December 12, 2019

A Dive into Trends & Consumer Behavior this Holiday Season

Featured Speaker:
Neil Schwartz
Founder & Head of Insights
TGP Insights
Head of Business Development
Prosper Insights & Analytics

Webinar Host:
Alli Schulman
Coordinator, Communications & Marketing
SFIA

Questions can be submitted to the GoToWebinar toolbar
JANUARY COUNCIL MEETINGS

January 3, 2020
8:00 - 10:00 AM
SFIA Softball/Baseball Council Meeting
Nashville, TN
Contact: Gregg Hartley

January 11, 2020
8:00 - 10:00 AM
SFIA Lacrosse Council Meeting
Philadelphia, PA
Contact: Gregg Hartley

January 13, 2020
10:00 AM - 12:30 PM
SFIA Football Council Meeting
Nashville, TN
Contact: Gregg Hartley

January 16, 2020
2:30 - 4:30 PM
SFIA Soccer Council Meeting
Baltimore, MD
Contact: Alex Kerman

January 21, 2020
2:00 - 4:00 PM
SFIA US Golf Manufacturers Council Meeting
Orlando, FL
Contact: Bill Sells
January 16, 2020
2:00 PM (EST)

Ring in the New Year Lawsuit Free – A Review of California Employment Laws That Affect the Fitness Industry
For more information:
Neil Schwartz
TGP Market Insights
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561.692.3722
About Neil Schwartz & TGP Insights

• 25+ Years of Marketing Research Experience
• 17+ Years specific to sports, fitness, sporting goods, footwear, apparel and outdoor recreation
• Former V.P of Market Insights for SportScanInfo. (SportsOneSource)
• Founded TGP Insights in 2019 to help Brands, Retailers and Associations get a handle on what data is useful and then help mine strategic insights.
• Working with multiple data providers including Prosper Retail Insight & Analysis, Channel Signal, Insights driven from consumer reviews and MIRO AI, State of the Art product identification platform.
• Co-Host of the Sports Lifestyle Podcast. Available on all major podcast platforms.
PROSPER RETAIL DATA IS DIFFERENT

UNIQUE | ACCURATE | PREDICTIVE

• 1st Party Anonymous Data
• Privacy Compliant
• Retail Currency for National Retail Federation
• Covers all aspects of the Consumer Economy
• Used by leading firms in multiple sectors:
  Investment Banks & Funds, Retailers, Financial Services, CPG, Media, Digital Marketing

PAST | PRESENT | FUTURE
Anonymous first party data covering consumer behaviors across retail, financial services, auto, mobile, dining out, digital commerce, health care, media and consumer products

- Understanding consumer behaviors and spending plans that impact the banking sector including:
  - Mobile adoption of digital payment methods
  - Big ticket plans: Home, Travel, Auto, etc.
  - Generational differences (E.g. Millennials vs Boomers)
  - Benchmarking Regional Differences (E.g. Local Market Profiles by Zip)
  - Retail Channel Preferences Wal-Mart v Target v Amazon
  - Media Influence for Financial Services decisions
  - Psychographics: Happiness, OCEAN, Impulsivity, Risk Indicators

Unique Questions:
- Write-ins
- Forward Looking
- Single Source
- Motivations
- Demographics
Rundown

- Over-Arching Macro Consumer Trends
- Spending on Sports Equipment
- A Look into Overall Holiday Shopping
- Thanksgiving Weekend by the Numbers
- The Consumer is King
- Wrap Up
- Q & A
There is about an 8% increase in Adults 18 years and older in overall consumer confidence.

Based on the Prosper Confidence Index, consumers are feeling confident versus the previous month and y/y.
The Prosper Consumer Mood Index is showing a real increase for both the m/m and y/y.

It has been proven over and over again that happy consumers spend more money.
Consumer Spending Projections

- Consumer spending drops on a M/M basis as the Holiday Shopping Season progresses.
- The Y/Y Spending paints a totally different story in terms of consumer spend intentions.
• Indications are that consumers are getting a bit more open to spending money
• Consumers are slightly focused on things they want and less on things they need
Spending on Sports Equipment

**Y/Y Consumer Spending on Sports Equipment**

<table>
<thead>
<tr>
<th>Y/Y Annual Spend Trend for Sports Equipment Purchases</th>
</tr>
</thead>
<tbody>
<tr>
<td>$190.00</td>
</tr>
</tbody>
</table>

