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**DECADE OF DATA**  
TEN YEARS OF VERTIS CUSTOMER FOCUS®

► 1998

Ten Years of Consumer Research

◄ 2008



VERTIS COMMUNICATIONS



In 2008, Vertis Communications' Customer Focus®, our annual consumer survey monitoring media habits and buying behavior, will be celebrating its Tenth Anniversary. To mark the momentous occasion, we compiled important consumer and media trends. Take a look at the decade of data!

Customer Focus is Vertis Communications' proprietary annual study tracking consumer behavior across a wide variety of industry segments — grocery, home improvement, furniture, home electronics, optical, insurance, credit cards, nonprofit, financial, office supplies, casino gaming, automotive, and discount stores — and media including advertising inserts, direct marketing, and the Internet. The survey was first conducted in 1998 and, in subsequent years, has been expanded and modified to identify emerging consumer behavior patterns and track shifts in consumer practices and motivations.

98/08

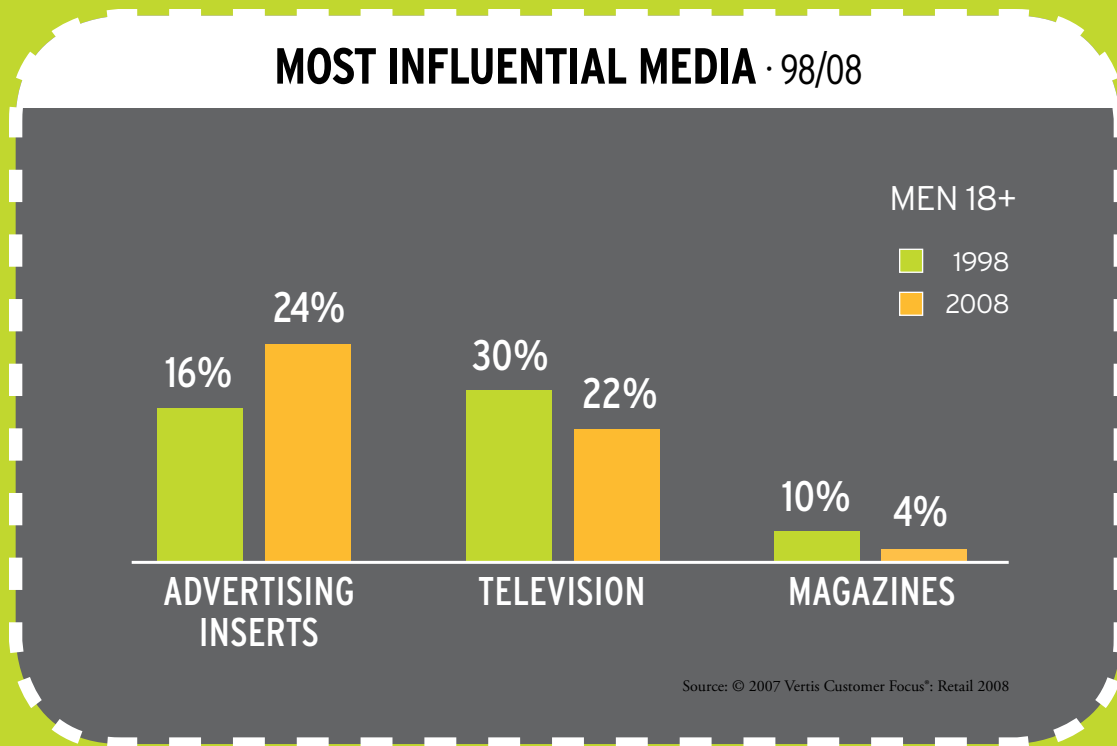
# 98/08

## MEDIA INFLUENCING BUYING BEHAVIOR



ADVERTISING INSERTS  
IMPACT CONSUMERS

*Which one of the following media most influences your buying decisions?*



When consumers are ready to make a purchase, advertising inserts are now the most influential medium for 24% of all U.S. men, growing 8% in 10 years. The percentage of men identifying television or magazines as the most influential media has decreased 8% and 6% respectively. As consumers adjust their entertainment preferences and media becomes more fragmented, they utilize trusted information sources to make purchase decisions.

