



Arbitron Product Sampling Study

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Introduction and Methodology

Welcome to the Arbitron Product Sampling Study. The goal of the study is to evaluate the effectiveness of product sampling as a marketing and sales tool. The study demonstrates product sampling reach and composition, measures consumer engagement with product sampling and estimates product sampling influence on the short- and long-term lift in sales. The study also discusses product sampling as a marketing strategy for acquiring new customers, growing product market share and building loyalty among existing customers.

Arbitron, in conjunction with Edison Media Research, conducted a total of 1,857 telephone interviews, from January 18 to February 15, 2008, with respondents aged 12 and older chosen at random from a national sample of Arbitron's Fall 2007 survey diarykeepers. In certain geographic areas where a sample of Arbitron diarykeepers was not available (representing eight percent of the national population), a supplemental sample was interviewed through random digit dialing.

Significant Highlights

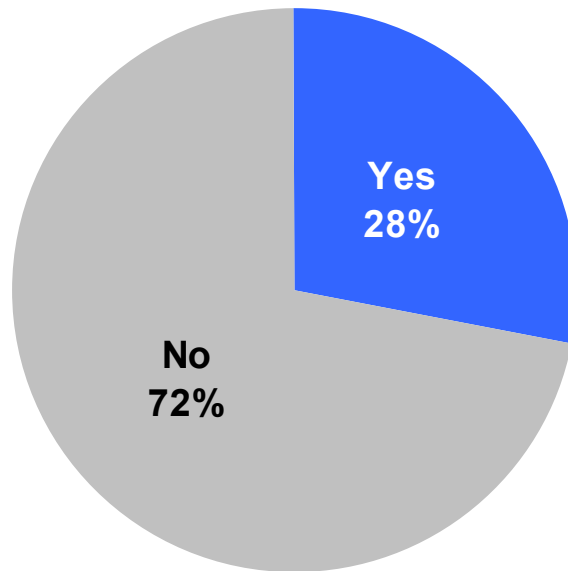
- **Product sampling reaches a large audience.** Nearly three in 10 people are offered a sample at least once every three months. Product sampling reaches 70 million consumers aged 12 and older every quarter.
- **Product sampling is undeniably engaging as a marketing method.** About two of every three consumers accept product samples.
- **Sampling offers a same-day sales lift.** More than one-third of consumers who try a sample buy the sampled product during the same shopping trip.
- **Product sampling goes beyond same-day sales lift by creating a strong impact on future purchases.** More than half of people who sample a product plan to buy it in the future.
- **Product sampling effectively acquires consumers who are not familiar with a product.** More than a quarter of consumers who have never heard of a product buy it right after sampling it. Almost half of consumers who have never heard of a product plan to buy it in the future after sampling it.
- **Product sampling persuades consumers to buy products they heard of but never bought before.** More than a quarter of consumers who have heard of a product but never bought it end up buying it right after sampling it. Six in 10 consumers who have heard of a product but never bought it plan to buy it in the future after sampling it.
- **Sampling retains customers and builds brand loyalty.** Almost a third of consumers who bought a product before buy it again right after sampling it. Almost nine in 10 consumers who bought a product before plan to buy it again in the future after sampling it.

Key Findings

A. Product Sampling Reach

Nearly Three in 10 Consumers Are Offered Product Samples at Least Once Every Three Months

“Have you been **offered** a product sample during a shopping trip in the past three months?”



Base: All respondents.

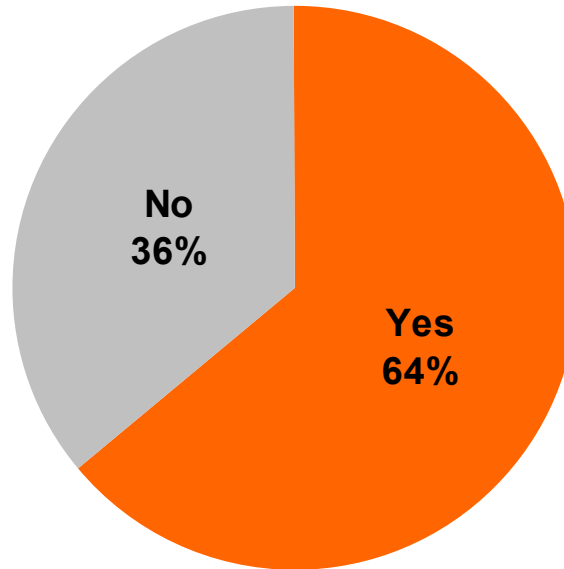
Product sampling has a significant reach. Twenty-nine percent of Americans aged 12 and older are offered product samples at least once every three months.*

*See Appendix for sampling audience demographic composition and media usage.

