulation areas of The Courier and The North Shore News, which approximate their trade areas. The Angus Reid Group viewed the random walk enumeration as an essential component of constructing the sampling frame for two reasons. First, this enumeration was necessary to provide a source of retail advertisers which was representative of advertisers who had not advertised in the newspapers targeted in the study. Second, the enumeration was necessary to determine the relative sample sizes for four distinct sub-strata. The sub-strata are based on the newspaper advertising purchasing behaviour of retail advertisers and were defined as follows:

1. Retailers who have advertised only in daily newspapers,
2. Retailers who have advertised only in community newspapers,
3. Those who advertised in both community and daily newspapers, and
4. Those who have advertised in neither community nor daily newspapers.

It was important to measure the relative size of each of these sub-strata and to employ sample weighting in order to give appropriate weight to each sub-strata in the calculation the survey results.

1.1 NEWSPAPER ADVERTISERS LIST

Source lists for the first three sample sub-strata were obtained from lists of advertisers from the files of both Pacific Press and the two community newspapers. A full list of all companies who have advertised in the two dailies and the two community newspapers was compiled and a special matching program was written to determine which retail advertisers advertise only in the daily, which advertise only in the community newspapers and which advertise in both.

A computer matching program was used to unduplicate the list of advertisers and, in so doing, identify which of the three sample sub-strata they belong to. This unduplication process identified a total of 559 retailers who advertised both in the daily and the community newspapers, 2,100 advertisers who advertise only in the community newspapers, and 7,000 advertisers who advertise only in the daily newspapers.

The unduplication process proceeded as follows. A comprehensive list of newspaper advertisers was compiled by merging the advertiser lists from the two community papers and Pacific Press. The file was sorted alphabetically by advertiser name so that duplicate names would tend to be placed adjacent to each other on the list. The list was scanned and any apparent duplicates were eliminated. Next, the file was sorted alphabetically on the largest word in the advertisers name so that again duplicate advertiser names would tend to sort adjacently on the list. Again, the list was scanned and any apparent duplicates were removed. This procedure of sorting alphabetically on the largest word was repeated for the second largest word and then the third largest word on the file. Once again, these sorted files were scanned and apparent duplicates were removed. At each step, the number of duplicates diminished, until on the last sort only 1 percent duplication was detected. This provided good evidence that very few duplicates remain on the list.

1.2 RANDOM WALK FIELD ENUMERATION

A "random walk" field enumeration was conducted within the circulation areas of The Courier and The North Shore News. This was undertaken primarily to supplement the newspapers' advertiser lists with retailers who advertise in vehicles other than the newspapers. This enumeration also served the purpose of determining the correct proportions in the advertisers marketplace for each of the four sub-strata defined above. We provide here the details of the sample selection and field enumeration procedures.

First, a complete and up-to-date set of detailed zoning maps and by-laws was obtained from municipal authorities for the City of Vancouver, the City of North Vancouver, the District of North Vancouver, and West Vancouver. On the basis of the set of all maps and by-laws which corresponded to the circulation areas of The Courier and The North Shore News, a two-stage cluster sample was selected as follows: } *

1. We identified all blocks which had at least some commercial retail zoning. ✓
2. Primary sampling units were defined which consisted of a geographically contiguous grouping of blocks such that each primary sampling unit had roughly the same number of blocks zoned for commercial retail purposes. ✓
These primary sampling units typically consisted of one or more zoning maps.
3. A simple random sample of primary sampling units was selected using a computer random number generator.
4. Within each selected primary sampling unit, the secondary sampling units were defined as the blocks which had at least some commercial retail zoning.
5. With the assistance of random number tables, a simple random sample of secondary sampling units (that is, blocks) was selected within each primary sampling unit.
6. Angus Reid Group interviewers were provided with copies of the zoning maps with the selected blocks highlighted and were sent on foot to enumerate each selected block on their map.

7. Angus Reid Group interviewers visited these blocks during normal business hours and canvassed the entire block, conducting a brief enumerative interview at each commercial establishment to determine whether the establishment had any retail operations, whether the business bought any advertising during the previous two years for the purposes of promoting retail sales, and if so, what types of advertising had been purchased.
8. This sampling procedure produced a total of 500 enumerative interviewers^S with retailers in the circulation areas of the two community newspapers.

Training for the field enumeration consisted of a one hour formal training session of the field enumeration staff. The training session covered enumeration procedures, and stressed the importance of avoiding potential enumeration undercoverage due to missing units of the target population of retail establishments. Interviewers were instructed to enter every doorway or opening in building facades on the selected blocks, in order to avoid missing potential retail businesses.

In fact, undercoverage was virtually non-existent in the field enumeration since interviewers reported there was little difficulty in locating retail business establishments because they are so highly visible from the street (it is in their best interest to be so), and because the enumeration questionnaire was very short and unambiguous. There was no instance of a business which was unable to readily identify whether or not they had a product or service for sale. In instances where respondents were unable to respond to one or more questions on the questionnaire concerning the advertising behaviour of their business, a telephone callback was completed to obtain the missing information. The refusal rate for the random walk field enumeration was 11.5 percent.

TABLE 1

SURVEY POPULATION	SAMPLE PROPORTION	POPULATION PROPORTION	STEP ONE WEIGHT
Daily and Community Newspaper Advertisers (sub-strata 1,2,3)	75%	53%	0.710
Neither Daily Nor Community Advertisers (sub-stratum 4)	25%	47%	1.865

TABLE 2

SUB-STRATUM	SAMPLE COUNT	SAMPLE PROPORTION	POPULATION COUNT	POPULATION PROPORTION	STEP TWO WEIGHT
1. Daily Only	153	26%	7049	38%	1.4802
2. Community Only	137	23%	2105	11%	0.4935
3. Both Daily and Community	153	26%	559	3%	0.1174
4. Neither Daily Nor Community	151	25%	8613*	47%	1.8650

* Note: This population count was estimated based on the relative proportions of newspaper advertisers versus non-newspaper advertisers measured in the random walk enumeration, and the known population counts for newspaper advertisers.

2.0 TELEPHONE SURVEY OF RETAIL ADVERTISERS

A telephone survey was conducted with 594 retail advertisers from the sample frame. Telephone interviews were conducted between June 26th and July 22nd, 1991.

2.1 SAMPLE DESIGN AND SAMPLE WEIGHTING

A random sample was drawn from each of the four sub-strata on the sampling frame. This sample was pursued exhaustively in order to obtain interviews with the selected retail advertisers. In attempting to reach the person responsible for making decisions about purchasing advertising and promotions, Angus Reid Group interviewers had to make frequent callbacks and were often referred to another telephone number or business location (such as a head office) where this person could be reached. In some cases, this pursuit extended over several weeks, but every possible effort was made to interview as many of the selected advertisers as possible.

