

For additional information contact:
Kathy Clarke
TNS Retail Forward
614/355-4009
[kclarke@retailforward.com »](mailto:kclarke@retailforward.com)

Shoppers Shift Shopping Patterns, Discount and Value Retailers Benefit, TNS Retail Forward Reports

COLUMBUS, Sept. 2, 2008—Shoppers have shifted their shopping patterns as gasoline and food continue to grab a larger share of wallet. In **American ShopperScape™ 2008**, TNS Retail Forward reports that shoppers are trading down to save money and seeking one-stop shopping venues and stores closer to home to save time and gasoline. Discount and value retailers are benefiting from an influx of cost-conscious shoppers at the expense of conventional and high-end retailers. And, store brands are benefiting at the expense of national brands.

American ShopperScape™ 2008 analyzes the shopping behaviors of the thousands of consumers TNS Retail Forward studies as part of the company's ongoing tracking survey.

"Shoppers' strategies of spending less and migrating to lower-priced retailers are capable of shaking the retail landscape and creating seismic shifts," comments Mandy Putnam, Vice President with TNS Retail Forward and author of **American ShopperScape™ 2008**. "As a result of shopper migration, retailers' customer profiles are shifting. Some are shifting not just because they are gaining customers who are trading down, but because they are losing customers who are turning to even more value-oriented channels," she adds. "Whether new patrons permanently adopt these retailers depends on how well retailers address the needs of their new customers and how well new patrons acclimate to shopping in less-familiar territory."

What Shoppers and Other Household Members Are Doing to Drive Fewer Miles*

Planning errands to minimize the distance traveled	75%
Going to stores where I can do one-stop shopping	58%
Going to stores that are closer to home or work	55%
Doing more activities around the house instead of driving places	47%
Doing more online shopping	26%
Visiting friends and family that don't live close by less often	23%
Reducing miles driven during vacations	17%
Walking/bicycling to places instead of driving	15%
Doing more carpooling	10%
Using public transportation	8%
Telecommuting to work/working from home more often	6%
Other	4%

*Among shoppers driving fewer miles to offset high gasoline prices (68%)

Source: TNS Retail Forward ShopperScape™, June 2008

American ShopperScape™ 2008 reports:

- **26% of shoppers are turning to retailers other than where they usually shop to offset high gasoline prices.** They are shopping more at discount and value formats and less at upscale and specialty retailers. In contrast, patrons of upscale and specialty formats report shopping them less often to get better deals elsewhere.

- **Power centers are gaining ground at the expense of regional malls and small strip centers.** Frequent patronage at power centers increased by four percentage points (from 56% to 60%) between June 2007 and June 2008 as shoppers seek one-stop shopping venues to save on gasoline. In contrast, monthly patronage of regional malls and small strip centers continues to decline.
- **More shoppers use online shopping to save time than to save money.** Shoppers are gradually shifting some shopping away from stores to Web sites, which may affect shopping patterns even more dramatically in the future given rising gasoline prices and time scarcity. Women, middle-aged and high-income shoppers are much more likely to shop online to save time than money.
- **Home improvement spending declined substantially year to year and home furnishings spending also weakened—both victims of a weak housing market.** Reported spending for other merchandise groups—casual apparel, dress apparel, consumer electronics, groceries, and health and beauty care—remained stable.

American ShopperScape™ 2008 also explores six Shopping Modes—the ways shoppers approach their “customer journeys” in retail venues. While the majority of shoppers (62%) participate in Low-Cost Replenishment shopping, as more shoppers seek deals to offset pain at the pump and in the grocery aisles, the Thrill of the Hunt shopping mode is now a more likely motivator of the shopper journey.

“Knowing the primary shopping modes associated with particular channels and retailers helps retailers plan relevant tactics to meet the needs of customers during their shopper journeys,” states Putnam. “Addressing shoppers’ secondary modes can create compelling points of differentiation from the competition,” she adds.

###

About American ShopperScape™ 2008

American ShopperScape™ 2008 analyzes the shopping behaviors of the thousands of consumers that TNS Retail Forward studies as part of its ongoing tracking survey. Each month, ShopperScape™ surveys 4,000 members of the TNS online panel about where they are shopping, what they are buying and why. Survey participants are the self-designated primary shopper in the household. In addition to tracking shopper behavior, ShopperScape™ explores critical issues that affect shopping behaviors seasonally and over time. The report is available for purchase for \$2,500 from TNS Retail Forward. For more information on purchasing the report, contact kclarke@retailforward.com » or visit www.retailforward.com ».

About TNS Retail Forward

TNS Retail Forward (www.retailforward.com ») is a global management consulting and market research firm specializing in retail intelligence and strategies. The company's syndicated research and executive development program, known as the Retail Forward Intelligence System™, provides members with an authoritative perspective on the retail and consumer products industries.

About TNS

TNS is a global market insight and information group. Our strategic goal is to be recognized as the global leader in delivering value-added information and insights that help our clients make more effective decisions.

As industry thought leaders, our people deliver innovative thinking and excellent service to global organizations and local clients worldwide. We work in partnership with our clients, meeting their needs for high-quality information, analysis and foresight across our network of more than 70 countries.

We are the world's foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of new product development, segmentation and positioning research, brand and advertising research, and stakeholder management. We are a major supplier of consumer panel, media intelligence, and Internet, TV and radio audience measurement services.