

RAB Instant Background Report For Kids and Tweens Market

Who Buys

According to U.S. Census figures, there were 50.7 million children under the age of 12 in the U.S. in 2003. Approximate share of the overall total, by age bracket: Under 2 years, 7.6 million; 2-3 years, 7.6 million; 4-5 years, 7.6 million; 6-8 years, 11.4 million; 9-12 years, 16.5 million.

Some 41 million young people ages 5-14 live in the U.S., according to the 2000 census, compared to just 17 million in 1990.

According to research by Ipsos Insight, 34.5% of U.S. households bought at least one children's book (those intended for youngsters under the age of 14), down from 36.4% of households in 2001.

According to the Yankelovich Youth Monitor, 72% of 6-8-year-olds and 56% of 9-11-year-olds say that they ask their parents to buy lots of things they see in TV commercials.

Based on a study by McNeal & Kids Youth Marketing Consultants, households with school-age children spend at least one-third more than households without children.

According to a 2002 Harris Interactive poll, the percentage of children in each age bracket who receive a regular allowance: Under 6 years, 9%; 6-12 years, 52%; 13-17 years, 39%.

According to a 2002 survey of 10-13-year-olds, 17% said they eat dinner out at least three times a week, with 81% eating out with friends or family at least once weekly. On those eating-out occasions, tweens have a say in the location 25% of the time; 15% of the time they are the sole decision maker.

Source

American Demographics, 2003

Brandweek, 2003

Youth Markets Alert, 2003

Yankelovich Partners, 2003

Selling, 2002

The Wall Street Journal, 2002

Wharf Research, 2002

When They Buy

From the age of about 18 months, children can recognize brands.

Based on a survey by KidzEyes.com, how often Caucasian youngsters ages 6-14 buy something for themselves: Several times a week, 10.3%; once a week, 23.7%; once or twice a month, 36.0%; every other month, 5.3%; every few months, 11.5%; not sure, 13.4%.

Based on a study by KidzEyes.com, how often African American youngsters ages 6-14 purchase something for themselves: Several times a week, 22.4%; once a week, 19.4%; once or twice a month, 30.0%; every other month, 4.1%; every few months, 7.8%; not sure, 16.3%.

According to a study by KidzEyes.com, how often Hispanic children ages 6-14 buy something for themselves: Several times a week, 14.2%; once a week, 26.0%; once or twice a month, 34.6%; every other month, 4.0%; every few months, 8.4%; not sure, 12.8%.

Source

McNeal & Kids Youth Marketing Consultants, 2004

Marketing to the Emerging Majorities, 2003

Marketing to the Emerging Majorities, 2003

Marketing to the Emerging Majorities, 2003

Why They Buy

According to a survey by KidzEyes.com, the most popular forms of promotions among 6-14-year-old girls (multiple answers): Free

Source

Research Alert, 2003

samples, 52%; free gift/prize with purchase, 50%; sales, 24%; contests/games, 19%; frequent buyer cards, 12%; kids' clubs, 10%; sweepstakes, 10%; collecting box tops redeemable for prizes, 6%; rebates, 3%.

Based on a survey by KidzEyes.com, the most popular types of promotions among 6-14-year-old boys (multiple answers): Free gift/prize with purchase, 55%; free samples, 48%; contests/games, 27%; sales, 14%; kids' clubs, 11%; sweepstakes, 10%; frequent buyer cards, 8%; collecting box tops redeemable for prizes, 6%; coupons, 5%; rebates, 5%.

Research Alert, 2003

A 2002 survey by Neopets asked tweens (ages 8-12) to identify the purpose of advertising: Make you buy things, 72%; give you information, 9%; make you spread the word, 7%; make you think about things, 3%; don't know, 9%. The survey asked the same question of kids 7 and younger: Make you buy things, 32%; give you information, 14%; make you spread the word, 5%; make you think about things, 0%; don't know, 50%.

