



American Express Spending & Saving Tracker ***June 2012 Cost of Keeping Kids Busy in Summer***

A research report prepared for:



June 25, 2012

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Research Method



- **This research was completed online among a random sample of consumers aged 18+. A total of 2,008 interviews were completed.**
- **In addition to a general population sample, two sub-groups, Affluents and Consumers with children under 18, were targeted and balanced by the general population.**
 - **Affluents – defined as having a minimum annual household income of \$100,000 (n=631)**
 - **Consumers with children under 18 (n=918)**
- **Interviewing was conducted by Echo Research between June 5 - 8, 2012.**
- **Overall the results have a margin of error of ± 2.2 (or ± 3.9 among Affluents and ± 3.2 for consumers with children in household) percentage points at the 95% level of confidence.**

Consumers with Children Under 18 in Household

SPENDING ON CHILDREN THIS SUMMER

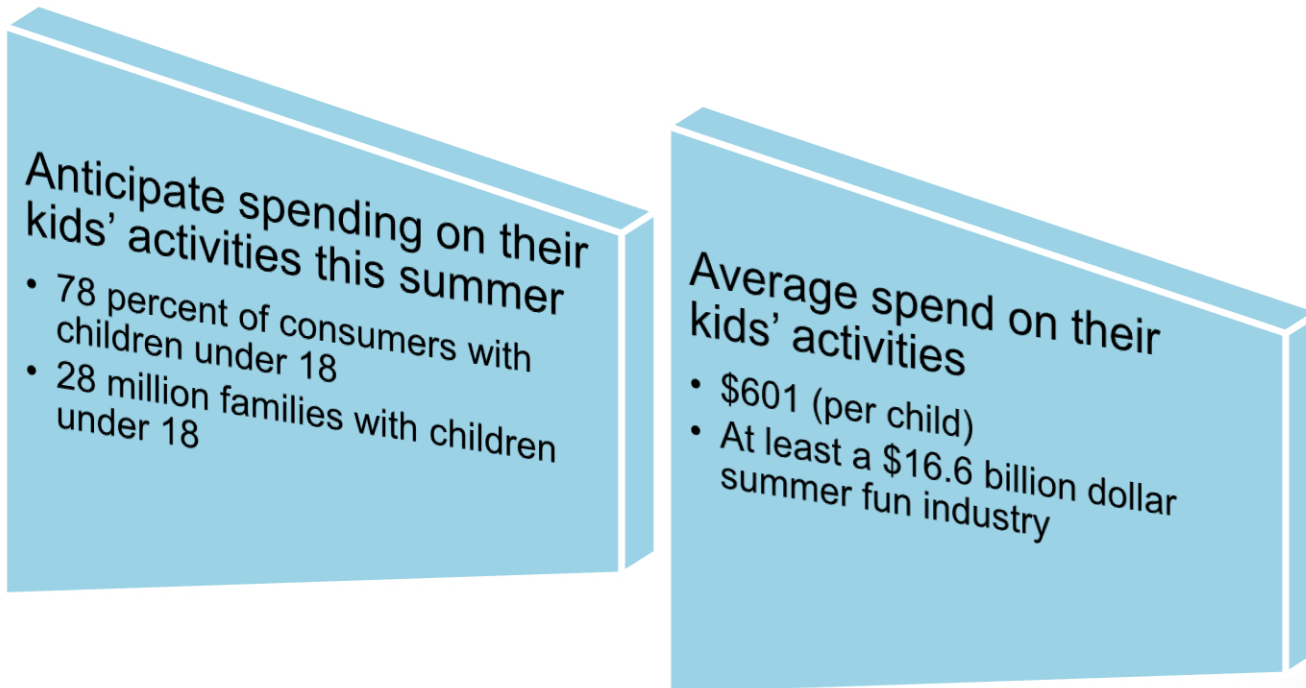
The Majority of Consumers with Children Under 18 Expect to Spend on their Kids' Summer Activities



More than three in four (78%) consumers with children under 18 (or 27.6 million families with children) anticipate spending on their kids' activities this summer.

On average, consumers with children under 18 expect to spend \$601 per child for their kid's activities.

Family spending on kids' activities is at least a \$16.6 billion dollar summer fun industry given a one child household.



The above is calculated on the U.S. Census Population of families (with children under 18 in household) .

R8. Please indicate which expenses you anticipate in relation to your children this summer, and how much you plan to spend PER CHILD. Average of all activities.

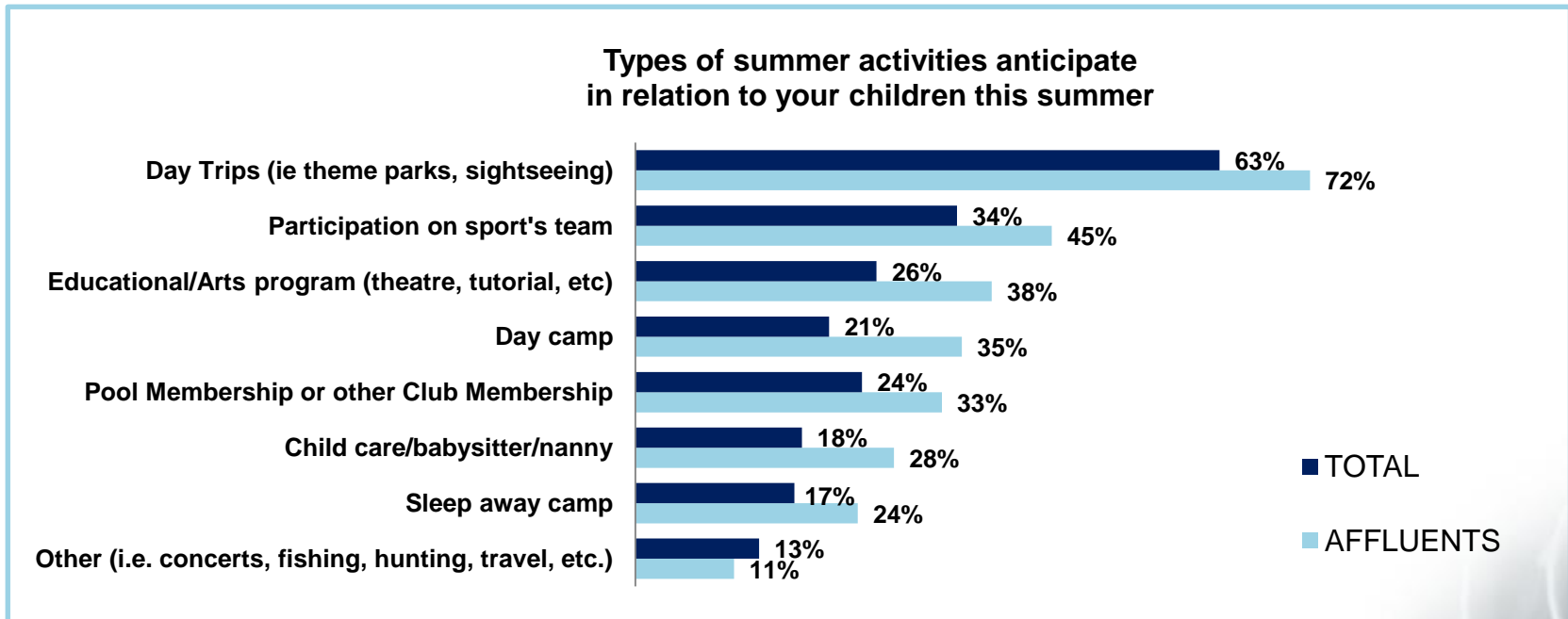
Most Consumers with Children Anticipate Spending on Day Trips for their Kids this Summer



The top 3 summer activities planned for kids among consumers with children under 18 (total versus Affluents, respectively):

- ❑ Day trips (63% vs. 72%)
- ❑ Participation in a sports team (34% vs. 45%)
- ❑ Educational activities (26% vs. 38%)

In addition to the above, about one third of Affluents with children foresee day camp (35%) and a pool membership (33%) for their children this summer.