The sample plan was designed to yield 150 retail advertisers in each sub-stratum. The actual sample yields are displayed in Table 2. Sampling weights were applied to the results of the survey in order that each sub-stratum be represented in proportion to its actual representation in the overall population of retail advertisers. This was achieved using a two-step weighting scheme.

Step One of the weighting scheme consisted of applying a weighting factor to ensure the appropriate relative weight was given to non-newspaper advertisers (i.e. advertisers in the Neither sub-stratum) relative to advertisers in the three newspaper advertiser sub-strata (Daily only, Community only, and Both). As discussed in Table 1, the Step One weights were simply calculated as the ratio of the population proportion to the sample proportion for each of these advertiser sub-populations. These population proportions were estimated from the random walk enumeration. The population of newspaper advertisers on the

sample frame consists of 9,713 advertisers. Based on these proportions, the estimated relative population count for non-newspaper advertisers is 8,613.

Step Two of the weighting scheme consisted of weighting each of the three newspaper advertisers sub-strata (Daily only, Community only, and Both) in proportion to their known representation on the sampling frame. As shown in Table 2, the Step Two weights again were simply calculated as the ratio of the population proportion to the sample proportion for each sub-stratum.

All data and tables produced by the SPSS computer analysis were calculated using the Step Two weights. In this manner, each sub-stratum contributes the appropriate relative weight to the final estimates produced from the data.

2.2 SURVEY QUESTIONNAIRE

A copy of the survey questionnaire for the telephone interviewing is found in Appendix "A". The questionnaire was administered by fully trained and supervised interviewers from the Angus Reid Group.

Question 1 was used to obtain a basic profile of the retail advertiser being interviewed, including the number of retail outlets, the number of outlets in different locations within Greater Vancouver, and the number of outlets for which the respondent is responsible for buying advertising.

Question 2 was used to measure the full range of advertising vehicles purchased by Vancouver retail advertisers, the frequency of advertising purchases, and the amount spent on each vehicle over the last year.

Question 3 was used to determine the advertising objectives of retail advertisers, and for each of these objectives, Question 4 was used to determine their perceptions of the cost effectiveness of the different advertising vehicles available in Greater Vancouver. Question

5 provided an assessment of the cost effectiveness of the various advertising and promotional vehicles specifically for the business of the respondent. Questions six and seven provided an assessment of the size of the core trading area of both the individual stores as well as the combination of all stores of the respondent in Vancouver and Lower Mainland.

Question 8 was used to measure price sensitivity and switching behaviour with respect to price increases in each of the advertising vehicles. Two questions were used here, the first to determine what would be the likely response of advertisers when faced with a price increase (would they stay with that vehicle or switch?), and the second question was used to assess which alternative advertising vehicles they would switch to.

2.3 TELEPHONE INTERVIEWING

The telephone interviews for this study were carried out by trained interviewers at the Angus Reid Group. The interviewers received two types of training. The first is general telephone interviewing which incorporates proper interviewing techniques and an overview of the entire research process. The second type of training received is project specific training. The supervisor reviews the questionnaire with the interviewers to ensure that each question is fully understood. Each question is read aloud by the interviewing staff and, at this time, supervisors and staff discuss the procedures and quality controls which apply to each question.

A ratio of approximately one supervision hour was spent for every six interviewer hours. This ratio has been proven to ensure required levels of monitoring and editing and supervision of workshifts. 10 to 15 percent of all calls on each shift were monitored or validated. All interviewers were monitored as equally as possible. Monitoring consists of listening in on the interviews with telephone monitoring equipment. Validation consists of calling back selected respondents and verifying the responses which the interviewers have recorded on the questionnaires.

All completed questionnaires were edited for completeness and accuracy. Any information which was found missing or incomplete was obtained by calling back respondents for clarification.

Appended to this report is a copy of some information on survey response rates published by the Canadian Association of Market Research Organizations (CAMRO) to help provide a context for interpreting the same information from this study. Comparing the two, it is quite evident that the response rates for the study are quite comparable to those reported in most other surveys in the industry, and better than those typically found in media-related research.

Completed interviews as a proportion of total contacts for this study were 25%, (as compared to 18% reported in media-related research by the CAMRO report). Refusals as a proportion of total contacts were 45% (as compared to the 43% reported in the CAMRO study for telephone interviews).

2.4 QUESTIONNAIRE PROCESSING AND DATA ANALYSIS

Once all questionnaires were edited by the interviewer staff and field supervisor to ensure completeness and consistency, they were coded and keypunched in our Winnipeg office. All coding was 100% verified by independent coder, and all keypunching was 100% verified as well.

The data was analyzed by computer using the SPSS software package. This software was used to produce the detailed tables of results which are appended to the report of findings for the study. All results were produced using the Sample Weights as calculated in Section 2.1.

For analytical purposes, the survey results were reported not only for the population of retail advertisers as a whole, but also for four categories of advertisers which are of special interest in the analysis of findings for this study. The four categories are defined as follows:

- Neither:** Retail advertisers who have not advertised using either community or daily newspapers in the last two years. It is estimated that 52 percent of all retail advertisers belong to this category.
- Mainly Daily:** Advertisers who spend 70% or more of their newspaper advertising budget on ROP or insert advertising in daily newspapers. For advertisers where detailed expenditure data was not available a second rule was used. The advertisers had to advertise either weekly or monthly in the dailies and rarely or never in the community papers. Only under this circumstance were they considered "Mainly Daily". Fourteen percent of the survey population are Mainly Daily advertisers.
- Mainly Community:** Advertisers who spend 70 percent or more of their newspaper advertising budget on ROP or insert advertising in community newspapers. For advertisers where detailed expenditure data was not available a second rule was used. The advertisers had to advertise either weekly or monthly in the community paper and rarely or never in the daily papers(s). Only under this circumstance were they considered "Mainly Community", and these advertisers constitute 19 percent of the population.
- Both:** All retailers that do not meet the criteria for membership in any of the three groups outlined above, constituting 14 percent of the overall population of retail advertisers.

While the reader will note some similarities between these four analytical categories and the four sample sub-strata, it should be understood that these are two different breakdowns of the survey respondents which are employed for fundamentally different purposes. The sample sub-strata are used only for weighting purposes, and determined solely by the

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Stratified Random Sampling design which was employed in the selection of retail establishments for this study.

The four analytical categories on the other hand, represent a classification of advertisers based on advertising expenditures, as reported on the survey questionnaires. As such they are to be understood as a characterisation of the findings of the research itself, not a pre-defined partitioning but rather a component of the findings of the research itself.

