

**A Look at Teachers in the
Consumer Market:
Attitudes, Preferences, and
Buying Behavior**

2008



Introduction

This report was commissioned by Market Data Retrieval (MDR) in order to learn how teachers and other educators act as consumers in the national marketplace. It summarizes data collected as part of the Simmons National Consumer Survey, which was conducted between May 2006 and June 2007. From a total of 25,357 respondents, slightly more than 1,000 were identified as educators. This comprehensive survey asked about specific buying patterns and preferences in virtually all aspects of American life, ranging from entertainment and shopping, apparel, money management, health and medicine, and travel and recreation. In addition, the survey gathered data on background characteristics, lifestyle, and opinions.

In this report, the terms “educator” and “teacher” are used interchangeably. Most respondents are indeed teachers, but the database also includes some administrators and other non-teaching personnel. The comparison group is referred to as the general population (or general public) and includes all survey respondents except for the educator group.

MDR is a leading provider of direct sales and marketing solutions related to the education market. From comprehensive mailing lists and powerful e-marketing programs to sales contacts, actionable leads, and custom market research, MDR has the tools to help marketers achieve their goals. The data in this report can help consumer direct marketers identify new and potentially worthwhile prospects and can also assist education marketers gain new insights about their primary audience.

MDR, a D&B Company, is headquartered in Shelton, Connecticut, with regional offices in Chicago and San Francisco.

Executive Summary

Teachers are more affluent, younger, more likely to be married and have families, and own their homes, compared with the general non-teaching population. They have high standards—in terms of how they conduct their lives as well as in their consumer habits. They value quality, are aware of particular brands of goods, and try to be generally well-informed about products and services.

Most educators use the Internet regularly. Four out of five teachers reported using the Internet at home during a week, compared with only one-half of the general population. Internet usage at work was 64% for teachers and only 28% for the general population.

Educators tend to buy through the Internet at approximately twice the rate as the general population. In the past 12 months, teachers purchased the following products or services through the Internet:

- Books, music, and/or videos (46%)
- Apparel and accessories (42%)
- Travel services (21%)
- Computer products (17%)
- Tickets for events (17%)
- Footwear (16%)

Key findings about specific industries reveal that teachers' experience and attitudes differ from the general population in significant ways.

Apparel, Retail, and Department Stores. Educators are more likely to value comfort, function, and traditional styles. They are also more likely to have favored clothing brands they seek out. At the same time, teachers are more likely to shop for specials and be influenced by coupons to visit stores they don't usually shop.

Arts and Entertainment. Teachers are more likely than the general population to indicate that they are interested in the arts and participate in activities, such as visiting museums and attending concerts and live theater. They also participate more in a wide range of entertainment activities, such as visiting zoos and attending movies.

Books, Newspapers, Magazines, and Music. Compared with the general population, teachers are more likely to read books and newspapers. They are also much more likely to purchase books, music, or videos via phone, mail, or the Internet. In addition, teachers are also more interested in music and tend to buy or download music more often than the general public.

Financial Services. Educators use a variety of financial services at considerably higher rates than the general public. Most educators (92%) have credit cards, and 82% report having used credit cards in the past 12 months. They also own more investments and believe in the importance of insurance.

Health and Wellness. With respect to health issues, educators are more proactive than the general population—exercising more regularly and trying to eat better. They are more likely to take preventive medicine and believe that vitamins and nutrients make a difference.

Recreational Activities. Teachers tend to be a physically active group. They exercise regularly and participate in a wide range of sports and other recreational activities. Consequently, they buy more sports and play equipment for themselves and their families.

Restaurants. Three-fourths of educators report that “eating out” is one of their favorite activities, and they tend to frequent family restaurants and popular family-oriented chains. Most are interested in healthy eating, and the majority indicate that they like the trend toward healthier fast food.

Travel. Nearly nine out of ten educators reported domestic travel in the past 12 months, and more than one-half reported foreign travel in the past 3 years.

Profile of Educators Compared With the General Population

Demographic and General Characteristics of Teachers

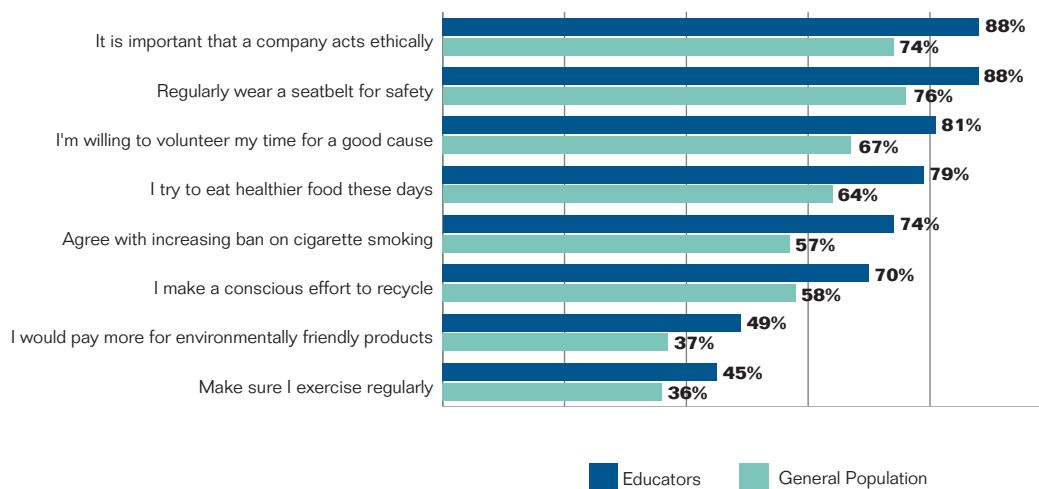
Teachers differ from the general, non-teaching population along a number of important demographic dimensions. On average, teachers are more affluent, younger, more likely to be married, be a parent or guardian for children, and own a residence than the general population. Based on data provided by survey respondents, the average annual household income for educators is \$36,100 higher than the general population, even though their average age is nearly four years younger than the general population. Educators are also more likely to belong to a religious organization, such as a church or synagogue, than the general population.