R8. Please indicate which expenses you anticipate in relation to your children this summer?

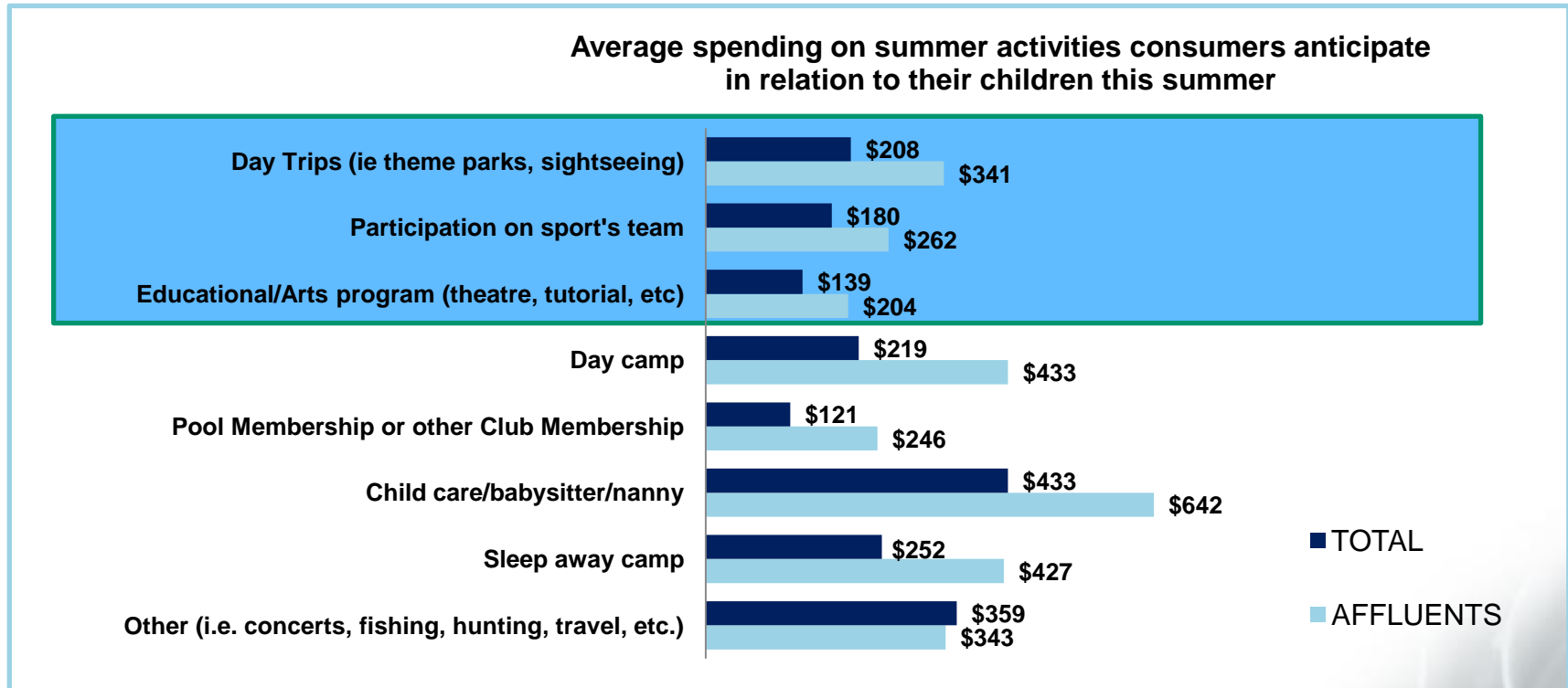
BASE: Total have children under 18

Considering the Top 3 Activities Planned for Kids - Day Trips will Cost the Most, on Average



Summer spending on top 3 kids' activities anticipated among consumers with children under 18 (total versus Affluents, respectively), per child, on average...

- ❑ Day trips (\$208 vs. \$341)
- ❑ Participation in a sports team (\$180 vs. \$262)
- ❑ Educational activities (\$139 vs. \$204)



The above chart illustrates average spend per activity expect to expense for kids this summer.

R8. Please indicate which expenses you anticipate in relation to your children this summer, and how much you plan to spend per child.

BASE: Total have children under 18 and expect to spend on [INSERT ACTIVITY]