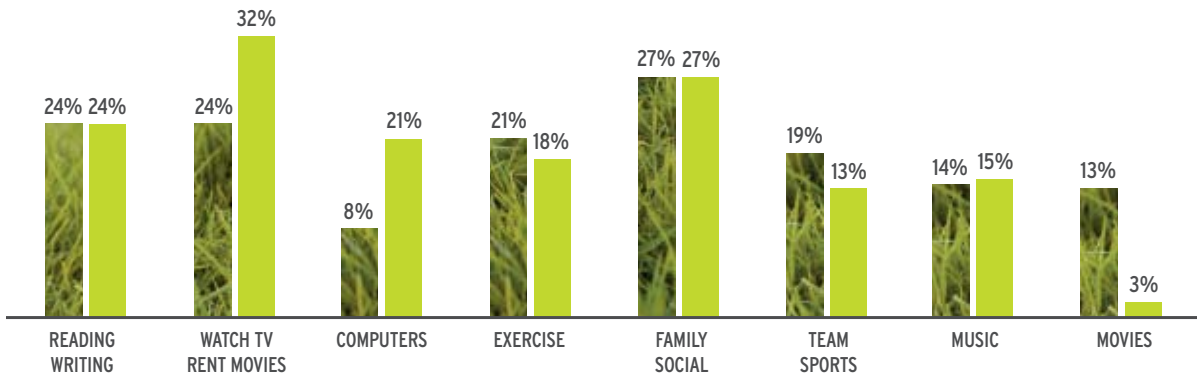
24%



# LEISURE

## LEISURE TIME ACTIVITIES | YOUNG ADULTS

■ 1998  
■ 2008



With shifting media habits, targeting young adults can be a difficult task. Understanding their leisure time activity trends can assist marketers understand when and where this important consumer can be reached. Note the decline in “team sports” and “going to the movies” while there is an increase in “watching TV/rent movies” and “computers,” possibly caused by a stay-at-home attitude and the growth of the Internet, email and instant/text messaging. In other words, young adults have drifted towards less personal communications rather than face-to-face interactions.

30%

38%

■ 1998  
■ 2008



## *What is your marital status?*

SINGLE OR LIVING TOGETHER · WOMEN 25-34

Being aware that young consumers are foregoing or delaying marriage helps advertisers target their message, uncover changes in buying cycles, and place media. In ten years, the percentage of women 25-34 who are single or living with their significant other has increased eight points.

Source: © 2007 Vertis Customer Focus®: Retail 2008

# MARITAL STATUS

# EDUCATION

Women with at least  
a college degree

28%

1998

Women with at least  
a college degree

41%

2008

## UNIVERSITY OF CUSTOMER FOCUS

Programs such as Title IX, the 1972 equal opportunity in education act, allowed women access to higher education and opened opportunities. Increased percentages in college and graduate degrees result in a more empowered female consumer.