| Demographic | Educators | General Population |
|------------------------------------|-----------|--------------------|
| Mean age | 42.8 | 46.6 |
| Mean household income | \$117,000 | \$80,900 |
| Own residence | 79% | 74% |
| Married | 69% | 57% |
| Parent or guardian | 56% | 52% |
| Belong to a religious organization | 49% | 34% |

This demographic profile suggests that educators tend to be a stable, relatively affluent, and family-oriented segment of the market. In addition, they exhibit attitudes that indicate that “quality of life” is important. For example, nearly three-fourths (73%) of educators say “how I spend my time is more important than money” (compared with 60% of the general population). Nearly as many teachers (71%) report that they look at the work they do as a career, not just a job (compared with 42% of the general population).

Many educators are role models for students, and through their actions, they live up to high standards and reveal a strong inclination toward “doing the right thing.” In general, educators feel more strongly than the general population about ethical standards, safety, volunteerism, environmental issues, and maintaining a healthy lifestyle.

General Attitudes and Actions About the Environment, Health, Safety, and Others



Consumer Attitudes and Habits

Quality is important to teachers. More than three out of every four teachers (77%) say it is worth paying extra for quality goods, compared with only 62% of the general population. Similarly, 76% of teachers report that they enjoy owning good quality things, compared with 65% of the general population. This emphasis on quality is reflected in their awareness of particular brands of goods, with 73% of teachers saying that they shop at favorite stores that have brands they like (compared with 65% of the general population). Teachers are also somewhat more likely to always look for a brand name (39% compared with 34%).

Educators are sophisticated consumers. Over 85% of educators characterize themselves as “intelligent, smart, bright, and well-informed.” They are more inclined to investigate and educate themselves about products and services before they buy. Three out of four educators report that they plan ahead for expensive purchases, and two-thirds always look out for special offers.

As a general philosophy, educators are more likely to be interested in the world around them and exhibit attitudes that make them “lifelong learners.” Eighty-eight percent say it is “important to be well-informed.” Specifically, 75% of educators are interested in other cultures, 71% want to know as much as possible before committing to financial services, 65% will investigate the safety rating of a car before buying, 60% are interested in international events, 53% want to know the ingredients before they buy food, and 52% like to keep up with developments in technology. In addition to reading books, newspapers, and magazines, 39% report attending education courses. About 20% watch educational TV (such as Discovery Channel, History Channel, and TLC) regularly.

“77% of teachers say it is worth paying more for quality.”

Credit Card Usage and Methods of Payment

Most educators (92%) have credit cards, and 82% report having used credit cards in the past 12 months. By comparison, only 67% of the general population have credit cards, with only 57% using them in the past 12 months. It is therefore not surprising that the general population is more likely to prefer to pay for purchases with cash (57%), compared with educators (45%). And while both groups are concerned about credit card identity theft (67% of educators and 62% of the general population), twice as many educators agree that it is safe to make purchases online (66% of educators, compared with 33% of the general population).

Visa and MasterCard are the credit cards both groups most commonly have or use, but a higher percentage of educators have these cards compared with the general population. Differences between the two groups are smallest for gasoline credit cards, as well as JC Penney and Sears credit cards.

| Credit Card | % of Educators | % of General Population |
|--------------------------|----------------|-------------------------|
| American Express | 17 | 12 |
| Discover | 26 | 14 |
| MasterCard | 47 | 32 |
| Visa | 60 | 41 |
| Gasoline credit cards | 13 | 11 |
| Clothing/specialty store | 16 | 8 |
| JC Penney | 15 | 12 |
| Sears | 15 | 13 |

As will be discussed in greater detail below, educators engage in many types of purchases and types of activities that are closely related to credit card use. They are considerably more likely to make purchases and travel reservations by telephone, mail, or the Internet.

