



behavior research center's

Rocky Mountain Poll

NEWS RELEASE
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CONSUMERS PLOWING MONEY INTO THEIR HOMES; CUTTING BACK IN OTHER AREAS

Phoenix, Arizona, October 25, 2002. Arizona consumers are approaching next year cautiously and with an eye toward spending less on such things as vacations, personal air travel, investing in the stock market, home computers and health fitness programs. As well, Christmas shopping plans are dampened.

Yet in the face of such guarded spending plans, we find one major exception to the rule: plans to invest in home improvements and furnishings, where slightly more consumers are planning higher levels of spending than are planning to cut back. This is, perhaps, a reflection of consumer frustration at not being able to find other investment opportunities in which they have confidence, coupled with a belief that real estate values in Arizona continue to improve and so improvements in their home are a relatively safe bet and a good way to make their money grow.

The study asked consumers whether they would be spending more or less or the same amount this year than last in seven categories with the following results:

PLAN LESS SPENDING

| | | |
|----------------------------------|-----------------------|------------|
| Christmas gifts and activities | 36% less vs. 11% more | -25 points |
| Stock market | 31% less vs. 9% more | -22 points |
| Health/health clubs | 21% less vs. 8% more | -13 points |
| Personal non-business air travel | 26% less vs. 15% more | -11 points |
| Home computers and accessories | 27% less vs. 16% more | -11 points |
| Vacations | 25% less vs. 21% more | - 4 points |

PLAN MORE SPENDING

| | | |
|---------------------------------|-----------------------|------------|
| Furniture and home improvements | 32% more vs. 28% less | + 4 points |
|---------------------------------|-----------------------|------------|

- more -

Consumer interest in investing in their homes rises among younger families, upper middle income groups and is modestly above average among the most affluent segments of Arizona society. Older consumers, and particularly retirees, are pulling their horns in on all fronts. The study also reveals that it is within the ranks of women consumers that caution about spending is most pronounced. This is most evident in such categories as vacation spending, non-business air travel, and memberships in health and fitness clubs.

The findings outlined in this report are based on a survey of 713 adult consumers across Arizona conducted between October 1st and October 7th, 2002, by the Behavior Research Center of Arizona as part of the Center's independent and non-partisan Rocky Mountain Poll series. The public is welcome to visit www.brcpolls.com to read this and other recent polls.

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EDITOR'S NOTE: This Rocky Mountain Poll Arizona (2002-IV-9) is based on 713 telephone interviews with adults, conducted from October 1st through October 7th, 2002 throughout Arizona. In the overall sample, one may say with 95 percent certainty that the results have a statistical precision of plus or minus 3.7 percent of what they would have been had the entire adult population been surveyed. The Rocky Mountain Poll is conducted by the Behavior Research Center of Arizona and is an independent and non-partisan research program.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

BELOW: Statistical data

For this and other polls. See www.brcpolls.com/results

STATISTICAL DATA

Behavior Research Center
Rocky Mountain Poll - Arizona
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“For each of the following, please tell me if you think you will be spending more on those things in the coming 12 months, about the same or less than you spent in the past 12 months.”

PLAN TO SPEND

| | More | Less | No Change* | (Net Point Change) |
|------------------------------------|------|------|------------|--------------------|
| Furniture/home furnishings | 32% | 28% | 40% | (+ 4) |
| Vacations | 21 | 25 | 54 | (- 4) |
| Home computers/accessories | 16 | 27 | 57 | (- 11) |
| Personal, non-business air travel | 15 | 26 | 59 | (- 11) |
| Membership in health/exercise club | 8 | 21 | 71 | (- 13) |
| Investing in the stock market | 9 | 31 | 60 | (- 22) |
| Christmas shopping this season | 11 | 36 | 53 | (- 25) |

* Includes people who say they do not spend in that category as well as those unsure of their spending plans.

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