
THE
MENDELSON
AFFLUENT
SURVEY

Household Income \$100,000+

2008



Ipsos Mendelsohn

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*New in 2008

Introduction

Ipsos Mendelsohn History

Ipsos Mendelsohn (formerly known as Monroe Mendelsohn Research until its acquisition by Ipsos in 2008) was founded in 1958 to provide marketing consultation and to conduct high-quality marketing and media research surveys. The 2008 Mendelsohn Affluent Survey marks the 32nd consecutive year in which Ipsos Mendelsohn has investigated the upscale segments of the American marketplace. Since 1977, when the Mendelsohn Affluent Survey was launched, the company has developed unique perspectives in reporting the demographic characteristics of affluent adults and how upscale households use different media and a multitude of products and services. Because of its accumulated expertise in this highly valued marketplace, Ipsos Mendelsohn is recognized internationally as the definitive research source for the media habits and lifestyles of the affluent marketplace in the United States.

Investigating Upscale and Luxury Markets

The Mendelsohn Affluent Survey focuses on the top portion of U.S. households based on current household incomes (approximately 20% of households in 2008). It is the only on-going syndicated survey in the United States that concentrates on this valuable marketplace of consumers of upscale goods and services. The Ipsos Mendelsohn databases allow subscribers to produce comprehensive marketing and demographic profiles of an extensive list of magazines, national newspapers, cable and broadcast television networks, Internet search engines, upscale retailers, and recent buyers of over 100 categories of luxury products and services. The Affluent Survey also provides samples large enough to permit in-depth examinations of many different types of affluent households, including those with very high incomes and those with substantial wealth.

The following highlights from the 2008 Mendelsohn Affluent Survey represent selected examples of the valuable marketing, sales, and targeting information that the survey provides to its many subscribers. Numerous other findings and insights are available in the survey databases and the special reports that Ipsos Mendelsohn publishes throughout the year.

For subscribers who wish to ask customized questions among respondents to the Affluent Survey, the Mendelsohn Affluent Omnibus Survey offers this opportunity.

The 2008 Mendelsohn Affluent Survey

The 2008 Mendelsohn Affluent Survey measures male and female heads of house living in all 50 states and Washington, D.C., who have household incomes of \$100,000 or more. These individuals represent an estimated 19% of all American adults. The 2008 survey results are projected to an estimated 42 million affluent heads of house living in an estimated 23.3 million households. The Mendelsohn Affluent Survey bases its estimates on those produced by the U. S. Census Bureau's Current Population Surveys.

Overview

DEFINITION OF AFFLUENCE

New definition: Household income \$100,000 or more vs. \$85,000 or more in 2007

QUESTIONNAIRE LENGTH

Twenty-page questionnaire in 2008 vs. 16 pages in 2007

NEW QUESTIONS

- Household membership in selected associations
- Frequency of using Internet search engines
- Frequency of using 200+ websites
- Internet usage (reasons for and number of times) via mobile devices/cell phones
- Frequency of shopping at 50+ retail stores
- Expenditures on travel, leisure, personal care, alcoholic beverages, motor boating and sailing, personal insurance, and weddings among a total of 113 categories measured
- Ownership or partnership in own business
- Type of use of private aircraft

NEWLY MEASURED

- Lifestyle plans: Have cosmetic surgery; Start a new business
- Public activities: Voted in an election for public office; Took an active role in an environmental cause
- Television networks: ABC; CBS; Fox; NBC
- Radio: Internet radio; Satellite radio (Sirius, XM, etc); NPR (National Public Radio)
- Credit cards: American Express Centurion (Black) Card; Discover Motiva Card
- Alcoholic beverages: Beer: domestic and imported
- Financial accounts: Checking or NOW accounts/regular savings
- Financial services: Private banker
- Leisure and sport activities: Console video gaming; Online video gaming; Surfing

EXPANDED INTERNET ACTIVITIES

- Expanded list detailing 62 potential Internet activities that can be completed via mobile devices/cell phones or personal computers

HIGHER DOLLAR RANGES FOR:

- | | |
|---------------------------|----------------------|
| ■ Expenditures | ■ Real estate values |
| ■ Savings and investments | ■ Personal income |
| ■ Life insurance | ■ Household income |

ADDITIONAL SPECIFICS FOR:

- | | |
|-------------------------------|---|
| ■ C-suite executives | ■ Procurement/purchase responsibilities |
| ■ Functional responsibilities | |

OTHER MAJOR ENHANCEMENTS

- Addition of summary codes (Any, Two or more, Three or more, etc.) for relevant measures
- Addition of Heavy/Medium/Light user or spender definitions for selected measures

Survey Summary

SURVEY FIELD WORK

- March 10 to July 15, 2008
- All 50 states and Washington, D.C.
- Twenty-page questionnaire, personal letter, return envelope
- \$10 (90%) or \$5 (10%) incentive
- Two follow-up mailings
- 43 percent response rate

RELEASE DATE

September 2, 2008

THE SAMPLE

- From Donnelley Marketing via Survey Sampling:
 - White Pages telephone directories
 - Supplemented by:
 - Real estate records
 - Additional household data
 - To create a file of 100 million households
 - Representing over 95 percent of total U.S. households
 - Including 30 percent or more unlisted telephone households
 - “Estimated Household Income” formula used to increase probability of obtaining affluent households

Affluent Definition

Over the course of the 32 years that the Mendelsohn Affluent Survey has been conducted, the affluent marketplace has undergone constant growth and many changes. The aging of the baby-boom generation, periods of inflation, and multi-income households — spurred by the growth in the female labor force — have all combined to form the diverse dimensions of the affluent marketplace. In 1977, when the Mendelsohn Affluent Survey was launched, the survey was conducted among adults in households with \$40,000 or more in total income. Each time the number of affluent adults grew to include about one quarter of the total adults in the United States, the definition of affluence was increased, as it was for the 2008 survey, which raised the household income threshold to \$100,000 or more. Starting in 2000, the survey has targeted male and female heads of house in order to better represent affluent household decision-makers. Following are Ipsos Mendelsohn's estimates of the size of the affluent segment of the marketplace based on the most recent U.S. Census Bureau statistics.

	<u>Household Income</u>
	<u>\$100,000+</u>
Households	23,300,000
Percent of total households	20%
Heads of house	42,000,000
Percent of total adults	19%

Importance of the Affluent Market

The U.S. government's estimate of total household income as of the beginning of 2008 is approximately \$8 trillion. The 2008 Mendelsohn Affluent Survey estimate of total affluent (\$100,000+) household income is approximately \$4.6 trillion. Therefore, these affluent households — an estimated 20% percent of all U. S. households — account for more than one half of all U. S. household income.

It is clear that the affluent market segments that Ipsos Mendelsohn surveys annually contain extraordinarily valuable marketing targets. Affluent Survey subscribers target their markets in many different ways. These include, but are not limited to, the following approaches:

- By levels of household income;
- By levels of household wealth and/or household income;
- By total household expenditures on the more than 100 product and service categories the 2008 Mendelsohn Affluent Survey measured.

Income Segments

One way to classify the affluent marketplace is by defining three mutually exclusive target segments:

- The least affluent segment has an annual household income level between \$100,000 and \$149,999;
- The middle segment has a household income level between \$150,000 and \$249,999;
- The upper income segment has a household income level of \$250,000 or more.

Using these income levels, the proportion of the total U.S. income that each of these three target segments generates is as follows:

<u>Household Income Segment</u>	<u>Percent of Total Households*</u>	<u>Estimated Total Household Income</u>	<u>Percent of Estimated Total Household Income</u>
\$100,000 to \$149,999	12%	\$1.7 trillion	21%
\$150,000 to \$249,999	6%	\$1.3 trillion	16%
\$250,000 or more	2%	\$1.6 trillion	20%

Wealth and Upper-Income Segments

Another way of segmenting the affluent marketplace is to focus on households that have substantial wealth (liquid assets, i.e., cash or cash equivalents) or very high incomes. The 2008 Mendelsohn Affluent Survey estimates that within the affluent marketplace there are 4,168,000 households in total that could be reached by using one of these specific targeting approaches. An estimated 2,672,000 households have liquid assets (financial accounts including CD's, mutual funds, stocks, bonds, etc.) of \$1 million or more; and an estimated 2,525,000 households have incomes of \$250,000 or more. These groups combine into an even more elite marketplace that can be targeted — an estimated 1,029,000 households that have household incomes of \$250,000 or more and liquid assets of \$1 million or more. The following illustration indicates the relative size of these three markets as well as the overlap between the upper-income segment and the wealth segment.

