Teen Word of Mouth All-Stars
and Insights on How Teen WOM Works

A Special Report from the Keller Fay Group

July 2007

Keller Fay GROUP

Word of Mouth Research & Consulting

TalkTrack™ Analysis on WOM Among Teens
Teen Word of Mouth

- The following is a summary analysis of word of mouth among teens.
- It is drawn from TalkTrack™, the first continuous study of word of mouth (WOM) in all channels (online and offline).
- These data reflect surveys collected from 2,046 teens (13 to 17) and 15,287 American consumers 13 to 69, during the months of January through May 2007.
- In the surveys, respondents described, in detail, their past day's word of mouth conversations about products and services.
- For more on methodology, please turn to the end of this report. For more on the Keller Fay Group, please contact us at (732) 846-6800 or info@kellerfay.com.
- This report is copyrighted property of the Keller Fay Group. TalkTrack™ is a trademark of the Keller Fay Group.

TalkTrack™ Insights on WOM

Teen Word of Mouth All-Stars

- New research from the Keller Fay Group confirms what many parents – and teenagers – have long suspected: Teens speak a very different language from grown-ups when they talk about brands.
- The Word of Mouth All-Stars among teens – brands with the largest volume of net positive WOM – bear only slight resemblance to those of the total public.
- None of the top five All-Stars of teens are among the top five of the total public.
- The top five teen brands: iPod, American Eagle, Dr Pepper, Chevrolet, and Nintendo.

TalkTrack™ Insights on WOM

Teen WOM *Is* Different

- Lot's More Talk
  - Teens have twice as many WOM conversations per week (145 vs. 71 for the total public)
  - Those conversations contain an average of 77 brand mentions per week (+22 brands from the total public)
- More Technology; But Face to Face Still Dominates
  - Teen WOM conversations are three times as likely to be through text message/IM, e-mail, or chats/blogs as the total public
  - However, most of their WOM is face-to-face (61%)
- More Marketing & Media References
  - 57% of their WOM cites marketing or media (vs. 48% total public)

Word of Mouth "All-Stars"

(Brands with largest number of "net positive" WOM mentions)

Teen All-Stars

1. iPod
2. American Eagle
3. Dr Pepper
4. Chevrolet
5. Nintendo
6. Sony
7. Target
8. Xbox
9. Wal-Mart
10. Mountain Dew

