Taking Stock
With Teens®

A Collaborative Gen Z Insights Project
Investment Risks

Risks to achievement of investment objectives include, but are not limited to, the following:

- Reliance on key top management
- Changing consumer preferences
- Changes in input costs and raw materials
- Markdown risks
- Product flow and inventory disruptions
- Competition
- Lack of pricing power
- Deleveraging of fixed expenses
- Foreign exchange rate risk
- General macroeconomic uncertainty
Table of Contents

01 Executive Summary
- Executive Summary
- Survey Overview
- Stock Highlights

02 Teen Behavior & Habits
- Gen Z Insights
- Top Social Media
- Wallet Share Trends
- Channel Preferences
- Fashion Casualization
- Content Consumption
- Smartphone Trends
- Video Games

03 Teen Brand Preferences
- Historic No. 1 Ranks
- Apparel & Footwear
- Top Fashion Trends
- Up- & Downtrending
- Accessories
- Beauty
- Websites
- Amazon Prime
- Restaurants
- Snacks

04 Demographics & Appendices
- Survey Demographics
- Historical Spending Breakdown
- Top Brand Time Series
- Meet Our Senior Analyst Team
Executive Summary

• Overall teen “self-reported” spending contracted in Fall 2019 by 4% Y/Y & 10% sequentially to $2,400—lowest since Fall 2011
• Thirty-two percent of teens believe the economy is getting worse—higher than the 25%-level in Fall 2018
• Food continues to be teens’ No. 1 wallet priority at 23% share; Chick-Fil-A is No. 1 restaurant; SBUX maintains double-digit share
• Forty-eight percent of teens agree they prefer healthy snacks & 47% claimed they were more health-conscious vs. LY
• Video games is now at 9% of total teen wallet vs. 8% last year with females driving the uptick
• Teens’ interest in free-to-play video games such as Fortnite is fading, while interest in traditional video games remains strong
• Cosmetics spending for females hits 19-survey low with spending down >20% Y/Y or $106/year
• Ulta furthers its lead as No. 1 beauty destination against Sephora; Amazon firmly in top-five as a preferred beauty destination
• Amazon continues to dominate teen preference for ‘favorite ecommerce site,’ growing to 52% vs. 50% in the spring
• Teens spend 37% of their daily video consumption on YouTube, ahead of Netflix at 35%
• Crocs gains notable share to the No. 7 preferred footwear brand, behind Birkenstock, vs. No. 13 last year
• lululemon hits new survey peak as No. 7 apparel brand; Nike regains share as the No. 1 apparel & footwear brand
• Handbag spending hits survey-low ($90/year); EU luxury gaining share with Louis Vuitton up to No. 2; Kate Spade falls to No. 4
• 83% of teens own an iPhone and 86% of teens expect an iPhone to be their next phone, both in-line with all-time survey highs
• Instagram remains the most frequented social media platform among teens for the third consecutive survey
• Teens care about social/political issues naming the Environment, Immigration & Gun Control as the top-three issues
• This Fall’s favorite celebrity is Kevin Hart & most followed influencer on social media David Dobrik

Taking Stock With Teens Survey - Fall 2019 Results  |  Piper Jaffray Investment Research
We are publishing our 38th semi-annual Taking Stock With Teens survey results which captured 9,500 responses across 42 states with an average age 15.8 years (54% male/45% female/<2% identified non-binary). GenZ is the first digitally-native generation--83% of teens have an iPhone, 52% claim Amazon as their favorite e-com site and video games sustained peak wallet share. That said, teen spending levels decreased by 4% Y/Y and were down 10% from Spring--the lowest since Fall 2011. Within the wallet, food is the most important priority at 23% share. Footwear continued to gain wallet share. Accessories spending hit a new survey low and cosmetics spending hit a 19-survey low with spending down >20% Y/Y. Athletic brands dominate top fashion preferences. In conclusion, our results were positive for LULU, NKE, VFC, CROX, AAPL, AMZN, ATVI, CMG and SBUX. Results were more negative for CPRI, TPR, RL and EBAY and mixed for ULTA.

- **What Does GenZ Spend On?** GenZ (67M in the U.S. born between 1997-2012) is the first digitally-native demographic with today's teen only 4 years old when the original iPhone launched. This Fall, teen spending levels contracted 4% Y/Y and 10% from Spring--the lowest level since Fall 2011. On average, teens estimate they spend $2,400/year. Grossing this up to the relevant teen population, would imply they will spend >$70B in 2019. Food is the No. 1 priority for males within the wallet & No. 2 for females. Chick-fil-A is the No. 1 teen restaurant followed by Starbucks. Clothing is the No. 1 priority for females. The most notable spending changes this year were as follows: 1) video games is at peak share; 2) accessories hit a new survey low; and 3) cosmetics spending was down >20% Y/Y--a 19-survey low. Footwear, across both genders, continues to gain share.

- **Casualization Of Fashion Continues:** Athletic brands once again command the top-spots among fashion preferences. To wit, Nike saw re-accelerating share gains as the No. 1 footwear & apparel brand and lululemon hit a new all-time survey high. It is now the No. 7 preferred apparel brand (No. 2 for upper-income females). Vans remains No. 2 footwear brand at 20% share, in line with Spring. In fact, 75% of females prefer an athletic brand of footwear and 87% of males prefer an athletic brand of footwear--both new peaks. The most notable mover in footwear was Crocs--moving from No. 13 to No. 7 as a preferred brand among teens. Streetwear brand Supreme continues to fade in our survey as do prep brands Ralph Lauren, Vineyard Vines & Sperry. Within the "retro"/90s brands, we saw strength of Champion--now in the top-10 brand list.
• **Accessories & Cosmetics Spending Both Challenged:** Handbag spending hit a new survey-low with indicated spending levels at $90/year. Within handbag preferences, the accessible luxury cluster (Michael Kors, Kate Spade & Coach) represented 49% of the total vote--this is down 800 bps from 57% last year. At the same time, European luxury brands now stand at 30% of the vote--up from 23% last year. The most notable mover was Louis Vuitton--which is now the No. 2 preferred handbag brand--unseating Kate Spade which fell to No. 4. Michael Kors maintained is No. 1 ranking but lost share. Within beauty, we saw cosmetics spending levels register a 19-survey low at $106/year. Tarte was the No. 1 cosmetics brand, Neutrogena the No. 1 skincare brand & Ulta (for the 2nd consecutive time) was the No. 1 beauty destination. ELF moved up to No. 4 cosmetics brand. Stores still matter for beauty as 91% of females indicate they prefer to shop in store for beauty.

• **Amazon, VSCO & Instagram:** Amazon continues to dominate teen preference for "favorite e-commerce site" growing to 52% of the vote vs. 50% in Spring. Other notable website moves include Fashion Nova, SHEIN, lululemon (for females) and StockX and Goat (for males). Instagram is the most frequented social media platform for teens but Snapchat remains the favorite. TikTok was mentioned by 4% of teens as their favorite social media platform. We saw signs of strength for VSCO across the survey where it ranked as a top-10 trend for females. VSCO is a photo-editing app that is used alongside Instagram / TikTok; the term "VSCO Girl" has been used most commonly to describe a girl who wears scrunchies, Birkenstocks/Crocs, an oversized tee and carries a HydroFlask with a metal straw while constantly re-applying lip-gloss and spritzing body mists. Kevin Hart was named the No. 1 celebrity & David Dobrik (YouTuber) as the No. 1 influencer. Finally, 37% of daily video consumption is done on YouTube, now ahead of Netflix at 35%.