Internet and Technology

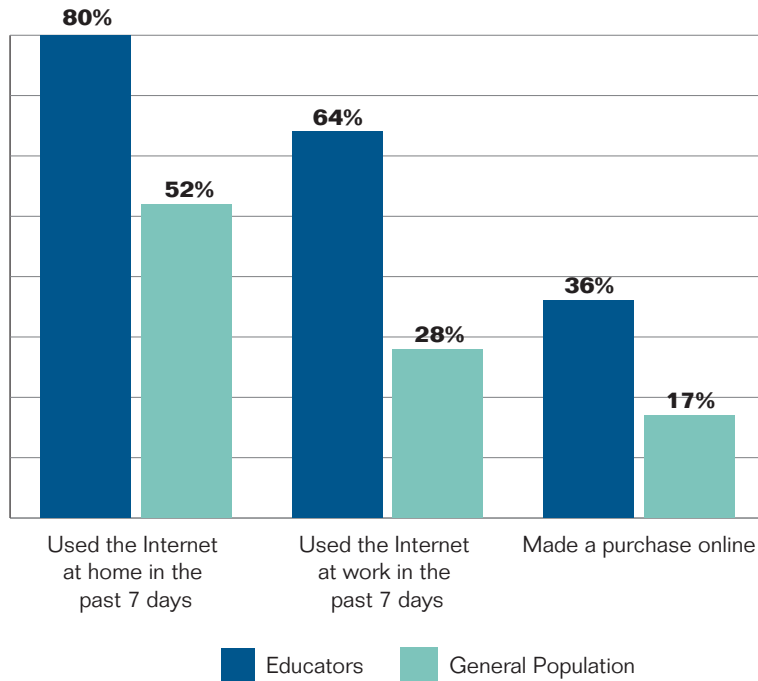
Teachers are very Internet savvy. Nearly four out of five (79%) teachers agree that the Internet has changed the way to get information for products, and 66% say that the Internet is the first place they look for information. Almost one-half (49%) reported they had done research or sought information on the Internet in the past 30 days.

Educators use the Internet much more than the general population, both at home and at work. For example, 80% of the teachers report using the Internet at home in the past week, compared with only 52% of the general population. Educators are also more likely to make online purchases (36% of the educators, compared with 17% of the general population).

“Almost all (92%) educators have credit cards.”

“Four out of five teachers use the Internet at home weekly.”

Internet Use



Additionally, educators say that the Internet has changed the way they shop for products. Teachers are considerably more likely to make purchases through the Internet (or by mail or phone) than the general population. In fact, nearly one-fourth (23%) of teachers spent more than \$1,000 in the past 12 months through the Internet, mail, or phone, compared with just 11% of the general population.

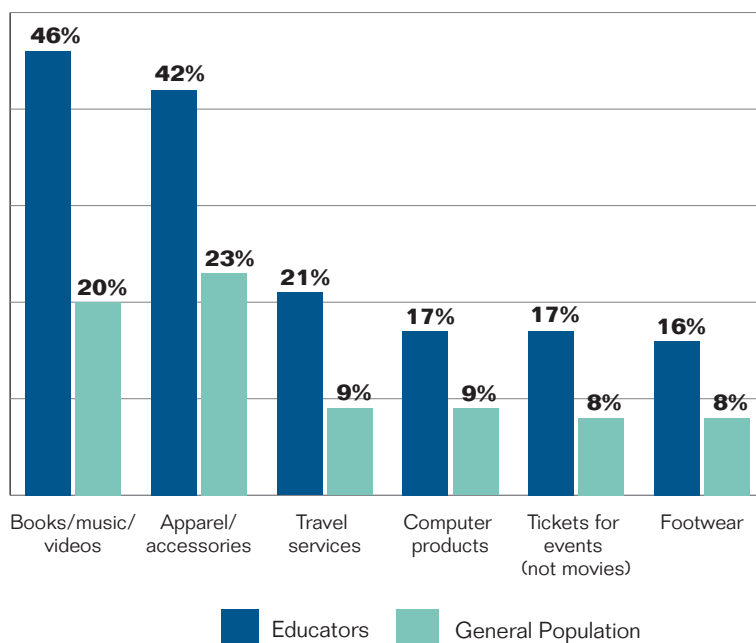
“23% of teachers spend more than \$1,000 through the Internet, mail, or phone in a year.”

Email is the most frequent use of the Internet for both groups, although educators use email at a much higher rate than the general population (87% and 53%, respectively). The next most popular use of the Internet for both groups is finding information about the news and weather. Almost one-half of teachers report they engaged in online banking activities during the past 30 days. Nearly as many reported having obtained information or made a reservation with an airline, car rental, or hotel during the same period. The general population engaged in these activities considerably less frequently than educators.

| Internet Activity in Past 30 Days | % of Educators | % of General Population |
|---------------------------------------|----------------|-------------------------|
| Email | 87 | 53 |
| News and weather | 56 | 31 |
| Online banking | 49 | 27 |
| Airline/car/hotel info or reservation | 48 | 22 |
| Made a purchase online | 36 | 17 |
| Digital imaging/photos online | 21 | 10 |
| Download music files | 17 | 11 |
| Online auctions | 14 | 9 |

In terms of actual purchases, educators tend to buy through the Internet at approximately twice the rate as the general population. For example, 46% of educators purchased books, music, and/or videos over the Internet over the past 12 months, compared with only 20% of the general population. Forty-two percent of teachers purchased apparel and/or accessories over the Internet, compared with 23% of the general population. Forty-two percent of teachers purchased apparel and/or accessories over the Internet, compared with 23% of the general population.