Total Public's All-Stars

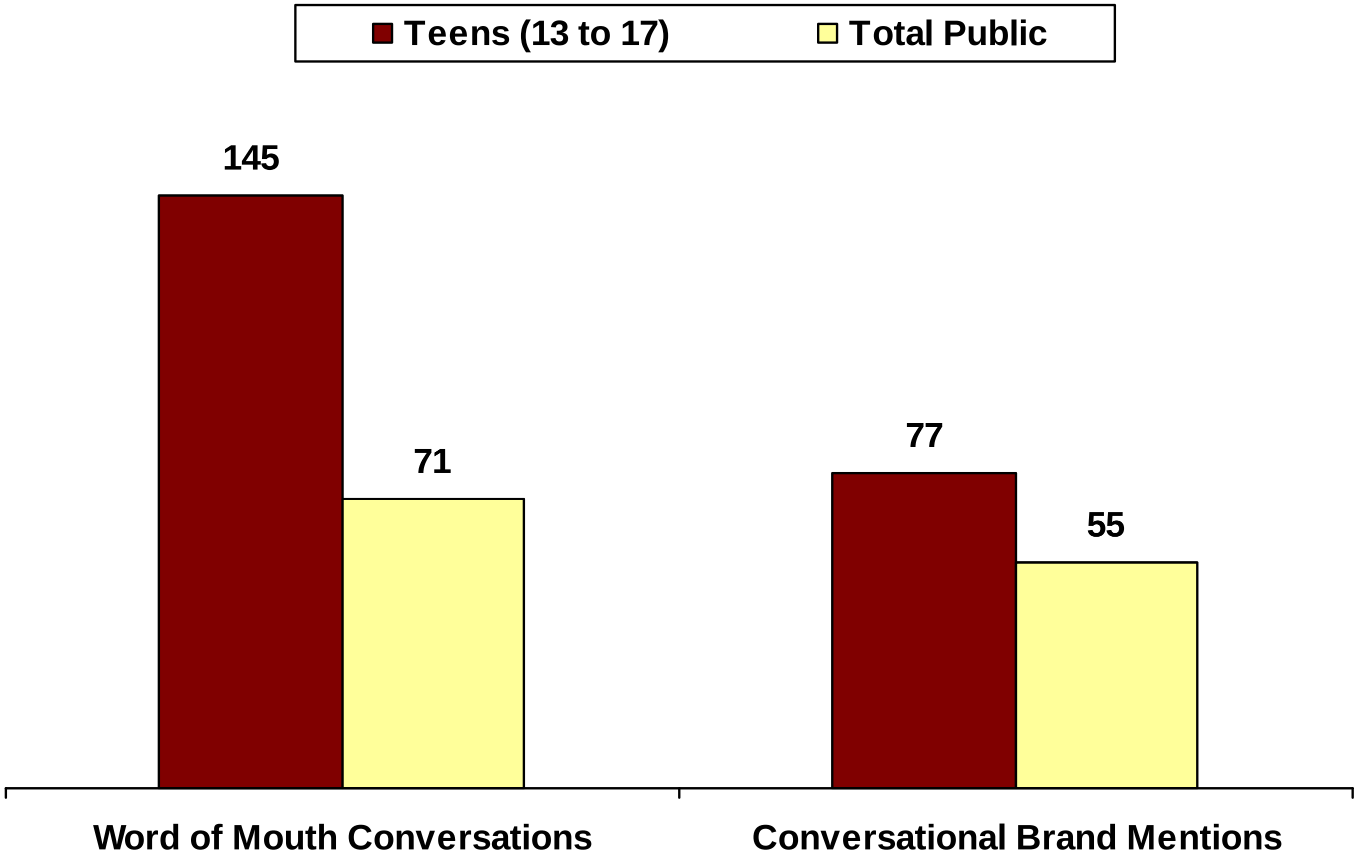
1. Coca-Cola
2. Pepsi
3. Wal-Mart
4. Sony
5. Toyota
6. Target
7. Chevrolet
8. iPod
9. Apple Computer
10. Hewlett-Packard

AMERICAN EAGLE OUTFITTERS, INC.

Base: Branded Conversations (9,903 brand conversations among 2,046 13 to 17 year old respondents; for total public 74,013 brands among 15,287 respondents)
NOTE: This analysis involves applying a Net Advocacy score (positive minus mixed/negative mentions) to the volume of brands.
Source: Keller Fay Group's TalkTrack™, January 1 through May 27, 2007

Twice as Much Talk, Many More Brands

(Average number of WOM conversations and brand mentions per week)

