Piper Jaffray 35th Semi-Annual Taking Stock With Teens® Survey, Spring 2018

CLOTHING, FOOTWEAR & BEAUTY

Top Clothing Brands

1	Nike	23%
2	American Eagle	10%
3	adidas	6%
4	Forever 21	5%
5	Urban Outfitters	5%

Top Handbag Brands

1	Michael Kors	28%
2	Kate Spade	17%
3	Coach	14%
4	Gucci	9%
5	Louis Vuitton	7%

Top Footwear Brands

1	Nike	42%
2	Vans	16%
3	adidas	14%
4	Converse	4%
5	DSW	3%

Top Shopping Websites

1	Amazon	44%
2	Nike	6%
3	American Eagle	4%
4	Urban Outfitters	3%
5	Forever 21	3%

Top Beauty Destinations

1	Sephora	44%
2	Ulta	28%
3	Target	11%
4	CVS	3%
5	Walmart	3%

Top Skincare Brands

1	Neutrogena	24%
2	Cetaphil	7%
	Clinique	7%
4	Clean & Clear	6%
5	Mario Badescu	4%

Key Takeaways

- Overall teen spending up 6% from fall and 2% from one year ago

Clothing & Footwear

- Athletic brands continue to dominate – Nike saw declining mindshare while adidas climbed further hitting a new peak
- Streetwear has driven most of the incremental share gains over the past two surveys, led by Vans and Supreme, while the 90s/logo revival is underway seen in Champion and Tommy Hilfiger improvement
- Still, Ralph Lauren's trajectory remains challenged as it fell out of the top-10 apparel brands among males for the first time
- Refined classic brands hit an all-time low of 5% (14% average), with corresponding weakness from RL, Sperry and Vineyard Vines

Beauty

- Beauty spend increased 4% year-over-year and +22% vs. fall, driven by the skincare category (up 18% from last year)
- Ongoing preference for specialty channels continued to gain momentum and reached a survey high; Ulta moves back to No. 1 for average-income females

Social Media, Devices & Video Games

- Teens spend about 19% of their time online when shopping vs. 17% last year
- Traditional channels (department/specialty stores) represent 38% of time spent vs. 41% last year
- Teens who anticipate downloading >50% of video games reached 55% — from 50% last fall and 45% last year
- Male shopping frequency for video games is up >30% over the five-year average – the only category seeing double-digit improvement
- Snapchat and Instagram saw engagement tick up sequentially, while Facebook stabilizes

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TECHNOLOGY & SOCIAL MEDIA

Daily Video Consumption

Netflix	39%
YouTube	30%
Cable TV	20%
Hulu	5%
Other streaming services	6%

Favorite Social Media Platforms

Snapchat	45%
Instagram	26%
Twitter	9%
Facebook	8%
Pinterest	1%

FOOD

Top Restaurants

Upper-Income Teens

1	Chick-fil-A	13%
2	Starbucks	12%
3	Chipotle	7%
4	McDonald's	4%
5	Panera Bread Company	3%

Average-Income Teens

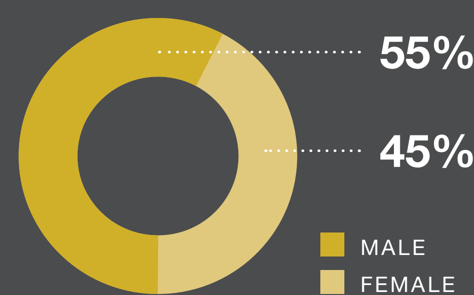
1	Starbucks	9%
2	Chick-fil-A	8%
3	McDonald's	6%
4	Taco Bell	4%
	Buffalo Wild Wings	4%

Starbucks remains the only publicly traded brand with double-digit mindshare

6,000 Teens Surveyed

16.4 Average Age

$66,300 Average Household Income



40 U.S. States

Source: Piper Jaffray & Co., company reports
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