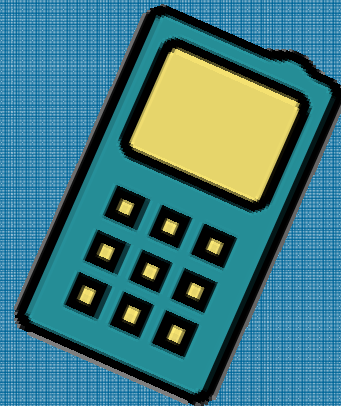




RETAIL ADVERTISING & MARKETING ASSOCIATION
of the  National Retail Federation®

Social Media: An Inside Look at the People Who Use It





About the Survey

A special analysis of the BIGresearch® Simultaneous Media Usage® Survey (SIMM® 15) was compiled for the Retail Advertising and Marketing Association, a division of the National Retail Federation. The survey was conducted October 15—December 28, 2009. The survey designates “social media users” as anyone who regularly uses Twitter, Facebook, Plaxo, YouTube, MySpace, Classmates and LinkedIn and also anyone who regularly text messages and posts or maintains a blog.

The Retail Advertising & Marketing Association, a division of the National Retail Federation, is a trade association of over 1500 retail marketing and advertising executives, plus their supporting partners from the advertising agency, media and service-provider areas. RAMA co-produces NRF’s Retail Innovation and Marketing Conference, the largest single gathering of retail marketing and advertising professionals in the industry today. RAMA also produces the Racie Awards competition, the most prestigious creative contest in retail. www.rama-nrf.org

BIGresearch is a consumer intelligence firm providing analysis of behavior in areas of products and services, retail, financial services, automotive, and media. The BIGresearch syndicated Simultaneous Media Survey (SIMM®) is focused on consumers to gauge their consumption across media, products and services. Marketers can use SIMM to develop the types of consumer-centric marketing plans required to increase advertisers’ ROI. The SIMM monitors more than 15,000 consumers twice each year.

The National Retail Federation is the world's largest retail trade association, with membership that comprises all retail formats and channels of distribution including department, specialty, discount, catalog, Internet, independent stores, chain restaurants, drug stores and grocery stores as well as the industry's key trading partners of retail goods and services. NRF represents an industry with more than 1.6 million U.S. retail establishments, more than 24 million employees - about one in five American workers - and 2009 sales of \$4.4 trillion. As the industry umbrella group, NRF also represents more than 100 state, national and international retail associations. www.nrf.com

Media Inquiries:

Kathy Grannis, Manager, Media Relations, 202-626-8189

Demographics

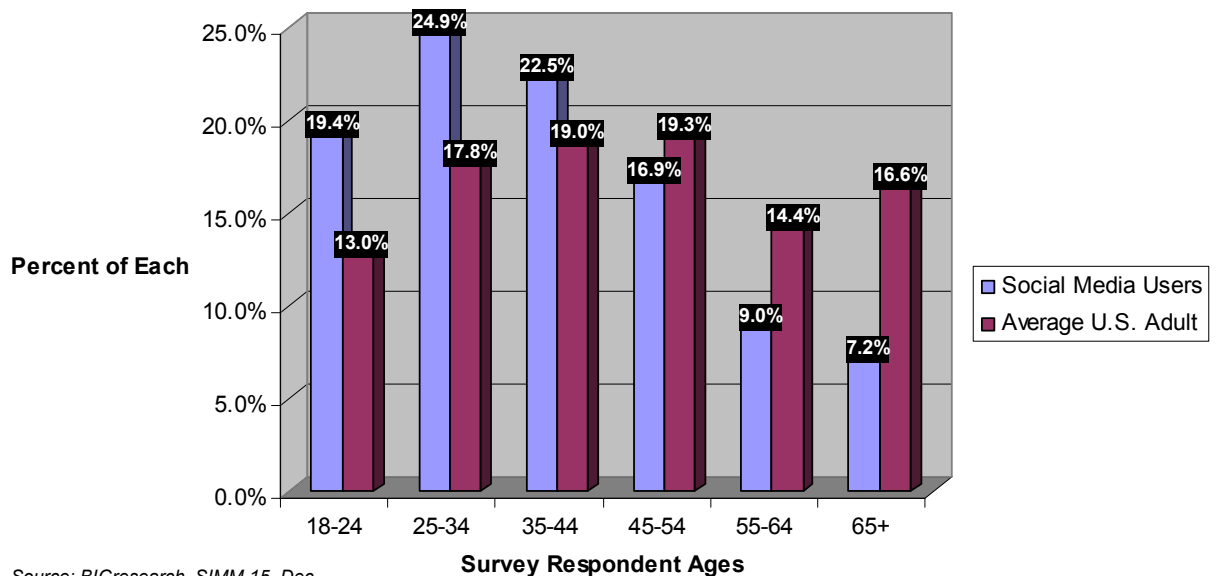
While there aren't vast differences between the average adult and those that use social media, there are a few worth mentioning.