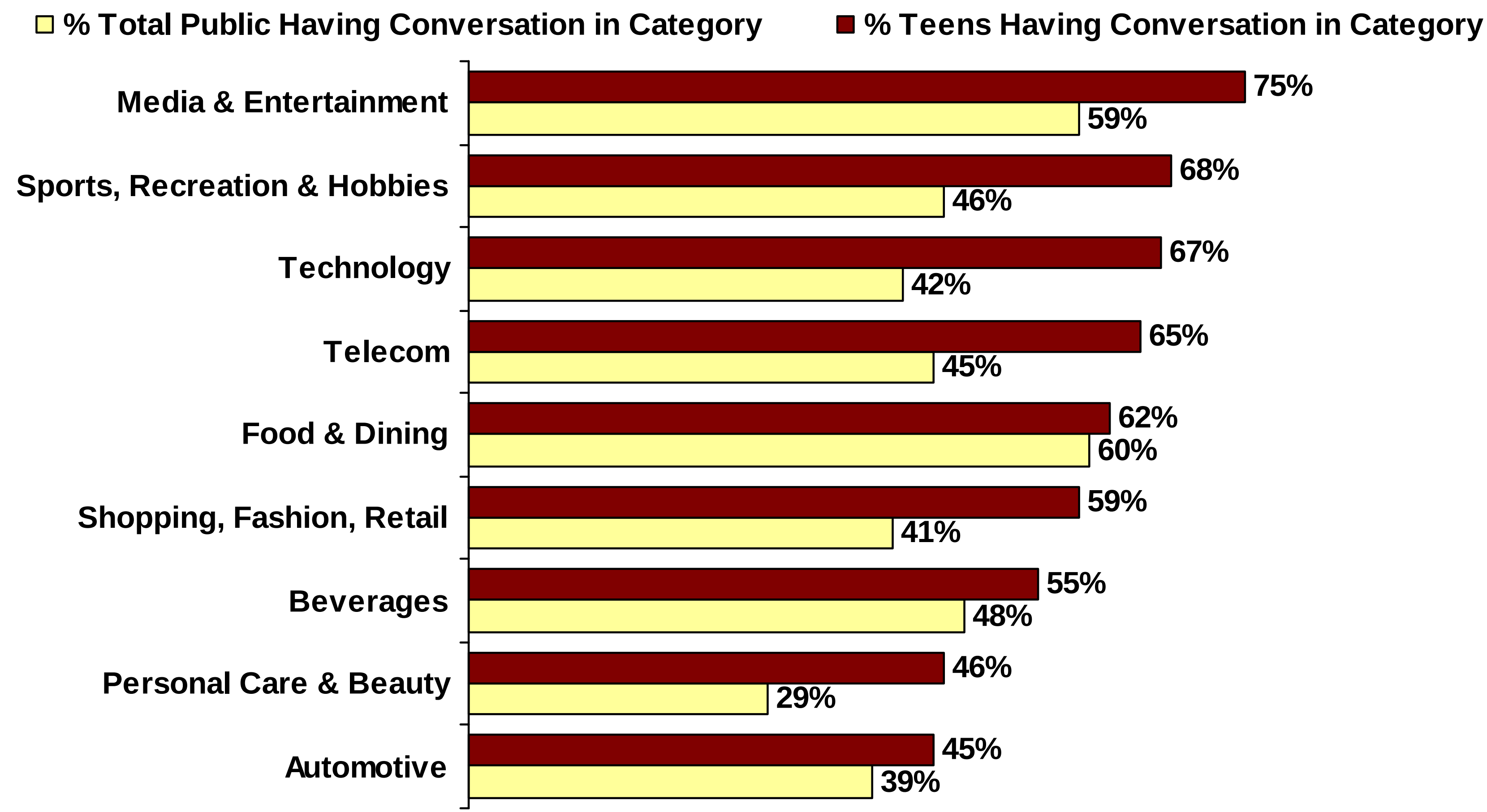


Base: Respondents (Teens, n= 2,046; Total Public, n= 15,287)
Teens are asked to report on their daily conversations in the following categories: Media, Food & Dining, Tech, Telecom, Sports, Shopping, Beverages, Personal Care and Auto. Therefore, Total Public and Teen averages only reflect conversations and brand mentions in only these categories. (Adult categories: Financial, Health, Travel, Home, Household and Children's Products have been excluded from Total Public)
Source: Keller Fay Group's TalkTrack™, January 1 through May 27, 2007

Media & Entertainment Leads the Way

More Likely to Talk Across Many Topics

(% having one or more conversations in category on average day)

