



Sunday Circulars: Good Reading Or Yesterday's News?

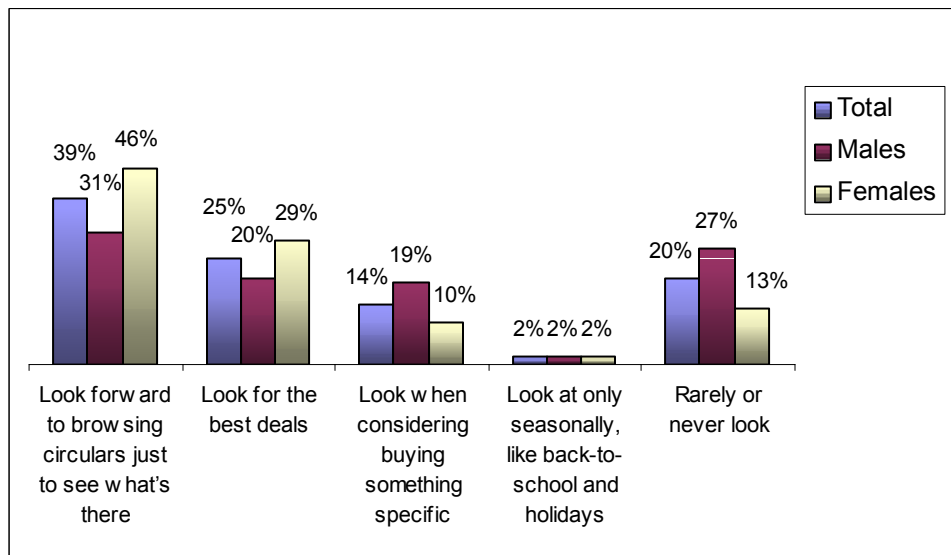
Large Segment Of Americans Rely On Circulars, Ipsos-Insight Study Shows

New York, NY, November 24, 2004 — Do the dozens of circulars you get with your Sunday paper get read or tossed on the spot? According to the latest study by Ipsos-Insight, a leading global market research firm, 80 percent of Americans look at Sunday circulars with some degree of regularity, and many actually look forward to receiving new ones every week.

"With 70% of Americans reading the Sunday paper every week, compared to 50% on other days of the week, the Sunday circulars have a better reach than the SuperBowl or the latest hit show of the month," said Nicole Valenti, a senior analyst with the firm's Retail practice. The study reports that 39% of Americans "look forward to browsing the circulars just to see what's there" and 25% "look for the best deals."

"Both of these behaviors are dominated by women, while men tend to look at circulars when they're considering buying something specific," said Valenti.

How Americans Use Sunday Advertising Inserts and Circulars (percent who agree)



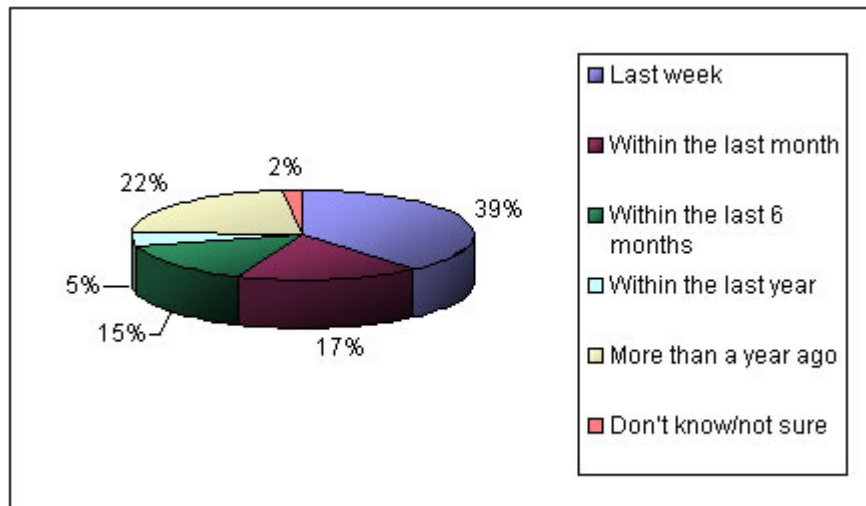
Source: Ipsos-Insight, 2004

Forget About Coupons — What About All Those Circulars Promoting Consumer Electronics?

When it comes to categories like consumer electronics, which are heavily promoted in Sunday circulars, 39% of Americans claim to have looked at them in the past week, with another 17% in the past month. "With over half of Americans browsing the circulars for consumer electronics in any 30-day period, there is no doubt that the medium is one of the more efficient means of advertising," said Valenti.