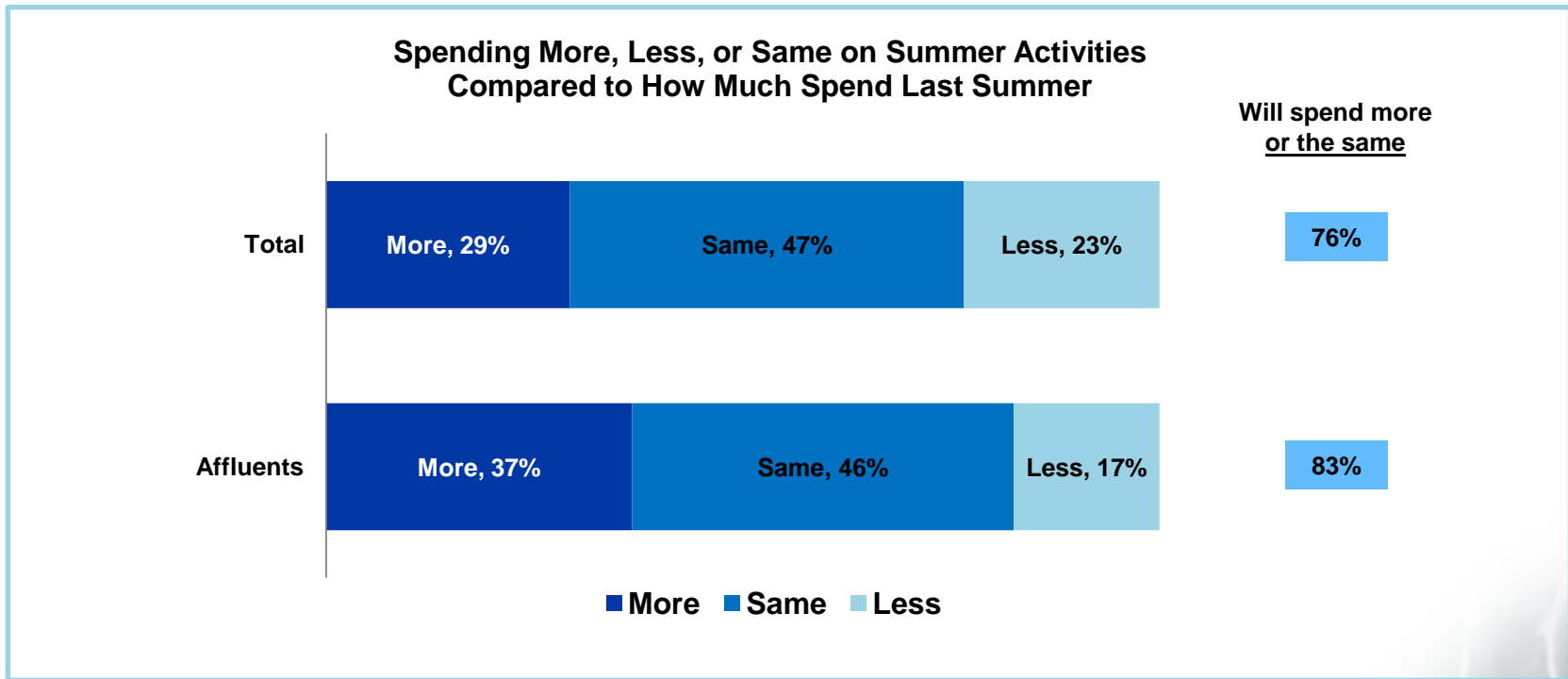


Most say Spending on Summer Activities is Expected to be More or Same As Last Summer



About three in four consumers with children under 18 expect to spend more (29%) or the same (47%) on summer activities as they spent last summer.

- More than one third (37%) of Affluent families with children expect to spend *more* on summer activities than they spent last summer.



Q.R9 Will you be spending more, less, or the same on summer activities compared to how much you spent last summer?

BASE: Total have children under 18 who anticipate expenses for children this summer

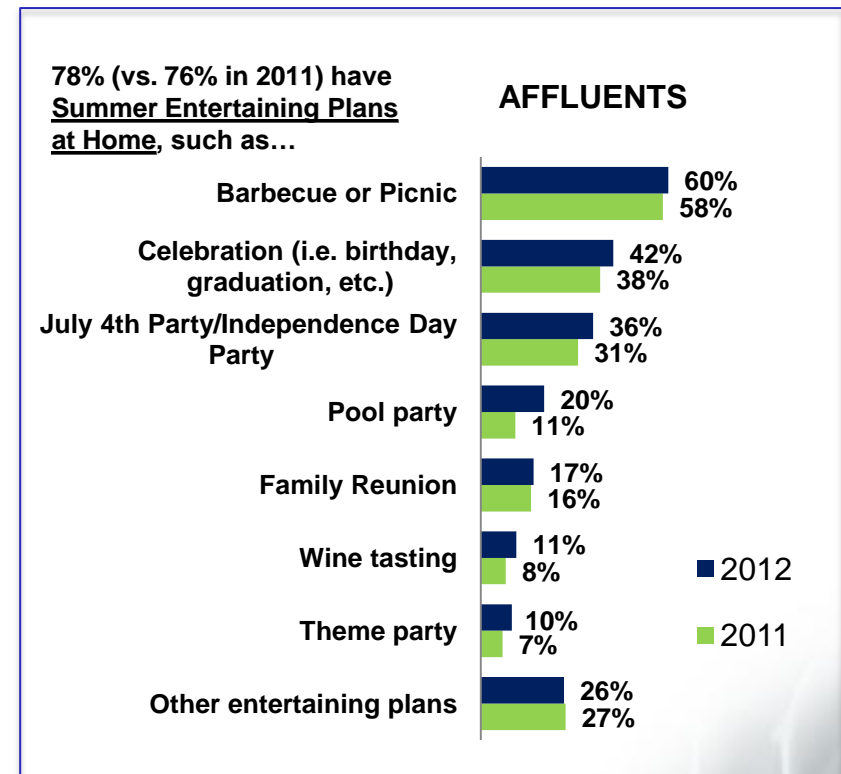
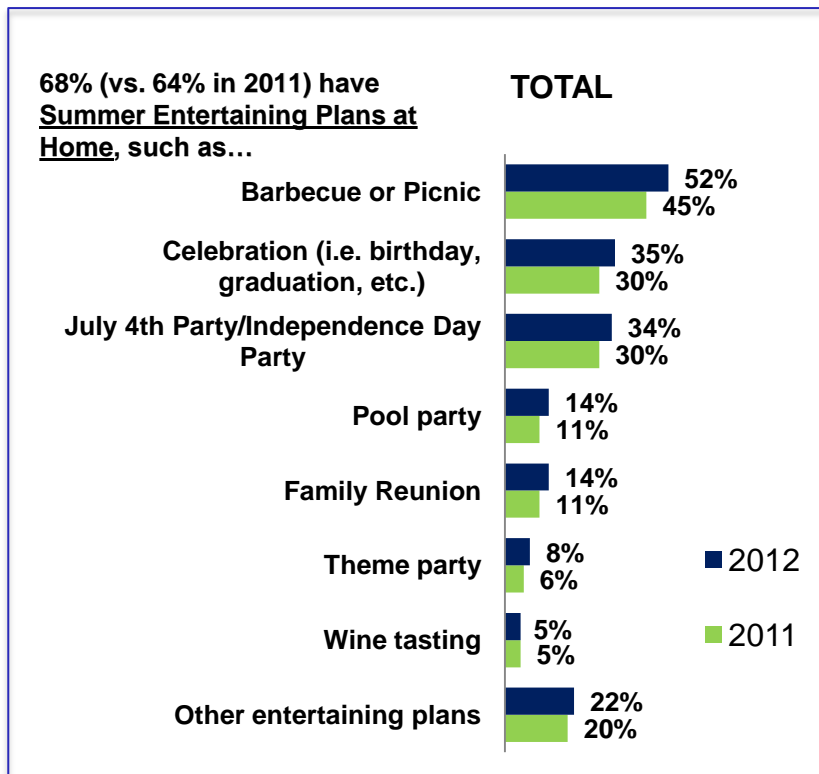
SPENDING ON SUMMER ENTERTAINING

Consumers' Plans to Entertain at Home this Summer Increase from 2011



The **top three summer entertaining plans** are a barbecue or picnic, a celebration, and an Independence Day (July 4th) party.

More Affluents are planning a celebration (42%), July 4th (36%), or pool party (20%) this year versus last year (38%, 31%, and 11%, respectively).