B. Consumer Engagement

Two-Thirds of Consumers Try Product Samples

*“Did you **try** the product sample that was offered to you?”*



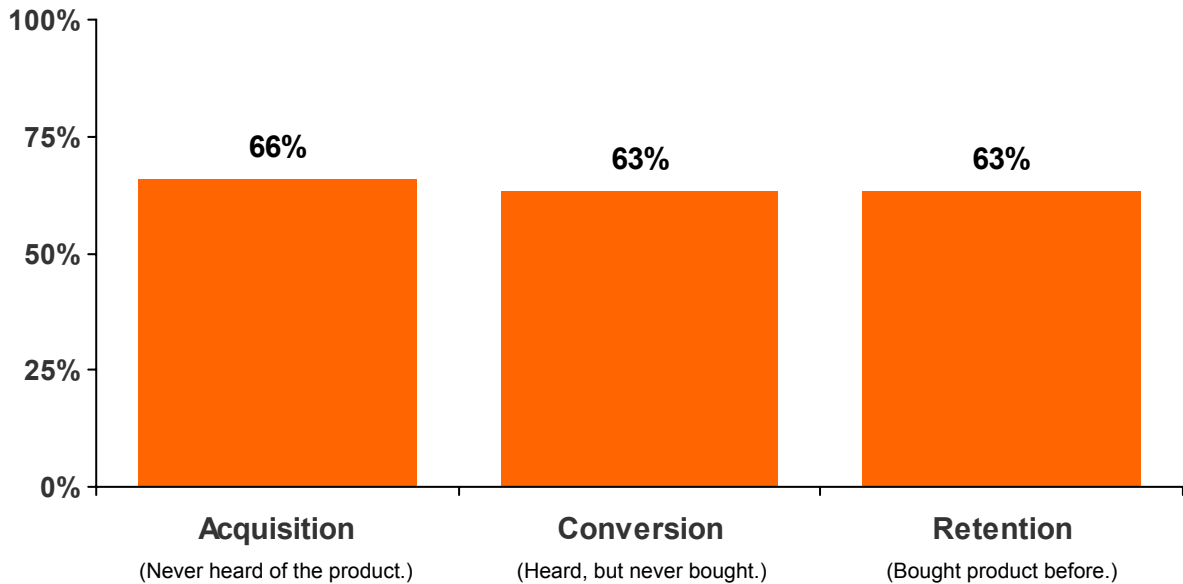
Base: Respondents who were offered a product sample during a shopping trip in the past three months.

Sampling appeals to a majority of consumers. Almost two-thirds (64%) of consumers who are offered a product sample accept it.

Consumers Try Samples Regardless of Their Level of Familiarity With a Product

*“Did you **try** the product sample that was offered to you?”*

Answer: “Yes.”



Base: Respondents who were offered a product sample during a shopping trip in the past three months.

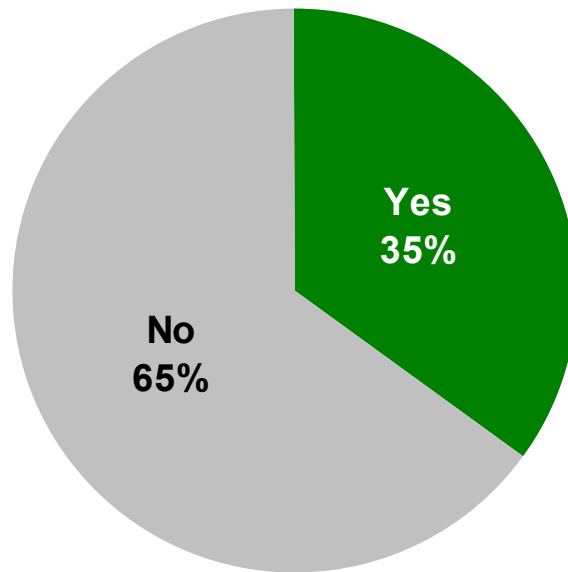
About two-thirds of consumers try samples, regardless of whether they are familiar with the product or brand or whether they bought the product before. Two-thirds of consumers who were offered a product they had never heard of before tried the sample. Similarly, almost two-thirds (63%) of consumers who heard of the product, but never bought it before, tried that product sample. Almost two thirds (63%) of consumers who bought the product before sampling agreed to sample the product anyway.