• **GenZ Actually Cares & Environment Takes The Top Of The List:** We asked teens to name the most important social or political cause. The Environment was No. 1 at 16% share, followed by Immigration/Family Separation at No. 2, and Gun Control at No. 3. The term “Save The Turtles” came up several times in the responses which upon further review has gone viral through VSCO Girl/TikTok memes. To a separate question on the environment, 89% of teens listed a specific environmental concern (Global Warming in the top-spot) and 46% of teens indicated they are changing their habits as a result including metal straws, recycling more and using less plastic.

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Executive Summary

Teen Behavior & Habits

Teen Brand Preferences

Demographics & Appendices

Taking Stock With Teens Survey - Fall 2019 Results

Piper Jaffray Investment Research
9,500 Teens Surveyed
15.8 Average Age
$65,400 Average Household Income
42 U.S. States

Executive Summary
Teen Behavior & Habits
Teen Brand Preferences
Demographics & Appendices

Survey is executed in partnership with DECA. The source for all charts/tables within this report is Piper Jaffray.
Stock Highlights: Global Lifestyle Brands
Erinn Murphy, Managing Director | Sr. Research Analyst

LULU (+) BRAND HITS NEW SURVEY PEAK AS NO. 7 PREFERRED APPAREL BRAND
lululemon moved up within the top-ten preferred apparel brands to No. 7 (new peak) vs. No. 11 LY. Among all females—it was No. 6 and among all males it was No. 13. Looking at upper-income females, it was the No. 2 apparel brand (vs. No. 6 LY) at a substantial 9% share—second to American Eagle and among upper-income males, it was No. 9. As an athletic apparel brand, lulu is the No. 2 preferred brand after Nike for all upper-income teens, the second consecutive time above adidas.

CROX (+) REGISTERS HIGHEST READING IN SURVEY HISTORY—NO. 7 FOOTWEAR BRAND
Crocs had the most impressive move in our survey—now tied for the No. 7 preferred footwear brand (new peak) among teens. This compares to No. 13 last Fall and its tied rank at No. 19 in Spring. It is the No. 10 preferred footwear brand among upper-income teens but No. 7 for average-income teens. Post Malone, a recent collaborator with the brand, was named as the No. 14 favorite celebrity. Vera Bradley, another collab partner, is the No. 6 preferred handbag for teens.

NKE (+) GAINED SHARE AS NO. 1 BRAND, A POSITION IT’S HELD FOR NINE YEARS
As a preferred apparel brand, it held 23% share vs. 22% last year and as a preferred footwear brand, it held 42% share vs. 41% last year; both upticks mark a reversal in share loss within our survey.

ADS.GR (+/=) STABLE BRAND BUT SEEING SOME SLIPPAGE AMONG FEMALES
Adidas generally was stable as the No. 3 apparel & footwear brand. As a footwear brand, while still No. 3, mindshare moderated from 14% to 13%. Among upper-income teens, it is now No. 3 as a preferred athletic brand vs. No. 2 last year (lululemon surpassed) with 300 bps of share loss. Too, it moved down on the “new brand being worn” & moved up on the “old brand no longer worn” list among females.
Executive Summary

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Teen Brand Preferences

Demographics & Appendices

Piper Jaffray Investment Research  Taking Stock With Teens Survey - Fall 2019 Results  |  9

Stock Highlights: Global Lifestyle Brands
Erinn Murphy, Managing Director | Sr. Research Analyst

ULTA (+/=) & ELF (+/=) GAINING SHARE BUT COSMETICS SPEND CHALLENGED, DOWN >20%
Ulta remained the No. 1 preferred beauty destination for the 2nd consecutive survey at 38% share vs. 34% last year. Sephora mindshare decelerated by 900 bps Y/Y. 91% of teens prefer to shop for cosmetics in-store with specialty as a dominant preference. While encouraged by ULTA’s gains, we are more concerned by the category in NA: 1) teen spending on cosmetics declined 21% Y/Y—a 16-survey low; 2) upper-income teens indicate they are not wearing makeup—from 12% to 20% in the last 5 surveys. For e.l.f., it registered the highest share gains ever, now the No. 4 brand (6% share) vs. No. 8 (5% share) last year.

TPR(=/-) & CPRI (=) HANDBAG SPENDING HITS ALL-TIME LOW; LUXURY GAINS SHARE
Handbag spending levels were a notable negative in our survey with female teen spending now at an all-time low ($90/year) vs. peak spending of $197. Too, the accessible luxury players have been shedding share to the European luxury players. To wit, Kate Spade was the most significant decliner—moving from No. 2 to No. 4 with a corresponding share loss of 400 bps and Louis Vuitton now is the No. 2 preferred handbag brand with 14% share (up 500 bps Y/Y).

UAA (+/=) MIXED READS IN OUR SURVEY; ENCOURAGED BY FOOTWEAR PROGRESS
Under Armour had mixed reads in our survey. On the positive, it was the No. 9 preferred footwear brand among all teens—this is the highest ever & compares to No. 12 in Spring 2019 and Fall 2018. It is also the No. 12 preferred apparel brand vs. No 15 in Spring & No. 12 last year. As an athletic brand, it is the No. 4 preferred apparel brand for upper-income (stable share sequentially and +100 bps vs. LY) and the No. 3 for average income (stable share). That said, the glaring negative is that this brand seems to be bucketed as a brand teens identify as “no longer wearing” at 21% share. We are encouraged that UA’s brand ambassador/collaborator Dwayne “The Rock” Johnson is highly relevant for this demographic as he hits the No. 4 favorite celebrity and No. 7 ranked influencer.
AMZN (+) AMAZON CONTINUES TO GAIN TEEN ONLINE SHOPPING MINDSHARE

Amazon now holds 52% online shopping mindshare in our survey, up from 50% in the spring. This is 13x higher than the next closest (Nike). We believe Amazon remains well positioned to take share of overall retail sales and having the support of the teen demo is critical in this endeavor. Additionally, we remain confident in the company’s opportunities in cloud (AWS) and advertising.

NFLX (+/=) MAINTAINS SOLID POSITION WITHIN ONLINE VIDEO

As teens see their households continue to migrate away from traditional TV services, we expect a growing transition of consumer content spend towards online video services. Netflix is second in teen daily video time spent at 35%, which compares to YouTube at 37% and traditional TV at 12%. Looking into 2020 and beyond, despite increasing competition from Disney and Apple, we are optimistic regarding ongoing international sub growth and price increases.

ATVI (+) DIGITAL GROWTH AND CALL OF DUTY

The transition to digital distribution is a positive for publisher margins and nearly 60% of teens said they now download more than half of their games. Fortnite interest appears to be fading (37% of teens said they now play Fortnite, down from 53% in Spring), which could drive wallet/mind share back to traditional games. Call of Duty is the most anticipated title, with 35% mindshare (up from 29% in Spring).

