

[November 16. 2006]

Consumer Trends- Presentation to International Council of Shopping Centres



MUSTEL GROUP
MARKET RESEARCH

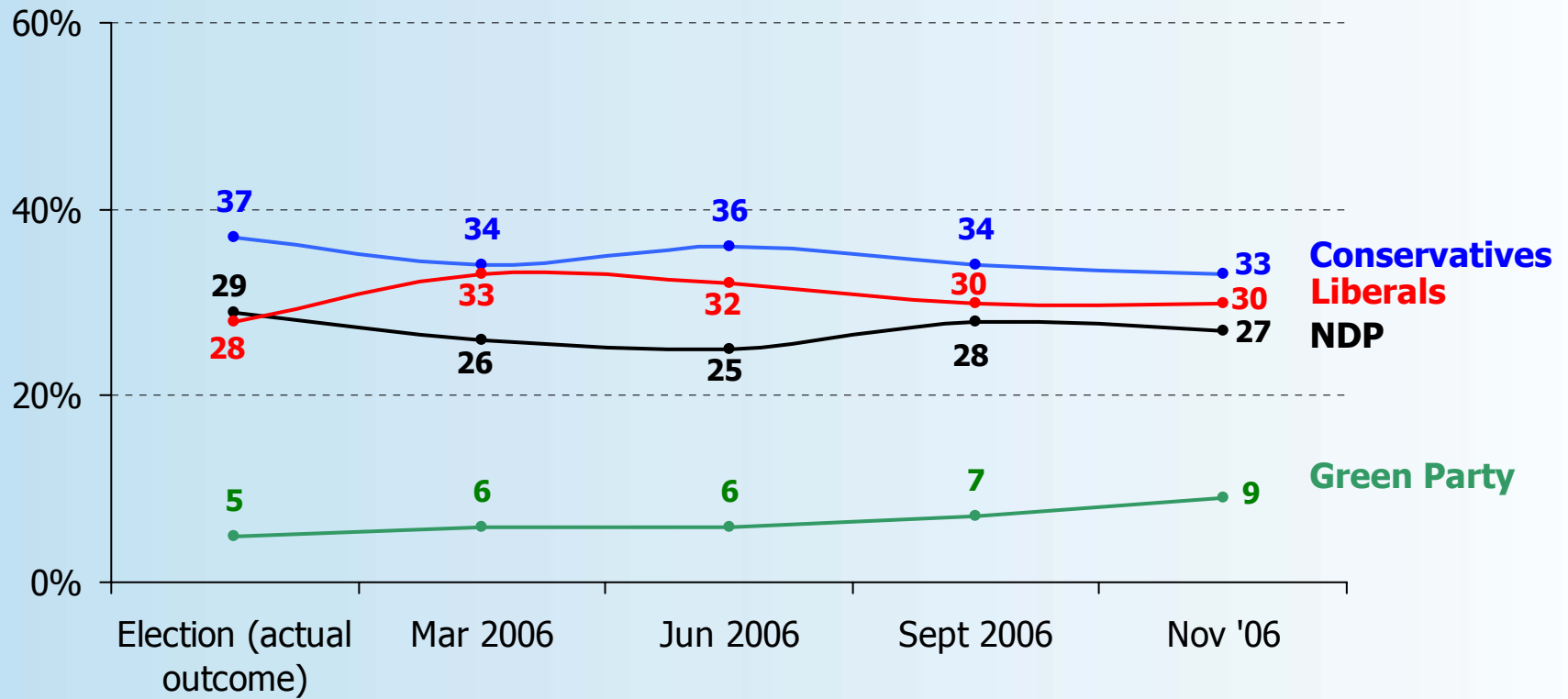


➤ Topics

- Politics
- Mood of the public
- Overall shopping patterns in Lower Mainland
- Retail segment trends
- Research trends

