

Southam Effort - Aug. 15/91

THE COMPETITION TRIBUNAL

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

Application **OTTAWA, ONT.**

COMPETITION TRIBUNAL TRIBUNAL DE LA CONCURRENCE		P R O D U I T
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- and -

COMPETITION TRIBUNAL
TRIBUNAL DE LA CONCURRENCE
 SOUTHAM INC., LOWER MAINLAND PUBLISHING INC., RIM PUBLISHING INC., YELLOW CEDAR PROPERTIES LTD., NORTH SHORE FREE PRESS LTD., SPECIAL PUBLISHER INC., ELTY PUBLICATIONS LTD. *Director v. Southern Inc.*

Respondents *R-2* ; 11:35
 No. de la pièce
 Filed on *Sept. 5, 1991*
 Déposée le
 Registrar *G. Bellehumeur*
 Greffier

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. From 1974 to 1980, I was an Associate Professor at the University of Manitoba. I taught courses in Introduction

to Sociology, Research Methods and Statistics, Formal Organizations and Canadian Society, among other subjects.

3. I have a B.A. degree in sociology/history from the University of Manitoba in 1969, a M.A. degree in sociology from the University of Manitoba in 1971 and a Ph.D. from Carleton University in 1974.

4. I have been invited to speak at various engagements on topics relating to newspaper market research; election studies; media, polls and public relations; and marketing and lobbying in Canada.

5. I have been retained by Southam Inc. to conduct a survey of retail advertisers in the city and North Shore areas of Vancouver to examine their advertising media purchasing behaviour. The survey was designed to examine retail advertisers' perceptions with respect to the cost effectiveness of alternate advertising media and their perception of substitutability between competing advertising media.


6. Over the last 20 years I have personally conducted or supervised over 500 research projects involving the application of sample survey methodologies and techniques similar to those employed in the above survey. The research assignments in which I have been involved include: projects on behalf of retail advertisers to assist them in marketing their products and evaluating the impact of their advertising; surveys for media sales companies, including radio stations, television stations, Yellow Pages, Ad-mail and publishers of print media, to assist them in the positioning of their products; and business-to-business

research conducted on behalf of vendors interested in obtaining the business of a wide range of firms offering a diversity of products including telecommunications, office equipment and furniture, legal services and advertising.

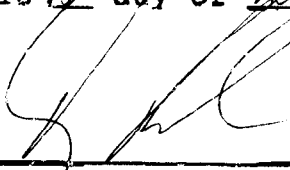
7. My ability to conduct this survey and to summarize its results is based on my experience in the market survey polling areas, as well as my knowledge of social science research methods. I have also been provided with and have had full access to information from Southam Inc.

8. Attached hereto as Exhibit "A" to this my Affidavit is a true copy of a report on the results of the retail advertiser survey conducted, which is accompanied by copies of the survey questionnaire for Southam Inc.

Sworn before me at the)
City of Winnipeg in the)
Province of Manitoba)
this 15th day of August 1991.)



ANGUS REID



A Commissioner, etc.
A NOTARY PUBLIC in and for the
Province of Manitoba
95940/1-3



This is Exhibit "A" to the
Affidavit of Angus Reid,
Sworn before me on the 15th day
of August, 1991

A Notary, Etc.

ANGUS REID

August 15, 1991

95940/4



**RETAIL ADVERTISERS IN VANCOUVER
AND THE LOWER MAINLAND: A PROFILE OF
MEDIA BEHAVIOUR, ATTITUDES TOWARDS SELECTED
MEDIA AND MEDIA SUBSTITUTION ALTERNATIVES**

Prepared For: **BLAKE CASSELS & GRAYDON**

Prepared By: **ANGUS REID GROUP**

AUGUST 15, 1991



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1.0 INTRODUCTION

1.0.1

This report contains a summary and analysis of a recently completed survey of retail advertisers in the greater Vancouver area. The survey was commissioned by Blake Cassels & Graydon to provide evidence on a number of dimensions of retail advertisers' behaviour and attitudes in the Vancouver area.

1.0.2

Specifically, the objectives of the research were as follows:

1. To measure the current media purchase behaviour of retail advertisers.
2. To ascertain the reasons for purchasing different types of media in Vancouver.
3. To determine perceptions of retail advertisers concerning the relative cost effectiveness of selected media.
4. To measure the likely response of retail advertisers to changes in media pricing, and in particular to examine what retail advertisers see as their alternatives or substitutions if prices for a selected advertising vehicle increase.

1.0.3

Results of this survey are to be used in a legal proceeding in the Competition Tribunal involving allegations by the Director of Investigation and Research (the "Director") that the joint ownership of daily and community newspapers in



Vancouver constrains retail advertisers who are significant users of one or both advertising vehicles.

1.0.4

The purpose of this survey research project was to provide objective and accurate evidence which could be used to test this claim.

1.1.0 Analytical Approach

The approach used in this research involved a multi-stage research design in order to provide an accurate description of the advertising market in the circulation areas of the Courier and the North Shore News in Vancouver and the Lower Mainland, and to determine the ways in which advertisers use a number of media including daily newspapers, community newspapers, and a range of other advertising vehicles. Since the current legal proceeding concerns the use of daily and community newspapers, a large part of the research design is aimed at providing an understanding of how these two advertising vehicles are used and the degree to which they are interchangeable in this regard. For example, if a high level of interchangeability or substitutability is found between these two retail advertising vehicles, the case of the Director is strengthened. It would not be strengthened, however, if a high degree of interchangeability with a number of other apparently competing advertising media is also found. If there are lower levels of substitutability, the Director's case is weakened.

1.1.1

The design of the survey itself is aimed at measuring the following dimensions of advertisers' behaviour and attitudes:

1.1.2

- o What is the full range of advertising vehicles purchased by Vancouver retail advertisers and how much have they spent on each vehicle over the last year? This dimension is important for two reasons. Firstly, it permits an initial segmentation of the Vancouver retail advertising market based on current behaviour. It will allow us to determine what percent of retail advertisers in Vancouver advertise in daily papers but not in community newspapers and vice-versa. It will also allow us to determine what kind of retail advertisers use both daily and community newspapers. Secondly, this assessment of current advertising behaviour is important in that the level of crossover or "joint use" of daily and community newspapers and other advertising media provides an important initial indication of "media dependence" in respect of all competing forms of advertising vehicles. The higher the level of "newspaper dependence" existing solely between the daily and community newspapers, the greater will be the concerns about the common ownership of both types of newspaper advertising vehicles. Where advertisers have a number of alternative advertising vehicle substitutes, "newspaper dependence" is, by definition, lower.

1.1.3

- o Perceptions of the cost effectiveness of selected types of advertising vehicles in Vancouver - Information on retail advertisers' perceptions of different types of advertising vehicles is also crucial to any understanding of the retail advertising market in Vancouver. The most important question here from the standpoint of the current legal proceeding concerns the relative value that retail advertisers place on daily newspapers, community newspapers and other advertising vehicles that are available. Where the relative value of both daily and community newspapers are in the same realm, and that realm is far removed from other possible substitutes for newspaper advertising, it could be argued that there is a higher probability of "newspaper dependence" in the advertising market. On the other hand, where community and daily newspapers are seen as having quite distinct relative values, or that there are other equally-close substitutes for newspaper retail advertising, there is less likely to be a high degree of perceived interchangeability.

1.1.4

- o Price sensitivity and switching behaviour - The third dimension used to examine the dynamics of the retail advertiser market in Vancouver involves an analysis of price sensitivity and switching behaviour. The issue which we address here is as follows: What would be the likely response of advertisers when faced with a price increase from a particular advertising

vehicle? Would they stay with that vehicle or switch? If they switch, which alternative advertising vehicles would they switch to? This issue goes to the heart of the current legal proceeding since an absence of a substantial degree of switching from daily to community newspapers (or vice-versa) as compared to switching to other advertising vehicles in response to price increases significantly diminishes any concern that retail advertisers in Vancouver are "newspaper dependent". On the other hand, a comparatively high level of switching between these two vehicles as opposed to switching from these vehicles to other advertising vehicles (or vice versa, to these vehicles from others) would indicate a greater probability of "newspaper dependence".

Estimating likely switching behaviour between community newspapers and dailies (and vice-versa) is an essential element on this analysis. No doubt many individual "anecdotal" examples can be brought forward by either side in this case, either to support or refute the amount of potential switching. This survey seeks to estimate the likely switching behaviour of the entire population of retail advertisers so that the Competition Tribunal can determine the overall magnitude of switching.

1.1.5

Before proceeding to a more detailed description of the methodology used in this research assignment, a brief note is in order concerning the conceptual focus of

this study. This concerns the relative emphasis on "description" as opposed to "explanation" in assessing the retail advertising market in Vancouver. Our primary intention in this study was to describe the current behaviour of advertisers in Vancouver, their current perceptions of alternative advertising vehicles and their likelihood of switching from one vehicle to the other in relation to price increases.

1.1.6

The reasons why they choose one advertising vehicle over another are not dealt with in detail in this study. Our experience with surveys of advertisers and our involvement with advertising clients suggests that the question of motivation can only be measured through an assessment of a complex set of variables that are outside the domain of the present research. Thus, while we are able to provide an estimate of the percentage of advertisers who rely mainly on community newspapers who would switch in the event of a price increase to a daily newspaper, we are not able to provide an empirically-based explanation as to why some would switch in this way while others would not. Although there are a number of explanations which will become apparent as we review the results, it should be stressed that the primary purpose of the present assignment is to describe what behaviour is occurring and would likely occur in relation to various changes in the marketplace.

1.2 Methodology

A multi-step procedure was used in conducting this survey of retail advertisers in Vancouver.

1.2.1

The first stage of the research involved compiling a list of advertisers from files of both Pacific Press and the two community newspapers targeted in the study - The North Shore News and The Courier. 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 pay to advertise only in the dailies, which only in the community newspapers, and which in both.

1.2.2

A "random walk" enumeration of retail establishments and the trade areas associated with The Courier and The North Shore News was undertaken to determine the proportion of retailers who are advertising in newspapers and the proportion who are not. This random canvassing of retailers in the trade areas was used to determine the relative sample sizes for four distinct sub-strata:

- 1) retailers who advertise mainly in daily newspapers,
- 2) retailers who advertise mainly in community newspapers,
- 3) those who advertise in both community and daily newspapers, and
- 4) those who advertise in neither community nor daily newspapers.

Since the relative size and behavioural characteristics of each of these groups is central to the current legal proceedings, the combination of survey data from the "random walk" enumeration survey as well as the list matching procedure allowed us to cross check our results.

1.2.3

The "random walk" enumeration was conducted as follows. A random sampling procedure was used to select a representative sample of retailers in the circulation areas of The Courier and The North Shore News. In particular, a complete and up-to-date set of detailed zoning maps and bylaws was obtained from municipal authorities for Vancouver, North Vancouver and West Vancouver. From all city blocks which were within the circulation areas of the two newspapers, a random sample of city blocks was selected from all those which had at least some properties which were zoned for commercial and retail uses. Angus Reid Group interviewers visited these blocks during normal business hours and canvassed the entire block, conducting a brief interview at each commercial establishment to determine whether the establishment had any retail operations, whether the business bought any advertising or promotions during the previous two years for the purposes of promoting retail sales, and if so, what types of advertising had been purchased. This sampling procedure produced a total of 500 brief interviews with retailers in the circulation areas of the two community newspapers.

1.2.4

With the lists of advertisers from current newspaper files and the "random walk" procedure divided into each of the four substrata described above, a random sample of respondents from each substratum was obtained using conventional random sampling techniques. An in-depth telephone interview was conducted with this sample of advertisers, using trained staff from the Angus Reid Group. (See Questionnaire - Appendix A)

1.2.5 Sample Methodology and Weighting

The two stage sampling process was used to ensure a representative sample of the retail community in Vancouver and the North Shore. A comprehensive list of newspaper advertisers was compiled by taking the sales data bases from the two community papers and Pacific Press and merging them. The file was then treated to eliminate duplications in the following way. First, the file was sorted on the complete name field and duplications eliminated; then the file was sorted on the largest word and further duplications were eliminated. The file was sorted on the first, second and third largest words and again duplicates eliminated. The third pass yielded only 1% duplication and we are reasonably confident that very few duplicates remain. This file was then divided into three sections for the purpose of a sampling frame corresponding to:

1. Community papers only
2. Daily papers only
3. Both community and daily papers

A random sample was then drawn from each of these three sub-lists.

The percentage of retailers not advertising in either of these two types of newspapers was estimated by using the random walk enumeration described elsewhere. The completed surveys from the three advertiser lists were weighted according to the number of advertisers in each of the three cells as per the sampling frame and weighting scheme table. The non-newspaper advertising retailers were weighted according to the incidence provided by the enumeration.

The database of advertisers contains one full year of sales data.

Sample Frame and Weighting Scheme

Cell	Population	%	Scheme	Weight
Daily Only	7,049	38	138	1.4802
Community Only	2,105	11	137	.4935
Both	559	3	153	.1174
Total Newspaper Advertisers				
Total Non-Newspaper Retailers	8,613	47	151	1.8650
Total	18,326	100	594	

These proportions were established using a combination of the random walk survey data and the matched file of newspaper advertisers from the sales data-bases. From the random walk we estimated the number of retailers who advertised in neither community nor daily newspapers. From the sales data-bases we estimated the proportion of newspaper advertisers who advertised in only community, only dailies or both.