PART II. CASH FLOW ANALYSIS

In this research study, advertisers using a particular medium were asked how they would respond to a 10 percent increase in the cost of advertising for that medium. The respondents were asked which of four alternative reactions they would be most likely to take should the cost of advertising in a particular retail advertising medium increase by 10 percent. The four alternatives were:

- o Maintain the same level of advertising and spend more;
- o Spend the same amount but drop the level of advertising;
- o Spend less on advertising in that medium and drop the level of advertising;
- o Or, advertise less and switch advertising dollars to another medium.

For those who would advertise less and switch, respondents were asked which medium they would switch to. Multiple responses were allowed.

The present analysis is concerned with the question of what would be the revenue gain or loss to Southam in increasing the price of advertising in either the dailies or the community papers, in the hope that their net revenues through the gains and losses in advertising revenues in both daily and community newspapers combined would be positive. The potential losses to Pacific Press in daily newspaper advertising could vary considerably depending on the amount of advertising revenue which is actually switched away from the daily newspapers. For this reason, we present the cash flow analysis under three alternative switching scenarios, namely, that 50 percent of the revenues of this group would be switched away from daily newspapers, that 25 percent would switch away, and that 10 percent would switch away. This spectrum represents a reasonable range of price elasticities, according to J.N. Rosse.

As described in an earlier chapter, the sample design and weighting methodology for this study have been planned and executed with great attention to ensure that the sample is

TABLE 3
IMPACT OF PRICE INCREASES IN DAILY NEWSPAPERS

<u>Impact on Daily Newspapers:</u>	<u>50% Switch</u>	<u>25% Switch</u>	<u>10% Switch</u>
Basic Revenues	\$2,979,685	\$2,979,685	\$2,979,685
Loss due to switching	- 658,706	- 329,353	- 131,741
Gains due to price increases	+ <u>81,522</u>	+ <u>81,522</u>	+ <u>81,522</u>
Net Revenues	2,402,501	2,731,854	2,929,466
<u>Impact on Community Revenues:</u>			
Basic Revenues	2,338,258	2,338,258	2,338,258
Gains due to switching			
Display Ads	+ 288,832	144,416	57,766
Insert Ads	+ <u>17,447</u>	<u>8,724</u>	<u>3,489</u>
Net Revenues	2,644,537	2,491,398	2,399,513
Total Net Revenues, Daily and Community	\$5,047,038	\$5,223,252	\$5,328,979
Less Basic Revenues	<u>-5,317,943</u>	<u>-5,317,943</u>	<u>-5,317,943</u>
Net Gain (Loss)	\$ (270,905)	\$ (94,691)	\$ 11,036
	(5% Loss)	(1.8% Loss)	(0.2% Gain)

Note that gains of \$81,522 in revenues for the daily newspapers due to a 10 percent increase in advertising prices are calculated as 10 percent of the \$815,222 in advertising expenditures of those advertisers who said that they would advertise the same amount and spend more on their advertising.

TABLE 4
IMPACT OF PRICE INCREASES IN COMMUNITY NEWSPAPERS

<u>Impact on Community Newspapers:</u>	<u>50% Switch</u>	<u>25% Switch</u>	<u>10% Switch</u>
Basic Revenues	\$2,338,258	\$2,338,258	\$2,338,258
Loss due to switching	- 91,740	- 45,870	- 18,348
Gains due to price increases	+ <u>102,723</u>	+ <u>102,723</u>	+ <u>102,723</u>
Net Revenues	2,349,128	2,395,111	2,422,633
 <u>Impact on Daily Revenues:</u>			
Basic Revenues	2,979,685	2,979,685	2,979,685
Gains due to switching			
Display Ads	+ 26,128	+ 13,064	+ 5,226
Insert Ads	+ <u>14,805</u>	+ <u>7,403</u>	+ <u>2,961</u>
Net Revenues	3,020,618	3,000,152	2,987,872
 Total Net Revenues, Daily and Community			
	\$5,369,746	\$5,395,263	\$5,410,505
Less Basic Revenues	<u>-5,317,943</u>	<u>-5,317,943</u>	<u>-5,317,943</u>
Net Gain (Loss)	\$ 51,803	\$ 77,320	\$ 92,562
	(1% Gain)	(1.4% Gain)	(1.7% Gain)

Note that gains of \$102,723 in revenues for the daily newspapers due to a 10 percent increase in advertising prices are calculated as 10 percent of the \$1,027,233 in advertising expenditures of those advertisers who said that they would advertise the same amount and spend more on their advertising.

representative of the population of retail advertisers in Vancouver and the Lower Mainland. This has produced a sample which reports estimated advertising expenditures of \$5,317,943. The present chapter examines the impact of price increases in newspaper advertising in terms of changing the advertising expenditures of this sample of advertisers. Furthermore, the impact of these changes in advertising expenditures are flowed through to estimate the impact on the advertising revenues of daily and community newspapers. Since this sample was randomly chosen and is representative of the population, and since the estimated advertising expenditures of these retailers exceeds \$5 million, we consider the relative gains and losses which are estimated from this sample to be highly representative of those which would be reported by the population as a whole. In particular, the margin of error associated with the sample of 594 retail advertisers is plus or minus 4 percent.

IMPACT OF PRICE INCREASES IN DAILY NEWSPAPERS

As noted in Table 10 and Section 5.0.3 of the August 15 main report, in the case of daily newspapers, 34 percent of all respondents indicated that they would advertise less and switch to another medium in the face of a 10 percent in advertising rates. Of these retailers, 37 percent indicated that they would switch their advertising to display ads in community newspapers, and 6 percent indicated that they would switch to insert ads in community newspapers.

Table 3 presents an analysis of the impact which this switching behaviour would have on the advertising revenues of the newspapers. The estimated advertising revenues before the price increase are \$2,979,685 in basic revenues for daily newspapers and \$2,338,258 in basic revenues from advertising in community newspapers, for a total of \$5,317,943 in basic revenues. From those advertisers who indicated that they would advertise the same amount and spend more in the face of a price increase of 10 percent in the daily newspapers, daily newspaper advertising revenues would gain up to \$81,522 due to the price increase. However, advertisers who indicated they would switch advertising to other media represent \$1,317,413 in advertising revenues. If 50 percent of their advertising expenditures were

switched then the advertising revenues for daily newspapers would drop to \$2,402,501. Similarly, if 25 percent of their advertising expenditures were switched then revenues would drop to \$2,731,854, and if only 10 percent were switched then revenues would drop to \$2,929,466 for the dailies. In fact, the estimated impact on daily newspaper advertising revenues would likely be more adverse than the picture presented here, since in this analysis we take no account of the \$209,345 advertising expenditures of those retail advertisers who indicated that they would advertise less in the dailies and save money. This represents an additional 7 percent of the basic revenues of Southam from daily newspaper advertising which would be placed at risk by the price increases.