According to the study, most social media users are married and have completed at least some college, are employed in a professional or management position and have an average income of \$65,563 and are between 25 and 34 years old.

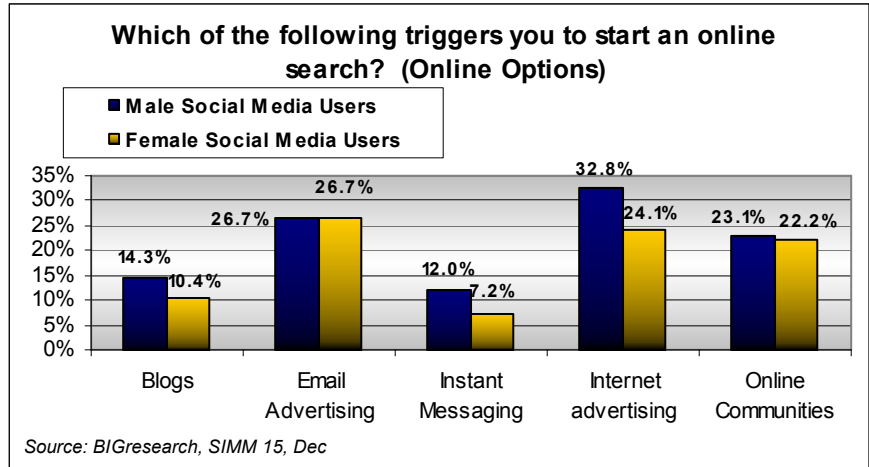
The average adult is also married and maintains a professional or management position, but has completed more school than social media users and has a higher average income of \$66,369. Also, the average adult surveyed is older than the social media users profiled with most U.S. adult respondents being between 45 and 54 years old.

As the report will outline, many of the key differences between social media users and the average adult who does not regularly use sites like Facebook or YouTube come from age and gender variances. Social media users encompass all demographics - moms, dads, teenagers, grandparents, professionals, students, Caucasian, African American, young, old and every other possible category that exists. The key difference is how social media is used in his or her life. Some use it for convenience, others to keep up with friends and some specifically for peer reviews on products and services.

Social Media Users vs. Average Adult Age Ranges



tising (28.3%) than the average adult (23.4% and 23.1% respectively), face-to-face communication still prevails among both groups as the biggest influencer of online searches. Four out of ten (41.4%) social media users and 36.1 percent of other adults rank personal recommendations or conversation as the number one reason they go online and search for certain products, events, locations, restaurants, etc.



When broken out by gender, men who use social media are much more likely than women to be influenced by internet advertising (32.8% vs. 24.1%), instant messaging (12.0% vs. 7.2%) and blogs (14.3% vs. 10.4%). The influence of e-mail advertising and online communities is almost identical between genders.

Young Adults More Influenced By Social Media, Technology...and Word of Mouth

There is little doubt that many of today's young adults are more technologically advanced than their parents and grandparents. This generation was the first to experience MySpace, Facebook and YouTube (and all three companies were founded by people in their 20's). It should come as no surprise, then, that survey results indicate young adults 18-34 are more compelled by online tools like Facebook, blogs, instant messaging and text messaging than older adults.

