

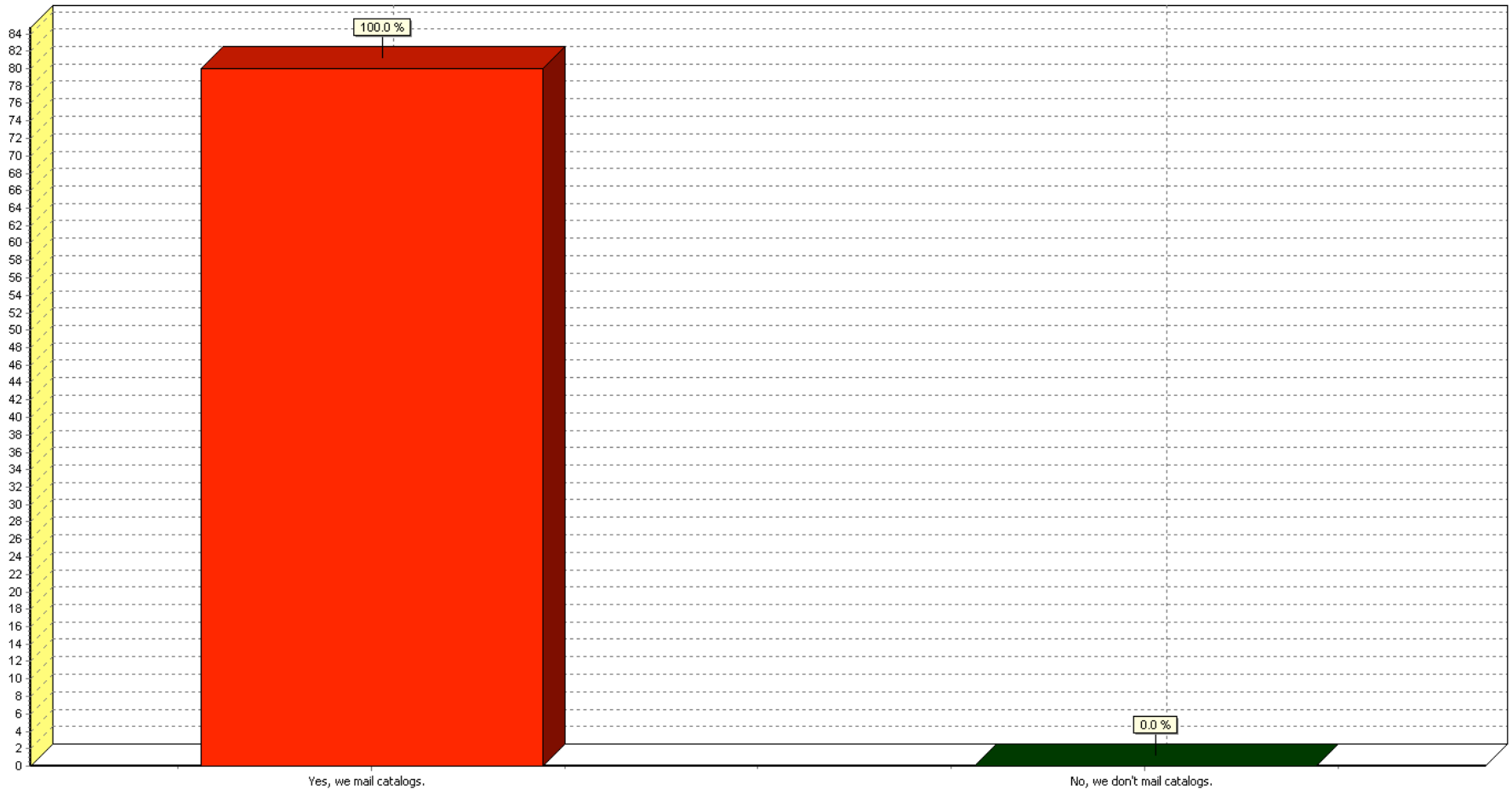
Survey Results & Analysis for

Key Catalog/Multichannel Issues Survey.
