



Overview

The 12-to 19-year-old demographic group is 33 million strong in the United States; more teens than there ever were during the baby boom. Teenage Research Unlimited (TRU) reports that U.S. teens spent an estimated \$179 billion in 2006. Teens are important to the U.S. economy since they are most likely to embrace new technology and show the most excitement for current trends that later filter into the mainstream. In addition to teens' significant spending power, they also influence household spending, especially since a growing number of parents rely on teens' advanced computer skills to research products online. Teens are clearly playing an important role in the ever-changing American household and in the economics of today's and tomorrow's U.S. society.

The Mall Phenomenon

- Teens make 26% more trips to the mall than other shoppers, totaling approximately 47 times a year. ¹
- 64% of teens have been to a shopping mall in the last 7 days. ¹
- 76% of tweens (8-12 years old) said that they "really enjoy going shopping." ⁴
- 82% of teens (13-17 years old) prefer to shop in a store than to shop online (18%). ⁴
- On average, each visit a teen makes to the mall lasts 1 hour and 32 minutes. ²
- Teens make purchases in 50% of the mall stores that they visit. ²
- 51% of teen shoppers are browsers, while 30% have a specific store or purchase in mind. ²
- On average, the 14-17 age group spends \$60 per visit. ²
- Teens spend 56% of their money in mall shops and 28% in department stores. ²

Spending by Category ⁴

Spending by Category: All Students	Fall 2007
Video Games/Systems	5%
Music/Movies (CD/DVD)	8%
Electronics/Gadgets	6%
Total Fashion	42%
Clothing	23%
Accessories, Personal Care, Cosmetics	11%
Shoes	8%
Food	15%
Concerts/Movies/Sporting Events	7%
Car	10%
Books/Magazines	2%
Furniture/Room Accessories	1%
Other	3%

Teen Spending and Purchasing Power

- In 2007, teens spent an average of \$107 per week; this includes their own money and spending money given to them. ²
- 7% of teens report not spending any money in a typical week. ³
- 26% of teens have an ATM/debit card, and 8% have a credit card. ³





Teen Marketplace

Lifestyle Marketing: Advertising to Teens

Teens are becoming an increasingly difficult target to reach through traditional media. Between school, homework, part-time jobs, extracurricular activities, video games, shopping, socializing, etc., they simply don't have much idle time.

Tweens (8-12 years old) are particularly attuned to advertising to guide their purchase decisions. Youths, particularly tweens, agree that they often pay close attention to advertisements to make sure they buy the right products (strongly/somewhat agree: tweens 36% vs. teens 22%).⁴ While teens reportedly spend a lot of their free time surfing the internet, a study conducted in 2006 by Harris Interactive reported that 62% of teens do not pay any attention

to online advertising; 34% said they paid a little attention to it and 4% said a lot.

Many marketers are re-thinking their strategies for reaching this generation. Terry Lay, former president of the Lee brand, suggested that to effectively reach teens "as a brand, you need to go where they are, not just pick a fashion statement, put it on TV, and wait for them to come to you." In a BusinessWeek article, the author noted that teens "respond to ads differently,

and they prefer to encounter those ads in different places. The marketers that capture Generation Y's attention do so by bringing their messages to the places these kids congregate."

There is no better place to promote teen brands than in the mall environment, where these busy consumers are in the state-of-mind to make brand choices and are most receptive to messages that are relevant to them. MallScape allows marketers to be part of teens' lifestyles by providing place-based advertising on their own turf. It also provides an "in-your-face" approach with an excellent sense of timing.

Three Essential Components of High-Traffic Teen Malls

- A large number of stores, especially teen stores.
- Multiple food options, including a food court. (Teens go out to eat 24 times a month⁴)
- A movie theater attached to the mall is preferred to one that is close to it (46% of teens have been to the movies in the last 7 days).¹

"As a brand, you need to go where they are, not just pick a fashion statement, put it on TV, and wait for them to come to you." *Terry Lay*

"The marketers that capture Generation Y's attention do so by bringing their messages to the places these kids congregate." *BusinessWeek*

Teens should be viewed as co-purchasers for nearly everything purchased within a household.

Influence Index⁴

(% who decide or influence purchase)

- 8-12 years old
- 13-21 years old