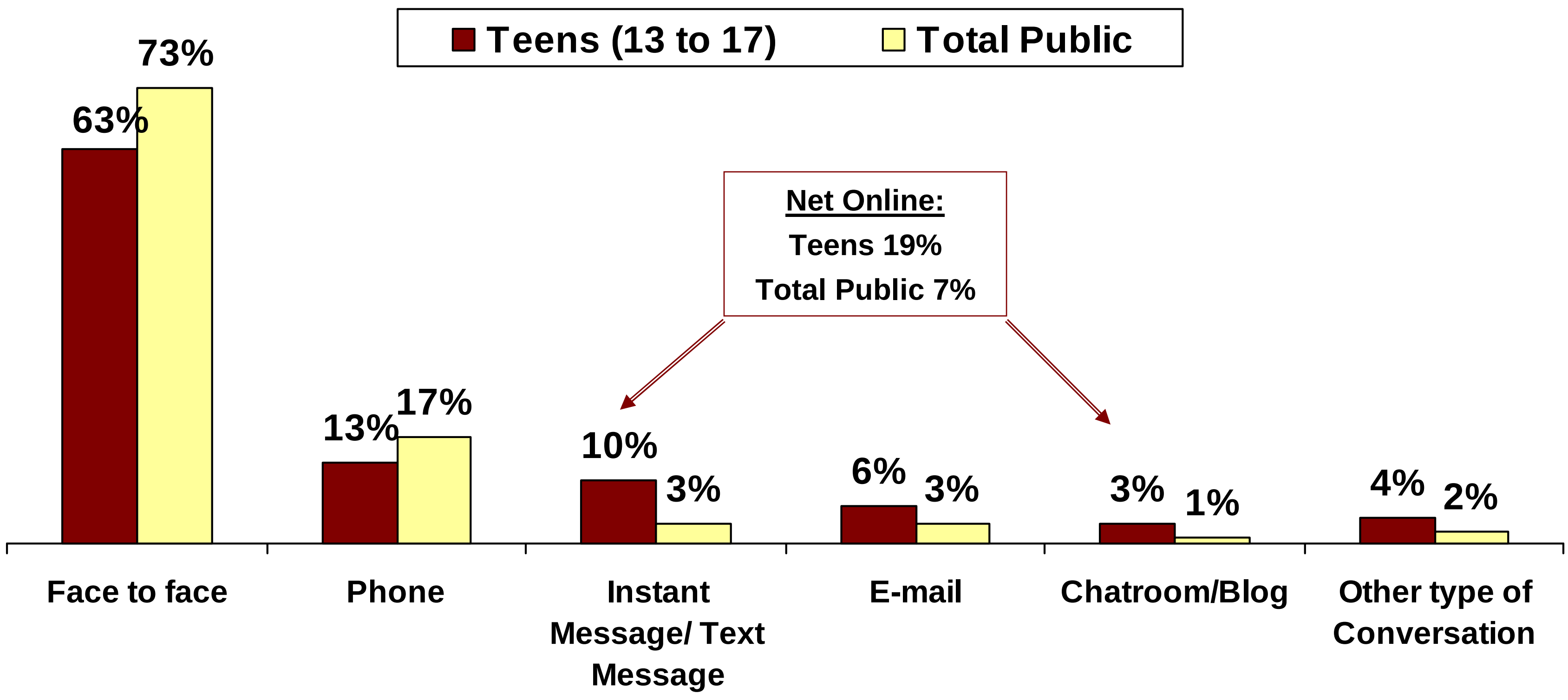


Base: Respondents (Teens, n= 2,046; Total Public, n= 15,287)
Teens are not asked about the following categories: Financial Services, Healthcare, Travel, The Home, Household Products or Children's Products, therefore they are excluded from the analysis.
Source: Keller Fay Group's TalkTrack™, January 1 through May 27, 2007

F2F Is #1, But…

Teens Are 3x as Likely to Talk via Technology

(How word of mouth conversation was conducted)

