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Keeping you informed of current topics in youth and education research.

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• EDITORS •

Kelly Bagnaschi

Senior Research Assistant
Youth and Education Research
800.866.7655 Ext. 7164
kbagnaschi@harrisinteractive.com

John Geraci

Vice President
Youth and Education Research
800.866.7655 Ext. 7444
jgeraci@harrisinteractive.com

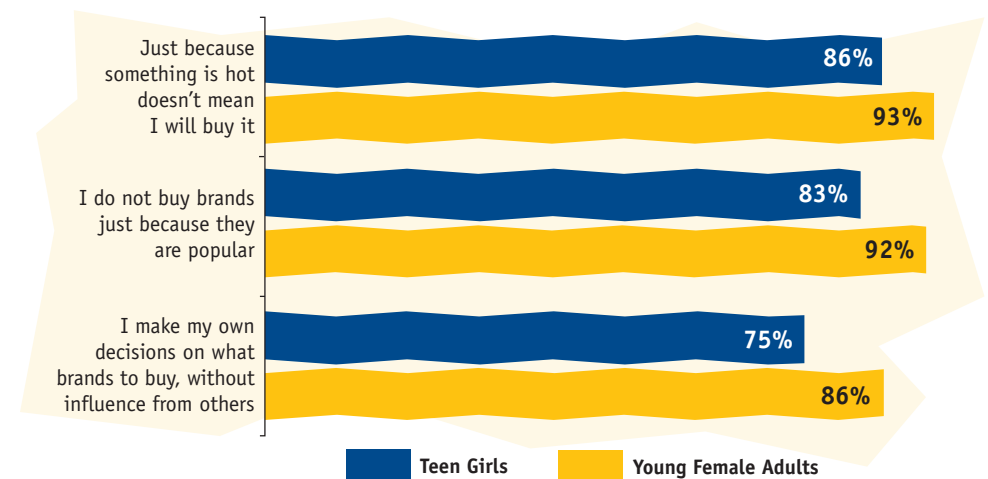
Customers for a Lifetime: Developing Brand Awareness and Affinity with Youth

Savvy marketers share a widespread recognition of the importance of reaching youth. Yet, since most audience measurement systems undercount young consumers, advertisers have difficulty in verifying the success they have with youth. In addition, many marketers view teenagers as “fickle” consumers who are too immature for brand loyalties to take root.

Harris Interactive recently conducted an important study for Hearst Magazines (publishers of *COSMOGirl!* and *Seventeen*), documenting the market power of teen girls, their influence on others as well as the brand loyalty they exhibit. Results demonstrate that if advertisers can overcome long-held misconceptions about teen girls, they will be well positioned for success and relevance with these important consumers not just now, but into the future.

There is a common misconception among marketers that teenagers are simply fickle consumers who lack brand loyalty, don't know what they want, don't act rationally, and move quickly from one trend to another. The reality is far different. The current generation of teenagers has been raised in a time of pervasive commercialism. And, with more social independence, available cash/credit cards and more plentiful shopping venues than prior generations, today's teenage girl is perhaps the busiest, most market-savvy consumer group in U.S. history.

Independence in Decision Making (% Agreeing with Statement)



SOURCE: Harris Interactive study for Hearst Magazines, n=2,313 13- to 29-year-olds (teen girls and young female adults) surveyed in June 2004.

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Editorial: Our Take On It

John Geraci

Vice President

Youth and Education Research

The notion of a “lifetime value” of a customer is very important to youth marketers. While the youth demographic on its own is often sizeable and powerful enough to justify targeted marketing programs and promotions, for many categories it is the potential of the future that brings attention to youth.

We have found that it takes a forward-looking organization to comprehend the concept of lifetime value. Unfortunately, today’s business environment doesn’t always reward longer-term thinking, and the long term can be forgotten in the stress of meeting quarterly or annual goals and implementing short-term promotions. That said, there are many brands and products that might not be traditionally viewed as “kid” or “teen” brands that would be well served by youth marketing programs.

“Why market to teenagers? After all, they don’t buy my product.” is a common sentiment we hear as we discuss youth marketing. Strategically focused organizations are able to see beyond this. With their interest in shopping, teens often provide trusted counsel for purchases made by contemporaries (97%) and family

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Across the 13 to 29 age spectrum, young women are most likely to describe themselves as “price conscious” and “smart” when it comes to their shopping behavior. Price consciousness and sensitivity tends to increase with age as expenditures move from being largely discretionary to also including nondiscretionary spending on items previously bought by parents.