Source: Prosper Insights & Analytics™, Monthly Consumer Survey

Consumer Spending for Sports Equipment is up close to 10% y/y
Spending on Sports Equipment

Y/Y Sporting Goods Spending Index

Source: Prosper Insights & Analytics™, Monthly Consumer Survey
Stores Preferred by Consumers

Shop Most Often (Dec-2019)

Dicks Sporting Goods
Walmart
Amazon
Academy
Target
Big 5 Sporting Goods
Modell's
Cabela's
Dunham's Sports
No Preference

Source: Prosper Insights & Analytics™, Monthly Consumer Survey
2019 Holiday Shopping

- Consumers are projecting to be spending about 4% more in 2019 than in 2018.
- This is the biggest percentage jump in 3 years

Released by the NRF
• Over 61% of all Holiday Shopping occurs before we even hit December.
• Hence the reason for “Black Friday”
18.5% of all consumers 18 years and older will make a sports equipment purchase this holiday season
Holiday Purchases of Sporting Goods by Demos

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults, 18+</td>
<td>18-24</td>
</tr>
<tr>
<td>15%</td>
<td>22%</td>
</tr>
</tbody>
</table>
Consumers are Sending Retailers & Brands Some Distinct Signals

2019 Holiday Shopping

Courtesy of Eagle Alpha
Thanksgiving Weekend Kick-Off to Holiday Shopping

Thanksgiving weekend shoppers

Total number of Thanksgiving weekend shoppers (in millions)

2017: 174.6 M
2018: 165.8 M
2019: 189.6 M

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

Consumers Spend was projected up 15.3% Y/Y

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

<table>
<thead>
<tr>
<th>Day</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thanksgiving Day</td>
<td>29.6%</td>
</tr>
<tr>
<td>Black Friday</td>
<td>66.6%</td>
</tr>
<tr>
<td>Saturday</td>
<td>47.4%</td>
</tr>
<tr>
<td>Sunday</td>
<td>26.5%</td>
</tr>
<tr>
<td>Monday</td>
<td>22.3%</td>
</tr>
</tbody>
</table>

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

Online Holiday Shopping

- Thanksgiving Day: 29.1%
- Black Friday: 53.8%
- Saturday: 38.7%
- Sunday: 33.7%
- Cyber Monday: 66.0%

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

Shopping on Cyber Monday

- A mobile device (e.g. smartphone, tablet, etc.)
- Computer at work
- Computer at home

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

Holiday Shopper Purchase Motivators

- Free shipping offering
- Ability to buy online and pick up
- A notification that there’s...
- Helpful salesperson or...
- Free gift with purchase offering
- A limited-time sale or...
- Convenient return policy
- Positive reviews
- Short checkout line (in a store)
- Easy to use website or app
- Easy to navigate/organized...

Released by the NRF
Thanksgiving Weekend Kick-Off to Holiday Shopping

**Holiday Shopping Influencers**

- Emails from retailers
- Advertising circulars
- Online search
- Retailers, websites
- Friends/Family
- TV advertising
- Coupon websites (e.g. RetailMeNot.com, Ebates, etc.)
- Facebook
- Direct mail
- Within the retail store
- Instagram
- Retailer apps
- Group buying websites (e.g. Groupon, LivingSocial, etc.)
- Blogs
- Radio advertising
- Twitter
- Pinterest

Released by the NRF
The Tale of the Tape for Holiday Shopping

• Overall Holiday Spending up 3.8%-4.2% Y/Y

• Black Friday Weekend saw 166M US Consumers were either out shopping or on their devices. That’s a 14% y/y increase

• Average spend was up 16% to almost $314 dollars per shopper.

• 18-34 year olds or the Gen-Z Generation went big at $440 per consumer with the 35-44 Millenials coming in at almost the same levels.

• Almost 50% of all Holiday shopping will be completed by the end of November inclusive of the Holiday Weekend
Consumers Are Calling the Shots

• 124M Shoppers walked into traditional Brick & Mortar retail outlets
• 142M shopped using retailer websites and taking advantage of BOPIS opportunities
• Shoppers that utilized both online and tradition B & M spend 25% more on holiday shopping than those that used one or the other.
• Shoppers took advantage of “Free Shipping” as purchases using that were up 42%
• Buy Online and Pick Up in Store, BOPIS, was up 20% y/y
• About 36% of sales incorporates some sort of promotional activity
For more information:
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Expert Panelist: Neil Schwartz
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Thank you to all of our participants!

Have any questions?
Additional questions or contact information can be submitted to
aschulman@sfia.org