Taking Stock With Teens

A Collaborative Consumer Insights Project

FALL 2014

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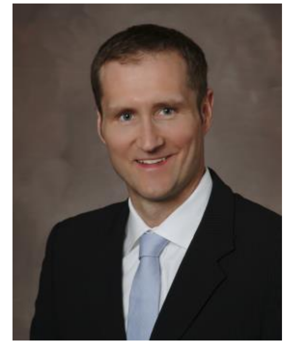
Principal Authors & Coverage Sectors

Steph Wissink
Managing Director
Sr. Research Analyst

Household, Beauty, & Children's Products

Sean Naughton
Principal
Sr. Research Analyst

Healthy Living & Consumables



Gene Munster
Managing Director
Sr. Research Analyst

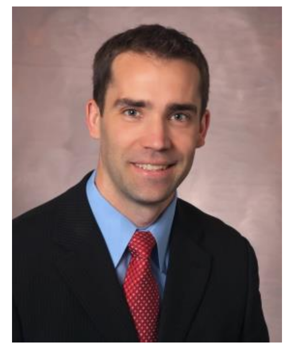
Internet

Neely Tamminga
Managing Director
Sr. Research Analyst

Multi-Brand Retail and Specialty Commerce

Nicole Miller Regan
Managing Director
Sr. Research Analyst

Restaurants



Mike Olson
Managing Director
Sr. Research Analyst

Online Content

Erinn Murphy
Vice President
Sr. Research Analyst

Global Fashion & Lifestyle Brands

Peter Keith
Principal
Sr. Research Analyst

Hardlines Retail & Specialty Products

James Marsh
Managing Director
Sr. Research Analyst

Media & Entertainment

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- Channel Convergence, Loyalty, Mobile

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- Fashion, Beauty, Food, Electronics, Gaming, Media & Entertainment

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Piper Jaffray: Depth Of Expertise Anchored In Primary Research

- **Introduction**
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Source: Piper Jaffray & Co.

Taking Stock With Teens: Project Framework & Survey Demographics

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- Shopping Behavior Highlights
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Source: Piper Jaffray & Co.

National Survey Of Teens Measuring:

- Brand Preferences
- Spending Trends
- Shopping Characteristics

28th Semi-Annual Proprietary Teen Research Project

TOTAL SURVEY

- Total responses: 7,200
- Average age: 16.0 years

UPPER-INCOME GROUP

- Classroom visits & electronic surveys of 2,200 teens
- HH income of $109,000 (represents top 20% of U.S. household units)

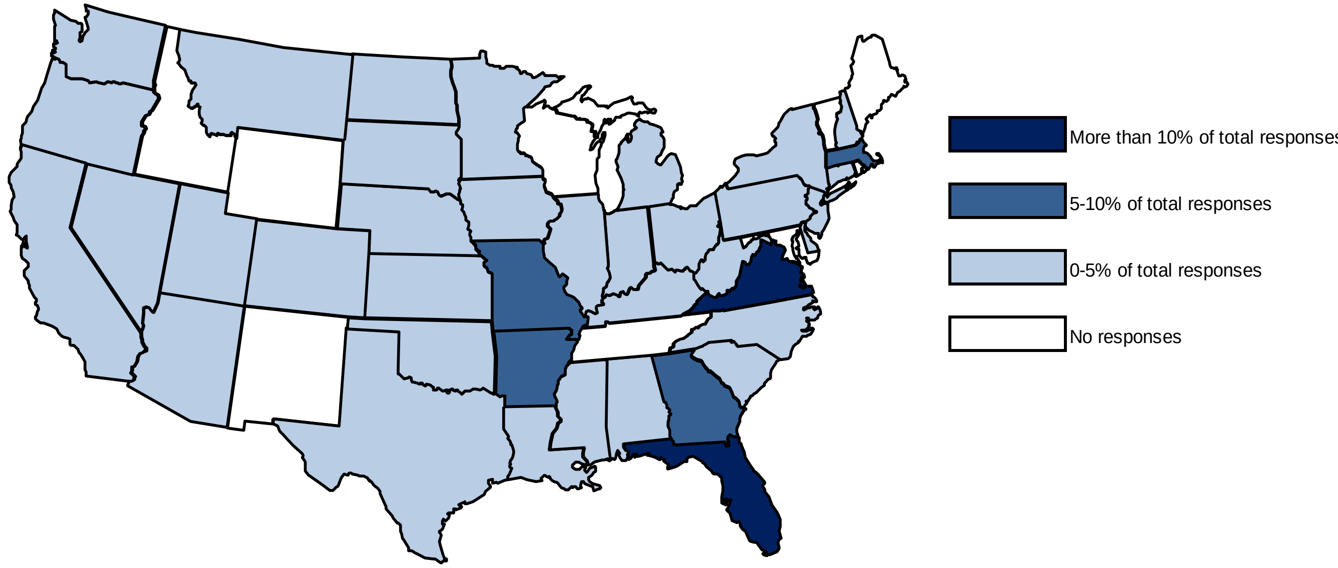
AVERAGE-INCOME GROUP

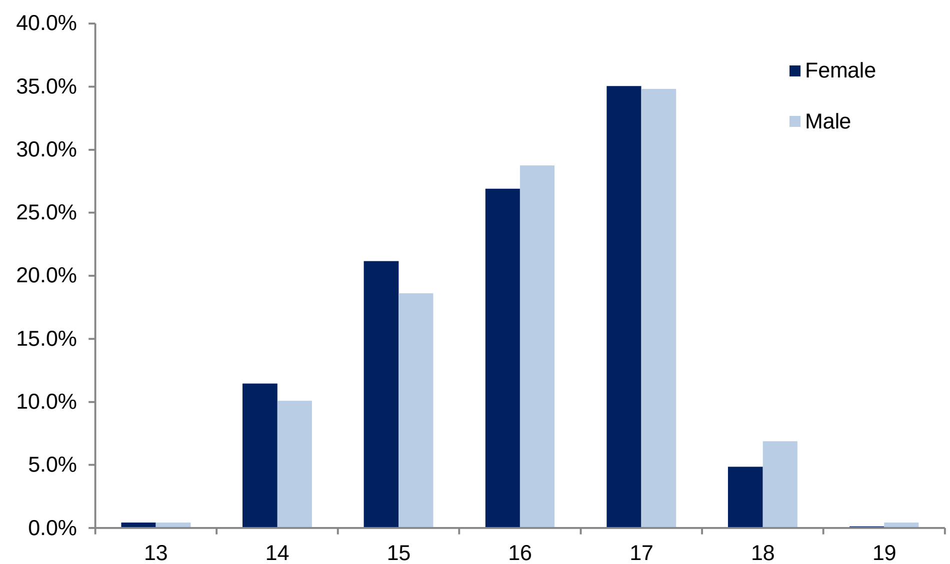
- Classroom visits & electronic surveys of 5,000 teens
- HH income of $56,000 (aligns more closely with U.S. median)

Survey is executed in partnership with DECA.

Taking Stock With Teens: Project Framework & Survey Demographics

Source: Piper Jaffray & Co.

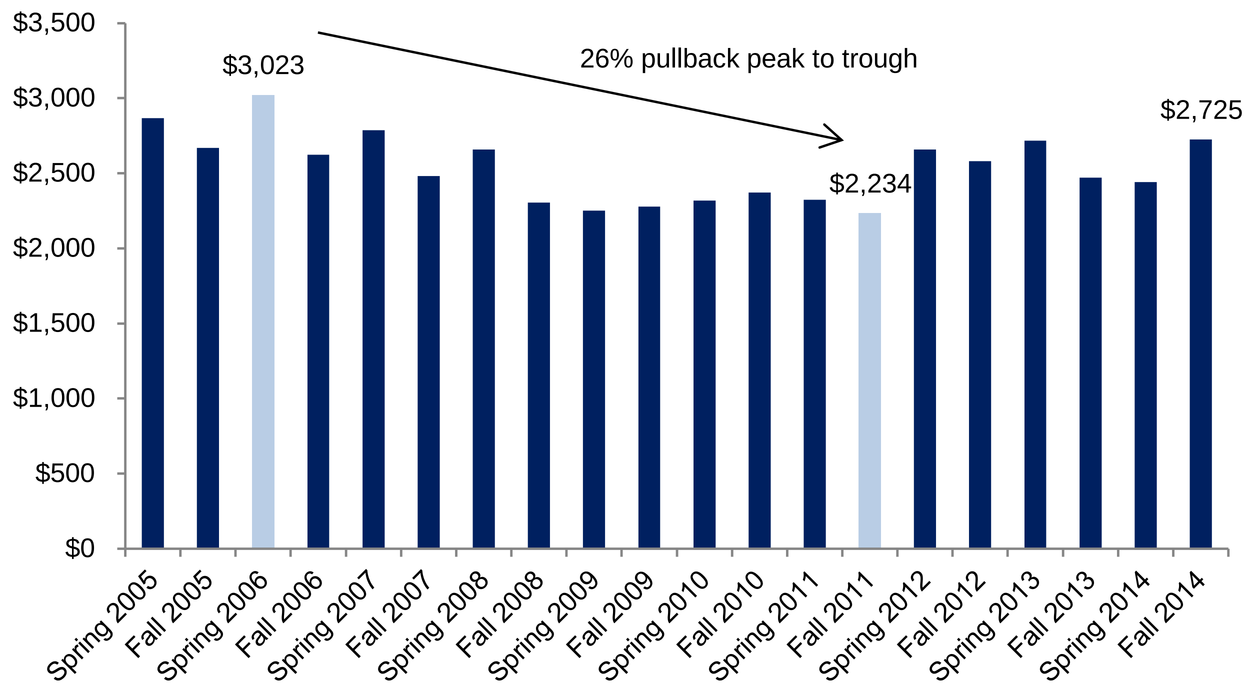




Teen Spending Has Improved Sequentially & Year Over Year

Source: Piper Jaffray & Co.

Annual Teen Spending – All Categories, Per Person



Wallet Share Remains Largely Consistent To Prior Surveys

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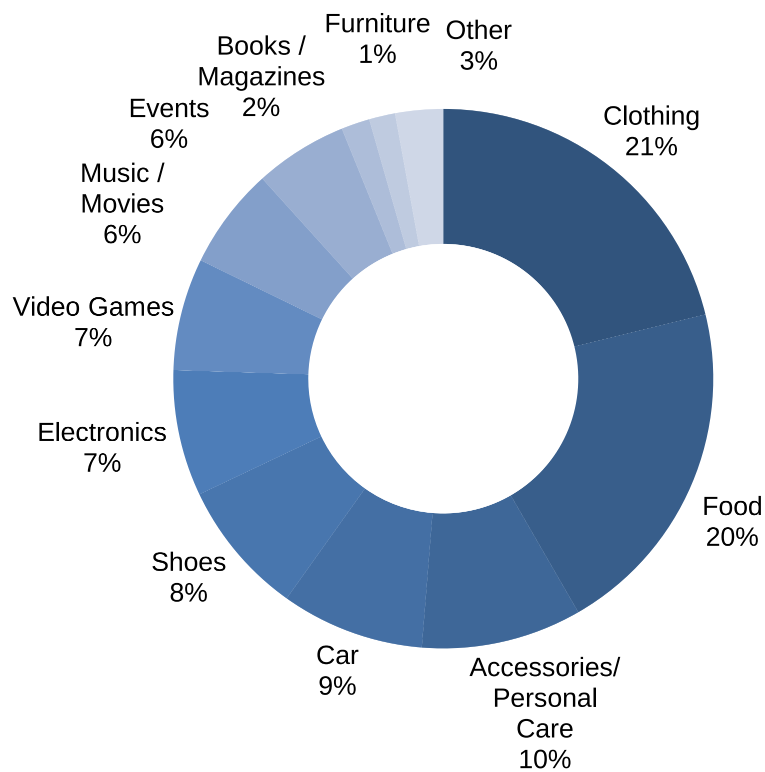
Source: Piper Jaffray & Co.

Wallet Share By Category



Wallet Share Shifts Over Time: Fashion Slips, Food & Electronics Grow

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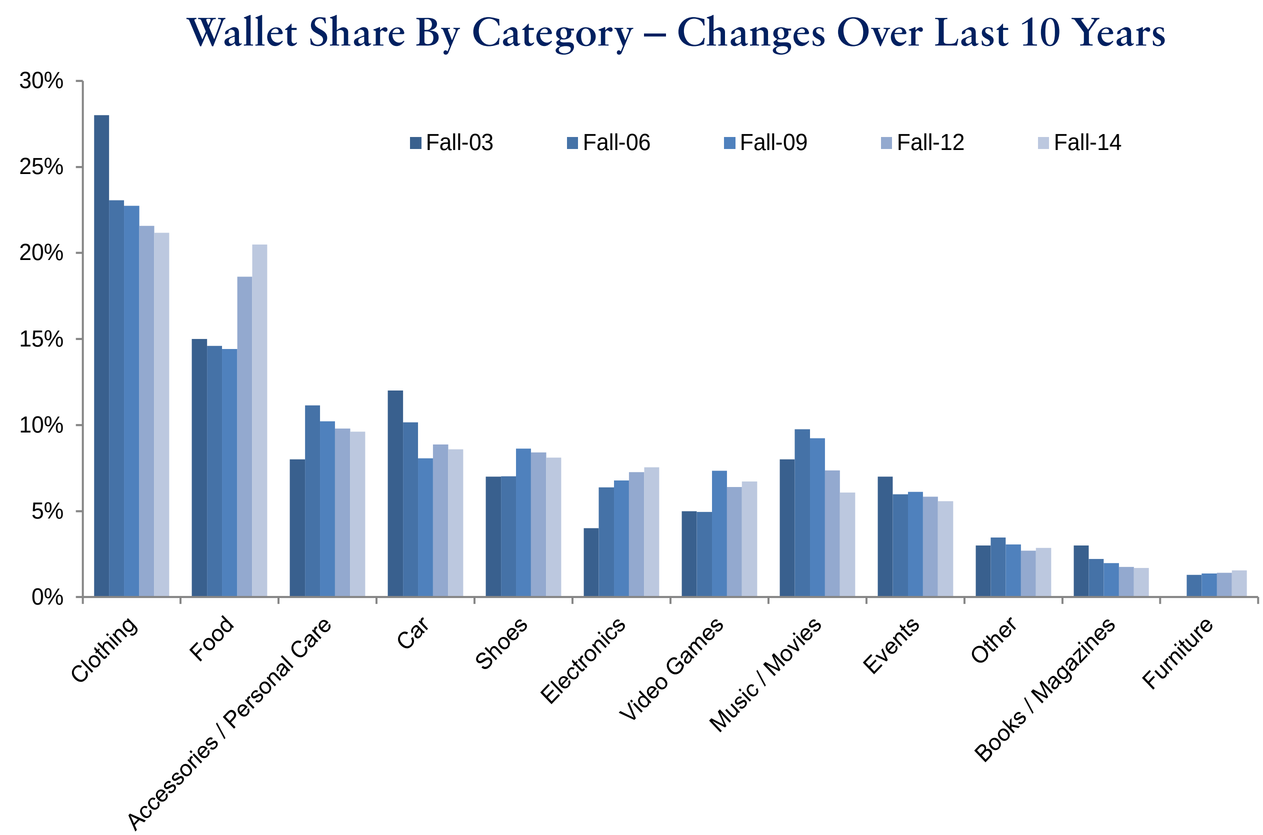