Internet Purchases During the Past 12 Months



“Educators are twice as likely to make purchases over the Internet compared with the general population.”

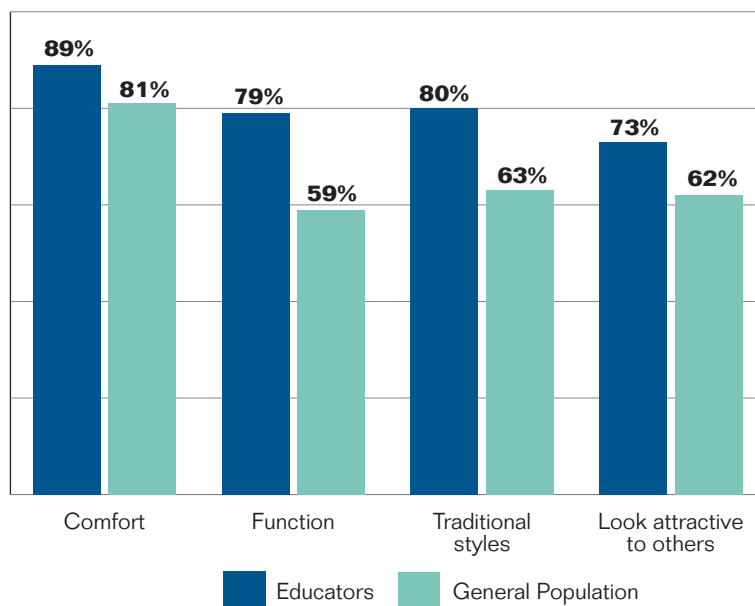
Educators also are interested in learning about and using other types of technology. Nearly two-thirds (64%) say they like to learn about computers, technology, and the Web, and 51% say they try to keep up with developments in technology. Slightly more than one-half (53%) also like the idea of digital TV, and about one-fourth (23%) say they love to buy new gadgets and appliances. Many educators are in the vanguard when it comes to electronic equipment, with 19% reporting that their friends ask their advice about buying electronic equipment and 10% saying they are among the first of their friends to have new electronic equipment.

Experience and Attitudes About Specific Industries, Services, and Products

Apparel, Retail, and Department Stores

Retailers and department stores featuring classic styles that wear well and are comfortable will find it easy to market to educators. Their attitude about apparel is traditional and conservative. While they acknowledge that it is important to look attractive to others, they are more concerned with comfort and function versus style. Specifically, 89% of educators say that comfort is an important factor in the clothing they buy, and 79% cite function as an important purchasing criterion. Four out of five teachers prefer traditional styles (they “stick with styles that have stood the test of time”), and three out of four feel it is important to look attractive to others. Teachers rated all of these factors—particularly function and traditional styles—higher than the general population.

Important Factors in Apparel



As noted above, teachers are interested in good quality and are loyal to their favorite brands. Two-thirds (66%) of educators say that they have favored clothing brands they stick with, compared with 55% of the general population. One-half (51%) of educators say that they look for these favored brands first when they go shopping, compared with 40% of the general population.

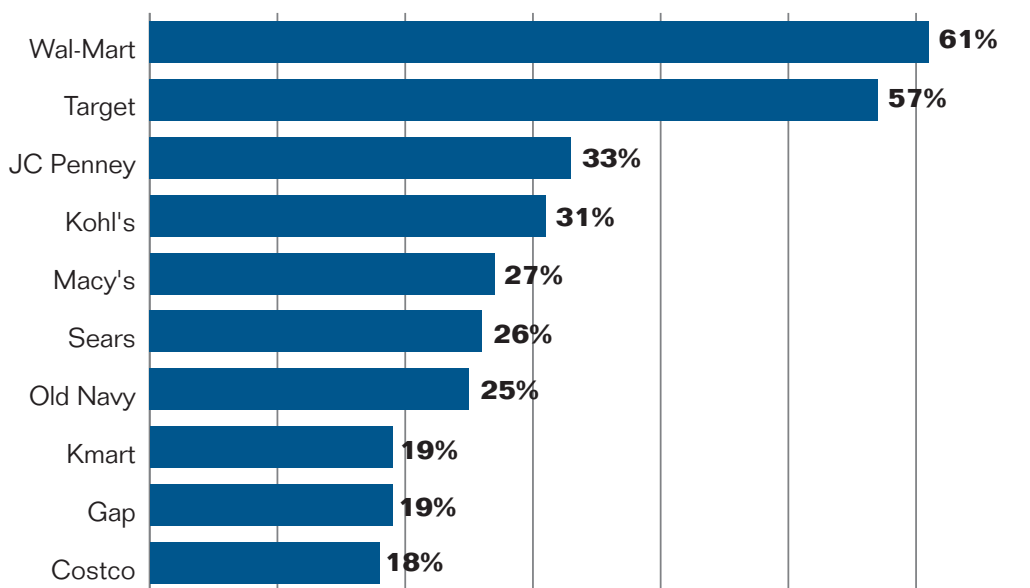
When shopping for an expensive item, 81% of educators say they will shop different stores to get the best price, compared with 64% of the general population. Teachers are also more likely to shop for specials or bargains (65% compared with 53%). More than one-third (35%) of educators admit that coupons draw them to stores that they don't normally shop—this compares to 24% of the general population.