In spite of the revenue losses in the daily newspapers due to switching, it is true that Lower Mainland Publishing Ltd. ("LMPL") would gain in advertising revenues in the community newspapers for those advertisers who switched their advertising over to The North Shore News and The Courier. In the case where 50 percent of the advertising revenues were to switch away from the dailies, we estimate that a maximum of \$288,832 would switch to display ads in community newspapers and \$17,447 would switch to insert ads in community newspapers. This would increase the basic revenues of the community newspapers from \$2,338,258 to \$2,644,537. This figure represents the maximum gain in community newspaper revenues due to the switching behaviour of these advertisers for two reasons. First, it is likely that these revenues would be switched not only to The North Shore News and The Courier, but also to other community newspapers throughout the Lower Mainland. (In fact, we measured in this survey that 60 percent of retailers advertise in community newspapers in which LMPL does not have any ownership - see the findings of Question 2d in the August 15 report). Second, multiple responses were permitted for answers to the question on which media a respondent would switch to. Nonetheless, when a respondent indicated community newspapers as one of the alternatives to which they would switch, we assigned 100 percent of revenues to community newspapers in this case. In this manner, these calculations represent the maximum gain in community newspaper advertising revenues which LMPL could expect to garner as a result of price increases in the daily newspapers.

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Under this scenario, the total new net advertising revenues of daily and community newspapers (netting out the losses and gains) is \$5,047,038. This represents a net loss of \$270,905, or a 5 percent loss on the basic revenues of \$5,317,943 which daily and community newspapers combined would maintain if there was no change in the price of advertising in the dailies.

As displayed in Table 3, this same analytical approach yields an estimated net loss of 1.8 percent for daily and community newspapers combined (or \$94,691) in the event that 25 percent of the advertising expenditures were to switch away from daily newspapers, for the group of advertisers who have indicated that they would advertise less and switch to other media. Similarly, even under a "10 percent switch", combined advertising revenues would net 0.2 percent gain in basic revenues (or \$11,036). As noted above, we have been conservative in our assumptions in these calculations, and it is very likely that Pacific Press would do much worse than this if it was to impose a 10 percent increase in the price of advertising in the daily newspapers.

IMPACT OF PRICE INCREASES IN COMMUNITY NEWSPAPERS

Table 4 presents the results of a similar analysis of the effect of price increases in community newspaper advertising on the basic revenues of daily and community newspapers combined. Again, we have made conservative assumptions about the losses which would accrue to the community newspapers as a result of a 10 percent price increase and liberal assumptions about the gains in advertising revenues which would accrue to the daily newspapers due to the switching of advertising revenues from community newspapers to daily newspapers. These calculations show that overall, daily and community newspapers combined could expect a 1 percent gain in advertising revenues if, among those who indicated they would switch their advertising away from community newspapers, that 50 percent of the advertising expenditures were to be switched away. Under the "25 percent switch" scenario there would be a 1.4 percent gain in combined revenues, and under the "10 percent switch" scenario there would be a 1.7 percent gain in advertising revenues for the daily newspapers and community newspapers combined. Although there is a small gain in

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each case, these gains are largely due to the increased prices charged in the community papers.

CONCLUSIONS

The cash flow analysis demonstrates that Southam would not benefit significantly from price increases in advertising. In the case of daily newspaper advertising, the advertisers who indicated that they would switch to other advertising vehicles account for almost half (\$1,317,413 out of \$2,979,685) of Pacific Press's advertising revenues. Further, Pacific Press would realise anywhere from a 5 percent loss to a 0.2 percent gain in combined advertising revenues in daily and community newspapers. In the case of community newspapers, the switchers account for 7.8 percent (\$183,480 out of \$2,338,258) of their advertising revenues. Even with highly conservative assumptions, Southam could realise at best overall revenue gains of between 1.0 percent and 1.7 percent of the combined advertising revenues of the Sun, the Province, the North Shore News, and the Courier. Further, most of these potential gains come from additional revenues from current advertisers within the community newspapers rather than from the revenues produced from advertisers who switched to the dailies.

PART III. ERRATA

1.0 INTRODUCTION

We wish to report that due to an error in the tabulation of Tables 3 through 9 in the August 15 report, these tables should be revised as shown on the subsequent pages. In particular, figures for display advertising and insert advertising were combined in the August 15 report, but these should have been reported separately, as they are in these corrected Tables. As a result, the text of Chapter 4 of that report must also be revised to reflect the corrected figures, as indicated with underlining below. These corrections do not change the substantive conclusions of Chapter 4.

2.0 CORRECTIONS

4.0.4

Not surprisingly, these major market advertisers place considerable reliance on daily newspapers as the most cost effective way of achieving their objective. In the case of their most prevalent objective (reaching Vancouver and the entire Lower Mainland) 83 percent said that display advertising in a daily newspaper is most cost effective and 9 percent said that insert advertising in daily newspapers is most cost effective. This compares with only 25 percent who named display ads in community newspapers and 3 percent who named insert ads in community papers for this purpose. Other advertising vehicles that are seen as equally cost effective than community newspapers for this segment include the Yellow Pages (59%), direct mail/Ad-Mail (28%), radio (33%), and local magazines (26%).

4.0.5

For their second most prevalent reason for advertising (promoting a specific product) a similar pattern is evident - 74 percent name daily newspaper display ads and 8 percent name

daily newspaper insert ads while only 26 percent named community newspapers display ads and 2 percent named community paper insert ads.

4.0.8

As might be expected, retailers in the Mainly Community segment give significantly higher ratings to community newspapers compared with daily newspapers as the best means of achieving their objectives. For example, 70 percent said that display advertising in community newspapers is a cost effective way of reaching a geographically defined target and 60 percent said that community newspaper display advertising is a cost effective way of promoting specific products. This compares with 14 and 25 percent respectively who named daily newspaper display ads. As in the case of the retailers in the "mainly daily" segment, other media are named by higher numbers of these retailers as being more effective compared with the newspaper alternative. For instance, 37 percent of retailers of the "Mainly Community" segment see Yellow Pages as cost effective - ahead of those naming daily newspaper display ads and insert ads combined - for promoting a specific product.

4.0.9

An even stronger pattern is evident for the second ranked objective associated with advertising for the Mainly Community group - reaching a geographically defined target. Here, six media ranked ahead of daily newspaper display ads and insert ads combined, in terms of the percentage of respondents saying that the advertising vehicle is cost effective. These media are direct mail/Ad-Mail, Yellow Pages, free-standing flyers, outdoor billboards, radio, and transit signage.