Wallet Share Shifts Over Time: Fashion Stable, Food & Electronics Grow

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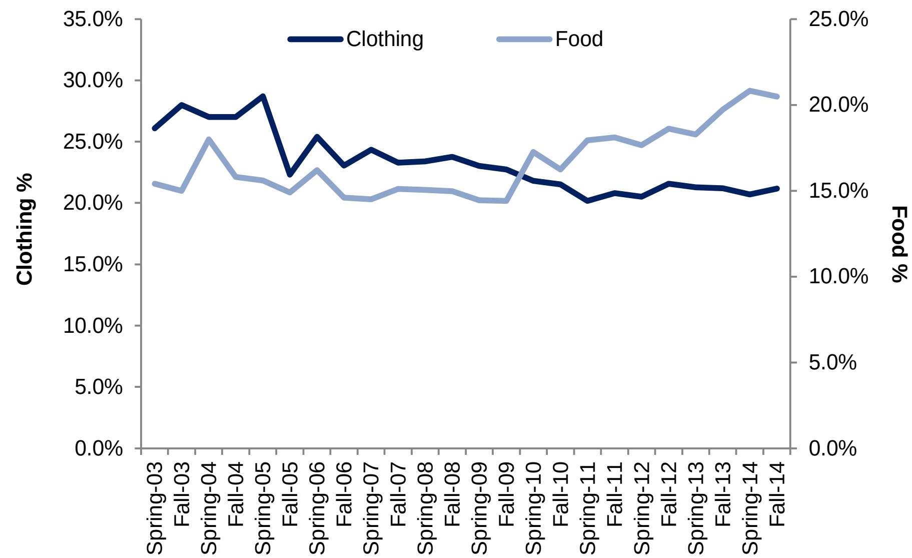

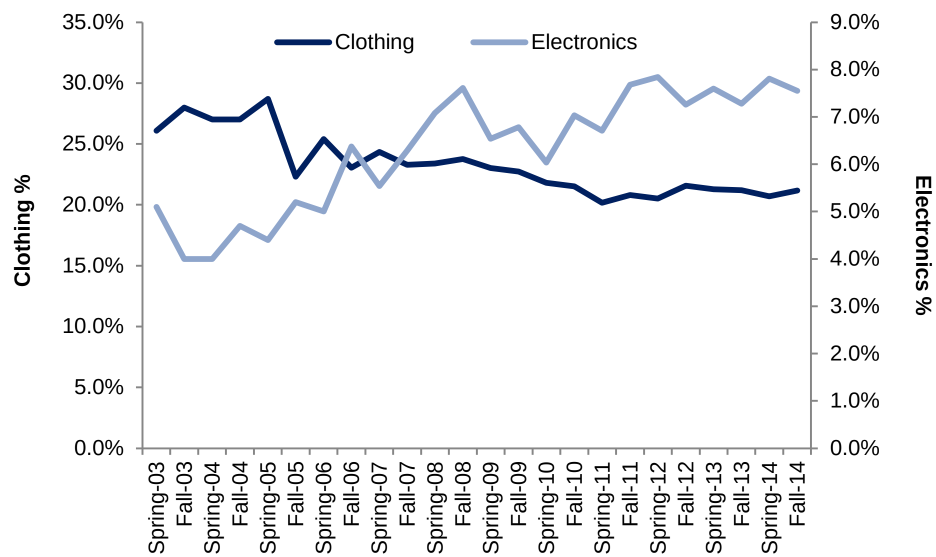

Trip Frequency Has Stabilized After 5+ Years Of Declines

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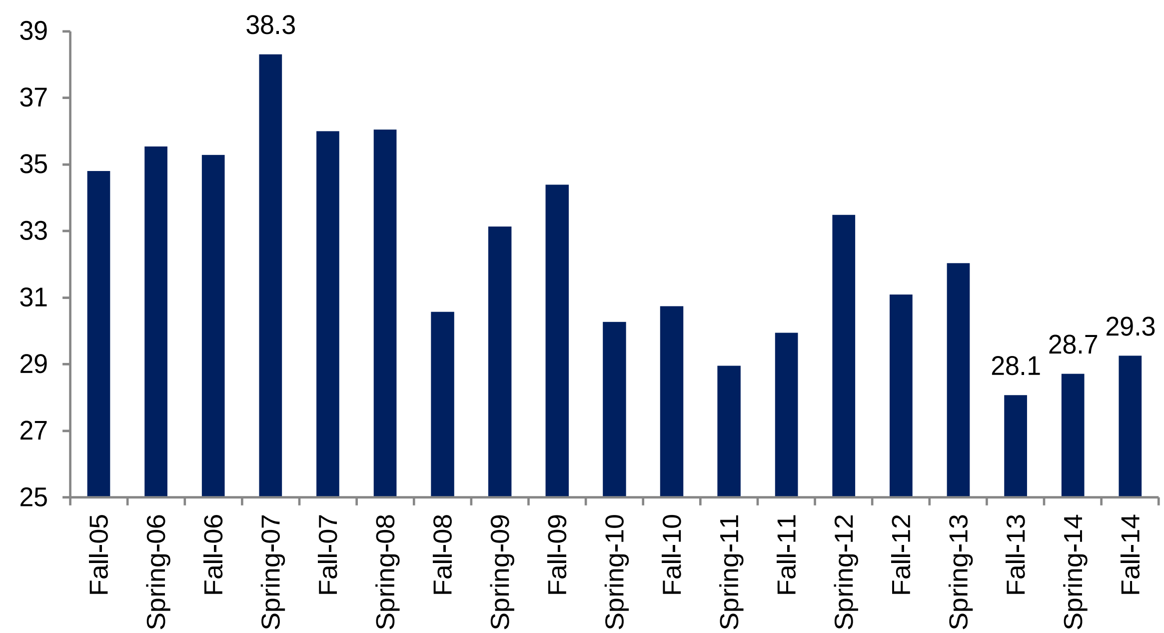
Source: Piper Jaffray & Co.

Number of Annual Shopping Trips



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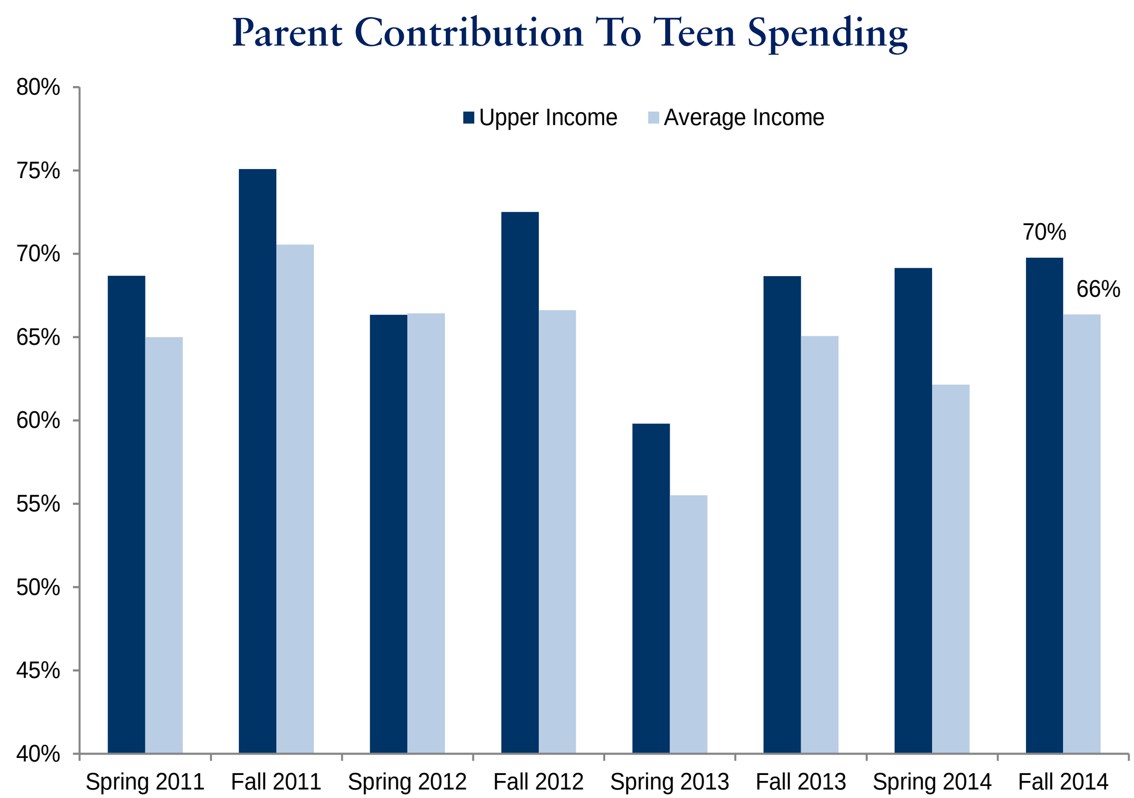
Parent Contribution Has Rebounded Post 2013 Payroll Tax Changes

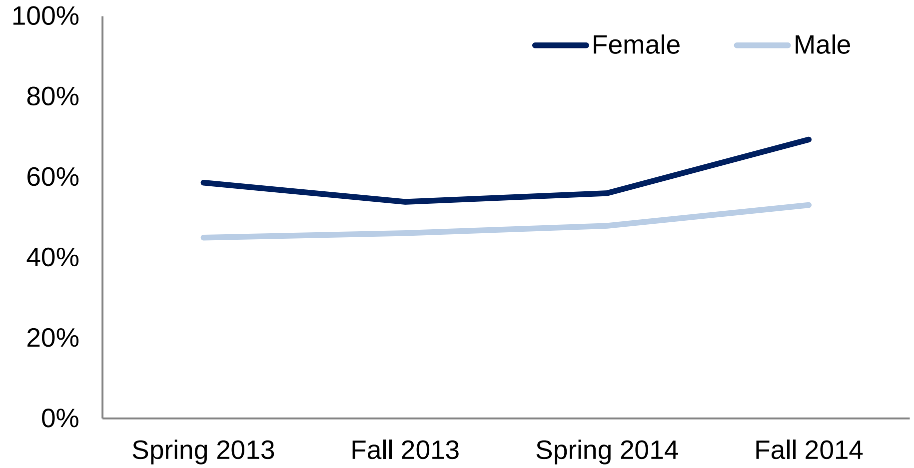
Source: Piper Jaffray & Co.



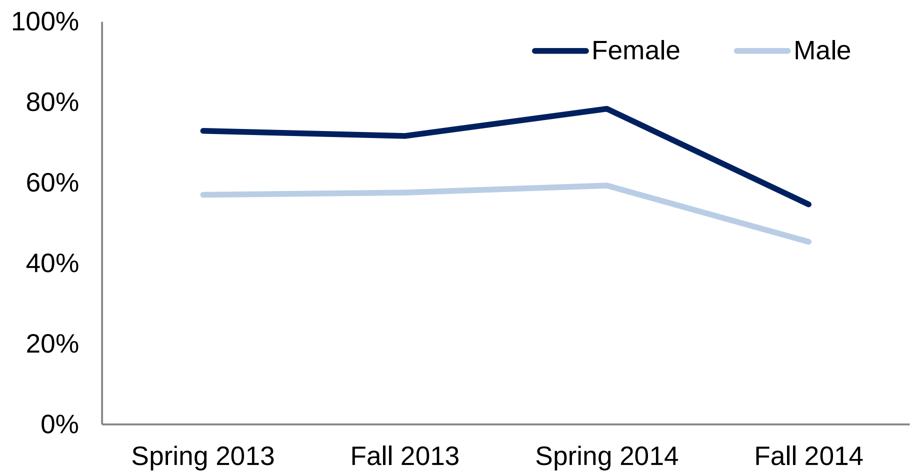
Off-Price Increasing In Popularity, But Participation Lower

Source: Piper Jaffray & Co.