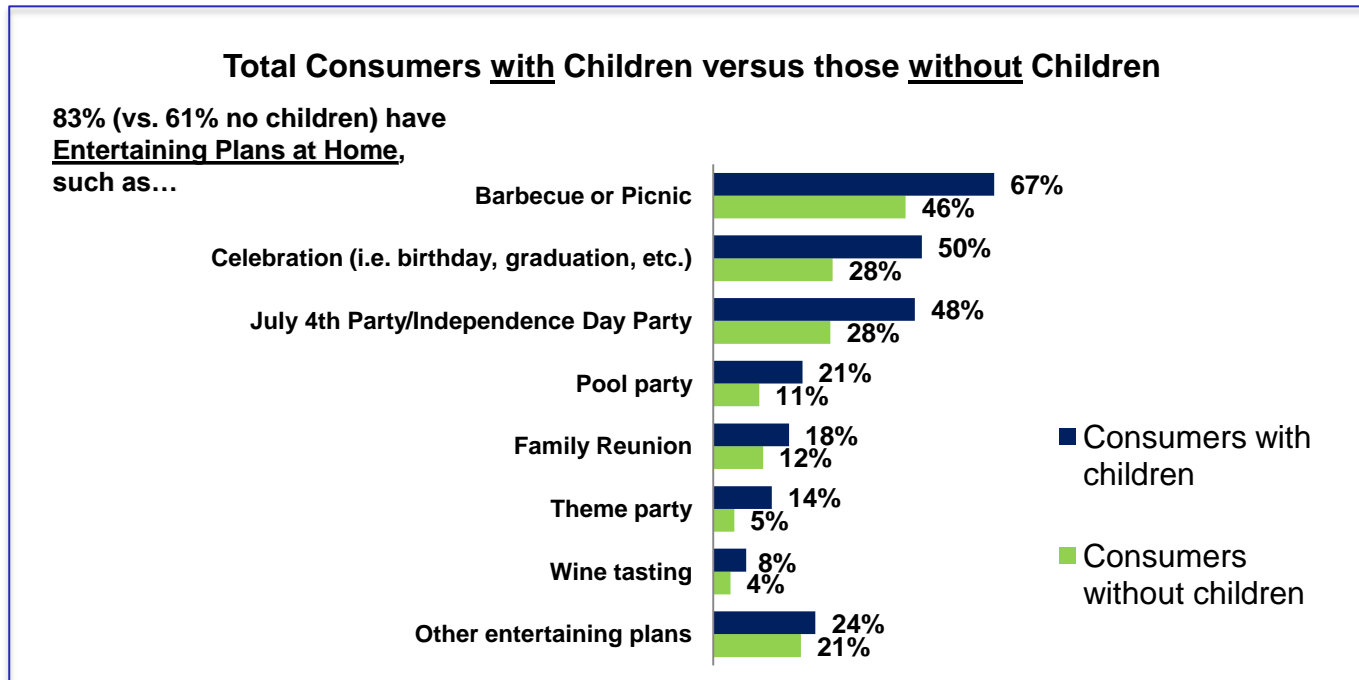
Q.R1 What type of entertaining are you planning at your home this summer?
BASE: Total respondents

Summer Entertaining Plans More Prevalent among Families with Children



More than eight in ten (83%) consumers with children (vs. 61% without children) have **summer entertaining plans at home**.

Most consumers with children under 18 are planning a barbecue or picnic at home this summer (67%), while less than one half of consumers without children have plans to barbecue/picnic this summer.



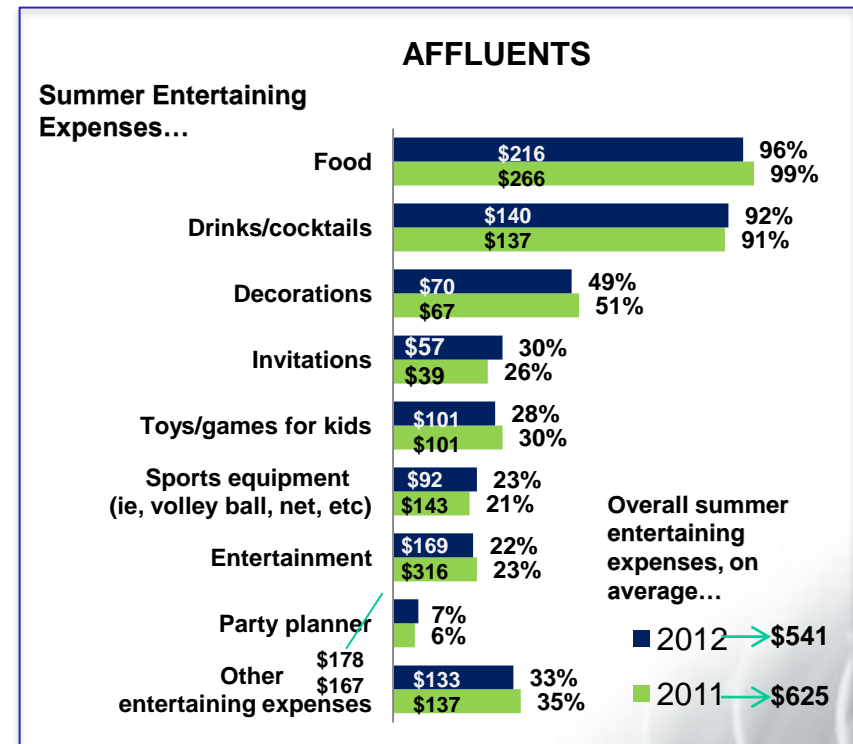
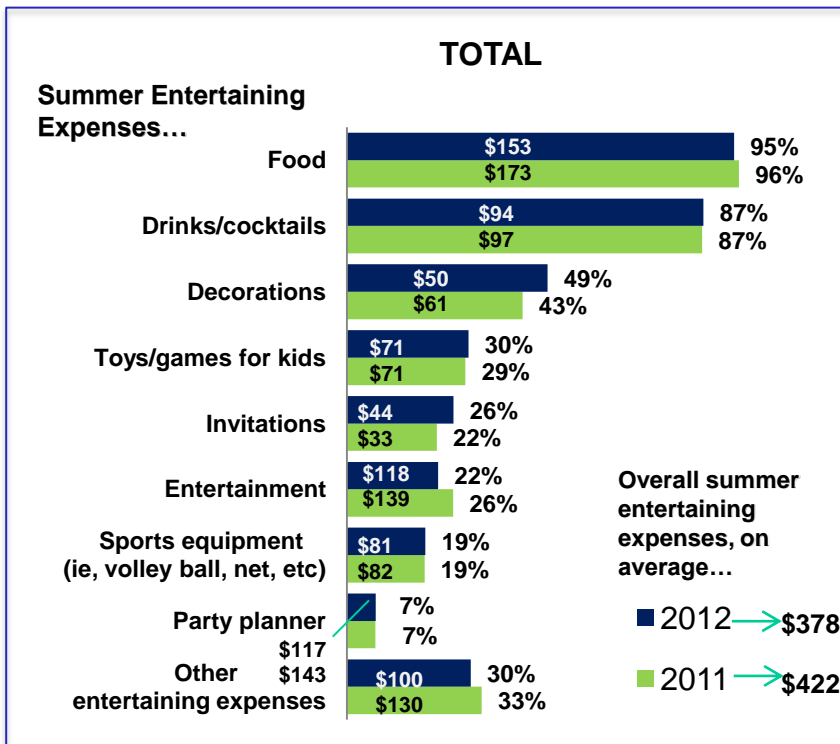
Q.R1 What type of entertaining are you planning at your home this summer?
BASE: Total respondents

Food and Drinks again Top Summer Entertaining Expenses, with Decorations on the Rise



Overall, consumers expect to spend an average of **\$378** (down from \$422 expected last summer) on a single event/party with friends/family hosted at their home this summer.