4.0.11

In light of these needs, retailers in this segment are more likely to see both daily and community newspapers as cost effective. For instance, while 69 percent see display ads in daily newspapers as cost effective for reaching all residents of Vancouver and the Lower Mainland, 47 percent see display ads in community newspapers as also cost effective for this purpose. Furthermore, 22 percent find insert ads in daily newspapers to be cost effective while 24 percent believe that insert ads in community

Blaha, Cassels & GraydonAngus Reid Group, Inc.

papers are cost effective, too. Almost equivalent ratings were also evident for promoting specific products and for reaching a socio-economically defined segment. One purpose for which ratings of daily and community newspapers diverge significantly is reaching a geographically defined target. Here 53 percent see display ads community newspapers as cost effective while only 33 percent see daily newspapers as cost effective.

TABLE 3

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR PROMOTING SPECIFIC PRODUCTS

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS TO PROMOTE A SPECIFIC PRODUCT	56	64	54	55	54
(BASE)	(384) (%)	(67) (%)	(86) (%)	(64) (%)	(167) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	31	74	25	48	9
Flyer insert in daily newspaper	8	8	8	20	4
Display ad in community newspaper	31	26	60	54	9
Flyer insert in community newspaper	10	2	15	22	6
Television	13	19	16	18	6
Radio	16	14	19	36	7
Yellow pages	45	42	37	30	55
Direct mail or Ad-Mail	36	31	33	51	34
Local magazine	19	24	21	9	19
Specialty newspaper	16	11	22	18	15
Free standing flyer	14	13	22	33	4
Transit signage or mall poster	10	5	17	22	4
Outdoor billboard	9	8	13	16	5

TABLE 4

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR REACHING RESIDENTS OF A SPECIFIC COMMUNITY

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS TO REACH PEOPLE IN ONE COMMUNITY	31	11	49	29	30
(BASE)	(258) (%)	(30) (%)	(70) (%)	(48) (%)	(110) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	22	47	22	32	10
Flyer insert in daily newspaper	6	6	9	6	5
Display ad in community newspaper	45	49	74	54	20
Flyer insert in community newspaper	15	2	22	22	11
Television	9	17	18	4	3
Radio	19	22	25	24	12
Yellow pages	44	45	56	28	44
Direct mail/Ad-Mail	36	37	40	35	33
Local magazine	17	20	16	16	17
Outdoor billboard	12	17	16	15	7
Transit signage or mall poster	12	2	19	17	8
Specialty newspaper	12	18	9	4	15

TABLE 5

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR REACHING RESIDENTS OF VANCOUVER AND THE LOWER MAINLAND

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS TO REACH RESIDENTS OF VANCOUVER AND THE LOWER MAINLAND	53	81	36	62	49
(BASE)	(394) (%)	(73) (%)	(75) (%)	(66) (%)	(179) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	39	83	38	69	11
Flyer insert in daily newspaper	10	9	10	22	6
Display ad in community newspaper	24	25	38	47	10
Flyer insert in community newspaper	9	3	12	24	6
Television	13	21	18	20	6
Radio	25	33	31	38	14
Yellow pages	57	59	50	49	63
Direct mail/Ad-Mail	31	28	30	52	25
Local magazine	22	26	23	27	19
Specialty newspaper	19	13	23	16	20
Free standing flyer	15	15	22	28	7
Transit signage or mall poster	8	5	9	16	7

TABLE 6

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR PROMOTING A SPECIAL EVENT

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS TO PROMOTE A SPECIAL EVENT	13	21	18	26	5
(BASE)	(213) (%)	(43) (%)	(69) (%)	(50) (%)	(51) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	42	76	30	57	15
Flyer insert in daily newspaper	12	8	14	15	11
Display ad in community newspaper	42	40	60	53	8
Flyer insert in community newspaper	14	5	20	19	8
Television	9	12	8	16	-
Radio	26	33	30	33	9
Direct mail/Ad-Mail	37	34	33	39	44
Local magazine	20	26	17	16	22
Specialty newspaper	19	20	22	9	22
Free standing flyer	18	15	19	23	13
Yellow pages	16	9	22	12	18
Outdoor billboard	10	9	10	14	7
Transit signage or mall poster	10	4	12	10	11

TABLE 7

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR ANNOUNCING A SALE

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS FOR ANNOUNCING A SALE	14	25	21	24	5
(BASE)	(171) (%)	(42) (%)	(62) (%)	(36) (%)	(31) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	43	72	25	72	6
Flyer insert in daily newspaper	10	8	7	20	6
Display ad in community newspaper	40	40	52	45	14
Flyer insert in community newspaper	15	5	16	28	14
Television	14	16	9	26	8
Radio	28	29	28	41	14
Direct mail/Ad-Mail	37	30	35	35	55
Free standing flyer	22	20	22	23	20
Yellow pages	19	11	23	24	18
Specialty newspaper	13	7	14	11	24
Local magazine	11	16	9	7	13
Outdoor billboard	6	5	6	10	6
Transit signage or mall poster	6	4	7	10	-

TABLE 8

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR REACHING A GEOGRAPHICALLY DEFINED TARGET

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS FOR REACHING A GEOGRAPHICALLY DEFINED TARGET	30	21	48	41	24
(BASE)	(256) (%)	(35) (%)	(71) (%)	(56) (%)	(94) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	21	56	14	33	6
Flyer insert in daily newspaper	6	9	3	9	4
Display ad in community newspaper	42	23	70	53	21
Flyer insert in community newspaper	20	2	28	35	11
Television	9	10	11	14	4
Radio	20	29	22	26	12
Yellow pages	44	38	36	38	54
Direct mail/Ad-Mail	39	41	41	37	39
Free standing flyer	20	13	27	29	13
Local magazine	19	27	17	20	18
Specialty newspaper	16	19	14	10	20
Outdoor billboard	13	9	18	20	8
Transit signage or mall poster	12	6	19	16	6

TABLE 9

PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING
VEHICLES FOR REACHING A SOCIO-ECONOMICALLY DEFINED SEGMENT

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
PERCENT WHO SAY THAT "ALL" OR "MOST" OF ADVERTISING IS FOR REACHING A SOCIO-ECONOMICALLY DEFINED SEGMENT	23	27	25	31	18
(BASE)	(189) (%)	(38) (%)	(45) (%)	(40) (%)	(66) (%)
PERCENT WHO SAY THAT SELECTED ADVERTISING VEHICLE IS COST EFFECTIVE:					
Display ad in daily newspaper	31	64	24	49	6
Flyer insert in daily newspaper	7	5	3	20	3
Display ad in community newspaper	32	21	50	54	12
Flyer insert in community newspaper	11	2	10	28	6
Television	10	12	12	17	4
Radio	18	22	21	29	7
Direct mail/Ad-Mail	40	30	33	43	48
Yellow pages	38	32	23	34	55
Local magazine	27	35	15	26	31
Free standing flyer	14	11	14	30	7
Specialty newspaper	14	17	15	9	15
Outdoor billboard	7	4	8	4	8
Transit signage or mall poster	3	1	8	1	3

APPENDIX ONE
SPSS COMPUTER TABLES FOR CASH FLOW

8a. If the price of advertising in the dailies were to increase by 10% relative to other advertising vehicle, would you...?
 8b. Which type of advertising vehicle would you switch to?