Teenage girls (aged 13 to 19) and young female adults (aged 20 to 29) view themselves as smart, independent-minded shoppers with a finely honed sense of brand awareness and loyalty. Interestingly, teenage girls are more likely than young female adults to characterize themselves as mature and sophisticated – and as trend-setting and influential. Young female adults are also more likely to say they are rational consumers – price conscious and informed.

Teen girls realize they are at the vanguard of new things and that others are looking to them for new trends. It is as they age into adulthood that price becomes a greater consideration and that they seek to be more informed, rational consumers. In general, teen girls seek more emotional connections with brands and once these emotional connections are made, a more rational approach is sought perhaps to justify emotional connections they have made in their youth.

The Hearst study shows that teens and young adults express a strong sense of independence in their shopping and brand choices – they are motivated by their own personal sense of style and personality more than by what is currently popular. They consistently play back *intrinsic* motivations for their consumer behavior rather than *externally derived* motivators.

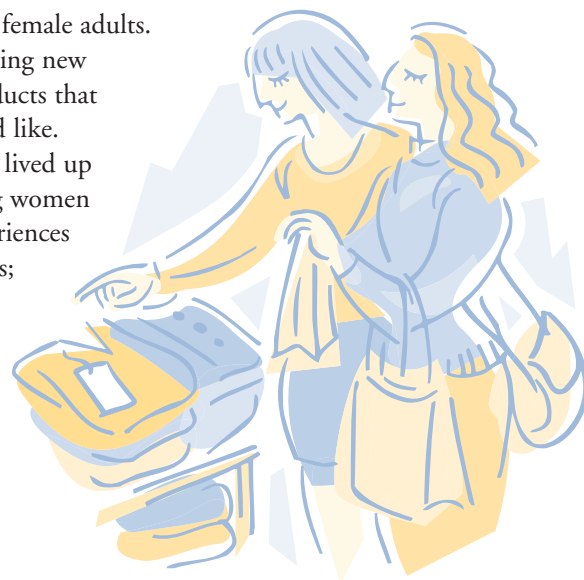
They are also resistant to the influence others have on their brand decisions. Young female consumers prefer to have a sense of empowerment and independence than a sense of following the trends set by others.

Two-thirds (67%) of teen girls and three-quarters (75%) of young female adults are loyal to brands they like. When they find a brand they really like, they find ways to get it. Brand loyalty requires experience with the brand. Once built, it remains strong.

Brands play an important role for young female adults.

They are risk averse when it comes to trying new products – so they prefer to try new products that come from brands they already know and like.

They prefer to stand by brands that have lived up to their promises. It is a myth that young women are variety seekers – they enjoy new experiences with products and discovering new things; but at the same time they do not want to waste time and money. A brand provides an umbrella of safety for them in terms of new products, and they are wary of new products with brand names with which they do not have experience.



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members (77%) alike. And, as the Hearst research proves, teen girls develop brand preferences across a variety of product categories at an early age. Additionally, girls in their early-mid teens are involved in making purchasing decisions for an array of high-end products, and have “favorite brands.”

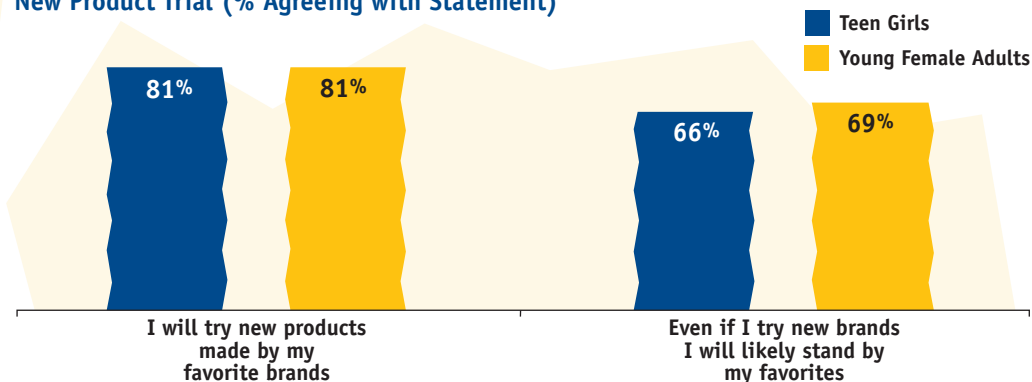
Teens Age 13-17	Median Age First Noticed Brands in Category	% Involved in Purchase Decision in Category	% Have Favorite Brands in Category
Car/ Truck/ Van	11	44%	72%
Portable Electronics	11	90%	56%
Better/ Designer Clothing/ Accessories	12	96%	78%
Fine Fragrances/ Prestige Beauty	12	90%	72%