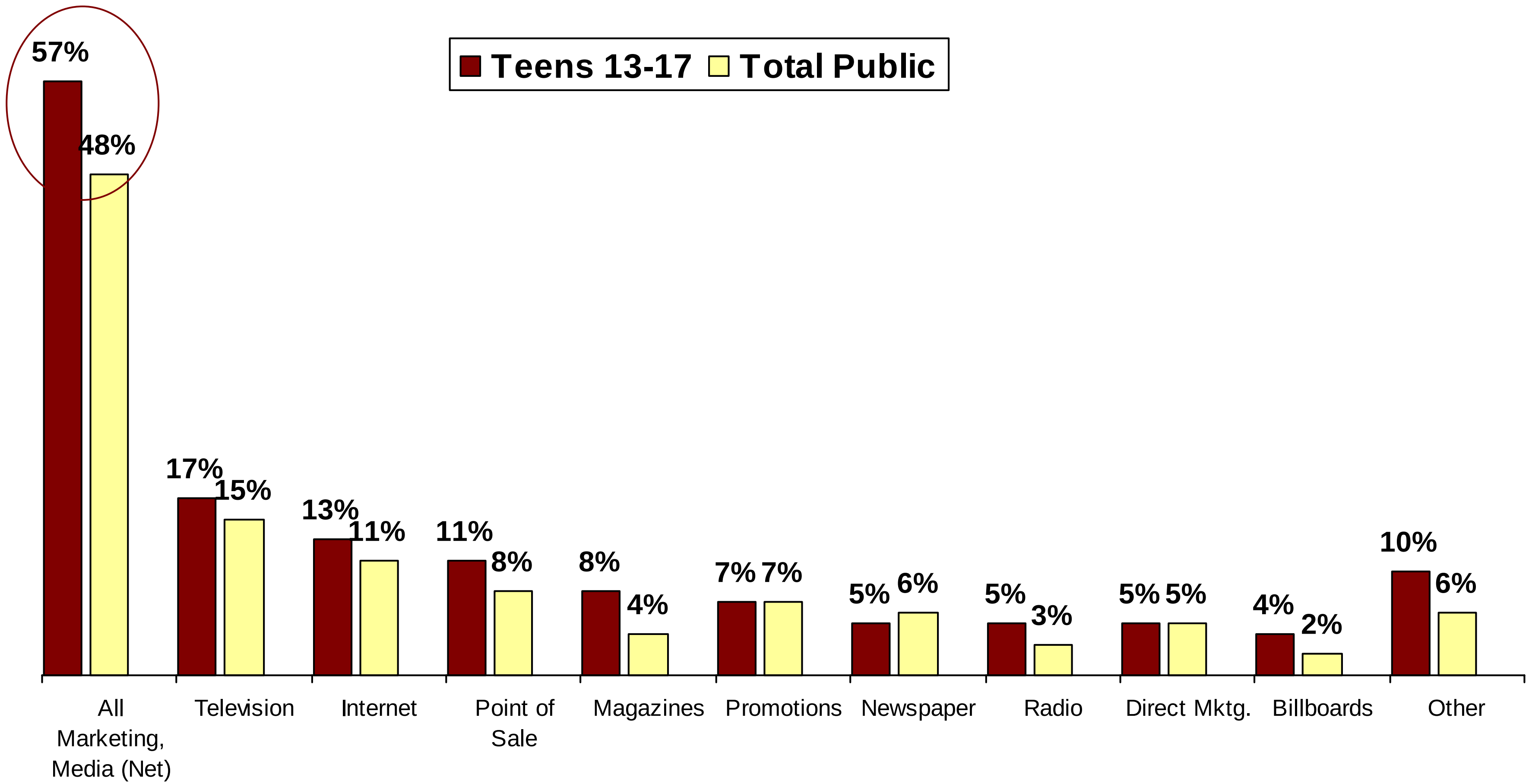


Base: Conversations (16,162 conversations among 2,046 13 to 17 year old respondents; for total public 109,251 conversations among 15,287 respondents)
Source: Keller Fay Group's TalkTrack™, January 1 through May 27, 2007