Consumer Responses

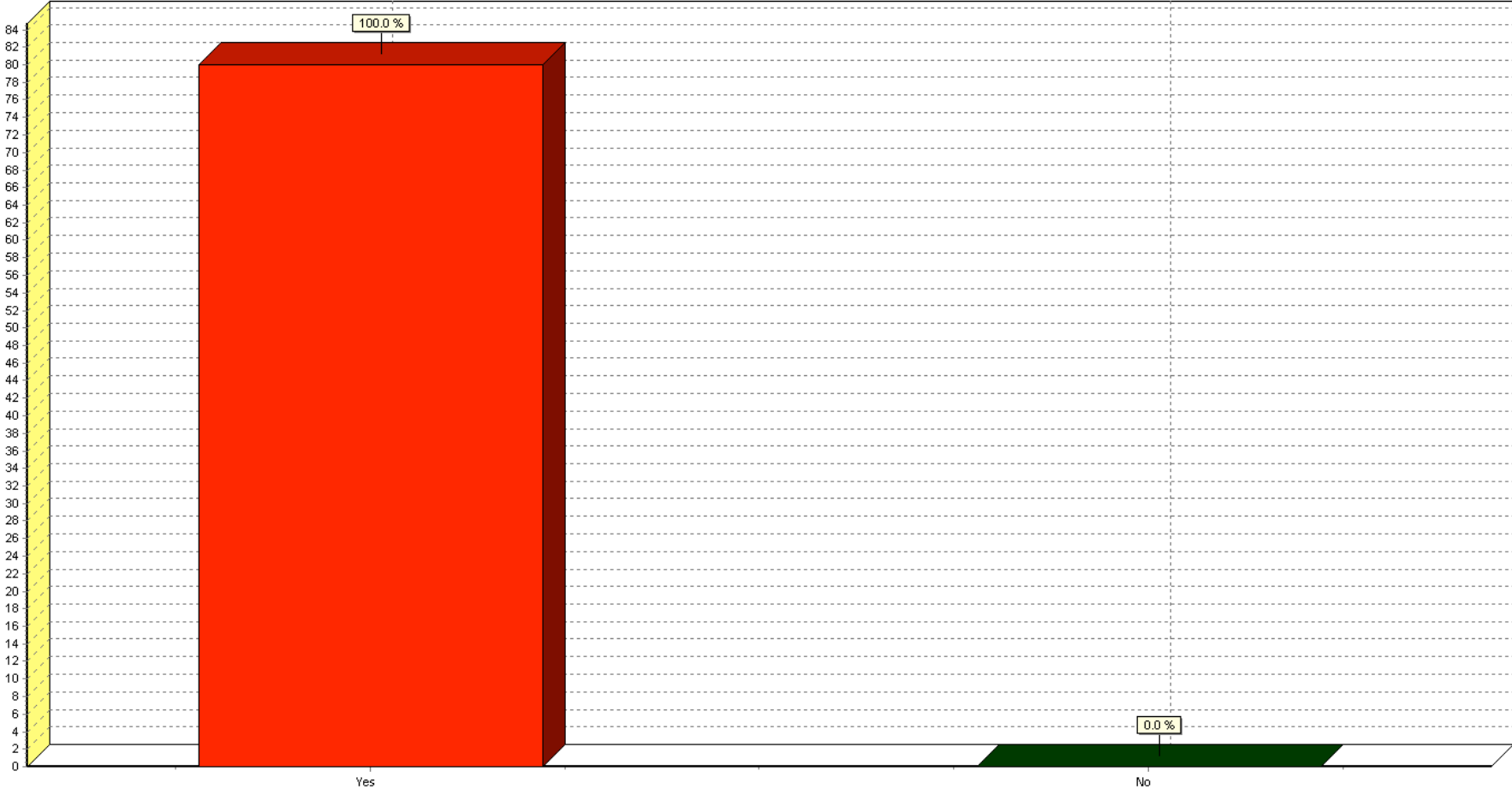
Survey details

This report contains a detailed statistical analysis of the results to the survey titled Key Catalog/Multichannel Issues Survey. The results analysis includes answers from all consumer catalog companies who took the survey in the 13 day period from Wednesday, November 14, 2007 to Monday, November 26, 2007.

