

Monday, 4 December 2017

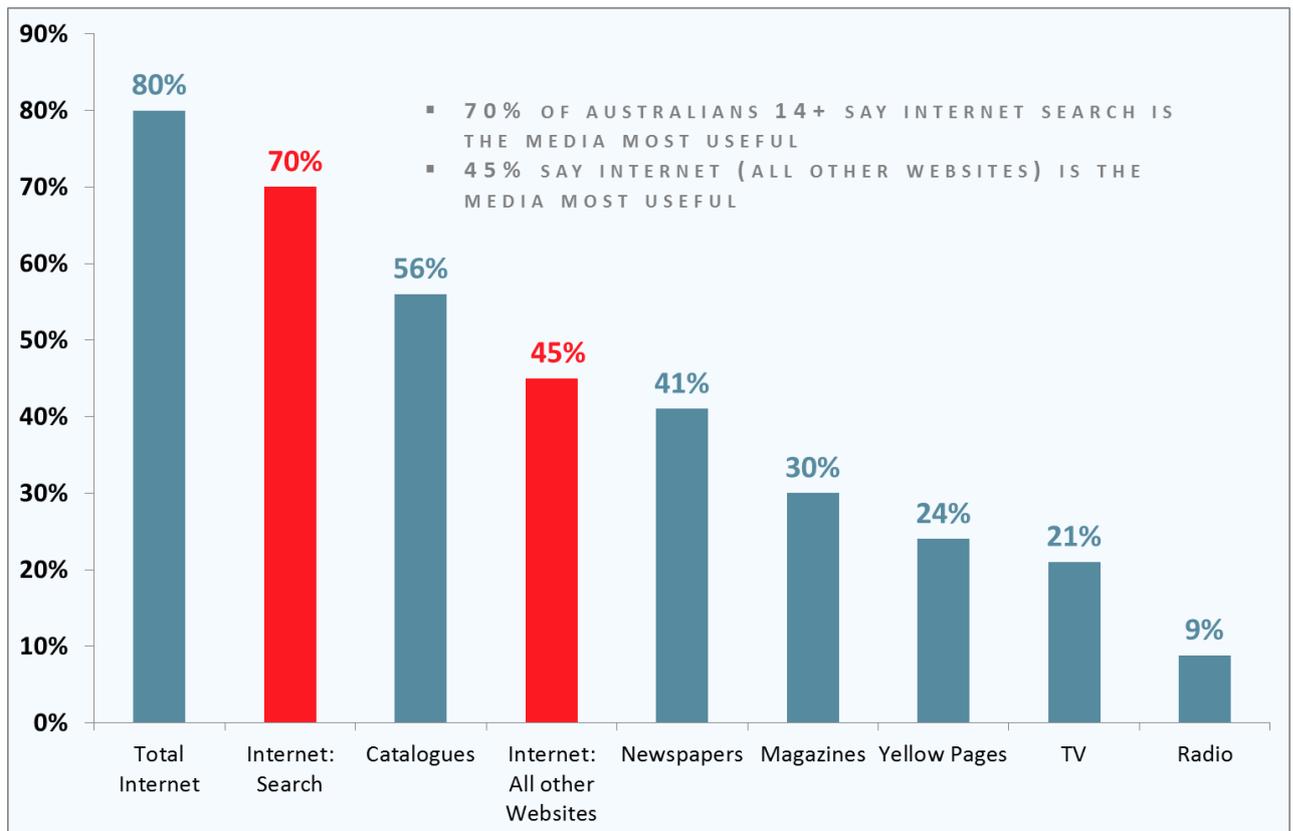
Digital media lead, but catalogues remain key channel to reach consumers

Advertising in Australia is increasingly moving online which is good news for advertisers as 80% of Australians say the Internet is the 'Media Most Useful' for providing purchase-related information in the year to September 2017.

However, although the Internet is key to how Australians find purchase-related information today, other media are still considered by many as the most useful way to find information across a variety of categories – and in some categories remains the most useful medium ahead of the Internet.

New research released from Roy Morgan today also reveals the role the search engines (Google, Bing etc.) versus other websites have when providing information to consumers and importantly how this compares to other media channels.

Media Most Useful for providing Consumer Information (Across any category*)



Source: Roy Morgan Single Source: October 2016 – September 2017 interviews with 50,020 Australians aged 14+. Respondents are asked to nominate which media they find most useful for providing information across *28 categories.