EBAY (=/-) EBAY CONTINUES TO SEE WEAK MINDSHARE AMONG TEENS

eBay continues to face mindshare challenges with teens; the company has only 2.0% of online shopping share, compared to the 1.3% in the Spring. While some investors are more optimistic around potential changes on the horizon due to efforts by activist investors, we believe the core marketplace will remain challenged, potentially indefinitely.
CMG (+) STEADY BRAND SCORES

- Chipotle remains third most preferred brand among Upper Income teens (6% mindshare vs. 8% in Spring 2019, 8% in Fall 2018, 7% in Spring 2018, and 8% in Fall 2017)
- Chipotle maintained relatively steady mind share levels among Average Income teens (#6 at 3% vs. #4 at 4% in Fall 2018 and vs. #4 at 5% Spring 2017)
- Gaining Average Income mindshare presents largest opportunity as marketing efforts aid awareness
- Continues to be most preferred at Hispanic cuisine level
- Separately, our recent channel checks suggest same-store sales trends steady in the +HSD range in fiscal 3Q19

SBUX (=) REMAINS MOST PREferred PUBLIC COMPANY BRAND AMONG TEENS

- Starbucks maintained double-digit mindshare among Upper Income teens (11% mindshare vs. 10% in Spring 2019, 12% in Fall/Spring 2018 and 11% in Fall 2017)
- Starbucks Brand Equity = Social Currency
- However, preference remains muted vs. historical peak levels (18% Fall 2013 & Spring 2007; 16% Spring 2008; 15% Fall 2014 & Spring 2009 & Fall 2007)
- Maintained #2 spot among Average Income teens with 10% mindshare (flat YoY)
- Continues to be most preferred brand at coffee cuisine level
- Separately, our recent channel checks suggest +MSD% same-store sales trends in fiscal 4Q19
- Starbucks has the opportunity to better balance its transactional and experiential elements
Stock Highlights: Packaged Foods
Michael Lavery, Managing Director | Sr. Research Analyst

**K (+) OUTPERFORMED OUR EXPECTATIONS WITH CHEEZ-IT LOYALTY MENTIONS**
Kellogg received the 3rd and 9th most preferred snack brand mentions by respondents through its Cheez-It (ahead of Doritos) and Pringles brands. Other Kellogg products which did notably well include Pop-Tarts, Nutri Grain bars, and Rice Krispies. Kellogg company brands received a total of 432 mentions overall (14% of all responses, 2nd only to PepsiCo) as most preferred snack brands by teens.

**CPB (+) GOLDFISH HAD 2ND HIGHEST NUMBER OF MOST PREFERRED SNACK BRAND MENTIONS**
Goldfish products were mentioned the 2nd most number of times in the survey (after Lay's) with Cape Cod chips, Pepperidge Farm, and Snyder’s pretzels also receiving a notable amount of mentions. The company’s investments in its brands may already be paying off at least in brand awareness among teens.

**MDLZ (=) MONDELEZ PRODUCTS BROADLY SEE SOME TEEN TRACTION**
Mondelez products were named a total of 191 times (5% of all responses) as most preferred snacks. Oreo led its loyalty mentions as the 7th most mentioned preferred snack. Chips Ahoy! and Ritz Crackers also received many mentions by survey respondents.

**HSY (-) HERSHEY GARNERED LESS TEEN TRACTION THAN EXPECTED**
Despite a portfolio made up almost entirely of snacks, Hershey brands received just 88 “most preferred snack” mentions by survey respondents. In terms of specific products, Reese’s received 19 mentions, followed by SkinnyPop with 14 mentions.
Key Themes, Trends & Takeaways

- E-Commerce
- Social Media & Content
- Video Games
- Food
- Fashion & Beauty
GenZ Insights...They Actually Care

A closer look at what they care about...

“How school shootings are happening more and more”

“How unfairly immigrants are being treated”

“Kids being taken away from their parents at the border”

“The burning of the Amazon rainforests”

“The planet is not a trash can”

“The fact that the president of the USA does not believe in climate change”

“Black Lives Matter”

“People throwing away plastic and not recycling”

• Vaping ranked No. 17 on the important social / political issues list

• In response to the question: “Is vaping a trend in school?” 82% of teens said “Yes”; 52% said vaping is more popular than last year and 20% said it was less popular
Gen Z Insights...Environmental Concerns

What They Are Concerned About

Top Environmental Concerns
1. Global Warming
2. Pollution/Waste
3. Natural Disasters
4. Water/Ocean Health
5. Plastic
6. Wildlife
7. Deforestation
8. Air Health
9. Energy
10. Population Growth

• 89% of teens listed a specific environmental concern (listed above)
• 46% of these teens have indicated they have changed their behavior as a result with some of their most common responses being: 1) recycling more; 2) converting to metal straws; and 3) using less plastic
### GenZ Insights...The Who’s Who?

#### Who They Like & Who They Follow

**Favorite Celebrities**
- 1. Kevin Hart
- 2. Tom Holland
- 3. LeBron James
- 4. Dwayne “The Rock” Johnson
- 5. Ariana Grande
- 6. Shawn Mendes
- 7. Donald Trump
- 8. Kylie Jenner
- 9. Zendaya
- 10. Ryan Reynolds

**Favorite Social Media Personalities**
- 1. David Dobrik
- 2. Kylie Jenner
- 3. Donald Trump
- 4. PewDiePie
- 5. Emma Chamberlain
- 6. LeBron James
- 7. Dwayne “The Rock” Johnson
- 8. Kevin Hart
- 9. Danny Duncan
- 10. Sommer Ray (tied 9th)
Most Popular Social Media Personalities

- David Dobrik
- Kylie Jenner
- Donald Trump
- PewDiePie
- Emma Chamberlain
- LeBron James
- Dwayne “The Rock” Johnson
- Kevin Hart
- Danny Duncan
- Sommer Ray

In response to the question: “Who is your favorite influencer or personality to follow on social media?”,
In the top ten, we counted 4 YouTube stars, 2 athletes, 1 actor, 1 politician & 2 beauty/lifestyle influencers
Instagram Remains Ahead Of Snapchat In Monthly Use

Picture-based apps continue to outperform on usage, while core Facebook declines.

When asked, the average teen in our survey spends an average of 12 hours per week on social media.

Within “other” responses for Favorite Social Platforms, 4% of teens mentioned TikTok as among their favorite & 1% of teens named VSCO. This compares to 0% and 1%, respectively, in Spring 2019.

TikTok is a social media app to share video content; it started in China in 2016 and launched outside of China in 2017.

VSCO is a photography app that teens use alongside social media to edit/filter photos; its stands for Visual Supply Co.
## What’s In Your Wallet? Food, Video Games & Clothing

### Upper-Income Teens

<table>
<thead>
<tr>
<th>Males’ Wallet Share</th>
<th>Females’ Wallet Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Food</td>
<td>1 Clothing</td>
</tr>
<tr>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>2 Clothing</td>
<td>2 Food</td>
</tr>
<tr>
<td>17%</td>
<td>23%</td>
</tr>
<tr>
<td>3 Video Games</td>
<td>3 Personal Care</td>
</tr>
<tr>
<td>13%</td>
<td>10%</td>
</tr>
</tbody>
</table>

- Food remains the largest category for male spending, though wallet share ticked down 100 bps Y/Y
- Video games picked up 100 bps for all teens supported by an uptick among females whereas male wallet share stood strong at 13% but was just shy of an all-time peak
- Clothing wallet share for females picked up 100 bps Y/Y to 27%
- Personal care ticked down 100 bps to 10% of female wallets vs. 11% last year
- Outside the top-3, shoes gained wallet share among all teens – in line with peak historical levels across genders
Time Spent Shopping Continues To Shift Online

- Over the last four years, time spent shopping in these two channels is relatively unchanged in aggregate.
- The composition has changed – online has picked up the ~200 bps of share per year lost by traditional channels; online share increased sharply by +500 bps Y/Y in Fall 2019 while dept. store/specialty share declined Y/Y.
- However, 91% of female teens preferred shopping for beauty in-store vs. online—consistent with historic trend.
Athletic Apparel Trending Upward

Aggregate Athletic Mindshare As Favorite Apparel Brand - Upper-Income Teens

- 37% of preferred apparel brands are “athletic,” up from 34% last Fall and 36% in Spring 2019
- Preppy brands such as Sperry, Ralph Lauren, and Vineyard Vines continue to cede share to athletic brands
Athletic Footwear Still Gaining Share Among Females

Favorite Footwear Brand Mindshare - Upper-Income Female Teens

- 75% of females prefer an athletic brand of footwear (above), up 400 bps Y/Y and reaching a new survey high.
- 87% of males prefer an athletic brand of footwear above 85% last year and 84% in Spring 2019
• On average, teens spend 35% of their daily video consumption on Netflix, down from 37% in our Spring 2019 survey. Netflix ceded its long held lead to YouTube at 37% (up from 32% in Spring). Cable/Sat TV continues its decline, dipping to 12% (down from 14% in Spring).