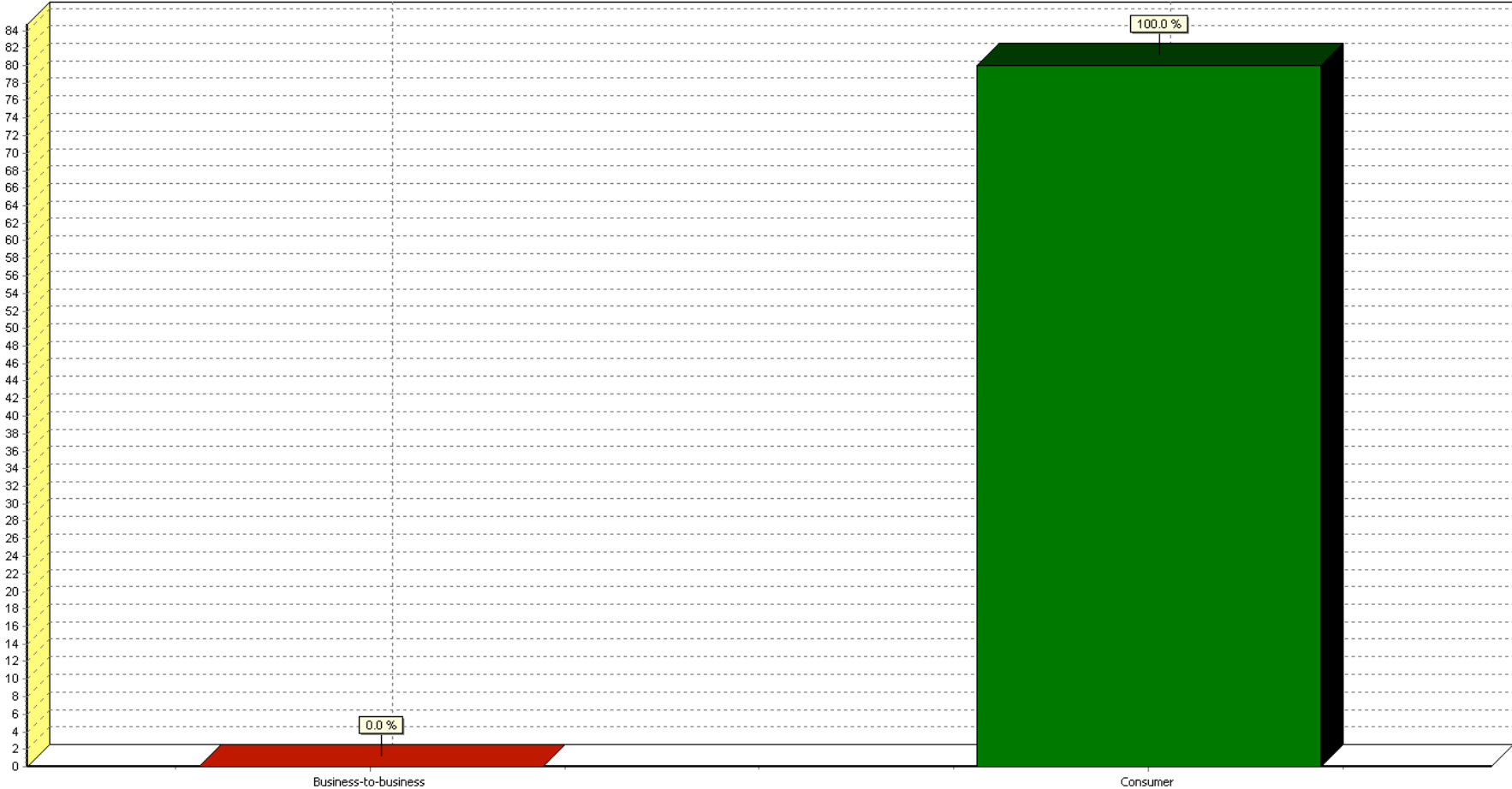
1) First of all, we'd like to confirm that your company mails catalogs as part of its marketing efforts.