Source: © 2007 Vertis Customer Focus®: Retail 2008



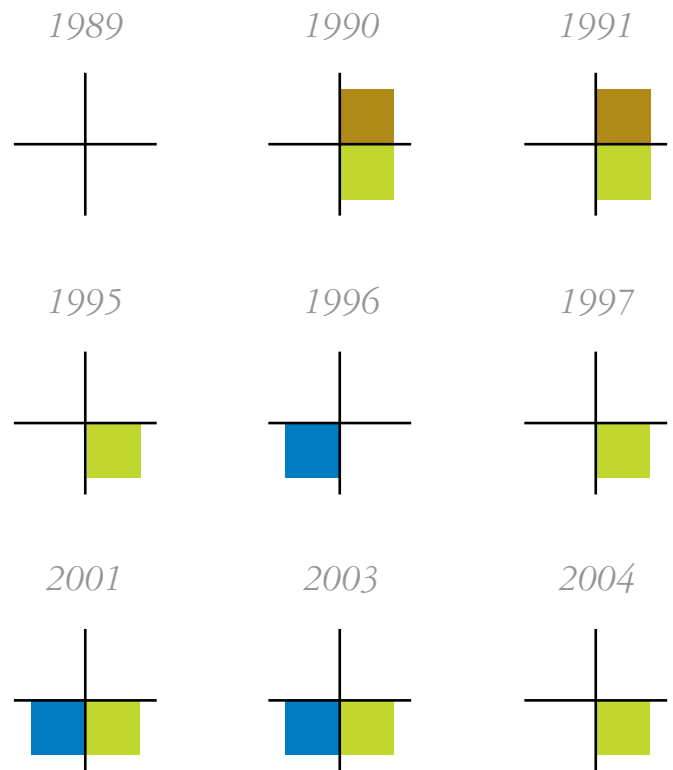


WOMEN GRADUATING  
FROM COLLEGE HAS  
INCREASED BY 13%

EDUCATION

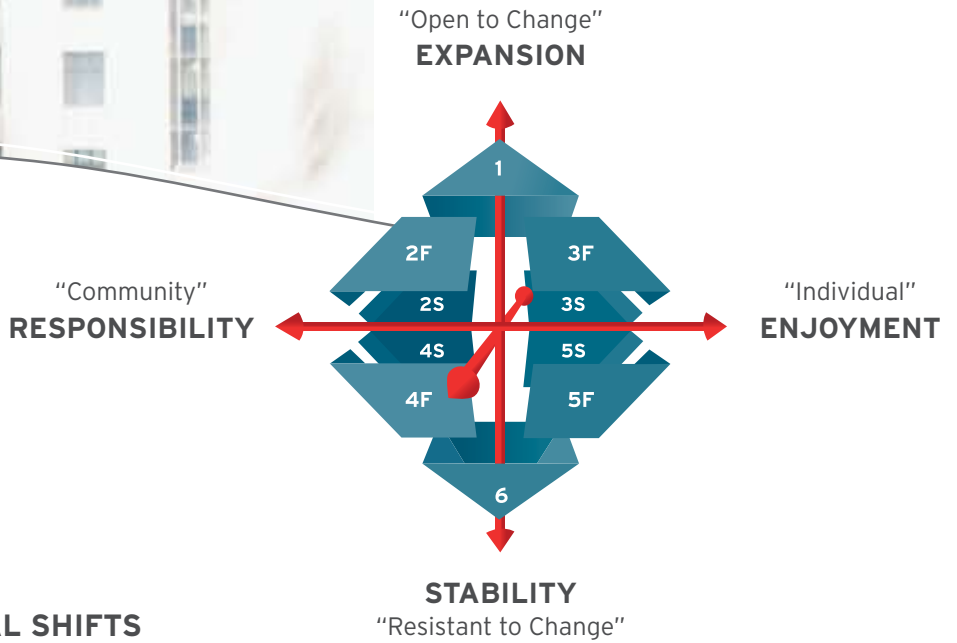


**RISC**, which comes from the **Research Institute on Social Change**, is Vertis' annual socio-dynamic study tracking consumer attitudes, measured using 30 esoteric questions. The questions uncover individuals' socio-cultural traits and assist marketers in developing targeted communications aimed at consumers' desire for enjoyment, stability, responsibility or expansion. RISC monitors cultural attitudes and then uses that information to help you anticipate and adjust to the purchase behavior of your present and prospective customers.