Youth Markets Alert, 2002

According to a 2002 survey commissioned by Advertising Age magazine, 59% of kids 7 or younger, and 62% of 8-12-year-olds, believe advertising can affect opinions of children more easily than adults.

Advertising Age, 2002

A 2002 study by the Geppeto Group found that 78% of 10-13-year-olds understand ads that are silly or stupid in nature, and 54% understand ads that contain some kind of physical activity. Meanwhile, only 17% understand ads that contain sarcasm, and just 14% comprehend ads that feature edgy content.

American Demographics, 2002

The 2002 report by the Geppeto Group also asked the 10-13-year-old survey participants who they liked to see in advertising (more than one answer possible): Kids their own age, 56%; musicians, 42%; TV/book/movie characters, 41%; movie stars, 39%; athletes, 33%.

American Demographics, 2002

About 90% of the products that children buy or request from parents are chosen by brand or by packaging.

McNeal & Kids Youth Marketing Consultants, 2002

A 2002 survey of 12-13-year-olds showed that 54% of them admitted to feeling pressure to buy certain products -- such as clothes, shoes and CDs -- because their friends had them.

Center for a New American Dream, 2002

A 2002 study by C&R Research showed that 64% of children age 6-14 save money specifically to buy holiday gifts. Those most likely to receive holiday gifts from children: Mothers, 94%; fathers, 88%; siblings, 82%; grandparents, 81%; friends, 68%.

Research Alert, 2002

According to a 2002 study by KidzEyes.com, percent of young people ages 6-14 who do the following activities online "at least some of the time" (multiple answers): Playing games, 92%; doing homework or research for school, 73%; e-mail, 71%; surfing, 67%; checking out products to buy, 49%; sending instant messages, 47%; listening to or downloading music, 45%.

Quirk's Marketing Research Review, 2002

How They Buy

Source

According to estimates by the U.S. Department of Agriculture, how much a husband-wife family earning a before-tax income of less than \$40,700 spent on a child in 2003, by age (expenditures included food,

U.S. Dept. of Agriculture, 2004

housing, transportation, clothing, health care, child care/education and other miscellaneous expenses): 0-2 years, \$6,820; 3-5 years, \$6,970; 6-8 years, \$7,040; 9-11 years, \$6,990; 12-14 years, \$7,840.

According to estimates by the U.S. Department of Agriculture, how much a husband-wife family earning a before-tax income of between \$40,700 and \$68,400 spent on a child in 2003, by age (expenditures included food, housing, transportation, clothing, health care, child care/education and other miscellaneous expenses): 0-2 years, \$9,510; 3-5 years, \$9,780; 6-8 years, \$9,730; 9-11 years, \$9,600; 12-14 years, \$10,350.

U.S. Dept. of
Agriculture, 2004

According to estimates by the U.S. Department of Agriculture, how much a husband-wife family earning a before-tax income of more than \$68,400 spent on a child in 2003, by age (expenditures included food, housing, transportation, clothing, health care, child care/education and other miscellaneous expenses): 0-2 years, \$14,140; 3-5 years, \$14,470; 6-8 years, \$14,240; 9-11 years, \$14,040; 12-14 years, \$14,850.

U.S. Dept. of
Agriculture, 2004

According to estimates by the U.S. Department of Agriculture, how much a single-parent household earning a before-tax income of less than \$40,700 spent on a child in 2003, by age (expenditures included food, housing, transportation, clothing, health care, child care/education and other miscellaneous expenses): 0-2 years, \$5,700; 3-5 years, \$6,440; 6-8 years, \$7,230; 9-11 years, \$6,710; 12-14 years, \$7,210.