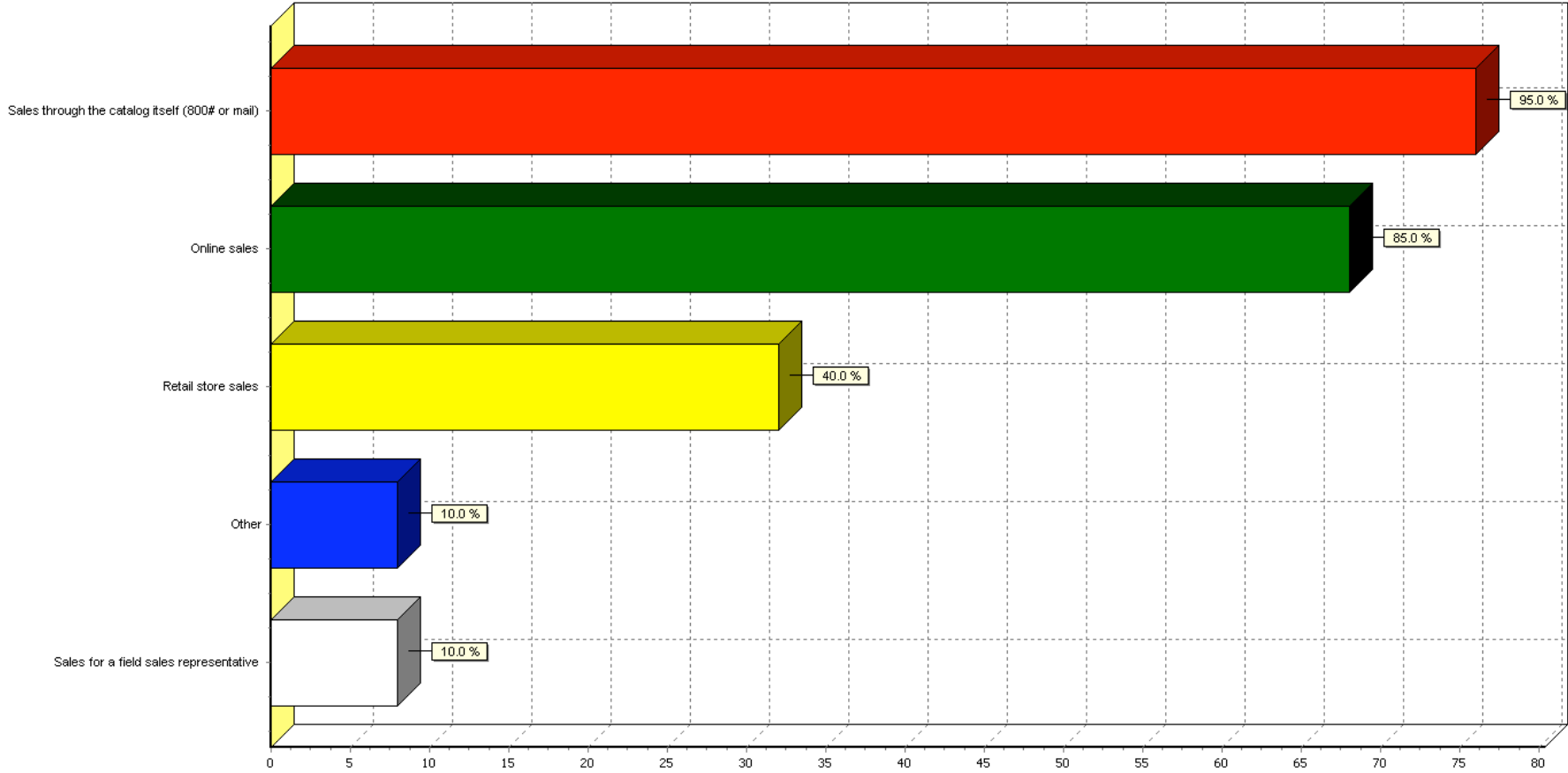
2) Are you involved with making decisions regarding multichannel marketing?