1.2.6

The results of the telephone interview were used to further cross check the placement of respondent retail organizations into the four substrata that are essential to our analysis. The survey results were weighted so that each substratum is represented in the research findings in proportion to its actual representation in the population of retailers in the circulation areas of the two community newspapers (in the proportions determined from the "random walk" enumeration). In this way the results of the research represent an accurate description of the relevant advertising market in the Lower Mainland, with the proper representation of each of the four retail advertiser sub-strata.

1.2.7

The following decision criteria were used to assign advertisers to one of the four groups.

Neither: Retail advertisers who have not advertised using either community or daily newspapers in the last two years.

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".

Mainly Community: Advertisers who spend 70% 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 paper(s). Only under circumstance were they considered "Mainly Community".

Both: All retailers that do not meet the criteria for membership in any of the three groups outlined above.

1.2.8

We estimate the proportion of retailers in each of these sub-strata as follows:
(Note: due to rounding, percentages add to 99%)

1. Advertisers whose newspaper advertising is predominantly in daily newspapers with little or no advertising in community newspapers - 14 percent.
2. Advertisers whose newspaper advertising is predominantly in community newspapers with little or no advertising in daily newspapers - 19 percent.
3. Advertisers who advertise in both daily and community newspapers - 14 percent.
4. Retail advertisers who do not advertise in either daily or community newspapers - 52 percent. - *(Note: All respondents in the survey had to be involved in the sale of retail goods or services to consumers and to have purchased advertising or promotions in the past year for the purpose of promoting retail sales.)*

2.0 RETAIL ADVERTISERS' USE OF NEWSPAPERS AND OTHER MEDIA IN VANCOUVER

Vancouver retail advertisers fall into one of four distinct groups with respect to their use of newspapers and other advertising vehicles. A brief description of each of these groups is provided below (also see Table 1).

2.0.1

A. Mainly Daily Newspaper Advertisers

We estimate that 14 percent of retail advertisers in Vancouver fall into the category "Mainly Daily Newspaper Advertisers". The retail advertisers in this category spend, on average, about 35 percent of their advertising budget on daily newspapers, and only one percent on community newspapers. The average total annual expenditures for retail advertisers in this segment of the relevant Vancouver retail advertiser market is \$53,736. Of this amount, approximately \$18,408 or about 35 percent is spent on either insert or display advertising in one of two daily newspapers in Vancouver. In contrast, only about \$630 or 1.1 percent of the expenditures of this segment are spent on community newspapers.

2.0.2

The remaining 65 percent of expenditures for the Mainly Daily group is devoted to a wide range of retail advertising vehicles, including: radio, television,

outdoor, yellow pages, transit, ad mail, and flyers. Of the 11 different types of advertising vehicles examined in this study, the top five ranked in order of annual expenditures are: daily newspapers, radio, direct mail/Ad-Mail, yellow pages, and outdoor. Community newspapers ranked last out of the 11 advertising vehicles examined, behind all other forms of retail advertising purchased by the Mainly Daily group.

2.0.3

B. Retail Advertisers Who Advertise Mainly in Community Newspapers

The second group in the relevant Vancouver retail advertising market (comprising approximately 19 percent of all retailers) advertises mainly in community newspapers and buys little or no advertising in daily newspapers. Retailers in this group spend on average \$21,526 per year on advertising. On average, 41 percent (\$8,796) of this expenditure is devoted to either display or insert advertising in community newspapers. In contrast, only 3.6 percent (\$796) is spent in daily newspapers. The top five advertising vehicles used by this 19 percent of Vancouver retailers are as follows: community newspapers, Ad-Mail, radio, yellow pages, and local magazines.

2.0.4

C. Retailers Who Advertise in Both Community and Daily Newspapers -

This third segment consists of 14 percent of all advertisers in the relevant areas of Vancouver and these retailers spend on average \$90,798 per year on advertising. Expenditure levels within this group are almost identical between daily versus community newspapers (in each case about 18%). In addition to advertising in daily and community newspapers, advertisers in this segment also advertise reasonably heavily on other media. They spend marginally more on television than ROP daily advertising, almost as much on radio, and significant amounts on Ad-Mail, flyers, and yellow pages.

2.0.5

D. Advertisers Using Neither Community or Daily Newspapers -

This last segment is the largest, comprising 52 percent of all retailers in Vancouver, and it also spends the least money on advertising per year (\$4,581 per annum on average). This group spent no money on print advertising in either daily or community newspapers in the past year and instead spent approximately one-quarter of its advertising budget on "Yellow Pages" advertising.

2.0.6 Analysis

When assessed in relation to expenditures on different types of newspaper advertising, the relevant Vancouver market is divided into four distinct segments. The largest of these (comprising 52 percent of the market) does not spend any money on daily or community newspaper advertising. For them the question of "newspaper dependency" is likely irrelevant since they do not use newspapers. An additional 34 percent of the market in Vancouver does not appear to be constrained by "newspaper dependence" between daily and community newspapers because they are either mainly using daily or mainly using community newspapers, and are using little or none of the alternative form of newspaper. It would appear on the basis of current behaviour that they place very little, if any, emphasis on the other vehicle.

2.0.7

There are a variety of reasons for this lack of use of the other type of newspaper advertising including considerably different geographic trade areas and perhaps different products and services.

2.0.8

The fourth group, which comprises 14% of retail advertisers in the study area, are most distinctive as heavy users of all major retail media. Whether this group is, to some extent, "newspaper dependent" is not clear on the basis of the data examined to this point. In the following sections we address this issue



through an analysis of the perceived value of advertising alternatives and an investigation of likely "switching behaviour".

2.0.9

In the next section we turn to an analysis of retailers' perceptions of each of the advertising vehicles available in Vancouver. It will become clear in this section that the behaviour patterns identified above are directly linked to the perceived value of the retail advertising alternatives in Vancouver.

3.0 PERCEIVED EFFECTIVENESS OF SELECTED ADVERTISING AND PROMOTIONAL VEHICLES

3.0.1

The retailers participating in the Angus Reid Group survey were asked to rate each of 13 media in terms of their overall effectiveness for the respondents' particular business. These ratings provide a first step in understanding how retail advertisers see media alternatives. This analysis is followed by a review of the next section on "cost effectiveness". A brief summary of results by segment is provided below: (Also see Table 2)

3.0.2

A. Retailers Who Advertise Mainly in Daily Newspapers -

Members of this segment (who comprise 14% of all retailers in Vancouver) rate a variety of media as extremely or very effective for their business. Display ads in "The Sun" or "The Province" received the highest proportion of ratings as extremely or very effective - 57 percent. This is well ahead of all other media that were rated. Only 26 percent of the respondents in this category rank display ads in community newspapers as extremely or very effective - considerably lower than the rankings associated with daily newspapers.

3.0.3

B. Retailers Advertising Mainly in Community Newspapers -

For this segment ratings of effectiveness show a reverse trend - 44 percent rank display ads in community newspapers as extremely or very effective compared to only 20 percent who give similar ratings for display ads in The Sun or The Province. Other media which received rankings ahead of The Sun or The Province for this segment include free-standing flyers (24% extremely or very effective), Ad-Mail (31%), and Yellow Pages (38%).

3.0.4

C. Retailers Advertising in Both Daily and Community Newspapers -

For those advertising in both daily and community newspapers, Yellow Pages (38%) and Ad-Mail (39%) received the highest effectiveness scores followed by Dailies (36%) and Community newspapers (33%).

3.0.5

D. Neither Daily or Community Advertisers -

Fewer than 12 percent of those included in this segment of retail advertisers in Vancouver rank either daily or community newspapers as extremely or very effective from the standpoint of their own businesses.

3.0.6 Analysis

Results discussed in this section confirm those patterns discussed already - there are important differences in the perception of daily versus community newspapers on the part of different kinds of advertisers. Those advertising mainly in daily newspapers are most likely to see these newspapers as more effective than those advertising in community newspapers. The reverse is also the case - there is a significant difference between the ratings of community newspapers by those who advertise mainly in community newspapers and of daily newspapers by the same respondents. With the exception of "Mainly Daily" advertisers' ratings of daily newspapers, it is significant to note that none of the media examined received high effectiveness scores from more than 50% of the retail advertiser participants in this study. This provides at least a partial explanation for the "multi-media" advertising budgets discussed in section one.

3.0.7

In the next section we probe these perceptions in greater detail and examine the reasons for advertising and the cost effectiveness of alternative retail advertising vehicles relative to these reasons.

4.0 PERCEPTION OF THE COST EFFECTIVENESS OF SELECTED ADVERTISING VEHICLES IN RELATION TO SPECIFIC REASONS FOR ADVERTISING

4.0.1

In the previous section we examined the perceptions of Vancouver retailers concerning the overall effectiveness of a number of different types of advertising media. In this section we turn to a more specific and focused inspection of these perceptions. Here we investigate the extent to which retailers are advertising for particular reasons, and within the context of each of these reasons, which advertising vehicles they see as most cost effective. In order to gauge these perceptions, two types of questions were asked as part of the Angus Reid survey. First, respondents were asked to indicate the extent to which their advertising was directed at specific objectives or goals including promoting specific products, reaching residents in a particular district or community, reaching residents in Vancouver and the Lower Mainland, promoting a special event, announcing a sale, reaching a geographically defined target audience and reaching a socio-economically defined segment of the population. A series of follow-up questions inquired as to what advertising vehicles are seen as cost effective for each of these specific objectives or purposes. These questions were asked on an "open ended" basis. Respondents were free to name as many advertising vehicles as they thought were cost effective for that purpose.

4.0.2

The survey results for this section of the questionnaire are contained in Tables 3 through 9 of the attached appendix. A discussion of the general pattern of responses is provided below for each of the four categories of advertisers:

4.0.3

1. Advertisers Who Mainly Utilize Daily Newspapers -

Advertisers in this segment are most likely to indicate that they advertise in order to promote a specific product or to reach residents in the entire Vancouver and Lower Mainland area. Indeed, 81 percent of respondents in this category said all or most of their advertising was aimed at reaching residents in the Vancouver and Lower Mainland area while 64 percent said that their advertising was aimed at promoting a specific product. Other possible reasons for advertising, such as announcing a sale or promoting a special event or reaching a geographically defined target, were named by significantly lower percentages of respondents in this category. Indeed, only eleven percent of the respondents in this category said that all or most of their advertising is aimed at reaching residents in a specific community or district while only 21 percent said they advertising in order to reach a geographically defined target audience.

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) 92 percent said that display or insert advertising in a daily newspaper is most cost effective. This compares with only 28 percent who named community newspapers 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 - 82 percent name daily newspapers while only 28 percent named community newspapers.

4.0.6

These results confirm a pattern already evident in the data discussed to this point; advertisers in the mainly daily newspaper segment are primarily motivated to reach the entire market area and not specific areas or districts within the Vancouver market. While they place primary emphasis on the daily newspaper, it is noteworthy that they place emphasis on a number of other media including direct mail/Ad-Mail, Yellow Pages, and radio.

4.0.7

2. Retailers Who Mainly Rely on Community Newspapers -

This second segment which comprises 19 percent of the retailers is considerably different than the first, both in their reasons for advertising and in their perceptions of media as cost effective. They represent in most respects a mirror image of the "mainly daily" newspaper segment. Although, like their "mainly daily" counterparts they are primarily interested in promoting specific products, their focus is far more geographically defined. Indeed, 48 percent of this group say that all or most of their advertising is aimed at reaching a geographically defined target and 49 percent say that their advertising is intended to reach a specific community or district. This compares with only 36 percent who say that all or most of their advertising is aimed at reaching all residents of Vancouver and the Lower Mainland.

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, 98 percent said that display or insert advertising in community newspapers is a cost effective way of reach a geographically defined target and 75 percent said that community newspaper advertising is a cost effective way of promoting specific products. This compares with 17 and 33 percent respectively who named daily

newspapers. 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 newspapers - 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 newspapers 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.

4.0.10

3. Retailers Advertising in Both Community and Daily Newspapers -

Unlike their counterparts in the Mainly Daily and the Mainly Community segments, the 14 percent of Vancouver retailers who fall into the "both" segment have a broader list of objectives associated with advertising. Sixty-two percent say all or most of their advertising is intended to reach residents in Vancouver and the Lower Mainland, 55 percent say the purpose of their advertising is to promote specific products, 41 percent

would like to reach a geographically defined target audience and 31 percent try to reach a socio-economically defined segment.

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 82 percent see daily newspapers as cost effective for reaching all residents of Vancouver and the Lower Mainland, a majority (69%) see community newspapers as also cost effective for this purpose. Almost equivalent ratings were also evident for promoting specific products and for reaching a socio-economically defined segment. The only purpose for which ratings of daily and community newspapers diverge significantly is reaching a geographically defined target. Here 88 percent see the community newspapers as cost effective while only 42 percent see daily newspapers as cost effective.

4.0.12

4. Retailers Who Advertise in Neither Community Nor Daily Newspapers -

The advertising needs of retailers in this segment are considerably less diverse compared with the other segments. While most say that their advertising is principally directed at promoting specific products, less than half (49%) say that all or most of their advertising is intended to reach Vancouver and the Lower Mainland and only 30 percent say their

advertising is intended to reach individuals within a specific community or district. When ratings of advertising vehicles are linked to these reasons for advertising, individuals in the "neither" category generally see other media such as direct mail/Ad-Mail and Yellow Pages as far more cost effective than either community or daily newspaper advertising.