	TOTAL	LOCATION OF ADVERTISING		
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community
BASE: SUN OR PROVINCE USED FOR ADVERTISING (Weighted Base) (Unweighted Base)	\$2,979,685 (269)	\$1,563,751 (97)	\$91,519 (65)	\$1,324,416 (107)
If dailies cost increases 10%				
Advertise same and spend more	\$815,222	\$407,711	\$31,234	\$376,277
Advertise less and spend same	\$577,626	\$388,453	\$11,966	\$177,207
Advertise less and save money	\$209,345	\$114,742	\$734	\$95,869
Advertise less and switch to other (DK/NS)	\$1,317,413 \$60,079	\$606,818 \$46,027	\$38,605 \$8,980	\$671,990 \$5,072
BASE: WOULD SWITCH TO OTHER VEHICLES	\$1,317,413 (89)	\$606,818 (20)	\$38,605 (28)	\$671,990 (41)
Which type of advertising vehicle would you switch to				
Television	\$13,311	\$12,607	\$0	\$704
Radio	\$841,599	\$446,408	\$1,177	\$394,014
Display ad in community paper	\$577,664	\$410,057	\$13,066	\$154,541
Insert in community paper	\$34,893	\$0	\$1,174	\$33,719
Free standing flyer	\$29,886	\$18,784	\$11,102	\$0
Direct mail	\$501,134	\$394,601	\$10,596	\$95,937
Local magazine like Vancouver	\$76,897	\$2,220		\$74,677
Specialty newspaper like Georgia Straight	\$98,669	\$94,734	\$3,701	\$235
Yellow pages	\$1,527	\$1,480		\$47
Outdoor billboard	\$444		\$0	\$444
Transit signage or wall poster (DK/NS)	\$0 \$30,543	\$0 \$939	\$0 \$0	\$0 \$29,604

8g. If the price of advertising in the community newspaper was to increase by 10% relative to other advertising vehicles, would you...?

8h. Which type of advertising vehicle would you switch to?

	TOTAL	LOCATION OF ADVERTISING		
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community
BASE: COMMUNITY PAPERS USED FOR ADVERTISING (Weighted Base) (Unweighted Base)	\$2,338,258 (352)	\$53,527 (53)	\$1,011,725 (180)	\$1,273,006 (119)
If community paper costs increase by 10%				
Advertise same and spend more	\$1,027,233	\$16,149	\$467,736	\$543,347
Advertise less and spend same	\$663,490	\$22,373	\$427,893	\$213,225
Advertise less and save money	\$56,451	\$5,967	\$26,019	\$24,466
Advertise less and switch to other (DK/NS)	\$183,480	\$9,039	\$39,061	\$135,380
	\$407,604	\$0	\$51,016	\$356,588
BASE: WOULD SWITCH TO OTHER VEHICLES	\$183,480 (61)	\$9,039 (13)	\$39,061 (28)	\$135,380 (20)
Which type of advertising vehicle would you switch to				
Television	\$2,960	\$2,960		
Radio	\$89,306	\$247	\$247	\$88,812
Display ad in Sun or Province	\$52,256	\$2,097	\$5,575	\$44,583
Insert ad in Sun or Province	\$29,610	\$0		\$29,610
Free standing flyer	\$1,007	\$0	\$1,007	\$0
Direct mail	\$12,438	\$1,480	\$9,971	\$987
Local magazine like Vancouver	\$11,379		\$11,202	\$176
Specialty newspaper like Georgia				
Straight	\$6,508		\$6,273	\$235
Yellow pages	\$0		\$0	
Outdoor billboard	\$0		\$0	
(DK/NS)	\$8,195	\$2,501	\$5,107	\$587

APPENDIX TWO
CAMRO REFUSAL RATE STUDY



**"YOUR OPINION COUNTS" is a public education program of
Canadian Association of Marketing Research Organizations
Professional Marketing Research Society
Field Management Group**



**CANADIAN
REFUSAL
RATE
STUDY
1987**

**"YOUR OPINION COUNTS" is a public education program of
Canadian Association of Marketing Research Organizations
Professional Marketing Research Society
Field Management Group**



CANADIAN REFUSAL RATE STUDY - 1987

THE CANADIAN REFUSAL RATE STUDY - 1987 WAS ORGANIZED BY THE "YOUR OPINION COUNTS" COMMITTEE FOR 1987. EXPENSES WERE COVERED BY DONATIONS FROM THE FOLLOWING SPONSORS...

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John C. Blais

A.C. Nielsen Company of Canada
Limited

Elda Brennan

John Snow
Butler Research Associates Inc.

Rosemarie Greene
Greenesearch

Barbara Seymour
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Canadian Facts

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Consumer Contact

Criterion Research Corporation

Dialogue Canada

DJC Research

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Facelle Company Ltd.

Great Northern Apparel Inc.

Greenesearch

Karom Management Ltd.

Market Facts

Marktrend Marketing
Research Ltd.

Nestle Enterprise Ltd.

Omnifacts Research

PMRS

Print Measurement Bureau

Research House Inc.

Research Initiatives

Ruston/Tomany &
Associates

Shoppers' Drug Mart

Texaco Canada Inc.

The Creative Research Group



CANADIAN REFUSAL RATE STUDY - 1987

This study is a first in Canada and its primary objective was to determine the extent of consumer refusals to participate in the quantitative survey research process.

The results confirm that there is the cause for concern which researchers have been voicing in recent years. An overall refusal rate of 44% suggests that a program increasing the public's awareness of what an important role survey research plays in their everyday lives is long overdue.

Manufacturers, distributors, politicians and all other research users and suppliers lose from a deteriorating participation in the research process. Costs are higher while the quality is less. Public education programs are being undertaken to improve the image of research with the public. A repeat study is planned for 1988 and in subsequent years to provide a trend of the refusal rate measure.

The cause is clear.

Our progress will be governed by the extent of your support.

METHODOLOGY

42 research companies provided their contact details in a preset format for all studies fielded during the month of February, 1987.

The confidentiality of individual company information was protected by having a third party -- Stiles Data Service - act as the recipient and processor of all data. The analysis was done by the YOC Committee.