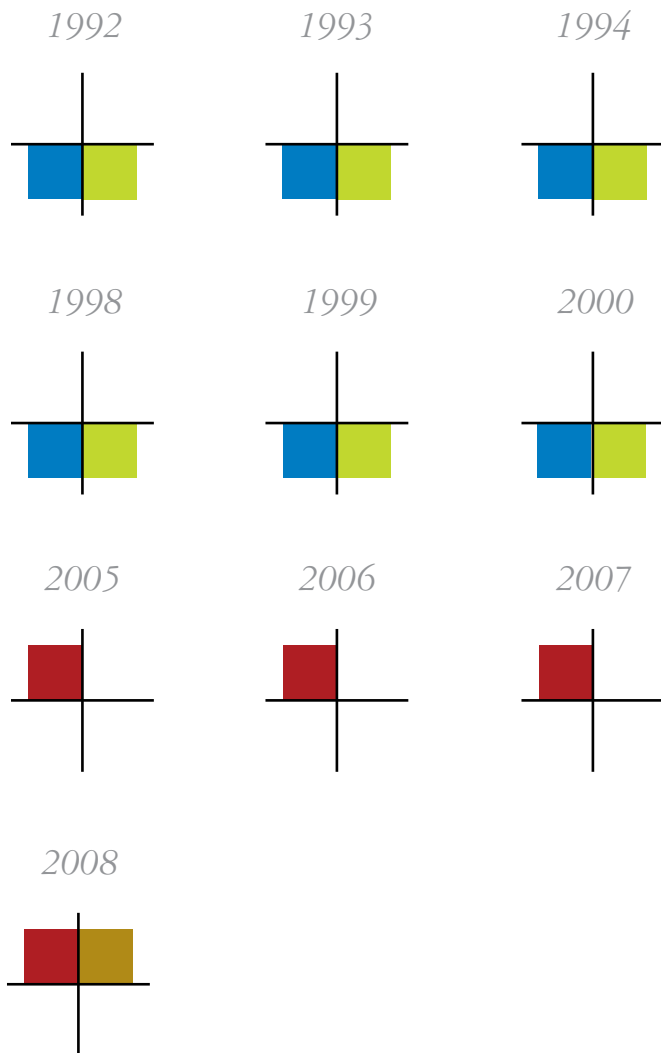


### ABOUT THE CHARTS

After years of focus on stability and self-centeredness, 2005 marked a shift toward social responsibility, fairness and commitment. Today's consumers rally around victims of disasters, such as hurricane Katrina, and are more focused on making social connections. In 2005, when the attitude became prevalent, over 86% of adults had responded to a charitable appeal, surpassing the 80% that responded in the same immediately after the September 11, 2001 tragedy. In addition, a green movement towards eco-friendly products mirrors the prevailing attitude among these adults.



**SOCIO-CULTURAL SHIFTS**



**THE RISC DIAMOND**

**THE FIRST AXIS**

NORTH TO SOUTH defines the greatest variance between respondents; their acceptance of change (Exploration) or their resistance to change (Stability).

**THE SECOND AXIS**

EAST TO WEST defines the second greatest variance among respondents; whether they are more pleasure and individually-oriented (Pleasure) or whether they are more ethical and community-oriented (Ethics).

**THE THIRD AXIS**

FRONT TO BACK defines the third variance among respondents; whether they depend on norms (Structure) or whether they are opportunistic (Flexibility).

# RISC

“Go-Getters,” adults with a hardworking, hard-playing lifestyle and aspirational attitude (as measured in the RISC survey on the previous page), have shown a propensity for voting Republican in the past, now only represent 20% of U.S. attitudes, declining 15% since 2006.

“Trailblazers,” practical adults with an influential and tolerant attitude, now represent 26% of adults in the U.S. These adults are significantly more likely to vote Democrat in elections.

*In the next twelve months how do you plan to vote in the next election?*

## ATTITUDINAL VOTING 2006

### PLAN TO VOTE DEMOCRAT IN THE NEXT ELECTION

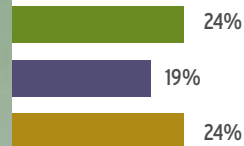


### PLAN TO VOTE REPUBLICAN IN THE NEXT ELECTION

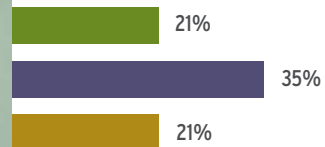


■ TRAILBLAZERS  
■ GO-GETTERS

### “TRAILBLAZERS”



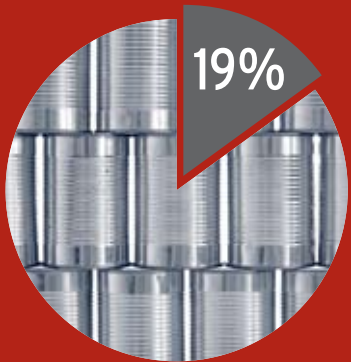
### “GO-GETTERS”



