MARKETING TO CANADA'S GAY & LESBIAN COMMUNITY

A Survey of Xtra Readers: Canada's Largest and Most Widely Read Newspaper Serving Canada's Gay and Lesbian Community



Public Release Date: - October 28, 2004 –7:00 a.m. (EDT)

Ipsos-Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos-Reid employs more than 300 researcher professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and on-line panels. Ipsos-Reid's Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds, offering the premier suite of research vehicles in Canada – including the Ipsos Trend Report, the leading source of public opinion in the country – all of which provide clients with actionable and relevant information. Ipsos-Reid is an Ipsos company, a leading global survey-based market research group. To learn more, visit www.ipsos.ca

For copies of other news releases, please visit http://www.ipsos-na.com/news/



MARKETING TO CANADA'S GAY & LESBIAN COMMUNITY

A Survey of Xtra Readers: Canada's Largest and Most Widely Read Newspaper Serving Canada's Gay and Lesbian Community

Toronto, ON--Of interest to corporations who want to market directly to members of Canada's gay and lesbian community will be the findings from a recently conducted survey of Xtra Magazine readers. Higher than average household incomes (\$72,800) and fewer children (84% do not have kids) adds up to more discretionary income that this particular niche has to spend on consumer products and services...and spend they do.

For example, readers take an average of 3.9 pleasure trips per year; 19% plan to buy a new or used vehicle in the next 12 months; 42% plan to renovate or re-model their homes; 15% will acquire a new credit card; and the list goes on. Further to this, not only do Xtra readers make their own expenditures, but they are also 'influencers': 79% of readers surveyed indicated that friends and family – both gay and straight – often seek out their advice on the purchase of certain products and services.

Advertisers have many avenues through which to approach members of Canada's gay and lesbian community, however, survey results show that targeting through Xtra Magazine will be particularly effective. 76% of readers use Xtra to locate gay-friendly businesses and services; 65% say they are more likely to make purchases from businesses that advertise in Xtra; and 42% of readers have made a purchase as a direct response to seeing a company's advertisement in Xtra.



The publication, with distribution concentrated in Toronto, Vancouver, and Ottawa, boasts an audited readership of 175,500, 96% of whom self-identify as gay, lesbian, or bi-sexual. Important to keep in mind when viewing any statistics reported from this survey, the findings are reflective only of Xtra readers and not the entire gay and lesbian community across Canada.

These are the findings of an Ipsos-Reid/XTRA! poll conducted from March 4, 2004 to April 30, 2004. For the survey questionnaires were typeset as the centrefold of the March 4, 18, and April 1 issues of Xtra (Toronto), Xtra West (Vancouver), and Capital Xtra (Ottawa). In total, 933 XTRA! Magazine readers returned fully completed surveys. With a sample of this size, the results are considered accurate to within ± 3.2 percentage points, 19 times out of 20, of what they would have been had the entire population of XTRA! readers been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population.

A selection of demographic and consumer spending profiling statistics from the survey are provided below:

Unchanged since 1998, Xtra readers:

- Are predominantly male (83%);
- Self-identify as gay or lesbian (89%) or bi-sexual (7%);
- Are equally likely to be single (40%) as in a long-term relationship (39%);
- Have at least 1 university degree (55%);
- Draw from a wide range of occupations;



• Have one-quarter (25%) owning/operating their own business.

The reader profile has seen a shift in:

- Average age (44%, up from 39 in '98);
- Home ownership (49%, up from 37% in '98);
- Average personal income (\$49,500, up 24% from \$39,000 in '98);
- Average household income (\$72,800, up 15% from \$63,300 in '98);
- Average household investable assets (\$53,600, up 56% from \$34,300 in '98).

Compared to the general adult population in Canada, Xtra readers:

- Significantly skew male;
- Are significantly over-represented in the 35-44 age category (35% vs 20% in Canada), though overall the median age of both groups of adults is identical (44 years);
- Have fewer people per household (1.8 vs 2.7 respectively);
- Have completed higher levels of formal education (55% have 1+ degree vs 30% in the general population; 21% have a graduate degree vs 9% in the general population);
- Have a higher personal income on average (\$48,500 vs \$39,000 across all of Canada);
- Have a higher household income on average (\$72,800 vs \$47,600 across Canada vs \$61,000 across Toronto/Ottawa/ Vancouver metropolitan areas).



Xtra readers also consume a significant amount of other print media, however, Xtra readers are more likely to pick up every issue of Xtra than they are to pick up every issue of any other national or regional paper. For example, in Toronto, the following percentage of Xtra readers pick up every issue of:

- Xtra (84%)
- Fab (37%)
- NOW (23%)
- Toronto Star (22%)
- Eye (12%)
- Toronto Sun (7%)

Advertising in many papers has motivated Xtra readers to take some follow-up action such as going to a web site for more information, going to a store to speak with a sales rep, or purchasing a product or service.

- Xtra is second to none in terms of readers 'purchasing' an item they saw advertised in that paper (42%). This compares to similar proportions for readers of the Toronto Star (42%), Georgia Strait/Vancouver Province (41% respectively), and for readers of the Ottawa Citizen/Vancouer Sun(40% respectively).
- 76% of Xtra readers say they use Xtra to locate gay-friendly businesses.



• 65% say they are MORE likely to buy goods and services from companies who advertise in Xtra.

Xtra readers should be a key target for advertisers:

- 79% agree that friends and relatives seek out their advice concerning certain products.
- 46% agree they are trend-setters.
- 36% agree they are one of the first to buy new products when they become available in stores.

Like all Canadians, Xtra readers purchase a wide array of products and services. Detailed information by category can be viewed in the data tables linked to this factum.

-30-

For more information on this news release, please contact:

Shelley Edwards Vice President Ipsos-Reid (416) 324-2011

For full tabular results, please visit our website at <u>www.ipsos.ca</u>. News Releases are available at: http://www.ipsos-na.com/news/