

NEWSPAPERS WORK

SHOPPING HABITS OF RURAL AND URBAN CANADIANS

Newspapers effectively reach Canadians with eight in ten reading in print or online each week. Media planners and advertisers generally target urban Canadians with their newspaper buys and overlook an opportunity: rural Canadians.

Presented are results from a study undertaken by Newspapers Canada to understand the differences between rural and urban markets. Rural markets were defined as those with populations of 10,000 and under. Urban markets were those with populations of over 100,000.

Rural Canada is home to a substantial seven million people. These rural neighborhoods in Canada are attractive markets that newspapers and their sites effectively reach. This study highlights the power of Canada's newspapers to reach a market that, in some cases, can not be reached successfully with any other media.

Spending

Rural Canadians spending patterns are somewhat different than urban Canadians. Rural Canadians spend more than urban Canadians on some products and services (Statistics Canada, 2009). And they spend about the same as urban Canadians on other items.

Rural Canadians spend more	Average Annual Expenditure		
	Rural	Urban	Diff.
Recreational vehicles purchase and servicing	\$1,291	\$509	+154%
Financial services	\$506	\$437	+16%
Health care	\$2,319	\$2,036	+14%
Transportation	\$11,101	\$9,874	+12%

Rural Canadians spend the same	Average Annual Expenditure		
	Rural	Urban	Diff.
Household operation	\$3,444	\$3,485	-1%
Food	\$7,206	\$7,404	-3%
Pet expenses	\$848	\$887	-4%
Gasoline and other fuels	\$161	\$155	+4%

Travel time to stores

To get to most retail outlets, rural residents are required to travel longer than their urban counterparts!

Rural Canadians travel longer to:	Average Time Taken to Get to Store	
	Rural	Urban
Car Dealership	46 min. (77 km)	28 min. (23 km)
Electronics Store	41 min. (68 km)	23 min. (19 km)
Shoe Store	50 min. (83 km)	25 min. (21 km)
National Department Store	57 min. (95 km)	26 min. (22 km)
Local Department Store	34 min. (57 km)	24 min. (20 km)
Clothing Store/Boutique	49 min. (82 km)	25 min. (21 km)
Supermarket	30 min. (50 km)	20 min. (17 km)
Home Improvement / Hardware Store	29 min. (48 km)	21 min. (18 km)
Discount Store	47 min. (78 km)	26 min. (22 km)

* To provide an estimate for distance, 50 km/hr used for urban and 100 km/hr used for rural

For other retail categories, the drugstore/pharmacy, local grocer and bank/financial institution, the travel time was about the same in both urban and rural markets - approximately 20 minutes in each case.



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Visit stores more often

Rural Canadians have different needs and lifestyles than those in urban centres. Based on this, rural Canadians visit some store types more frequently than do those in urban areas. And other store types are visited equally often by people in rural and urban areas.

Rural Canadians visit more	Average Number of Visits		Visited 3+ Times in Period	
	Rural	Urban	Rural	Urban
Car Dealership - excl. regular service (in a year)	1.1	0.8	13%	7%
Local Department Store (in 3 months)	2.5	2.2	48%	38%
Local Grocer (in one month)	2.9	2.1	56%	37%
Home Improvement / Hardware Store (in one month)	1.5	1.1	18%	8%
Discount Stores (in a month)	2.1	1.9	33%	28%

Rural Canadians visit equally often	Average Number of Visits		Visited 3+ Times in Period	
	Rural	Urban	Rural	Urban
Electronics Store (in 3 months)	1.8	1.7	26%	22%
Shoe Store (in 3 months)	1.3	1.4	14%	15%
National Department Store (in 3 months)	1.9	2.1	30%	34%
Clothing Store/Boutique (in 3 months)	1.8	1.8	27%	28%
Drug Store/ Pharmacy (in one month)	2.5	2.6	42%	45%
Supermarket (in one month)	3.7	3.8	80%	81%
Bank/Financial Institution (in one month)	2.3	2.3	37%	39%

By category

Each category was different in terms of its dynamic so each is presented individually. The study looked at the impact of newspapers, which include its site and flyers, as compared to other media options: TV, radio, other websites (all websites excluding newspaper websites), and other flyers (all flyers excluding flyers delivered via newspapers).