U.S. Dept. of
Agriculture, 2004

According to estimates by the U.S. Department of Agriculture, how much a single-parent household earning a before-tax income of \$40,700 or more spent on a child in 2003, by age (expenditures included food, housing, transportation, clothing, health care, child care/education and other miscellaneous expenses): 0-2 years, \$13,060; 3-5 years, \$14,080; 6-8 years, \$14,930; 9-11 years, \$14,350; 12-14 years, \$15,210.

U.S. Dept. of
Agriculture, 2004

The National Retail Federation predicted that the average amount of their own money spent on back-to-school items by youngsters ages 6-12 in 2004 was \$40.48.

National Retail
Federation, 2004

Based on a survey conducted by the WonderGroup and KidzEyes, how much money is spent by young people each week, by age group: 8-9-year-olds -- Less than \$5, 78%; more than \$5, 24%. 10-12-year-olds -- Less than \$5, 61%; more than \$5, 39%.

WonderGroup, 2004

According to a study by MarketResearch.com, share of family spending on tweens' clothing and footwear, by age group: 8 years, 10.1%; 9 years, 11.4%; 10 years, 11.6%; 11 years, 11.7%; 12 years, 18.7%; 13 years, 18.3%; 14 years, 18.2%.

MarketResearch.com,
2003

According to a Roper ASW report, the median allowance for 8-12-year-olds declined from \$10 in 2002 to \$5 in 2003.

Roper Starch
Worldwide, 2003

What They Buy

Based on a study by Packaged Facts, the market for infant, toddler and pre-school clothing is one of the fastest growing segments of the apparel business, with sales increasing from \$12.5 billion in 1998 to \$16.1 billion in 2003.

Source

USA Today, 2004

- According to the WonderGroup, more than one-third of all 10-13-year-olds now use a cellphone more than once a day. WonderGroup, 2004
- According to the Yankelovich Youth Monitor, 75% of children ages 6-8 have a say in the type of snack food their family purchases, 15% have a say in selecting the family car, and 39% influence the family's vacation destination. Yankelovich Partners, 2004
- According to a 2004 study by the National Retail Federation, 23% of parents with 6-12-year-olds in their household would spend at least some of their own money on back-to-school shopping. National Retail Federation, 2004
- Research by The NPD Group has found that boys aged 5-12 spend more time each week playing video games than playing with traditional toys. One-third of the boys surveyed play video games more than six hours a week. The study also found that girls spend just as much time playing video games as with traditional toys. WonderGroup, 2004
- According to a survey of more than 2,200 young people by Grunwald Associates, 4% of children ages 6-8 have their own Web sites, while another 28% plan to create one. In addition, 9% of kids ages 9-12 have their own Web site, and another 33% expect to build one. Youth Markets Alert, 2004
- According to a survey by the Center for Culinary Development, Chinese is the No. 1 choice of ethnic cuisines for 39% of tweens. Mexican is second, followed by Japanese and Italian. WonderGroup, 2004
- Sales of children's books increased an estimated 12.5% in 2003, with hardcover sales jumping 28.3% and paperback sales declining 5.0%. Publishers Weekly, 2004
- A 2003 survey of approximately 2,100 children ages 3-12, conducted by the University of Maryland, determined how the youngsters spend their free time: Watching TV, 27%; playing in general, 25%; sports, 11%; household work, 6%; shopping, 6%; studying, 5%; reading, 3%; other activities, 17%. USA Today, 2003
- A 2003 study by MarketResearch.com concluded that children ages 5-14 influence 78% of all grocery purchases. Research Alert, 2003
- Based on a study appearing in the Tween Intelligence Report, 65% of tweens say they help with their families' grocery shopping. Brandweek, 2003
- Based on a study by Circle 1 Network, items most commonly bought online by children 8-12, with the assistance of another family member: Video games; toys, books, music; electronics. Research Alert, 2003
- According to a 2003 NeoPets Youth Study, percentage of tweens (8-12 years) who have the following financial products/services: Bank account, 29%; bonds, 11%; insurance policy, 7%; stocks, 7%; certificate of deposit, 6%; mutual fund account, 5%; money market account, 4%. Advertising Age, 2003
- According to a mid-2003 study, 80% of American parents planned to buy one or more pieces of children's furniture with the next year. Home Furnishings Retailer, 2003
- A 2003 study by the Kaiser Family Foundation found that 48% of kids aged six months to six years of age have used a computer, while 30% have played videogames. Thirty-six percent of kids six-and-under have TVs in their rooms, and 27% have a VCR or DVD player. Youth Markets Alert, 2003