	Social Media Users 18-34	Social Media Users 35-54	Social Media Users 55+
Blogs	17.6%	8.6%	6.7%
Online Communities (e.g. My Space/Facebook)	28.4%	19.2%	15.3%
Instant Messaging	16.4%	4.7%	2.5%
Internet advertising	31.9%	26.7%	22.4%
Cable TV	46.4%	35.7%	26.4%
TV / Broadcast	37.8%	44.0%	44.9%
Cell Phone	14.4%	4.1%	1.1%
Text Messaging	11.6%	3.2%	1.5%
Radio	32.7%	32.0%	25.9%
Face-to-Face Communication	43.6%	41.0%	36.6%

Source: BIGresearch SIMM 15, Dec 2009

Despite the influence of social media among those who use it, the value of face-to-face communication remains high. Even though email and cell phones have changed the way people communicate, a large majority of respondents in all age groups contend that face-to-face communication is more likely to trigger an online search than any social network. And, with these suggestions ranging from movie tickets to apparel brands, the opportunities for retailers are high.

After searching, how do you communicate with others about a service, product or brand?		
	Social Media Users 18+	U.S. Adults 18+
Blogging	7.6%	4.9%
Cell Phone	34.7%	27.2%
Email	49.7%	46.2%
Face-to-Face	71.8%	67.9%
Instant Messaging	20.4%	14.0%
Online Communities (e.g. My Space/Facebook)	21.6%	13.8%
Telephone	36.5%	37.6%
Text Messaging	26.2%	17.6%

Source: BIGresearch SIMM 15, Dec 2009

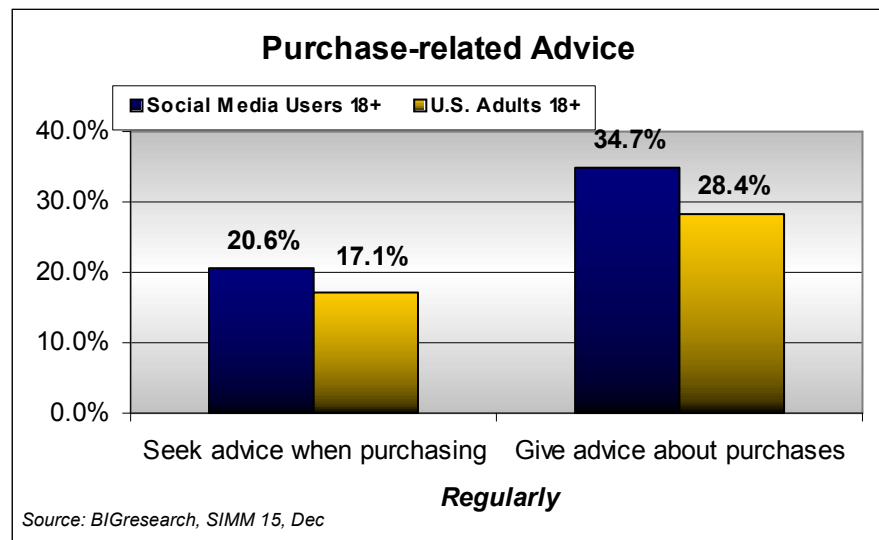
Even after searching online for a product or service, most social media users still prefer to communicate in person about an online search. Nearly three-quarters (71.8%) of social media users say that they spread the word about a product or service in face-to-face conversations, while more than one-third (34.7%) do so over a cell phone conversation.

Social Media Users Have Opinions and Want to Be Heard

These days, finding the answer to “How to get ink out of blue jeans” is as simple as asking the question. Whether it’s through a community site such as Yahoo! Answers or a quick search on WikiAnswers, everyday questions and the best “how to” answers can be found through online peers. Millions of Americans can – and do – easily connect with people they’ve never met before through social media sites.

According to the survey, one in five (20.6%) social media users say they regularly seek advice

from others when purchasing products or services, which is slightly higher than other adults (17.1%). What’s more interesting, however, is the number of social media users who regularly give advice about products or services; more than one-third (34.7%) say they give advice about purchases, compared to 28.4 percent of all adults. Not surprisingly, those who participate in social media have opinions and want others to listen to them.



