

**VOICE of the Region Survey
Holiday Spending Study**

In the past few months, the United States has faced many economic hardships, and as a result, many Americans are feeling the pinch on their wallets around the holiday season. In December of 2007, we conducted a study examining the holiday buying habits of Southwestern Pennsylvanians. Using this study as a benchmark, Campos Inc has set out to determine if buying habits and holiday plans have changed as a result of the economy.

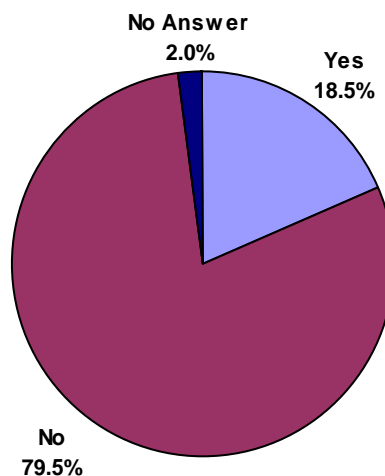
We conducted a regional survey among members of the Campos Inc **Voice of the Region** in November of 2008 to gauge the local impact of the economy this holiday season, and to compare the results of last year's holiday spending study to the results from this year's study. This survey asked the same questions that we asked in 2007, with the addition of a few new ones. The survey consisted of fourteen questions pertaining to each respondent's personal views on their buying habits amidst a troubled economy. We also asked respondents if they are planning to implement any changes in their holiday spending/planning habits. We sent the survey to our Voice of the Region members across the region and received 856 responses.

Travel Plans Not Deterred by Failing Economy

This year's data shows that 50.6% of respondents cited some form of travelling as part of their holiday plans (includes *travel and stay with relatives, visit relatives/family (short term), visit friends and travel to a vacation destination*). This is similar to last year's data, showing that 47.2% of respondents planned on travelling for the holidays.

Despite wavering gas prices, nearly the same amount of respondents in both years reported a *car* as their mode of transportation (72.8%, 2008; 73.5%, 2007) during the holidays. Additionally, nearly eight in ten (79.6%) respondents cited that the price of gasoline did NOT influence their decision to travel during the holidays. All in all, Pittsburghers are showing no signs of slowing down this holiday season as a result of a downturned economy.