4.0.13 Analysis

This examination of the perceived cost effectiveness of alternative media in Vancouver reinforces the pattern evidenced earlier in this report. From the standpoint of the current legal proceeding it would appear that only one group comprising 14 percent of the retailers in Vancouver is potentially "at risk" as a result of joint ownership of daily and community newspapers. This group which we have labelled the "both" group appears to rely heavily on both community and daily newspapers and sees each as cost effective in achieving its advertising objectives. It should be stressed that the fact that both are seen as cost effective does not necessarily mean that they are substitutable. Data presented in the next section will show that most use dailies and communities in different ways and for different reasons. In the next section we will examine the likely reaction of these and other advertisers to price changes and how this would effect their purchase of alternative media.

4.0.14

Before proceeding to this analysis a brief note is in order concerning the remaining 86 percent of retailers in Vancouver. As has already been discussed these retailers fall into three categories and appear to use media in some substantially different ways. The first of these groups which advertise mainly in daily newspapers is interested in promoting their products across all of Vancouver and the Lower Mainland. They have a range of advertising vehicles which they see as cost effective. This list is led by daily newspapers but also includes a number of important non-newspaper alternatives including: Yellow Pages, direct mail/Ad-Mail, local magazines, and in some cases radio. Because of their interest in broad geographic market coverage and perhaps also because of the nature of the products which they sell, community newspapers are seen as a cost effective alternative by only about one-quarter of these retailers.

4.0.15

The second group relies heavily on community newspapers and again has a range of other media which are seen as cost effective with daily newspapers ranked well back in the pack. While this Mainly Community group is interested in advertising specific products, it is far more focused on local areas (and perhaps somewhat more financially constrained) than the retailers in the first segment.

4.0.16

The final group comprising advertisers who utilize neither daily or community newspapers simply do not see them as cost effective compared to other alternatives such as Yellow Pages or direct mail/Ad-Mail.

4.0.17

Overall, these data would suggest that for 86 percent of the market in Vancouver, there is no evidence of "newspaper dependence". For these advertisers there is little evidence of a "daily-community newspaper continuum" which involves the substitution of one form of newspaper advertising for the other. Each group has a significant number of choices of advertising vehicles and as will become clear in the next section would be far more likely to switch to one of these alternative vehicles than to the other type of newspaper should a price increase occur. For the remaining 14% of retail advertisers who use both types of newspaper advertising we will see, in the next section, that likely switching behaviour favours other media well ahead of newspapers.

5.0 PRICE SENSITIVITY AND SWITCHING BEHAVIOUR

5.0.1

This final section of our analysis examines how retail advertisers in Vancouver would react to price increases for a variety of the advertising vehicles that they currently use. Our intent here is to directly examine the "substitutability" hypothesis which, in essence, states that retail advertisers are constrained along a "newspaper continuum" involving daily newspapers on one end and community newspapers on the other. If the substitution hypothesis is valid, we should expect to find retail advertisers in Vancouver reacting to price changes in the daily newspapers by moving their advertising dollars to the community newspaper. Likewise a community newspaper advertising rate increase should produce a similar movement towards the daily newspapers.

5.0.2

In order to address these issues a number of questions were included in the retail advertisers survey. First, 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 media examined were daily newspapers, community newspapers, radio, television and direct mail/Ad-Mail. The respondents were asked which of four alternative reactions would they be most likely to take should the cost of advertising in a particular retail advertising medium increase by 10 percent. The four alternatives were: maintain the same level of advertising and spend more; spend the same amount but drop the level of advertising; spend less on

advertising in that medium and drop the level of advertising; and switch advertising dollars to another medium. For those who would advertise less and switch, respondents were asked which medium they would switch to.

5.0.3

In the case of daily newspapers, 34 percent of all respondents indicated that they would switch to another medium in the face of a 10 percent increase in advertising rates. Of these retailers, 82 percent named one or more non-newspaper alternatives as the recipient of their switching while only 37% chose community newspapers.¹

5.0.4

For those respondents in the Mainly Daily segment, 22 percent said they would switch to other media. Only a third would move to a community newspapers while the remaining two-thirds would switch their advertising dollars to other media including direct mail/Ad-Mail, local magazines, television, radio, and specialty media.

5.0.5

In the case of the comparatively few (only 26% of these had "any" daily advertising) advertisers in the Mainly Community segment, 51 percent said they would switch to another medium in response to a 10% price increase. For these

1. Note: Multiple responses were permitted for answers to the question on which media a respondent would switch to. Percentages may sum to over 100.

community newspaper supporters, 34 percent say they would switch to community newspapers and over 50 percent to other media. (It should be remembered that these advertisers currently spend only 4% of their ad dollars on dailies.)

5.0.6

Finally in the case of those who advertise in both community and daily newspapers, 38 percent say they would switch in response to a price increase. The four media named most often as the recipients of switching behaviour are Community papers (41%), radio (20%), direct mail/Ad-Mail (18%), and local magazines (15%). It should be stressed that those switching from dailies to communities in the event of a price increase of 10% represent an extremely small number. (Only 38% of the 14% in the "Both" segment would switch. 44% of this 38% would switch to Community newspapers). These "community newspaper switchers" represent 2 percent of all retailers in Vancouver and only 15 percent of the "Both" category.²

5.0.7

A cost increase of 10 percent for community newspapers led only 16 percent of advertisers to switch to another medium. Overall, direct mail/Ad-Mail would appear to be the major beneficiary of such a price increase with 28 percent of these retailers moving their ad dollars to direct mail/Ad-Mail. Twenty percent would move to the dailies while a further 47 percent would move to some other medium.

2. Note: These percentages are calculated by taking into consideration the percentage of those with the Both category as a proportion of all retail advertisers, the percentage who would switch and the percentage who would switch to the alternate newspaper vehicle. Thus the 2% is calculated by using the following equation - % of Both x % switching to Community paper x 100. ($.14 \times .38 \times .41 \times 100 = 2.18\%$).

5.0.8

In the case of the comparatively few advertisers in the Mainly Daily segment who say they would switch (they spend only one percent of their budgets on community papers), only 38 percent would move in the direction of the dailies while the remainder would move to other media. For those in the Mainly Community segment only 17 percent would switch and here only 11 percent say they would move to a daily newspaper compared with 21 percent who would spend on direct mail/Ad-Mail with remaining 42 percent choosing some other medium.

5.0.9

For those advertisers in both daily and community newspapers only 11 percent say they would switch in response to a 10 percent price increase in the cost of advertising for a community newspaper. Only 19 percent of these would spend more on the dailies while 50% would substitute with Ad-Mail and 18% would substitute with radio. Those substituting to daily newspaper advertising are a very small percent of the population of retailers - less than one percent of all retailers in the study area and only two percent of those in the "Both" category.

5.0.10 Analysis

These results on switching behaviour indicate that comparatively few advertisers in the Vancouver study area are constrained along a "daily/community" newspaper continuum. Only seven percent of the respondents in the Mainly Daily segment

would move to community papers in the face of a 10% daily price increase. Only two percent of the retail advertisers in the Mainly Community segment would switch to a daily after a 10% price increase at the community newspaper. Far greater numbers would switch to other non-newspaper media.

5.0.11

In the case of the Both group, only two percent would switch to dailies with a price increase at the community newspaper and 15 percent would switch to a community paper after an increase at the daily newspaper. This compares with eight percent who would switch to other non-newspaper media if rates increased and 22% who would switch to non-newspaper media if daily rates increased.

5.0.12

Further evidence that the best way of characterizing the Vancouver market is one of "multi-media substitutability" is found in reactions to questions on television, radio and direct mail/Ad-Mail price increases. In the case of TV, 34% of those who would switch said they move to daily newspapers while 35% said radio. Price increases for radio would yield 35% switching, with community papers (30%) being the major beneficiaries. The point is that the field of substitution is far more likely to be a multi-media landscape than one involving only newspapers. Indeed, the vast majority of advertisers in each of the categories examined would move their ad dollars to a non-newspaper alternative in the face of a newspaper price increase.

6.0 CONCLUSIONS

6.0.1

The Angus Reid survey of retailers in the Vancouver area indicates the underlying dynamic of retail advertising in Vancouver is not characterized by a single newspaper category which a significant number of advertisers feel they must buy. Instead the advertising market would appear to be characterized by a relatively fluid mix of 10 or 11 advertising vehicles which are used by various retail advertisers for selected purposes and depending on the financial circumstances of the advertisers in question. The majority of retailers in Vancouver do not even advertise in newspapers and appear to rely most heavily on Yellow Pages and free-standing flyers and direct mail/Ad-Mail. For them price increases in either community or daily newspapers are largely irrelevant since they don't use them in the first place.

6.0.2

The second largest group of retailers in the Vancouver market spends about 10 times as much on community newspaper advertising as they do in daily newspapers. They appear disinclined to switch in the face of a price increase and if they did switch a clear majority would move to a non-newspaper alternative. They appear to rely on community newspapers because of their cost effectiveness in reaching tightly defined geographic areas and perhaps because of the nature of the products and services which they are selling. For them the issue of joint ownership of daily and community newspapers is largely irrelevant since their

"competitive set" of advertising vehicles is far more likely to involve direct mail/Ad-Mail, radio, and specialty newspapers.

6.0.3

The third largest group in the Vancouver market mainly advertise in daily newspapers and spend twenty times as much on daily newspapers as they do on their community equivalents. These advertisers are characterized by a need to serve the entire Vancouver and Lower Mainland area. For them the issue of joint ownership is largely irrelevant since their competitive set of advertising alternatives is made up predominantly of non-newspaper alternatives such as radio and direct mail/Ad-Mail.

6.0.4

The final group which makes up the Vancouver advertiser market consists of individuals who advertise in both community and daily newspapers. It is the dynamics of this group which is at the heart of the current case concerning joint daily/community newspaper ownership in Vancouver. In order to be vulnerable to any "market power" of the joint newspaper owners, this group must be identifiable as a target for selective pricing and the group must spend enough in the aggregate to make such price discrimination profitable. As is indicated in the data already presented in this report this group comprises only two percent of the population of retailer advertisers in Vancouver. It is questionable whether

a group of his size is sufficient to provide any significant benefit to the joint daily/community newspaper owners from the standpoint of discriminatory pricing.

Even if it was of potential benefit to price discriminate, further analysis of the results suggest that it would be extremely difficult for the "joint owners" to identify this group. A special analysis of the identities of the companies in the "both" group who would switch either from a community to a daily newspaper or vice versa shows a broad range of product categories and sizes. Of the 24 companies in this category, three are in the travel services business, two are in electronics, three are in lumber and home products, three are in retail furniture, one is in pharmaceuticals, and two are in groceries. The rest are in a variety of service industries including employment recruiting, trade schools, and financial services.



APPENDIX 1

- Summary Tables -

ANNUAL EXPENDITURES IN SELECTED MEDIA FOR RETAIL ADVERTISERS IN VANCOUVER

	Total	Total	Mainly Daily	Mainly Daily	Mainly Community	Mainly Community	Both	Both	Neither	Neither
(Base)	(594)	(594)	(85)	(85)	(115)	(115)	(83)	(83)	(311)	(311)
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Television	3,018	11.19	2,173	4.04	199	.92	15,945	17.56	839	18.31
Radio	4,397	16.31	9,393	17.48	3,003	13.95	14,638	16.12	811	17.70
Daily Newspaper	4,856	18.02	17,589	32.73	777	3.61	15,658	17.24	-	-
Flyer Insert in Newspaper	163	.59	820	1.53	19	.09	298	.33	-	-
Community Paper	3,010	11.17	594	1.11	7,464	34.67	10,574	11.65	-	-
Flyer Insert in Community Paper	929	3.45	36	.07	1,332	6.19	4,763	5.25	-	-
Free standing flyer	1,350	5.01	3,150	5.86	480	2.23	5,563	6.13	53	1.16
Direct Mail/Ad-Mail	3,080	11.43	4,644	8.64	3,968	18.43	8,433	9.29	894	19.52
Local Magazine	1,195	4.43	1,312	2.44	1,380	6.41	3,994	4.40	346	7.55
Specialty Newspaper	710	2.63	809	1.51	604	2.81	2,861	3.15	149	3.25
Yellow Pages	2,440	9.05	4,262	7.93	1,690	7.85	6,302	6.94	1,187	25.91
Outdoor Billboard	962	3.57	5,286	9.84	58	.27	267	.29	300	6.55
Transit Signage or Mall Poster	842	3.12	3,668	.07	552	2.56	1,503	1.66	2	.04
MEAN TOTAL EXPENDITURE PER CAPITA	26,952	100%	53,736	100%	21,526	100%	90,798	100%	4,581	100%