Clothing and footwear

For this category, all Canadians refer to newspapers far more than other media! With no differences between urban and rural.

97% of Canadians shop for clothing in-store. In rural areas, a smaller group, 25% of the population, have shopped by catalogue. This is twice as many as in urban regions. Given it takes about double the time to travel to these retail stores in rural areas, understandably catalogue shopping is stronger.

Advertisers have the opportunity to reach rural clothing and footwear buyers effectively using newspaper advertising to drive them in-store. But in the ad, the convenience of their catalogue (either online or printed) should be highlighted to rural consumers (if one is available).

Cars & Trucks

Canadians source information on cars and trucks from newspapers and other non-newspaper websites almost equally and use TV to a lesser extent.

Those in urban centres have greater access to a variety of transport options. Rural Canadians visit car dealerships more often than urban Canadians – as they likely need their own method of transportation. And as such, rural Canadians spend more annually on transportation and recreational vehicles. Advertisers have the opportunity to use newspapers to effectively reach this desirable, rural buying audience.



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Groceries

Newspapers are referred to far more than any other media for information on groceries. And it is no surprise to discover that this category is purchased in-store.

While there are generally few differences rural vs. urban, of note is the local grocer. This retailer garners an extra visit each month in rural regions (approx. 3 visits vs. 2 a month). Given this, the local grocer may want to increase their profile (in the paper where most look) to ensure that their store is the one visited.

Financial services

Newspapers are second to the non-newspaper websites as the media source of financial service information for all Canadians. Given today's trend to online banking, this comes as no surprise.

Those in rural Canada are slightly less likely to have purchased financial services. Advertising to this group through newspapers could be effective especially given that rural Canadians tend to spend more on average annually in this area.

Household appliances

Newspapers are referred to far more than other media for information on this category!

Rural Canadians are more likely to have purchased from all sources: in-store, online and catalogue. Given that electronic stores and national department stores require more travel time to visit in rural areas, buying from all sources available is practical. An advertiser would be wise to feature all their buying options (retail locations, site and catalogue) in their newspaper ad to appeal to rural buyers.

Hardware/Home Improvement

Newspapers are referred to significantly more often for information about hardware and home improvement products than are any other media by both rural and urban Canadians.

About 80% of Canadians go to stores to purchase this category. Rural Canadians tend to frequent these store types more often in a month. And almost 20% of rural Canadians visit hardware/home improvement stores three times or more per month. Given this predisposition by rural Canadians to these store types, an advertiser would be wise to highlight their store in the newspaper.

Home electronics

Newspapers (which included its site and flyers) and other non-newspaper websites are the key sources for information on home electronics.

While most purchase in-store, rural consumers are slightly more likely to purchase online. Given this predisposal, online advertising should be part of the buy. And specifically newspaper sites should be used as consumers indicate they are the most trusted source of online advertising with ads that are perceived to be more current, credible and relevant (Newspaper Association of America).

Health care products and services

Newspapers are the key media source for information in this area. Almost all purchases occur in-store. Advertisers should note that rural Canadians spend 14% more annually on health care products and services so they are ripe for communication on the topic.

Travel

Newspapers and other non-newspaper websites are the key media sources of travel information. While internet sites are frequented to book travel, newspaper ads are effectively used to drive traffic to these travel sites.

Fewer rural Canadians indicate they purchase travel than urbanites. But when they do purchase travel, it is split equally between in-store and online (with online being considerably lower than in urban centres). Newspapers are an effective place to communicate travel offerings to Canadians and can be used to drive visits to online travel sites. Advertisers are best to highlight their bricks and mortar stores as well as their online offerings to appeal to rural Canadians.

Study Design: An online study of 800 Canadians was undertaken by Totum Research on behalf of Newspapers Canada, Adults 18+; Balanced by age, gender and community size: rural = populations <10,000, urban = populations >100,000; February 2011

For further industry information, go to www.newspaperscanada.ca