*Source: Bureau of Census, Current Population Surveys

Wealth and Upper-Income Segment: 4,168,000

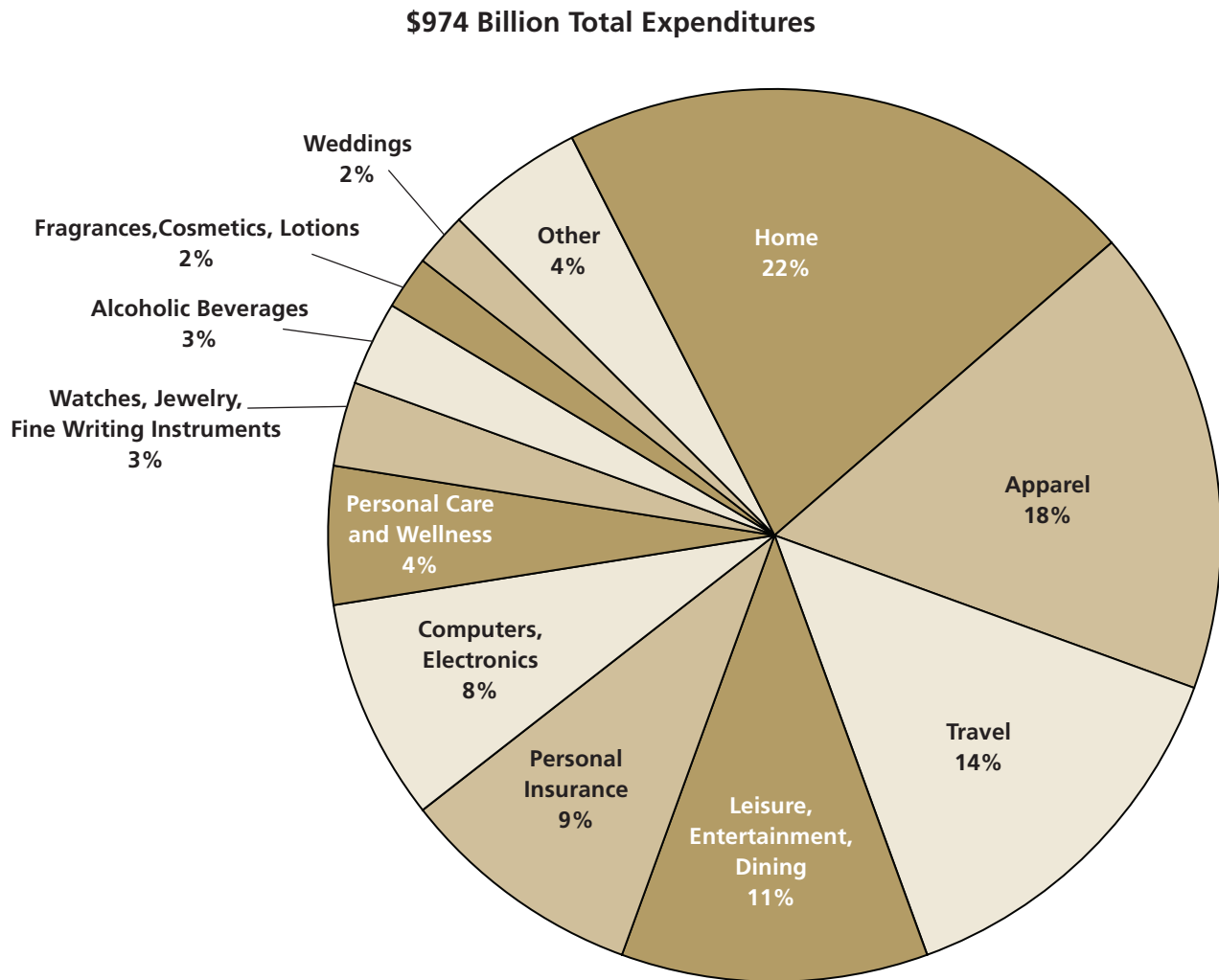
These three target segments of upper-income and wealth have specific strengths compared with the average affluent household and compared with each other. Following are selected highlights of the relative importance of the three segments.

	Total Affluent: \$100K+ HHI	Upper- Income: \$250K+ HHI	Wealth: \$1 Million+ Liquid Assets	Both Upper- Income and Wealth
Total affluent households	23,300,000	2,525,000	2,672,000	1,029,000
Average household income	\$195,600	\$630,900	\$427,900	\$857,600
Average household liquid assets	\$500,900	\$1,714,100	\$2,745,400	\$3,699,200
College degree or higher	60%	73%	69%	75%
In past year, household:				
Used a tax consultant	29%	40%	35%	41%
Used a financial planner	26%	33%	38%	40%
Used a full-service broker	19%	34%	39%	48%
Did online trading	15%	21%	21%	23%
Purchased fine jewelry	43%	54%	46%	54%
Purchased luggage	37%	48%	44%	52%
Purchased artwork or collectibles	28%	36%	35%	39%
In next 12 months, household plans to:				
Invest in stocks, mutual funds, etc.	40%	56%	58%	65%
Take a trip/vacation outside the U.S.	35%	53%	48%	58%
Buy or lease a new car, SUV, or truck	24%	31%	27%	32%
Take a cruise	17%	22%	22%	23%

Annual Spending Segments

Another way of segmenting the affluent marketplace is to focus on annual household expenditures on the more than 100 categories measured in the 2008 survey. In total, Ipsos Mendelsohn estimates that the affluent market spent approximately one trillion dollars across all the expenditures that the 2008 survey measured.

The following chart aggregates these 100+ expenditure categories into the following 12 summary categories by percent of total expenditures.



New In 2008

In 2008, for the first time, Ipsos Mendelsohn has created annual spending segments based on each survey respondent's total estimated expenditures across all 100+ categories in the past year. The three annual spending segments for 2008 are defined as follows:

Annual Spending Segments	Percent of Total Affluent Households	Segment Definition Based on Annual Expenditures	Median Household Expenditures	Percent of Total Expenditures
Light spenders	38%	Spend less than \$25,000	\$17,264	15%
Medium spenders	37%	Spend between \$25,000 and \$49,999	\$34,945	31%
Heavy spenders	25%	Spend \$50,000 or more	\$73,452	54%

These three annual spending segments have specific strengths compared with the average affluent household and compared with each other. Following are selected highlights of the relative importance of these three target segments.

	Total Affluent: \$100K+ HHI	Light Spenders	Medium Spenders	Heavy Spenders
Total affluent households	23,300,000	8,951,000	8,574,000	5,775,000
Average household income	\$195,600	\$149,200	\$172,200	\$302,300
Average household liquid assets	\$500,900	\$316,600	\$420,100	\$906,600

In past year household spent on:

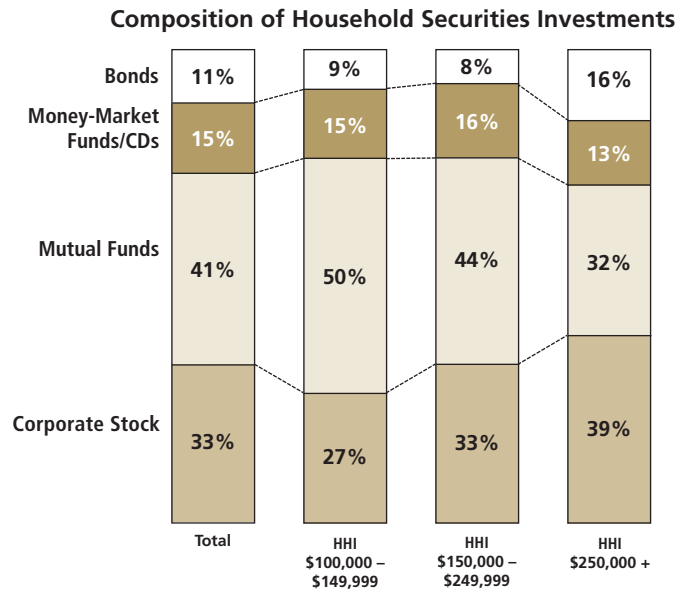
	Total Affluent: \$100K+ HHI	Light Spenders	Medium Spenders	Heavy Spenders
Apparel	99%	97%	100%	100%
Leisure, entertainment, dining	98%	95%	100%	100%
Personal care and wellness	96%	93%	99%	98%
Computers, electronics	94%	89%	97%	97%
Home	93%	87%	97%	98%
Personal insurance	91%	85%	94%	96%
Fragrances, cosmetics, lotions	89%	82%	93%	94%
Travel	89%	79%	95%	97%
Alcoholic beverages	83%	75%	86%	90%
Books	81%	73%	86%	85%
Watches, jewelry, fine writing instruments	71%	57%	77%	83%
Sports and athletic equipment	57%	42%	63%	71%
Luggage	37%	20%	41%	58%
Artwork and collectibles	28%	18%	30%	43%
Weddings	27%	19%	30%	37%
Motor boating and sailing	15%	11%	16%	20%

More details about affluent marketplace expenditures are included on pages 14, 23, 24, and 25.

Affluent Income Segmentation

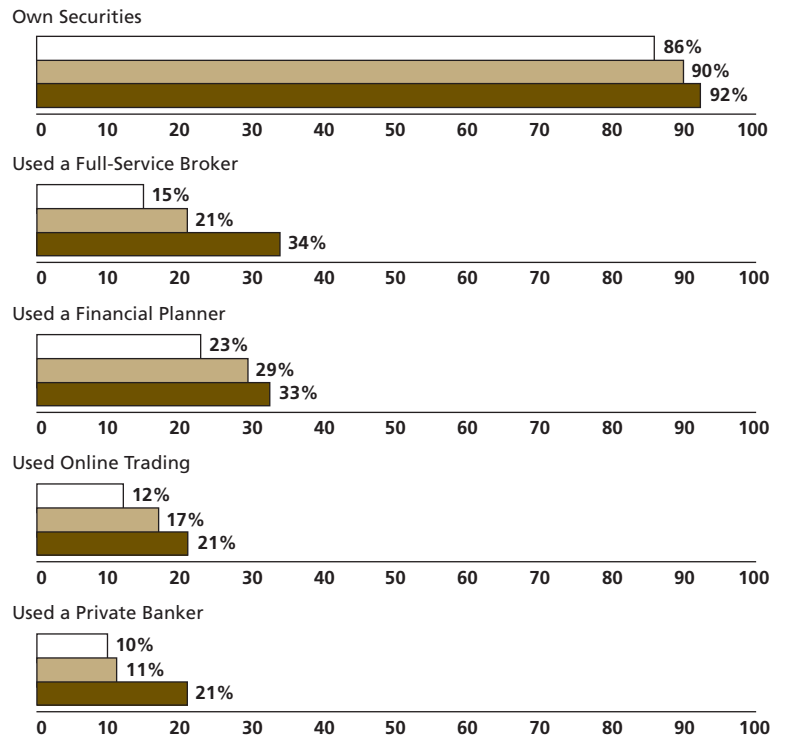
Household Securities Investments Within Affluent Income Segments

An analysis of affluent households' portfolios shows that as income rises, the proportions of holdings in corporate stock and bonds increase while those of mutual funds decrease.