Product sampling is successful in introducing consumers to products they have never heard of before. Product sampling is also an effective marketing strategy that makes consumers who have heard of the product but have never tried it, as well as those who have bought the product before, try it.

C. Purchasing Behavior

More Than One-Third of Shoppers Buy Sampled Products the Same Day

*“Think about the last product sample offered to you. On that same shopping trip, did you **buy** the product you were offered?”*



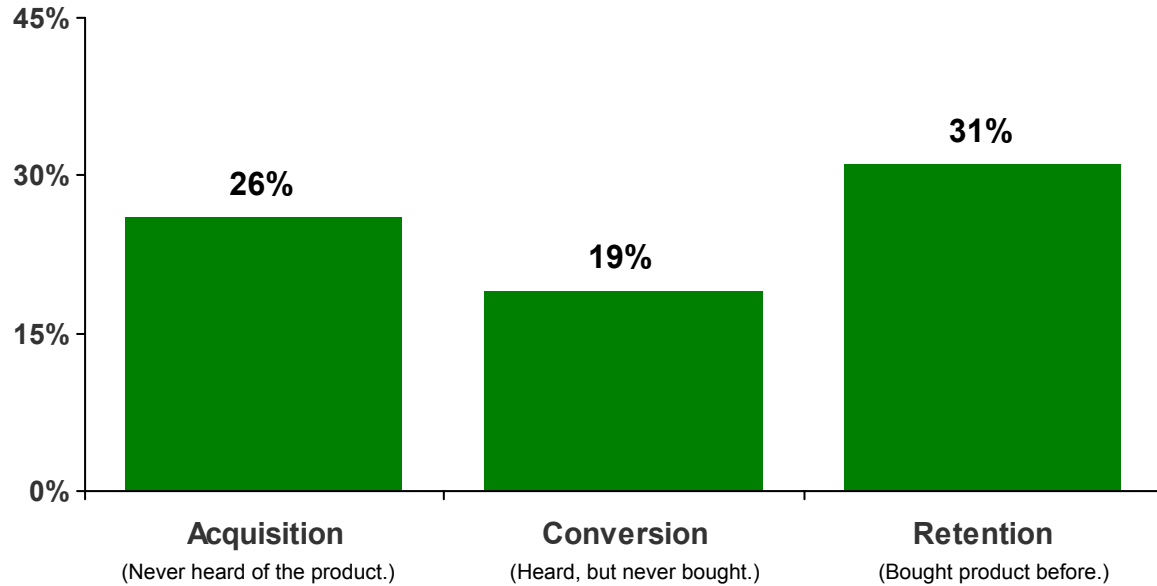
Base: Respondents who tried the product sample.

Sampling offers a considerable lift in same-day sales. More than one-third (35%) of consumers who try product samples end up buying the product they sampled during the same shopping trip.

Both New and Existing Customers Buy Products After Sampling

“Think about the last product sample offered to you. On that same shopping trip, did you buy the product you were offered?”

Answer: “Yes.”



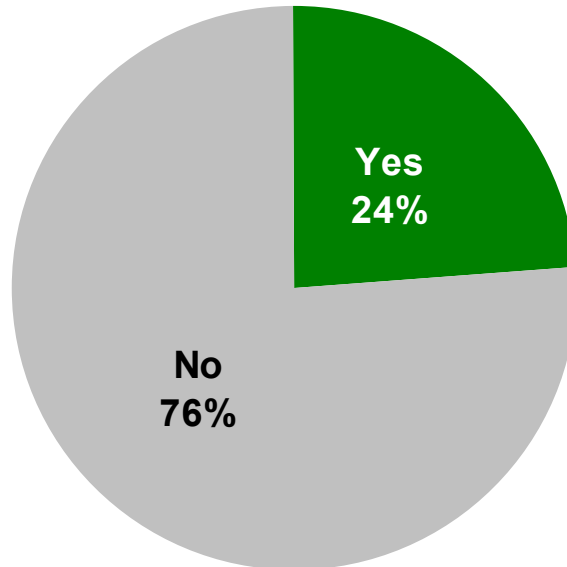
Base: Respondents who tried the product sample.