- When buying apparel, a study by The NPD Group found that tweens (ages 7-12) devoted 40% of their spending to private label brands in 2002. Research Alert, 2003
- Percent of children ages 6-12 who have Internet access at home, by ethnic group: Caucasian, 55%; Hispanic, 36%; African American, 31%. Research Alert, 2003
- A study by C&R Research Services determined that more than 90% of tweens (ages 8-13) watch at least one DVD or VHS a week, and 50% view up to four rentals per week. Video Store Magazine, 2003
- According to Nielsen Media Research, the top TV shows viewed by children ages 2-11 (for the time period September 2002-March 2003), based on millions of viewers: SpongeBob SquarePants, 2.7; Fairly Odd Parents, 2.7%; Jimmy Neutron, 2.4; Rugrats, 2.3; Wonderful World of Disney, 2.2; Hey Arnold!, 2.1; The Simpsons, 2.1; Rocket Power, 1.9; Survivor, 1.9; Yu-Gi-Oh!, 1.8; Fear Factor, 1.7; ChalkZone, 1.7; Malcolm in the Middle, 1.7; Pokemon, 1.6; Ozzy & Drix, 1.6. USA Today, 2003
- During the first half of 2003, 22% of American households purchased at least one book for someone under the age of 14. Publishers Weekly, 2003
- According to a study by Hilton Hotels & Resorts, what children ages 6-12 like to do while on vacation: Exploring new adventures, 39%; meeting other children, 31%; riding on an elevator, 11%; ordering room service, 8%; having housekeeping, 3%. The Wall Street Journal, 2003
- Based on a survey conducted by Children's Market Research, what tweens spend their money on (more than one answer possible): CDs and tapes, 47%; snacks, 25%; candy, 25%; going to the movies, 16%; savings, 15%. Children's Market Research, 2002
- Forty percent of 12-13-year-olds say they have asked their parents for an advertised product they thought their parents would not approve of. Center for a New American Dream, 2002
- A 2002 report by Madison Direct Marketing found that 82% of parents with kids under five say that their families eat takeout or delivered meals at home at least a few times a month. Two-fifths of those say they serve takout or delivered food at least a few times a week. Youth Markets Alert, 2002
- According to a 2002 study by MarketResearch.com, 43% of 12-to-15-year-olds said they would likely buy a product aimed at slightly older-looking kids (teens). MarketResearch.com, 2002
- According to a study by the Academy for Educational Development, how U.S. children ages 5-14 spent their 2002 summer vacations (more than one answer possible): Organized activities (sports, camp, summer school, traveling with an organized group or tour, Bible school, daycare center, etc.), 64%; "hanging out", 23%; vacationing, 18%; working, 4%; reading, 3%; going to the movies, 2%; other activities, 14%. Research Alert, 2002
- Children age 14 and younger account for approximately 10% of recorded music sales, and analysts expect that share to increase as the tween demographic continues to grow. The New York Times, 2002
- According to a survey of tweens (defined in this instance as 10-13-year-olds), category of beverage they preferred to drink at lunch: Soft drinks, 55%; juice, 15%; milk, 8%; water, 5%; other, 18%. Their favorite beverage for dinner: Soft drinks, 36%; milk, 22%; water,

17%; juice, 12%; other, 14%.

A 2002 survey of tweens (ages 10-13) determined that 67% would rather eat a snack made by a well-known company than one made by a smaller, lesser-known company. Equally as many would rather drink a beverage made by a larger company.

