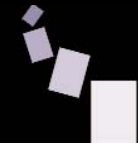




How local press helped sales
of PG Tips Pyramid™ Tea Bags soar

local press works



Regional Press
Creating New Perspectives

PG Tips Case Study

BACKGROUND

PG Tips is the market-leading tea brand in the UK, in a market valued at nearly £400m per year (source: TNS SuperPanel®). Like most FMCG and branded goods advertisers, the majority of their media spend is on TV (the PG Tips 'chimps' are well known across the country), with little if any use of regional and local press.

With this in mind, the Newspaper Society, Van den Bergh Foods and Initiative Media undertook a major study to evaluate the effectiveness of regional press advertising for the PG Tips Pyramid™ Bags brand.

OBJECTIVE

The objective of the study was to:

- Identify whether regional press advertising can deliver awareness and recall of brand advertising.
- Measure the effect of the advertising on sales of PG Tips.

THE TEST CAMPAIGN

For a 4-week period, full-page, full-colour advertising for the brand was carried in 15 regional evening titles within the North East and East of England ISBA regions. There was no television activity during the study period, and other media activity was kept to a minimum to ensure as transparent as possible effectiveness figures.

Methodology

MEASURING BRAND AWARENESS AND AD RECALL

The NS commissioned NEMS to conduct a pre- and post-advertising awareness and recall study in the test regions: 500 interviews were conducted face-to-face with a representative sample (250 prior to the activity and 250 following).

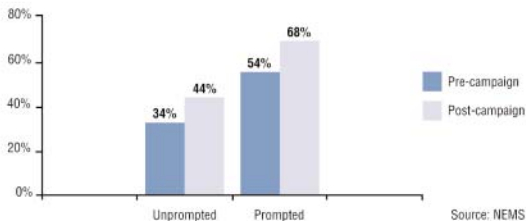
MEASURING BRAND SALES

Data from Taylor Nelson Sofres' Superpanel[®] was used to examine the impact of the regional press advertising on consumer purchasing¹. Information on panel media consumption is also collected, and can be analysed against purchase data.

Results

BRAND AWARENESS

Chart 1: unprompted and prompted PG Tips brand awareness

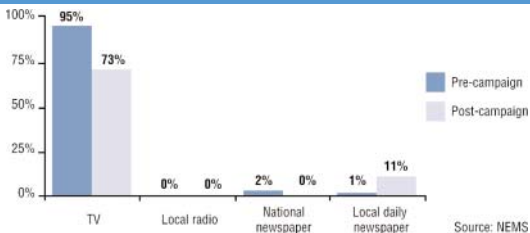


When respondents were asked about their awareness of tea brands, PG Tips was quoted as number one. Unprompted awareness of the brand grew from 34% before the campaign, to 44% after, with prompted awareness growing from 54% to 68% respectively

¹(Superpanel[®] is a continuous and representative panel of 15,000 homes; data is collected when respondents scan bar-codes on household purchases).

MEDIA ATTRIBUTION

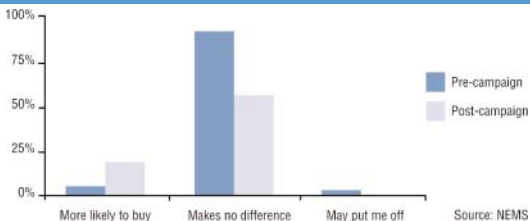
Chart 2: attribution of advertising to media



With PG Tips' long history of TV advertising, it is inevitable that the majority of respondents attribute their exposure to PG Tips advertising to TV. However, following the campaign, TV attribution declined significantly while local press attribution grew eleven-fold demonstrating the medium's ability to achieve 'cut-through'.

CONSUMER INTENTIONS

Chart 3: consumer intentions following exposure to the advertising



Having been shown the press advertisement, following the campaign, 20% of respondents said that they were more likely to buy PG Tips (against 5% beforehand).

CONSUMER SURVEY: SUMMARY

The use of regional press clearly influenced brand awareness and purchase intentions. However, unlike many advertising effectiveness studies, this piece of research was also designed to measure its impact on actual brand sales.

A TEABAG THAT WORKS LIKE A TEAPOT.



MORE ROOM TO MOVE FOR THE BEST TASTING TEA.