TABLE 2

COST EFFECTIVENESS OF SELECTED ADVERTISING AND PROMOTIONAL VEHICLES

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(556) (%)	(85) (%)	(115) (%)	(83) (%)	(273) (%)
EXTREMELY/VERY EFFECTIVE:					
Yellow pages	35	36	38	38	33
Direct mail or Ad-Mail	27	20	31	39	24
Display ad in Sun or Province	21	57	20	36	5
Display ad in community paper	21	26	44	33	5
Radio	13	23	19	21	5
Free standing flyer	11	7	24	24	4
Specialty newspaper like Georgia	11	9	16	8	10
Television	10	17	15	12	5
Flyer insert in community paper	9	4	15	25	4
Local magazine like Vancouver	8	9	15	4	5
Outdoor billboard	8	9	15	7	5
Transit signage or mall poster	8	5	16	12	5
Flyer insert in Sun or Province	6	4	4	12	6

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 or insert daily newspaper	39	82	33	68	13
Display or insert community newspaper	41	28	75	76	15
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 or insert daily newspaper	28	53	31	38	15
Display or insert community newspaper	60	51	96	76	31
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 or insert daily newspaper	49	92	48	91	17
Display or insert community newspaper	33	28	50	71	16
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 or insert daily newspaper	54	84	44	72	26
Display or insert community newspaper	56	45	80	72	16
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 or insert daily newspaper	53	80	32	92	12
Display or insert community newspaper	55	45	68	73	28
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 or insert daily newspaper	27	65	17	42	10
Display or insert community newspaper	62	25	98	88	32
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 or insert daily newspaper	38	69	27	69	9
Display or insert community newspaper	43	23	60	82	18
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

TABLE 12

LIKELY REACTION TO A 10% INCREASE IN
ADVERTISING COST FOR TELEVISION

(Ased Only of Those Using Television)

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(62) (%)	(17) (%)	(16) (%)	(20) (%)	(9) (%)
Advertise same and spend more	24	55	22	2	16
Advertise less and spend same	38	16	31	58	45
Advertise less and save money	8	-	19	1	20
Advertise less and switch to other (Unsure)	24 7	27 1	17 11	28 11	20 -
 (BASE = Would switch to other vehicles)	 (15) (%)	 (5) (%)	 (3) (%)	 (6) (%)	 (2) (%)
Radio	35	32	-	33	100
Display ad in dailies	34	32	-	29	100
Display ad in community paper	18	35	37	-	-
Direct mail/Ad-Mail	11	-	59	-	-
Local magazine	10	32	-	-	-
Insert in community paper	4	-	18	2	-
Insert ad in dailies	3	-	-	9	-
Free standing flyer	2	-	-	4	-
Yellow pages	1	-	-	2	-
Outdoor billboard	1	-	-	2	-

TABLE 10

LIKELY REACTION TO A 10% INCREASE IN
ADVERTISING COST IN DAILY NEWSPAPERS

(Asked Only of Those Using Daily Newspapers)

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(196) (%)	(85) (%)	(45) (%)	(66) (%)	(N/A) (%)
Advertise same and spend more	27	40	15	19	-
Advertise less and spend same	26	25	16	33	-
Advertise less and save money	7	7	5	7	-
Advertise less and switch to other (Unsure)	34 7	22 6	51 14	38 3	- -
(BASE = Would switch to other vehicles)	(67) (%)	(20) (%)	(13) (%)	(34) (%)	(N/A) (%)
Display ad in community paper	37	35	34	41	-
Radio	21	16	27	20	-
Direct mail/Ad-Mail	19	19	21	18	-
Local magazine	10	16	0	15	-
Television	8	11	6	1	-
Specialty newspaper	6	13	6	-	-
Insert in community paper	6	8	9	3	-
Outdoor billboard	4	-	6	9	-
Free standing flyer	3	1	-	2	-
Transit signage or mall poster	3	-	8	-	-
Yellow pages	2	8	-	-	-

TABLE 11

LIKELY REACTION TO A 10% INCREASE IN
ADVERTISING COST IN COMMUNITY NEWSPAPER

(Asked Only of Those Using Community Newspapers)

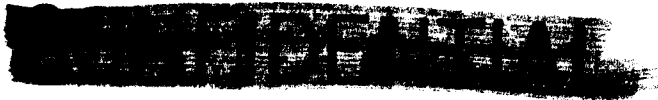
	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(231) (%)	(39) (%)	(115) (%)	(76) (%)	(N/A) (%)
Advertise same and spend more	39	35	44	32	-
Advertise less and spend same	28	23	25	35	-
Advertise less and save money	9	10	7	11	-
Advertise less and switch to other (Unsure)	16 8	24 8	17 6	11 11	-
(BASE = Would switch to other vehicles)	(37) (%)	(7) (%)	(22) (%)	(8) (%)	(N/A) (%)
Direct mail/Ad-Mail	28	21	21	50	-
Display ad in dailies	20	38	11	19	-
Free standing flyer	10	1	15	7	-
Radio	7	5	3	18	-
Local magazine	7	-	13	1	-
Specialty newspaper	6	-	11	1	-
Insert ad in dailies	5	16	-	6	-
Television	4	16	-	-	-
Outdoor billboard	4	-	8	-	-
Insert in community paper	2	-	2	1	-
Display in community paper	1	2	-	1	-
Yellow pages	1	-	3	-	-

TABLE 13

LIKELY REACTION TO A 10% INCREASE IN
ADVERTISING COST FOR RADIO

(Asked Only of Those Using Radio)

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(141) (%)	(32) (%)	(50) (%)	(42) (%)	(17) (%)
Advertise same and spend more	18	28	14	14	22
Advertise less and spend same	29	37	21	30	33
Advertise less and save money	8	10	5	14	-
Advertise less and switch to other (Unsure)	35 10	19 6	48 12	32 9	33 11
(BASE = Would switch to other vehicles)	(49) (%)	(6) (%)	(24) (%)	(13) (%)	(6) (%)
Display ad in community paper	30	-	39	28	33
Display ad in dailies	19	40	13	30	-
Direct mail/Ad-Mail	19	26	24	1	33
Transit signage or mall poster	11	-	8	14	26
Insert in community paper	13	-	26	1	-
Outdoor billboard	7	8	-	11	26
Television	4	-	-	1	35
Local magazine	4	-	8	2	-
Specialty newspaper	3	-	6	-	-
Yellow pages	1	-	2	1	-
Insert ad in dailies	1	-	-	4	-



APPENDIX 2

- COMPUTER OUTPUT -

- 1a. How many retail outlets in Vancouver/the Lower Mainland does your business have?
 1b. How many of these locations are in...?
 1c. For which of these stores are you responsible for buying advertising?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
(Weighted Base)	(594)	(85)	(115)	(83)	(311)
(Unweighted Base)	(594)	(97)	(180)	(125)	(192)
SAMPLE					
Sample 1	11%	10%	35%	17%	2%
Sample 2	38%	84%	46%	64%	16%
Sample 3	3%	4%	6%	8%	0%
Sample 4	47%	2%	13%	11%	82%
Retail outlets					
1	75%	73%	64%	54%	85%
2	10%	3%	14%	8%	10%
3 or more	16%	25%	22%	37%	5%
(DK/NS)	0%			0%	
Number of different locations					
0	75%	73%	64%	54%	85%
1	4%	3%	5%	2%	5%
2	9%	6%	14%	9%	9%
3	4%	5%	6%	11%	1%
4	2%	2%	1%	8%	0%
5	3%	4%	7%	7%	1%
6	1%	2%	0%	6%	
7	1%	1%	2%	1%	0%
8	0%	2%	1%	0%	
9	1%	3%	0%	2%	0%
For which stores do you buy advertizing					
All of them	81%	79%	84%	72%	88%
Downtown Vancouver	8%	15%	5%	11%	5%
West Side Vancouver	2%		5%		1%
East Side Vancouver	2%	3%		6%	
West Vancouver	0%			0%	
North Vancouver	2%		6%	1%	
Burnaby	1%	3%	0%		
New Westminister	2%		1%	5%	
Richmond	1%	1%			3%
Elsewhere	5%	1%	7%	5%	4%

- 2a. In the past 2 years, have you bought any advertising in...?
 2b. Do you buy...once a week or more, at least once a month, on a seasonal basis, for special promotions or events, rarely or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Television					
Yes	10%	20%	14%	24%	3%
No	89%	80%	86%	75%	97%
(DK/NS)	0%		0%	1%	
BASE: THOSE WHO ADVERTISE	(62) (79)	(17) (20)	(16) (22)	(20) (31)	(9) (6)
Television					
Weekly	13%	23%	14%	9%	
Monthly	11%	11%	18%	2%	20%
Seasonal	31%	13%	22%	40%	60%
Special event	20%	31%	35%	9%	
Rarely	18%	22%	7%	32%	
(DK/NS)	6%		3%	7%	20%
Mean expenditure among advertisers	\$28,978	\$11,185	\$1,422	\$66,956	\$27,634
Means expenditure per capita	\$3,018	\$2,173	\$199	\$15,945	\$839
	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Radio					
Yes	24%	38%	43%	50%	6%
No	76%	59%	57%	50%	94%
(DK/NS)	1%	3%		0%	
BASE: THOSE WHO ADVERTISE	(141) (190)	(32) (41)	(50) (76)	(42) (61)	(17) (12)
Radio					
Weekly	14%	11%	10%	24%	11%
Monthly	10%	12%	5%	10%	22%
Seasonal	30%	22%	36%	27%	33%
Special event	29%	55%	29%	20%	1%
Rarely	13%		19%	16%	11%
Never	0%			0%	
(DK/NS)	4%		1%	4%	22%
Mean expenditure among advertisers	\$18,543	\$24,841	\$6,929	\$29,156	\$14,710
Means expenditure per capita	\$4,397	\$9,393	\$3,003	\$14,638	\$811
	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Display ad in Sun or Province					
Yes	32%	97%	38%	75%	
No	68%	3%	62%	25%	100%
(DK/NS)	0%	0%			
BASE: THOSE WHO ADVERTISE	(189) (261)	(82) (93)	(44) (64)	(63) (104)	
Display ad in Sun or Province					
Weekly	27%	39%		30%	
Monthly	14%	18%		20%	
Seasonal	19%	20%	25%	13%	
Special event	30%	23%	54%	22%	
Rarely	10%		21%	16%	
(DK/NS)	0%			0%	
Mean expenditure among advertisers	\$15,278	\$18,143	\$2,041	\$20,763	.
Means expenditure per capita	\$4,856	\$17,589	\$777	\$15,658	
	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Flyer insert in Sun or Province					
Yes	3%	10%	4%	8%	
No	97%	90%	96%	91%	100%
(DK/NS)	0%	0%	0%	0%	
BASE: THOSE WHO ADVERTISE	(20) (30)	(8) (14)	(5) (4)	(7) (12)	
Flyer insert in Sun or Province					

(continued)

- 2a. In the past 2 years, have you bought any advertising in...?
 2b. Do you buy...once a week or more, at least once a month,
 on a seasonal basis, for special promotions or events, rarely
 or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
Weekly	12%	18%		12%	
Seasonal	21%	25%		30%	
Special event	49%	54%	68%	30%	
Rarely	11%	1%		28%	
(DK/NS)	8%	1%	32%		
Mean expenditure among advertisers	\$4,881	\$8,464	\$485	\$3,529	.
Means expenditure per capita	\$163	\$820	\$19	\$298	

- 2a. In the past 2 years, have you bought any advertising in...?
 2b. Do you buy...once a week or more, at least once a month,
 on a seasonal basis, for special promotions or events, rarely
 or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Display ad in community paper					
Yes	36%	46%	95%	82%	
No	63%	52%	5%	18%	100%
(DK/NS)	0%	2%			
BASE: THOSE WHO ADVERTISE	(216) (339)	(39) (51)	(109) (176)	(68) (112)	
Display ad in community paper					
Weekly	21%		23%	30%	
Monthly	19%		24%	22%	
Seasonal	17%	24%	22%	5%	
Special event	30%	41%	31%	21%	
Rarely	12%	31%	1%	20%	
Never	1%	4%			
(DK/NS)	0%	0%		1%	
Mean expenditure among advertisers	\$8,282	\$1,290	\$7,881	\$12,966	.
Means expenditure per capita	\$3,010	\$594	\$7,464	\$10,574	
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Flyer insert in community paper					
Yes	10%	4%	28%	29%	
No	90%	95%	72%	71%	100%
(DK/NS)	0%	1%	0%		
BASE: THOSE WHO ADVERTISE	(60) (88)	(4) (10)	(32) (48)	(24) (30)	
Flyer insert in community paper					
Weekly	7%		8%	7%	
Monthly	12%		3%	26%	
Seasonal	36%	33%	53%	13%	
Special event	17%	6%	19%	16%	
Rarely	21%	44%	17%	24%	
Never	2%			6%	
(DK/NS)	4%	17%		7%	
Mean expenditure among advertisers	\$9,109	\$812	\$4,729	\$16,219	.
Means expenditure per capita	\$929	\$36	\$1,332	\$4,763	
BASE: ALL RESPONDENTS	(593) (593)	(85) (97)	(115) (179)	(83) (125)	(311) (192)
Free standing flyer					
Yes	15%	23%	27%	23%	5%
No	85%	77%	73%	77%	95%
(DK/NS)	0%	0%	0%	0%	
BASE: THOSE WHO ADVERTISE	(86) (120)	(19) (27)	(30) (49)	(19) (31)	(17) (13)
Free standing flyer					
Weekly	6%	11%	8%	2%	
Monthly	17%	15%	18%	29%	3%
Seasonal	24%	27%	26%	25%	14%
Special event	31%	28%	30%	21%	47%
Rarely	15%	16%	16%	13%	14%
Never	2%		2%	8%	
(DK/NS)	6%	3%		3%	22%
Mean expenditure among advertisers	\$9,366	\$13,762	\$1,831	\$24,404	\$976
Means expenditure per capita	\$1,350	\$3,150	\$480	\$5,563	\$53
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Direct mail or admail					
Yes	34%	41%	43%	49%	26%
No	65%	59%	56%	51%	74%
(DK/NS)	0%		1%		
BASE: THOSE WHO ADVERTISE	(204) (249)	(35) (46)	(49) (85)	(41) (69)	(79) (49)