Food and drinks/cocktails rank highest with an average spend expected of \$153 and \$94, respectively, on these items.



The above charts illustrate, per single home entertaining event, the percent and average spend per expense planned for this summer.

R2. On average, for a single event/party, how much do you plan on spending on the following entertaining expenses this summer with friends/ family?

BASE: Total planning to entertain at their home this summer

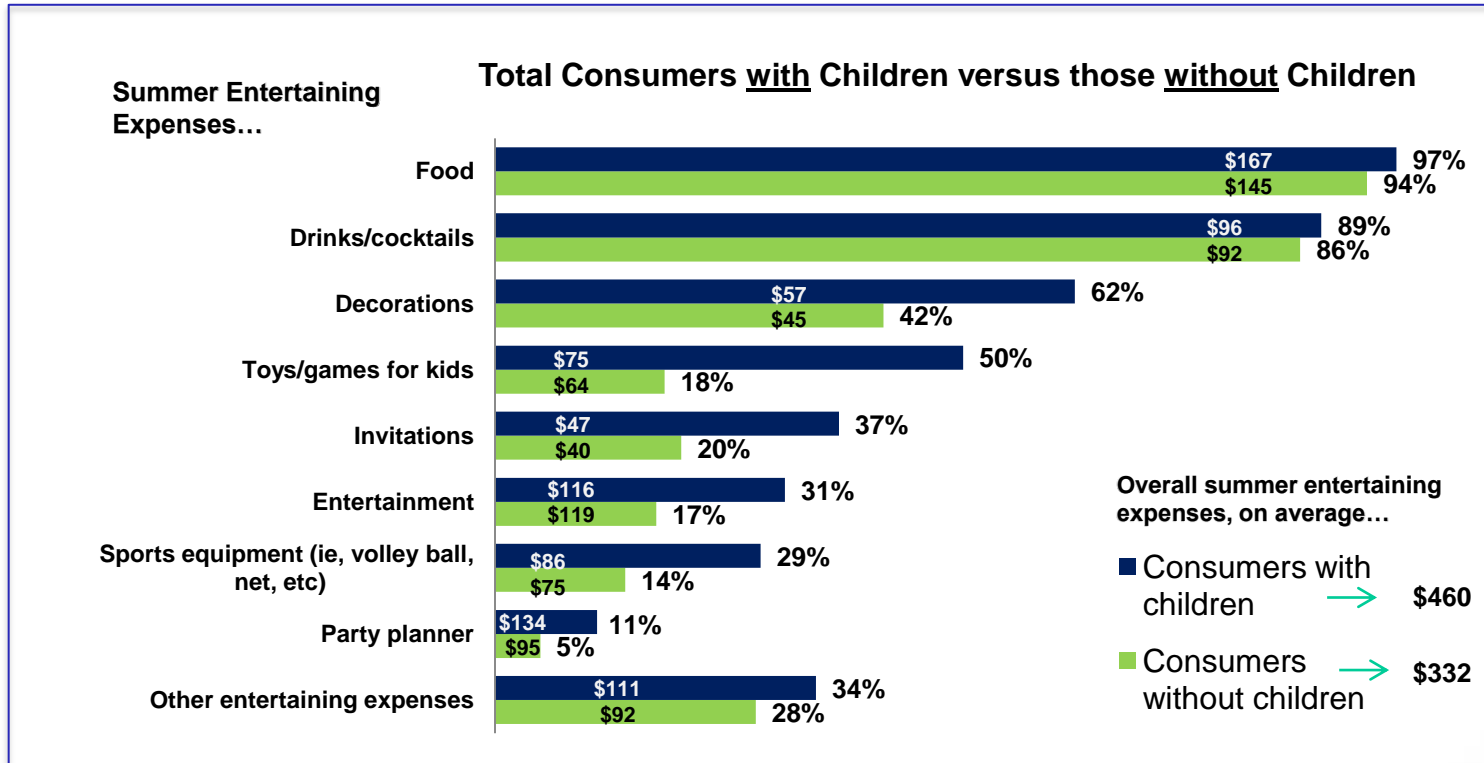


Consumers with Children Expect to Spend More Per Event/Party than Consumers without Children



Spending on summer entertaining plans are higher, on average, among consumers with children than consumers without children (\$460 vs. \$332).

On average, consumers with children expect to spend \$167 per home event/party on food this summer, in contrast to \$145 among those without children.



The above charts illustrate, per single home entertaining event, the percent and average spend per expense planned for this summer.

Q.R1 What type of entertaining are you planning at your home this summer?
 BASE: Total planning to entertain at their home this summer

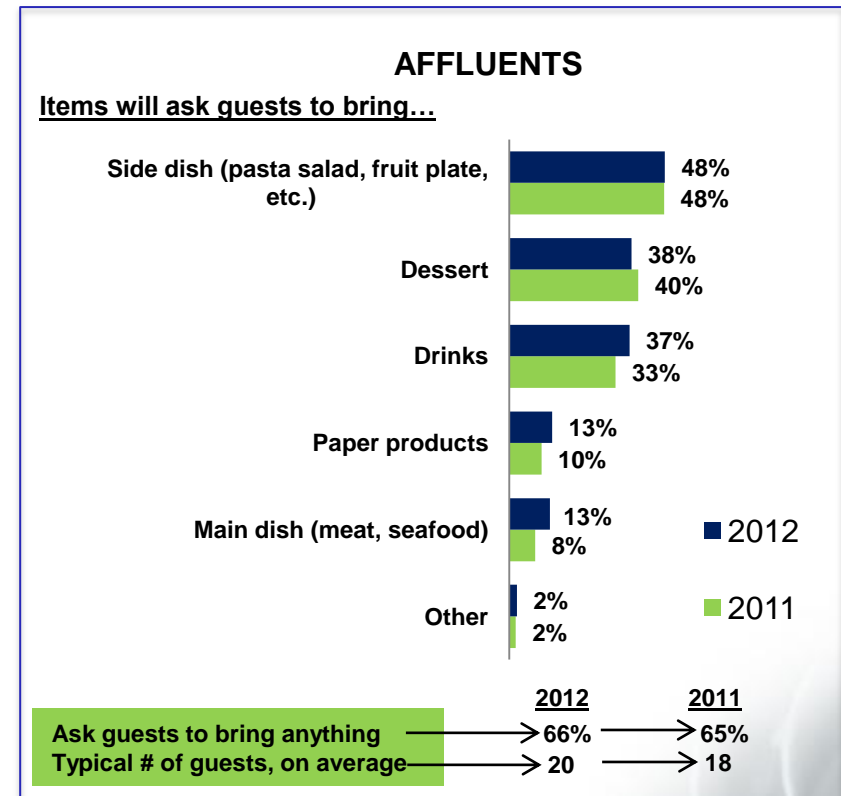
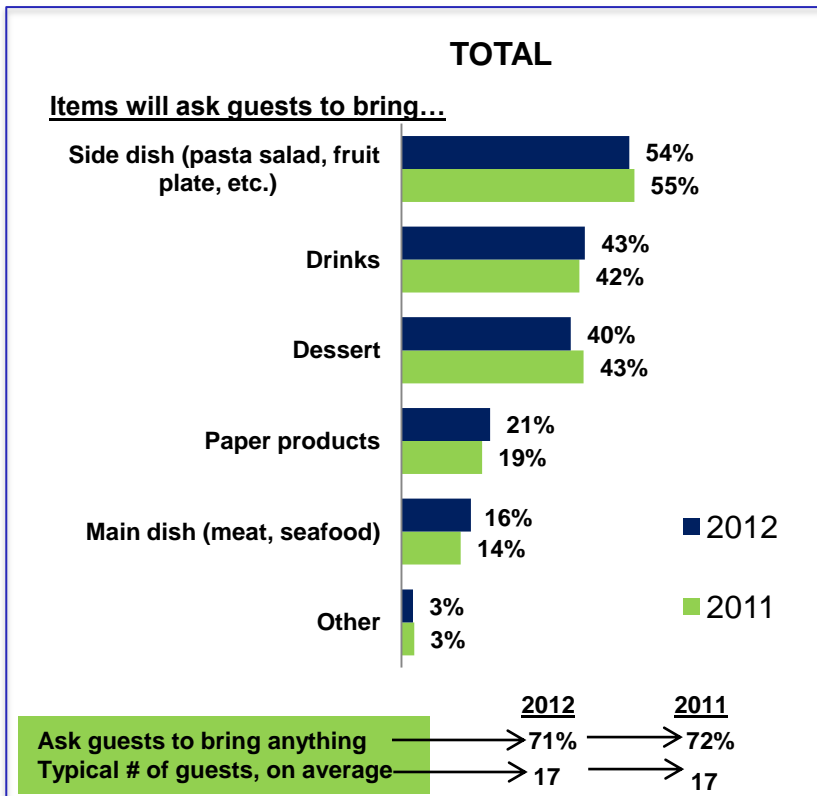