■ 2005  
■ 2006  
■ 2007

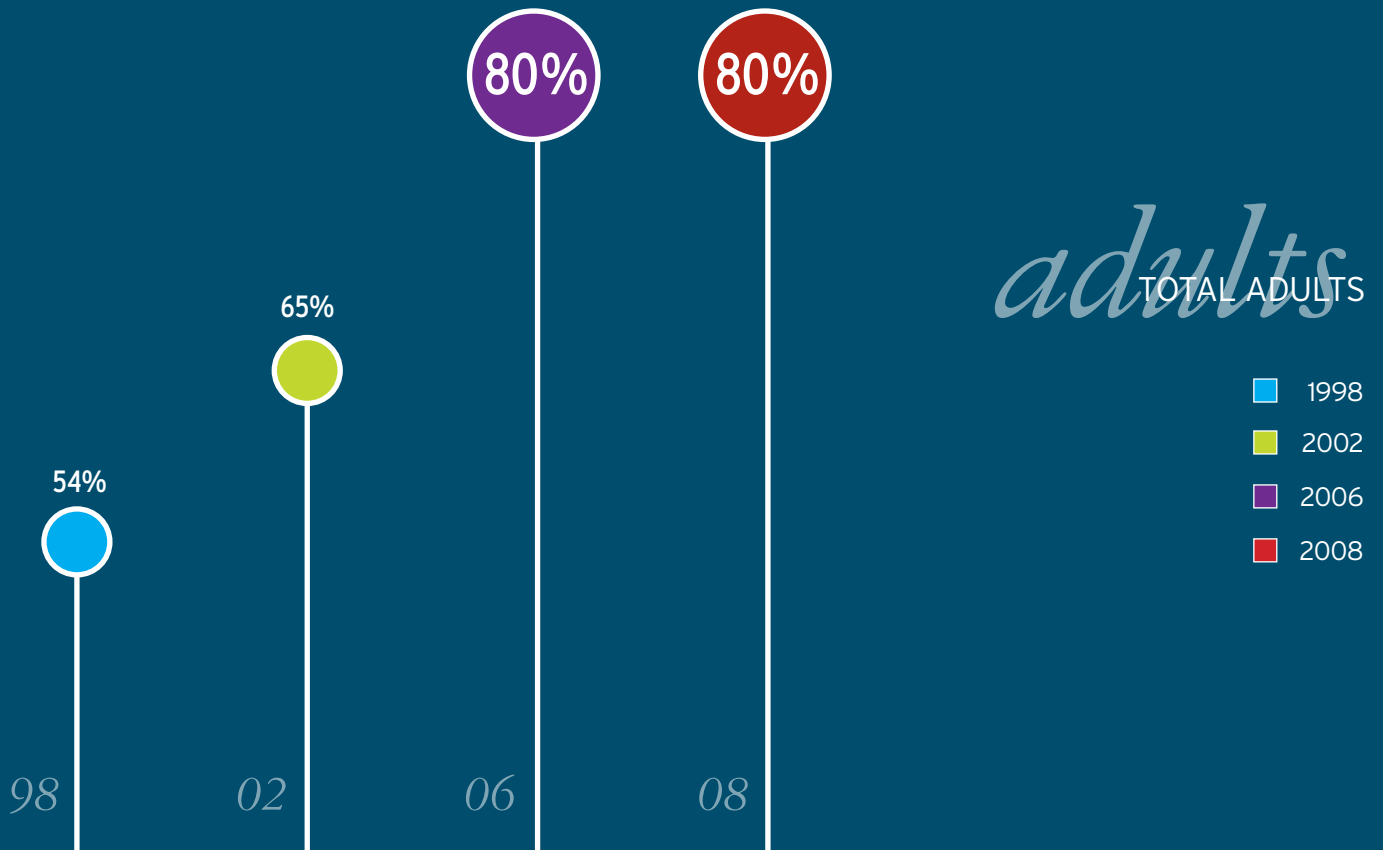
## SHOPPING BEHAVIOR

*Which of the following statements describe your shopping behavior?*

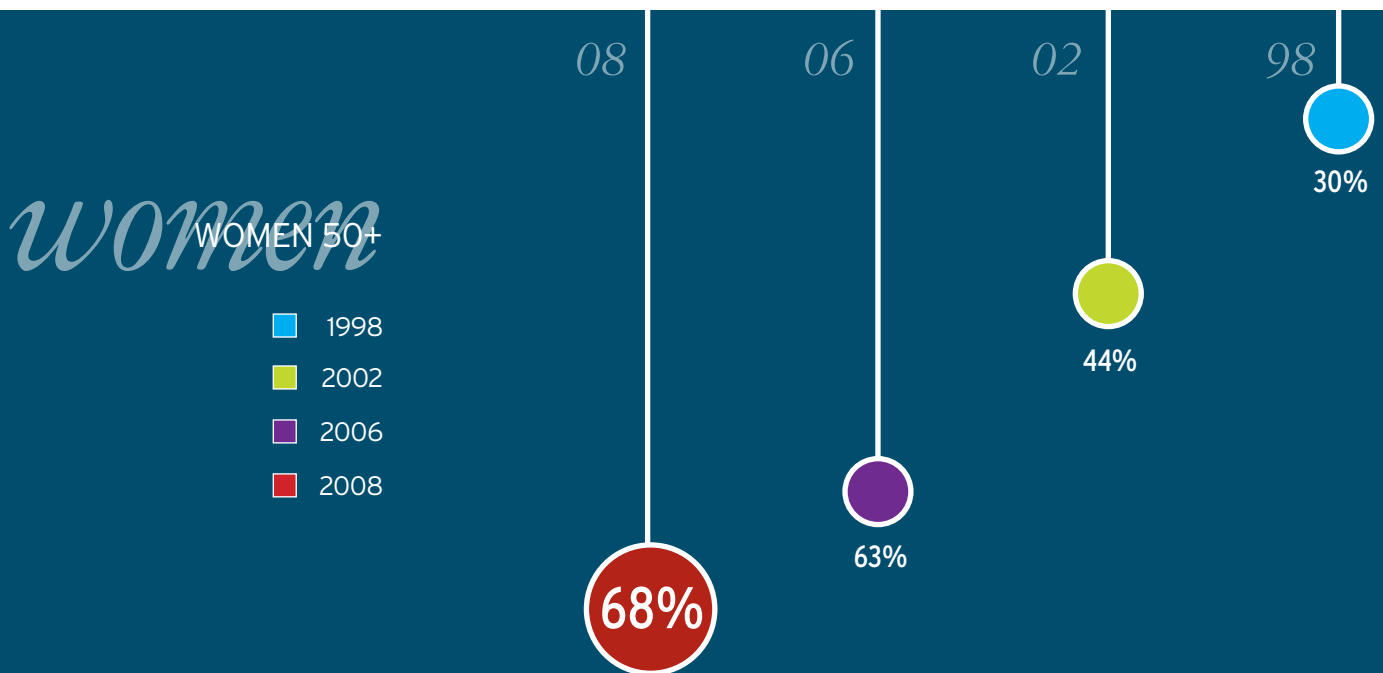


**JUST GO TO THE STORE**  
(no research in circulars, catalogs or the Internet)

Since 2004, fewer shoppers visit a store without first using the tools available to help them shop. Approximately 50% research the Internet, 57% research circulars, and 38% research catalogs.