Product sampling is a winning marketing strategy for acquiring new customers and retaining existing customers. Just over one-quarter (26%) of consumers who were not familiar with the product but tried the product sample ended up buying that product. Almost one-fifth (19%) of consumers who heard of the product but never bought it before ended up buying it after sampling it. Almost one-third (31%) of consumers who bought the product before decided to buy it again after sampling it.

More than One In Four Consumers Bought the Sampled Product Instead of Another Product

*“And did that product specifically **replace** another product you were planning on buying during that visit?”*

Base: Respondents who were offered a product sample during a shopping trip in the past three months and bought the same product during that shopping trip.



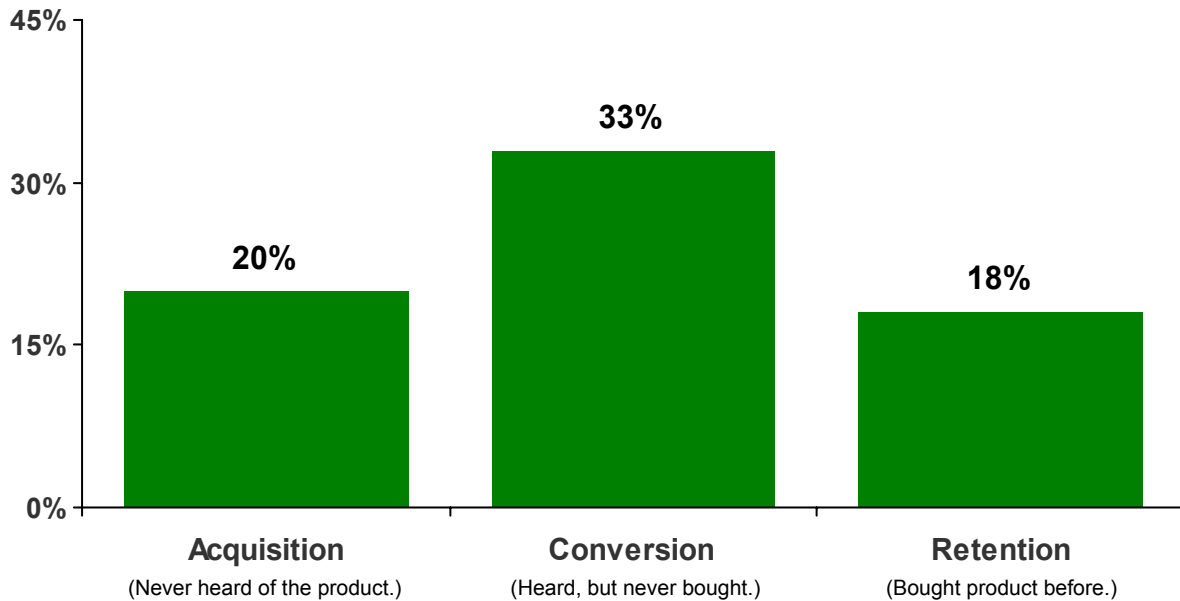
The majority (78%) of respondents who bought a sampled product instead of another specific product plan to buy the sampled product again in the future.

Product sampling helps to build a product’s market share. Almost a quarter (24%) of shoppers decided to buy the product they sampled instead of another product they were planning to buy.

Sampling Grows Market Share by Relying on New and Old Customers

*“And did that product specifically **replace** another product you were planning on buying during that visit?”*

Answer: “Yes.”