• Hulu and Amazon Prime were both flat at 7% and 3% respectively, while “Other” declined to 5%.
Online Video Gaining Share

- **Cord Nevers:** 32% of teens in our survey indicated that they do not have cable TV in their household, this is up from 28% in the Fall

- **Cord Cutters:** 9% of teens said they expect their household to cancel cable TV within the next 6 months

- **Migration of Time/Wallet to Online Video:** As a result of these trends, we expect to see an ongoing transition towards online video / streaming services

### Are you planning to cancel your cable subscription over the next 6 months?

<table>
<thead>
<tr>
<th></th>
<th>% of Students Fall 2015</th>
<th>% of Students Spring 2016</th>
<th>% of Students Fall 2016</th>
<th>% of Students Spring 2017</th>
<th>% of Students Fall 2017</th>
<th>% of Students Spring 2018</th>
<th>% of Students Fall 2018</th>
<th>% of Students Spring 2019</th>
<th>% of Students Fall 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't have cable</td>
<td>17%</td>
<td>19%</td>
<td>17%</td>
<td>17%</td>
<td>20%</td>
<td>22%</td>
<td>25%</td>
<td>28%</td>
<td>32%</td>
</tr>
<tr>
<td>No</td>
<td>74%</td>
<td>70%</td>
<td>75%</td>
<td>72%</td>
<td>72%</td>
<td>69%</td>
<td>66%</td>
<td>62%</td>
<td>60%</td>
</tr>
<tr>
<td>Yes</td>
<td>9%</td>
<td>11%</td>
<td>8%</td>
<td>10%</td>
<td>8%</td>
<td>10%</td>
<td>9%</td>
<td>10%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Taking Stock With Teens Survey - Fall 2019 Results  
Piper Jaffray Investment Research
Teen iPhone Ownership and Purchase Intent Flat

- iPhone ownership was flat at 83%, the highest we’ve seen. Also, 86% of teens said their next phone will be an iPhone, flat from spring.

- Smart watch ownership was flat at 27%. Apple Watch buying intent was up slightly with 23% planning to buy an Apple Watch in the next 6 months vs. 22% in Spring 2019.
• 15% of respondents anticipate buying a current gen console, down from 16% for Spring-2019. Current gen console ownership declined slightly to 66%.

• Percentage of teens who anticipate downloading the majority of games onto consoles is 59%, essentially in-line from 60% in Spring and up from 37% in Fall-15, when we first asked the question.
How Much Are Teens Spending Annually On Video Games?

$215 - Expected Video Game Spend in 2019
13% - Budget Spent On Video Games in 2019

- Expected spend by male teens on video games (as % of total budget) is 13% for Fall 2019, while total expected spend (male & female) is $215.
- Only food (23%) and clothing (17%) exceed male teen spending on video games (13%).
- Average video game spend by teens over the past 15 surveys is $195.
Console Video Game Takeaways

Sharp Drop in Battle Royale, Especially Fortnite.

- Our Fall-19 survey showed that only 37% of respondents play Fortnite vs. 53% in the spring.
- About 43% do not play any of the battle royale titles we listed, including Fortnite, Apex Legends from EA, Blackout from Activision and Player Unknown’s Battlegrounds (PUBG), which is up from 26% in the spring.
- Due to their usage of free-to-play titles, 41% of teens still expect to “buy as many other games as I used to” compared to 36% in the spring. 30% responded they would buy fewer games due to availability of free to play titles, down from 36%, while 14% said they would buy more games, up from 13%.

Do you play any of the following free-to-play titles?

<table>
<thead>
<tr>
<th>Game</th>
<th>% of Students Spring 2019</th>
<th>% of Students Fall 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fortnite</td>
<td>53%</td>
<td>37%</td>
</tr>
<tr>
<td>Call of Duty: Blackout</td>
<td>30%</td>
<td>26%</td>
</tr>
<tr>
<td>Apex Legends</td>
<td>31%</td>
<td>20%</td>
</tr>
<tr>
<td>PUBG</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>League of Legends</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>I Do Not Play Any of These</td>
<td>26%</td>
<td>43%</td>
</tr>
</tbody>
</table>
## Teen Mobile Game Trends

**Do you play games on your mobile phone or tablet?**

70% play games on smartphone or tablet, compared with 71% in the Spring.

<table>
<thead>
<tr>
<th></th>
<th>% of Students Fall 2014</th>
<th>% of Students Spring 2015</th>
<th>% of Students Fall 2015</th>
<th>% of Students Spring 2016</th>
<th>% of Students Fall 2016</th>
<th>% of Students Spring 2017</th>
<th>% of Students Fall 2017</th>
<th>% of Students Spring 2018</th>
<th>% of Students Fall 2018</th>
<th>% of Students Spring 2019</th>
<th>% of Students Fall 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>80%</td>
<td>81%</td>
<td>79%</td>
<td>81%</td>
<td>77%</td>
<td>73%</td>
<td>72%</td>
<td>75%</td>
<td>69%</td>
<td>71%</td>
<td>70%</td>
</tr>
<tr>
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<td>28%</td>
<td>25%</td>
<td>31%</td>
<td>29%</td>
<td>30%</td>
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</table>

**When playing games on your mobile device, do you buy virtual goods like energy, coins or extra levels?**

28% of teens who play mobile games spend money in game (modestly down from Spring).

<table>
<thead>
<tr>
<th></th>
<th>% of Students Fall 2014</th>
<th>% of Students Spring 2015</th>
<th>% of Students Fall 2015</th>
<th>% of Students Spring 2016</th>
<th>% of Students Fall 2016</th>
<th>% of Students Spring 2017</th>
<th>% of Students Fall 2017</th>
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<th>% of Students Fall 2019</th>
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<td>21%</td>
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<td>79%</td>
<td>76%</td>
<td>74%</td>
<td>76%</td>
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<td>72%</td>
<td>73%</td>
<td>72%</td>
<td>71%</td>
<td>72%</td>
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</table>
Favorite Apparel Brands

All Teens – See Appendix for more detail broken down by upper vs. average-income teens or male vs. female

- Apparel spending was ~$572/year—down 3% Y/Y; females outspend males by ~$170
- Nike share rebounded to 23% share as the No. 1 apparel brand for all teens
- adidas still No. 3 brand (same as last year) with share flat Y/Y at 6%
- lululemon moves to No. 7 vs. No. 11 in Fall 2018; new survey high
- Champion cracks into the Top-10 list for the first time (No. 17 in Spring 2019)
- Vans moves from No. 9 to No. 8 as a preferred apparel brand; new survey high
- Forever 21 rotates out of the top-five and cedes 200 bps of share
- Ralph Lauren remains out of the top-ten & Victoria’s Secret falls to No. 13
Favorite Footwear Brands