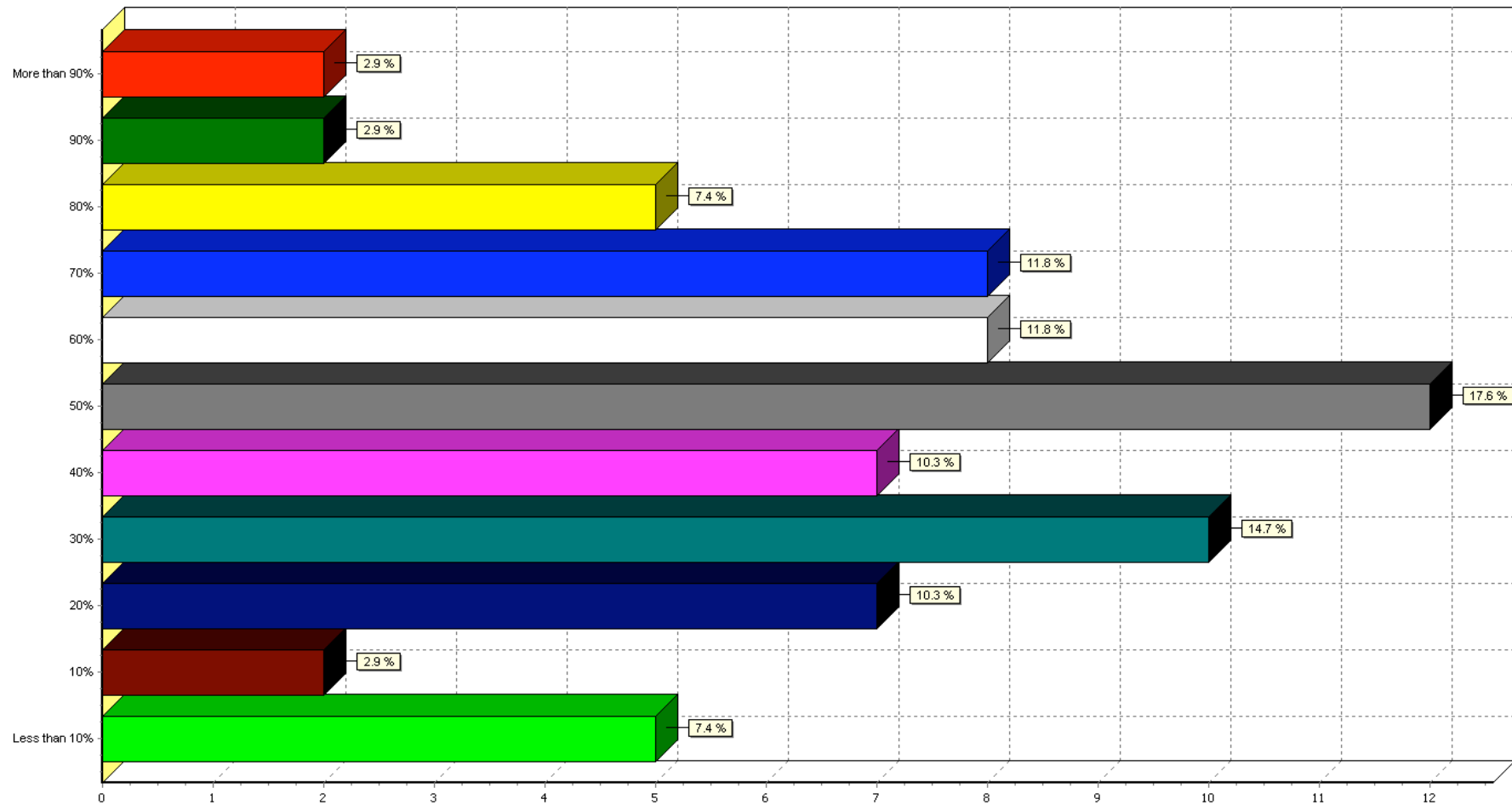
3) Is your catalog primarily business-to-business or consumer?



