

# Shopping for big bargains - not for everyone

By Ximena Alaniz

Without having to flip burgers, **Alex Rodgers** was able to afford \$700 YEEZYs with his own savings.

The sophomore makes money by designing clothing for his fashion line named Velocity (<https://alexmrod.wixsite.com/velocitybrand/home/>). He founded it in 2016 along with some friends. Rodgers is willing to spend hundreds of dollars on clothes, but the Kanye-West-Adidas-designed shoes were his most expensive purchase yet.

Rodgers wanted to treat himself,

wear. I stay subtle — I feel like people like simple.”

Clothing is not the only category PM students spend loads of cash on. Makeup is one of the highest grossing industries among teen buyers. The Anastasia Beverly Hills Glow Kit,

popular with a lot of teen girls, including me, costs \$40. Its purpose? Illuminate the cheek bones.

Junior **Mya Casas Vela** spends about \$400 on makeup each month mostly at Sephora, a beauty shop and skin care products store in Greenwood

Mall.

Her favorite pricey brands, besides Anastasia Beverly Hills, are Morphe and Nyx. Casas has collected more than 1,000 points on her Sephora card in just two months. Working a part-time job at a clothing store supports her love for

makeup along with other necessities, she said.

Having the hottest phone in the market is another important part of a lot of teenagers' lives. Although many students are financially supported by parents, 73 percent of teenagers in



**Sophomore Alex Rodgers' \$700 YEEZYs using money he saved (Photo by Sam Cook).**

he said. His parents did not object because the 16-year-old has saved hard-earned money over the years and doesn't buy anything on impulse. He wears the Yeezy's for special occasions and religious events but knows it might not last: His feet are still growing, he said.

Supportive parents are also a factor in teen spending. According to the Fall 2017 Piper Jaffray "Taking Stock with Teens" survey, 67 percent of teens are financially supported by their parents.

Junior **Andrew Thang's** parents bought him a Calvin Klein long coat, worth a few hundred dollars, he said, splurging on him because they know he loves quality clothing.

Already a talented photographer, Thang plans to be a successful fashion icon.

"I definitely want to keep going with fashion, I'm minimalistic in what I

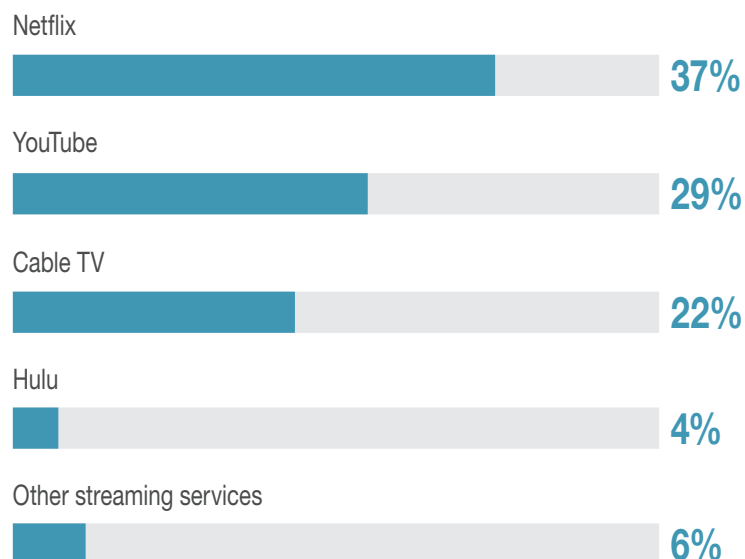
**"I'm minimalistic in what I wear, I stay subtle, I feel like people like simple."**

**-Andrew Thang**

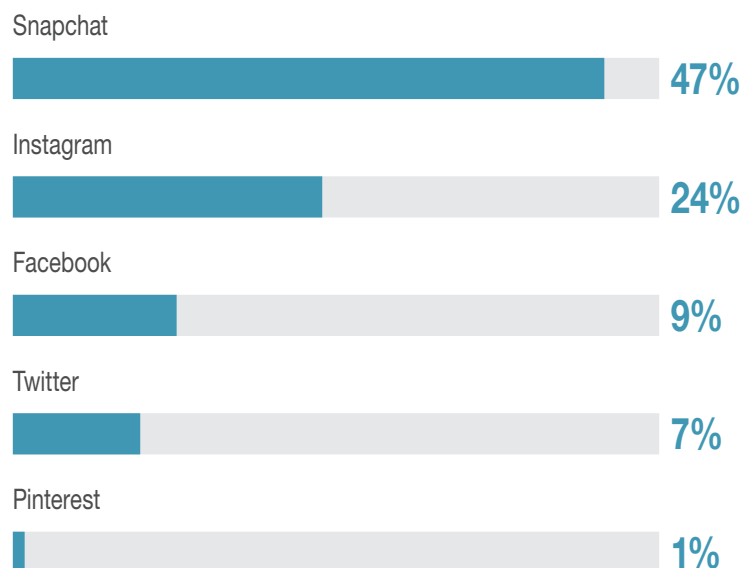
## MEDIA & DEVICES



### Daily Video Consumption



### Favorite Social Media Platforms



## RESTAURANTS



### Top Restaurants

#### Upper-Income Teens

1	Starbucks	11%
2	Chick-fil-A	10%
3	Chipotle	8%
4	McDonald's	5%
5	Dunkin' Donuts	4%

#### Average-Income Teens

1	Starbucks	12%
2	Chick-fil-A	8%
3	McDonald's	6%
4	Olive Garden	4%
	Buffalo Wild Wings	4%

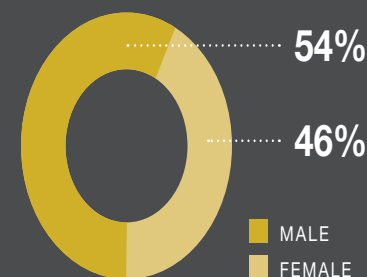
**Starbucks remains the only public brand with double-digit mindshare across both income sets**