More than one-half of teachers reported at least one shopping trip to Wal-Mart and Target in the past three months. Rounding out the list of the ten most popular stores for teachers is JC Penney, Kohl's, Macy's, Sears, Old Navy, Gap, Kmart, and Costco.

“35% of educators say that coupons draw them to stores they don't normally shop.”

Top Ten Stores Frequented by Educators

Percentage of Teachers Making at Least One Shopping Trip in the Past Three Months



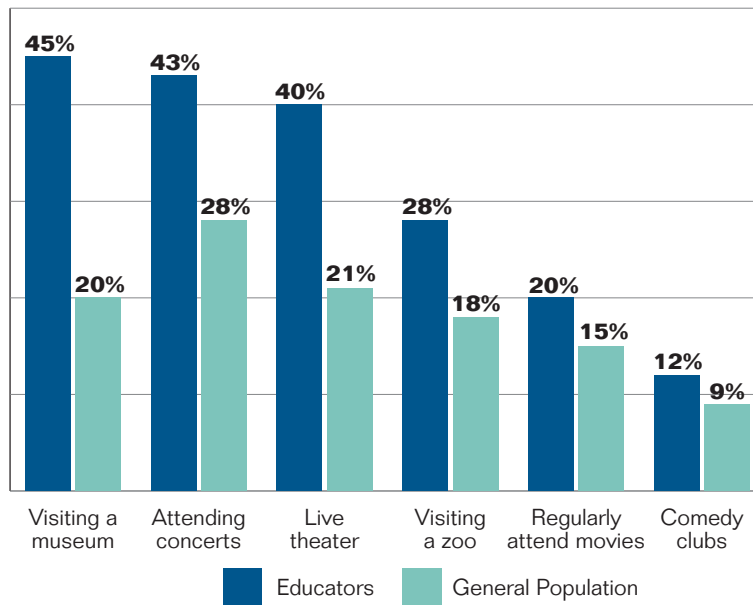
Despite their interest in bargains, educators do not shop at the deep discount retailers as often as the general population. This is the case with Big Lots, Dollar General, Family Dollar, and Kmart. Those retailers may want to find ways to encourage educators to shop there more frequently. At the same time, educators are better customers than the general population for some mid-priced stores.

| Shopped There in the Past 12 Months | % of Educators | % of General Population |
|-------------------------------------|----------------|-------------------------|
| Target | 57 | 36 |
| Kohl's | 31 | 18 |
| Gap | 19 | 9 |
| Old Navy | 25 | 14 |

Arts and Entertainment

Educators are more likely than the general population to be interested in the arts and participate in cultural and entertainment activities. Almost two-thirds (63%) of teachers indicate that they are interested in the arts, compared with only 39% of the general population. Educators are twice as likely to have membership in arts associations (such as museums, symphony, opera, and dance) as the general population (9% compared with 4%). Similarly, educators are about twice as likely as the general population to visit museums and attend concerts and live theater.

Participation in Arts and Entertainment Activities



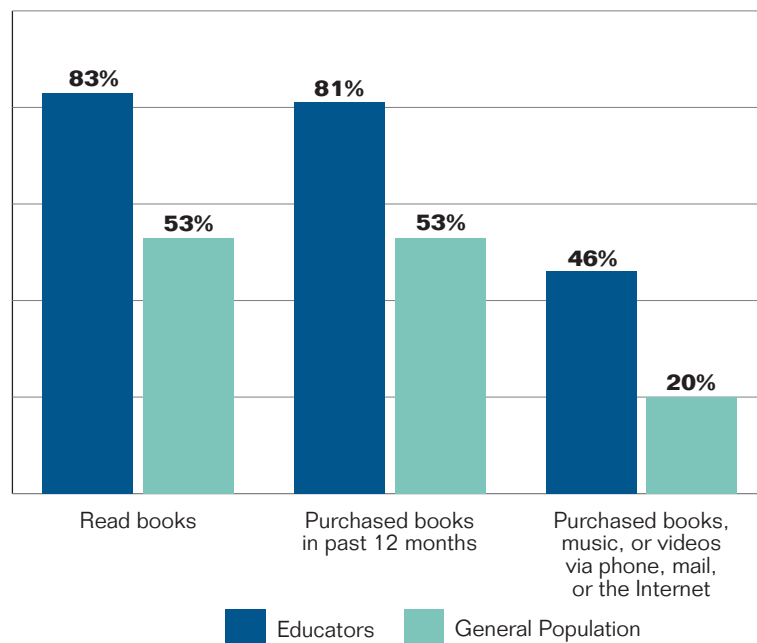
In addition to attending Arts & Entertainment events, educators are more likely to read about them in publications, such as *Entertainment Weekly*, *TV Guide*, and *Smithsonian Magazine*. On television, they watch A&E and E! as well as MTV and VH1.