Funny really. For thirty years we brewed with the old fashioned flat bag, when all along the secret of the cup of tea was staring us in the face; the teapot. You see in a teapot the leaves have all the room they need to whirl and swirl to release their freshness and flavour. Now, PG's revolutionary pyramid bag, with 50% more room inside, works just like a tiny teapot. Whether you brew in a mug or a pot there's no more need for squeezing to force the flavour out. The leaves have all the room they need to effortlessly release all their subtle flavours giving you the best cup of PG Tips ever. We think you'd be potty not to use them. **PG TIPS PYRAMID™ BAGS. MORE ROOM TO MOVE.™**



BRAND SALES ANALYSIS: SUMMARY

It is clear that this campaign in the regional press had a significant effect in the North East, both in terms of achieving and sustaining incremental growth in sales of PG Tips, and decreasing market share of a major competitor.

Conclusions

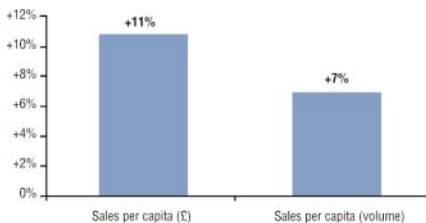
The PG Tips advertising test campaign is significant in that it not only demonstrates that regional press advertising can increase brand awareness of a heavily advertised brand and increase consumers' propensity to purchase, it can also deliver consumer action, in terms of significantly increasing brand sales and diverting sales from a key competitor. The pronounced response amongst 'almost always' readers, indicates that their relationship with their regional evening newspaper is strong, and that the medium is effective at delivering audience response.

BRAND SALES ANALYSIS

While no media and company-led promotions ran during the test period, Tesco ran a 2-for-1 offer on PG Tips Pyramid™ Bags independently, thus having an effect upon brand sales. Within the East of England area, Tesco has a 27.4% share of the sales whilst having just a 5.8% share in the North East; as a result, only data from the North East was used for this sales analysis due to the minimised impact of the Tesco promotion on brand sales.

Analysis of the Superpanel® data of PG Tips purchases in the North East for the campaign period reveals that, among the most regular readers of regional evening newspapers, sales increased significantly:

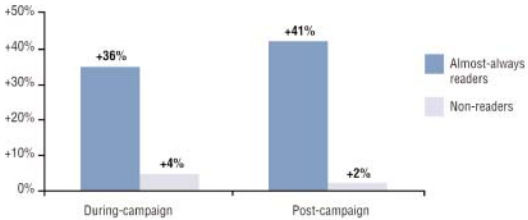
Chart 4: PG Tips sales increase among 'almost always' readers vs. non-readers



Source: Taylor Nelson Sofres Superpanel®

- Spend per capita among 'almost always' readers increased by 39p from an average £2.22 to £2.61. This change was 11% greater than any change amongst non-readers of regional evenings, while increase in volume per capita was 7% greater among 'almost always' readers.

Chart 5: PG Tips sales increase during and post-campaign, compared with 4-weeks pre-campaign



Source: Taylor Nelson Sofres Superpanel®

- Sales among 'almost-always' readers increased by 36% during the campaign; this was sustained during the 4-weeks following the campaign, with sales up by 41% on the pre-campaign period
- During the campaign period, the market share of Tetley Tea Bags fell by 16% among 'almost-always' readers



// The PG Tips regional press test was a piece of well-designed research that highlighted the increasing importance of regional press, which at present has been somewhat neglected by FMCG clients. Results such as these show how regional press advertising can trigger changes in purchasing behaviour and are a promising indication of how regional press will play a greater part in FMCG press campaigns in the future. **//**

Peter Kemp,
strategic researcher, Initiative Media Ltd

// The results of this study quite clearly demonstrate the regional press' ability to drive product sales and gain market share from competitors. They are also incredibly valuable in that the link between reader awareness, intentions and actions is clearly identified, something which much research often fails to establish. This research has contributed to our understanding of media effectiveness, particularly in that regional press is not a traditional FMCG vehicle; it will certainly be a consideration in future activity. **//**

Krzysztof Jakubczak,
activation brand manager for beverages,
Van den Bergh Foods Ltd

PG
Tips



Only the top two leaves and
a bud, makes a tip
... the PG Tip-
... and giving
... natural,
... taste.

PG
Tips



80 PYRAMID™ BAGS
AVERAGE CONTENTS





MARKETING

The Newspaper Society, Bloomsbury House, 74-77 Great Russell Street, London WC1B 3DA
tel: 020 7636 7014 fax: 020 7436 3873 Ad Doc: DX 35701 Bloomsbury

www.planregionalpress.co.uk

e-mail: perspectives@newspapersoc.org.uk

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