Social Media Users More Likely to Embrace New Media

Though technology often intimidates the average consumer, social media users are less intimidated by new media. According to the survey, 18.5 percent of social media users regularly use blogs, compared to 12.3 percent of other U.S. adults. With newspapers and television reruns now available on the internet, it's not surprising that 23.2 percent of social media users watch video or TV online, compared to only 15.5 percent of other adults. Text messaging (51.9%), cell phone usage (74.9%), TiVo/DVR (33.8%) and taking pictures/video with cell phone (25.0%) are other popular new media uses for social media users.

REGULAR New Media Usage		
	Social Media Users 18+	U.S. Adults 18+
<i>Blogs</i>	18.5%	12.3%
<i>Cell Phone</i>	74.9%	63.0%
<i>Instant Messaging Online</i>	31.2%	21.2%
<i>iPhone</i>	12.4%	8.5%
<i>IPOD/MP3 Player</i>	29.5%	20.8%
<i>PDA</i>	11.6%	8.4%
<i>Take Picture/Video on Cell Phone</i>	25.0%	16.1%
<i>Satellite Radio (XM-Sirius)</i>	13.3%	11.8%
<i>Text Messaging on Cell-phone</i>	51.9%	32.1%
<i>Tivo/Replay TV/DVR</i>	33.8%	28.5%
<i>Video Gaming</i>	26.8%	19.8%
<i>Watch Video/TV on Cell-phone</i>	8.2%	5.2%
<i>Watch Video/TV Online</i>	23.2%	15.5%
<i>Web Radio</i>	11.7%	8.4%

Source: BIGresearch SIMM 15, Dec 2009

While young adults are more likely to embrace social media, they're not necessarily more likely to embrace new media. In fact, young adults are less likely than 35-54 year-olds to use satellite radio and TiVo or digital video recording – they're even slightly less likely to use cell phones. That said, retailers experimenting with iPhone apps should note that iPhone use among 18-34 year-olds is substantially higher than other adults who use social media.

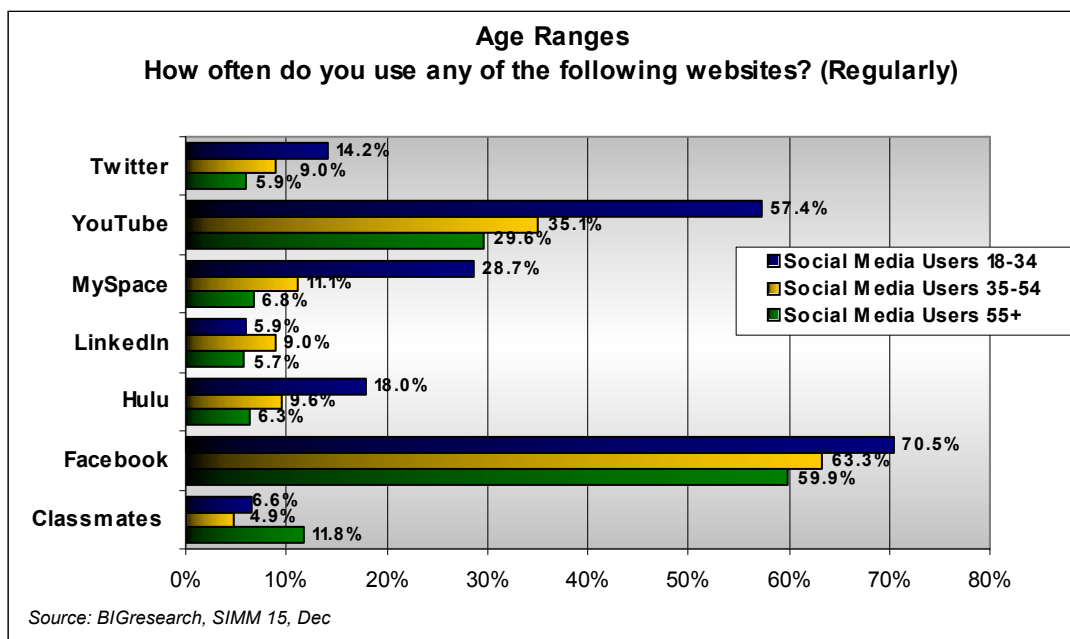
REGULAR New Media Usage by Age			
	Social Media Users 18-34	Social Media Users 35-54	Social Media Users 55+
<i>Cell Phone</i>	76.1%	77.9%	64.3%
<i>iPhone</i>	16.6%	10.3%	6.5%
<i>PDA</i>	13.7%	11.6%	5.9%
<i>Satellite Radio (XM-Sirius)</i>	11.2%	14.4%	16.4%
<i>Tivo/Replay TV/DVR</i>	30.5%	38.2%	32.3%