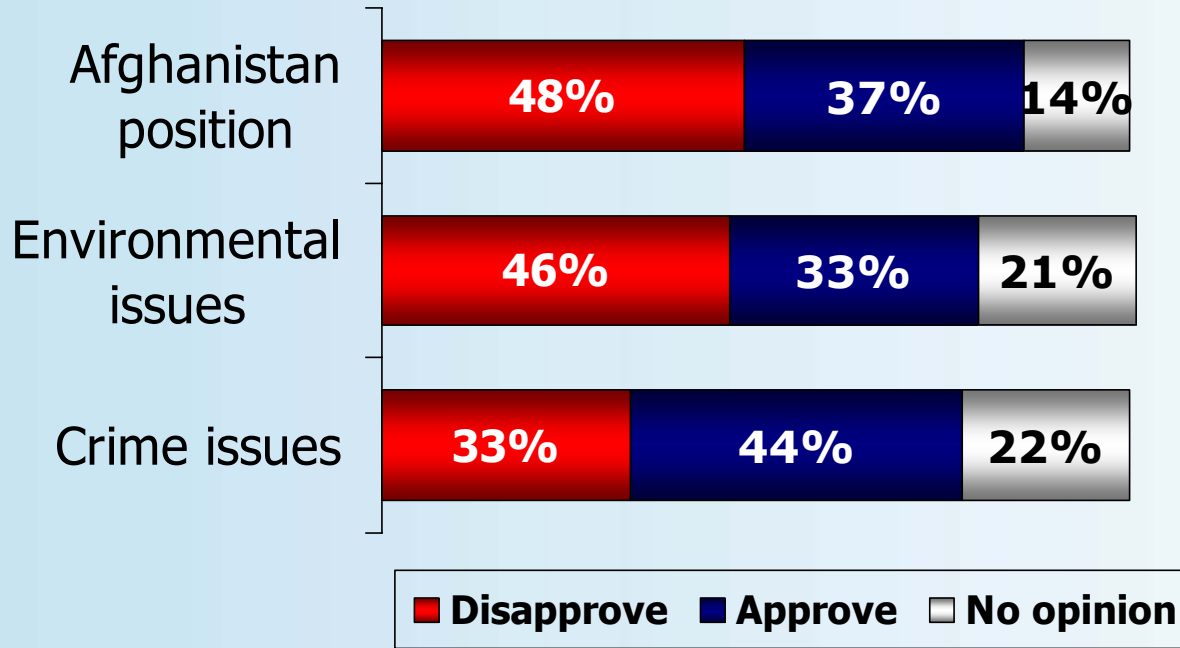


➤ Federal Voter Intentions in BC



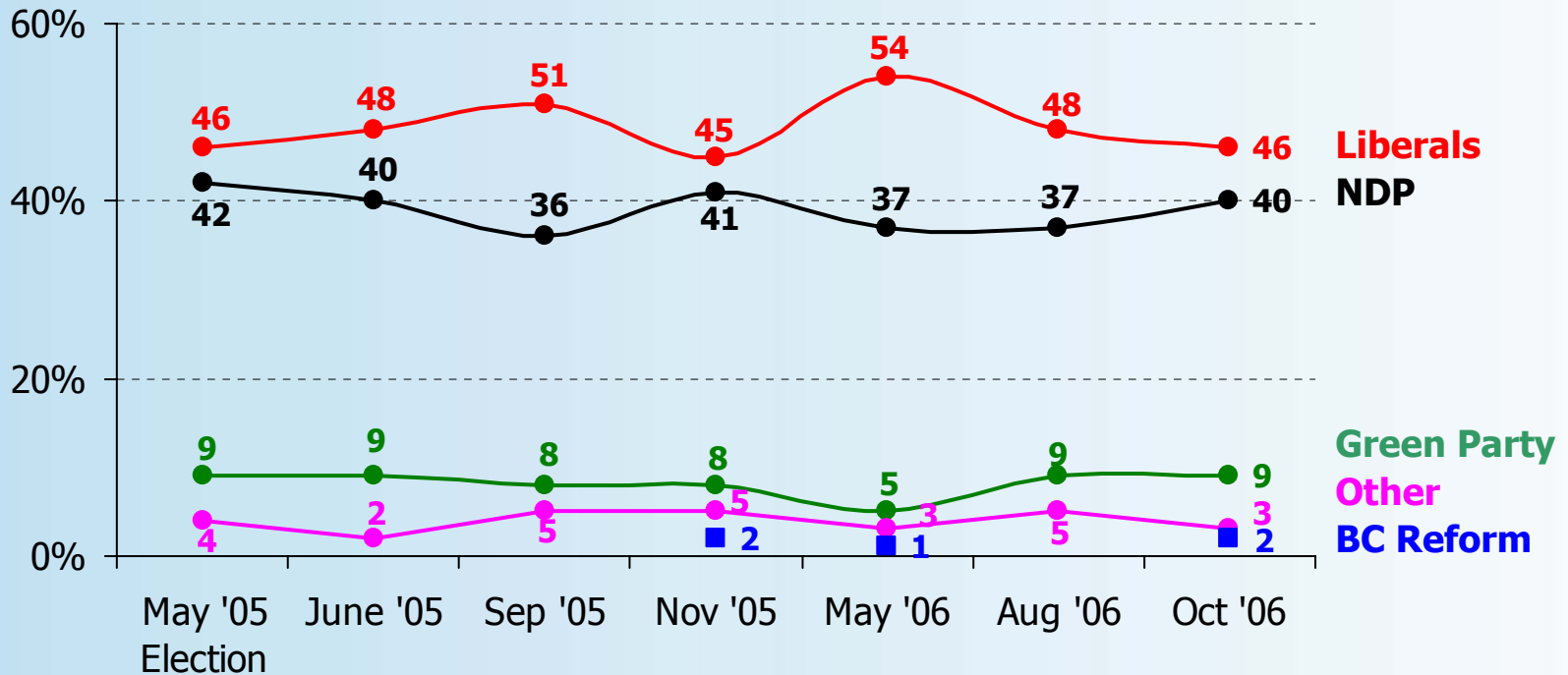


➤ Approve/Disapprove of Performance of Federal Gov't





BC Voter Intention





➤ Provincial Politics

- Strong economy provides consumer confidence
- Appreciate labour peace
- Frustrated with lack of improvement on healthcare