(continued)

- 2a. In the past 2 years, have you bought any advertising in...?
 2b. Do you buy...once a week or more, at least once a month,
 on a seasonal basis, for special promotions or events, rarely
 or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
Direct mail or admail					
Weekly	4%	1%	5%	5%	5%
Monthly	19%	28%	24%	24%	10%
Seasonal	31%	29%	32%	31%	31%
Special event	22%	28%	28%	20%	16%
Rarely	17%	11%	8%	15%	27%
Never	3%				7%
(DK/NS)	4%	4%	4%	5%	5%
Mean expenditure among advertisers	\$8,933	\$11,254	\$9,211	\$17,165	\$3,500
Means expenditure per capita	\$3,080	\$4,644	\$3,968	\$8,433	\$894

- 2a. In the past 2 years, have you bought any advertising...
 2b. Do you buy...once a week or more, at least once a month, on a seasonal basis, for special promotions or events, rarely or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Local magazine like Vancouver					
Yes	28%	42%	37%	34%	19%
No	72%	57%	63%	66%	80%
(DK/NS)	0%	0%			1%
BASE: THOSE WHO ADVERTISE	(166) (201)	(36) (39)	(43) (77)	(28) (49)	(59) (36)
Local magazine like Vancouver					
Weekly	1%		1%		3%
Monthly	27%	23%	29%	27%	28%
Seasonal	31%	36%	33%	35%	24%
Special event	23%	27%	25%	21%	20%
Rarely	12%	9%	7%	10%	19%
Never	1%	4%			
(DK/NS)	5%	1%	4%	7%	6%
Mean expenditure among advertisers	\$4,264	\$3,091	\$3,733	\$11,695	\$1,811
Means expenditure per capita	\$1,195	\$1,312	\$1,380	\$3,994	\$346
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Specialty newspaper like Georgia					
Straight					
Yes	19%	24%	23%	22%	15%
No	81%	76%	77%	78%	84%
(DK/NS)	1%	1%	0%	0%	1%
BASE: THOSE WHO ADVERTISE	(111) (122)	(20) (22)	(26) (41)	(18) (32)	(47) (27)
Specialty newspaper like Georgia					
Straight					
Weekly	19%	20%	7%	27%	23%
Monthly	13%	8%	16%	18%	12%
Seasonal	26%	10%	29%	14%	35%
Special event	18%	30%	37%	14%	4%
Rarely	16%	16%	11%	15%	18%
Never	2%	7%		1%	1%
(DK/NS)	7%	8%	0%	11%	8%
Mean expenditure among advertisers	\$3,774	\$3,422	\$2,648	\$13,177	\$974
Means expenditure per capita	\$710	\$809	\$604	\$2,861	\$149
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Yellow Pages					
Yes	78%	78%	70%	84%	81%
No	21%	22%	29%	16%	19%
(DK/NS)	1%	0%	2%	0%	1%
BASE: THOSE WHO ADVERTISE	(461) (446)	(64) (69)	(78) (132)	(69) (102)	(250) (143)
Yellow Pages					
Weekly	5%	9%	13%	5%	1%
Monthly	13%	12%	16%	15%	12%
Seasonal	53%	50%	45%	47%	58%
Special event	4%	12%	8%	6%	
Rarely	13%	10%	14%	14%	13%
Never	1%			0%	1%
(DK/NS)	11%	7%	4%	13%	14%
Mean expenditure among advertisers	\$3,119	\$5,599	\$2,430	\$7,540	\$1,473
Means expenditure per capita	\$2,440	\$4,262	\$1,690	\$6,302	\$1,187
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Outdoor billboard					
Yes	8%	17%	13%	13%	2%
No	90%	79%	85%	85%	96%
(DK/NS)	2%	4%	2%	2%	1%

(continued)

- 2a. In the past 2 years, have you bought any advertising in...?
 2b. Do you buy...once a week or more, at least once a month,
 on a seasonal basis, for special promotions or events, rarely
 or never?
 2c. Approximately how much did you spend on...in the last year?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: THOSE WHO ADVERTISE	(47) (58)	(14) (16)	(15) (24)	(10) (13)	(8) (5)
Outdoor billboard					
Weekly	9%	2%	16%	15%	
Monthly	6%	3%	4%	14%	
Seasonal	47%	46%	60%	34%	44%
Special event	6%	18%	2%	1%	
Rarely	17%	21%	14%	3%	31%
Never	6%	10%		14%	
(DK/NS)	9%		3%	18%	25%
Mean expenditure among advertisers	\$12,188	\$31,432	\$456	\$2,117	\$12,321
Means expenditure per capita	\$962	\$5,286	\$58	\$267	\$300
BASE: ALL RESPONDENTS	(594) (594)	(85) (97)	(115) (180)	(83) (125)	(311) (192)
Transit signage or mall poster					
Yes	8%	7%	15%	13%	4%
No	90%	89%	83%	84%	95%
(DK/NS)	2%	4%	2%	3%	1%
BASE: THOSE WHO ADVERTISE	(44) (63)	(6) (13)	(15) (23)	(10) (19)	(12) (8)
Transit signage or mall poster					
Weekly	6%	4%	14%	3%	
Monthly	7%		19%	2%	
Seasonal	39%	38%	35%	49%	35%
Special event	12%	33%	8%	1%	15%
Rarely	14%	2%	7%	30%	15%
Never	3%	23%			
(DK/NS)	19%		17%	14%	35%
Mean expenditure among advertisers	\$10,885	\$48,931	\$3,758	\$11,850	\$38
Means expenditure per capita	\$842	\$3,668	\$552	\$1,503	\$2
Mean total expenditure per capita	\$26,952	\$53,736	\$21,526	\$90,798	\$4,581

2d. Which community papers have you advertised in?

	TOTAL	LOCATION OF ADVERTISING		
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community
BASE: ALL RESPONDENTS				
(Weighted Base)	(231)	(39)	(115)	(76)
(Unweighted Base)	(352)	(53)	(180)	(119)
Papers				
North Shore News	46%	52%	45%	45%
The Courier	34%	37%	32%	36%
Metro Vancouver News	7%	5%	1%	15%
Echo	11%	9%	9%	16%
West Ender	22%	27%	17%	27%
Other	60%	61%	53%	69%
(DK/NS)	6%	5%	8%	4%

3. What proportion of your advertising and promotions are primarily aimed at...?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS					
(Weighted Base)	(556)	(85)	(115)	(83)	(273)
(Unweighted Base)	(562)	(97)	(180)	(125)	(160)
Promoting a specific product					
All/ 75%	46%	58%	36%	48%	46%
Most/ 50-74%	10%	6%	18%	7%	8%
Some/ 25-49%	8%	10%	12%	15%	4%
Rarely/ 1-24%	5%	4%	9%	7%	3%
None/ 0%	30%	21%	25%	22%	37%
(DK/NS)	1%	1%	1%	1%	2%
Reaching people in one specific community only					
All/ 75%	20%	6%	32%	20%	19%
Most/ 50-74%	11%	5%	17%	9%	11%
Some/ 25-49%	6%	8%	13%	5%	2%
Rarely/ 1-24%	8%	16%	5%	22%	3%
None/ 0%	53%	62%	31%	41%	64%
(DK/NS)	3%	3%	3%	2%	2%
Reaching people Van./ Lower Mainland					
All/ 75%	41%	67%	29%	46%	36%
Most/ 50-74%	12%	14%	7%	16%	13%
Some/ 25-49%	10%	2%	15%	12%	9%
Rarely/ 1-24%	8%	3%	15%	6%	7%
None/ 0%	27%	10%	34%	19%	31%
(DK/NS)	2%	4%	1%	1%	3%
Promoting a special event					
All/ 75%	7%	10%	10%	14%	3%
Most/ 50-74%	6%	11%	8%	12%	2%
Some/ 25-49%	12%	12%	24%	10%	7%
Rarely/ 1-24%	13%	18%	17%	25%	6%
None/ 0%	59%	47%	37%	34%	79%
(DK/NS)	3%	2%	3%	5%	2%
Announcing a sale					
All/ 75%	8%	12%	10%	17%	4%
Most/ 50-74%	6%	13%	11%	7%	1%
Some/ 25-49%	7%	15%	14%	8%	2%
Rarely/ 1-24%	9%	10%	19%	12%	4%
None/ 0%	67%	47%	43%	53%	87%
(DK/NS)	3%	3%	3%	3%	2%
Reaching a geographically defined target market					
All/ 75%	21%	13%	35%	28%	17%
Most/ 50-74%	9%	8%	13%	13%	7%
Some/ 25-49%	9%	7%	8%	16%	7%
Rarely/ 1-24%	6%	14%	6%	10%	3%
None/ 0%	50%	52%	34%	30%	62%
(DK/NS)	4%	7%	5%	3%	3%
Reaching a socio-economically defined segment					
All/ 75%	15%	17%	13%	19%	13%
Most/ 50-74%	8%	10%	12%	12%	5%
Some/ 25-49%	6%	11%	4%	7%	5%
Rarely/ 1-24%	5%	8%	11%	9%	1%
None/ 0%	62%	52%	53%	48%	73%
(DK/NS)	4%	3%	8%	4%	3%

4. When the primary purpose of your advertising is to...is...cost effective?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ADS TO PROMOTE SPECIFIC PRODUCTS (Weighted Base) (Unweighted Base)	(384) (408)	(67) (78)	(86) (132)	(64) (99)	(167) (99)
Promote Specific Products					
Television	13%	19%	16%	18%	6%
Radio	16%	14%	19%	36%	7%
Display ad in Sun or Province	31%	74%	25%	48%	9%
Flyer insert in Sun or Province	8%	8%	8%	20%	4%
Display ad in community paper	31%	26%	60%	54%	9%
Flyer insert in community paper	10%	2%	15%	22%	6%
Free standing flyer	14%	13%	22%	33%	4%
Direct mail or admail	36%	31%	33%	51%	34%
Local magazine	19%	24%	21%	9%	19%
Speciality newspaper	16%	11%	22%	18%	15%
Yellow pages	45%	42%	37%	30%	55%
Outdoor billboard	9%	8%	13%	16%	5%
Transit signage or mall poster	10%	5%	17%	22%	4%
(none)	17%	6%	19%	14%	21%
BASE: ADS TO REACH PEOPLE IN ONE COMMUNITY (Weighted Base) (Unweighted Base)	(258) (290)	(30) (37)	(70) (113)	(48) (75)	(110) (65)
Reach people in one community					
Television	9%	17%	18%	4%	3%
Radio	19%	22%	25%	24%	12%
Display ad in Sun or Province	22%	47%	22%	32%	10%
Flyer insert in Sun or Province	6%	6%	9%	6%	5%
Display ad in community paper	45%	49%	74%	54%	20%
Flyer insert in community paper	15%	2%	22%	22%	11%
Free standing flyer	17%	30%	24%	27%	6%
Direct mail or admail	36%	37%	40%	35%	33%
Local magazine	17%	20%	16%	16%	17%
Speciality newspaper	12%	18%	9%	4%	15%
Yellow pages	44%	45%	56%	28%	44%
Outdoor billboard	12%	17%	16%	15%	7%
Transit signage or mall poster	12%	2%	19%	17%	8%
(none)	25%	14%	24%	19%	32%
BASE: ADS TO REACH PEOPLE IN VAN/ LOWER MAINLAND (Weighted Base) (Unweighted Base)	(394) (410)	(73) (84)	(75) (120)	(66) (101)	(179) (105)
Reach people throughout Vancouver and lower mainland					
Television	13%	21%	18%	20%	6%
Radio	25%	33%	31%	38%	14%
Display ad in Sun or Province	39%	83%	38%	69%	11%
Flyer insert in Sun or Province	10%	9%	10%	22%	6%
Display ad in community paper	24%	25%	38%	47%	10%
Flyer insert in community paper	9%	3%	12%	24%	6%
Free standing flyer	15%	15%	22%	28%	7%
Direct mail or admail	31%	28%	30%	52%	25%
Local magazine	22%	26%	23%	27%	19%
Speciality newspaper	19%	13%	23%	16%	20%
Yellow pages	57%	59%	50%	49%	63%
Outdoor billboard	12%	17%	16%	17%	7%
Transit signage or mall poster	8%	5%	9%	16%	7%
(none)	14%	2%	21%	13%	17%
BASE: ADS TO PROMOTE A SPECIAL EVENT (Weighted Base) (Unweighted Base)	(213) (283)	(43) (58)	(69) (112)	(50) (82)	(51) (31)
Promoting a special event					
Television	9%	12%	8%	16%	
Radio	26%	33%	30%	33%	9%
Display ad in Sun or Province	42%	76%	30%	57%	15%
Flyer insert in Sun or Province	12%	8%	14%	15%	11%
Display ad in community paper	42%	40%	60%	53%	8%
Flyer insert in community paper	14%	5%	20%	19%	8%
Free standing flyer	18%	15%	19%	23%	13%
Direct mail or admail	37%	34%	33%	39%	44%
Local magazine	20%	26%	17%	16%	22%
Speciality newspaper	19%	20%	22%	9%	22%
Yellow pages	16%	9%	22%	12%	18%
Outdoor billboard	10%	9%	10%	14%	7%
Transit signage or mall poster	10%	4%	12%	10%	11%
(none)	23%	16%	22%	16%	36%
BASE: ADS TO ANNOUNCE A SALE (Weighted Base) (Unweighted Base)	(171) (232)	(42) (48)	(62) (98)	(36) (67)	(31) (19)