Analysing Australians' Internet usage more closely reveals that although 70% of Australians use Internet Search to find purchase-related information when we drill down into the data we find that 45% of Australians access other non-search websites directly, a figure more in line with that seen for other media channels.

Discover your edge

Internet Search leads the way for Travel or accommodation, Restaurants, Cars and Insurance

The Internet is the leading source of information for Australians across most shopping categories these days, and there are some categories in which Internet Search clearly dominates all other media.

The leading category for both Internet, and specifically Internet Search, is travel and accommodation – for which 67% of Australians consider the Internet in general and 48% of Australians Internet Search in particular the most useful medium compared to 22% that use non-search websites.

Other industries which need to focus their marketing on Search Engine Optimisation (SEO) to effectively reach potential customers include restaurants – 45% of Australians regard Internet Search as the most useful, used motor vehicles (43%), insurance (43%) and new motor vehicles (42%).

Top 10 product categories for Internet Search

Media Most Useful for...	Internet TOTAL	Internet: Search (e.g. Google, Bing)	Internet: All other websites
Travel or accommodation	67%	48%	22%
Restaurants	60%	45%	17%
A used motor vehicle	66%	44%	27%
Insurance	62%	43%	21%
A new motor vehicle	62%	42%	23%
A home loan or other loans	61%	42%	21%
Finance/investment products	60%	41%	20%
Mobile phones/phone providers	58%	41%	19%
Computers, computer supplies/peripherals	57%	41%	18%
Car/auto parts and accessories	56%	41%	17%

*Source: Roy Morgan Single Source: October 2016 – September 2017 interviews with 50,020 Australians aged 14+. Respondents are asked to nominate which media they find most useful for providing information across *28 categories.*

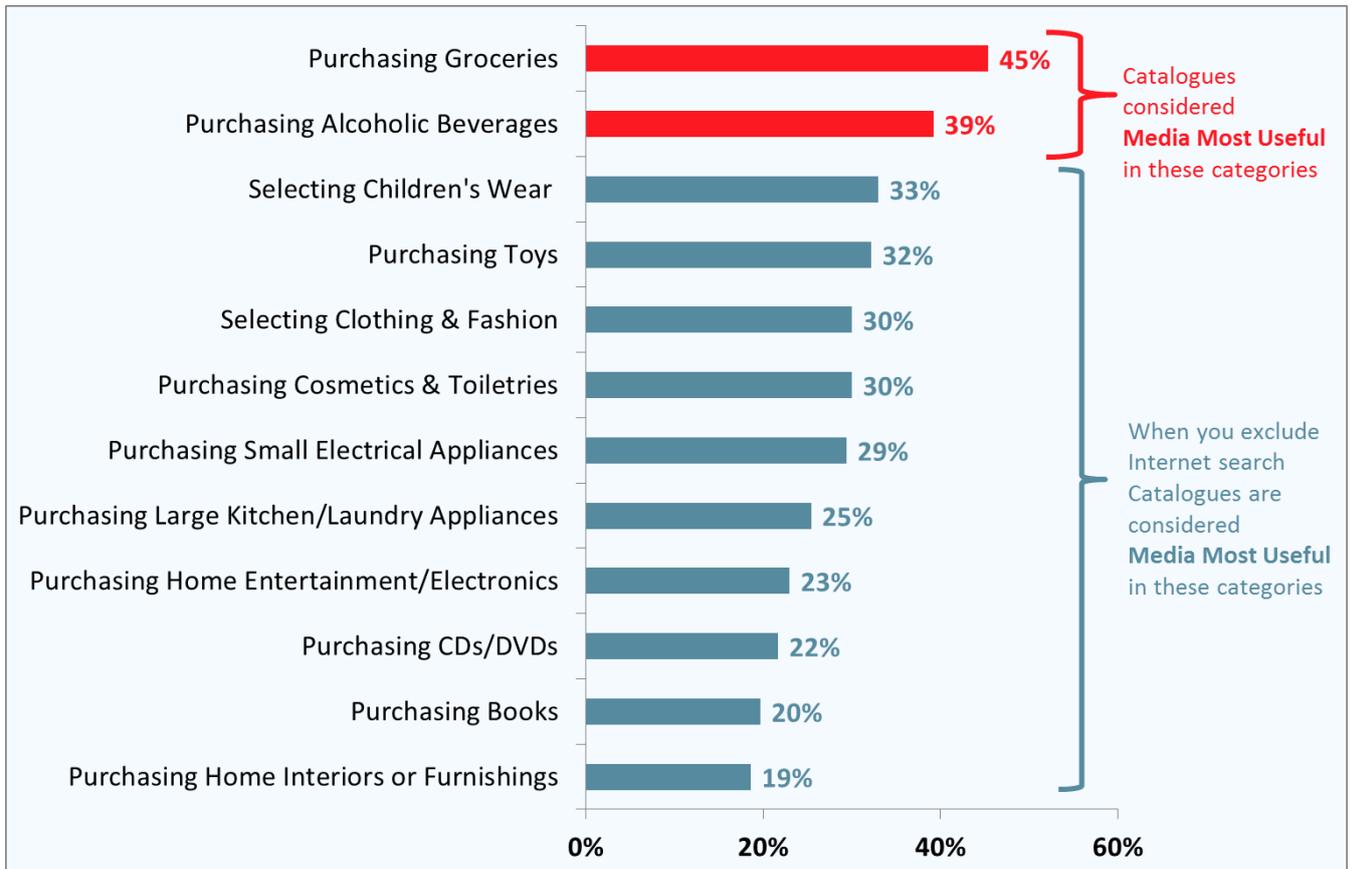
Catalogues are Media Most Useful for Groceries & Alcoholic beverages

