

Piper Jaffray 27th Semi-Annual Taking Stock With Teens Survey, Spring 2014

7,500

TEENS SURVEYED

48

U.S. STATES

Average Age

16.4 YEARS OLD



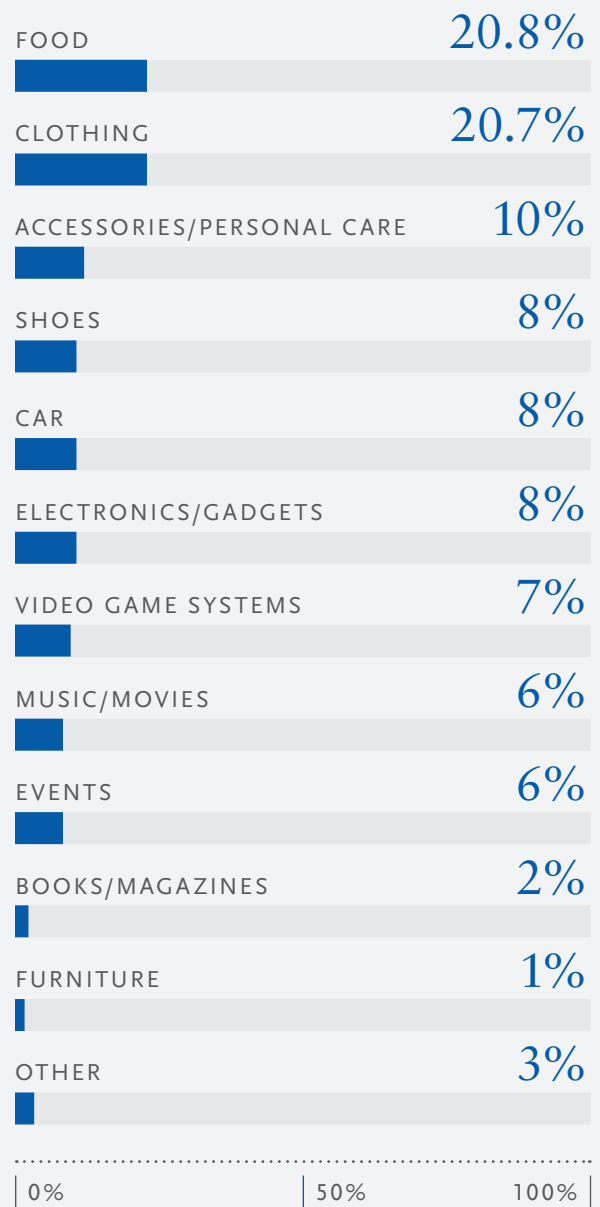
Key Trends

- Modest growth of action sports brand demand
- Moderation in fast fashion preference among teen girls
- Cresting of the refined classic cycle
- Evolving demand for fashion athletic brands

The Experience-Seeking Generation

For the first time in our survey history, **food exceeded clothing** as a percentage of the teen wallet

Spending Mix by Category[†]