Source: BIGresearch SIMM 15, Dec 2009

Facebook Preferred Networking Site for Males and Females, Young and Old

Stemming from the name of the books that university administrators used to give college students at the beginning of a school year to help students get to know each other, Facebook has more than 400 million users and is only six years old. Seven out of 10 (70.6%) female social media users and six out of 10 (61.0%) male social media users regularly use Facebook over MySpace, Classmates, LinkedIn or even Twitter.

When broken out by age, Facebook still remains the favorite networking site for 18-34 year olds, 35-54 and even 55 and older. Sixty percent of social media users over 55 say they regularly use Facebook. In addition, YouTube attracts nearly three out of ten (29.6%) adults over 55, compared to the 57.4 percent of 18-34 year olds who enjoy watching extreme sports, music videos and even recaps of television bloopers.



What Social Media Users Do Online When Not “Tweeting” or Updating Their Status

Social media users are more likely to use the internet to find specific locations, research products, seek financial advice, browse for new or used automobiles, restaurant reviews and even information on their favorite sports team. When asked how often they regularly search for specific items or services online, more than half of social media users say they are simply just trying to find their way around town (or out of town) – 54.6 percent say they regularly use the internet for maps and directions, compared to 49.0 percent of other average adults. Other forms of online entertainment for social media users include shopping or browsing apparel (30.8% vs. 23.8% of others), restaurants (29.2% vs. 23.6%) and travel (33.4% vs. 29.4%).

Please tell us how often you search online for the following: (REGULARLY)		
	Social Media Users 18+	U.S. Adults 18+
<i>Automobile/Trucks</i>	12.4%	9.9%
<i>Clothing/Shoes</i>	30.8%	23.8%
<i>Financial</i>	12.0%	9.7%
<i>Maps/Directions</i>	54.6%	49.0%
<i>Medical</i>	14.8%	12.4%
<i>Movies</i>	40.1%	30.3%
<i>Online Entertainment</i>	36.4%	25.4%
<i>Product Information/Comparative Shopping (Non-Auto)</i>	37.2%	31.9%
<i>Real Estate</i>	10.7%	8.5%
<i>Restaurants</i>	29.2%	23.6%
<i>Sports</i>	29.1%	23.6%
<i>Travel</i>	33.4%	29.4%

Source: BIGresearch SIMM 15, Dec 2009

Social Media Users Comfortable With Blogs (Theirs and Others)

When it comes to how social media users spend their time reading, posting and maintaining their own blogs, males and females alike prefer to simply read what others have to say. While similar numbers of men and women occasionally or regularly read blogs, men are more likely to post to other blogs or maintain their own blog than women.

Conclusion

Though traditional methods of marketing and advertising such as email, web promotions, direct mail and even circulars are still very important, many retailers are jumping head-first into social media to get in front of their customers 24 hours a day, seven days a week. Whether social media users are online to update their Facebook status, check out a new blog, search for the closest store that carries rhubarb or even watch the latest episode of their favorite television show, it's evident that the Internet plays a large role in these consumers' lives.

Social media users tend to use the internet to make their life easier, whether by seeking out directions ahead of time or letting internet advertising point the way to finding what they are searching for. And while it's easy to assume that those who use social media would rather blog or "tweet" about a recent purchase, most shoppers still believe that face-to-face communication remains more powerful.

Young adults in today's society have witnessed and have oftentimes been the first to use some of the most exciting technological advances we've seen in the last decade. The iPhone, Facebook, MySpace and YouTube have fundamentally changed how this age group communicates. Even though young adults are among the first to embrace new social networks, they are not the only age group taking advantage of new ways to communicate with each other, with their favorite brands, or with complete strangers.



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325 7th Street, NW
Suite 1100
Washington, DC 20004
www.nrf.com