



STAFF REPORT ACTION REQUIRED

11.

Advertising Program: Receipt Paper Advertising Campaign Pilot

Date:	October 21, 2013
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to provide the results of the Library's Receipt Paper Advertising Spring/Summer Campaign pilot and to recommend that the Toronto Public Library Board continue its Receipt Paper advertising program in 2014.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. continues its Receipt Paper advertising program in 2014; and
2. renews the existing contract with its current vendor, Receipt Media, for an additional year.

FINANCIAL IMPACT

The pilot advertising campaign identified a savings of approximately \$20,000, which has been achieved in 2013. An expense reduction of \$20,000 has been taken in the 2014 operating budget submission, which is expected to be achieved through the 2014 receipt paper advertising program and reflects an anticipated overall decline in use of receipt paper.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

At its February 27, 2012 meeting, the Library Board approved an advertising policy and the implementation of advertising on the reverse side of Library receipts and date due slips. In September 2012, the Library contracted the services of Receipt Media to implement a six-month pilot program to assess the feasibility of undertaking such an advertising program.

In April 2013, the Library began a six-month pilot of the receipt paper advertising program with eight advertisers advertising in the spring campaign (two months), and six advertisers advertising in the summer campaign (four months).

The six month pilot campaign ended September 30, 2013, but has been extended through to the end of December, or until all advertising-backed receipt paper is used, whichever comes first.

COMMENTS

In the Spring of 2012, a Request for Proposal was developed and issued to solicit proposals from vendors interested in implementing an advertising program on the reverse side of the Library's receipts and date-due slips. Receipt Media was the sole respondent and successful proponent. After some testing of the market, Receipt Media and the Library entered into a six-month pilot agreement under which terms the vendor agreed to provide the Library with an estimated six months' supply of advertising-backed receipt tapes for the Library.

During the pilot program, advertising-backed receipt paper was used on all receipt printers attached to check-out workstations, including all self-checkout and staff mediated stations. In some Library branches, hold wrappers were also printed using the advertising-backed receipt paper.

To date, branches have used fewer than the estimated supply for the six-month period; therefore, to avoid waste and to maximize the value of the advertising program, the branches will continue to use the advertising-backed receipt paper until the end of December, or until the full supply is used, whichever comes first.

The declining usage of receipt paper observed during the pilot campaign is expected to continue into 2014 and can be attributed to:

- more customers using self-serve checkout stations, where they are given the option of receiving or declining a receipt; and
- the declining need for printed date-due receipts as more customers choose online options to keep track of due dates, and rely on pre-date due email notification.

Customer and Advertiser Response to the Library's Date-Due-Slip Advertising Program

Staff tracked customer and public feedback to the receipt paper advertising program through multiple channels including: Answerline, Customer Feedback forms, Library online and social media channels, and direct feedback from customers in-branch. Overall, the Library received very few comments related to the advertising program, with a relatively even balance between positive and negative responses.

In June 2013, the Board considered a customer complaint about advertising on the back of the Library's receipts and date-due slips and recommended that:

the advertising that is the subject of the complaint and which is featured in the Spring 2013 advertising campaign on the back of the Library's date-due slips is consistent with the Library's Advertising Policy and should not be removed from current or future advertising program implementations; and

invited the complainant personally to make a deputation at the scheduled six-month review of the advertising pilot program at a Fall 2013 Board meeting.

Feedback from participating advertisers was mixed: Some advertisers who advertised coupon offers had hoped for stronger fulfillment results; some advertisers looking for brand or product awareness were satisfied. Some participating advertisers have expressed an interest in trying another campaign in the future, and others indicated that they would not participate again.

The vendor, Receipt Media, feels that the unique nature of the advertising channel and the fact that it is still new means that there is potential to develop the program and recruit new advertisers in 2014. Given this feedback from the vendor and the public response, staff are recommending that the Board continue its receipt paper advertising program in 2014, and renew the existing contract with its current vendor for an additional year.

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SIGNATURE

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