Books, Newspapers, Magazines, and Music

Not surprisingly, teachers read more than the general population. This applies to books, magazines, and other media—including the Internet. More than four out of five educators purchase books and read them, compared with only slightly more than one-half of the general population. Teachers are also more likely to purchase books, music, or videos via phone, mail, or the Internet than the general population.

“83% of educators read books.”

Reading and Purchasing Behaviors



“Nearly one-half of teachers bought books, music, or videos via phone, mail, or the Internet.”

Forty-two percent of teachers report reading a newspaper on most days, and 37% read a national daily newspaper. By comparison, 39% of the general population reads newspapers on most days and 23% read national daily newspapers.

Very similar percentages of both groups rely on magazines to keep informed (15% for teachers and 14% for the general population). Educators read the usual fashion, sports, and women’s magazines—usually at higher rates than the general public. It is noteworthy, however, that they also read a number of premium publications at higher rates than the general public.

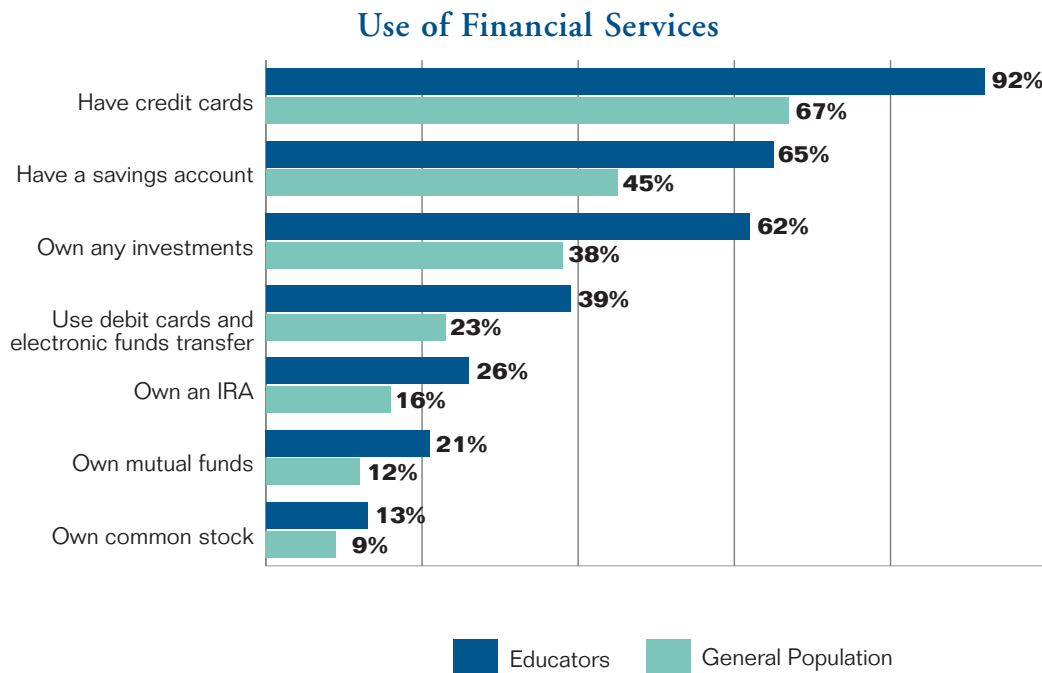
| Magazine | % of Educators | % of General Population |
|--------------------------|----------------|-------------------------|
| Consumer Reports | 17 | 13 |
| National Geographic | 25 | 20 |
| Newsweek | 25 | 15 |
| SmartSource | 77 | 60 |
| Time | 34 | 24 |
| U.S. News & World Report | 12 | 10 |

Teachers are more likely than the general population to listen to music (80% compared with 69%), and 45% report purchasing between one and nine CDs in the past 12 months, compared with 34% of the general population. Teachers are also more likely to download music files (17% compared with 11%).

Financial Services

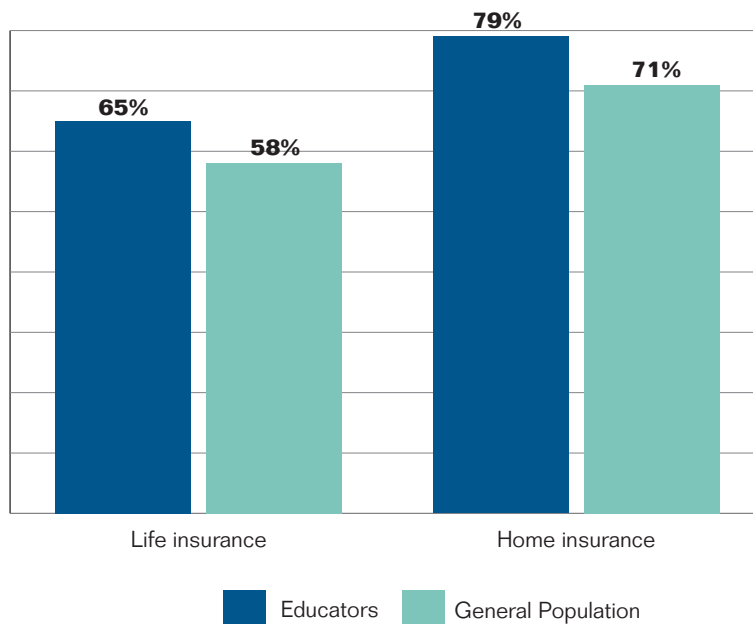
Educators tend to believe in the value and use of more financial services than the general population. At the same time, educators want information; 70% state that they want to know as much as possible before committing to financial services, compared with 55% of the general population.