Average Spend on Fashion Goods *(per year)*



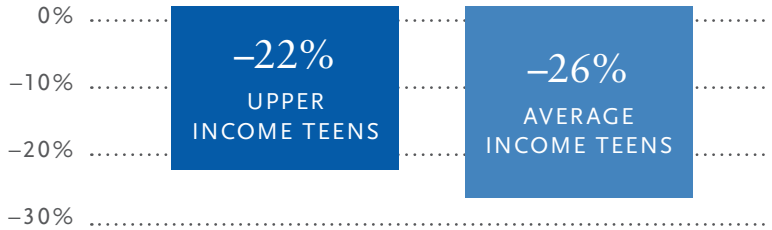
UPPER INCOME TEENS



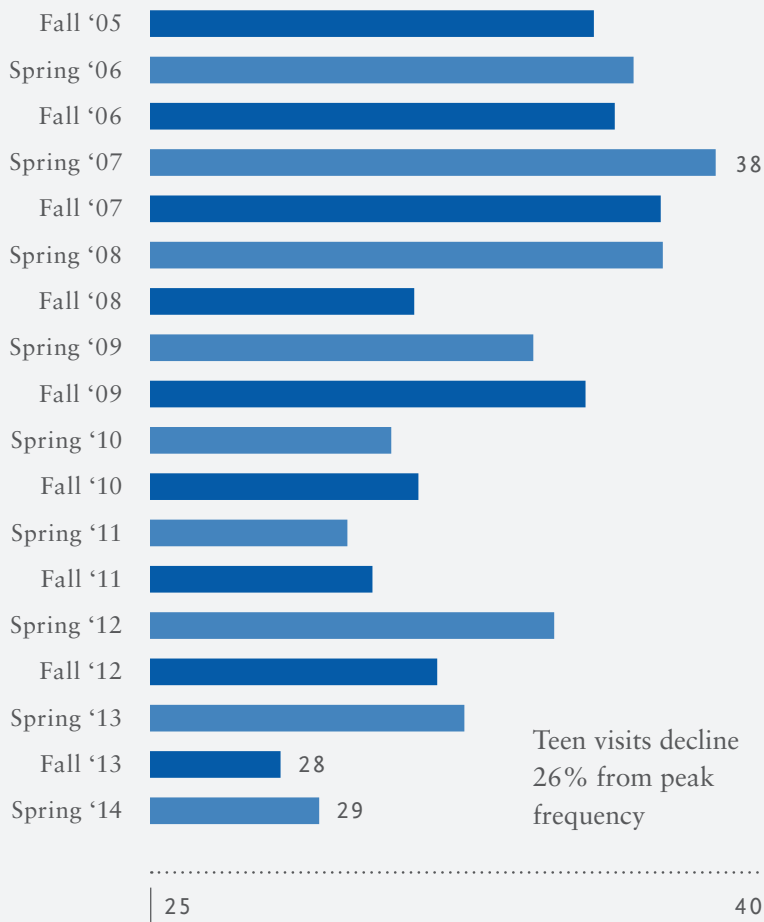
AVERAGE INCOME TEENS

Accessories Spending Declines

Year-over-year spending on accessories



Shopping Trip Frequency *(trips/year)*



Parent Contribution Rate*

65% Parent contribution is a key driver of teen spending

Teen Unemployment Rate

22%

Sources of Influence

- Friends
- Internet
- Television
- Sports
- Movies
- Magazines

Average Shopping Trip

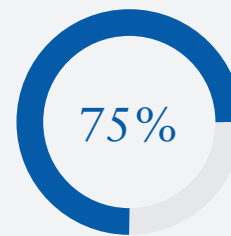


Average Spend Per Visit

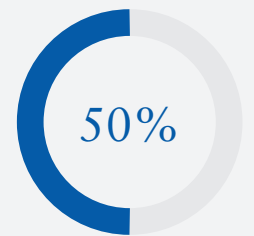
\$56.50

Brick and Mortar

Percent of teens who prefer shopping in-store vs. online



FEMALES



MALES

Top Preferred Clothing Brands[†]

1	NIKE	28%
2	FOREVER 21	8%
3	ACTION SPORTS BRANDS	8%
4	AMERICAN EAGLE	8%
5	POLO RALPH LAUREN	6%
6	HOLLISTER	3%
7	URBAN OUTFITTERS	3%
	VICTORIA'S SECRET	3%
9	NORDSTROM	2%
10	ABERCROMBIE & FITCH	2%
	TARGET	2%

Top Preferred Footwear Brands

1	NIKE	48%
2	VANS	10%
3	CONVERSE	4%
4	SPERRY TOP-SIDER	3%
5	ADIDAS	2%
6	STEVEN MADDEN	2%
7	FOOT LOCKER	2%
8	PAYLESS	2%
	UGG AUSTRALIA	2%
10	TOMS	2%

Top Fashion Trends “Right Now”

Females, Spring 2014

1	LEGGINGS/LULULEMON	28%
2	VICTORIA'S SECRET/PINK	5%
3	UGGS	4%
4	BOOTS	4%
5	HIGH-WAISTED PANTS/SKIRTS	3%
6	COMBAT BOOTS	2%
7	CROP TOPS	2%
8	MICHAEL KORS	2%
9	SCARVES	2%
10	FOREVER 21	2%

Males, Spring 2014

1	NIKE/JORDANS	19%
2	POLO RALPH LAUREN	10%
3	BOAT SHOES	7%
	SHOES	7%
5	KHAKIS	3%
6	ATHLETIC WEAR	2%
	TIMBERLAND	2%
8	PREPPY	2%
9	POLOS	2%
10	VINEYARD VINES	2%

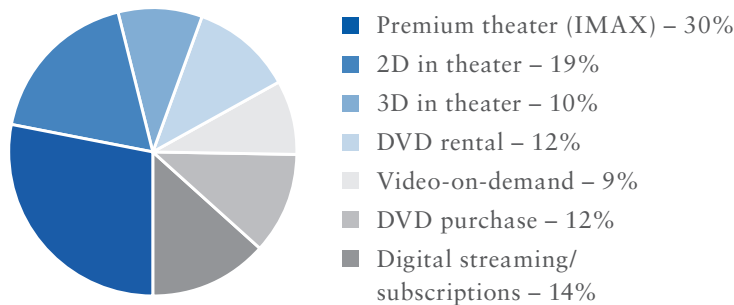
Top Restaurant Brand Preferences*

1	STARBUCKS
2	MCDONALD'S
3	CHIPOTLE
4	OLIVE GARDEN
5	TACO BELL

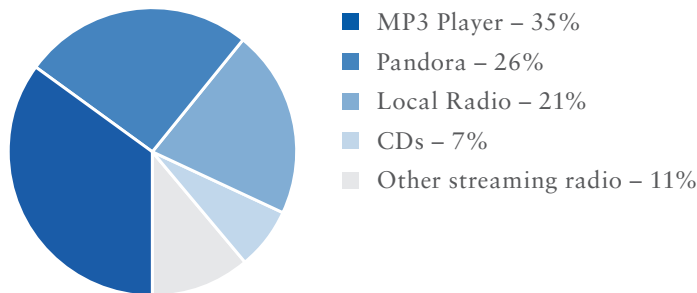
Teen Dining Preference by Segment

QUICK SERVICE	43%	CASUAL DINING	35%
FAST CASUAL	16%	OTHER	6%

Preferred Way to Watch a Movie



Time Spent Listening to Music



Source: Piper Jaffray & Co., company reports

Upper income teen survey included approximately 1,300 teens from households with income in the top 25% of U.S. housing units (defined as \$83,000/year and greater). Average income teen survey included approximately 6,200 teens from households with income below the \$83,000 threshold, with the average of \$55,000, slightly above the national average near \$52,000.

* Average income teen group only
 † Upper income teen group only

Top Social Networking Sites



Apple Maintains Leadership Position Amongst Teens

- 6% currently own a smart watch
- 17% suggested they would purchase an iWatch at \$350
- 61% own an iPhone
- Of the 60% of teens that own a tablet, 66% own an iPad

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