Upcoming Summer Party – Most will ask their Guests to Bring Something to Keep Costs Down



For their **upcoming summer entertaining plans** –most consumers will ask their guests to contribute something to the party (71%) in order to keep costs down, and the top request is a side dish (54%). A typical event/party will include an average of 17 guests.

Two thirds (66%) of Affluents with summer entertaining plans will ask their guests to contribute to their party and invite an average of 20 guests to a typical party.



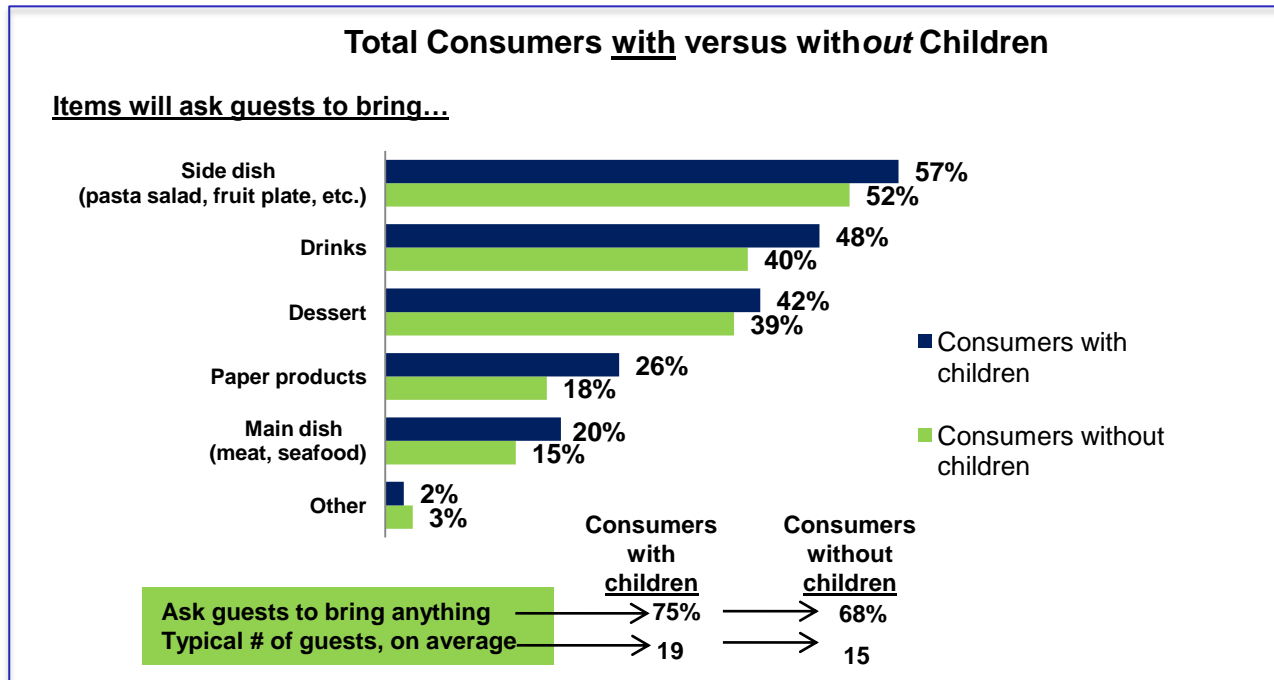
Q.R5 Thinking about your upcoming summer entertaining plans - which of the following will you ask your guests to bring to keep costs down?

Q.R3 How many guests do you typically entertain for a single summer event/party at your home? BASE: Total planning to entertain at their home this summer

Three in Four Consumers with Children will Ask their Guests to Contribute to their Event/Party



For their **upcoming summer entertaining plans** –more consumers with children than without will ask their guests to contribute something to the party (75% vs. 68%) in order to keep costs down, and the top request among most consumers is a side dish (57% vs. 52%, respectively).



Q.R5 Thinking about your upcoming summer entertaining plans - which of the following will you ask your guests to bring to keep costs down?

Q.R3 How many guests do you typically entertain for a single summer event/party at your home?