The incidence of owning securities is high among all income segments. However, the upper income segment is much more likely to have used the services of a full service broker or a private banker.

Household Use of Financial Services



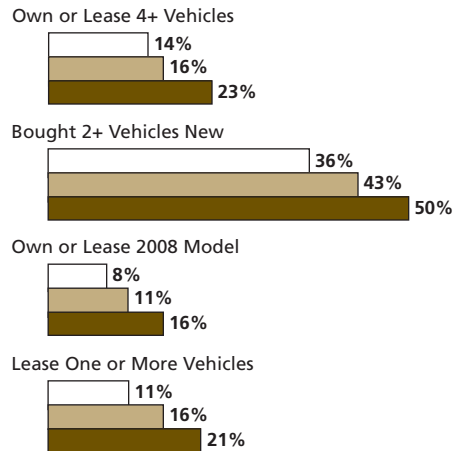
Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Vehicle Ownership Within Affluent Income Segments

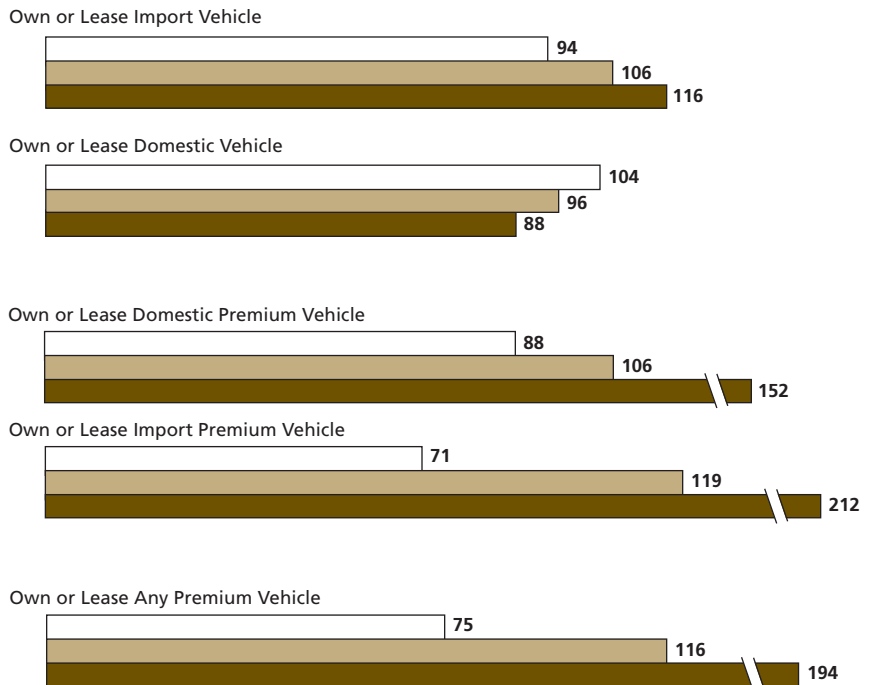
The upper affluent group is more likely to own more vehicles, to have bought them new, and to have later models than the other segments. And they are also more likely to lease.

As income increases, so does the likelihood of import, import premium, and total premium vehicle ownership.

Proportion of Households that . . .



Vehicle Types Indexed to the Size of Each Income Segment



Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

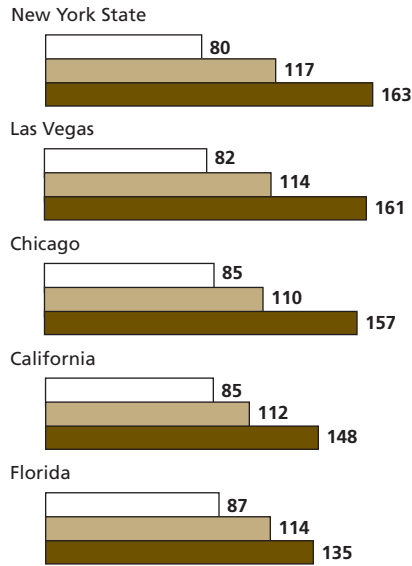
Travel Within Affluent Income Segments: Places Visited

While all affluent heads of house travel widely, the most affluent segment is more likely to visit specific destinations not only in the U.S., but also in Europe and Asia.

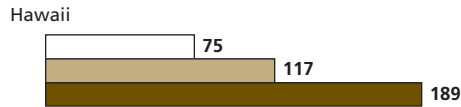
	Index for HHI \$250,000+ Heads of House
United States Destinations	
Aspen	228
Martha's Vineyard	225
Maui	214
The Big Island (Hawaii)	208
The Hamptons	205
Palm Beach	185
Palm Springs	180
International Destinations	
Greece/Turkey	296
Australia/New Zealand	271
Scandinavia	270
Italy	266
Japan	224
Bermuda	167

Past Year Visits Indexed to the Size of Each Income Segment

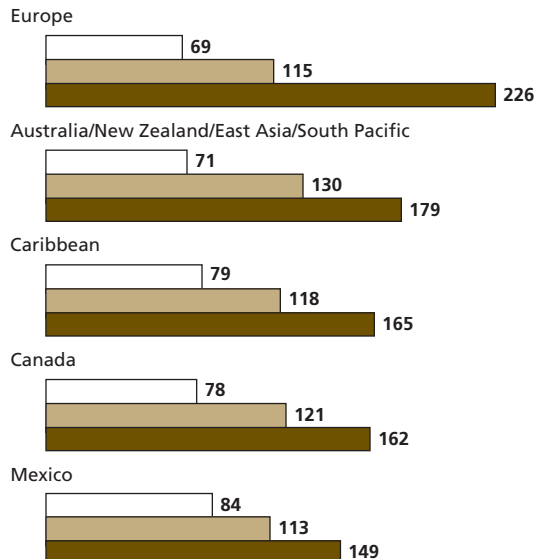
Continental United States



Other United States



International



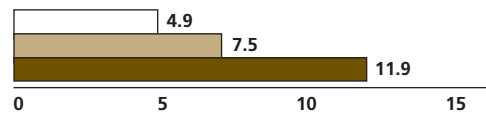
Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Travel Within Affluent Income Segments: Other Indicators

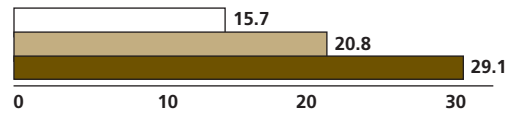
Affluent travelers fly more frequently and stay at hotels more often as their affluence increases. The upper-income segment is also more likely to fly in first or business class or to use a private aircraft, which is reflected in its average travel expenditures.

Selected Travel Measures by Income Segment

Average Number of Airline Round Trips in Past Year Among Travelers

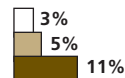


Average Number of Nights in Hotel/Motel in Past Year Among Guests

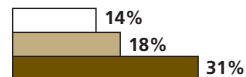


Proportion of Heads of House Who . . .

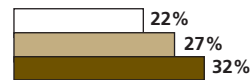
Traveled on a Private Aircraft as an Alternative to a Commercial Flight



Usually Fly in First or Business Class

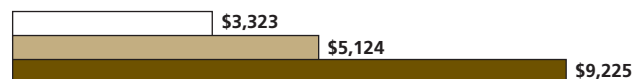


Took a Cruise in Past 3 Years

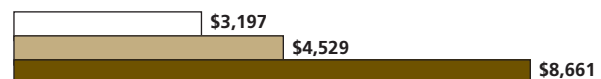


Average Household Expenditures (Among Purchasers) On . . .