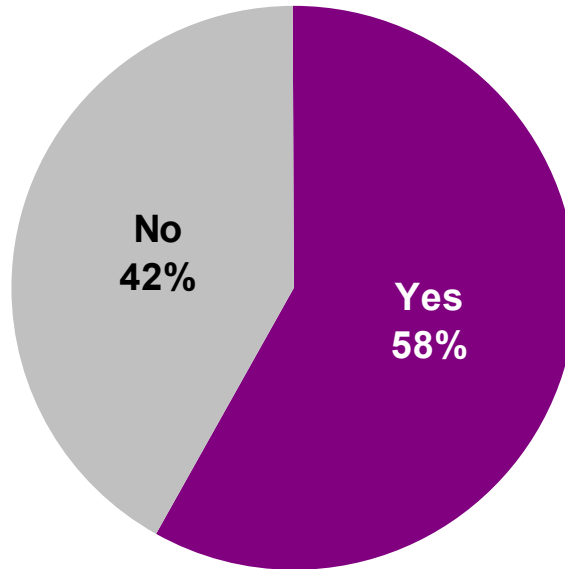
Base: Respondents who were offered a product sample during a shopping trip in the past three months and bought the same product during that shopping trip.

Sampling can build a product’s market share by driving both new and current customers to buy the product they sampled instead of the competitor’s products. One-fifth of consumers not familiar with the product, and one-third of consumers who are familiar with the product but have never bought it before, end up buying that product after they sample it instead of another product. Almost one-fifth (18%) of current customers buy the product they sampled instead of the competitor’s product.

D. Beyond Same-Day Sales

Consumers Plan to Buy Sampled Products Again

*“Will you plan to buy the product you sampled in the **future**?”*



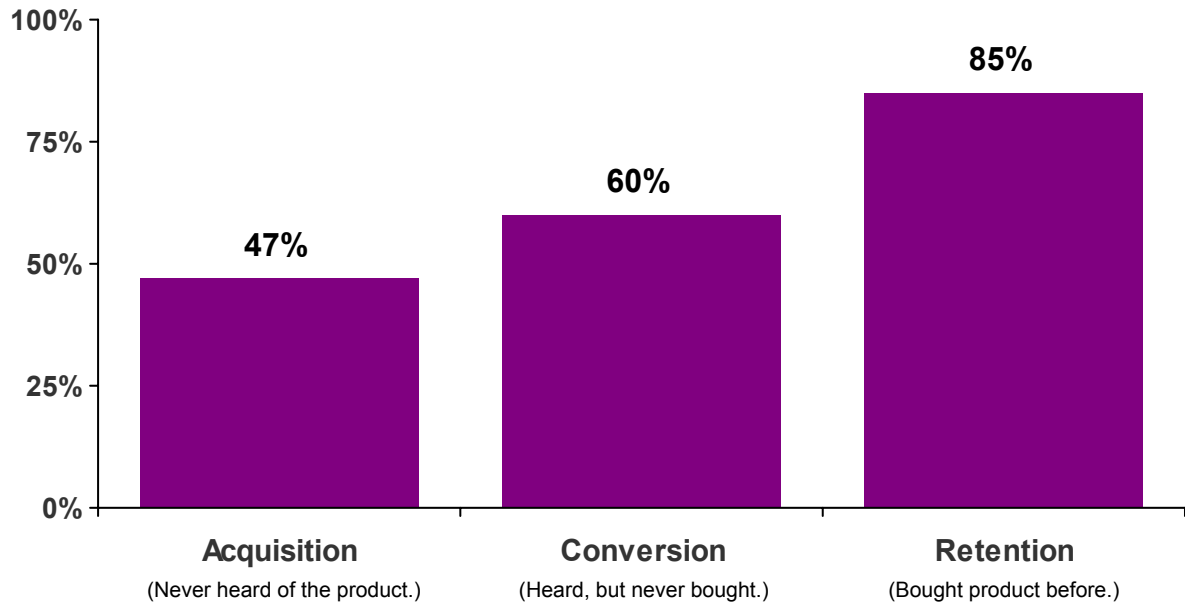
Base: Respondents who tried the product sample.

In addition to offering same-day sales lift, product sampling retains customers. Fifty-eight percent of consumers who sample products plan to buy these products again.

Sampling Helps to Acquire, Convert and Retain Customers for the Long Run

*“Will you plan to buy the product you sampled in the **future**?”*

Answer: “Yes.”



Base: Respondents who tried the product sample.

Product sampling helps to gain customer loyalty among both new and current customers.