Popular to shop off-price



Shop off-price



Off-Price Still Outpaces Department Stores In Preference

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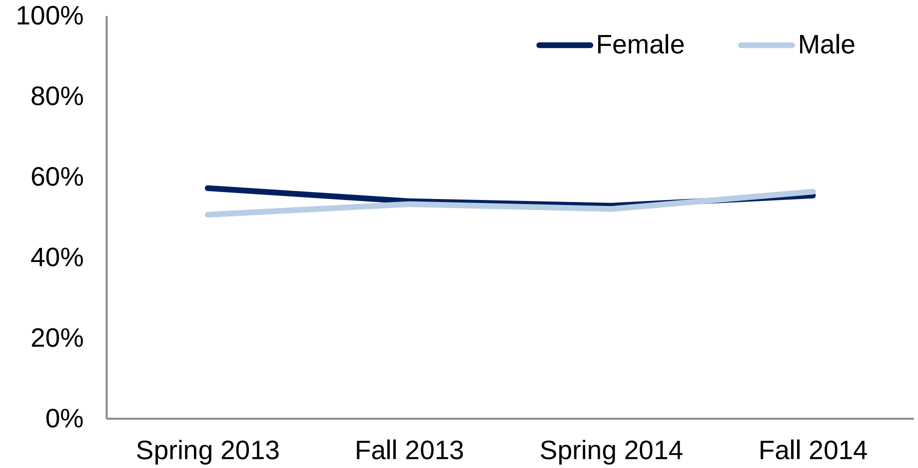
Source: *Piper Jaffray & Co.*

Prefer shopping off-price stores (versus department stores)



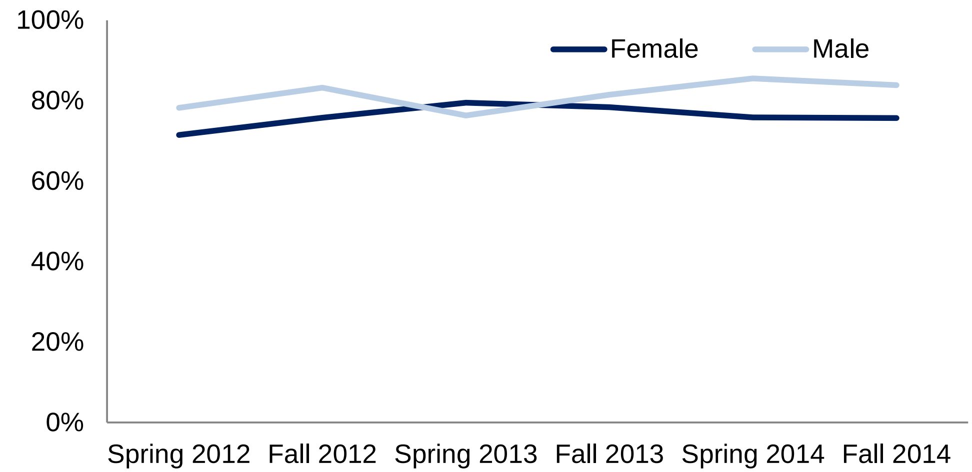
T.J. Maxx emerges in top 10 preferred clothing brands (upper-income, all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	22%	1	Nike	23%	1	Nike	19%
2	American Eagle	8%	2	Forever 21	8%	2	Forever 21	7%
3	Forever 21	7%	3	American Eagle	8%	3	American Eagle	7%
4	Ralph Lauren	6%	4	Ralph Lauren	6%	4	Ralph Lauren	6%
5	Urban Outfitters	4%	5	Hollister	3%	5	Urban Outfitters	4%
6	PacSun	4%	6	Urban Outfitters	3%	6	Nordstrom	3%
7	Hollister	2%		Victoria's Secret	3%	7	PacSun	3%
8	Nordstrom	2%	8	PacSun	2%	8	Hollister	2%
9	T.J. Maxx	2%		Nordstrom	2%	9	Abercrombie & Fitch	2%
10	Victoria's Secret	2%	10	Abercrombie & Fitch	2%	10	Victoria's Secret	2%
				Target	2%			

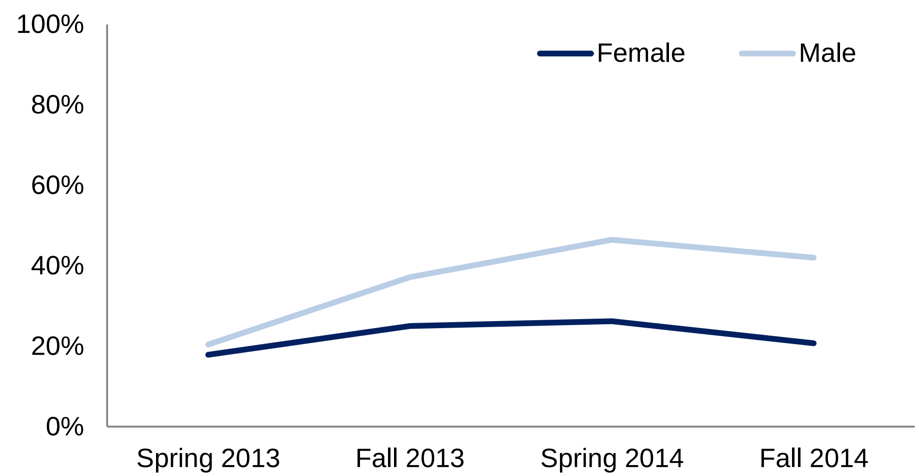
No Surprise Here: Teens Shop Online

Source: Piper Jaffray & Co.

Shop online



Prefer shopping online (versus in store)



No Surprise Here: Teens Shopping Multiple Categories Online

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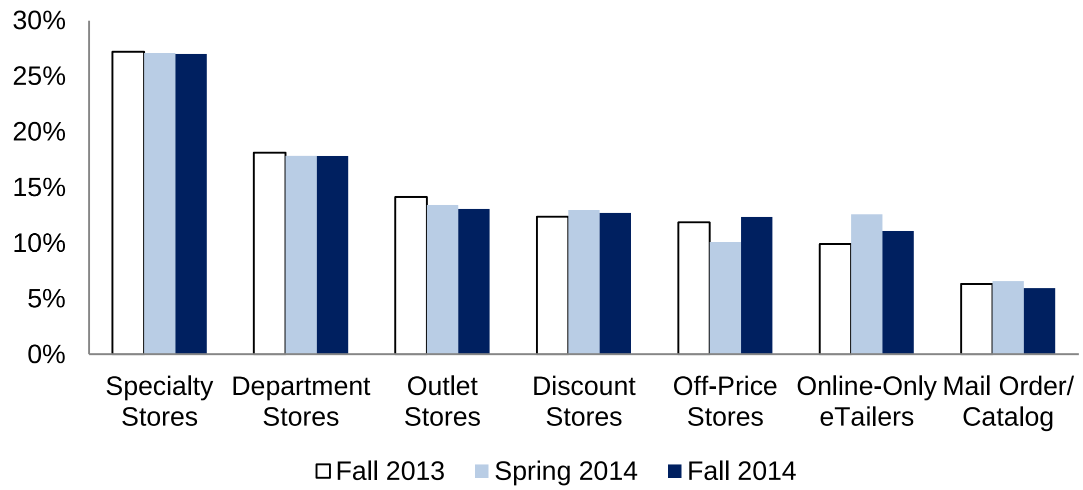
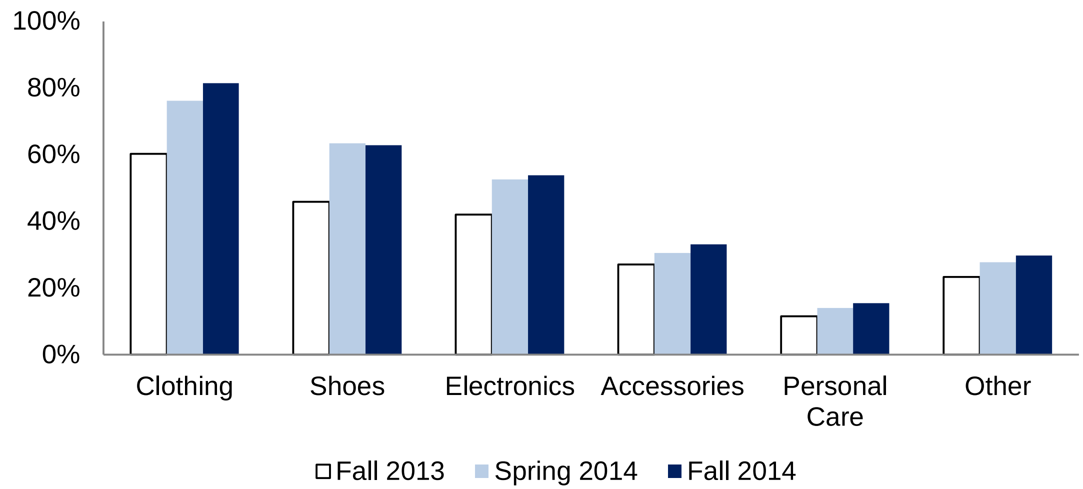
Source: Piper Jaffray & Co.

Channel preferences



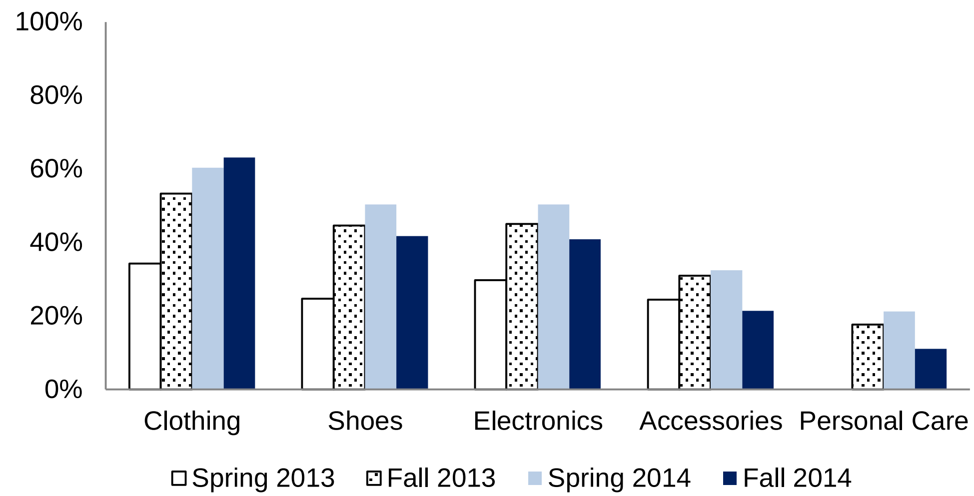
Online shopping by category



Teens Increasingly Shopping For Clothing Via Mobile

Source: Piper Jaffray & Co.

Shopping via mobile by category



Store Sites Still Preferred By Teens, But Pure Plays Increasing

Online preferences when purchasing clothing online

	Fall 2014		Spring 2014		Fall 2013	
	eTail Pure Play	Store Site	eTail Pure Play	Store Site	eTail Pure Play	Store Site
Female	28%	72%	14%	86%	30%	70%
Male	43%	57%	24%	76%	41%	59%

Preferred websites (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Amazon	32%	1	Amazon	31%	1	Amazon	31%
2	Nike	8%	2	Nike	10%	2	eBay	8%
3	eBay	5%	3	eBay	7%	3	Nike	5%
4	Forever 21	5%	4	Forever 21	4%	4	Forever 21	4%
5	Urban Outfitters	2%	5	Victoria's Secret	3%	5	Urban Outfitters	3%
6	Victoria's Secret	2%	6	Eastbay	2%	6	Nordstrom	3%
7	American Eagle	2%	7	American Eagle	2%	7	American Eagle	3%
8	Nordstrom	2%	8	Urban Outfitters	1%	8	Eastbay	2%
	PacSun	2%	9	Dick's Sporting Goods	1%	9	Victoria's Secret	2%
10	Brandy Melville	2%		Wanelo	1%	10	PacSun	2%
	Eastbay	2%						

Source: Piper Jaffray & Co.

Amazon On The Decline With Females, On The Rise With Males

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Preferred websites (females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Amazon	21%	1	Amazon	26%	1	Amazon	25%
2	Forever 21	10%	2	Forever 21	9%	2	Forever 21	9%
3	Victoria's Secret	5%	3	Victoria's Secret	7%	3	Nordstrom	6%
4	Nordstrom	4%	4	American Eagle	4%		Urban Outfitters	6%
5	Brandy Melville	4%	5	eBay	4%	5	American Eagle	5%
6	Urban Outfitters	4%	6	Wanelo	3%	6	eBay	5%
7	American Eagle	3%	7	Urban Outfitters	3%	7	Victoria's Secret	4%
8	Wanelo	3%	8	Nike	3%	8	Wanelo	3%
9	eBay	2%	9	Hollister	2%	9	Etsy	3%
10	Hollister	2%		lululemon	2%	10	Brandy Melville	2%
							TOBI	2%

Preferred websites (males)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Amazon	40%	1	Amazon	34%	1	Amazon	35%
2	Nike	13%	2	Nike	15%	2	eBay	10%
3	eBay	7%	3	eBay	8%	3	Nike	9%
4	Eastbay	3%	4	Eastbay	4%	4	Eastbay	4%
5	PacSun	2%	5	Ralph Lauren	2%	5	PacSun	2%
6	Dick's Sporting Goods	2%	6	Foot Locker	2%	6	CCS	2%
7	Foot Locker	1%	7	Dick's Sporting Goods	2%		Ralph Lauren	2%
8	Ralph Lauren	1%	8	CCS	1%	8	Karmaloop	1%
9	Vineyard Vines	1%		Finish Line	1%		Zumiez	1%
10	Karmaloop	1%		PacSun	1%	10	*Three Sites Tied*	1%
	Urban Outfitters	1%		Vineyard Vines	1%			

Source: Piper Jaffray & Co.

Teens Talk Fashion: Top Clothing Brands

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Source: Piper Jaffray & Co.

Upper-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	22%	1	Nike	23%	1	Nike	19%
2	American Eagle	8%	2	Forever 21	8%	2	Forever 21	7%
3	Forever 21	7%	3	American Eagle	8%	3	American Eagle	7%
4	Ralph Lauren	6%	4	Ralph Lauren	6%	4	Ralph Lauren	6%
5	Urban Outfitters	4%	5	Hollister	3%	5	Urban Outfitters	4%
6	PacSun	4%	6	Urban Outfitters	3%	6	Nordstrom	3%
7	Hollister	2%		Victoria's Secret	3%	7	PacSun	3%
8	Nordstrom	2%	8	PacSun	2%	8	Hollister	2%
9	T.J. Maxx	2%		Nordstrom	2%	9	Abercrombie & Fitch	2%
10	Victoria's Secret	2%	10	Abercrombie & Fitch	2%	10	Victoria's Secret	2%
				Target	2%			

Average-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	18%	1	Nike	18%	1	Nike	17%
2	American Eagle	8%	2	Forever 21	8%	2	Forever 21	8%
3	Forever 21	7%	3	American Eagle	7%	3	American Eagle	8%
4	Ralph Lauren	6%	4	Ralph Lauren	5%	4	Hollister	5%
5	Hollister	4%	5	Hollister	5%	5	Ralph Lauren	5%
6	PacSun	3%	6	Victoria's Secret	3%	6	Aeropostale	3%
7	Victoria's Secret	2%	7	PacSun	3%	7	PacSun	3%
8	Aeropostale	2%	8	Aeropostale	3%	8	Victoria's Secret	2%
9	Charlotte Russe	2%	9	Hot Topic	2%	9	The Buckle	2%
	rue21	2%	10	Kohl's	2%	10	JCPenney	2%

Teens Talk Fashion: Top Footwear Brands

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Source: Piper Jaffray & Co.