Business Travel



Personal Travel and Vacations



Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

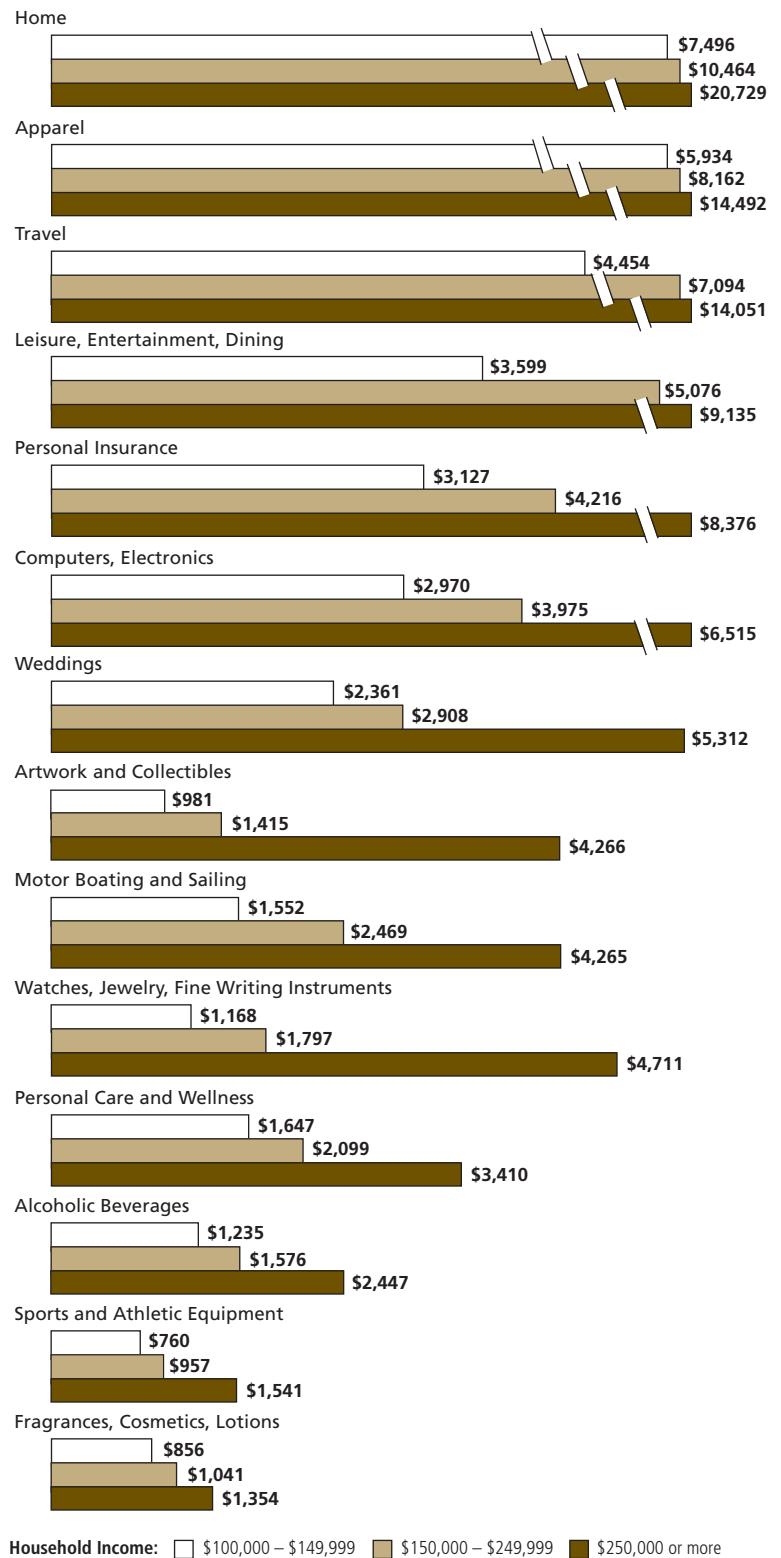
Household Expenditures Within Affluent Income Segments

The comparisons of these category expenditures go beyond simple numeric differences; they help describe the lifestyles and interests within the affluent market. These averages show the relative importance each income segment places on this wide assortment of household expenditures, and the importance of the ability to analyze survey results within the various affluent income segments.

In all cases, the higher income segments outspend the lower, but there are a number of categories where the differences between the income segments are especially striking. Home, apparel, travel, leisure/entertainment/dining, and watches/jewelry are categories where the fewer, but higher-income, affluent households spend three times the average that the lowest affluent subgroup spends.

More details about affluent marketplace expenditures are included on pages 23, 24, and 25.

Average Household Expenditures in the Past Year by Income Segment (Among Purchasing Households)



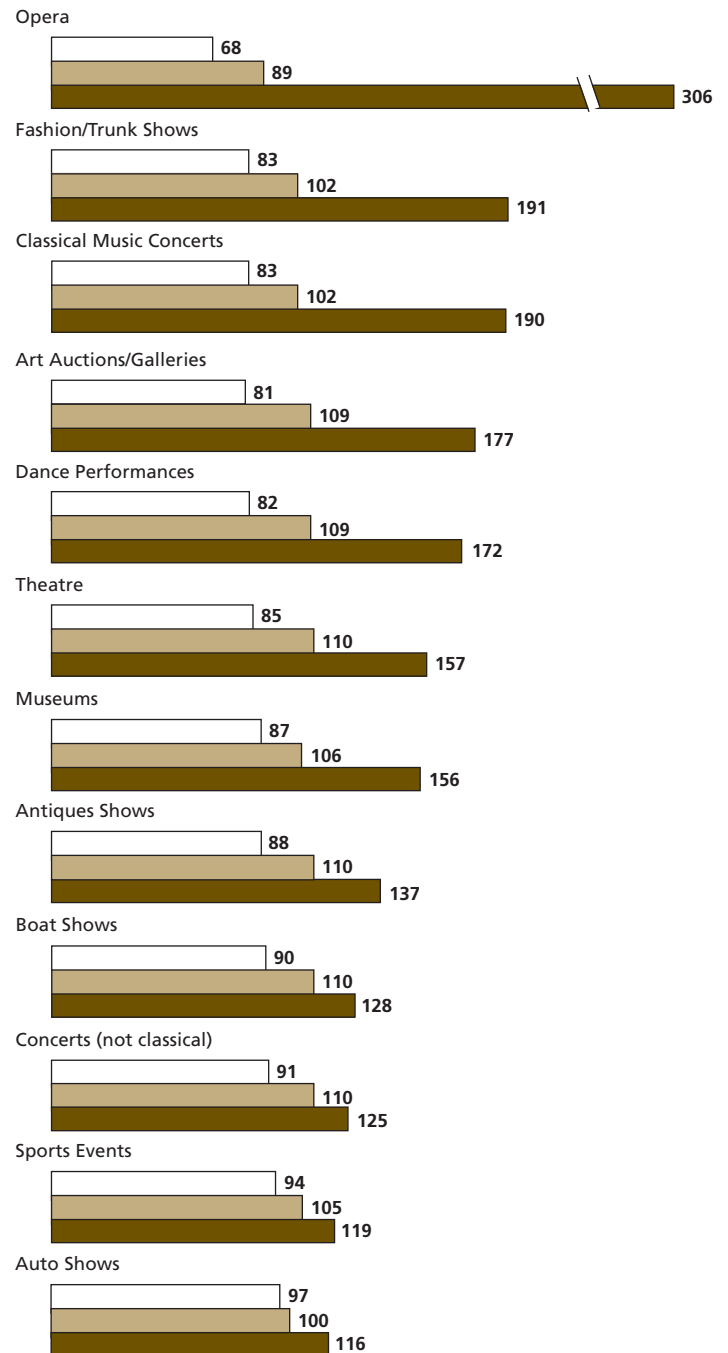
Cultural and Spectator Activities Within Affluent Income Segments

As a whole, the affluent marketplace is very active in the area of cultural activity and spectator events. But increased activity goes hand in hand with increased affluence. The most affluent group is much more likely to attend the opera, fashion/trunk shows, classical music concerts, art auctions, dance performances, and the theatre.

Average Times Attended in the Past Year

	Household Income		
	\$100,000 to \$149,999	\$150,000 to \$249,999	\$250,000 or more
Sports events	3.8	4.3	4.8
Theatre	1.1	1.4	2.1
Museums	1.1	1.4	2.0
Concerts (not classical)	1.0	1.2	1.4

Past Year Attendances Indexed to the Size of Each Income Segment

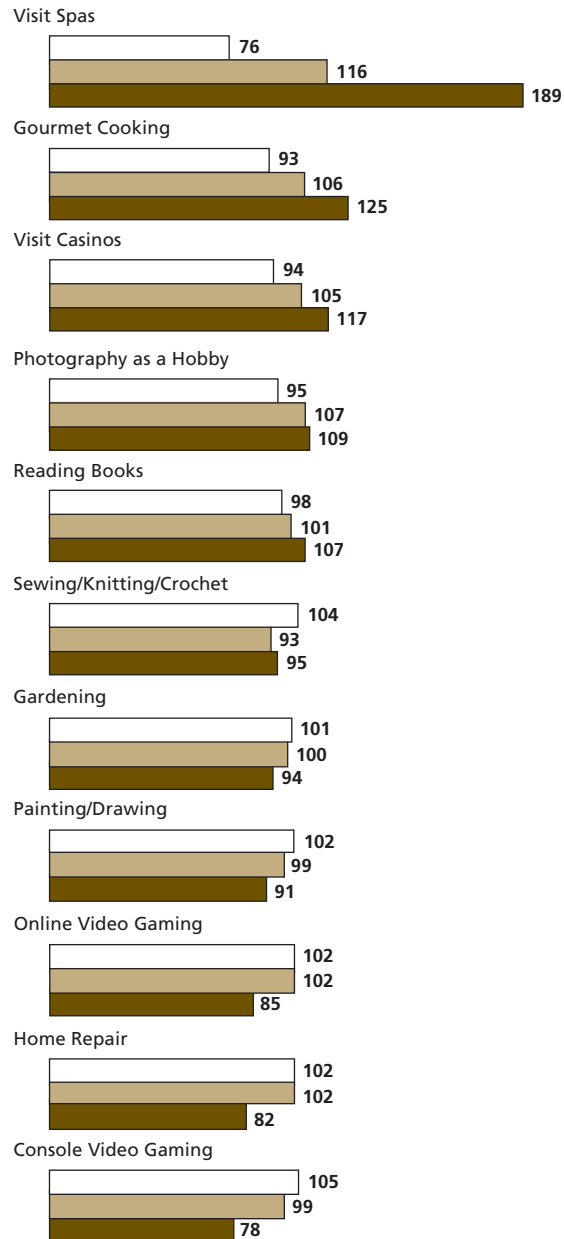


Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Leisure Activities Within Affluent Income Segments

The affluent enjoy many diverse leisure activities. All segments enjoy photography as a hobby, reading books, and gardening. The most affluent segment is much more likely to visit a spa, enjoy gourmet cooking, and visit casinos. The lower affluent segments are more likely to spend time with online or console gaming and home repairs.