The Hearst study showed, by way of example, that young people become conscious of automotive brands in the late tween and early teen years, and that their affinities and preferences for auto nameplates are largely established in their middle teenage years – often well in advance of obtaining a driver’s license. Although it may be 5, 10 or 15 years before the teenager is in a decision-making mode when it comes to selecting their own new or pre-owned car, the Hearst study showed that about 72% of them will choose their favorite brand – the brand they developed a preference for when they were teenagers. Once developed, the preference tends not to change.

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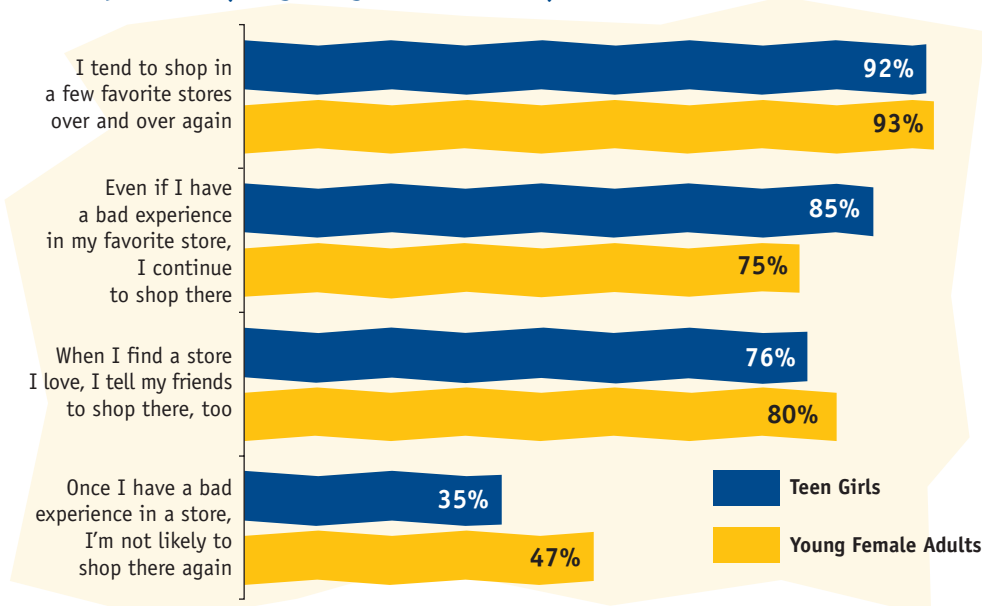
New Product Trial (% Agreeing with Statement)



SOURCE: Harris Interactive study for Hearst Magazines, n=2,313 13- to 29-year-olds (teen girls and young female adults) surveyed in June 2004.

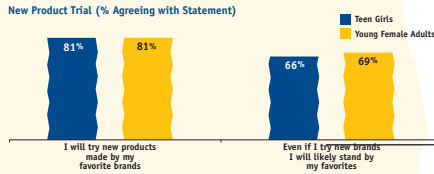
Once brand loyalty is built with teen girls, it becomes a potent force. For example, the Hearst study shows that young female shoppers are quite forgiving when it comes to retailers. Both teen and young adult girls alike tend to shop in a few favorite stores over and over. Even if they have a bad experience at a favorite store, they will continue to shop there. And once they find stores they like, they encourage their friends to shop there as well.

Retailer Experiences (% Agreeing with Statement)



SOURCE: Harris Interactive study for Hearst Magazines, n=2,313 13- to 29-year-olds (teen girls and young female adults) surveyed in June 2004.

The study also indicated that young female consumers will tend to stay with the retailer with whom they have built an affinity, even if they have had a bad experience.