2008
Did the price of gasoline influence your decision to travel?

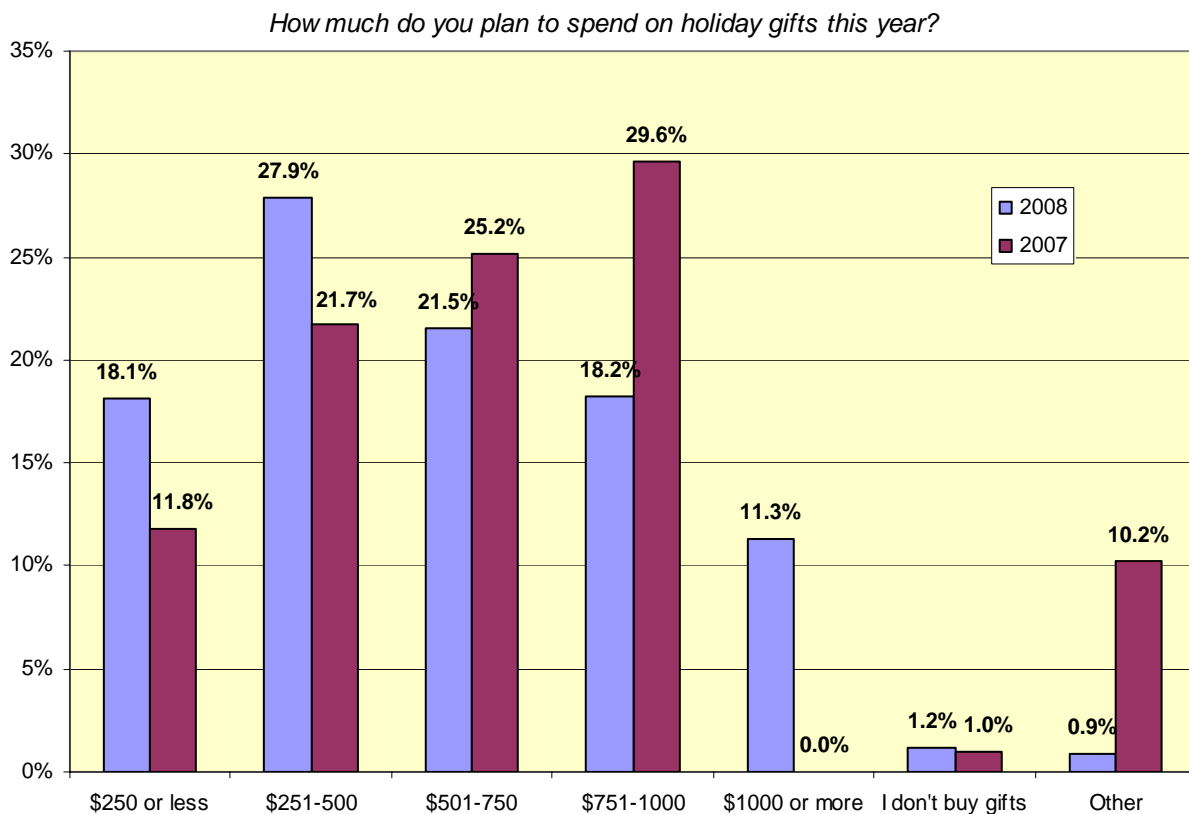


Economy Somewhat Effects Holiday Spending Plans

Respondents were asked to predict how the concern for the economy in 2009 will affect their spending habits this season. Nearly six in ten (58.6%) respondents cited that their spending habits will be *somewhat reduced*. *Dramatically reduced spending* and *no change in spending* were reported by approximately two in ten respondents each (20.4% and 20.0%, respectively).

When respondents were asked to identify their biggest expense at the holidays, not surprisingly, *gifts* was named by 86.1% of respondents, a slight decrease compared to the 2007 results (88.5%). Other expenses cited include: *food* (8.5%, 2008; 4.9%, 2007), *charities* (2.1%, 2008; 1.5%, 2007), and *I do not celebrate the holidays* (1.2%, 2008; 0.9%, 2007).

Respondents were then asked how much they plan to spend on holiday gifts this year. The highest percentage of respondents (27.9%) cited \$251-\$500. In contrast, last year's most frequent response was \$751-\$1000, chosen by 29.6% of respondents. These 2008 results show an obvious decrease the amount of money respondents plan to spend this year compared to last year. In 2008, \$251-\$500 range was cited most frequently, with responses decreasing as the price range increases; In 2009, \$751-\$1000 was cited most frequently, with responses decreasing as the price range decreases.



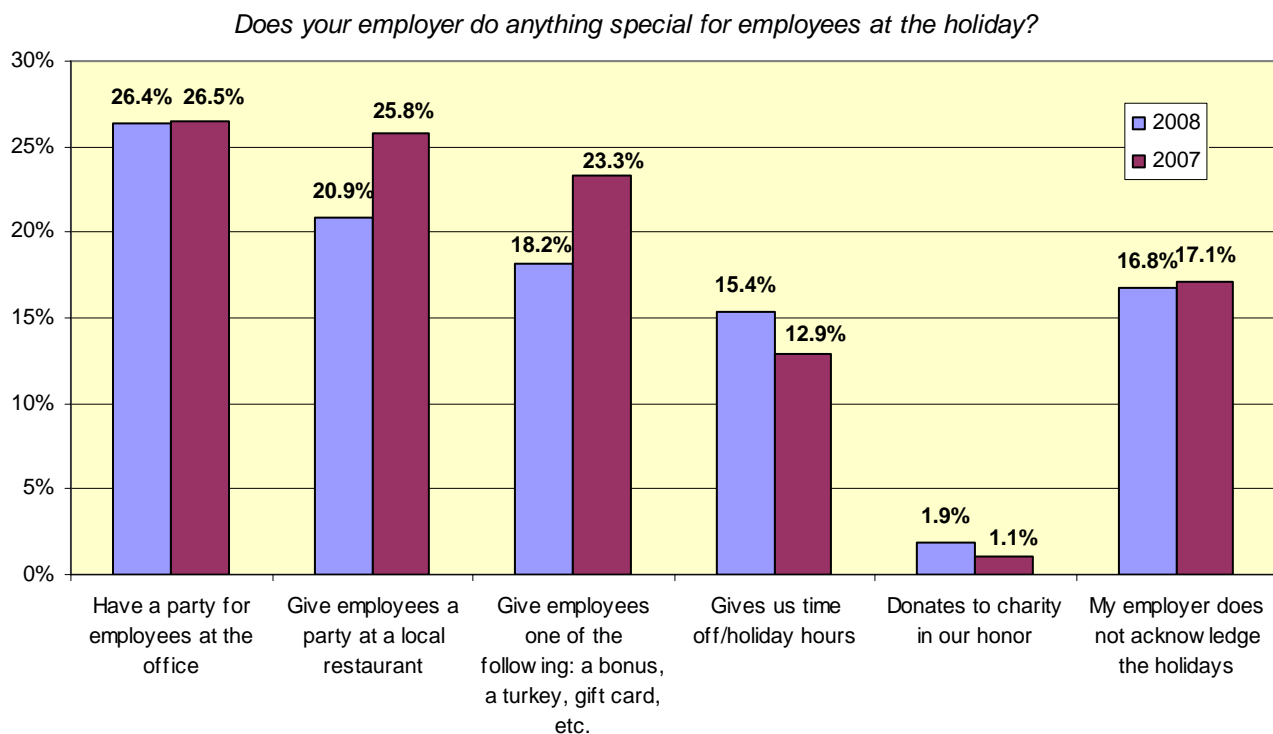
Respondents were then asked what plans, if any, they had to save money this holiday season. They had the option of choosing as many or as few factors as appropriate. Over six in ten (63.6%) respondents cited *spend a little less on everyone* as their plan for reducing spending this holiday season. The following list identifies the top eight ways respondents plan to spend less this holiday season:

	% Mentioning*
1. Spend a little less on everyone	63.6
2. Eliminate people from my shopping list	21.3
3. Only buy for the kids	13.1
4. Make my gifts	8.6
5. Establish a grab bag in my family	6.7
6. Buy from sales and discount stores/Use coupons	1.9
7. I'm not spending less/I'm spending the same as previous years	0.8
8. Other	2.8

*Responses total more than 100% due to multiple responses

Employers Find Many Ways to Celebrate the Holidays

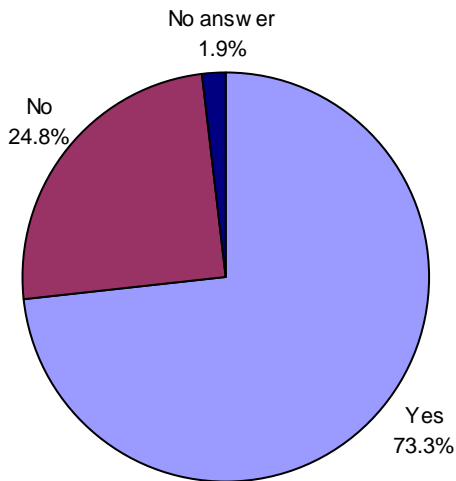
Respondents were then asked how their employers celebrate the holidays. Respondents cited *have a party for employees at the office* (26.4%) most frequently. Compared to last year's data, a decrease is apparent in the frequency of employers *giving employees a party at a local restaurant* (20.9%, 2008; 25.8%, 2007) and *giving employees one of the following: a bonus, a turkey, a gift card, etc* (18.2%, 2008; 23.3%, 2007). On the other hand, a greater percentage of employers are *giving employees time off/holiday hours* (15.4%, 2008; 12.9%, 2007). The following graph shows a comparison between the results of this year's study compared to last year's study.



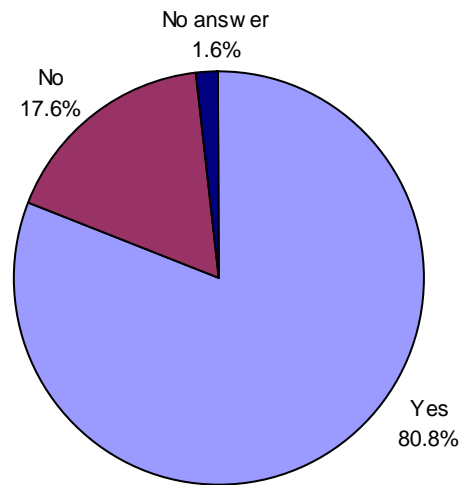
Gift Cards

For the 2008 study, Campos Inc wanted to gauge the popularity and effect of gift cards in our market today. Nearly three-quarters (73.4%) of respondents reported that they *give* gift cards for the holidays. Additionally, eight in ten (80.7%) mentioned that they *receive* gift cards for the holidays. Over four in ten (44.4%) of respondents cited that they redeem gift cards *within six months*, while 28.4% redeem their gift cards *within one month*.

Do you **give** gift cards for the holidays?



Do you **receive** gift cards for the holidays?



The Bigger Picture

Overall, respondents have shown that our troubled economy is having some effect on their holiday spending habits, but not on their planning habits. While our results show a decrease in the amount of money people plan to spend on gifts this season, they have not been deterred from travelling to see family members and friends. We asked respondents what they like best about the holidays, and a large majority of respondents (69.5%) said they most enjoyed *spending time with their friends and family*. The thing respondents liked the least about the holidays was *shopping* (31.4%). All in all, respondents recognize the holidays as a time for enjoying family and friends, despite a declining economy.

Share Your Views – Join the Voice of the Region Panel

If you are interested in sharing your viewpoints on topics of regional interest, join the Voice of the Region (VOR) Panel by visiting <http://www.voiceoftheregion.com> and clicking on the Voice of the Region Icon.

The VOR Panel consists of more than 20,000 consumers and professionals from Southwestern Pennsylvania. This self-elected community has agreed to share opinions and insights on innovative products and services of local, national, and international corporations, businesses, and organizations. Additionally, VOR panelists have the opportunity to participate in quarterly surveys dealing with subjects that are important to the future of our region – such as the arts, economic development, health, education, and recreation.

About Campos Inc

Campos Inc is a research-based market strategy firm located in Pittsburgh, PA, offering traditional and online quantitative and qualitative research methodologies. For more than 20 years, Campos Inc has helped businesses launch new products and services, acquire new customers, track advertising and brand awareness, measure the impact of communications, and understand their clients' satisfaction and loyalty. Campos Inc also offers consulting, strategic planning, and meeting facilitation services.