Leisure Activities Indexed to the Size of Each Income Segment

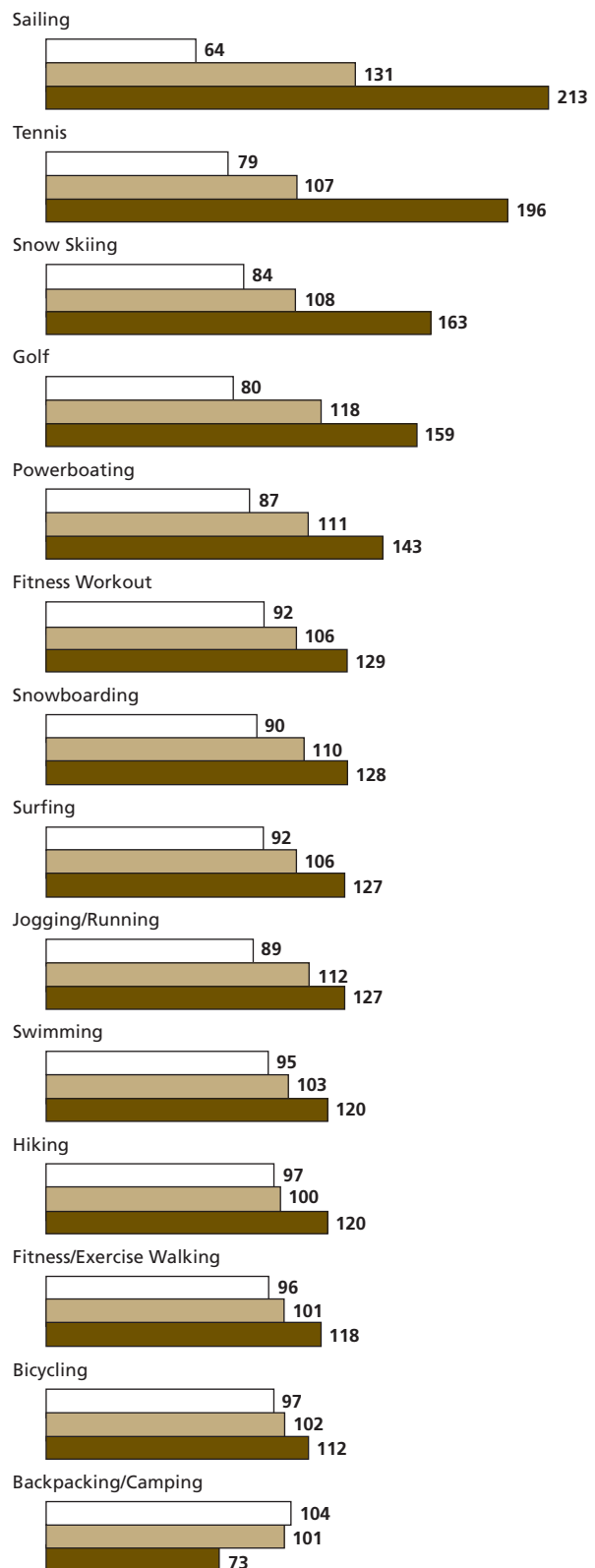


Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Sports Participation Within Affluent Income Segments

Affluent heads of house participate widely and frequently in sporting activities. Members of the most affluent group spend disproportionately more time on their chosen sport, except for backpacking. Not surprisingly, the most affluent segment is much more likely to sail, play tennis, ski, golf, and go powerboating.

Number of Days Participated in Sports in Past Year Indexed to the Size of Each Income Segment



Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Shopping at Retail Stores

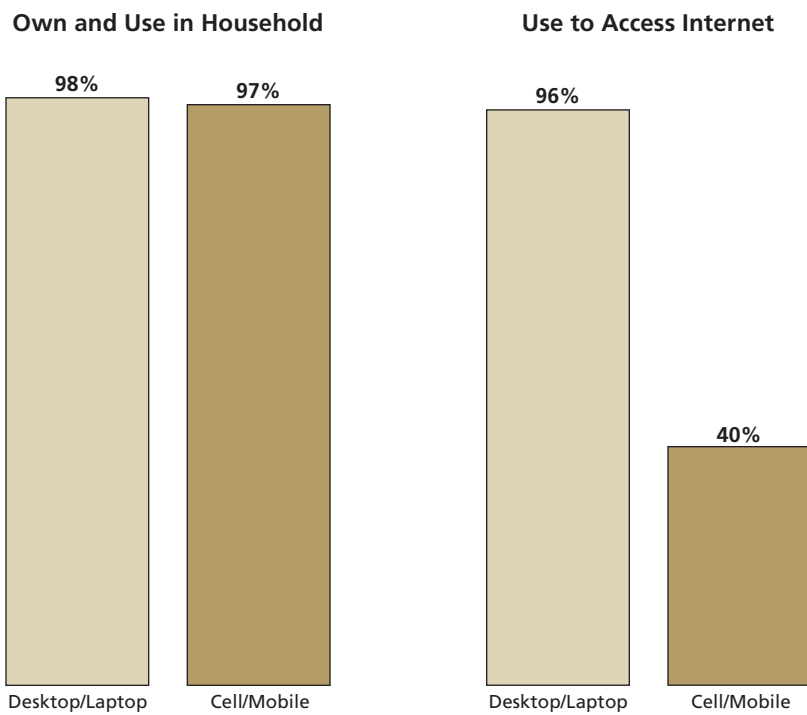
Affluent households shopped at a wide variety of retail stores either in person, online, by telephone, or by mail order in the past 12 months. For additional insights, the results can be analyzed in many different ways, including by frequency of shopping, by type of expenditure, by annual spending segments, etc..

Percent of Affluent Households that Shopped at Store in Past Year	Percent of Affluent Households that Shopped at Store in Past Year
%	%
Armani/Giorgio Armani	Kohl's
2.6	67.1
Bally	Lacoste
0.9	4.8
Barneys	The Limited
2.5	20.5
Bebe	Liz Claiborne
6.0	14.2
Bergdorf Goodman	Lord & Taylor
1.4	13.8
Bloomingdale's	Louis Vuitton
14.1	4.6
Bottega Veneta	Lowe's
0.5	65.0
Brooks Brothers	Macy's
9.6	68.2
Bulgari	Max Mara
1.0	1.4
Burberry	Neiman Marcus
5.0	13.5
Cartier	Nordstrom
1.9	34.1
Chanel	Polo Ralph Lauren
3.6	16.1
Chopard	Pottery Barn
0.3	32.4
Coach	Prada
22.9	2.4
Cole Haan	Saks Fifth Avenue
7.3	12.6
Costco	Salvatore Ferragamo
41.3	1.6
Dillard's	Sears
32.2	64.8
Escada	St. John Knits
1.3	1.0
The Gap	Talbots
45.6	15.8
Gucci	Target
4.5	84.9
H&M	Tiffany & Co.
9.2	8.4
Harry Winston	Tourneau
0.2	0.7
Hermès	Van Cleef & Arpels
1.3	0.3
Home Depot	Versace
85.0	1.5
JCPenney	Victoria's Secret
64.7	45.2
Jimmy Choo	Wal-Mart
1.0	80.2
Kate Spade	Williams-Sonoma
2.6	26.5
Kmart	Yves Saint Laurent
45.1	1.0

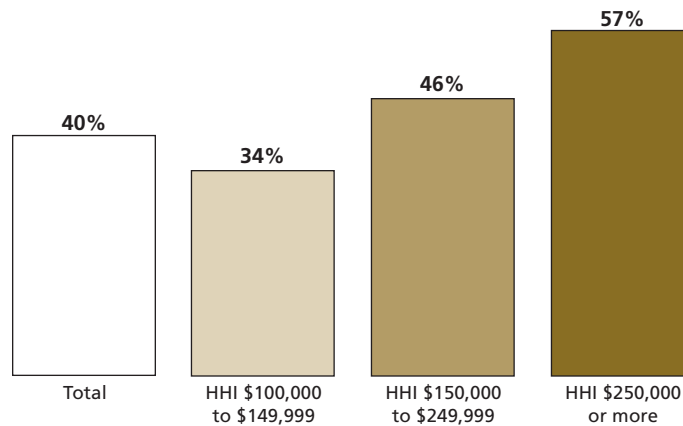
Digital

Although virtually all affluent households own and use computers and cell/mobile devices, only 40 percent currently use their cell/mobile devices for Internet access. However, Internet access via cell/mobile devices clearly rises with increased affluence.

Internet and Cell Phone Usage



Cell Phone/Mobile Devices Used to Access Internet

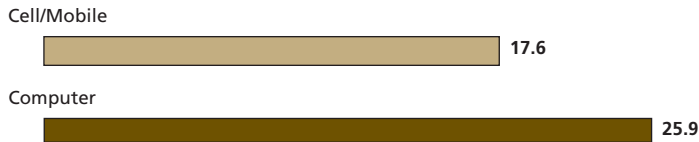


New In 2008

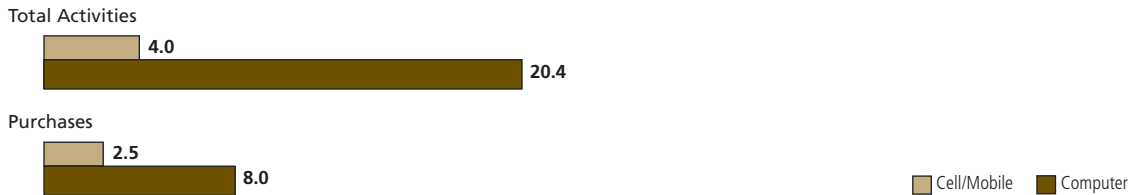
Digital (continued)

The affluent connect frequently to the Internet both on their computers and on their cell/mobile devices. But, not surprisingly, their average number of activities and purchases are more numerous and varied on their computers.