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So, clearly the early to midteenage years are ones where brands need to be investing in brand building. As consumers enter their 20s, brand preferences are established and they seek more rational support for choices they have already made. We are showing that the initial connection and affinity to a brand is made on an *emotional* level – and that when purchase decision time comes nearer, the young consumer is looking for affirmation for the emotional choice they have already solidified.

There is a myth about young consumers that deserves to be exploded: they are neither fickle nor disloyal. Young female adults tell us they've been with their favorite brands for a long time. Forty percent chose their favorite automotive brand more than five years ago. Thirty-eight percent chose their favorite prestige beauty brand more than five years ago. Most significantly, 20-something women are likely to buy their favorite brand the next time they buy. For example, 77% intend to buy their favorite prestige beauty brand the next time they buy the category – 76% say the same for portable electronics. This underscores a key point – young female adults are fiercely brand loyal – but this brand loyalty has its genesis in their teen years.

It is important to be sure you are fulfilling your brand's promise, as young consumers often react more

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Ask a Question...

Have a burning question you would like to ask kids and teens? Here's your chance to submit a free question for our upcoming YouthQuerySM youth omnibus. Just send us an email with your suggestion. We will pick one question each month and then publish the results in the next issue of the newsletter.

...Get an Answer

Sarah McEvily from ESPN, Inc. submitted the following question:

Which of the following ways have you learned about the basic rules of sports?

	8 - 12 year olds	13 - 18 year olds
From my mom or dad	70%	46%
From a physical education teacher	65%	64%
From a coach	55%	52%
From watching sports on TV	50%	60%
From my friends	49%	62%
From attending live sporting events	27%	43%
From playing video games	27%	27%
From the Internet	5%	16%
From a magazine	5%	8%

Source: Harris Interactive YouthQuerySM, Boys and Girls, August 18-23 (n=1,142)

Recent Research for Public Release

Kids and Teenagers Prefer Bush Over Kerry

Harris Interactive youth poll shows recent shift among young people

A recent survey, conducted between September 15 and 20, 2004, by Harris Interactive shows U.S. kids and teenagers aged 8 - 18 currently prefer President George W. Bush over Senator John Kerry by 48 to 38 percent. This 10-point margin represents a large shift from August, when the poll had shown a 46 to 40 percent preference for Kerry.

The poll shows that both boys and girls prefer Bush to Kerry by similar margins, but that older teenagers (aged 16 - 18) prefer Kerry to Bush by 43 to 39 percent. Bush's job approval rating among kids and teens is currently 54 percent positive and 46 percent negative.

"Historically, polls of children have had a remarkable track record at predicting presidential election outcomes," according to John Geraci, vice president of Youth Research at Harris Interactive. "There has been a significant swing in the numbers recently toward Bush. Specifically, we have found that girls in particular have changed their preference from

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strongly than adults to the consumer experience. Teen girls, on average, share their positive brand experiences with seven people and their negative experiences with about nine people. Young female adults share their positive experiences with about five people and their negative experiences with about seven people. Negative word-of-mouth spreads faster than positive, and both spread faster among younger consumers, who have wider social networks than adults, which is why the consequences of failing to live up to your promise can be devastating.

The Hearst study shows that that brand preferences are formed in the midteenage years and are *not* apt to change over time. For brands and categories seeking lifetime consumers, reaching teenagers may be more important than any other age demographic. Keep in mind that teens are establishing brand preferences while adults are avoiding dissonance over brand preferences already made. Ads targeted to young adults need to be supportive of choices already made.

Finally, organizations need to view teen girls as a target that will offer competitive advantage and not as an elusive goal. Marketers who can get beyond common misconceptions will have an opportunity to build brand loyalty when it matters the most and in a way that will pay dividends for years to come.

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Kerry to Bush in the past month. This could be a bounce from the Republican convention or it might reflect a tendency young people have towards the familiar as Election Day approaches.”

The poll also shows that kids and teenagers are more likely to say that Bush would do a better job than Kerry on making the world a safer place for children (40% vs. 27%) and improving education (37% vs. 29%). Young people gave John Kerry an edge on helping poor children and their families (35% vs. 30%), protecting the environment (28% vs. 25%) and ensuring that they can afford college some day (30% vs. 29%).