Upper-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	43%	1	Nike	49%	1	Nike	40%
2	Vans	10%	2	Vans	10%	2	Vans	12%
3	Converse	6%	3	Sperry Top-Sider	4%	3	Steve Madden	6%
4	Sperry Top-Sider	5%	4	Converse	4%	4	Converse	5%
5	Steve Madden	5%		Steve Madden	4%	5	Sperry Top-Sider	4%
6	DSW	4%	6	DSW	3%	6	Adidas	3%
7	Nordstrom	2%	7	UGG Australia	3%	7	DSW	3%
8	Adidas	2%	8	Adidas	1%	8	UGG Australia	2%
9	UGG Australia	1%	9	Nordstrom	1%	9	Nordstrom	2%
10	Payless ShoeSource	1%	10	Payless ShoeSource	1%	10	ALDO	2%

Average-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	46%	1	Nike	48%	1	Nike	48%
2	Vans	11%	2	Vans	10%	2	Vans	9%
3	Converse	5%	3	Converse	4%	3	Converse	4%
4	Sperry Top-Sider	4%	4	Sperry Top-Sider	3%	4	Sperry Top-Sider	4%
5	Steve Madden	3%	5	Adidas	2%	5	Adidas	3%
6	Adidas	2%	6	Steve Madden	2%	6	TOMS	2%
7	Foot Locker	2%	7	Foot Locker	2%	7	Steve Madden	2%
8	UGG Australia	2%	8	Payless ShoeSource	2%	8	Foot Locker	2%
9	Payless ShoeSource	1%		UGG Australia	2%	9	Payless ShoeSource	2%
10	TOMS	1%	10	TOMS	2%	10	Journeys	2%

Teens Talk Fashion: Top Handbag Brands

Source: Piper Jaffray & Co.

Upper-income (females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Michael Kors	30%	1	Coach	29%	1	Coach	26%
2	Coach	18%	2	Michael Kors	26%	2	Michael Kors	21%
3	Kate Spade	10%	3	Kate Spade	6%	3	Louis Vuitton	7%
4	Louis Vuitton	4%	4	Louis Vuitton	4%	4	Vera Bradley	6%
5	Longchamp	4%	5	Vera Bradley	3%	5	Marc Jacobs	3%
6	Vera Bradley	4%	6	Chanel	3%	6	Kate Spade	3%
7	Chanel	3%		Tory Burch	3%	7	Longchamp	3%
	Tory Burch	3%	8	Fossil	3%	8	Gucci	3%
9	Marc Jacobs	3%	9	Longchamp	2%	9	Tory Burch	2%
10	Gucci	2%		Marc Jacobs	2%	10	Fossil	2%

Average-income (females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Michael Kors	38%	1	Michael Kors	31%	1	Coach	33%
2	Coach	20%	2	Coach	27%	2	Michael Kors	21%
3	Vera Bradley	5%	3	Louis Vuitton	5%	3	Louis Vuitton	5%
4	Louis Vuitton	4%	4	Vera Bradley	4%	4	Vera Bradley	5%
5	Gucci	3%	5	Gucci	4%	5	Gucci	4%
6	Kate Spade	3%	6	Chanel	2%	6	Fossil	3%
7	Fossil	2%		Fossil	2%	7	Chanel	2%
8	Chanel	2%		Kate Spade	2%	8	Steve Madden	2%
9	Tory Burch	2%	9	Steve Madden	2%		Guess	2%
10	Steve Madden	1%	10	Tory Burch	2%	10	Juicy Couture	1%
	Target	1%						

Teens Talk Fashion: Top Watch Brands

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Source: Piper Jaffray & Co.

Upper-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Rolex	30%	1	Rolex	31%	1	Rolex	31%
2	Michael Kors	23%	2	Michael Kors	15%	2	Michael Kors	15%
3	Casio	9%	3	Casio	11%	3	Casio	13%
4	Fossil	5%	4	Fossil	9%	4	Fossil	7%
5	Nike	4%	5	Nike	4%	5	Nixon	6%
6	Nixon	2%	6	Nixon	3%	6	Nike	3%
7	Swatch	2%	7	Timex	2%	7	Timex	2%
8	Timex	2%	8	Marc Jacobs	1%	8	Swatch	2%
9	Marc Jacobs	2%	9	Gucci	1%	9	Gucci	1%
10	Gucci	1%		Swatch	1%	10	Swiss Army	1%
							Guess	1%

Teens Talk Fashion: Down-Trending Brands

Source: Piper Jaffray & Co.

Down-Trending Brands - She says

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Aeropostale	28%	1	Aeropostale	32%	1	Aeropostale	25%
2	Abercrombie & Fitch	21%	2	Abercrombie & Fitch	19%	2	Abercrombie & Fitch	22%
3	Justice / Limited Too	11%	3	Hollister	16%	3	Hollister	15%
4	Hollister	10%	4	Justice / Limited Too	8%	4	Justice / Limited Too	8%
5	Gap	6%	5	Gap	5%	5	Gap	5%
6	American Eagle	2%	6	American Eagle	3%	6	Forever 21	2%
7	Forever 21	2%	7	Old Navy	1%	7	American Eagle	2%
	Old Navy	2%	8	Nike / Jordans	1%	8	Old Navy	2%
9	Miss Me Jeans	1%	9	Forever 21	1%	9	Roxy	2%
10	*Three Brands Tied*	1%	10	*Three Brands Tied*	1%	10	Juicy Couture	1%

Down-Trending Brands - He says

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Gap	14%	1	Gap	12%	1	Gap	11%
2	Adidas	10%	2	Hollister	11%	2	Abercrombie & Fitch	9%
3	Abercrombie & Fitch	9%	3	Abercrombie & Fitch	9%	3	Hollister	8%
4	Aeropostale	7%	4	Aeropostale	9%	4	Aeropostale	7%
5	Hollister	6%	5	Adidas	9%	5	Adidas	6%
6	Under Armour	4%	6	American Eagle	8%	6	American Eagle	4%
7	Nike	4%	7	Reebok	4%	7	Nike / Jordans	4%
8	American Eagle	3%	8	Under Armour	4%	8	Under Armour	3%
9	Reebok	3%	9	Nike / Jordans	2%	9	Quiksilver	3%
10	Skechers	3%		Quiksilver	2%	10	DC	3%

Teens Talk Fashion: Up-Trending Brands

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Source: Piper Jaffray & Co.

Up-Trending Brands - She says:

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Brandy Melville	6%	1	Forever 21	5%	1	Forever 21	6%
2	American Eagle	6%	2	American Eagle	5%	2	American Eagle	5%
3	Free People	5%		lululemon	5%	3	Urban Outfitters	5%
4	PacSun	5%	4	Nike / Jordans	4%	4	Brandy Melville	5%
5	Urban Outfitters	4%	5	Urban Outfitters	4%	5	Nike / Jordans	4%
6	H&M	4%	6	PacSun	4%	6	Victoria's Secret / PINK	3%
7	Forever 21	4%	7	Victoria's Secret / PINK	3%	7	H&M	3%
	Nike / Jordans	4%						
9	Hollister	4%	8	H&M	3%	8	J.Crew	3%
10	Vineyard Vines	3%		Hollister	3%	9	Charlotte Russe	3%
				J.Crew	3%		PacSun	3%

Up-Trending Brands - He says:

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike / Jordans	15%	1	Ralph Lauren	14%	1	Nike / Jordans	14%
2	Ralph Lauren	12%	2	Nike / Jordans	13%	2	Ralph Lauren	12%
3	Under Armour	5%	3	American Eagle	5%	3	American Eagle	5%
4	American Eagle	5%	4	Under Armour	4%	4	Adidas	3%
5	Vineyard Vines	5%	5	Adidas	3%	5	Under Armour	3%
6	Adidas	3%	6	Vans	2%	6	Vans	3%
7	Vans	3%	7	The North Face	2%	7	Vineyard Vines	3%
8	Sperry Top-Sider	2%		Vineyard Vines	2%	8	Diamond Supply Co.	2%
9	RVCA	2%	9	Express	2%	9	Levi's	2%
10	H&M	2%	10	Diamond Supply Co.	1%	10	Express	2%

Teens Talk Fashion: Popular Fashion Trends

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Source: Piper Jaffray & Co.

Popular Fashion Trends - For females (according to all teens)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Leggings / lululemon	26%	1	Leggings / lululemon	28%	1	Leggings / lululemon	19%
2	Crop Tops	6%	2	Victoria's Secret / PINK	5%	2	High-Waisted Pants / Skirts	9%
3	High-Waisted Pants / Skirts	6%	3	UGG Australia	4%	3	Maxi Dresses/Skirts	4%
4	Nike / Jordans	4%	4	Boots	4%	4	Jeans / Skinny Jeans	3%
5	Boots	3%	5	High-Waisted Pants / Skirts	3%	5	Crop Tops	3%
6	Victoria's Secret / PINK	3%	6	Combat Boots	2%	6	Dresses	3%
7	Preppy	2%	7	Crop Tops	2%	7	Victoria's Secret / PINK	3%
8	UGG Australia	2%	8	Michael Kors	2%	8	Nike / Jordans	2%
9	Converse	2%	9	Scarves	2%	9	Combat Boots	2%
	Dresses	2%	10	Forever 21	2%	10	UGG Australia	2%

Popular Fashion Trends - For males (according to all teens)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike / Jordans	20%	1	Nike / Jordans	19%	1	Nike / Jordans	21%
2	Preppy	11%	2	Ralph Lauren	10%	2	Shoes	6%
3	Ralph Lauren	10%	3	Boat Shoes	7%	3	Boat Shoes	5%
4	Tall Socks	8%		Shoes	7%	4	Tall Socks	4%
5	Vineyard Vines	8%	5	Khakis / Chinos	3%	5	Ralph Lauren	4%
6	Boat Shoes	8%	6	Athletic Wear	2%	6	Athletic Wear	3%
7	Athletic Wear	4%		Timberland	2%	7	Jeans / Skinny Jeans	3%
8	Khakis / Chinos	3%	8	Preppy	2%	8	Shorts	2%
9	Chubbies	2%	9	Polos	2%	9	Snapback Hats	2%
10	Jogger Pants	2%	10	Vineyard Vines	2%	10	Tank Tops	2%

Athletic Apparel Brand Preferences

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Source: Piper Jaffray & Co.

Upper-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	68%	1	Nike	70%	1	Nike	70%
2	Under Armour	8%	2	Under Armour	8%	2	Under Armour	9%
3	lululemon	6%	3	lululemon	5%	3	Adidas	5%
4	Adidas	4%	4	Adidas	4%	4	lululemon	3%
5	The North Face	1%	5	Bauer	<1%	5	The North Face	1%
				Jordan	<1%			
				The North Face	<1%			

Average-income (all)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	69%	1	Nike	68%	1	Nike	68%
2	Under Armour	11%	2	Under Armour	12%	2	Under Armour	11%
3	Adidas	4%	3	Adidas	4%	3	Adidas	5%
4	lululemon	1%	4	lululemon	1%	4	lululemon	1%
5	The North Face	1%	5	The North Face	1%	5	Jordan	1%

Athletic Apparel Brand Preferences

Source: Piper Jaffray & Co.

Upper-income (females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	64%	1	Nike	65%	1	Nike	67%
2	lululemon	13%	2	lululemon	10%	2	Under Armour	9%
3	Under Armour	7%	3	Under Armour	8%	3	lululemon	8%
4	Adidas	3%	4	Adidas	4%	4	Adidas	4%
5	The North Face	2%	5	The North Face	1%	5	The North Face	2%

Average-income (females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Nike	71%	1	Nike	69%	1	Nike	66%
2	Under Armour	10%	2	Under Armour	11%	2	Under Armour	12%
3	Adidas	3%	3	Adidas	3%	3	Adidas	5%
4	lululemon	2%	4	lululemon	3%	4	lululemon	2%
5	The North Face	1%	5	The North Face	1%	5	The North Face	1%

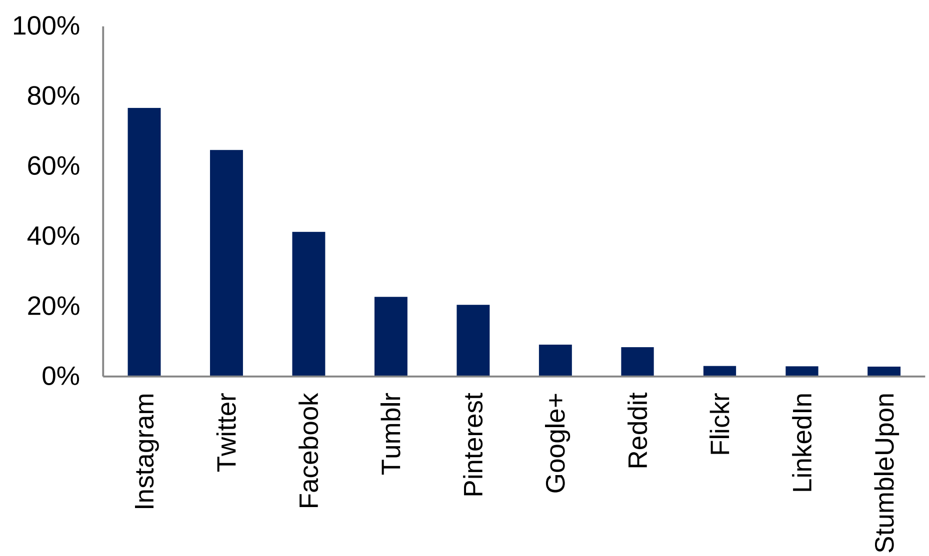
Could "Life In Front Of The Lens" Be Catalyst For Next New Trend?