Average Number of Times per Week Connect to Internet (Among Users) with . . .

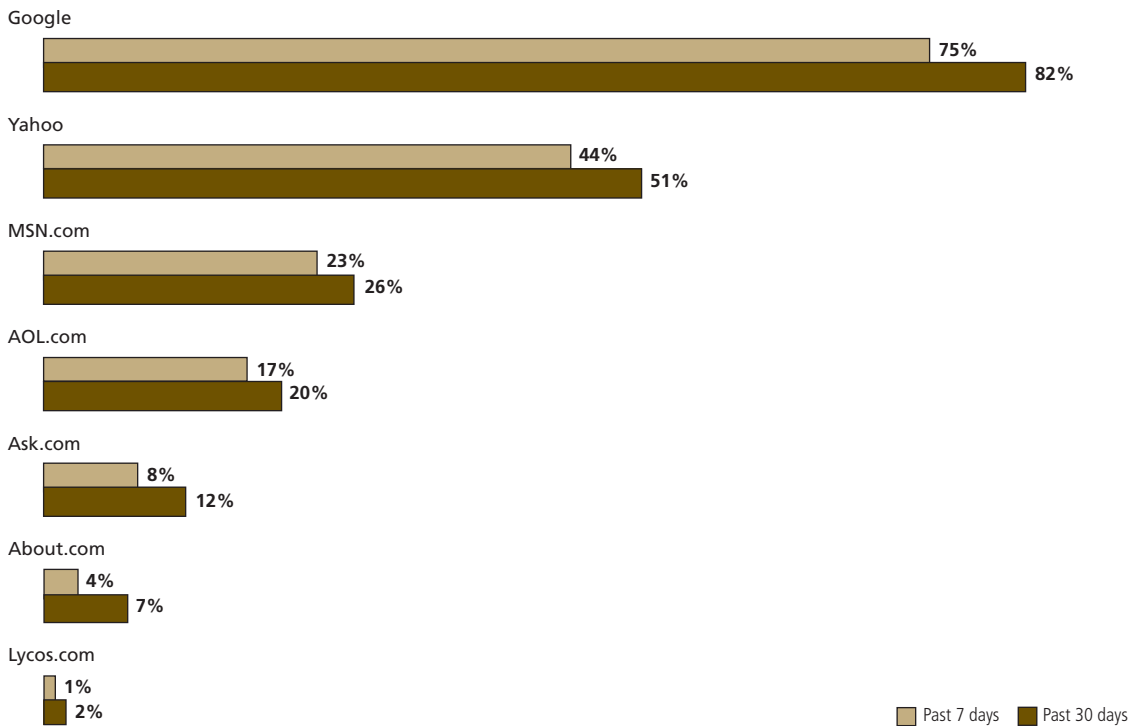


Average Number of Activities/Purchases on Internet (Among Users)



Affluent heads of house use a variety of sites to search for information.

Websites Used by Head of House to Search for Information



Activities on Internet Using Computer or Cell/Mobile Device

Affluent heads of house engage in a wide variety of Internet activity. Besides heavy use of e-mail, mapping, checking the weather, and reading news, nearly two thirds research products or services for purchase, about half check their financial accounts, and a third check stock quotes on the Internet. Although such activity is predominantly on their computers (except for texting), they are starting to use their cell/mobile devices across a number of activities.

Total Affluent Heads of House	Activities on Either	Activities on	Activities on
	Computer or Cell/Mobile 42,000,000 %	Computer 42,000,000 %	Cell/Mobile 42,000,000 %
Any activity (including purchase)	95.0	94.7	58.2
Any activity excluding purchase	94.7	94.3	56.9
Send or receive e-mails	89.9	89.2	18.9
Look up directions or maps	85.8	85.1	9.5
Check the weather	77.7	76.4	11.1
Read news	72.1	71.6	8.5
Take, send, or receive pictures	71.9	66.6	24.6
Obtain travel information	67.0	66.8	2.3
Research restaurants, movie times, etc.	65.3	64.7	6.3
Research products or services for purchase	62.4	62.3	1.3
Pay bills	62.0	61.8	1.8
Send or receive text messages	54.3	15.2	48.5
Search telephone directories (Yellow Pages, etc.)	54.2	53.2	5.6
Check financial accounts	52.0	51.6	2.3
Play games	46.5	44.3	11.1
Receive flight status reports	45.3	44.1	5.8
Obtain medical information	44.1	44.0	0.6
Download or stream music files	37.5	36.9	3.5
Check stock quotes	34.1	33.5	3.9
Obtain coupons	34.1	33.9	0.4
Receive sports scores/updates	33.9	32.7	6.4
Read a blog	29.4	29.1	1.6
Manage Web-based personal information (calendar, addresses)	29.3	27.7	8.1
Enter a contest or sweepstakes	23.2	23.1	0.8
Download or stream video files	21.7	21.5	1.8
Download ring tones	19.3	6.8	15.6
Vote in a poll/contest (e.g. American Idol)	17.4	15.6	3.0
Text a short code to access a website	12.1	10.2	3.4
Watch TV shows	12.1	11.7	0.5
Watch movies	10.5	10.2	0.6
Write a blog	8.7	8.5	0.6
Receive online RSS feeds	7.6	7.4	0.7

New In 2008

Digital (continued)

In addition to travel-related, event, book, and music purchases, the affluent are also purchasing a wide variety of other goods and services by computer. And although more limited, nearly one in ten made a purchase using their cell/mobile device.

Purchases Made on Internet Using Computer

Percent of Affluent Heads of House Making Internet Purchase via Computer %	Percent of Affluent Heads of House Making Internet Purchase via Computer %
Any of the following 88.4	Prescription drugs and medicines. 17.0
Airline tickets 68.5	Cosmetics and fragrances 17.0
Hotel/motel reservations 65.7	Personal care products and services (fitness programs, hair and skin care, etc.) 16.8
Event tickets (movies, concerts, sports, etc.) . . . 58.1	Home appliances. 16.6
Women's apparel and accessories 43.7	Cruises 15.3
Books 39.6	Watches/jewelry/fine writing instruments. . 12.6
Men's apparel and accessories 38.1	Take-out food orders. 12.5
Computers, electronics, and related equipment 35.1	Personal insurance 9.3
Music and video 30.5	Artwork and collectibles 7.7
Children's apparel and accessories 26.4	Over-the-counter drugs and remedies 7.5
Toys 23.1	Spa/massage/gym sessions 5.6
Sports and athletic equipment. 21.1	Boating-related equipment 5.6
Games 19.7	China/crystal/sterling silver 5.5
Housewares 19.1	Luggage 4.8
Vitamins and other health aids 19.0	Wine/beer/liquor 4.6
	Cigars and cigar accessories 3.8

Purchases Made on Internet Using Cell/Mobile Device

Percent of Affluent Heads of House Making Internet Purchase via Cell/Mobile %
Any of the following 9.7
Take-out food orders. 5.8
Hotel/motel reservations 2.5
Prescription drugs and medicines. 1.6
Airline tickets 1.5
Event tickets (movies, concerts, sports, etc.) 1.4
Music and video 1.3

Expenditures in Past Year

The following category expenditure summary includes highlights of the more than one hundred detailed expenditures listed in the questionnaire.

	Heads of House in Purchasing Households		Total Affluent Household Expenditures	Average Expenditures Per Purchasing Affluent Household
	(000)	%	(\$billions)	(\$)
Home (total)	39,163	93.2	213.8	9,841
Home remodeling services	15,654	37.3	45.8	5,279
Furniture and mattresses	24,408	58.1	34.0	2,512
Flooring, carpeting, rugs, tile	20,162	48.0	26.7	2,388
Windows and doors	11,644	27.7	18.5	2,858
Home decorating services	16,097	38.3	17.5	1,954
Household appliances	16,060	38.2	15.5	1,739
Equipment/materials for home maintenance	27,644	65.8	15.4	1,004
Kitchen appliances	13,884	33.1	14.8	1,927
Wall coverings	19,083	45.4	11.1	1,052
Window treatments	17,515	41.7	10.5	1,083
China and crystal	6,778	16.1	2.6	688
Sterling silver flatware/hollowware	4,157	9.9	1.3	580
Total apparel and accessories	41,350	98.5	172.6	7,524
Women's apparel and accessories (total)	38,148	90.8	87.3	4,126
Women's casual clothing	36,440	86.8	19.5	965
Women's shoes, boots	35,434	84.4	9.9	504
Women's business clothing	19,384	46.2	9.4	871
Women's handbags	29,564	70.4	8.2	502
Women's outerwear	29,139	69.4	7.4	460
Women's designer collection couturier items	9,271	22.1	6.5	1,270
Women's activewear	28,898	68.8	6.5	406
Women's lingerie, hosiery	30,561	72.8	5.9	346
Women's evening apparel	14,381	34.2	5.5	685
Women's bathing suits, beachwear	23,384	55.7	4.4	336
Women's gloves, wallets, belts	23,585	56.2	4.1	316