All Teens – See Appendix for more detail broken down by upper vs. average-income teens or male vs. female

- Footwear spending was near $300/year—roughly even with last year; males outspend females on footwear by ~$60
- Nike remains at No. 1 and moves to 42% share; Vans steady at the No. 2 position and 20% share
- Crocs one of the most notable movers in survey; now the No. 7 preferred footwear brand—up from No. 13 last year
- Under Armour moves up into the top-10 for the first time
- Sperry remains out of the top-ten preferences moving to No. 16 vs. No. 9 (tied) last year
## Top Fashion Trends Right Now
### Upper-Income Teens

<table>
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<th>SPRING 2019</th>
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<tr>
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<td>9%</td>
<td>3 Vans</td>
<td>7%</td>
</tr>
<tr>
<td>4</td>
<td>Jogger Pants</td>
<td>7%</td>
<td>4 Supreme</td>
<td>6%</td>
</tr>
<tr>
<td>5</td>
<td>Supreme</td>
<td>7%</td>
<td>5 Adidas</td>
<td>5%</td>
</tr>
<tr>
<td>6</td>
<td>Khakis / Chinos</td>
<td>4%</td>
<td>6 Jogger Pants</td>
<td>4%</td>
</tr>
<tr>
<td>7</td>
<td>Ripped Jeans</td>
<td>4%</td>
<td>7 Khakis / Chinos</td>
<td>3%</td>
</tr>
<tr>
<td>8</td>
<td>Vans</td>
<td>3%</td>
<td>8 Hoodies</td>
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</tr>
<tr>
<td>9</td>
<td>Jeans</td>
<td>3%</td>
<td>9 Champion</td>
<td>3%</td>
</tr>
<tr>
<td>10</td>
<td>Preppy</td>
<td>3%</td>
<td>10 Leggings / lululemon</td>
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</table>

<table>
<thead>
<tr>
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<tr>
<td>3</td>
<td>Jeans</td>
<td>5%</td>
<td>3 Vans</td>
<td>6%</td>
</tr>
<tr>
<td>4</td>
<td>Victoria's Secret</td>
<td>4%</td>
<td>4 Birkenstock</td>
<td>5%</td>
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<tr>
<td>10</td>
<td>Nike / Jordans</td>
<td>2%</td>
<td>10 Fashion Nova</td>
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<tr>
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<tr>
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<tr>
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<td>Preppy (In Top 10)</td>
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<td>Preppy (In Top 10)</td>
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### Top Brands Starting To Be Worn

#### Upper-Income Teens

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<th>FALL 2019</th>
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<tr>
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<td>American Eagle</td>
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<td>4 Under Armour</td>
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<tr>
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<td>Supreme</td>
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<tr>
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<td>Under Armour</td>
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<td>lululemon</td>
<td>4%</td>
<td>8 Ralph Lauren</td>
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</tr>
<tr>
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<td>Vineyard Vines</td>
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<tr>
<td>10</td>
<td>Ralph Lauren</td>
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<td>10 Gucci</td>
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<th>FALL 2019</th>
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<td>2 Vans</td>
<td>7%</td>
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<tr>
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<td>Urban Outfitters</td>
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<td>3 Brandy Melville</td>
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<td>5</td>
<td>American Eagle</td>
<td>5%</td>
<td>5 Urban Outfitters</td>
<td>5%</td>
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<td>PacSun</td>
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<td>7 Champion</td>
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<td>Brandy Melville</td>
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<td>5%</td>
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<td>9</td>
<td>Forever 21</td>
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<td>9 Urban Outfitters</td>
<td>4%</td>
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<tr>
<td>10</td>
<td>Forever 21</td>
<td>3%</td>
<td>10 Forever 21</td>
<td>4%</td>
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</tbody>
</table>

### Executive Summary

#### Teen Behavior & Habits

- **SPRING 2018**
  - Adidas: 19%
  - Nike: 9%
  - American Eagle: 5%
  - Vans: 4%
  - Champion: 4%
  - Supreme: 4%
  - Under Armour: 4%
  - lululemon: 4%
  - Vineyard Vines: 3%
  - Ralph Lauren: 3%

- **FALL 2018**
  - Adidas: 17%
  - Nike: 7%
  - Vans: 7%
  - Champion: 6%
  - American Eagle: 5%
  - Under Armour: 5%
  - lululemon: 3%
  - Brandy Melville: 6%
  - Free People: 3%

- **SPRING 2019**
  - Adidas: 15%
  - Champion: 9%
  - Nike: 9%
  - Under Armour: 5%
  - Vans: 5%
  - American Eagle: 4%
  - lululemon: 4%
  - Brandy Melville: 5%
  - Forever 21: 4%

- **FALL 2019**
  - Adidas: 15%
  - Champion: 11%
  - Nike: 9%
  - Under Armour: 7%
  - Vans: 7%
  - American Eagle: 4%
  - lululemon: 2%
  - Brandy Melville: 2%
# Top Brands No Longer Worn

## Upper-Income Teens

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<td>2 Nike</td>
<td>12%</td>
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<tr>
<td></td>
<td>3 Nike</td>
<td>8%</td>
<td>3 Adidas</td>
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</tr>
<tr>
<td></td>
<td>4 Gap</td>
<td>8%</td>
<td>4 Gap</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>5 Reebok</td>
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<td>5 Reebok</td>
<td>5%</td>
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<tr>
<td></td>
<td>6 Skechers</td>
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<td>6 Puma</td>
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</tr>
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<td>7 American Eagle</td>
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<td>7 Skechers</td>
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<tr>
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<td>8 Hollister</td>
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<td>8 Hollister</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>9 Aeropostale</td>
<td>3%</td>
<td>9 American Eagle</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>10 Champion</td>
<td>3%</td>
<td>10 Old Navy</td>
<td>2%</td>
</tr>
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</table>

<table>
<thead>
<tr>
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<th>FALL 2019</th>
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<td>26%</td>
<td>1 Justice</td>
<td>32%</td>
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<tr>
<td></td>
<td>2 Aeropostale</td>
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<td>2 Aeropostale</td>
<td>12%</td>
</tr>
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<td></td>
<td>3 Hollister</td>
<td>11%</td>
<td>3 Hollister</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>4 Abercrombie &amp; Fitch</td>
<td>8%</td>
<td>4 Abercrombie &amp; Fitch</td>
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</tr>
<tr>
<td></td>
<td>5 Forever 21</td>
<td>3%</td>
<td>6 American Eagle</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>6 American Eagle</td>
<td>3%</td>
<td>6 Forever 21</td>
<td>3%</td>
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<tr>
<td></td>
<td>8 Old Navy</td>
<td>2%</td>
<td>8 Nike</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>9 Victoria’s Secret</td>
<td>2%</td>
<td>9 Old Navy</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>10 Nike</td>
<td>1%</td>
<td>10 Victoria’s Secret</td>
<td>2%</td>
</tr>
</tbody>
</table>

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**Executive Summary**  
**Teen Behavior & Habits**  
**Teen Brand Preferences**  
**Demographics & Appendices**

Piper Jaffray Investment Research  
Taking Stock With Teens Survey - Fall 2019 Results | 35
Preppy, Logo/90s & Streetwear Trends Evolving

• Our Survey firmly points to the ongoing and secular trends in athletic with brands like lululemon seeing new highs among teens (No. 7 preferred apparel brand) as well as Nike reaccelerating. The seven of the top-ten footwear brands are athletic brands/retailers & five of the top-ten apparel brands are now athletic vs. three last year.