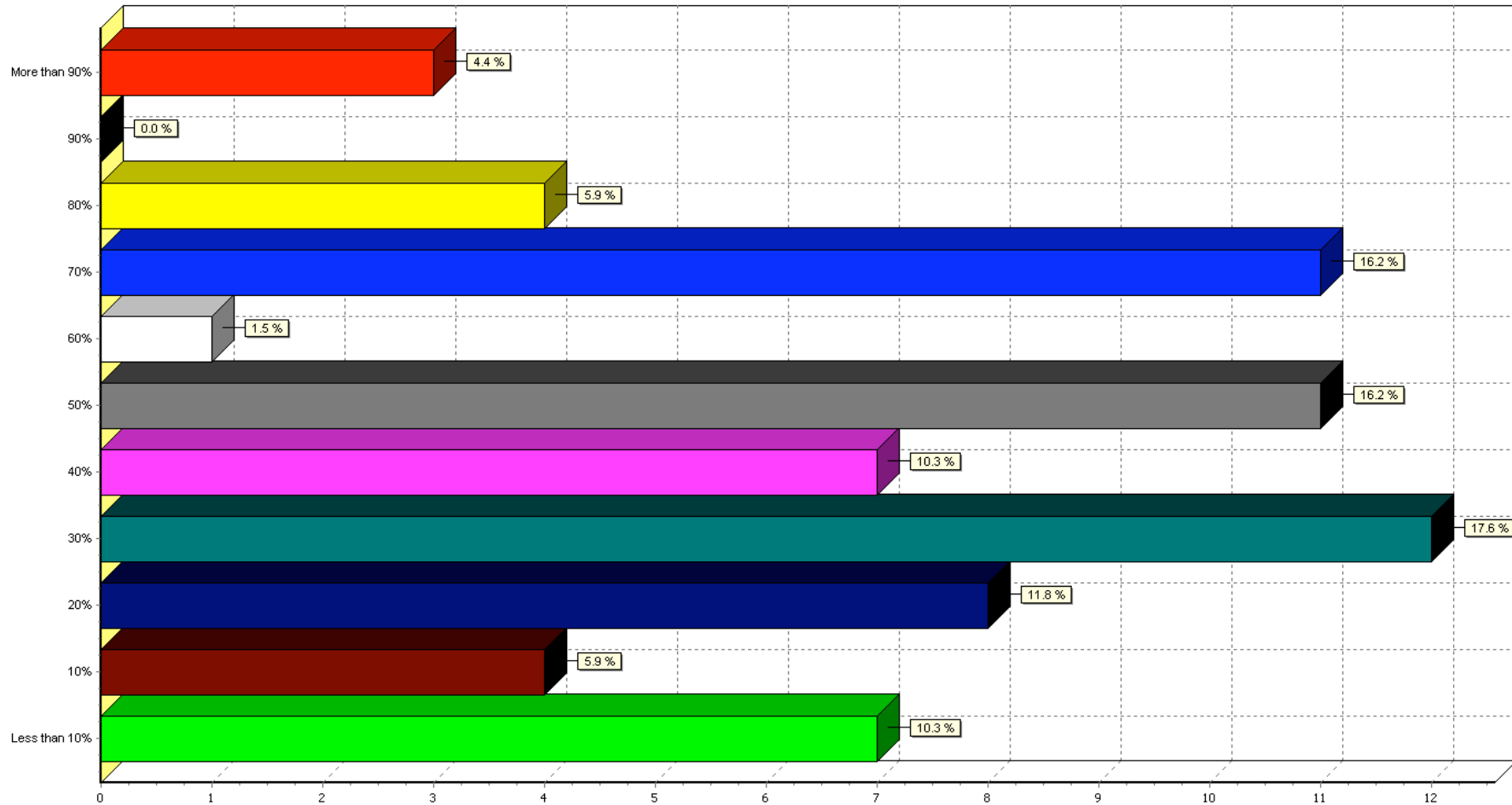
4) Please indicate what types of sales your catalog generates. (Please check all that apply.)