Expenditures in Past Year (continued)

	Heads of House in Purchasing Households		Total Affluent Household Expenditures	Average Expenditures Per Purchasing Affluent Household
	(000)	%	(\$billions)	(\$)
Men's apparel and accessories (total)	39,456	93.9	58.7	2,683
Men's casual clothing	37,812	90.0	11.9	566
Men's business clothing	18,762	44.7	8.3	800
Men's shoes, boots	35,525	84.6	7.5	379
Men's outerwear	26,909	64.1	5.6	374
Men's underwear, socks	36,119	86.0	5.6	278
Men's activewear	27,344	65.1	5.3	350
Men's designer clothing	11,229	26.7	5.0	806
Men's gloves, wallets, belts	24,627	58.6	3.9	286
Men's bathing suits, beachwear	18,696	44.5	3.1	296
Men's formal wear	8,849	21.1	2.6	528
Children's apparel and accessories (total)	24,027	57.2	26.6	1,992
Travel (total)	37,554	89.4	132.3	6,351
Leisure, entertainment, and dining (total)	41,125	97.9	105.8	4,637
Personal Insurance (total)	38,246	91.1	85.3	4,018
Computers, electronics, and entertainment (total)	39,389	93.8	79.9	3,657
Flat-panel color television	17,111	40.7	17.1	1,800
Desktop/laptop computers	20,455	48.7	16.1	1,416
Digital camera (includes video)	21,145	50.3	5.6	475
Computer software	24,566	58.5	5.4	398
Computer equipment and peripherals	20,914	49.8	4.9	423
Toys	18,742	44.6	4.6	444
Video games	20,207	48.1	4.3	384
Digital music player/MP3 player	18,551	44.2	3.8	366
Handheld computers, PDAs	10,684	25.4	3.3	549
Other computer/electronics/ entertainment items	15,755	37.5	3.0	341
Music and video downloads or recordings	17,561	41.8	2.9	301
DVR/digital video recorder	11,089	26.4	2.5	409
Audio package systems	5,159	12.3	2.3	799
Other color television	5,156	12.3	2.2	753
Other games	12,998	30.9	2.1	285

	Heads of House in Purchasing Households		Total Affluent Household Expenditures	Average Expenditures Per Purchasing Affluent Household
	(000)	%	(\$billions)	(\$)
Personal care and wellness (total)	40,481	96.4	44.3	1,973
Hair styling, cutting, coloring	37,856	90.1	12.7	604
Fitness center programs, gym memberships, personal trainers	19,429	46.3	7.7	712
Vitamins, nutritional supplements, reducing aids	32,836	78.2	6.7	370
Personal care and grooming appliances	32,942	78.4	5.6	309
Visits to day spas and massage therapists	16,660	39.7	4.5	488
Weight reduction and nutrition programs	14,300	34.0	3.9	493
Home skin treatments and therapies	13,743	32.7	2.6	340
Anti-smoking products and programs	2,823	6.7	0.5	346
Watches, jewelry, fine writing instruments (total)	29,783	70.9	29.2	1,770
Fine jewelry	17,884	42.6	14.1	1,420
Other jewelry	20,576	49.0	5.4	473
Designer watches	7,110	16.9	5.3	1,348
Other watches	13,591	32.4	3.0	400
Fine writing instruments	7,588	18.1	1.4	336
Alcoholic beverages (total)	34,738	82.7	28.4	1,474
Fragrances, cosmetics, lotions, creams (total)	37,318	88.9	20.0	966
Women's cosmetics, make-up, lotions	35,124	83.6	8.5	437
Women's fragrances	26,956	64.2	5.0	338
Men's fragrances	19,957	47.5	3.2	291
Men's lotions and creams	20,365	48.5	3.2	284
Weddings (total)	11,480	27.3	18.3	2,875
Parties and receptions	10,389	24.7	11.7	2,027
Bride's and bridesmaids' clothing	3,597	8.6	2.8	1,397
Honeymoon	1,192	2.8	2.7	4,077
Groom's and groomsmen's clothing	2,657	6.3	1.1	777
Sports and athletic equipment (total)	23,969	57.1	12.2	918
Artwork and collectibles (total)	11,892	28.3	10.4	1,573
Books (hardcover or softcover)	33,839	80.6	8.5	454
Motor boating and sailing (total)	6,328	15.1	7.8	2,232
Luggage	15,495	36.9	3.8	439
Cigars and cigar accessories	5,939	14.1	1.9	581

Affluent Media Consumption

PUBLICATION READERSHIP

Average number of publication titles read among readers 8.0 (over measured time period)

Average number of publication issues read among readers 17.9 (over measured time period)

TELEVISION VIEWING

Average number of hours spent watching television per week among viewers 19.5 hours

RADIO LISTENING

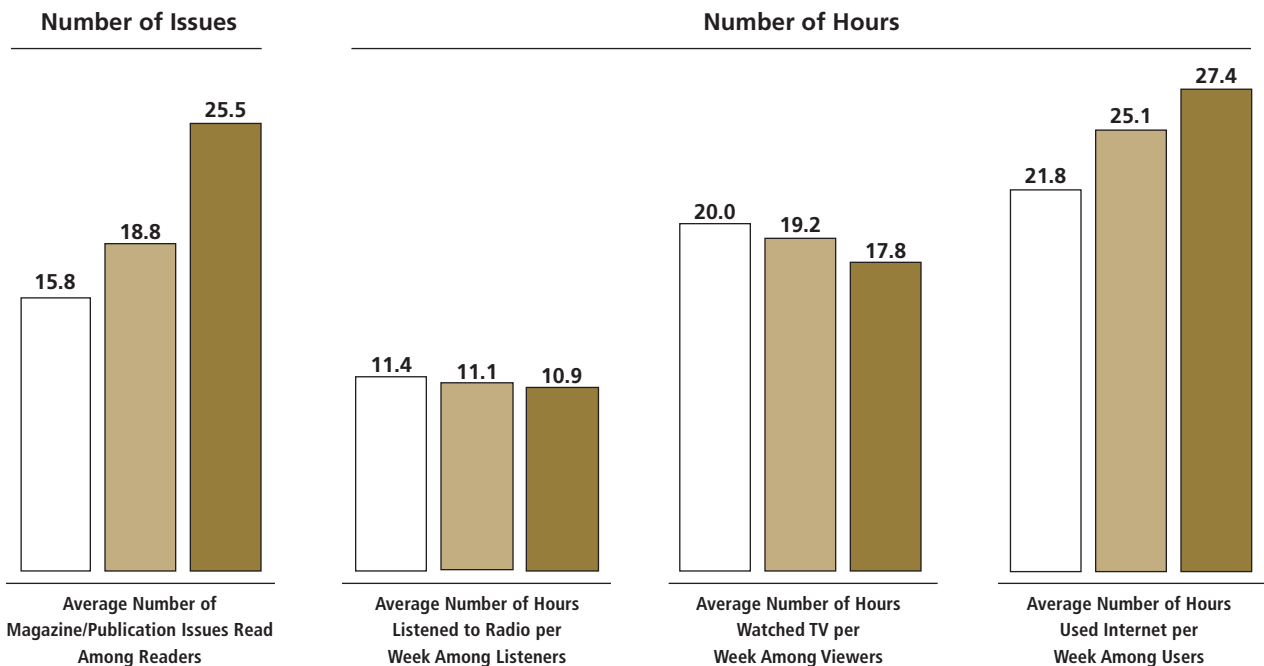
Average number of hours spent listening to radio per week among listeners 11.3 hours

INTERNET USAGE

Average number of hours spent using Internet per week among users 23.4 hours

Media Consumption Within Affluent Income Segments

When compared with the balance of the population, affluent heads of house are known to be heavy readers of magazines/publications. Internet usage tends to increase with affluence as well. These patterns hold across the affluent segments.



Note: Average = Arithmetic mean

Averages of publications read are limited to those measured in the Affluent Survey

Household Income: □ \$100,000 – \$149,999 ■ \$150,000 – \$249,999 ■ \$250,000 or more

Cable Network and Broadcast Television Audiences

Proportion of affluent heads of house
who view cable television 95%

Average number of cable TV networks
viewed among past-7-day viewers 16.1

Proportion of affluent households
that own a satellite dish 29%

Note: Average = Arithmetic mean

Averages of cable networks viewed are limited
to those measured in the Affluent Survey

Television Audiences: Viewed in Past Seven Days

	<u>Total Affluent Heads of House (000)</u>	<u>Total Affluent Heads of House (000)</u>
Cable Networks		
A&E (Arts & Entertainment Network)	20,829	
AMC (American Movie Classics)	15,569	
APL (Animal Planet)	14,267	
BBC America	6,645	
BET (Black Entertainment Television)	3,087	
Biography Channel	10,610	
Bloomberg Television	3,554	
BRV (Bravo)	10,862	
CMT (Country Music Television)	9,272	
CNBC	18,947	
CNN	26,267	
Comedy Central	17,293	
CSTV (College Sports Television)	5,138	
DISC (The Discovery Channel)	25,414	
DIY Network	7,217	
DSNY (Disney Channel)	12,936	
E! Entertainment TV	15,766	
ESPN	22,069	
ESPN Classic	9,833	
ESPN2	15,901	
ESPNEWS	10,285	
FAM (ABC Family Channel)	13,477	
Food Network	19,827	
Fox Sports Net	15,321	
FOXNC (Fox News Channel)	17,235	
FX	12,819	
GOLF (The Golf Channel)	7,043	
HGTV (Home and Garden TV)	18,182	
HIST (The History Channel)	21,942	
HLN (Headline News)	10,546	
Cable Networks (continued)		
Lifetime Television	13,480	
MSNBC	15,856	
MTV	7,552	
National Geographic Channel	14,707	
Nickelodeon/Nick at Nite	8,949	
Oxygen	6,121	
Sci-Fi Channel	9,471	
Science Channel	6,180	
SPEED Channel	4,812	
Spike TV	8,638	
Style Network	2,900	
TBS (TBS Superstation)	16,894	
TLC (The Learning Channel)	15,875	
TNT (Turner Network TV)	16,136	
TRAV (The Travel Channel)	10,814	
TruTV (formerly Court TV)	4,819	
TV Land	6,640	
USA Network	16,205	
VH-1	6,710	
WE (Women's Entertainment)	4,764	
The Weather Channel	20,933	
WGNC (WGN Cable)	4,660	
Broadcast Networks		
ABC	32,518	
CBS	31,684	
Fox	31,985	
NBC	32,395	
PBS	17,991	

Publication Audience Measurements

The 2008 survey measures the audiences of 115 publications. The report volumes show 109 listings, which include five groups of multiple publications. These groups include listings for the Ivy League Network and various listings for corporate group buying packages.