• On the margin, “preppy” as a lifestyle continues to lose relevance as a preferred trend in favor of athletic.

• Ralph Lauren ranked No. 11 as a preferred apparel brand among all teens—the second consecutive survey it remained out of the top-ten apparel brand rankings. This compares to No. 8 last year and No. 12 in Spring. We saw slippage mostly in the men’s ranking where it is now the No. 6 apparel brand vs. No. 4 last year.

• Preppy footwear brand Sperry now ranks No. 16 as a preferred footwear brand—down from No. 11 in Spring and down from its No. 9 (tied) spot in Fall 2018.

• As it relates to the logo/90s brands, Tommy Hilfiger ranked No. 15 among males as a favorite apparel brand—this compares to No. 14 in Spring 2019 and tied-No. 14 last Fall.

• Within the logo/90s brands, we are seeing brand leadership rotate. To wit, Champion (HBI owned) moved up significantly this Fall to the No. 7 preferred apparel brand among all males vs. No. 14 last year. All in, Champion broke into the top-10 apparel brand list overall for the first time. Champion also ranked No. 4 as top fashion trends for men. In addition, it is the No. 2 up & coming brand for males & No. 5 for females.

• Streetwear trends appear to be moderating. Supreme, which used to be a top-10 “up & coming” brand, remained out of the top-ten list. In fact, it is now the No. 21 preferred apparel brand overall vs. No. 15 one year ago and No. 11 (peak) in Spring 2018. Off-White was the No. 22 preferred brand among males vs. No. 21 in Spring.

• Pure-play luxury brands (as noted in the handbag portion of our survey) are capturing share with brands like Louis Vuitton hitting survey highs. Gucci hit a new peak share—albeit up a mere 100 bps (vs. the 500 bps exhibited by LV).
In Fall 2019, female teens indicated they spend an average of $90/year on handbags—this is a new survey low and compares to peak spending of $197/year (Spring 2006)

Accessible luxury players—Michael Kors (still No. 1) & Kate Spade (now No. 4 vs. No. 2) cede share

Louis Vuitton moves up from No. 4 in Fall 2018 to No. 2 in Fall 2019 and captures 500 bps of share Y/Y

Both Gucci & Chanel each take an incremental 100 bps of share; broadly European luxury brands in share gain mode

Coach, in No. 3 spot at 11% share is even with last year & as mentioned, sister-brand Kate Spade fell 400 bps Y/Y

Steve Madden moves up to No. 8 vs. No. 12 in both Spring 2019 and Fall 2018
European Luxury Brands Continue To Gain Teen Mindshare

- Collectively, accessible luxury, as measured by Michael Kors, Kate Spade & Coach, shed 800 bps of share Y/Y.
- Digging deeper, European luxury brands in total accounted for 30% of mindshare among preferred handbag brands, an increase of 1,300 bps Y/Y and well above the level of 13% from Spring 2017.
- While we think it is highly unlikely that teens are purchasing handbags from these brands in the primary market, we believe teens are responding favorably to the GenZ/Millennial-appropriate marketing direction that LVMH & Kering in particular are taking. Too, through robust development of secondary platforms like StockX & The RealReal, teens now have access to luxury for less.
**Favorite Watch Brand**

**Upper-Income Teens**

<table>
<thead>
<tr>
<th>SPRING 2018</th>
<th>FALL 2018</th>
<th>SPRING 2019</th>
<th>FALL 2019</th>
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<tbody>
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</tr>
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<tr>
<td>3 Michael Kors</td>
<td>11%</td>
<td>3 Michael Kors</td>
<td>5%</td>
</tr>
<tr>
<td>4 Fossil</td>
<td>7%</td>
<td>4 Fossil</td>
<td>4%</td>
</tr>
<tr>
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<td>3%</td>
</tr>
<tr>
<td>6 Fitbit</td>
<td>2%</td>
<td>6 Patek Philippe</td>
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<tr>
<td>10 Timex</td>
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<td>10 Audemars Piguet</td>
<td>2%</td>
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</table>

- 78% of UI teens do not plan to purchase a watch in the next six months, compared to 80% over the last two surveys.
- Apple gained ~800 bps of share Y/Y (now 25%) in survey and remains the No. 2 brand behind Rolex.
- Rolex share increased +300 bps Y/Y to ~42%.
- Michael Kors' watch share continues to fall – 3% versus 6% in Fall-18 and 11% in Spg-18.
### Beauty: Favorite Shopping Destinations

#### All Female Teens

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<td>9 Bath &amp; Body Works</td>
<td>1%</td>
<td>10 Glossier</td>
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<td>T.J. Maxx</td>
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</table>

- 91% of teens prefer to shop for beauty in-store vs. online; this is consistent with last year
- Ulta strengthens its position as the No. 1 preferred beauty destination at 38% share vs. 34% last year
- Sephora stays at No. 2 but moves to 26% share vs. 34% last year
- Amazon strengthens its No. 5 spot gaining 100 bps share to 5%—this compares to No. 17 in Fall 2018
- Morphe & Glossier remain in the top-10 list—an example of digitally-native brands taking share
Beauty: Favorite Skincare Brands

All Female Teens

- Skincare spending for all female teens was $104/year—down 8% Y/Y but roughly inline with multi-survey average.
- Neutrogena retained the No. 1 spot as mass brands continue to dominate the top-10 list.
- Mario Badescu remains in its No. 2 spot (versus No. 4 last year) with mindshare increasing +300 bps Y/Y to 8%.
- Good-for-you & natural brands dominate the list including Aveeno & Burt’s Bees.
- Noticeable movers in the top-ten for upper-income females include personalized skincare brand Curology (No. 8) and Drunk Elephant (T-No. 10) while Tatcha moved out of the top-ten.

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<td>10 Aveeno 2%</td>
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St. Ives 2%
Female spending on cosmetics was dramatically down Y/Y—to $106/year, a 21% contraction; spending levels are now 15% below the multi-survey average of $124/year (peak: Spring 2017)

Tarte (Kose-owned) remained the top-ranked cosmetics brand among female teens at 13% share

e.l.f. rose to No. 4 from No. 8 just last year; we believe this is in part due to its higher marketing spend

MAC slipped further—moving from No. 3 to No. 6 although its mindshare loss was a mere 100 bps (from 7% to 6%)

ABH moved down from No. 5 to No. 9 while Fenty Beauty moved up from No. 9 to No. 7

Morphe ranked No. 5 with 6% share—this compares to No. 10 last year and No. 4 in Spring

CoverGirl rotated out of the top-ten for the first time, ranking No. 11 with <4% share
~72% of UI teens prefer specialty formats for beauty shopping vs. 74% last year

 Aggregate legacy channel (CVS, Macy’s, Target, Walmart etc.) mindshare declined 400 bps Y/Y to 15%

 Digital pure plays, led by Amazon and followed by Glossier, captured 4% share—basically non-existent last year

 When asked if they or their household purchases beauty/personal care on Amazon, 23% say “yes” vs. 21% in Spring
Beauty Industry Is Hot For Influencers

- ~89% of female teens use online influencers as a source of discovery for beauty brands & trends, up 1,300 bps Y/Y
- In looking at the “top influencers” for teen, Kylie Jenner is No. 2 and the only beauty influencer in the top-10 this Fall
- We saw strong momentum with Jeffree Star, who is the No. 12 influencer and well ahead of James Charles, who is now No. 23—well below his top-10 debut last year
### Favorite Websites For Shopping

**Upper-Income Teens**

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- Amazon’s dominance continues as 52% of teens say this is their favorite website to shop on—up from 50% in Spring
- ~88% of upper-income female teens and ~90% of upper-income male teens shop online as of Spring’19; both are near all-time survey peaks
- Other websites on the rise include Fashion Nova, StockX, Goat, lululemon, SHEIN

>70% Of Softlines Dollar Growth In North America
Amazon Dominates Teen Online Shopping Mindshare

- Amazon maintained an upward trajectory in overall mindshare by improving its share as “favorite site to shop from” in the Upper-Income demographic.