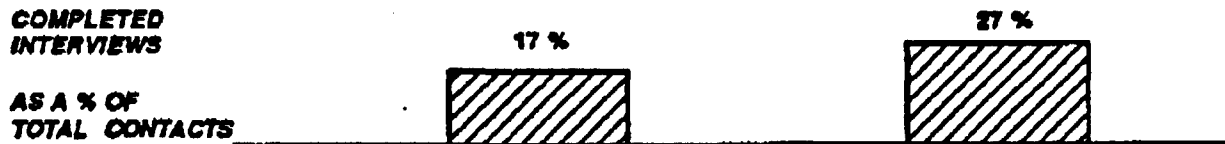
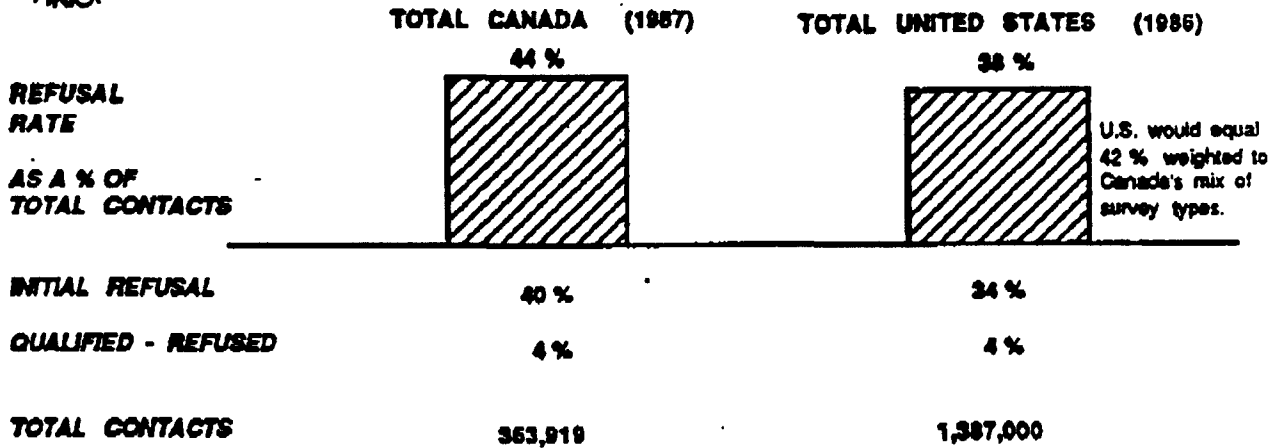
The refusal rate is calculated by taking all refusals, before, during and after an introduction plus all those who qualified on screening criteria for the interview but who refused to continue or complete the interview, divided by the total number of respondents contacted

Complete detail on the methodology is available upon written request under your company letterhead, to

YOC,
c/o Camro,
366 Adelaide St. E., Suite 339
Toronto, Ont. M5A 3X9



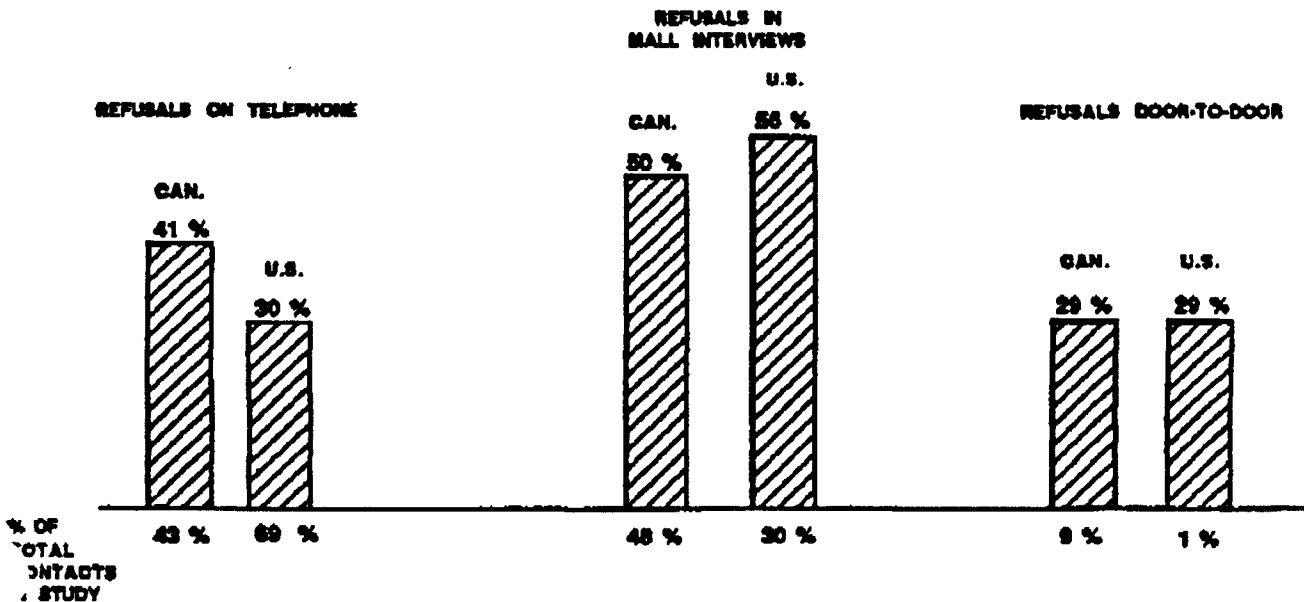
CANADIAN REFUSAL RATE STUDY - 1987



COMMENTS:

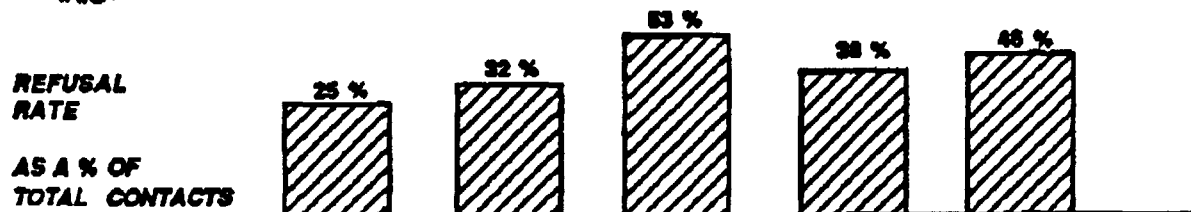
The higher refusal rate in Canada traces to telephone surveys, which had a Canada/U.S. comparison of 41 / 30 % refusal. Mail interview (50 / 56 %), refusals were higher in the U.S., but the importance of this type of survey was much less for them.

The completed interview breakdown was not available from the U.S., but in Canada, the greatest problem was with mail interviews at only 10 %, while telephone was 24 %, and door-to-door, 24 %.