As noted above, educators are more affluent than the general population, and not surprisingly, they are considerably more likely to use a variety of financial services than the general population. Most educators have credit cards, and more than six out of ten have a savings account and own some type of investments. Educators own IRAs, mutual funds, and common stock at higher rates than the general population. In fact, 18% of educators report holding securities valuing over \$100,000, compared with 13% of the general population. Additionally, more than one-third of educators have debit cards and use electronic fund transfer.



Educators also believe in the importance of insurance. This applies to both life insurance and home insurance, and in both instances, educators are somewhat more inclined toward insurance than the general population—not surprising, given that educators are more likely to own their own homes and have families.

Importance of Being Well-Insured



Health and Wellness

Because educators are likely to generally “do the right thing” and search out independent information to become well-informed, they are likely to be interested in and concerned about health issues. Educators approach medical and pharmacy purchases with a generally conservative and traditional approach. They are more proactive than the general population—exercising more regularly and trying to eat better. Two-thirds believe that vitamins and nutrients make a difference, and one-third say that they frequently take preventive medicine. Despite their general healthy habits, nearly three-fourths of educators admit that they “drag themselves to work” when ill.

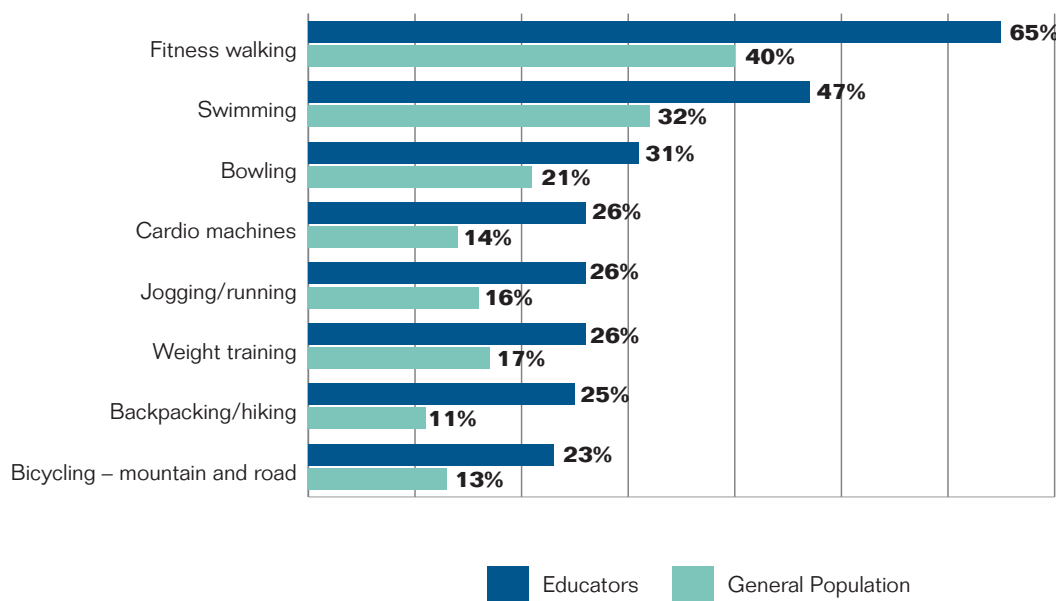
| Attitude Toward Health and Medicine | % of Educators | % of General Population |
|---|----------------|-------------------------|
| I try to eat healthier food these days | 79 | 64 |
| When sick, I still drag myself to work | 73 | 55 |
| I believe that vitamins and nutrients make a difference | 68 | 62 |
| I gather health information from Web sites | 58 | 32 |
| I agree it is important to go to a doctor when I'm ill | 55 | 54 |
| I actively seek information about nutrition and diet | 51 | 38 |
| I make sure I exercise regularly | 45 | 36 |
| I look for information to choose healthcare treatment | 42 | 34 |
| I research treatments on my own and then ask a doctor | 36 | 31 |
| I frequently take preventive medicine | 32 | 28 |

Recreational Activities

Educators are more likely than the general population to be physically active. More than two-thirds (68%) of teachers say they have exercised regularly as part of a physical fitness program in the past 12 months, compared with only 48% of the general population. Sixty-five percent of teachers report doing some sort of exercise at least once a week. Fitness walking is their most favorite physical activity (for 65% of teachers), followed by swimming (47%) and bowling (31%).

“Educators are physically active.”