- In particular, Amazon gained among females (+6 ppts) while down slightly with males.

- eBay continues to face mindshare challenges with teens; the company did improve in our survey, but only to 2% of online shopping mindshare.

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Executive Summary  
Teen Behavior & Habits  
Teen Brand Preferences  
Demographics & Appendices
**Closer Look At Amazon Prime Growth**

- Prime Adoption is at 78% vs. 74% in Fall 2018. Adoption among the $21K-$41K income bracket saw the biggest gains y/y (+9ppts), while $112K+ respondents also increased y/y (+5ppts).
- Based on responses proportionate to income brackets, we estimate there are US Prime households in the high-80 millions (perhaps slightly higher), up from low 80s last fall and consistent with Amazon commentary of >100M global prime members given last year (Mar-18).
Restaurants have steadily grown in importance within the broader teen wallet. Restaurants represented 23% of overall spending for Upper Income teens in Fall 2019 survey. An inflection point was reached in Spring 2014 where teens spent more on food; a gap that continues to sustain. Clothing spend remains the second largest category at 21% of the Upper Income teen wallet.
• Teens are showing a continued preference for limited service restaurants relative to full service brands.
• This trend was originally fueled by a preference for a social experience (spend less, eat better) which now coupled with affordability continues.
Restaurant Spending Trends

**PREFERRED BRANDS (UPPER INCOME)**

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<th>SPRING 2018</th>
<th>FALL 2018</th>
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**PREFERRED BRANDS (AVERAGE INCOME)**

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<td>5 Buffalo Wild Wings</td>
<td>5 Taco Bell</td>
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**Teen Snacking Trends**

I typically prefer healthy snacks:

- Almost half of teens (~48%) agree that they prefer healthy snacks.

I consider myself loyal to a specific brand:

- Most teens do not consider themselves loyal to a specific brand.

I view myself as more, the same, or less health-conscious as last year:

- ~47% of teens are more health-conscious than last year, only 12% are less health-conscious.

**TOP SNACK BRANDS**

1. Lays (PEP) 16%
2. Goldfish (CPB) 9%
3. Cheez-It (K) 8%
4. Doritos (PEP) 6%
5. Cheetos (PEP) 5%
6. Takis (Bimbo) 3%
7. Oreo (MDLZ) 3%
8. Nature Valley (GIS) 2%
9. Pringles (K) 2%
10. Reese’s (HSY) 1%
Contents

- Project Framework & Key Demographics
- What Is in a Teen’s Wallet Today?
- Teen Spending Breakdown By Income Demographic
- Teen Spending Breakdown By Gender
- Teen Spending Down 4% Y/Y & Down 10% Vs. Spring
- Teen Shopping Channel Preference
- Favorite Clothing Brands (All Teens)
- Favorite Footwear Brands (All Teens)
- Favorite Athletic Clothing Brands (UI Teens)
- Favorite Athletic Clothing Brands (AI Teens)
- Favorite Athletic Footwear Brands (UI Teens)
- Favorite Athletic Footwear Brands (AI Teens)
- Meet Our Senior Analyst Team
### Executive Summary

#### Teen Behavior & Habits

- **Teens Surveyed**:
  - Fall 2019: 9,500
  - Spring 2019: 8,000
  - Fall 2018: 8,600
  - Spring 2018: 6,000
  - Fall 2017: 6,100
  - Spring 2017: 5,500
  - Fall 2016: 10,000
  - Spring 2016: 6,500

- **Gender**:
  - Female: 45%, 46%, 44%, 45%, 46%, 45%, 45%, 44%
  - Male: 54%, 54%, 56%, 55%, 54%, 55%, 55%, 56%

- **Average Age**:
  - 15.8, 16.3, 15.9, 16.4, 15.9, 16.4, 16.0, 16.5

- **Percentage Of Teens Part-Time Employed**:
  - 35%, 38%, 36%, 40%, 35%, 39%, 34%, 39%

- **Average Household Income**:
  - $65,400, $67,700, $68,300, $66,296, $66,100, $66,100, $68,800, $62,500

#### Upper-Income Teen Survey

- **Teens Surveyed - Upper Income**:
  - Fall 2019: 2,100
  - Spring 2019: 2,000
  - Fall 2018: 2,400
  - Spring 2018: 1,400
  - Fall 2017: 1,500
  - Spring 2017: 1,400
  - Fall 2016: 2,800
  - Spring 2016: 1,300

- **Gender - Female**:
  - 43%, 44%, 42%, 43%, 43%, 42%, 41%, 46%

- **Gender - Male**:
  - 56%, 56%, 58%, 57%, 57%, 58%, 59%, 54%

- **Average Age**:
  - 15.8, 16.2, 16.0, 16.4, 15.9, 16.4, 15.8, 16.5

- **Percentage Of Teens Part-Time Employed**:
  - 36%, 40%, 38%, 44%, 38%, 39%, 31%, 40%

- **Average Household Income**:
  - $102,700, $105,900, $101,900, $100,480, $101,000, $100,000, $109,000, $101,000

#### Average-Income Teen Survey

- **Teens Surveyed - Average Income**:
  - Fall 2019: 7,400
  - Spring 2019: 6,100
  - Fall 2018: 6,200
  - Spring 2018: 4,600
  - Fall 2017: 4,600
  - Spring 2017: 4,100
  - Fall 2016: 7,200
  - Spring 2016: 5,200

- **Gender - Female**:
  - 45%, 47%, 45%, 45%, 47%, 46%, 46%, 44%

- **Gender - Male**:
  - 53%, 53%, 55%, 55%, 53%, 54%, 54%, 56%

- **Average Age**:
  - 15.8, 16.3, 15.9, 16.4, 15.9, 16.4, 16.0, 16.4

- **Percentage Of Teens Part-Time Employed**:
  - 35%, 38%, 35%, 39%, 35%, 39%, 36%, 39%

- **Average Household Income**:
  - $54,500, $55,000, $55,800, $56,055, $55,000, $55,000, $53,000, $53,000
What Is in a Teen’s Wallet Today?
All Upper-Income Teens

- **20%** Basic Needs: Electronics, Cars, & Other
- **39%** Selfie Budget: Clothing, Accessories, Personal Care, & Shoes
- **42%** Social Budget: Food, Video Games, Music, Movies, Events, & Books

Female:
- 36% Selfie Budget
- 49% Social Budget
- 14% Basic Needs

Male:
- 46% Social Budget
- 31% Selfie Budget
- 23% Basic Needs
## Teen Spending Breakdown By Income Demographic