Almost half (47%) of consumers who never heard of the product before they sampled it plan to buy it in the future. Six in 10 consumers who sampled the product they are familiar with but never bought before, plan to buy it in the future. Eighty-five percent of current customers plan to buy the product they sampled again.

Appendix

Table 1: Product Sampling Audience Composition

	General population aged 12+ (all respondents)	Respondents who tried a product sample in the past three months	Respondents who bought a product right after sampling	Respondents who plan to buy a product in the future after sampling
Males 12+	47%	42%	42%	40%
Females	53%*	58%*	58%	60%
Aged 12-24	21%	17%	17%	15%
Aged 25-54	52%	56%	56%	60%
Aged 55+	27%	27%	27%	26%
HHI <\$50K	47%	41%	41%	41%
HHI \$50K - <\$100K	39%	42%	41%	44%
HHI \$100K+	13%	18%	18%	15%**

***How to read and interpret:** Fifty-eight percent of consumers who tried a product sample in the past three months were women: women comprise only 53% of the general population. Therefore, women are more likely to try product samples than men.

**Totals subject to rounding.

**Table 2: Product Sampling Audience Media Usage—
Mean Hours Spent With Each Media**

In the past 24 hours, how much time did you spend...?	General population aged 12+ (all respondents)	Respondents who tried a product sample in the past three months
Watching TV	3 hours 28 minutes*	3 hours 23 minutes*
Listening to the radio	2 hours 11 minutes	2 hours 11 minutes
On the Internet	1 hour 32 minutes	1 hour 38 minutes
Reading newspapers	28 minutes	33 minutes
Reading magazines	23 minutes	29 minutes

***How to read and interpret:** Americans aged 12 and older watch on average 3 hours and 28 minutes of television per day. Consumers aged 12 and older who tried product samples in the past three months watch on average 3 hours and 23 minutes of television per day. Consumers who try product samples spend a similar amount of time watching television as the general public.

About Arbitron Inc.

Arbitron Inc. (NYSE: ARB) is a media and marketing research firm serving the media—radio, television, cable, online radio and out-of-home—as well as advertisers and advertising agencies in the United States. Arbitron’s core businesses are measuring network and local-market radio audiences across the United States; surveying the retail, media and product patterns of local-market consumers; and providing application software used for analyzing media audience and marketing information data. The company has developed the Portable People Meter™, a new technology for media and marketing research.

Through its Scarborough Research joint venture with The Nielsen Company, Arbitron provides additional media and marketing research services to the broadcast television, newspaper and online industries.

Arbitron’s marketing and business units are supported by a world-renowned research and technology organization located in Columbia, Maryland. Its executive offices are located in New York City.

Arbitron’s Out-of-Home division provides training, consumer behavioral data, audience profiles and analysis software for out-of-home media. Currently, nearly 100 out-of-home plants/place-based media clients and thousands of media industry clients—agencies, advertisers, stations, marketers and networks—utilize Arbitron and Scarborough consumer behavior information and software.

Credible third-party measurement helps advertisers justify their investment in the medium. The company’s 50+ years of audience measurement experience help sellers focus on selling the value of their advertising rather than justifying the credibility of their measurement. Arbitron research studies about cinema advertising, the outdoor industry, and traditional and nontraditional media can be found on the company’s Web site at www.arbitron.com and can be downloaded free of charge.

About Edison Media Research

Edison Media Research conducts survey research and provides strategic information to radio stations, television stations, newspapers, cable networks, record labels, Internet companies and other media organizations. Edison Media Research works with many of the largest American radio ownership groups, including Entercom, ABC Radio, CBS Radio, Bonneville and Westwood One; it also conducts strategic and perceptual research for a broad array of companies including Time Warner, Google, Yahoo!, Sony Music, Princeton University, Northwestern University, Universal Music Group, Time-Life Music and the Voice of America. Edison Media Research also conducts research for successful radio stations in South America, Africa, Asia, Canada and Europe. Edison Media Research currently conducts all exit polls and election projections for the six major news organizations: ABC, CBS, CNN, FOX, NBC and the Associated Press.

All of Edison Media Research’s industry studies can be found on the company’s Web site at www.edisonresearch.com and can be downloaded free of charge.

Portable People Meter™ is a mark of Arbitron Inc.



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