Despite the rise of digital media in recent decades there are certain product categories that consumers prefer more traditional media to find out information when they're buying. There is none larger than the huge Australian grocery market valued at over \$103 billion according to the latest [Roy Morgan Supermarket & Fresh Food Currency Report](#).

Nearly 4 million Australians read either Coles Magazine (3,975,000) or rival Woolworth's Fresh (3,828,000) according to the latest [Roy Morgan September 2017 magazine readership results](#). Alongside that wide reach comes recognition by consumers – 45% of Australians regard catalogues as the most useful medium for purchasing groceries compared to 28% for the Internet and less than 5% for each of the other media categories.

Groceries isn't the only category in which catalogues retain leadership with Australians looking for information to purchase alcohol also favouring catalogues (39%) over the Internet (30%), Newspapers (4%) and all other types of media.

Top 12 Best Performing Categories for Catalogues



Source: Roy Morgan Single Source: October 2016 – September 2017 interviews with 50,020 Australians aged 14+. Respondents are asked to nominate which media they find most useful for providing information across *28 categories.

Catalogues are most useful to Internet websites (excluding Search) in many categories

Although Internet Search leads many product categories, it is Catalogues that are clearly considered the next best media in many product categories by significant proportions of the population well ahead of other traditional media channels and also ahead of non-search websites on the Internet.

More than a quarter of Australians turn to Catalogues as the most useful information media when selecting children's wear (33%), purchasing toys (32%), selecting clothing & fashion (30%), purchasing cosmetics & toiletries (30%) and purchasing small electrical appliances (29%).

Michele Levine, CEO Roy Morgan, says the disruption caused to existing advertising models by the rise of digital media doesn't mean traditional channels for engaging customers should be discarded:

"The Internet looms large as the pre-eminent advertising channel with close to 50% of all Australia's \$15 billion plus advertising spend now online, and \$3.5 billion of ad spend via Internet search alone (approximately 46% of all online spend) with the balance of Internet spending via Internet display advertising and online classifieds.

"However although the Internet enjoys clear advantages in some product categories including travel & accommodation, restaurants, cars and insurance, there are large consumer markets in which consumers turn to other channels for information.

“In Australia’s huge \$103 billion+ grocery market which this week welcomed German supermarket giant Kaufland, Australians continue to regard catalogues (45%) as the Media Most Useful for information well ahead of the Internet (28%) and all other media categories. The closely related \$15 billion+ alcohol market is also dominated by catalogues (39%) cf. Internet (30%) as the media most useful.

“Catalogues are rated highly by consumers for information about selecting children’s wear, purchasing toys, selecting clothing & fashion, purchasing cosmetics & toiletries, purchasing small electrical appliances and purchasing large kitchen/laundry appliances whilst many consumers turn to magazines for information on Home improvements and renovations, Home interiors and furnishings and Health and fitness products and consumers turn to newspapers for information on new and used motor vehicles, real estate, employment and jobs and entertainment services.”

To learn more about Roy Morgan’s media research, call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com. Please click on this link to the [Roy Morgan Online Store](#).

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices throughout Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
50,000	±0.4	±0.4	±0.3	±0.2