(continued)

5. Now, given your current business situation and advertising and promotion budgets, I would like you to tell me how cost effective the various advertising and promotional vehicles are for your business. Please rate them as extremely, very somewhat, not very or not at all effective. How effective is...?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(556) (562)	(85) (97)	(115) (180)	(83) (125)	(273) (160)
Television					
Extremely	2%	5%	3%	2%	
Very	8%	12%	12%	10%	5%
Somewhat	6%	6%	7%	14%	4%
Not very	10%	8%	6%	12%	11%
Not at all (DK/NS)	43% 31%	27% 42%	31% 42%	29% 32%	57% 23%
Radio					
Extremely	3%	2%	6%	6%	1%
Very	10%	21%	13%	15%	4%
Somewhat	13%	14%	20%	28%	5%
Not very	12%	11%	13%	10%	12%
Not at all (DK/NS)	40% 22%	28% 22%	27% 21%	20% 21%	55% 22%
Display ad in Sun or Province					
Extremely	4%	12%	5%	4%	1%
Very	17%	45%	15%	32%	4%
Somewhat	18%	27%	17%	34%	11%
Not very	10%	8%	19%	10%	7%
Not at all (DK/NS)	33% 18%	4% 5%	18% 25%	10% 10%	56% 22%
Flyer insert in Sun or Province					
Extremely	0%	0%	0%	1%	
Very	6%	4%	4%	11%	6%
Somewhat	10%	12%	12%	16%	6%
Not very	8%	11%	14%	5%	6%
Not at all (DK/NS)	43% 32%	30% 43%	27% 44%	33% 33%	58% 24%
Display ad in community paper					
Extremely	4%	1%	9%	10%	0%
Very	17%	25%	35%	23%	5%
Somewhat	25%	19%	44%	33%	16%
Not very	9%	14%	6%	9%	8%
Not at all (DK/NS)	30% 16%	23% 18%	4% 2%	11% 14%	50% 21%
Flyer insert in community paper					
Extremely	3%	0%	6%	12%	0%
Very	6%	4%	9%	13%	4%
Somewhat	16%	13%	27%	22%	10%
Not very	7%	10%	9%	4%	6%
Not at all (DK/NS)	39% 29%	34% 39%	14% 36%	23% 25%	56% 24%
Free standing flyer					
Extremely	3%	2%	9%	7%	
Very	8%	5%	15%	17%	4%
Somewhat	16%	19%	19%	15%	13%
Not very	10%	6%	11%	12%	9%
Not at all (DK/NS)	38% 25%	34% 35%	20% 26%	24% 25%	51% 23%

4. When the primary purpose of your advertising is to...is...cost effective?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
Announcing a sale					
Television	14%	16%	9%	26%	8%
Radio	28%	29%	28%	41%	14%
Display ad in Sun or Province	43%	72%	25%	72%	6%
Flyer insert in Sun or Province	10%	8%	7%	20%	6%
Display ad in community paper	40%	40%	52%	45%	14%
Flyer insert in community paper	15%	5%	16%	28%	14%
Free standing flyer	22%	20%	22%	23%	20%
Direct mail or admail	37%	30%	35%	35%	55%
Local magazine	11%	16%	9%	7%	13%
Speciality newspaper	13%	7%	14%	11%	24%
Yellow pages	19%	11%	23%	24%	18%
Outdoor billboard	6%	5%	6%	10%	6%
Transit signage or mall poster	6%	4%	7%	10%	
(none)	17%	6%	22%	10%	32%
BASE: ADS TO REACH A GEOGRAPHIC TARGET					
(Weighted Base)	(256)	(35)	(71)	(56)	(94)
(Unweighted Base)	(308)	(45)	(119)	(86)	(58)
Reaching a geographically defined target market					
Television	9%	10%	11%	14%	4%
Radio	20%	29%	22%	26%	12%
Display ad in Sun or Province	21%	56%	14%	33%	6%
Flyer insert in Sun or Province	6%	9%	3%	9%	4%
Display ad in community paper	42%	23%	70%	53%	21%
Flyer insert in community paper	20%	2%	28%	35%	11%
Free standing flyer	20%	13%	27%	29%	13%
Direct mail or admail	39%	41%	41%	37%	39%
Local magazine	19%	27%	17%	20%	18%
Speciality newspaper	16%	19%	14%	10%	20%
Yellow pages	44%	38%	36%	38%	54%
Outdoor billboard	13%	9%	18%	20%	8%
Transit signage or mall poster	12%	6%	19%	16%	6%
(none)	15%	12%	15%	16%	14%
BASE: ADS TO REACH A SOCIO-ECO. SEGMENT					
(Weighted Base)	(189)	(38)	(45)	(40)	(66)
(Unweighted Base)	(231)	(49)	(76)	(66)	(40)
Reaching a socio-economically defined segment					
Television	10%	12%	12%	17%	4%
Radio	18%	22%	21%	29%	7%
Display ad in Sun or Province	31%	64%	24%	49%	6%
Flyer insert in Sun or Province	7%	5%	3%	20%	3%
Display ad in community paper	32%	21%	50%	54%	12%
Flyer insert in community paper	11%	2%	10%	28%	6%
Free standing flyer	14%	11%	14%	30%	7%
Direct mail or admail	40%	30%	33%	43%	48%
Local magazine	27%	35%	15%	26%	31%
Speciality newspaper	14%	17%	15%	9%	15%
Yellow pages	38%	32%	23%	34%	55%
Outdoor billboard	7%	4%	8%	4%	8%
Transit signage or mall poster	3%	1%	8%	1%	3%
(none)	20%	14%	32%	18%	17%

5. Now, given your current business situation and advertising and promotion budgets, I would like you to tell me how cost effective the various advertising and promotional vehicles are for your business. Please rate them as extremely, very, somewhat, not very or not at all effective. How effective is...?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(556) (562)	(85) (97)	(115) (180)	(83) (125)	(273) (160)
Direct mail or admail					
Extremely	9%	4%	11%	12%	8%
Very	18%	16%	20%	27%	16%
Somewhat	21%	27%	22%	18%	19%
Not very	7%	5%	8%	11%	7%
Not at all	24%	20%	16%	12%	32%
(DK/NS)	21%	29%	23%	21%	18%
Local magazine like Vancouver					
Extremely	1%	0%	2%	0%	0%
Very	7%	9%	13%	4%	5%
Somewhat	23%	28%	24%	37%	16%
Not very	9%	8%	9%	17%	8%
Not at all	34%	22%	23%	20%	47%
(DK/NS)	26%	33%	29%	22%	24%
Specialty newspaper like Georgia					
Straight					
Extremely	1%	0%	2%		2%
Very	10%	9%	14%	8%	8%
Somewhat	15%	10%	22%	18%	13%
Not very	11%	6%	9%	16%	12%
Not at all	36%	33%	25%	32%	43%
(DK/NS)	27%	42%	29%	26%	22%
Yellow Pages					
Extremely	10%	10%	7%	8%	12%
Very	25%	26%	31%	30%	21%
Somewhat	29%	20%	25%	24%	35%
Not very	11%	9%	7%	17%	12%
Not at all	13%	16%	17%	7%	11%
(DK/NS)	11%	18%	13%	13%	8%
Outdoor billboard					
Extremely	3%	3%	5%	5%	1%
Very	5%	6%	10%	2%	4%
Somewhat	10%	9%	10%	14%	8%
Not very	5%		4%	8%	5%
Not at all	43%	31%	27%	33%	58%
(DK/NS)	34%	50%	44%	38%	24%
Transit signage or mall poster					
Extremely	2%	2%	5%	1%	1%
Very	6%	3%	11%	11%	4%
Somewhat	9%	4%	13%	16%	6%
Not very	5%	4%	5%	4%	7%
Not at all	43%	31%	25%	33%	57%
(DK/NS)	35%	57%	42%	35%	25%

6. How large is the core trading area of your store, that is, do more than 75% of the stores customers live within...?
- 7a. How large is the core trading area of a single one of your stores in the Vancouver or North Shore area, that is, do more than 75% of the stores customers live within...?
- 7b. How large is the core trading area of all your stores in Vancouver/Lower Mainland combined?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: SINGLE OUTLET STORE					
(Weighted Base)	(412)	(62)	(74)	(45)	(231)
(Unweighted Base)	(382)	(60)	(117)	(71)	(134)
Size of core trading area					
Area smaller than city district	9%	3%	16%	13%	7%
Most or all city district	11%	20%	23%	15%	5%
1 or 2 adjacent districts	13%		26%	16%	11%
4 or 5 adjacent city districts	9%	9%	8%	7%	10%
Most or all of Vancouver	48%	63%	26%	45%	52%
None	6%	3%		3%	10%
(DK/NS)	4%	2%	1%	0%	5%
BASE: MULTI OUTLET STORE					
	(144)	(23)	(41)	(38)	(41)
	(180)	(37)	(63)	(54)	(26)
Vancouver/N. Shore core trading area					
Area smaller than city district	19%	9%	16%	42%	5%
Most or all city district	14%	23%	15%	11%	9%
1 or 2 adjacent districts	20%	10%	47%	15%	5%
4 or 5 adjacent city districts	4%	11%	1%	5%	5%
Most or all of Vancouver	26%	37%	7%	15%	49%
None	1%		1%		4%
(DK/NS)	15%	11%	13%	11%	24%
Vancouver/LM combined core trading area					
Area smaller than city district	1%	1%	2%	1%	0%
Most or all city district	12%	9%	15%	15%	8%
1 or 2 adjacent districts	8%	8%	17%	1%	5%
4 or 5 adjacent city districts	11%	10%	12%	10%	10%
Most or all of Vancouver	52%	72%	43%	57%	46%
None	2%			4%	4%
(DK/NS)	15%	1%	12%	13%	27%

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 ADVERTIZING (Weighted Base) (Unweighted Base)	(196) (269)	(85) (97)	(45) (65)	(66) (107)
If dailies cost increases 10%				
Advertise same and spend more	27%	40%	15%	19%
Advertise less and spend same	26%	25%	16%	33%
Advertise less and save money	7%	7%	5%	7%
Advertise less and switch to other (DK/NS)	34%	22%	51%	38%
	7%	6%	14%	3%
BASE: WOULD SWITCH TO OTHER VEHICLES	(67) (89)	(19) (20)	(23) (28)	(25) (41)
Which type of advertizing vehicle would you switch to				
Television	8%	11%	15%	1%
Radio	21%	16%	27%	20%
Display ad in community paper	37%	35%	34%	41%
Insert in community paper	6%	8%	9%	3%
Free standing flyer	3%	1%	6%	2%
Direct mail	19%	19%	21%	18%
Local magazine like Vancouver	10%	16%		15%
Specialty newspaper like Georgia Straight	6%	13%	6%	0%
Yellow pages	2%	8%		0%
Outdoor billboard	4%		6%	6%
Transit signage or mall poster	3%		8%	
(DK/NS)	5%	8%	2%	6%

8c. If the price of advertising on the radio was to increase by 10% relative to other advertising vehicles, would you...?
 8d. Which type of advertising vehicle would you switch to?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: RADIO USED FOR ADVERTIZING (Weighted Base)	(141) (191)	(32) (42)	(50) (76)	(42) (61)	(17) (12)
If radio cost increases 10%					
Advertise same and spend more	18%	28%	14%	14%	22%
Advertise less and spend same	29%	37%	21%	30%	33%
Advertise less and save money	8%	10%	5%	14%	
Advertise less and switch to other (DK/NS)	35% 10%	19% 6%	48% 12%	32% 9%	33% 11%
BASE: WOULD SWITCH TO OTHER VEHICLES	(49) (66)	(6) (11)	(24) (31)	(13) (20)	(6) (4)
Which type of advertizing vehicle would you switch to					
Television	4%			1%	35%
Display ad in Sun or Province	19%	40%	13%	30%	
Insert ad in Sun or Province	1%			4%	
Display ad in community paper	30%		39%	28%	33%
Insert in community paper	13%		26%	1%	
Free standing flyer	4%		3%	12%	
Direct mail	19%	26%	24%	1%	33%
Local magazine like Vancouver	4%		8%	2%	
Specialty newspaper like Georgia					
Straight	3%		6%		
Yellow pages	1%		2%	1%	
Outdoor billboard	7%	8%		11%	26%
Transit signage or mall poster	11%		8%	14%	26%
(DK/NS)	5%	34%	0%	4%	