### SPENDING BY CATEGORY (UPPER-INCOME, ALL TEENS)

<table>
<thead>
<tr>
<th>Spending by Category - All Teens</th>
<th>Fall 2019</th>
<th>Spring 2019</th>
<th>Fall 2018</th>
<th>Spring 2018</th>
<th>Fall 2017</th>
<th>Spring 2017</th>
<th>Fall 2016</th>
<th>Spring 2016</th>
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</thead>
<tbody>
<tr>
<td>Video Games / Systems</td>
<td>9%</td>
<td>8%</td>
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<td>8%</td>
<td>7%</td>
<td>8%</td>
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<tr>
<td>Music / Movies (DVD/CD)</td>
<td>4%</td>
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<tr>
<td>Electronics / Gadgets</td>
<td>7%</td>
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<tr>
<td>Clothing</td>
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<tr>
<td>Accessories / Personal Care / Cosmetics</td>
<td>9%</td>
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<tr>
<td>Concerts / Movies / Sporting Events</td>
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<td>Books / Magazines</td>
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<tr>
<td>Furniture / Room Accessories</td>
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<tr>
<td><strong>Total Fashion (Clothing, Access &amp; Footwear)</strong></td>
<td><strong>39%</strong></td>
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### SPENDING BY CATEGORY (AVERAGE-INCOME, ALL TEENS)

<table>
<thead>
<tr>
<th>Spending by Category - All Teens</th>
<th>Fall 2019</th>
<th>Spring 2019</th>
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<tbody>
<tr>
<td>Video games / systems</td>
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<tr>
<td>Music / movies (DVD/CD)</td>
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<tr>
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<tr>
<td>Concerts/Movies/Sporting events</td>
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<td>Books/magazines</td>
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<td>Furniture / room accessories</td>
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<tr>
<td><strong>Total Fashion (Clothing, Access &amp; Footwear)</strong></td>
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</tbody>
</table>
# Teen Spending Breakdown By Gender

## Executive Summary

- **Teen Behavior & Habits**
- **Teen Brand Preferences**
- **Demographics & Appendices**

### Teen Spending Breakdown By Gender

#### SPENDING BY CATEGORY (UPPER-INCOME MALES)

<table>
<thead>
<tr>
<th>Spending by Category - Male</th>
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<tbody>
<tr>
<td>Video Games / Systems</td>
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<td>Music / Movies (DVD/CD)</td>
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<td>Electronics / gadgets</td>
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<td>Concerts/Movies/Sporting Events</td>
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<td>Books / magazines</td>
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<tr>
<td>Furniture / room accessories</td>
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<tr>
<td><strong>Total Fashion (Clothing, Access &amp; Footwear)</strong></td>
<td><strong>31%</strong></td>
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#### SPENDING BY CATEGORY (UPPER-INCOME FEMALES)

<table>
<thead>
<tr>
<th>Spending by Category - Female</th>
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<th>Spring 2019</th>
<th>Fall 2018</th>
<th>Spring 2018</th>
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<tbody>
<tr>
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<tr>
<td>Electronics / gadgets</td>
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<tr>
<td>Accessories / personal care / cosmetics</td>
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<tr>
<td>Furniture / room accessories</td>
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<td>Other</td>
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<td>2%</td>
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<tr>
<td><strong>Total Fashion (Clothing, Access &amp; Footwear)</strong></td>
<td><strong>49%</strong></td>
<td><strong>48%</strong></td>
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<td><strong>49%</strong></td>
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<td><strong>51%</strong></td>
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</tr>
</tbody>
</table>
Teens self-reported spending ~$2,400 per year in our survey, implying total teen spending of ~$70B in 2019.
## Teen Shopping Channel Preference

### ALL TEENS

<table>
<thead>
<tr>
<th></th>
<th>Fall 2019</th>
<th>Spring 2019</th>
<th>Fall 2018</th>
<th>Spring 2018</th>
<th>Fall 2017</th>
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### ALL FEMALES

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### Favorite Clothing Brands (All Teens)

**SPRING 2018**

1. Nike 36%
2. Adidas 8%
3. American Eagle 6%
4. Ralph Lauren 4%
5. Supreme 4%
6. Hollister 2%
7. PacSun 2%
8. Under Armour 2%
9. H&M 2%
10. Gucci 2%

**FALL 2018**

1. Nike 33%
2. Adidas 10%
3. American Eagle 5%
4. Hollister 4%
5. Hollister 3%
6. Vans 3%
7. Gucci 3%
8. H&M 2%
9. PacSun 2%
10. Supreme 2%

**SPRING 2019**

1. Nike 33%
2. Adidas 9%
3. American Eagle 5%
4. Hollister 3%
5. Vans 3%
6. Ralph Lauren 3%
7. Champion 3%
8. Under Armour 3%
9. PacSun 2%
10. Gucci 2%

**FALL 2019**

1. Nike 34%
2. Adidas 10%
3. American Eagle 5%
4. Hollister 4%
5. Vans 3%
6. Ralph Lauren 3%
7. Champion 3%
8. Under Armour 3%
9. PacSun 2%
10. Gucci 2%

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**SPRING 2018**

1. American Eagle 16%
2. Nike 11%
3. Forever 21 11%
4. Victoria's Secret 6%
5. Urban Outfitters 4%
6. H&M 3%
7. PacSun 3%
8. rue 21 3%
9. lululemon 2%
10. Hollister 2%

**FALL 2018**

1. American Eagle 14%
2. Forever 21 10%
3. Nike 10%
4. PacSun 6%
5. Hollister 5%
6. Urban Outfitters 4%
7. Victoria's Secret 4%
8. lululemon 3%
9. H&M 3%
10. rue 21 2%

**SPRING 2019**

1. American Eagle 13%
2. Nike 10%
3. Forever 21 9%
4. Urban Outfitters 5%
5. Victoria's Secret 5%
6. PacSun 4%
7. lululemon 4%
8. Hollister 4%
9. H&M 2%
10. rue 21 2%

**FALL 2019**

1. American Eagle 15%
2. Nike 11%
3. Forever 21 7%
4. PacSun 5%
5. Hollister 5%
6. lululemon 5%
7. Victoria's Secret 3%
8. H&M 3%
9. Urban Outfitters 3%
10. rue 21 2%
# Favorite Footwear Brands (All Teens)

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### Favorite Athletic Clothing Brands (UI Teens)

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## Favorite Athletic Clothing Brands (AI Teens)

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## Favorite Athletic Footwear Brands (AI Teens)

<table>
<thead>
<tr>
<th></th>
<th>SPRING 2018</th>
<th>FALL 2018</th>
<th>SPRING 2019</th>
<th>FALL 2019</th>
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<tbody>
<tr>
<td>1</td>
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<td>Nike</td>
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Important Research Disclosures *

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<tr>
<th>Rating</th>
<th>Count</th>
<th>Percent</th>
<th>IB Serv./Past 12 Mos.</th>
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<tbody>
<tr>
<td>BUY [OW]</td>
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<td>64.71</td>
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<td>HOLD [N]</td>
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<tr>
<td>SELL [UW]</td>
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</table>

Analyst Certification — Erinn E. Murphy, Sr Research Analyst
— Michael J. Olson, Sr Research Analyst
— Nicole Miller Regan, Sr Research Analyst
— Michael S. Lavery, Sr. Research Analyst

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<table>
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<tr>
<th>Rating</th>
<th>Description</th>
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<tbody>
<tr>
<td>Overweight (OW)</td>
<td>Anticipated to outperform relative to the median of the group of stocks covered by the analyst.</td>
</tr>
<tr>
<td>Neutral (N)</td>
<td>Anticipated to perform in line relative to the median of the group of stocks covered by the analyst.</td>
</tr>
<tr>
<td>Underweight (UW)</td>
<td>Anticipated to underperform relative to the median of the group of stocks covered by the analyst.</td>
</tr>
</tbody>
</table>
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