BASE: Total planning to entertain at their home this summer

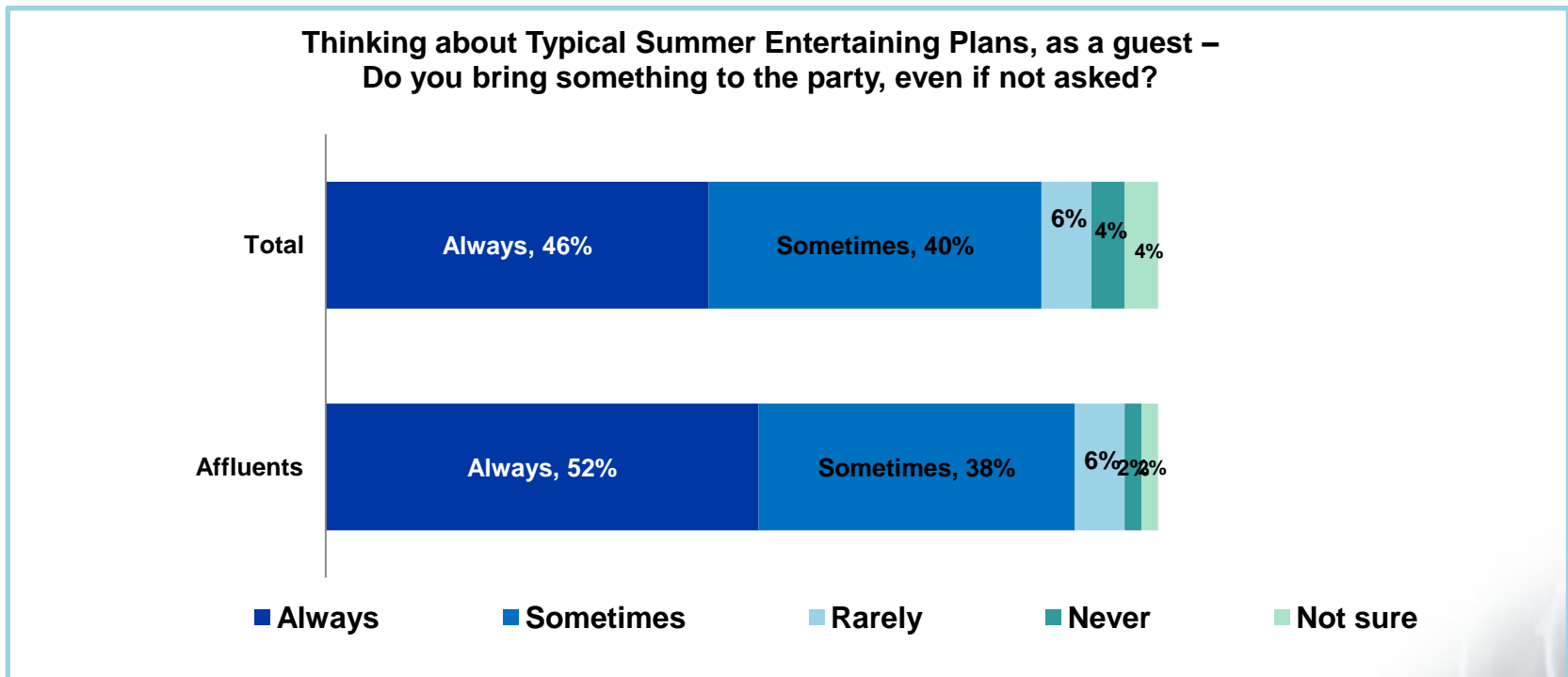


Fewer than Half of Summer Guests *Always* Bring Something to the Party



When considering their typical summer entertaining plans, as a guest, less than one half of consumers always bring something to the party, even if not asked (46%)

- ❑ Most Affluents always brings something, even when not asked (52%).

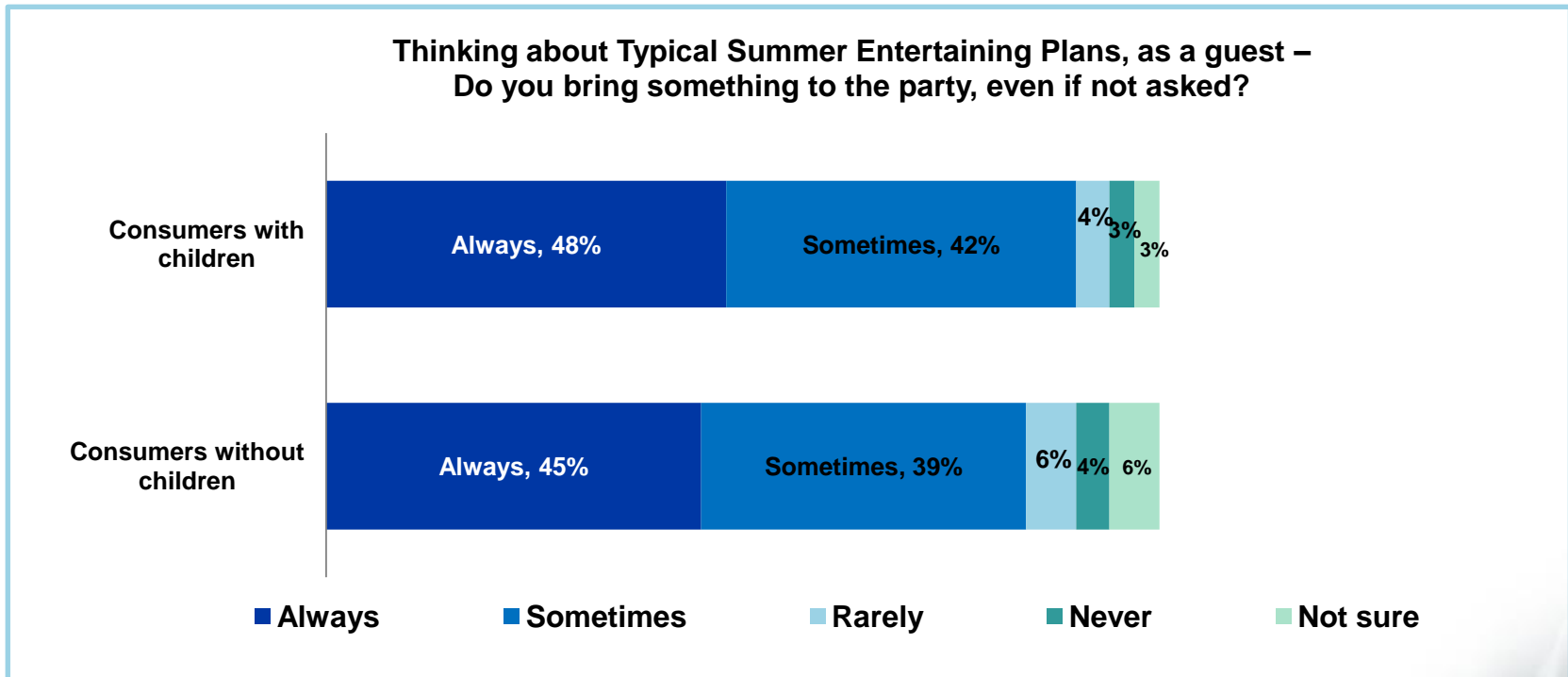


Q.R7 Thinking about your typical summer entertaining plans where you are the guest - do you bring something to the party, even if not asked?
BASE: Total respondents

Fewer than Half Families with and without Children *Always* Bring Something to a Summer Party



Among consumers with and without children, when a guest to a summer event, less than one half always bring something to the party if not asked (48% and 45%, respectively).