CANADIAN REFUSAL RATE STUDY - 1987



COMMENTS:

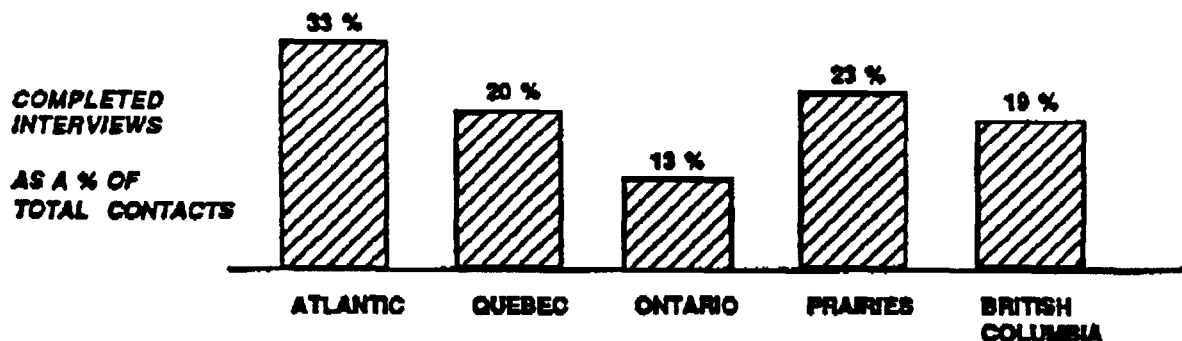
There was a clear "Big City" skew to the refusal rate with cities like Toronto, Vancouver, and Montreal, at 57 %, 48 %, and 35 % respectively. Please note that the above cities represented 85 % or more of total contacts within their region.

REGIONALLY BY TYPE

Method	Atlantic	Quebec	Ontario	Prairies	British Columbia
TELEPHONE	28 %	33 %	46 %	39 %	48 %
MALL INTERVIEWS	*	32 %	57 %	41 %	43 %
DOOR-TO-DOOR	31 %	26 %	23 %	25 %	33 %

* INSUFFICIENT NUMBER OF STUDIES

The completed interviews rate is understandably a reverse image of the refusal rate. The low in Ontario is heavily influenced by the high activity in mall interviews.



REGIONALLY BY TYPE

Method	Atlantic	Quebec	Ontario	Prairies	British Columbia
TELEPHONE	28 %	32 %	22 %	22 %	19 %
MALL INTERVIEWS	*	10 %	9 %	27 %	15 %
DOOR-TO-DOOR	65 %	17 %	27 %	40 %	23 %

* INSUFFICIENT NUMBER OF STUDIES



CANADIAN REFUSAL RATE STUDY - 1987

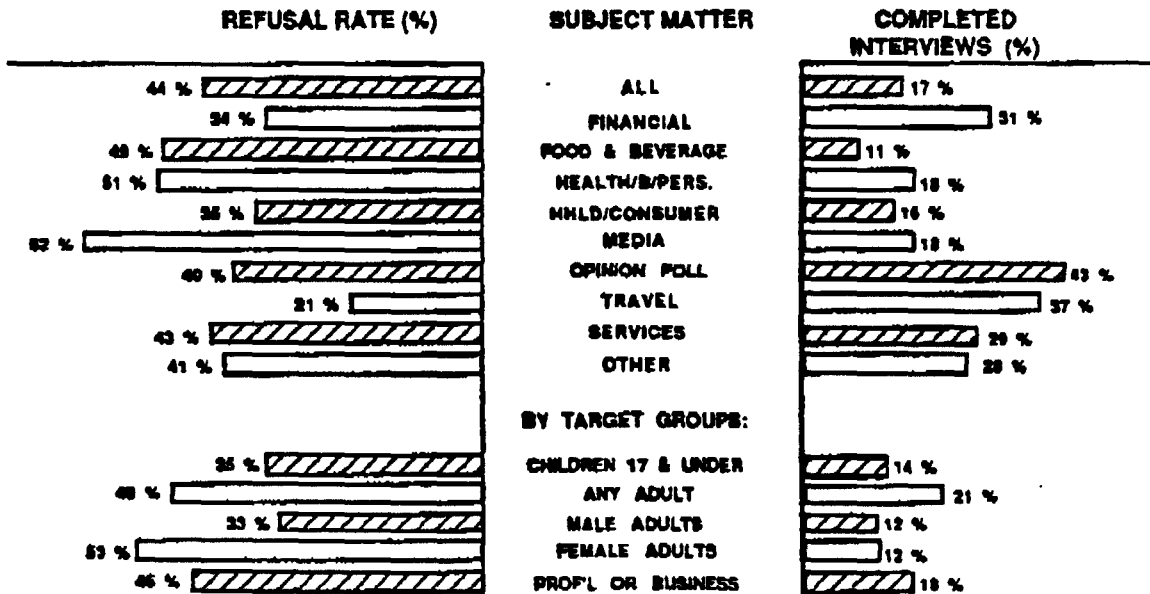
BY LENGTH OF INTERVIEW

Only 25 % of all interviews conducted during this study period (February 1987) were under 12 minutes. The refusal rate for telephone interviews increased substantially the longer the interview. The rate was mixed for other types of interviews, and may have been influenced by the subject matter.

TOTAL CONTACTS	UP TO 12 MIN.	13 - 20 MINUTES	21 - 30 MINUTES	OVER 30 MINUTES
100 %	25 %	32 %	33 %	10 %
	100 %	100 %	100 %	100 %
REFUSAL RATE OVERALL	37 %	42 %	54 %	39 %
TELEPHONE	32 %	39 %	43 %	66 %
MALL	40 %	50 %	59 %	32 %
DOOR-TO-DOOR	32 %	18 %	64 %	27 %

COMMENTS:

Studies covering sensitive issues had a lower refusal rate (29 %), but this represented only 5 % of total contacts. There is no question, however, that people respond differently on different subject matters.





CANADIAN REFUSAL RATE STUDY - 1987

YOUR OPINION COUNTS - - CANADA

"Our mission with the YOC program is to increase the participation rate of Canadians in survey research by informing and educating them on the importance of their survey responses to an improved quality of life."

Our mission leads us to three major goals:

- 1. To increase public awareness of the importance of the survey research process in their everyday lives and the effect their participation has on governments, and in the development of products and services.**
- 2. To encourage a "Respondent Focus" attitude on the part of researchers and research users, to maintain a climate of good will with respondents, and in expanding the YOC awareness.**
- 3. To measure periodically the effectiveness of the YOC program via analysis of refusal rates experienced by member companies, and by other methods as applicable.**

WE HOPE THE CONTENT OF THIS BOOKLET HAS BEEN INFORMATIVE AND BENEFICIAL TO YOU. IF YOU WISH TO SUPPORT US IN THIS MUTUALLY REWARDING ENDEAVOUR, PLEASE CONTACT:

**Y.O.C.
C/O CAMRO,
366 ADELAIDE ST. EAST,
SUITE 339,
TORONTO, ONTARIO
M5A 3X9**