

Circulars in the Digital Age

The steady erosion of newspaper circulations naturally has led many to predict that the printed ad circular is not much long for this world and will quickly disappear as consumers demand more digitized ads and coupons. Last year, the Associated Press, along with 32 other publishers and 30 retailers, launched iCircular to help stave off declining ad revenue. Even Google has jumped into the fray with the launch of Google Circulars, a service that creates digital versions of full-page print inserts normally found in newspapers, with the goal of “trying to get online visitors into [offline] stores.” From the stark decline in demand for print publications, it appears that printed circulars are well on their way to extinction...or are they?

On closer inspection, print circulars are not going the way of the dodo anytime soon and will actually play a vital role in the marketing mix for the foreseeable future. Because of print circulars’ overall ease of use for consumers, it still reigns as an effective marketing tool for retailers. Poring through inserts in the Sunday paper and in-store to find coupons and deals are still part of the shopping ritual ingrained into the consumer psyche over generations

This is the case overseas as well. In a recent *The Times* article*, J Sainsbury, Britain’s third largest grocer, vowed that printed, in-store coupons are “here to stay.” Chief Executive Justin King emphasized that coupons have been a key factor in Sainsbury’s eHowever, the transition of circulars to all forms of digital media will be much more gradual as retailers continue to experiment and learn what works and what doesn’t. Print and digital will work together harmoniously, syncing brand messaging for more targeted, omnichannel marketing efforts. Segmentation and personalization will play much larger roles in this environment

Despite retailers’ forward-looking strategies relying heavily on digital circulars – via email, website, mobile, etc. – printed circulars are still experiencing very significant usage. Last month, the Newspaper Association of American (NAA) released a report (conducted by an independent research firm) which revealed that 73% of Internet users had read printed advertising circulars within the previous 30 days. In fact, 48% of all the respondents preferred printed circulars overall, citing various reasons such as “easier to use,” “can scan more quickly,” and “easier to deal with coupons.” Only 25% preferred online circulars while the remaining 28% had no preference.

The Nielsen study showed that 70% of shoppers have expressed a desire to have their circulars delivered digitally in some form. However, only 18% of shoppers have ever used a smartphone to find what’s available in-store and only 33% have accessed that information on a tablet device. In contrast, 90% of shoppers still want paper delivery.

With this in mind, retailers are currently challenged to not only develop circulars across traditional and digital channels, but to tailor each type of circular to keep brand messaging consistent. Segmentation and personalization are significant trends in the creation of circulars, which can now be highly targeted when they are distributed via direct mail and e-mail. Variable data design and production tools (VDPs) enable marketers to create highly personalized messaging by merging data, text and imagery based on customer history or segment. This results in auto-populated email templates, custom web pages and trackable URLs/QR codes for each customer and personalized direct mail books.

Based on what we have seen while working with retailers, managing circulars production to fulfill multi-channel, personalized environments is increasingly cumbersome and time-consuming. Decisions must be made about product inclusion and pricing; content needs to be gathered from multiple sources; co-op funding needs to be agreed upon with partners and complex approvals need to be managed. Reviewing and approving drafted circulars alone requires a great deal of coordination - from development of the artwork; to distributing proofs to various teams of reviewers; to gathering feedback; to coordinating revisions and gaining final approval – across print, email, web, and mobile campaigns. Many retailers are now deploying special workflow tools to manage this complexity and deliver circulars on time. ProofHQ is just one such tool. We’ve helped retailers to manage this process to deliver these assets quicker than previous methods, mainly hard copy and email based proofing.

So while much has been made of the transition to digital circulars, retailers cannot deny consumers’ overall attachment to their traditional printed counterparts. Print will still be the bread-and-butter promotional tool, while digital slowly gains more traction. Retailers should continue to be proactive and include print as an integral tool in multichannel marketing campaigns, reaching customers when and how they want to be reached. – Retailing Today