Proprietary codes are provided in the database for certain less-than-national “Demographic Editions,” which are created by matching geographic sample points and magazine readers.

Publication Average-Issue Audience

The readership of each measured publication was determined systematically by assigning a weight that reflects the respondent’s likelihood of seeing an average issue. Readership was measured for four issues for all publications, except those issued weekdays. For weekday publications (i.e., those issued five days per week), readership was measured for five issues.

In each case, the audience measurement took place within the time frame of frequency of issuance. For example, for monthlies it was the number of issues read in the past four months — one, two, three, four, or none (including “occasionally”). For weeklies, it was the number read in the past four weeks.

The responses as to the number of issues read in each time period appear in the report as the average-issue audience of each publication. The weights applied are:

Weekday Publications		All Other Publications	
Number of Issues Read	Weight	Number of Issues Read	Weight
One	0.20	One	0.25
Two	0.40	Two	0.50
Three	0.60	Three	0.75
Four	0.80	Four	1.00
Five	1.00		

To reduce the potential for any position bias, there are four versions of the questionnaire, with the publications and frequency of issuance being rotated.

2008 Average-Issue Publication Audiences

	Total Affluent Heads of House (000)		Total Affluent Heads of House (000)
ABA Journal	301	Men's Health	2,489
Allure	886	Men's Journal	778
American Way	1,148	Metropolitan Home	926
Architectural Digest	1,732	Money	2,723
ARTnews	193	More	986
The Atlantic	427	Motor Trend	1,807
Automobile Magazine	2,206	National Geographic	5,333
Barron's	486	National Geographic Adventure	1,452
Barron's/The Wall Street Journal (Gross)	3,473	National Geographic Traveler	1,563
Best Life	387	National Geographic/Traveler (Gross)	6,896
Boating	1,095	New York Magazine	543
Bon Appétit	2,521	The New York Times (Sunday)	2,569
BusinessWeek	1,410	The New York Times (weekdays)	2,149
Car and Driver	2,330	The New Yorker	1,070
Cigar Aficionado	446	Newsweek	4,179
Coastal Living	1,594	O, The Oprah Magazine	3,289
Condé Nast Traveler	1,401	Outside	651
Continental	948	Pace Airline Media (Gross)	5,642
Cooking Light	3,212	People	7,129
CurtCo Robb Affluence Network (Gross)	763	Private Clubs	188
Departures	534	Real Simple	2,587
Details	214	Redbook	2,195
The Economist	999	Road & Track	1,492
Elle	971	Robb Report	264
Elle Decor	559	Saveur	230
Entertainment Weekly	2,200	Scientific American	960
Entrepreneur	656	Shape	1,815
Esquire	656	Ski	544
Fast Company	398	Sky	1,633
Financial Times	462	SmartMoney	1,142
Food & Wine	2,238	Smithsonian	1,607
Forbes	1,598	Southern Accents	731
Foreign Affairs	178	Southern Living	3,891
Fortune	1,589	Southwest Airlines Spirit	1,782
Fortune Small Business	647	Sports Illustrated	4,541
Glamour	2,190	Sunset	1,587
Golf Digest	2,403	Tennis	583
Golf Magazine	2,068	Texas Monthly	681
Golf World	1,016	Time	4,372
Gourmet	1,821	Town & Country	841
GQ Gentlemen's Quarterly	881	Traditional Home	1,245
Harper's Bazaar	527	Travel + Leisure	2,732
Harvard Business Review	385	Travel + Leisure Golf	864
Health Magazine	2,790	U.S. News & World Report	2,276
Hemispheres	1,084	US Airways Magazine	1,144
House Beautiful	2,542	USA TODAY	3,676
Inc.	560	Vanity Fair	1,484
InStyle	2,327	Veranda	631
Investor's Business Daily	462	Vogue	1,838
Islands	382	W	440
Ivy League Network (Gross)	831	The Wall Street Journal	2,987
Links Magazine	239	Wine Spectator	1,092
Lucky	813	Wired	485
Marie Claire	886	Yachting	421
Martha Stewart Living	2,760		

Mendelsohn Affluent Survey Methodology

Method and Sample

The 2008 Affluent Survey began with an initial mid-March 2008 mailing to prospective affluent heads of house, followed by two reminder mailings to non-responders. The cut-off date for accepting questionnaires was July 15, 2008. All letters were addressed to specific individuals. The incentive was a new \$5 bill (10 percent of the mailout) or \$10 bill (90 percent of the mailout).

The list of names and addresses was drawn for Ipsos Mendelsohn by Survey Sampling, Inc., using households selected through the “Estimated Household Income” (previously known as FIND) model of Donnelley Marketing, an infoUSA company. The Donnelley procedure utilizes multiple regression analysis to apply a predicted income level to the individual records in the Donnelley file. The procedure is applied to a national probability sample to increase the likelihood of reaching upper-income households. A more detailed description of the procedure is provided in the methodology section of the survey guide.

The final response rate was 43 percent of the adults to whom the materials could be delivered. The results of the survey are based on 13,522 completed questionnaires from male and female heads of house with household incomes of \$100,000 or more.

Sampling Advantages

The Affluent Survey succeeds in representing various segments of the affluent population. The major advantage of a well-executed mail survey with a high response rate over other interviewing techniques is the high number of completed questionnaires from individuals who cannot be interviewed by phone or in person.

As shown below, this survey contains substantial bases at the upper levels of income, wealth, and total expenditures.

<i>Unweighted Samples</i>					
Household Income	Heads of House	Upper-Income and Wealth	Heads of House	Annual Spending Segments	Heads of House
\$100,000+	13,522	HHI \$250,000+	2,227	Heavy	3,848
\$150,000+	7,008	Liquid assets \$1 million+	1,964	Medium	5,044
\$250,000+	2,227	Both	914	Light	4,630

Measured Products and Services

In addition to in-depth demographic and media usage measurements, the Mendelsohn Affluent Survey includes extensive behavioral questions regarding leisure activities and shopping as well as purchase data for over 100 product and service categories. Included in the 2008 survey are questions relating to the following:

Association memberships	Expenditures (continued):
Automotive/vehicle ownership or leasing	Personal insurance
Boat ownership	Sports and athletic equipment
Business ownership	Travel
Car rental	Watches
Civic activities	Weddings
Computers/mobile devices:	Financial advisor usage
Number used	Internet:
Internet usage	Number of hours used for business/personal purposes
Credit cards owned and used	Activities and purchases
Cruises	Leisure activities
Cultural activities/spectator events	Life insurance
Entertaining in home/away from home	Lifestyle plans
Expenditures:	Occupational/business responsibilities
Alcoholic beverages	Private clubs and associations
Apparel:	Purchase of liquor and wine by the case
Men's	Real estate ownership and values
Women's	Retail store shopping
Children's	Savings and investments
Artwork and collectibles	Search engines used
Books	Securities transactions
Cigars and cigar accessories	Sports/athletic participation
Computers and electronics	Travel:
Fine writing instruments	Airline class flown
Fragrances and cosmetics	Car rental
Furniture	Domestic/foreign destinations
Home decorating and remodeling	Hotel and motel stays
Jewelry	Number of trips
Leisure, entertainment, and dining	Use of private aircraft
Luggage	Wine and spirits usage and consumption
Motor boating and sailing	Wine cellar/wine refrigerator ownership
Personal care and wellness	

Services and Utilities

The large databases delivered by the Mendelsohn methodology allows for many marketing analyses and applications. The types of marketing information available within many of these categories include:

- Purchase incidence
- Annual dollar expenditures
- Current market value
- Volumetrics
- Ownership incidence
- Purpose of use (business vs. personal)
- Geographic segmentation

All standard and many customized media analyses can be applied to Mendelsohn-measured media, such as:

- Cost-per-thousand rankings
- Reach and frequency analyses
- Cross-tabulations
- Frequency distributions
- Print schedule optimizations
- Claritas segmentations
- Other analyses

The entire survey results are currently available through the following licensed online services:

- IMS
- MRI
- New Age Media Systems
- Telmar

The Mendelsohn Affluent Survey is also released annually in a double-base version comprising identical data from the current and prior years.

Ipsos Mendelsohn also provides customized tabulations and analyses to subscribers.



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