Favorite Physical Activities



In addition to participating in sports, teachers enjoy watching sports. They visit sports sites on the Internet and watch ESPN channels at higher rates than the general population.

| Passive Sports Activity | % of Educators | % of General Population |
|---------------------------|----------------|-------------------------|
| Visit sports online sites | 20 | 11 |
| Watch ESPN | 25 | 21 |
| Watch ESPN2 | 15 | 14 |

Educators also buy more sports equipment than the general public. Fifteen percent purchased sports and/or play equipment, compared with 9% of the general population. Educators shop at several sporting goods retailers, but Dick’s Sporting Goods is clearly their favorite, with 11% of educators reporting that they bought from Dick’s in the past three months. Ordering sporting goods via telephone, mail, or the Internet was reported by 9% of educators, compared with 5% of the general population.

Educators also enjoy a variety of other (non-physical) activities. For example, one-half of teachers list “cooking for fun” as one of their activities, compared with only one-third of the general population. Photography is another popular activity, cited by 31% of teachers, compared with 18% of the general population. In addition, as described above, educators are very interested in a variety of arts and entertainment activities, such as visiting museums and attending concerts and live theater.

Restaurants

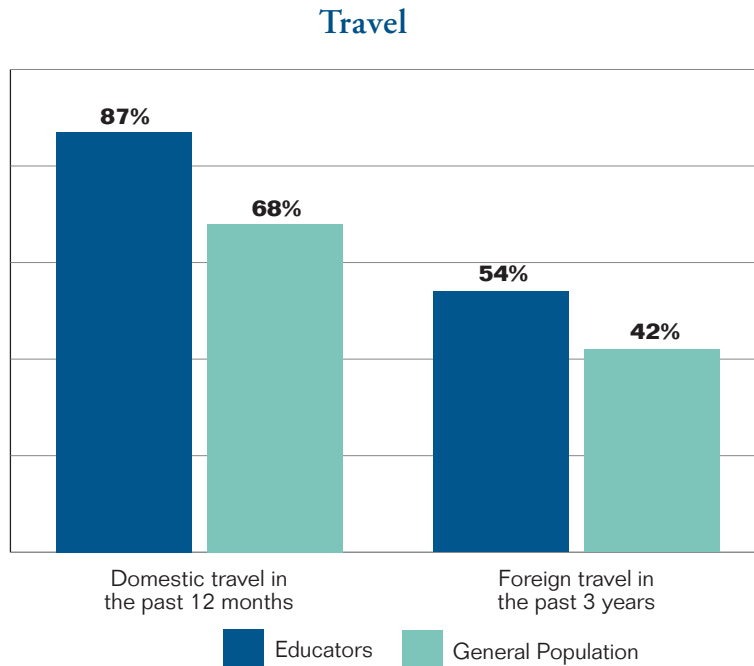
Educators lead busy lives, with the majority married and responsible for children in addition to their professional responsibilities. One-half say they are “too busy to take care of myself as I should,” 39% say they “don’t have time to prepare a healthy meal,” and 27% report that “fast food fits my busy lifestyle.” Not surprisingly, three-fourths of educators list “eating out” as one of their favorite activities, and an equal proportion indicated that they liked the trend toward healthier fast food.

Family restaurants and steakhouses are the most popular eating establishments for both educators (81%) and the general population (81%). Popular restaurant chains include Applebee’s, the Olive Garden, Outback Steakhouse, Red Lobster, Chili’s, and T.G.I. Friday’s.

| Favorite Restaurant | % of Educators | % of General Population |
|----------------------------|-----------------------|--------------------------------|
| Applebee’s | 36 | 28 |
| Olive Garden | 32 | 19 |
| Outback Steakhouse | 20 | 15 |
| Red Lobster | 20 | 16 |
| Chili’s | 19 | 13 |
| T.G.I. Friday’s | 19 | 13 |

Travel

Educators are more likely than the general population to engage in both domestic and international travel. Nearly nine out of ten educators reported domestic travel in the past 12 months, and more than one-half reported foreign travel in the past 3 years.



Teachers are considerably more likely than the general population to use the Internet to make travel reservations (48% compared with 22%). They also use the Internet to actually purchase travel services at a higher rate (21% of teachers, compared with just 9% of the general population).

Conclusion

Teachers are active and sophisticated consumers. They are affluent, well-informed, and willing to pay more for quality, although they also appreciate a good bargain. In aggregate, the three million teachers in the United States represent a prime market for a wide range of consumer goods and services.

Because they have so many interests, educators are likely to be interested in many different kinds of products—from the latest technological gadgets to traditional and conservative clothing, from museum and concert subscriptions to fitness clubs and bowling alleys, from international travel services to play equipment for their children, and from investment opportunities to discount coupons from neighborhood restaurants. The data in the report also show that teachers are more likely to purchase and use many of these types of products and services—from sports equipment to books and music CDs to debit cards and other financial services.

The fact that educators already utilize the Internet for many different purposes makes them an ideal target for email promotions and other forms of Internet-based promotions. Two-thirds of teachers agree that it is safe to make purchases online, and the same proportion report that the Internet is the first place they look for information. Additionally, since the majority of educators use credit cards, they are also better positioned to be able to purchase goods and services over the Internet or via telephone or mail. Many already have embraced this type of shopping, with more than one-third of teachers reporting that they made an online purchase over the past month.



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