Source: Piper Jaffray & Co.

Top fashion trends (upper-income, females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%
1	Leggings / lululemon	26%	1	Leggings / lululemon	28%	1	Leggings / lululemon	19%
2	Crop Tops	6%	2	Victoria's Secret / PINK	5%	2	High-Waisted Pants / Skirts	9%
3	High-Waisted Pants / Skirts	6%	3	UGG Australia	4%	3	Maxi Dresses/Skirts	4%
4	Nike / Jordans	4%	4	Boots	4%	4	Jeans / Skinny Jeans	3%
5	Boots	3%	5	High-Waisted Pants / Skirts	3%	5	Crop Tops	3%
6	Victoria's Secret / PINK	3%	6	Combat Boots	2%	6	Dresses	3%
7	Preppy	2%	7	Crop Tops	2%	7	Victoria's Secret / PINK	3%
8	UGG Australia	2%	8	Michael Kors	2%	8	Nike / Jordans	2%
9	Converse	2%	9	Scarves	2%	9	Combat Boots	2%
	Dresses	2%	10	Forever 21	2%	10	UGG Australia	2%

Favorite social media sites (upper-income, all)



Could "Life In Front Of The Lens" Be Catalyst For Next New Trend?

Source: Piper Jaffray & Co.

New brands starting to wear (upper-income, females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%	Rank	Spring 2013	%
1	Brandy Melville	6%	1	Forever 21	5%	1	Forever 21	6%	1	Forever 21	12%
2	American Eagle	6%	2	American Eagle	5%	2	American Eagle	5%	2	H&M	5%
3	Free People	5%		lululemon	5%	3	Urban Outfitters	5%	3	American Eagle	5%
4	PacSun	5%	4	Nike / Jordans	4%	4	Brandy Melville	5%		Hollister	5%
5	Urban Outfitters	4%	5	Urban Outfitters	4%	5	Nike / Jordans	4%	5	Victoria's Secret /	4%
6	H&M	4%	6	Pacific Sunwear	4%	6	Victoria's Secret /	3%		PINK	
7	Forever 21	4%	7	Victoria's Secret /	3%		PINK		6	Pacific Sunwear	4%
	Nike / Jordans	4%		PINK		7	H&M	3%	7	lululemon	3%
9	Hollister	4%	8	H&M	3%	8	J.Crew	3%	8	Urban Outfitters	2%
10	Vineyard Vines	3%		Hollister	3%	9	Charlotte Russe	3%	9	Charlotte Russe	2%
				J.Crew	3%		Pacific Sunwear	3%	10	*Four Brands Tied*	2%

Top clothing brands (upper-income, females)

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%	Rank	Spring 2013	%
1	Forever 21	14%	1	Forever 21	19%	1	Forever 21	16%	1	Forever 21	18%
2	American Eagle	10%	2	American Eagle	9%	2	American Eagle	9%	2	American Eagle	12%
3	Urban Outfitters	7%	3	Victoria's Secret	6%	3	Urban Outfitters	8%	3	Hollister	6%
4	PacSun	5%	4	Nike	5%	4	Nordstrom	6%	4	Urban Outfitters	5%
5	Nordstrom	5%	5	Urban Outfitters	5%	5	Hollister	4%		Nordstrom	5%
6	Victoria's Secret	4%	6	Hollister	5%	6	Victoria's Secret	3%	6	Victoria's Secret	4%
7	Nike	4%	7	Nordstrom	4%	7	PacSun	3%	7	PacSun	4%
8	Free People	4%	8	Target	3%	8	Charlotte Russe	3%	8	Charlotte Russe	3%
9	Hollister	4%	9	lululemon	3%	9	Nike	3%	9	Abercrombie & Fitch	3%
10	T.J. Maxx	3%		PacSun	3%	10	H&M	2%	10	H&M	2%

Fashion Trends Insights: Trends Showing Relative Decline

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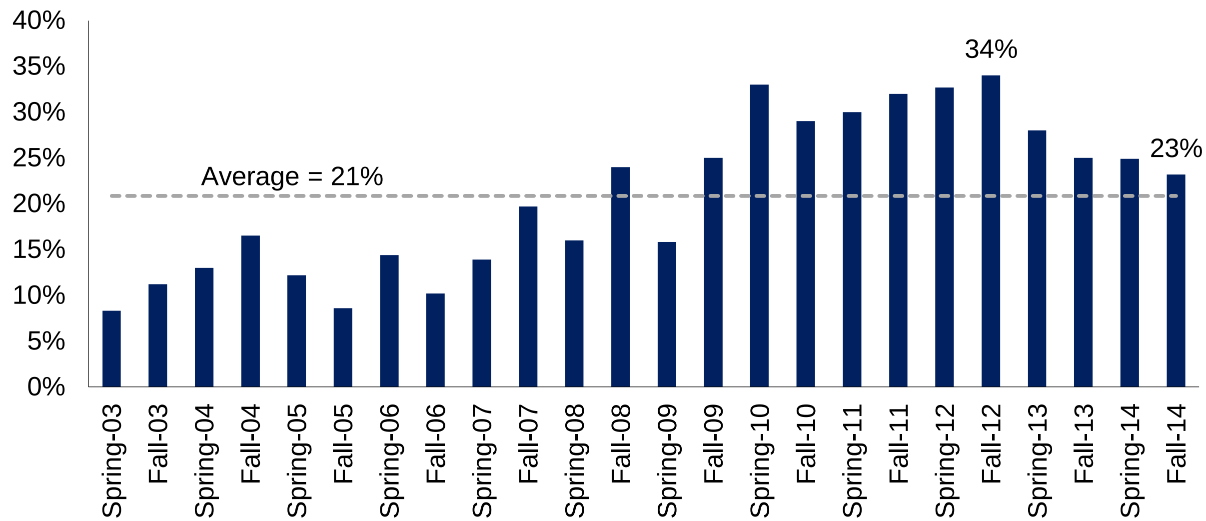
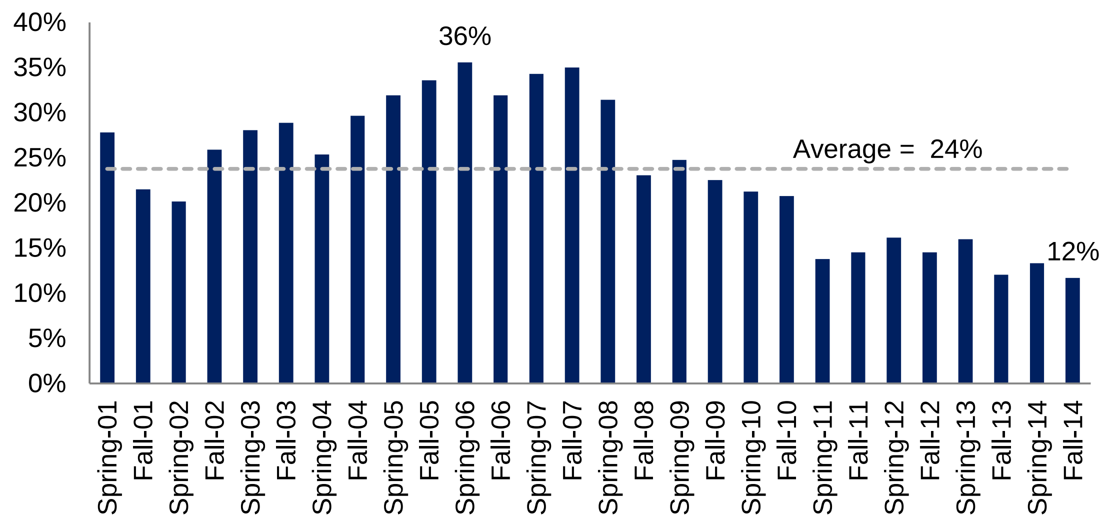
Source: Piper Jaffray & Co.

Fast fashion mindshare



Legacy logo-driven mindshare



Fashion Trends Insights: Trends Showing Relative Stability

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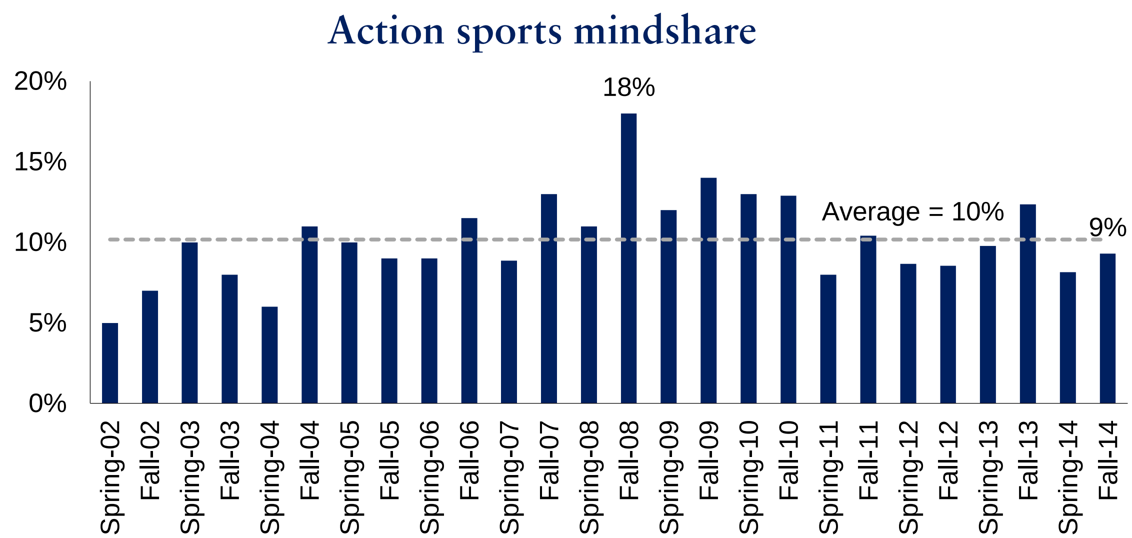
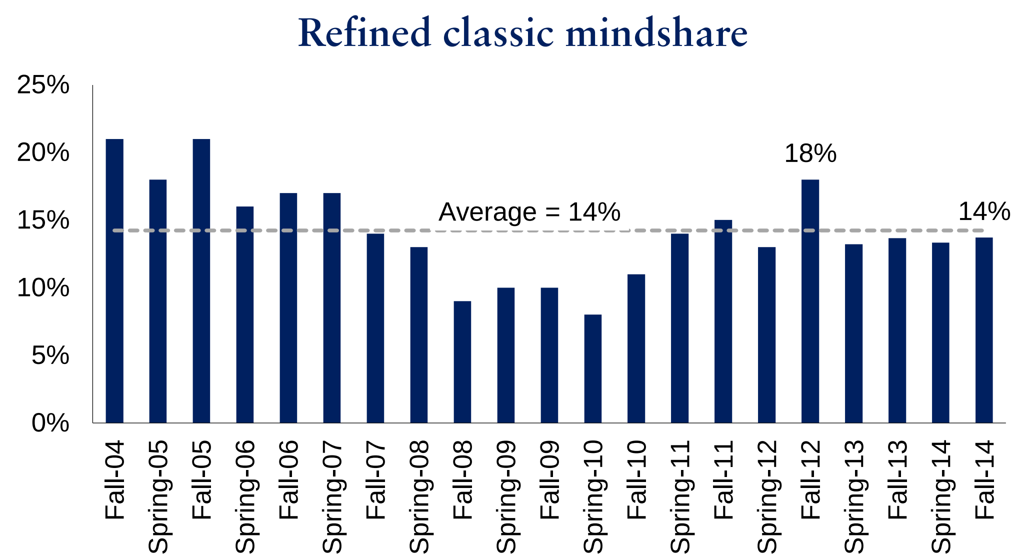
Source: Piper Jaffray & Co.





Fashion Trends Insights: Trends Showing Relative Stability

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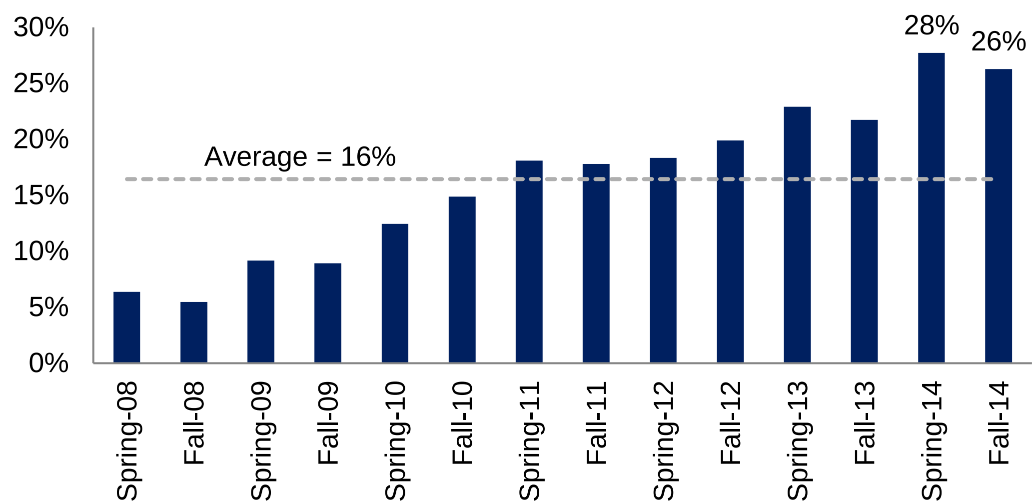
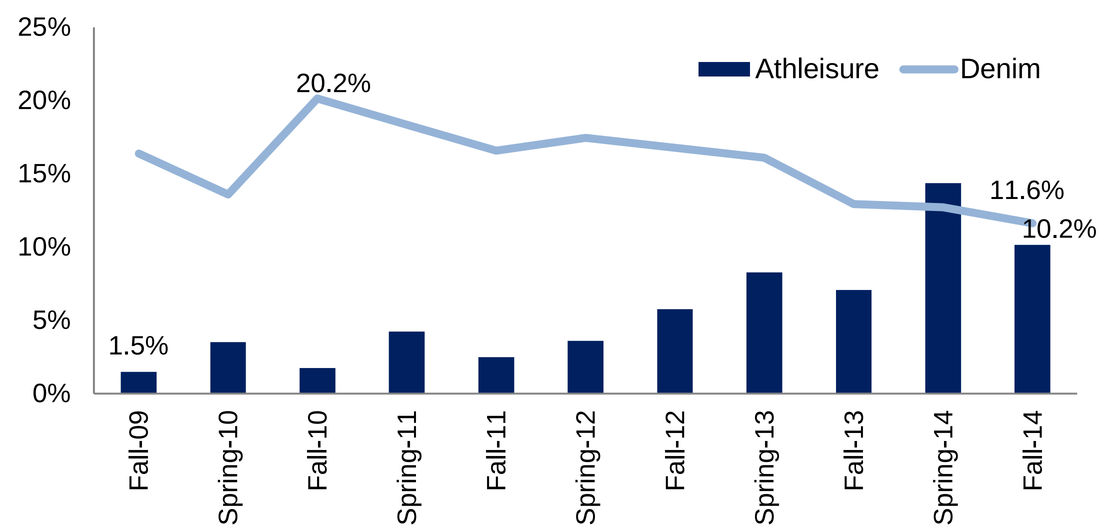
Source: Piper Jaffray & Co.