Wharf Research, 2002

According to a recent Jewelers' Circular Keystone survey, what jewelers consider to be their best-selling categories of children's jewelry (from newborns to 17-year-olds): "Starter pearls" or "add-a-pearl necklace", 28.7%; birthstone items, 21.3%; Baptismal, First Communion or Confirmation items, 19.9%; charm bracelet and charms, 14.0%; earrings, 6.6%; "name" jewelry, 3.7%; special graduation-themed items, 2.9%; Bar Mitzvah/Bat Mitzvah items, 2.2%.

Jewelers' Circular Keystone, 2002

Based on a 2002 survey of young people in the fourth through the ninth grades, conducted by the American Furniture Manufacturers Association, what new pieces of furniture the respondents wanted for their bedrooms: Sofa or chair, 34%; bed, 22%; desk/workstation, 12%; dresser, 9%; bookshelf, 2%.

Home Furnishings Retailer, 2002

Where They Buy

Based on Horizon Media analysis of Nielsen Media Research data for the 12-month period ending July 31, 2003, the Disney Channel ranked as the number one network in both day and primetime viewing for kids ages 6-11.

Source

Mediaweek, 2003

According to a study by The NPD Group, covering the 12-month period from July 2002-July 2003, mass merchants (Target, Kmart, etc.) were the most popular channel for the purchase of tweens' clothing (32%), followed by national chain department stores (Kohl's and Sears) at 21%.

The NPD Group, 2003

Although few children ages 8-12 make online purchases by themselves, 18% of this age group buy products online with the assistance of a family member, according to a study by Circle 1 Network.

Research Alert, 2003

According to a late-2003 study by AOL/Digital Marketing Services, major cities with the highest percentage of 7-12-year-olds who are online 5-7 days a week: 1. Tampa/St. Petersburg, 47.0%; 2. Philadelphia, 45.5%; 3. New York, 44.6%; 4. Washington, DC, 41.0%; 5. Miami/Ft. Lauderdale, 39.0%.

USA Today, 2003

Based on research by Ipsos Insight, where children's books (those intended for readers under the age of 14) were purchased in 2002, by retail channel: Book club/mail order/book fairs, 28%; bookstores, 17%; mass merchandisers, 14%; dollar stores, 13%; variety stores, 6%; toy stores, 2%; Internet, 1%.

Youth Markets Alert, 2003

Where children age 12 and younger buy snacks (more than one answer possible): Grocery stores, 75%; gas stations, 42%; other convenience stores, 33%; vending machines outside schools, 33%; school cafeterias, 27%; vending machines on school property, 27%.