8e. If the price of advertising on the TV was to increase by 10% relative to other advertising vehicles, would you...?
 8f. Which type of advertising vehicle would you switch to?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: TELEVISION USED FOR ADVERTIZING					
(Weighted Base)	(62)	(17)	(16)	(20)	(9)
(Unweighted Base)	(80)	(21)	(22)	(31)	(6)
If TV cost increases by 10%					
Advertise same and spend more	24%	55%	22%	2%	16%
Advertise less and spend same	38%	16%	31%	58%	45%
Advertise less and save money	8%		19%	1%	20%
Advertise less and switch to other (DK/NS)	24%	27%	17%	28%	20%
	7%	1%	11%	11%	
BASE: WOULD SWITCH TO OTHER VEHICLES	(15)	(5)	(3)	(6)	(2)
	(19)	(4)	(5)	(9)	(1)
Which type of advertizing vehicle would you switch to					
Radio	35%	32%		33%	100%
Display ad in Sun or Province	34%	32%		29%	100%
Insert ad in Sun or Province	3%			9%	
Display ad in community paper	18%	35%	37%	2%	
Insert in community paper	4%		18%	2%	
Free standing flyer	2%			4%	
Direct mail	11%		59%		
Local magazine like Vancouver	10%	32%			
Yellow pages	1%			2%	
Outdoor billboard	1%			2%	
(DK/NS)	11%		4%	27%	

- 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)	(231) (352)	(39) (53)	(115) (180)	(76) (119)
If community paper costs increase by 10%				
Advertise same and spend more	39%	35%	44%	32%
Advertise less and spend same	28%	23%	25%	35%
Advertise less and save money	9%	10%	7%	11%
Advertise less and switch to other (DK/NS)	16%	24%	17%	11%
	8%	8%	6%	11%
BASE: WOULD SWITCH TO OTHER VEHICLES	(37) (61)	(9) (13)	(19) (28)	(8) (20)
Which type of advertizing vehicle would you switch to				
Television	4%	16%		
Radio	7%	5%	3%	18%
Display ad in Sun or Province	20%	38%	11%	19%
Insert ad in Sun or Province	5%	16%		6%
Display ad in community paper	1%	2%		1%
Insert in community paper	2%		3%	1%
Free standing flyer	10%	1%	15%	7%
Direct mail	28%	21%	21%	50%
Local magazine like Vancouver	7%		13%	1%
Specialty newspaper like Georgia				
Straight	6%		11%	1%
Yellow pages	1%		3%	
Outdoor billboard	4%		8%	
(DK/NS)	12%	6%	19%	1%

8i. If the price of advertising of direct mail was to increase by 10% relative to other advertising, would you...?
 8j. Which type of advertising vehicle would you switch to?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: DIRECT MAIL USED FOR ADVERTIZING (Weighted Base) (Unweighted Base)	(201) (246)	(35) (46)	(49) (85)	(40) (68)	(77) (47)
If direct mail costs increase by 10%					
Advertise same and spend more	52%	37%	35%	48%	72%
Advertise less and spend same	15%	31%	24%	16%	2%
Advertise less and save money	7%	2%	8%	5%	9%
Advertise less and switch to other (DK/NS)	11%	5%	11%	10%	15%
	14%	26%	22%	21%	1%
BASE: WOULD SWITCH TO OTHER VEHICLES	(26) (34)	(2) (4)	(6) (11)	(5) (10)	(14) (9)
Which type of advertizing vehicle would you switch to					
Television	1%	6%		3%	
Radio	2%		8%	3%	
Display ad in Sun or Province	1%	6%		3%	
Insert ad in Sun or Province	6%	81%			
Display ad in community paper	14%		4%	66%	4%
Insert in community paper	7%		34%		
Free standing flyer	10%		12%	3%	13%
Direct mail	7%				13%
Local magazine like Vancouver	0%	6%			
Outdoor billboard	13%		25%		13%
Transit signage or mall poster	7%				13%
(DK/NS)	39%	6%	19%	24%	57%

- 9a. Do you use an agency to buy your promotions?
 9b. Do you or your agency make the final decision about which vehicles to advertise and promote in?
 10. Would you classify your business primarily as a service or product enterprise?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS (Weighted Base) (Unweighted Base)	(556) (562)	(85) (97)	(115) (180)	(83) (125)	(273) (160)
Do you use an ad agency?					
Yes	15%	21%	14%	25%	10%
No	84%	79%	86%	75%	88%
(DK/NS)	1%				2%
Do you or ad agency make final decision?					
Company decision	75%	78%	63%	73%	82%
Agency decision	5%		15%	2%	5%
Both	17%	22%	22%	23%	7%
(DK/NS)	3%		1%	2%	7%
Service or product business					
Service	52%	52%	50%	54%	51%
Product	21%	18%	20%	21%	22%
Product and service	27%	30%	30%	24%	26%
(DK/NS)	0%				1%

13. Are your total annual sales...?
 14. How many employees do you have?
 15. How many of these are in sales?

	TOTAL	LOCATION OF ADVERTISING			
		Mainly Daily Papers	Mainly Community Papers	Both Mainly Daily and Community	Neither Daily nor Community
BASE: ALL RESPONDENTS					
(Weighted Base)	(594)	(85)	(115)	(83)	(311)
(Unweighted Base)	(594)	(97)	(180)	(125)	(192)
Total annual sales					
Under \$50,000	6%	5%	4%	2%	7%
\$50,000 to \$99,999	3%		4%	1%	4%
\$100,000 to \$249,999	12%	7%	10%	7%	16%
\$250,000 to \$499,999	11%	3%	12%	12%	12%
\$500,000 to \$999,999	14%	17%	15%	16%	12%
\$1 million to \$5 million	20%	24%	14%	14%	23%
\$6 million to \$10 million	5%	4%	2%	8%	6%
More than \$10 million	10%	14%	14%	23%	4%
(DK/NS)	19%	26%	24%	17%	16%
Number of employees					
1 - 5	37%	27%	31%	24%	45%
6 - 10	18%	11%	17%	21%	19%
11 - 20	13%	13%	11%	12%	13%
21 - 50	15%	18%	20%	9%	14%
51+	16%	27%	17%	32%	8%
(DK/NS)	2%	4%	3%	2%	1%
Median	8	17	11	12	6
Number of employees in sales					
0 - 1	29%	22%	17%	23%	37%
2 - 3	27%	21%	21%	24%	31%
4 - 10	26%	26%	35%	23%	24%
11 +	16%	25%	25%	28%	7%
(DK/NS)	2%	7%	3%	2%	1%
Median	3	4	4	4	2
Percent of employees in sales					
0% - 19%	33%	29%	21%	32%	39%
20% - 39%	16%	20%	14%	21%	14%
40% - 59%	11%	15%	9%	14%	10%
60% - 79%	7%	8%	7%	4%	8%
80% - 100%	32%	27%	49%	29%	29%

PROOFED:	PRECODED:	CHECKED:
START TIME:	STOP TIME:	TOTAL TIME: MINS.

ANGUS REID GROUP, INC.
 1600, 355 Burrard Street
 Vancouver, B.C.
 V6C 2G8

MAP NUMBER: _____

- QUESTIONNAIRE -

BLOCK NUMBER: _____

**SURVEY OF RETAILERS
 (6-718-01)**

Hi! I'm with the Angus Reid Group, and we are conducting a study of retail advertising in the Greater Vancouver area. I'm not selling anything, and I have just a few quick questions which will take just one minute of your time.

A. Does your business do any sales of retail goods or services to consumers?

- Yes.....1 --> (CONTINUE)
- No.....2 --> (THANK AND TERMINATE)
- (DK/NS).....9 -

B. Has your business bought any advertising or promotions during the past 2 years for the purposes of promoting your retail sales?

- Yes.....1 --> (CONTINUE)
- No.....2 --> (THANK AND TERMINATE AND TALLY)
- (DK/NS).....9 --> May I speak with someone who knows?

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40

1. Who in your company or store is in charge of buying the advertising and promotions you are doing in the greater Vancouver area?

NAME: _____

POSITION: _____

TELEPHONE NUMBER: _____ - _____

2. In the past 2 years, have you bought any advertising in _____ (READ VEHICLES)

<u>Media Vehicle</u>	<u>Yes</u>	<u>No</u>	<u>(DK/NS)</u>
___ Television	1	2	9
___ Radio	1	2	9
___ Display ad in Sun or Province	1	2	9
___ Insert ad in Sun or Province	1	2	9
___ Display ad in community paper	1	2	9
___ Insert in community paper	1	2	9
___ Free standing flyer	1	2	9
___ Direct mail	1	2	9
___ Local magazine like Vancouver	1	2	9
___ Specialty newspaper like Georgia Straight	1	2	9
___ Yellow Pages	1	2	9
___ Outdoor billboard	1	2	9
___ Transit signage or mall poster	1	2	9

3. My supervisor will be calling a few of the businesses I've talked to today in order to check my work. Could I have your name and number in case he would like to check with you?

RESPONDENT'S NAME: _____

BUSINESS PHONE NO: _____ - _____ - _____

4. Should he choose to call you, what would be the best time to call?

5. (IF NECESSARY, ASK:) What is the name of your retail operation?

6. (IF NECESSARY, ASK:) What is the address here?

SUITE NO. STREET NO. STREET NAME

THANK YOU VERY MUCH FOR YOUR TIME

INTERVIEWED BY: _____	INTERVIEW DATE
EDITED BY: _____	MONTH: _____
CODED BY: _____	DAY: _____
CODING EDITED BY: _____	



PROOFED:	PRECODED:	CHECKED:
START TIME:	STOP TIME:	TOTAL TIME: MINS.

ANGUS REID GROUP, INC.
 1600, 355 Burrard Street
 Vancouver, B.C.
 V6C 2G8

CD#: _____

- QUESTIONNAIRE -
 AD STUDY
 (6-718-01)

Sample.....1
2
3

Hello, this is _____ from Angus Reid Group, a national public opinion and marketing research firm.

Could I please speak to the person responsible for making decisions about and/or purchasing advertising and promotion?

- Yes.....1 --> (RE-INTRODUCE AND CONTINUE)
- Not here at the moment.....2 --> (ARRANGE CALL BACK)
- At another location.....3 --> (GET TELEPHONE NUMBER)

We are conducting a very short study about different advertising vehicles. We would really like to include your opinions. Could you take 5 to 10 minutes?

- Yes.....1 --> (CONTINUE)
- No.....2 --> (TRY TO ARRANGE ANOTHER TIME)

1. a) How many retail outlets in Vancouver/the Lower Mainland does your business have?

- None.....0 --> (THANK AND TERMINATE)
- One.....1 --> (SKIP TO Q.2)

WRITE # _____ --> (CONTINUE)

b) How many of these locations are in _____ (READ AREA)?

c) For which of these stores are you responsible for buying advertising?

	b) # of Locations	c) Buy Ads For
All of them		01
The City of Vancouver		
i) Downtown Vancouver	_____	02
ii) West Side Vancouver	_____	03
iii) East Side Vancouver	_____	04
West Vancouver	_____	05
North Vancouver	_____	06
Burnaby	_____	07
New Westminster	_____	08
Richmond	_____	09
Elsewhere	_____	10

2. a) In the past 2 years, have you bought any advertising in _____ (READ VEHICLES)
- b) Do you buy _____ (READ VEHICLES USED) once a week or more, at least once a month, on a seasonal basis, for special promotions or events, rarely or never?
- c) Approximately how much did you spend on _____ (READ VEHICLES USED) in the last year?

Media Vehicle	a) Used Last 2 Years			b) Frequency						c) (DK/ NS)	\$ Spent
	Yes	No	(DK/ NS)	Weekly	Monthly	Seasonal	Special Event	Rarely	Never		
___ Television	1	2	9	1	2	3	4	5	6	9	___
___ Radio	1	2	9	1	2	3	4	5	6	9	___
___ Display ad in Sun or Province	1	2	9	1	2	3	4	5	6	9	___
___ Flyer insert in Sun or Province	1	2	9	1	2	3	4	5	6	9	___
___ Display ad in community paper	1	2	9	1	2	3	4	5	6	9	___
___ Flyer insert in community paper	1	2	9	1	2	3	4	5	6	9	___
___ Free standing flyer	1	2	9	1	2	3	4	5	6	9	___
___ Direct mail or admail	1	2	9	1	2	3	4	5	6	9	___
___ Local magazine like Vancouver	1	2	9	1	2	3	4	5	6	9	___
___ Specialty newspaper like Georgia Straight	1	2	9	1	2	3	4	5	6	9	___
___ Yellow Pages	1	2	9	1	2	3	4	5	6	9	___
___ Outdoor billboard	1	2	9	1	2	3	4	5	6	9	___
___ Transit signage or mall poster	1	2	9	1	2	3	4	5	6	9	___

(ASK 2d IF COMMUNITY PAPERS USED IN Q.2a)

d) Which community papers have you advertised in? (CIRCLE ALL THAT APPLY)

- North Shore News.....1
- The Courier.....2
- Metro Vancouver News.....3
- Echo.....4
- West Ender.....5
- Other.....6
- (DK/NS).....9

(IF NO ADVERTISING - SKIP TO Q.10)

3. What proportion of your advertising and promotions are primarily aimed at _____
 (READ AIMS - ROTATE)

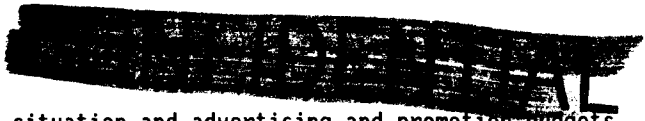
	All (>75%)	Most (50-74%)	Some (25-49%)	Rarely (1-24%)	None (0%)	(DK/ NS)
a) Promoting a specific product	1	2	3	4	5	.9
b) Reaching people in one specific community only	1	2	3	4	5	.9
c) Reaching people throughout most of the Vancouver/Lower Mainland	1	2	3	4	5	.9
d) Promoting a special event	1	2	3	4	5	.9
e) Announcing a sale	1	2	3	4	5	.9
f) Reaching a geographically defined target market	1	2	3	4	5	.9
g) Reaching a socio-economically defined segment	1	2	3	4	5	.9

4. Now, I would like you to tell me how effective the various advertising and promotional vehicles are at achieving these objectives.