# INTERNET



## CHIEF SHOPPER HOME ELECTRONICS

WOMEN 18-24

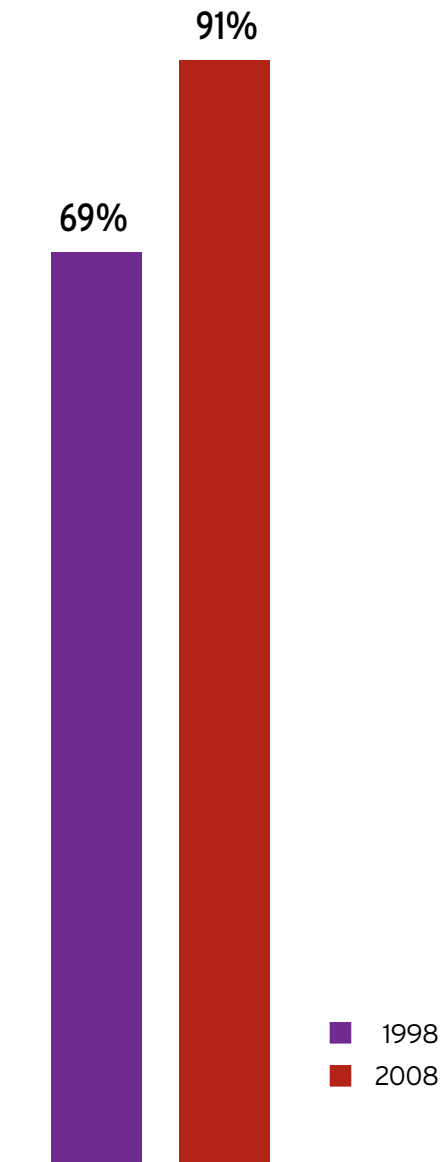
Over ten years, the percentage of adults with Internet access has grown significantly. Now, eight out of 10 adults have access to the Internet.

Source: © 2007 Vertis Customer Focus®; Retail 2008

# ACCESS

Women 50+ aren't far behind the average American, with 68% now accessing the Internet. Considered late adopters, this group of consumers is using email to communicate with children and grandchildren and reading advertisers' emails. They are becoming more comfortable sharing information online when opening an account or using their credit cards.

Source: © 2007 Vertis Customer Focus®; Retail 2008



In 1998, only 69% of women 18-24 reported being involved in the home electronics decision making process. That number has increased 22% in ten years, proving this target is now more important. Cell phones, digital cameras and desktop computers are some of the most popular purchases among this target.

Source: © 2007 Vertis Customer Focus®; Retail 2008

*Are you the chief shopper in the decision to purchase home electronic equipment?*

# ELECTRONICS

CREDIT CARDS USED  
ADULTS 18 - 24

71%

60%

55%

50%

- 2007
- 2005
- 2003
- 2002

*How many different credit cards do you typically use each month?*

Young adults using a credit card each month has grown 21 percentage points since 2002. Adults 18-24 pay approximately \$570 each month on all their cards combined and are increasing use of credit cards without any benefits (which typically translates into higher interest rates).

AUTOMOBILE CONSIDERATIONS



<i>vehicle</i>	1998	2002	2007
CAR	58%	64%	70%
USED	45%	47%	53%
NEW	44%	48%	47%
TRUCK	34%	34%	31%
BUY SUV	16%	25%	17%
TRUCK/SUV	46%	50%	42%

Among auto shoppers, there's a clear trend towards considering a new or used car, growing from 58% in 1998 to 70% in 2007. In addition, some growth is seen among adults planning to buy a used car or truck, increasing from 45% to 53%. Since 2002, fewer adults are buying SUVs. When asked why they're planning to buy, used vehicle shoppers report they're buying out of need. Car shoppers (and especially hybrid shoppers) are reporting gas prices and better fuel efficiency are driving their purchase. Interestingly, the 17% planning to buy an SUV are limited to young adults with higher incomes and a rugged individualist attitude.