**6,100**  
Teens Surveyed

**16**  
Average Age



**\$66,100** Average Household Income



**44** U.S. States

Source: Piper Jaffray & Co., company reports  
Piper Jaffray & Co. Member SIPC and NYSE. 10/17

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REALIZE THE POWER OF PARTNERSHIP

# Outrageous teenager spending habits revealed

America have a smartphone such as an iPhone and Samsung, according to the Pew Research Center of Internet and Technology. Most teens obtain their first cell phone at age 13. Before cell phones were as advanced as they are today, the average age to get a cell phone was

around 17 to 18 years old.

Several Perry students said as soon as the next model of iPhone hit the market, they want to buy the newest model.

Junior **JaRese Reed** has been an iPhone user since middle school

and upgrades her phone every chance she gets. Over the years Reed has accumulated a collection of her old iPhones and stores them in a box.

"I like to keep my old phones because I think it's nice to see how much phones have changed over the

years," she said. The iPhone 8 and X cost \$699, according to the Apple website.

Even more than upgrading her cell phone, junior **Gretel Calderon** likes to spend money on food, particularly at Mexican restaurants. She estimated that

“The most I’ve ever spent on an item would have to be \$700 on shoes.”

- Alex Rodgers

## Piper Jaffray 34th Semi-Annual Taking Stock With Teens® Survey, Fall 2017

### GLOBAL FASHION & LIFESTYLE BRANDS



#### Top Clothing Brands

1	Nike	23%
2	American Eagle	11%
3	adidas	4%
4	Forever 21	4%
5	Hollister	4%

#### Top Handbag Brands

1	Michael Kors	31%
2	Kate Spade	16%
3	Coach	14%
4	Louis Vuitton	6%
5	Vera Bradley	6%

#### Top Footwear Brands

1	Nike	46%
2	Vans	12%
3	adidas	11%
4	Converse	7%
5	Birkenstock	2%

#### Top Shopping Websites

1	Amazon	49%
2	Nike	6%
3	American Eagle	5%
4	eBay	3%
5	Forever 21	2%

### Key Takeaways

- Overall teen spending moved down 4.4% year-over-year, while parent contribution to teen spend is 67% just below the long-term average of 68%.
- Wallet shifts in fall 2017 include slight downtick for video games, slight uptick for clothing, and moderate downtick for food.
- Food ticked down from 24% in spring 2017 to 22% in fall 2017, but remains larger than clothing at 20%.
- Starbucks remains the only public brand to garner double-digit mindshare among restaurants, besting Chick-fil-A among both income groups.
- 23% of teens prefer to shop specialty retailers today down 300 bps year-over-year, while pure-play e-com tied its spring 2017 peak at 17% – up 200 bps year-over-year.
- Teens increasingly prefer Amazon as their favorite website at 49% share – up 900 bps year-over-year.
- Athletic apparel is moderating somewhat led by Nike while we are seeing no slow down in athletic footwear. Apparel brand preference is shifting towards streetwear (Vans and Supreme).
- Adidas, Birkenstock, Calvin Klein/Tommy Hilfiger (PVH), Supreme and Vans were the most improved brands in our survey.
- Nike, Ralph Lauren, Steve Madden, UGG (Deckers), Fossil and Michael Kors saw the largest declines among major brands.
- Snapchat is the preferred social media platform for 47% of teens – up 1,200 bps year-over-year, while Twitter and Facebook moderation continued.
- 82% of teens expect their next phone to be an iPhone, which is up from 81% in spring 2017, and, more importantly the highest we have ever seen in our survey.
- Teens who expect >50% of their future video games to be digitally downloaded increased to 50% from 45% in spring 2017 and 37% from two years ago.
- Streaming continues to gain teen video share as preference for linear TV declined 200 bps year-over-year.
- Only 35% of teens listen to Pandora radio versus 49% last year as on-demand services such as Spotify, YouTube and Apple Music continue to gain share.

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Alex Rodgers (Photo by Sam Cook)

she spends half of the salary from her part-time job on eating out. Calderon's favorite food splurges are on tacos and tortas. According to the Jaffray on fast food chain statistics, students spend more money on food than on clothes.

And then there are the kids addicted to hits "Stranger Things," "Altered Carbon" or "Pretty Little Liars." Netflix has surpassed 100 million users this year. Out of 6,100 teenagers surveyed 37 percent of them are Netflix users.

Junior **Maria Sanchez** is one of these many Netflix-using teens. She pays for her family's account with the help of her part-time job.

"Nobody in my family really likes to watch cable so I don't necessarily see Netflix as a waste of money."

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-Maria Sanchez