ASK ALL MEDIA (DOWN) ONE OBJECTIVE AT A TIME FOR ALL OBJECTIVES PURSUED IN Q.3

When the primary purpose of your advertising is to _____ (READ OBJECTIVES) is _____ (READ MEDIA VEHICLES) cost effective?

	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Promote Specific Product	Reach One Community	Reach Vancouver/Lower Mainland	Promote Special Event	Announce a Sale	Reach Geographic Target Market	Reach Socio-Economic Segment
___ Television	1	2	3	4	5	6	7
___ Radio	1	2	3	4	5	6	7
___ Display ad in Sun or Province	1	2	3	4	5	6	7
___ Flyer insert in Sun or Province	1	2	3	4	5	6	7
___ Display ad in community paper	1	2	3	4	5	6	7
___ Flyer insert in community paper	1	2	3	4	5	6	7
___ Free standing flyer	1	2	3	4	5	6	7
___ Direct mail or admail	1	2	3	4	5	6	7
___ Local magazine like Vancouver	1	2	3	4	5	6	7
___ Specialty newspaper like Georgia Straight	1	2	3	4	5	6	7
___ Yellow Pages	1	2	3	4	5	6	7
___ Outdoor billboard	1	2	3	4	5	6	7
___ Transit signage or mall poster	1	2	3	4	5	6	7



5. Now, given your current business situation and advertising and promotion budgets, I would like you to tell me how cost effective the various advertising and promotional vehicles are for your business. Please rate them as extremely, very, somewhat, not very or not at all effective. How effective is _____ (READ VEHICLES - ROTATE)?

	<u>Extremely</u>	<u>Very</u>	<u>Somewhat</u>	<u>Not Very</u>	<u>Not At All</u>	<u>(DK/NS)</u>
___ Television	1	2	3	4	5	9
___ Radio	1	2	3	4	5	9
___ Display ad in Sun or Province . . .	1	2	3	4	5	9
___ Flyer insert in Sun or Province . .	1	2	3	4	5	9
___ Display ad in community paper . . .	1	2	3	4	5	9
___ Flyer insert in community paper . .	1	2	3	4	5	9
___ Free standing flyer	1	2	3	4	5	9
___ Direct mail or ad mail	1	2	3	4	5	9
___ Local magazine like Vancouver . . .	1	2	3	4	5	9
___ Specialty newspaper like Georgia Straight	1	2	3	4	5	9
___ Yellow Pages	1	2	3	4	5	9
___ Outdoor billboard	1	2	3	4	5	9
___ Transit signage or mall poster . .	1	2	3	4	5	9

(ASK Q.6 FOR SINGLE STORE/OUTLET IN Q.1a, THEN SKIP TO Q.8
ASK Q.7a AND b FOR MULTIPLE STORE)

6. How large is the core trading area of your store, that is, do more than 75% of the stores customers live within _____? (READ AREAS)

- An area smaller than the city district, such as West Vancouver or Richmond, that the store is located in.....1
- Most or all of city district.....2
- The city district the store is located in and 1 or 2 adjacent city districts.....3
- 4 or 5 city districts.....4
- Most or all of Vancouver/Lower Mainland.....5
- None.....6
- (DK/NS).....9



(ASK MULTI-OUTLET ONLY)

- 7. a) How large is the core trading area of a single one of your stores in the Vancouver or North Shore area, that is, do more than 75% of the stores customers live within _____ (READ AREAS)
- b) How large is the core trading area of all your stores in Vancouver/Lower Mainland combined?

	a) <u>Single</u> <u>Store</u>	b) <u>All</u> <u>Stores</u>
An area smaller than the city district, such as West Vancouver or Richmond, that the store is located in	1	1
Most or all of city district	2	2
The city district the store is located in and 1 or 2 adjacent city districts . .	3	3
4 or 5 city districts	4	4
Most or all of Vancouver/Lower Mainland . .	5	5
None	6	6
(DK/NS)	9	9

(ASK Q.8a AND b ONLY IF SUN OR PROVINCE USED)

- 8. a) If the price of advertising in the dailies were to increase by 10% relative to other advertising vehicle, would you _____ (READ RESPONSES)

- Advertise the same and spend more.....1 -
- Advertise less and spend the same amount on dailies.....2 ---> (SKIP TO c)
- Advertise less and save money.....3 -
- Advertise less in dailies and switch to other types of ad or promotion vehicles.....4 ---> (ASK b)
- (DK/NS).....9 ---> (SKIP TO c)

(ASK 8b IF SWITCH IN 8a)

- b) Which type of advertising vehicle would you switch to? (DO NOT READ LIST)

- Television.....01
- Radio.....02
- Display ad in Sun or Province.....03
- Insert ad in Sun or Province.....04
- Display ad in community paper.....05
- Insert in community paper.....06
- Free standing flyer.....07
- Direct mail.....08
- Local magazine like Vancouver.....09
- Specialty newspaper like Georgia Straight.....10
- Yellow Pages.....11
- Outdoor billboard.....12
- Transit signage or mall poster.....13
- (DK/NS).....99

(ASK c AND d ONLY IF RADIO USED)

c) If the price of advertising on the radio was to increase by 10% relative to other advertising vehicles, would you _____ (READ RESPONSES)

- Advertise the same and spend more.....1 -
- Advertise less and spend the same amount on radio.....2 ---> (SKIP TO e)
- Advertise less and save money.....3 -
- Advertise less on radio and switch to other types of ad or promotion vehicles.....4 ---> (ASK d)
- (DK/NS).....9 ---> (SKIP TO e)

(ASK 8d IF SWITCH IN 8c)

d) Which type of advertising vehicle would you switch to? (DO NOT READ LIST)

- Television.....01
- Radio.....02
- Display ad in Sun or Province.....03
- Insert ad in Sun or Province.....04
- Display ad in community paper.....05
- Insert in community paper.....06
- Free standing flyer.....07
- Direct mail.....08
- Local magazine like Vancouver.....09
- Specialty newspaper like Georgia Straight.....10
- Yellow Pages.....11
- Outdoor billboard.....12
- Transit signage or mall poster.....13
- (DK/NS).....99

(ASK e AND f ONLY IF TV USED)

e) If the price of advertising on the TV was to increase by 10% relative to other advertising vehicles, would you _____ (READ RESPONSES)

- Advertise the same and spend more.....1 -
- Advertise less and spend the same amount on TV.....2 ---> (SKIP TO g)
- Advertise less and save money.....3 -
- Advertise less on TV and switch to other types of ad or promotion vehicles.....4 ---> (ASK f)
- (DK/NS).....9 ---> (SKIP TO g)

(ASK 8f IF SWITCH IN 8e)

f) Which type of advertising vehicle would you switch to? (DO NOT READ LIST)

- Television.....01
- Radio.....02
- Display ad in Sun or Province.....03
- Insert ad in Sun or Province.....04
- Display ad in community paper.....05
- Insert in community paper.....06
- Free standing flyer.....07
- Direct mail.....08
- Local magazine like Vancouver.....09
- Specialty newspaper like Georgia Straight.....10
- Yellow Pages.....11
- Outdoor billboard.....12
- Transit signage or mall poster.....13
- (DK/NS).....99



(ASK g AND h ONLY IF COMMUNITY NEWSPAPER USED)

g) If the price of advertising in the community newspapers was to increase by 10% relative to other advertising vehicles, would you _____ (READ RESPONSES)

- Advertise the same and spend more.....1 -
- Advertise less and spend the same amount in community newspapers.....2 ---> (SKIP TO Q.9)
- Advertise less and save money.....3 -
- Advertise less in community newspapers and switch to other types of ad or promotion vehicles.....4 ---> (ASK h)
- (DK/NS).....9 ---> (SKIP TO Q.9)

(ASK 8h IF SWITCH IN 8g)

h) Which type of advertising vehicle would you switch to? (DO NOT READ LIST)

- Television.....01
- Radio.....02
- Display ad in Sun or Province.....03
- Insert ad in Sun or Province.....04
- Display ad in community paper.....05
- Insert in community paper.....06
- Free standing flyer.....07
- Direct mail.....08
- Local magazine like Vancouver.....09
- Specialty newspaper like Georgia Straight.....10
- Yellow Pages.....11
- Outdoor billboard.....12
- Transit signage or mall poster.....13
- (DK/NS).....99

(ASK i AND j ONLY IF COMMUNITY NEWSPAPER USED)

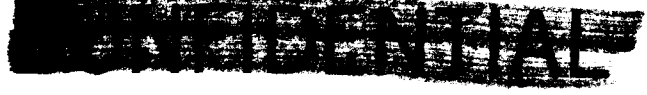
i) If the price of advertising of direct mail was to increase by 10% relative to other advertising vehicles, would you _____ (READ RESPONSES)

- Advertise the same and spend more.....1 -
- Advertise less and spend the same amount in community newspapers.....2 ---> (SKIP TO Q.9)
- Advertise less and save money.....3 -
- Advertise less in community newspapers and switch to other types of ad or promotion vehicles.....4 ---> (ASK h)
- (DK/NS).....9 ---> (SKIP TO Q.9)

(ASK 8j IF SWITCH IN 8i)

j) Which type of advertising vehicle would you switch to? (DO NOT READ LIST)

- Television.....01
- Radio.....02
- Display ad in Sun or Province.....03
- Insert ad in Sun or Province.....04
- Display ad in community paper.....05
- Insert in community paper.....06
- Free standing flyer.....07
- Direct mail.....08
- Local magazine like Vancouver.....09
- Specialty newspaper like Georgia Straight.....10
- Yellow Pages.....11
- Outdoor billboard.....12
- Transit signage or mall poster.....13
- (DK/NS).....99



9. a) Do you use an ad agency to buy your advertising and promotions?

- Yes.....1 --> (CONTINUE)
- No.....2 --> (SKIP TO Q.10)
- (DK/NS).....9 -

b) Do you or your agency make the final decision about which vehicles to advertise and promote in?

- Company decision.....1
- Agency decision.....2
- Both.....3
- (DK/NS).....9

10. Would you classify your business primarily as a service or product enterprise?

- Service.....1
- Product.....2
- Product and service.....3
- (DK/NS).....9

11. What is your primary _____ (READ RESPONSE TO Q.10)

12. What other products and/or services do you offer?

13. Are your total annual sales

- Under \$50,000.....1
- \$50,000 - \$99,999.....2
- \$100,000 - \$249,999.....3
- \$250,000 - \$499,999.....4
- \$500,000 - \$999,999.....5
- \$1 million to \$5 million.....6
- \$6 million to \$10 million.....7
- More than \$10 million.....8
- (DK/NS).....9

14. How many employees do you have?

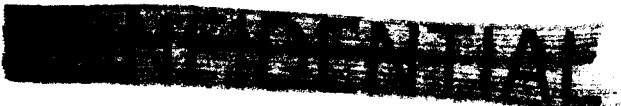
_____ employees

15. How many of these are in sales?

_____ employees in sales

16. What is your job title?

_____ Job Title



THANK YOU VERY MUCH FOR YOUR TIME

INTERVIEWED BY: _____	INTERVIEW DATE
EDITED BY: _____	MONTH: _____
CODED BY: _____	DAY: _____
CODING EDITED BY: _____	

TABLE 14

LIKELY REACTION TO A 10% INCREASE IN
ADVERTISING COST FOR DIRECT MAIL

(Asked Only of Those Using Direct Mail)

	All Retailers	Mainly Daily	Mainly Community	Both	Neither
(BASE)	(201) (%)	(35) (%)	(49) (%)	(40) (%)	(77) (%)
Advertise same and spend more	52	37	35	48	72
Advertise less and spend same	15	31	24	16	2
Advertise less and save money	7	2	8	5	9
Advertise less and switch to other (Unsure)	11 14	5 26	11 22	10 21	15 1
(BASE = Would switch to other vehicles)	(26) (%)	(2) (%)	(6) (%)	(5) (%)	(14) (%)
Display ad in community paper	14	-	4	66	4
Outdoor billboard	13	-	25	-	13
Free standing flyer	10	-	12	3	13
Direct mail/Ad-Mail	7	-	-	-	13
Transit signage or mall poster	7	-	-	-	13
Insert in community paper	7	-	34	-	-
Insert ad in dailies	6	81	-	-	-
Radio	2	-	8	3	-
Display ad in dailies	1	6	-	3	-
Television	1	6	-	3	-
Local magazine	0	6	-	-	-