For more information, please visit:

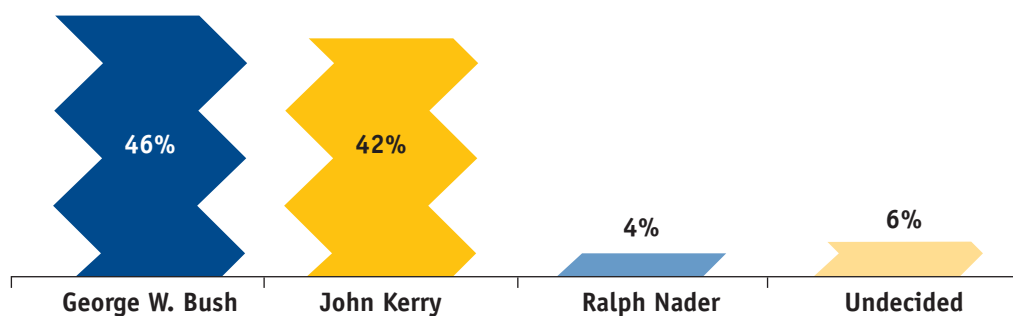
<http://www.harrisinteractive.com/news/allnewsbydate.asp?NewsID=851>

Election Update

Since March, Harris Interactive has been reporting on the election poll that we've conducted among 8- to 18- year olds. As we write this final installment, we are unsure of the outcome of the election, but confident there is insight to be found here into the importance and influence of the opinions of some of our country's youngest citizens.

In October 2004, this study found that if the election were held today and these respondents could vote, 46% would vote for George W. Bush, 42% for John Kerry and 6% would be undecided. Slightly more than half (51%) said that President Bush is doing an excellent or pretty good job as president, while 49% said that he is doing a poor or only fair job.

Presidential Candidate Preference Among 8- to 18-Year-Olds



Satisfaction with the President's Performance Among 8- to 18-Year-Olds



WirthlinWorldwide Joins Harris Interactive

You may have heard by now that as of September 9, WirthlinWorldwide became a part of Harris Interactive. One of the world's leading full-service opinion research and strategic consulting firms, WirthlinWorldwide (www.wirthlin.com) has particular expertise in developing marketing and communications strategies as well as tactical solutions. Since 1964, the firm has provided strategic research and consulting to a broad range of public and private sector clients, including three-fourths of the Fortune 100 companies. WirthlinWorldwide has offices in the U.S., Europe and Asia. The combined firm will have over 1,000 employees and is expected to generate \$210 to \$215 million in revenue this fiscal year. The Youth & Education team looks forward to bringing a whole new range of expertise to its clients as a result of this addition of significant intellectual capital.

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It's 8 a.m.

Do you know what American kids are doing?

Hurry! There's still time to enter to win a FREE copy of YouthPulse 2004 – the definitive study of the Internet generation.

You need to know almost as much about the youth market as you would if they were all your own children. How they spend their time, how they spend their money, their hopes, fears and aspirations and which parts of the kid experience are totally different today than they were a decade – or even a year – ago. YouthPulse is the only study covering these topics and hundreds more for kids from age 8 to 18.

And as a *Trends & Tudes* subscriber, you have a chance to win a FREE copy of this 150-page report. Just visit www.harrisinteractive.com/YouthPulseContest, answer a brief, five-question survey and we'll enter you to win – it's that simple. But you'll have to hurry – the contest ends November 15!

To learn more about YouthPulse, contact us at 877.919.4765 or info@harrisinteractive.com.

Now Available!

360 Youth College Explorer - Powered by Harris Interactive

You can now subscribe to 360 Youth College Explorer, the annual study of college students powered by Harris Interactive. This is the only study of its kind to provide marketers with insights about the entire college market of 18- to 30-year-olds, including: full- and part-time students, students at two- and four-year institutions, and undergraduate and graduate students. This year's topics cover income and spending, financial services, online behavior, technology and wireless, entertainment, food and dining, and much more. Contact us at 877.919.4765 or info@harrisinteractive.com for details.



Trends & Tudes Poll Vault

To view previous issues of *Trends & Tudes*, please visit our website at www.harrisinteractive.com/news/newsletters_k12.asp.

Contact Us

To make suggestions regarding this newsletter or to discuss a business issue involving youth or the people and issues that influence today's youth, please contact our Information Desk at 877.919.4765 or info@harrisinteractive.com.

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