Mintel Consumer Intelligence, 2003

An estimated 82% of parents with children under the age of 5 report

Convenience Store

their families eat takeout or delivered meals a few times monthly; one-third of those serve takeout at least a few times weekly.	News, 2003
According to a study by ESRI Business Information Solutions, U.S. metro areas spending the highest average amount on children's toys during 2002: San Jose, CA, \$367; Middlesex-Somerset-Hunterdon, NJ, \$326; Nassau-Suffolk, NY, \$322; Trenton, NJ, \$306; San Francisco, CA, \$306; Washington, DC-MD-VA-WV, \$303; New Haven-Bridgeport-Stamford-Waterbury-Danbury, CT, \$302; Bergen-Passaic, NJ, \$300; Newark, NJ, \$296; Oakland, CA, \$288.	American Demographics, 2003
Leading publishers of children's books, based on 2002 revenues (totals in millions): 1. Random House, \$275.0; 2. Penguin, \$228.0; 3. Scholastic, \$215.0; 4. HarperCollins, \$198.0; 5. Simon & Schuster, \$102.0; 6. Disney, \$85.0; 7. Little, Brown, \$41.0; 8. Houghton Mifflin, \$33.0; 9. Harcourt, \$30.0; 10. Candlewick, \$24.0.	Publishers Weekly, 2003
A 2002 Fairchild-Teen Research Unlimited Omnibus survey indicated that tweens are more likely to shop at mass retailers such as Wal-Mart, unlike teens, who tend to be more conscious of brands and personal style.	Dallas Morning News, 2002
A 2002 survey by Wharf Research asked tweens (10-13-year-olds) where they buy their own snacks: Grocery store, 85%; convenience store, 12%; vending machine, 2%; restaurant, 1%.	Wharf Research, 2002
Almost 85% of jewelers sell some kind of jewelry designed specifically for children, from newborns to 17-year-olds.	Jewelers' Circular Keystone, 2002
Yahoo.com ranks as the most popular Web search engine among online 6-to-14-year-olds, followed by AskJeeves.com and Google.com, according to a study by KidzEyes.com.	Youth Markets Alert, 2002
Favorite vacation destinations of kids 6-14, based on a 2002 survey done by Kidzeyes: Disneyland or Disney World, 31.5%; beach, 19.0%; amusement park, 14.8%; grandma and/or grandpa's home, 6.4%; a national park, 5.9%; a different country, 3.7%; a relative's home, 3.4%; like staying at home, 2.9%; East Coast city, 1.9%; West Coast city, 1.1%; Midwest city, 0.8%; other, 8.5%.	Youth Markets Alert, 2002
Business Trends	Source
According to research by youth marketing agency WonderGroup, tweens account for over \$260 billion in U.S. spending annually. That includes money tweens spend on themselves (\$11 billion), money parents spend on their tweens (\$176 billion) and purchases that tweens influence (\$74 billion), such as where the family eats dinner.	WonderGroup, 2004
Sales of infant/preschool toy products fell 11.7% in 2003, compared to a 2.9% decrease in overall toy sales.	Toy Industry Association, 2004
Based on a study by Packaged Facts, the per capita buying power of youngsters age 8-11 was \$780 in 2002, and \$1,972 for young people age 12-14.	Packaged Facts, 2003
According to Wharf Research, U.S. businesses spend about \$13 billion a year marketing to children, up \$5 billion in the past decade.	Wharf Research, 2003
According to statistics compiled by Ipsos Insight, sales of children's books (those intended for readers ages 14 and under) were down 2% in 2002.	Youth Markets Alert, 2003
Percentage of tweens (ages 8-12) who utilize the following forms of technology: Instant messaging, 50%; email, 33%; digital cable, 33%; premium cable channels, 31%; cellphone, 5%.	Research Alert, 2003

Children 12-and-under save almost \$4 billion a year, representing a portion of their income derived from sources such as allowances, payment for household chores, gifts from parents, part-time work and gifts from others.

McNeal & Kids Youth Marketing Consultants, 2002

Misc

In 2002, 73% of children younger than 5 who had at least one working parent were in non-parental child care programs. Types of child care: Center-based (child care centers, pre-school, etc.), 29%; parental care, 27%; care of a relative, 26%; family child care homes, 13%; babysitter or nanny, 5%.

Source

USA Today, 2004

According to a study by Children's Market Services, 88% of 9-11-year-old boys say they have good self-esteem, compared to 90% of girls in the same age range. The study also found that only 73% of 12-14-year-old boys have high self-esteem, as do 82% of girls the same age.

Youth Markets Alert, 2003

Between 1998 and 2002, the proportion of children living in two-married-parent families increased from 68% to 69%.

Research Alert, 2003

According to a 2003 survey by NFO WorldGroup, percentage of children ages 9-14 who think they will do the following: Go to college, 83%; get a job, 80%; get married, 68%; join a volunteer group, 17%; join the armed forces, 12%.

USA Today, 2003

Nielsen research indicates that preschool children watch an average of more than 23 hours of television a week.

The Wall Street Journal, 2002

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