- Concerned about cuts to social safety net
- Not concerned about Olympic cost overruns



➤ **Municipal Politics**

- Change in leadership in many BC municipalities in last election
- Key issues:
 - Transportation
 - Crime
 - Social issues
 - Development



➤ City of Vancouver

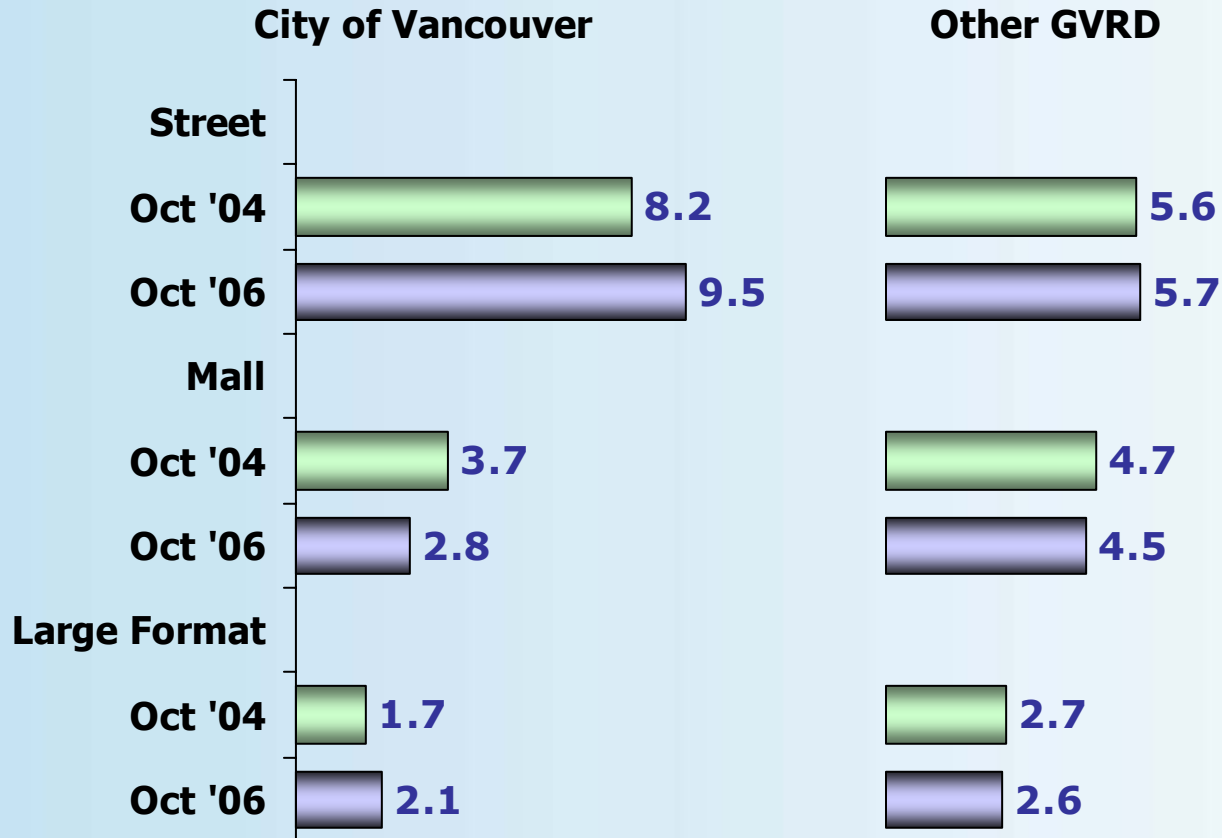
Recent Policies:

- Approval of large format retail on SW Marine Drive
- Shifting of commercial tax to residential
- EcoDensity Initiative



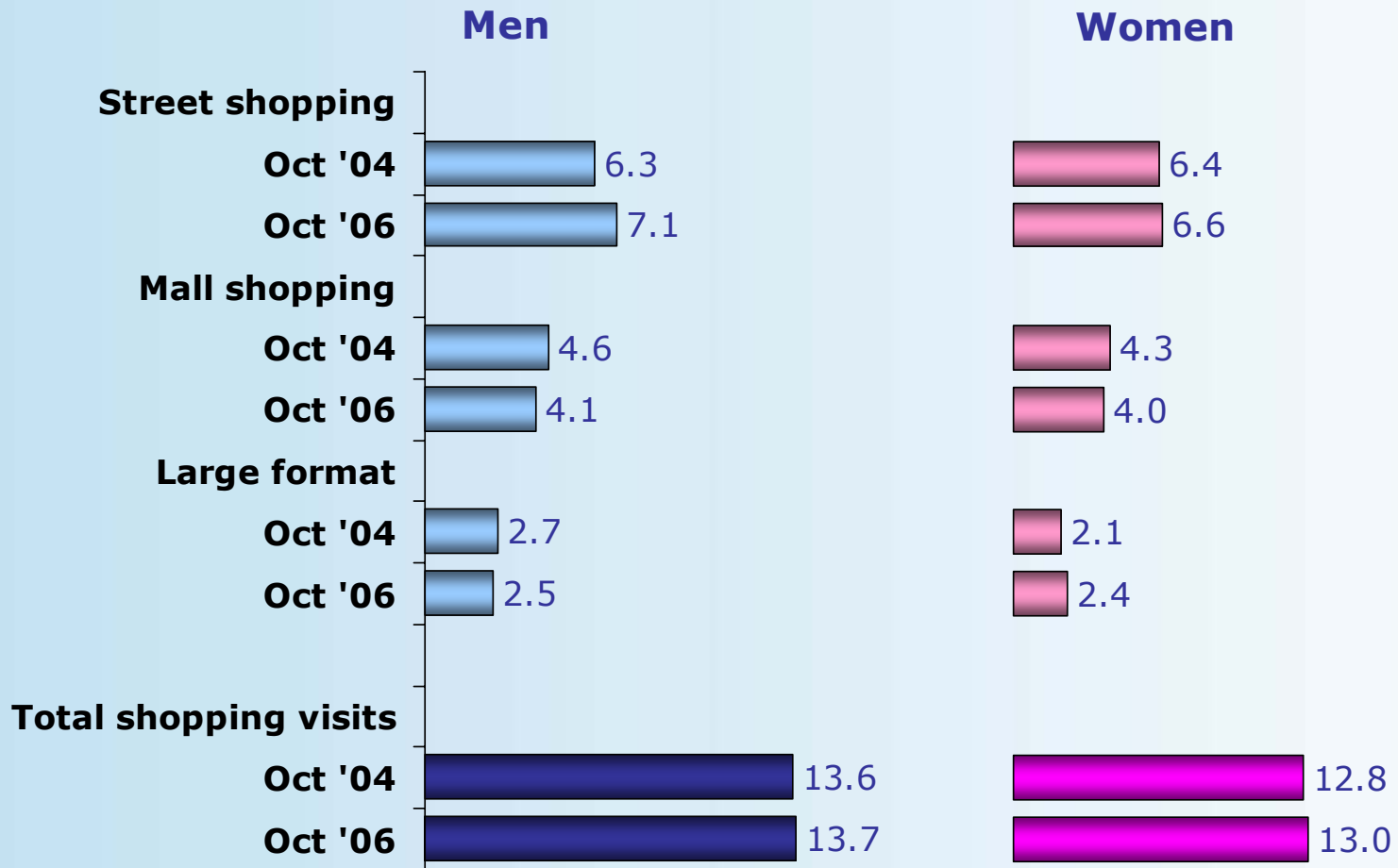
Street Shopping Growing

(Average # of Visits/ Month)





➤ Men Like Shopping as Much as Women





➤ Aging Baby Boomers Not Ready to Kick Back

- 70% are planning to work after 65
- Average length of post-retirement careers: 9 yrs
- Why?
 1. To stay mentally active
 2. To stay physically active
 3. The money
 4. To stay connected to others