Fashion athletic mindshare



Denim versus athleisure mindshare



Beauty Brand Preferences – Cosmetics Spend Increasing

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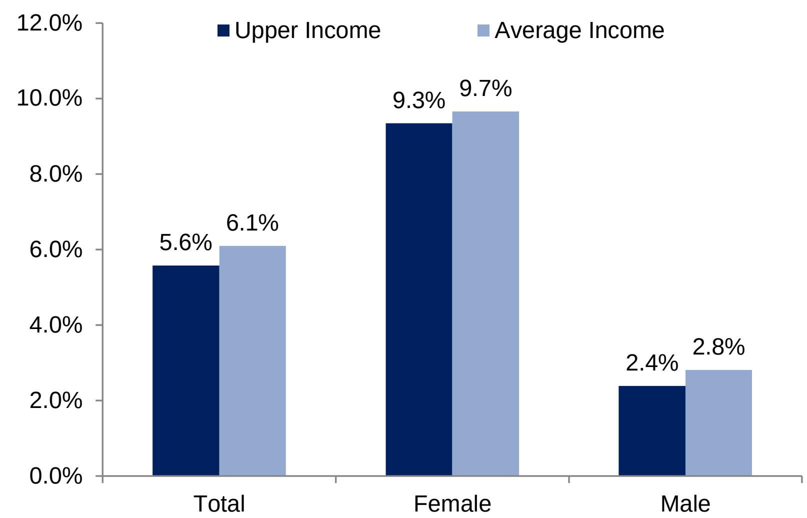
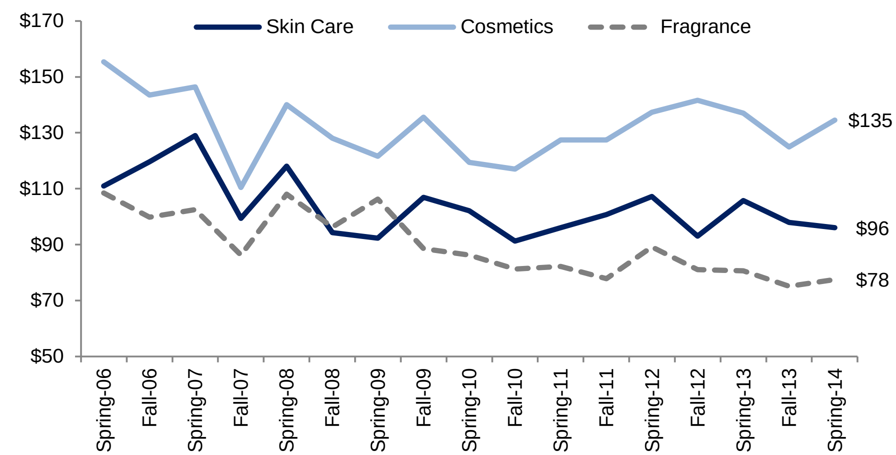
Source: Piper Jaffray & Co.

Wallet Share: Beauty



Spending On Beauty



Beauty Brand Preferences – Bias Toward Emerging Brands

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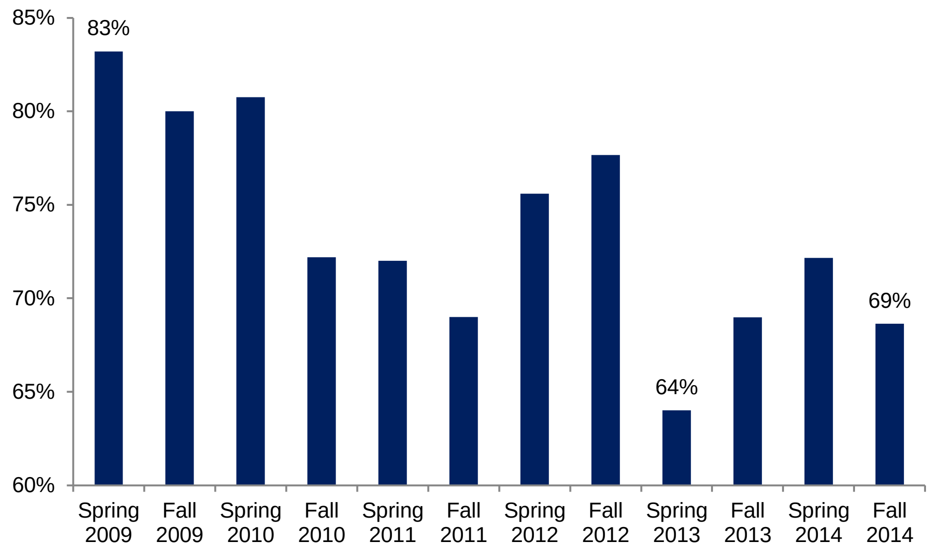
Brand Concentration: Top 10 - Cosmetics



Favorite Cosmetic Brands

Rank	Fall 2014	%	Rank	Spring 2014	%	Rank	Fall 2013	%	Rank	Spring 2013	%
1	Maybelline	13%	1	Maybelline	13%	1	MAC	19%	1	MAC	14%
2	CoverGirl	10%	2	CoverGirl	12%	2	Maybelline	11%	2	Maybelline	13%
3	MAC	10%	3	MAC	12%	3	CoverGirl	10%	3	CoverGirl	10%
4	Urban Decay	7%	4	Sephora	7%	4	Bare Escentuals	7%	4	Bare Escentuals	7%
5	Sephora	7%	5	Urban Decay	7%	5	Sephora	6%	5	Clinique	5%
6	Bare Escentuals	5%	6	Bare Escentuals	5%	6	Urban Decay	5%	6	Sephora	4%
7	L'Oreal	5%		L'Oreal	5%	7	Clinique	4%	7	Urban Decay	4%
8	Clinique	4%	8	Clinique	4%	8	L'Oreal	3%	8	Neutrogena	3%
9	Benefit	4%	9	Revlon	4%	9	Neutrogena	3%	9	Benefit	3%
10	Neutrogena	3%	10	Neutrogena	3%	10	Benefit	2%	10	Revlon	2%

Source: Piper Jaffray & Co.

Specialty Accessories – GoPro Demand Spotlights "Story Living" Trend

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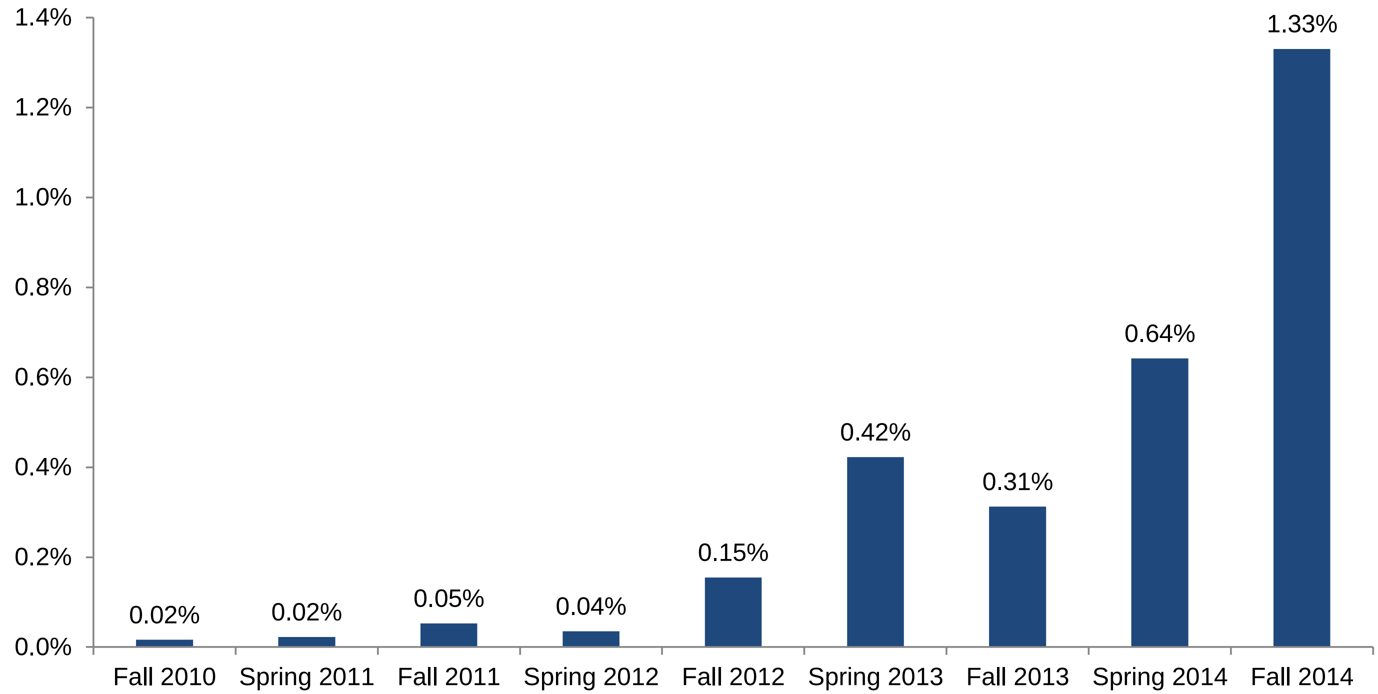
Source: Piper Jaffray & Co.

GoPro's Share of Teen Wish Lists Is Rising



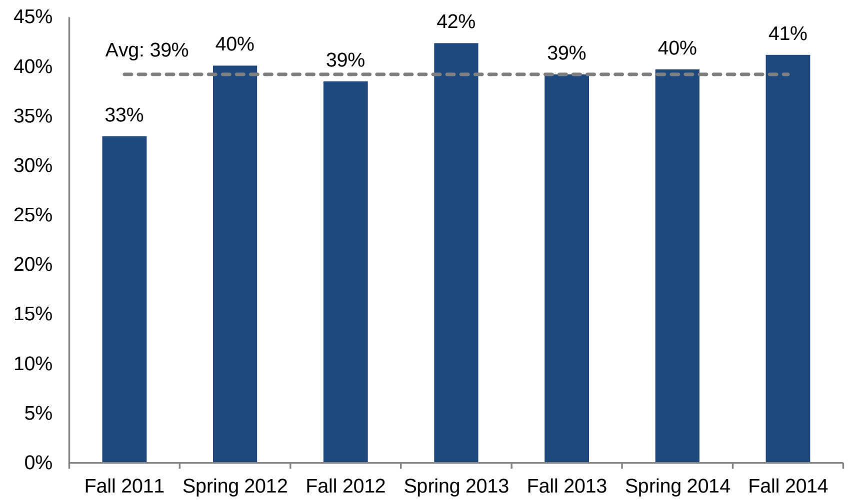
- Percentage of teens asking for a GoPro as a gift more than doubled sequentially and more than quadrupled year-over-year
- 17.2% of respondents indicated their family owned a GoPro capture device, up 460 basis points from 12.6% in Spring 2014 and up 790 basis points from 9.3% in Fall 2013.

Teens Adopt Healthy Lifestyle Choices

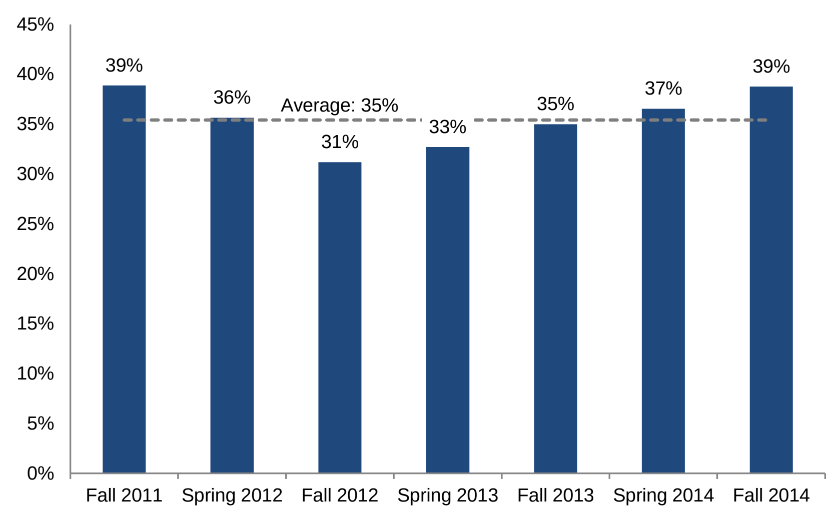
Source: Piper Jaffray & Co.

Takeaway: Next Generation Is Eating Organic

Do you eat organic food?