Keller Fay GROUP
Word of Mouth Research & Consulting

Marketing, Media Often Cited in Talk

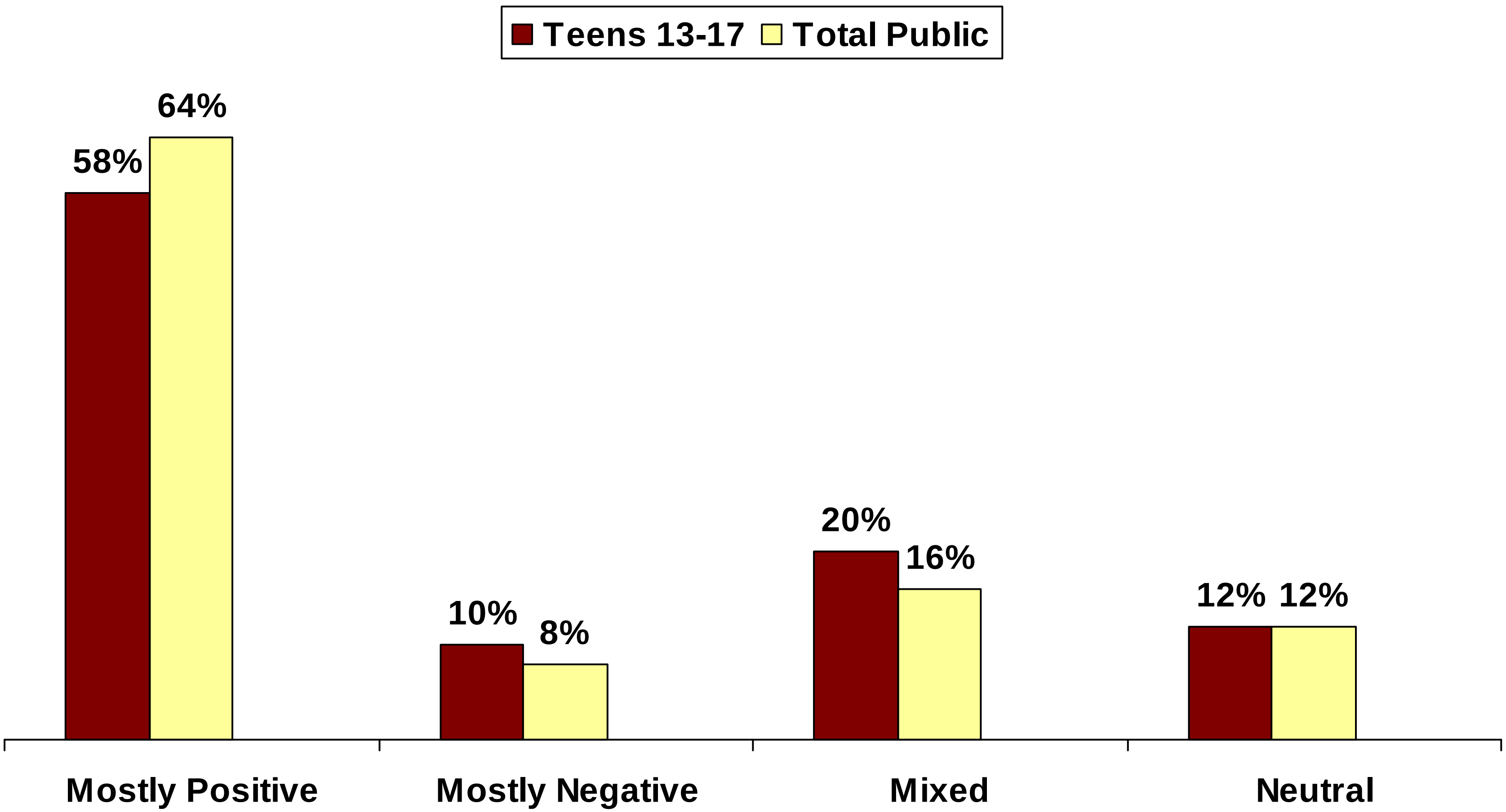
(% of conversations citing marketing or media)



Base: Brand Conversations (Teens, n=9,490; Total Public, n=70,079)
Source: TalkTrack™, January 1 through May 27, 2007

Teen WOM Nearly as Positive as Adult WOM

(How respondent described tone of brand conversation)



Base: Brand Mentions (Teens, n= 9,514; Total Public, n= 70,237)
Source: Keller Fay Group's TalkTrack™, January 1 through May 27, 2007

About TalkTrack™

The Only Continuous, Syndicated Research System That Measures All Marketing-Relevant Conversations In America

- Ongoing measurement of categories discussed "yesterday," and of specific brands talked about
- Measurement of positive, negative, neutral opinions
- Credibility of messages heard
- Likelihood of taking action
- Conversational medium - Face to face, phone, online, others
- Location - Home, work, POS, others
- Recommendation sources - Personal experience, media, others

Keller Fay Group

To learn more about the body of work we are doing in Word of Mouth marketing research, we welcome hearing from you. Our work includes many more insights into teen word of mouth, as well as other demographic groups. Detailed reports are also available about each of 15 product and service categories, and thousands of brands. More white papers and studies are also available for download on our website at www.kellerfay.com.

Keller Fay Group
65 Church Street
3rd Floor
New Brunswick, NJ 08901
732.846.6800 (Tel)
732.846.6900 (Fax)

ekeller@kellerfay.com
bfay@kellerfay.com

Keller Fay GROUP
Word of Mouth Research & Consulting