➤ Consumers Trading Up and Down

- In past segmented shopper as price conscious or not
- Most shoppers are both price and luxury shoppers
- Will trade down in some categories so can trade up in others
- Almost every category forming pools at both ends with middle shrinking

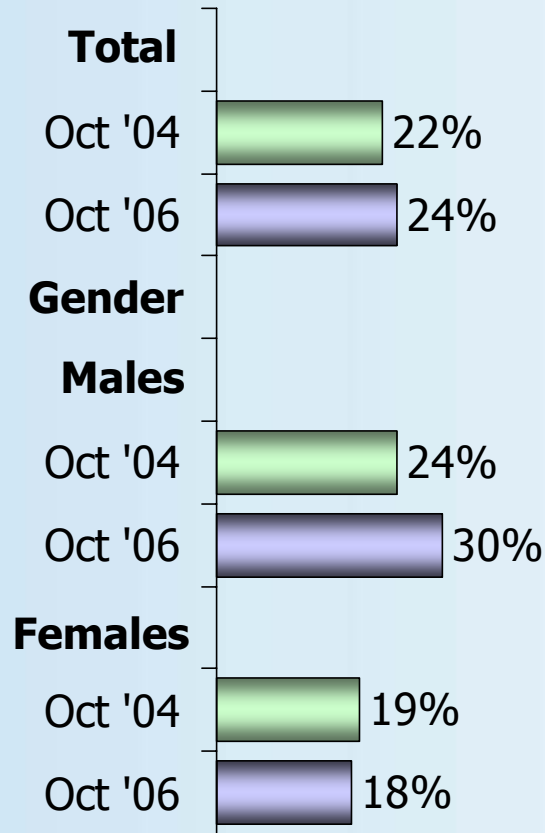


➤ Internet Shopping Still Overstated

- On-line purchases still small proportion of retail sales
- Use Internet for research, not to buy in most categories

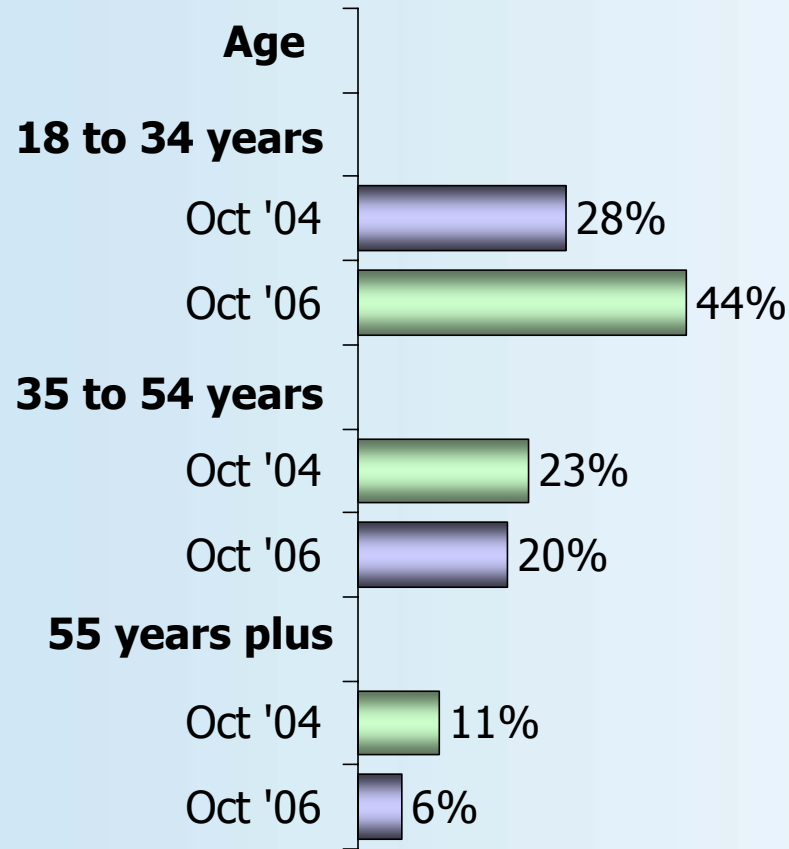


➤ Percentage On-Line Shopping per Month





➤ Percentage On-Line Shopping by Age





➤ Market Research Trends

- **Web surveys**
 - Additional tool but not replacement for telephone surveys
- **Ethnographic/observational research**
 - Alternative to focus groups



Thanks. Any questions?



MUSTEL GROUP
MARKET RESEARCH