

# AUSTRALIA; THE LUCKY COUNTRY

- **International survey proves Aussie optimism during economic downturn**
- **Retailers must offer 'value' to survive**
- **Alternative marketers boom while advertising flounders**

## **MEDIA RELEASE XX FEBRUARY:**

Traditional marketing budgets such as advertising are being slashed and redirected to alternative channels such as promotional marketing and loyalty programs says Kylie Green, CEO of Kaleidoscope Marketing Communications. Kaleidoscope, a specialist in alternative marketing channels, has seen a boom in new business inquiries compared to the same time last year.

Green believes this is a reflection of brands responding to consumers wanting better value products and her claims are backed up by new research from insights agency IMI International\*. The international survey found while Australians are among the most optimistic people in the world, they are still wary of the tough economic times and hungry for items that offer value.

Other key findings include:

- 32% of consumers are looking for promotions (where you have the chance to win something) more often prior to purchasing.
- 60% want to see more promotions and competitions being offered in products in the supermarket.
- 82% purchased a product specifically because of a promotional offer (other than price) in the last 12 months.
- Promotions fared slightly better than experiential marketing, with 33-49% of Australian consumers preferring promotions.
- Traditional advertising such as television commercials rated poorly with consumers with less than 32% of consumers in Australia saying commercials make them think about the brand, and the same said they would NOT purchase a brand if the advertising was entertaining. The study also found consumers were tired of seeing brand advertising everywhere they go.

Green, who is also the Chairperson of the Australasian Promotion Marketing Association, believes Kaleidoscope's booming new year is reflected across the industry.

"A key finding of IMI International's Turbulent Times study is that in 2009 it's imperative for marketers pick their messages very carefully. Promotions are now as popular as ever with consumers due to price consciousness".

“Consumers view talk as cheap during these tough times. Whether it is to communicate your value, provide a true value offer or to enhance the consumers’ experience, lip service without activation will not drive brand sales during these times.”

## **THE MARKETING CHANNELS BRANDS ARE TURNING TO & WHY**

### **PROMOTIONAL MARKETING**

- It’s a well known fact, 80% of shopping decisions are made at point of purchase. In order to capitalise on this, marketers should look at on-pack promotions as well as value-add propositions. Consumers are doing it tough and getting something for nothing will heighten the shopping experience more so than price alone. These should be promoted at all touch-points in the retail store.
- Promotional marketing provides more accountability and is more easily measurable than any other form of traditional communication

### **LOYALTY MARKETING**

- Give customers a long term reason to stay loyal to your brand via value add offers and relationship marketing one on one.
- Whilst this discipline can be costly, invested in wisely you can reap the benefits of this far beyond an economic downturn. Loyalty can be long or short term and can include membership programmes with two way communication channels, short term incentives, gifts with purchase, value add offers etc.
- Me too loyalty campaigns will not work – you need to be offering something different, relevant and new from the competition.

\* Global Turbulent Times consumer outlook study. The study was completed across 15 countries among consumers 13 to 69 years of age. Specific information was collected from the USA, Canada, UK, Ireland, Australia and a combined sample from the rest of the world (France, Spain, Germany, Greece, Austria, Russia, Poland, India, Brazil and Japan).

### **For more information, or to interview Kylie Green, please contact:**

Drew Lambert

Mark Communications

P 02 9775 7000

M 0425 200 606

E [drew@markcomms.com.au](mailto:drew@markcomms.com.au)

Ben Rawling

Mark Communications

P 02 9775 7000

M 0424 644 518

E [ben@markcomms.com.au](mailto:ben@markcomms.com.au)

### **About Kaleidoscope**

As a leader in Brand Activation and Dedicated Idea Delivery for over 10 years, Kaleidoscope develops fresh new perspectives on brands and campaigns, identifying marketing opportunities for its clients, and creating innovative concepts that arouse emotion, create desire, and work to support client marketing and sales goals.

One of their specialties is in rewards/loyalty programs. Kaleidoscope draws on years of experience in devising and implementing programs that engage consumers and encourage loyalty at very little cost to the client.

Kaleidoscope’s portfolio of clients also includes, Panasonic, The Good Guys, Wyeth, Weight Watchers and Emirates.

### **About IMI Research:**

IMI international is a global leader in specialised research for the marketing industry. IMI International’s research is designed specifically for marketers. They operate globally with the

Australian office located in Melbourne. For more information on the mentioned research visit [IMI-RESEARCH.com.au](http://IMI-RESEARCH.com.au) or call (03) 9553 3400 and speak to Justin Axford.