Last Time Looked at Consumer Electronics in Sunday Circulars



Source: Ipsos-Insight, 2004

Large retailers like Wal-Mart and Best Buy dominate the consumer electronics shopping experience, with 46% and 41% of Americans having shopped at one of these stores in the past six months for a consumer electronics product. Other national retailers and heavy circular users like Target and Circuit City earn about 30% and 25% of these shoppers, respectively. Online retailers like eBay (10%) and amazon.com (8%) get far less shopper traffic.

"It's evident that some of the less ubiquitous retailers need to advertise just to compete," said Valenti, "and it seems to work."

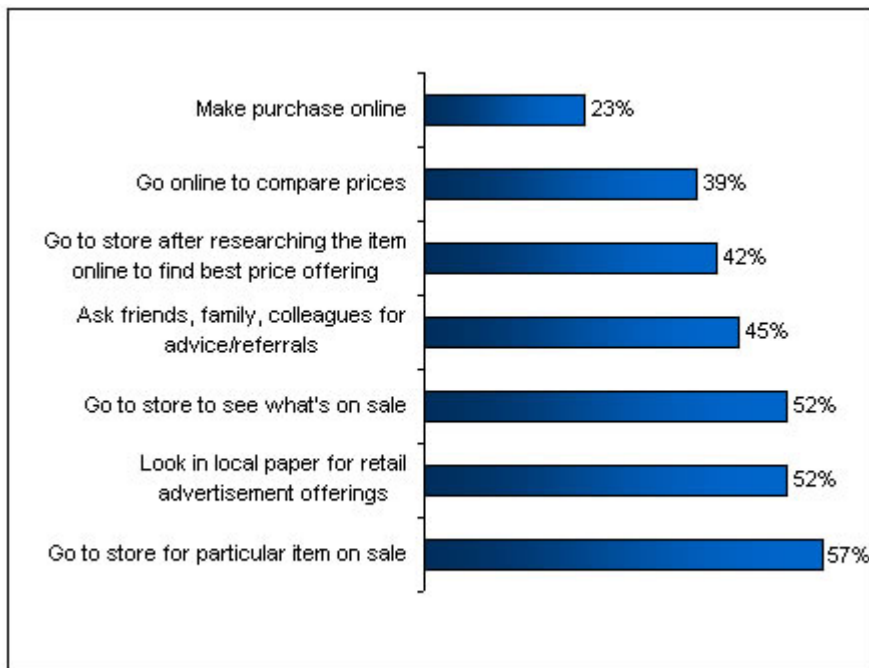
Show Me the Money

When it comes to buying a consumer electronics product, 57% of Americans are likely to "go to the store for a particular item on sale," and 52% "look in the local paper for retail advertisement offerings." Thirty-nine percent will "go online to compare prices" and 23% will "purchase online."

"Online retailers and comparison shopping sites like epinions.com continue to influence the shopping and purchasing experience," said Valenti. "Based on other research we've conducted, we expect to see the usual movement of PCs, printers, and mobile phones over the holiday shopping season, along with digital cameras and DVD players. There will be a lot of browsing for high-ticket items like HDTV, but modest sales growth in this bracket."



Have Done or Plan to Do When Making Next Consumer Electronics Purchase



Source: Ipsos-Insight, 2004

"As we would expect, Sunday circulars and the Internet provide a powerful and efficient combination of resources for retailers and manufacturers alike. Consumers themselves are becoming a more prevalent resource as more consumer-to-consumer review sites are available on the Internet. It will be important to measure the emergence of consumer-to-consumer online product/service reviews and evaluate the impact this information source will have on circulars and other forms of advertising," concluded Valenti.

Ipsos will continue to monitor these trends in a series of scheduled press releases in 2005.

Ipsos U.S. Express Research Methodology

These national survey research data were collected via Ipsos U.S. Express, a weekly national omnibus survey. Fieldwork was conducted between November 3 – 5, 2004. Data are based on 1,000 telephone surveys taken with adults (18+) across the United States using regionally-stratified random sampling. The survey results can be said to be within ± 3.1 percentage points of what they would have been had the entire adult population been surveyed. To ensure that our sample reflects the make-up of the American population, we weigh the results to match the latest Current Population Survey provided by the U.S. Census Bureau.



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About Ipsos-Insight

Ipsos-Insight, the flagship marketing research division of Ipsos in the U.S., has industry specialists serving companies in the following categories: consumer products; technology and communications; health and pharmaceutical; financial services; cable, media and entertainment; agrifood; energy and utilities; and lottery and gaming.

Ipsos-Insight provides custom and tracking research services to domestic clients, as well as U.S.-based multinationals. It offers concept and product testing, package testing, attitude and usage studies, omnibuses, tracking systems, brand equity, price optimization and segmentation, marketing models, advanced analytics, and global research. Ipsos-Insight is an Ipsos company, a leading global survey-based market research group.

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