Delta of respondents eating more versus less organic food versus a year ago



- Number of teens eating organic food increased 100bps sequentially and 200bps year-over-year; Important to understand the preferences of next generation grocery shoppers (food & beverage for off premises consumption is ~$750B category)

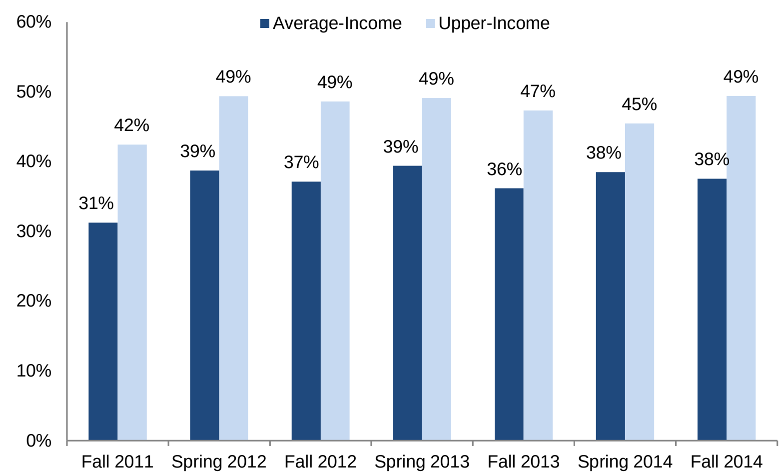
- Within those teens who are eating organic, they're consuming more of it as the delta of those consuming more versus less has increased for four consecutive surveys

Teens Adopt Healthy Lifestyle Choices

Source: Piper Jaffray & Co.

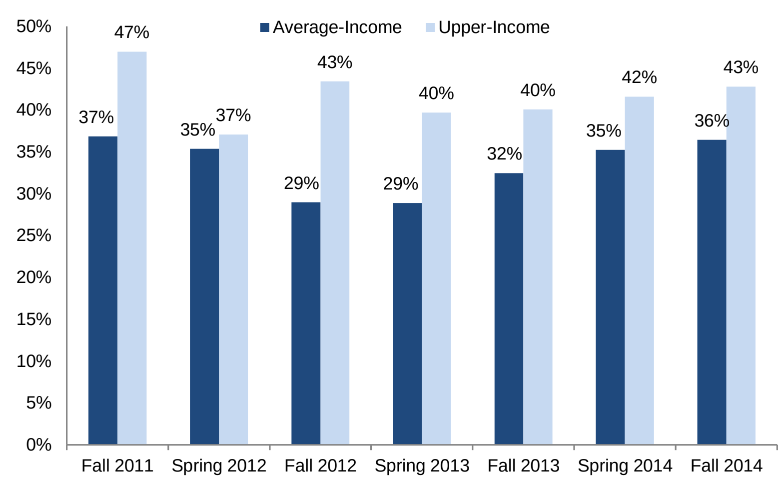
Takeaway: Next Generation Is Eating Organic

Do you eat organic food? – By income



- Not surprisingly, upper-income teens are more likely to eat organic food than average-income teens
- Consumption among upper-income teens increased sequentially and year-over-year
- Consumption among average-income teens was flat sequentially but up year-over-year

Delta of respondents eating more versus less organic food versus a year ago – By income



- The spread of those eating more organic food versus those eating less is highest among upper-income teens

Restaurant Brand Preferences

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Source: Piper Jaffray & Co.

Note: Based on Preliminary Data

Favorite Restaurant Brands

UPPER INCOME TEENS					
	No. 1	No. 2	No. 3	No. 4	No. 5
Fall 2014	Starbucks	Chipotle	Chick-Fil-A	McDonald's	Dunkin Donuts
Spring 2014	Starbucks	Chipotle	Chick-fil-A	McDonald's	Panera Bread Company
Fall 2013	Starbucks	Chipotle	McDonald's	Chick-fil-A	Panera Bread Company
Spring 2013	Starbucks	Chipotle	Panera Bread Company	Chick-fil-A	McDonald's
Fall 2012	Starbucks	Chipotle	McDonald's	Olive Garden	Chick-fil-A
Spring 2012	Starbucks	Chipotle	McDonald's	Olive Garden	Chick-fil-A
Fall 2011	Starbucks	Chipotle	McDonald's	Olive Garden	Dunkin Donuts
Spring 2011	Starbucks	Chipotle	McDonald's	Olive Garden	Chick-fil-A

AVERAGE INCOME TEENS					
	No. 1	No. 2	No. 3	No. 4	No. 5
Fall 2014	Starbucks	McDonald's	Chipotle	Chick-Fil-A	Taco Bell
Spring 2014	Starbucks	McDonald's	Chipotle	Olive Garden	Taco Bell
Fall 2013	Starbucks	McDonald's	Olive Garden	Taco Bell	Chipotle
Spring 2013	Starbucks	McDonald's	Olive Garden	Taco Bell	Buffalo Wild Wings
Fall 2012	Starbucks	McDonald's	Olive Garden	Red Lobster	Taco Bell
Spring 2012	Starbucks	McDonald's	Olive Garden	Taco Bell	Red Lobster
Fall 2011	Starbucks	McDonald's	Olive Garden	Taco Bell	Applebee's
Spring 2011	Starbucks	McDonald's	Olive Garden	Taco Bell	Applebee's

Electronics Brand Preferences

Source: Piper Jaffray & Co.

Takeaway – Apple (APPL):

- Apple remains top consumer electronics brand for teens
- 67% own iPhones vs 61% in Spring 2014
- 73% expect next phone to be iPhone
- 66% iPad share of tablet owners, flat from Spring
- 16% interested in "iWatch" for $350

Social Media Brand Preferences

Source: Piper Jaffray & Co.

Takeaway – Facebook (FB):

- Instagram still tops social network, then Twitter, Facebook
- 38% of teens note Instagram as a favorable marketing channel to reach them vs. Twitter at 34%, Facebook at 21%

Social Networking	Spring-14	Fall-14
Which of the following do you use?		
Instagram	69%	76%
Twitter	63%	59%
Facebook	72%	45%
Pinterest	21%	22%
Tumblr	21%	21%
Other	30%	21%
Google+	29%	12%
Don't Use Social Networks	n/a	8%
Reddit	7%	7%

E-commerce Brand Preferences

Source: *Piper Jaffray & Co.*

Takeaway – Amazon and Ebay:

- Amazon retains top eCommerce position, eBay loses mindshare
- Teens indicated less interest to shop online; likely due to less hype around buying online and desiring experience

Rank	Fall 2014	%	Rank	Spring 2014	%
1	Amazon	32%	1	Amazon	31%
2	Nike	8%	2	Nike	10%
3	eBay	5%	3	eBay	7%
4	Forever 21	5%	4	Forever 21	4%
5	Urban Outfitters	2%	5	Victoria's Secret	3%
6	Victoria's Secret	2%	6	Eastbay	2%
7	American Eagle	2%	7	American Eagle	2%
8	Nordstrom	2%	8	Urban Outfitters	1%
	PacSun	2%	9	Dick's Sporting Goods	1%
10	Brandy Melville	2%		Wanelo	1%
	Eastbay	2%			

Rank	Fall 2013	%	Rank	Spring 2013	%
1	Amazon	31%	1	Amazon	23%
2	eBay	8%	2	eBay	5%
3	Nike	5%	3	Nike	4%
4	Forever 21	4%	4	Forever 21	3%
5	Urban Outfitters	3%	5	Wanelo	3%
6	Nordstrom	3%	6	Eastbay	3%
7	American Eagle	3%	7	Urban Outfitters	2%
8	Eastbay	2%	8	American Eagle	1%
9	Victoria's Secret	2%	9	Victoria's Secret	1%
10	PacSun	2%	10	Nordstrom	1%
				Karmaloop	1%

Do you prefer to shop online or in stores?

Fall 2014	Online	In Stores
Female	21%	79%
Male	42%	58%

Fall 2013	Online	In Stores
Female	25%	75%
Male	37%	63%

Movie Rental Brand Preferences

Source: Piper Jaffray & Co.

Online Video Continues To Gain Traction (+ Netflix):

Teens are increasingly accessing movie rentals from the internet, but 21% of teens still say they rent movies at retail rental stores, suggesting potential for share gains in other categories.

	Fall-12	Spring-13	Fall-13	Spring-14	Fall-14
How do you rent movies today?					
Retail Store	32%	29%	28%	23%	21%
DVD-By-Mail	7%	6%	5%	5%	4%
Download/Streaming	43%	46%	49%	55%	57%
Kiosks	18%	19%	18%	17%	18%

Teens Point To Netflix & Redbox As Primary Movie Rental Channels In 5 Years (+ Netflix & Outerwall):

Netflix continues to gain share, but 18% of teens use DVD kiosks today and 13% expect to use Redbox in five years. Teens recognize the shift away from retail store rentals (21% today going to 2% in 5 yrs); that retail rental share will shift to online and to Redbox.

	Fall-12	Spring-13	Fall-13	Spring-14	Fall-14
Which will you use most to rent movies in the next 5 yrs?					
Netflix	55%	59%	59%	65%	67%
Redbox	21%	18%	17%	14%	13%
Other	12%	11%	12%	10%	8%
Rental Store	4%	3%	3%	2%	2%
Hulu	4%	4%	4%	3%	4%
Amazon	5%	5%	5%	6%	7%

Video Game & Gaming Retail Brand Preferences

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Source: Piper Jaffray & Co.

Video Game Related Takeaways:

Favorable trends around next-gen console ownership & purchase intent. We found that 67% of respondents either already upgraded to the next gen or are interested in upgrading, up slightly from 65% in the Spring.

Pre-owned category critical to teen gamers; GameStop has leading share. Our Fall 2014 survey shows GameStop continues to maintain a strong share of both new and used video games. According to our survey, 63% of teens buy used games and 44% of those do so at GameStop.

Used/Pre-owned Purchase	% of Students Fall 2010	% of Students Spring 2011	% of Students Fall 2011	% of Students Spring 2012	% of Students Fall 2012	% of Students Spring 2013	% of Students Fall 2013	% of Students Spring 2014	% of Students Fall 2014
Yes	47%	60%	51%	60%	59%	63%	64%	64%	63%
No	53%	40%	49%	40%	41%	37%	36%	36%	37%

Mobile gaming interest declines, but more teens paying to play. 80% of teens in our survey play mobile games, which is the lowest we've seen, but we found that 22% of those that play spend money on virtual goods or extra levels. This is the highest percentage we have seen and is up from 18% in Spring 2014.

	% of Students Spring 2013	% of Students Fall 2013	% of Students Spring 2014	% of Fall Spring 2014
Yes	83%	81%	85%	80%
No	17%	19%	15%	20%

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Source: Piper Jaffray & Co.

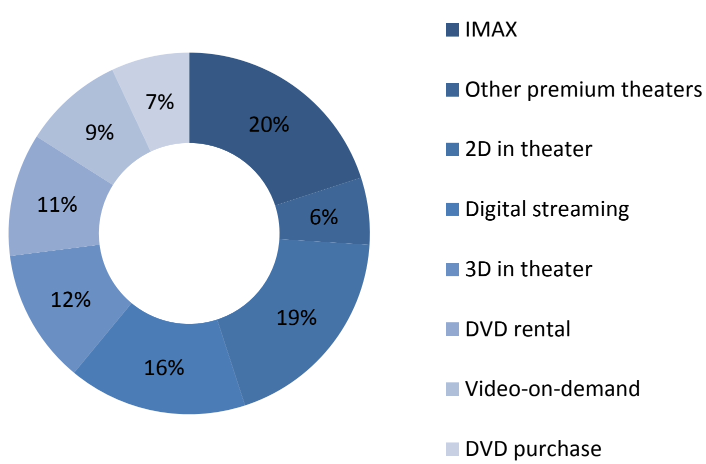
Takeaways: Lionsgate Well Positioned In The Home, IMAX popularity shrinking

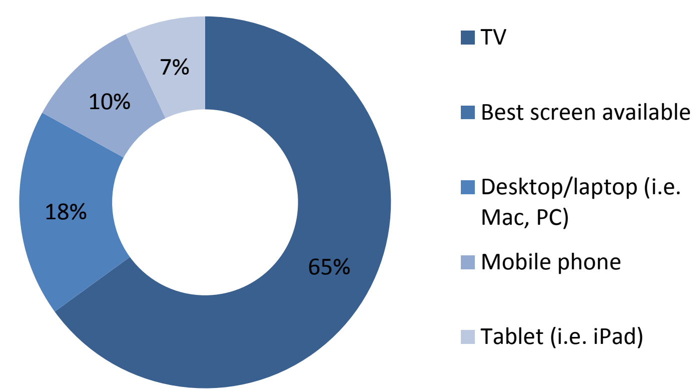
Studios continue to benefit from recent surge in interest in home video entertainment.

- Digital streaming continues to grow in popularity among teens as 16% now say it is their most preferred way to watch movies, up from 14% 6 months ago and 4% in 1H12 survey.
- Positive for LGF and CIDM as their content moves into the lucrative SVOD and DVD windows but highlights the challenges in the pay television market.

IMAX remains the dominant format among teens, though popularity is shrinking.

- IMAX remains the most preferred way for teens to watch a movie: 20% of respondents identified IMAX as the best format to see a film.
- In this survey we split up our premium theater response into IMAX and 'other premium' theaters. The result was 20% and 6%, respectively, compared to a combined score of 30% six months ago.





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Source: Piper Jaffray & Co.

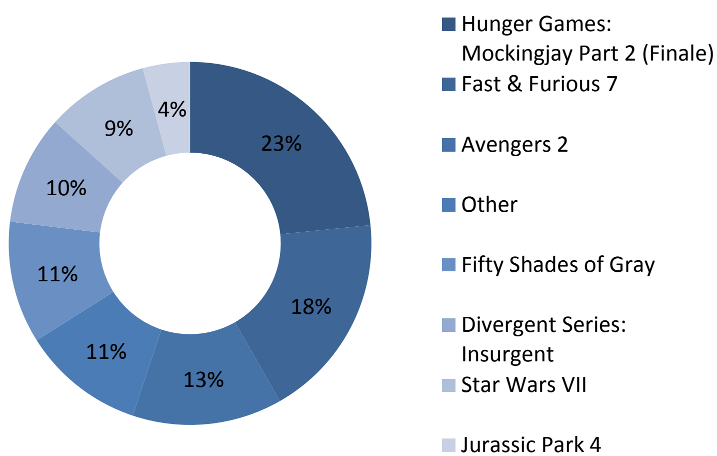
Teen Survey Takeaways: Lionsgate headed for a strong 2015, Pandora slips

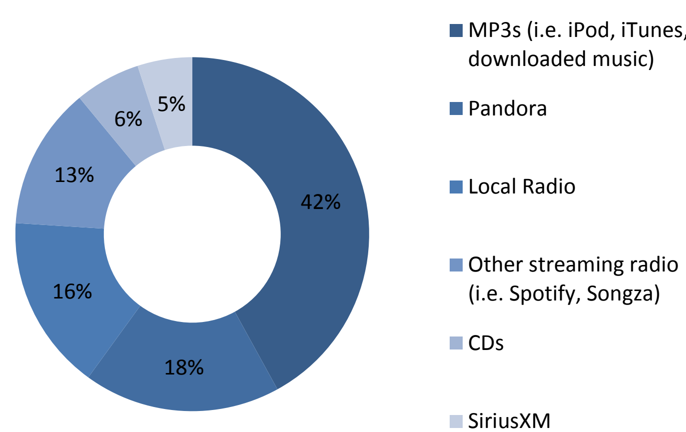
Lionsgate well positioned for 2015 among teens.