Q.R7 Thinking about your typical summer entertaining plans where you are the guest - do you bring something to the party, even if not asked?
BASE: Total respondents

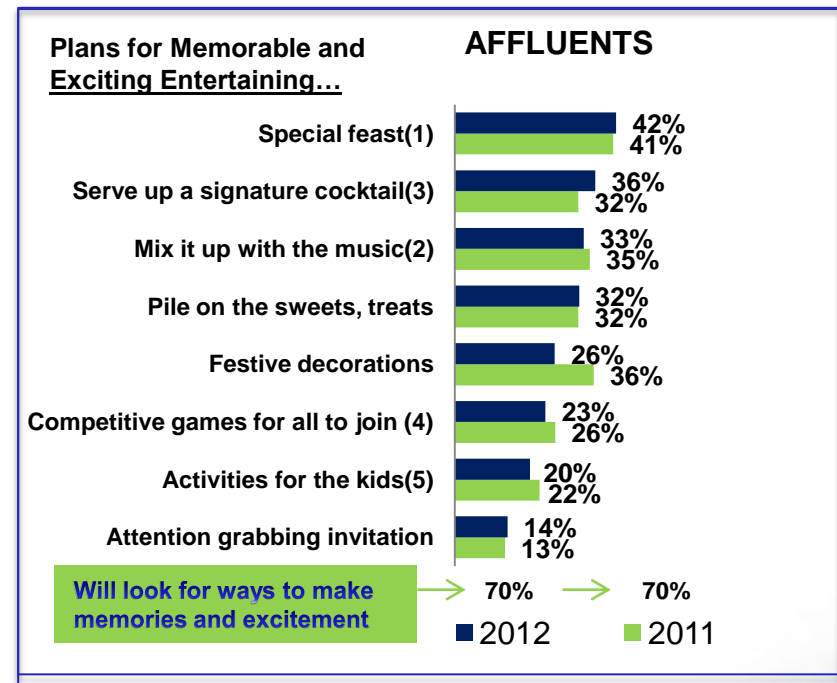
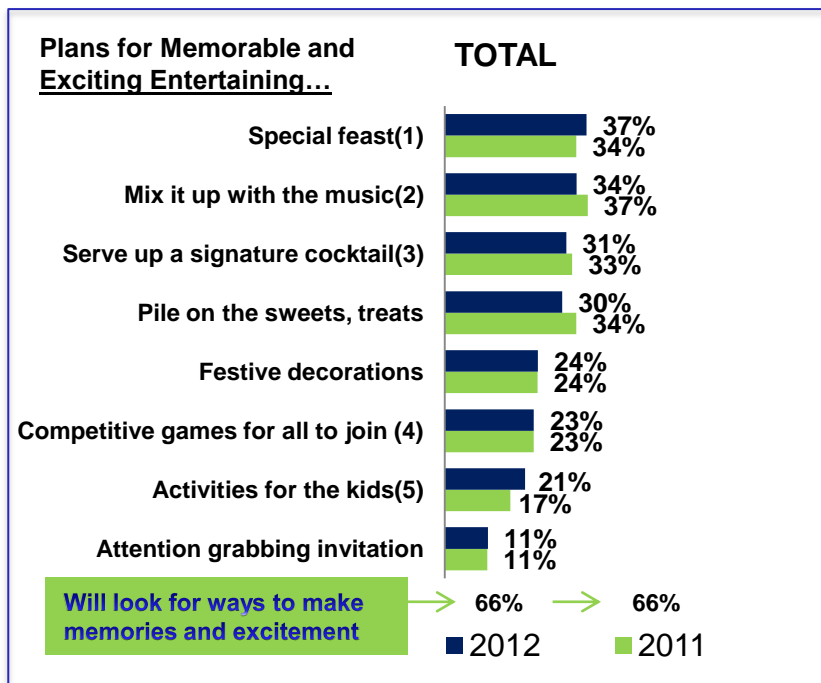


A Special Feast & Music are Among the Top Ways to Make Summer Entertaining Memorable and Exciting



Among the top ways consumers with summer entertaining plans will make their party more memorable and exciting is by planning a special feast or mixing it up with the music.

Affluents with summer entertaining plans rank 'serving up a signature drink' among the top three ways.



(1)- i.e. seafood feast or pig roast;;

(2)- i.e. create a special mix for the party for example, tropical/island themed music for a pool party, Jimmy Buffet, etc.);

(3) -i.e. blender drinks, etc.;

(4) - i.e. such as volleyball, water balloon toss, limbo, etc.;

(5) such as face painting, moon bounce, etc.

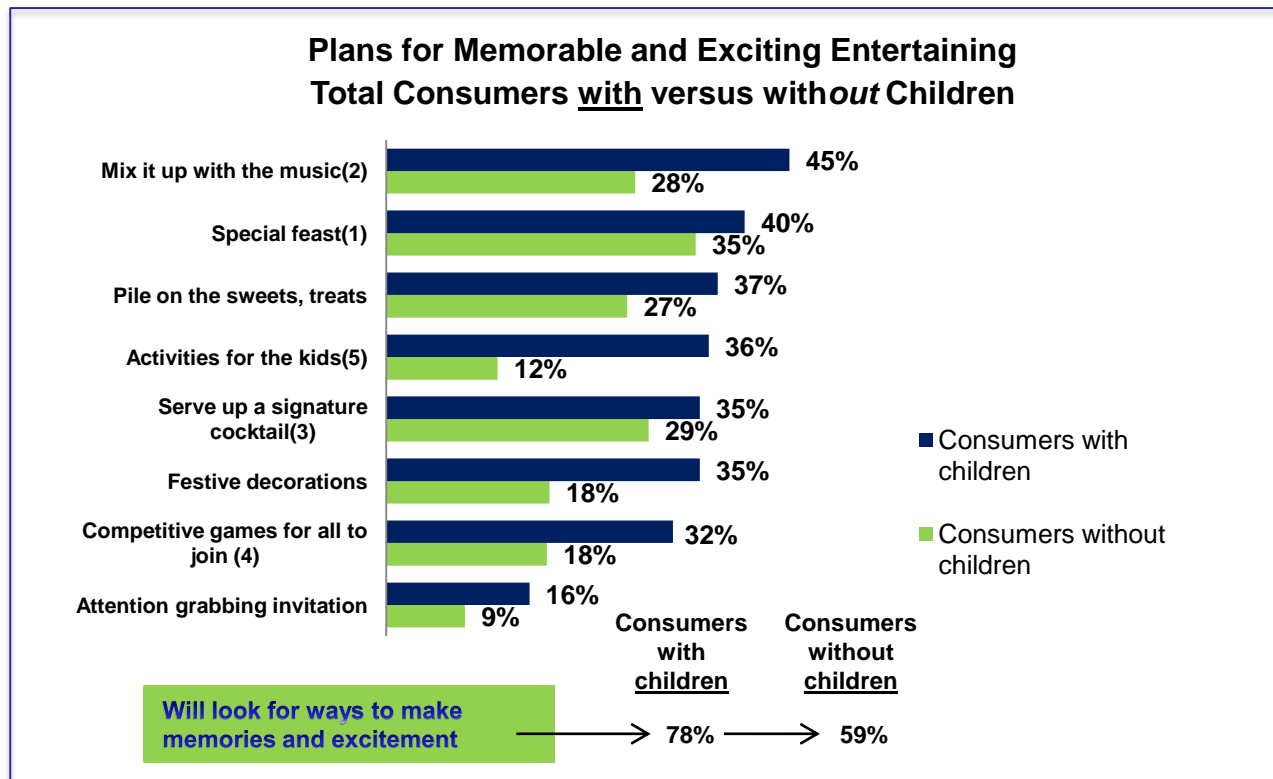


More Consumers with Children than without will Look for Ways to Make a Party Memorable/Exciting



More than three in four (78%) consumers with children under 18 have plans to make their summer entertaining more memorable and exciting for themselves and their guests (vs. 59% without children).

Consumers with children prioritize mixing it up with music (45%), while 35 percent of those without children say a special feast will make their party memorable and exciting.



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