## VACATION PLANNING

Adults are shifting their vacation agendas to include less trips via automobile – decreasing 5% since 1998. In addition, 67% of adults are planning to take a vacation this year, a 3% decline compared to 1998. Vacation travel has shifted over time but current levels are similar to 1998, with slightly fewer traveling via automobile, possibly because of higher gas prices.

Source: © 2007 Vertis Customer Focus<sup>®</sup>. Retail 2008

■ 1998  
■ 2008

57%

52%

TRAVEL  
BY CAR

40%

43%

TRAVEL  
BY AIR

70%

67%

BOTH

*In the next 12 months  
do you plan to take a vacation?*

# VACATION

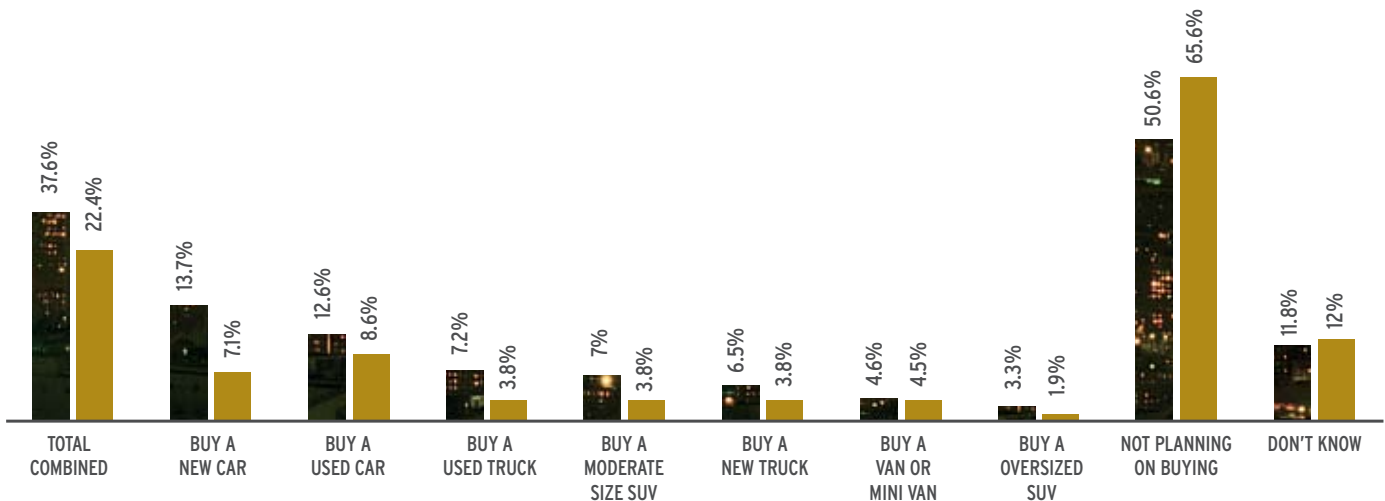
# 09/11

INTEND TO BUY IN 12 MONTHS

TOTAL ADULTS

■ 8 / 2001  
■ 12 / 2001

Immediately before the September 11, 2001 tragedy, almost 38% of Americans were planning to buy a vehicle in the next 12 months. In just four short months, that number decreased to 22%, with adults planning to buy a new car decreasing by 50%. In addition, due to 9/11, approximately 16% of all adults reported making fewer purchases over \$100. Interestingly, in our current economy (housing market, gas prices), 40% are decreasing purchases \$100 or more.



98/08

DECADE OF DATA

You can see the difference in a decade: movement in motivation and attitudes, more educated consumers, and the rising influence of female decision makers. With expanding media options and increasing demand for 24/7 access to information, marketers' opportunities and desire to communicate with consumers is intensifying. But the increasing and often intrusive touch points will require monitoring so consumers don't tune out. Stay on top of shifting buying behaviors and media motivators with the comprehensive consumer research now available.

Vertis Communications delivers data to assist you in targeting high-performing consumer segments, building traffic, increasing response, and improving marketing ROI.



Call 800.577.8371 to learn more.  
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