- In our teen survey of the most anticipated films for 2015, Lionsgate's films captured a 34% share.
- The Hunger Games finale was the most anticipated film among teens with 24% of participants.
- Fast & Furious 7 was second with 18% and Avengers 2 was third with 13%. Fifty Shades of Gray and Divergent were in the 4th and 5th place with 11% and 10%, respectively.

Pandora popularity moderates among teens.

- Pandora listenership declined to 18% from 26% six months ago.
- MP3s moved up from 35% to 42% (likely impacted by the broadening of our question)
- When asked if they listen to Pandora more, same or less, 30% said "less," up from 25% in Spring '14
- When questioning music consumption in the car, Pandora fell to 20% from 26% from last survey.





Participant Questions & Answers

SPEAKER	TOPIC
Wissink	Survey Demographics & Shopping Behavior
Tamminga	Shopping Behavior - Channel Convergence, Loyalty, Mobile
Murphy	Brand Preferences - Apparel & Footwear
Wissink	Brand Preferences - Beauty
Naughton	Brand Preferences - Organic Foods; Specialty Accessories
Munster	Brand Preferences - Electronics, Social Media, E-Commerce
Olson	Brand Preferences - Video Games, Movie Rentals
Marsh	Brand Preferences - Entertainment & Media

Source: Piper Jaffray & Co.

Appendix: Company & Stock Specific Highlights

Tamminga	ANF	Neutral	-	Survey shows evidence of US teens de-emphasizing logos; declining mindshare
Tamminga	URBN	Overweight	+	Positive Festival/Romantic trends in teen survey favor core UO and Free People
Murphy	KORS	Overweight	+	Survey confirms domestic demand remains robust; No. 1 preferred handbag brand, unseating Coach
Murphy	UA	Overweight	+	Demonstrating solid traction in both apparel and footwear rankings
Wissink	ULTA	Neutral	=	Transferring Coverage; Maintaining Neutral Rating
Wissink	COTY	Overweight	+	Increased confidence in FY estimates on rising fragrance mindshare & rising cosmetics demand curve
Naughton	GPRO	Neutral	=	Downgrading to Neutral on valuation; Survey results point to sales momentum continuing
Naughton	WWAV	Overweight	+	One of the best positioned organic foods companies
Naughton	HAIN	Overweight	+	One of the best positioned organic foods companies
Naughton	COST	Overweight	+	A stealth play in organic foods
Munster	AAPL	Overweight	+	Approx. 2/3rds of teens own iPhones; Watch interest modest
Munster	FB	Overweight	+	Instagram remains current "In" social network
Munster	EBAY	Neutral	=	Retains No. 3 position, but loses mindshare (5%, from 7% in Spring 2014)
Munster	AMZN	Overweight	+	Retains No.1 position with 32% of teens reporting Amazon as favorite online shopping site (vs. 31% in Spring 2014)
Olson	GME	Overweight	+	Strong uptake of next gen consoles; high level of interest in buying/selling used games
Olson	GLUU	Overweight	+	Mobile gaming interest down slightly, but payers increasing; KKH gaining teen mindshare
Olson	NFLX	Neutral	+	Netflix continues to gain share as teen media consumption shifts increasingly online
Olson	OUTR	Overweight	+	Redbox share among teens holding steady; no signs of imminent material secular decline
Marsh	LGF	Overweight	+	Lionsgate well positioned for 2015 among teens
Marsh	P	Overweight	+	Pandora popularity moderates among teens
Marsh	IMAX	Neutral	=	IMAX remains the dominant format among teens, though popularity is shrinking

Source: Piper Jaffray & Co.

Stock Highlights: Specialty Retail

Source: Piper Jaffray & Co.

Analyst: Neely Tamminga

ANF (-): Survey shows evidence of US teens de-emphasizing logos; declining mindshare

- Legacy logo-driven retailers (A&F, Aeropostale, American Eagle, and Hollister) accounted for 12% mindshare in the Fall 2014 survey, down from 13% six months ago and below the 28-survey average of 24% among upper-income teens
- A&F dropped out of the top 10 among upper-income teens for the first time since Spring 2011—the only other time in our survey history that the retailer did not show up in the top 10.
- Hollister moved to No. 7 with 2% mindshare among upper-income teens, down from No. 5 in the spring.

URBN (+): Positive Festival/Romantic trends in teen survey favor core UO and Free People

- Urban Outfitters demonstrated improvement across the board with the brand coming in at No. 3 among affluent upper-income females vs. No. 5 in spring.
- Free People cracked the top ten at No. 8 as a preferred brand among affluent upper-income females and No. 3 when we asked them to name any new brands they are beginning to wear or retailers they are beginning to shop.
- Free People's authentic "Festival/Romantic" fashion trends are what these women are looking to wear following declining trends in legacy-logo looks and interest in fast fashion.

Stock Highlights: Apparel & Footwear Brands

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Source: Piper Jaffray & Co.

Analyst: Erinn Murphy

KORS (+): Survey results confirm that there is no slowdown in domestic demand

- Single-most actionable call out from brand preferences in our teen survey
- KORS now is the No. 1 preferred handbag for upper- and average-income female teens with mindshare ~2x that of COH.
- Brand gained share among preferred watch survey at No. 2 brand (23% share in Fall vs. 15% in Spring).
- $118 PT based on 24x FY16E EPS

UA (+): Demonstrating solid traction in both apparel and footwear rankings

- UA is the No. 8 preferred apparel brand among upper-income teen males (2% share) vs. No. 19 last year.
- UA is now in the top-ten preferred footwear brands among male teens for the first time
- Upper-income males: No. 9 (1% share) in fall vs. No. 16 in spring
- Average-income males: No. 10 (1% share) in fall vs. No. 13 in spring
- It also ranked as the No. 3 brand that teens are "starting to wear"—up from No. 5 one year ago.
- $78 PT based on 65x FY15E EPS

Stock Highlights: Consumer Goods – Beauty Brands & Retailers

Source: Piper Jaffray & Co.

Analyst: Steph Wissink

ULTA (=): Transferring Coverage; Maintaining Neutral Rating

- Balanced view of growth prospects and inherent near-term risks to cost deleverage.
- Improved CRM capabilities (customer loyalty), a desirable specialized retail format (per our teen study), unit growth potential, and greater attention to cross-channel (e-com) opportunities support a low 20s multiple.
- We expect 1) real estate; 2) infrastructure investments; 3) customer data & loyalty; and 4) e-commerce to be focus topics at the Oct 15 analyst day.
- Our bias: wait to own shares until the company can level set expectations around competition, necessary investment, potential deleverage, and brand balance into 2015.
- $97 PT based on 22x FY16E EPS

COTY (+): Increased Confidence In FY Estimates On Rising Fragrance Mindshare

- Our bias: positioning slightly more cautiously into the Sept quarter report, given consensus estimates ahead of management's suggested range.
- Tweaking our model to reflect a continuation of pressure in Europe (including FX) and de-stocking at mass channel retailers through mid-year.
- Encouraged by growing fragrance share in our recent proprietary teen survey, up from mid-single to high-single/low double digits mind share.
- Recommend using the Sept quarter report to accumulate shares and to build positions for more robust 2015 sales and margin potential.
- On a multi-year basis, we favor the mix benefits of cosmetics and skin care growth, and cash dynamics from the fragrance business
- $20 PT based on 22x CY15E EPS

Stock Highlights: Specialty Accessories, Organic Foods

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Source: Piper Jaffray & Co.

Analyst: Sean Naughton

GPRO (=) Downgrading to Neutral on Valuation: Survey results point to sales momentum continuing

- 17.2% of respondents indicated their family owned a GoPro capture device, up 460 basis points from 12.6% in Spring 2014 and up 790 basis points from 9.3% in Fall 2013
- Ownership rate increased 86% year-over-year. On a sequential basis, ownership growth increased 36.4%, roughly unchanged from the 36.2% sequential increase from Fall 2013 to Spring 2014
- 1.33% of respondents listed GoPro on their holiday wish list; up 2x sequentially and 4x y/y
- Downgrade predicated on valuation as we see limited upside for GPRO shares
- Price target and estimates unchanged

Organic food brands & retailers (+) Best positioned are WWAV and HAIN; COST a stealth play

- Important to understand the preferences of next generation grocery shoppers (food & beverage for off-premises consumption is ~$750B category)
- Number of teens eating organic food is 41%; increased 100bps sequentially and 200bps y/y
- Within those teens that are eating organic, they're consuming more of it as the delta of those consuming more versus less has increased for four consecutive surveys
- Upper-income teens eat more organic food than average-income teens, but both eating seeing consumption flat to up

Stock Highlights: Electronics, Social Media, And E-commerce

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Source: Piper Jaffray & Co.

Analyst: Gene Munster

AAPL (+): 2/3rds of teens own iPhones; Watch interest modest

- 67% of teens own iPhones vs. 61% in Spring '14. 73% of teens say next phone will be an iPhone.
- 66% of teens that owned a tablet owned an iPad, flat from Spring '14. 60% of teens that expect to buy a tablet in the next 6 months expect to buy an iPad.
- 16% of teens said they would buy an "iWatch" for $350 vs 17% in Spring '14 (asked prior to Apple Watch launch).
- We believe the watch data supports our view of conservative Apple Watch numbers next year.
- Remain confident in our 10 million CY15 unit estimate for Apple Watch.

FB (+): Instagram Remains Current "In" Social Network

- Instagram remained most popular with 76% of respondents noting they use it vs. 69% last Spring.
- 59% responded that they use Twitter vs. 63% in the Spring and 45% noted that they use Facebook vs 72% in the Spring.
- Snapchat was noted by 4% of teens up from 1% in Spring '14.

EBAY (=): Retains No. 3 position, but loses mindshare (5%, from 7% in Spring 2014)

- Loses mindshare among females (2%, from 4% in Spring) and declines slightly among males (7%, from 8% in Spring 2014)
- Teens overall less interested in shopping online at 21% for female, 42% for male vs 26% and 47% in Spring 2014, respectively

AMZN (+): Retains No.1 position and mindshare with 32% of teens reporting Amazon as favorite online shopping site (vs. 31% in Spring 2014)

- Loses mindshare among females (21%, from 26% in Spring) and gains among males (40%, from 34% in Spring 2014)
- Teens overall less interested in shopping online at 21% for female, 42% for male vs 26% and 47% in Spring 2014, respectively

Stock Highlights: Video Games & Movie Rentals

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Source: Piper Jaffray & Co.

Analyst: Mike Olson

Console Video Games

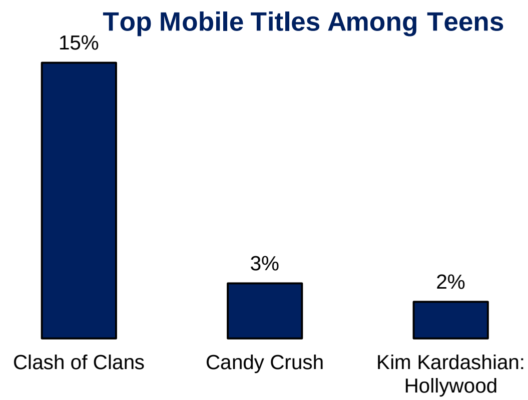
ATVI, EA, GME, TTWO (+): Early stages of console transition positioning publishers & GameStop for strong renewed growth phase.

- 67% of teen gamers either own a next-gen console or want to buy one, up from 65% in Spring 2014
- Teen popularity of next gen consoles is particularly important as it shows the category is not losing share among a younger demographic, despite other options for entertainment.

Mobile Games

GLUU (+): We believe Glu's monetization retooling efforts have proven successful. Combined with the success of Kim Kardashian: Hollywood, we believe there is potential for Q3 upside.

- 22% of teens who play mobile games spend money on virtual goods, "cheats" or extra levels



Movie Rentals

NFLX, OUTR (+): Netflix and Redbox have leading teen mindshare in the movie rental category

- 67% of teens expect Netflix to be the primary source of movie rentals in 5 years (vs. 65% in Spring -13)
- Second to Netflix, 13% of teens expect Redbox (OUTR) to be their primary source of movie rentals in 5 years (down from 14% in Spring); given investor concern about Redbox usage declining materially in the coming quarters/years, this appears to be a relatively positive data point

Stock Highlights: Media & Entertainment

Source: Piper Jaffray & Co.

Analyst: James Marsh

LGF (+): Lionsgate well positioned for 2015 among teens

- Of the most anticipated films for 2015, Lionsgate's films captured a 33% share.

P (+): Pandora popularity moderates among teens

- When asked how teens are listening to music, Pandora listenership declined to 18% from 26% six months ago.

IMAX (=): IMAX remains the dominant format among teens, though popularity is shrinking

- IMAX remains the most preferred way for teens to watch a movie: 26% of respondents identified IMAX and other premium theaters as the best format to see a film, compared to 30% in our Spring survey.

Important Research Disclosures

Analyst Certification – Steph Wissink, Neely Tamminga, Erinn Murphy, Sean Naughton, Nicole Miller Regan, Peter Keith, Gene Munster, Michael Olson, James Marsh (Senior Research Analysts)

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