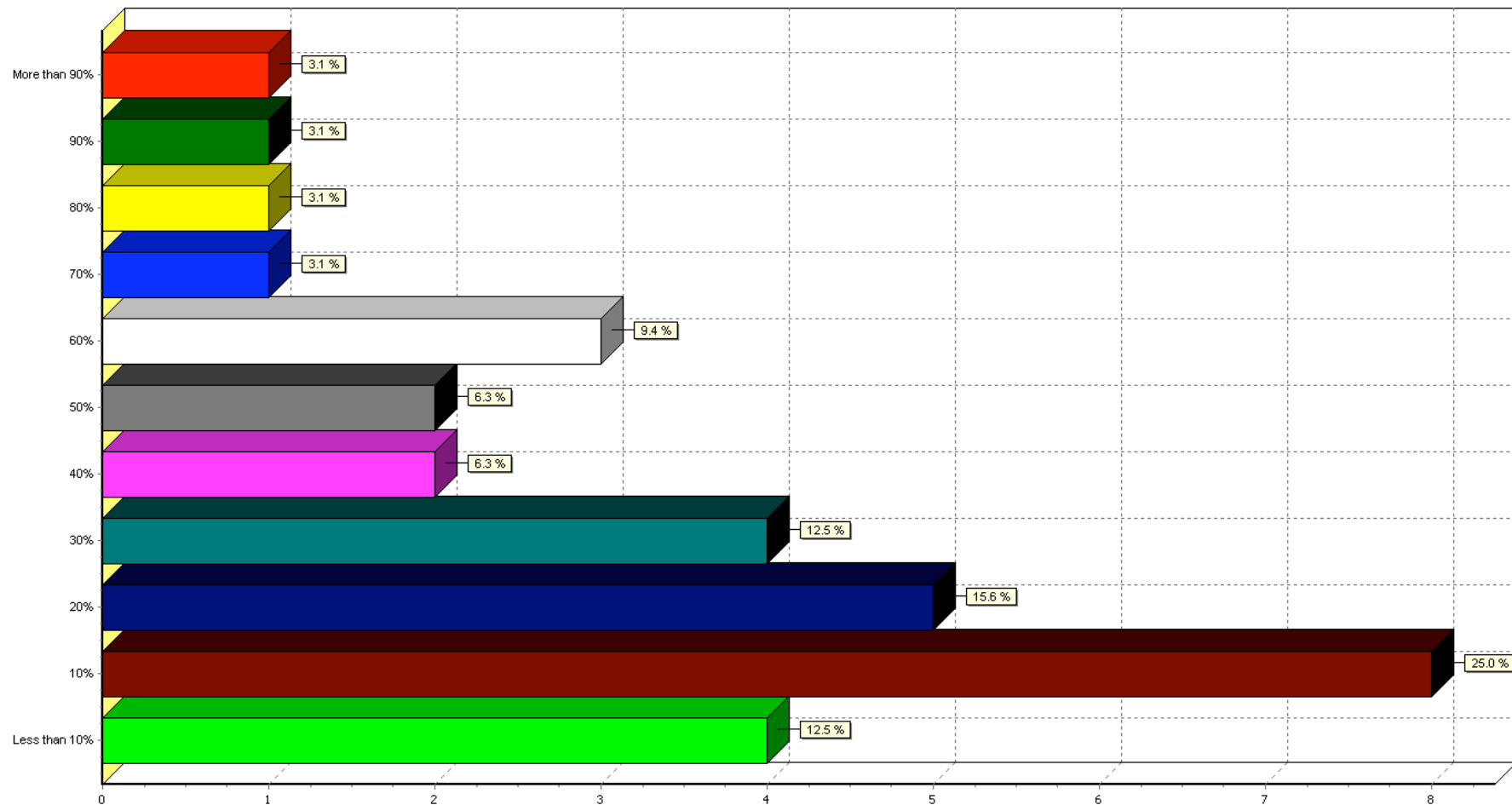
5) You indicated that your catalog generates online sales. What percentage of your online sales, overall, do you believe are influenced by your catalog?



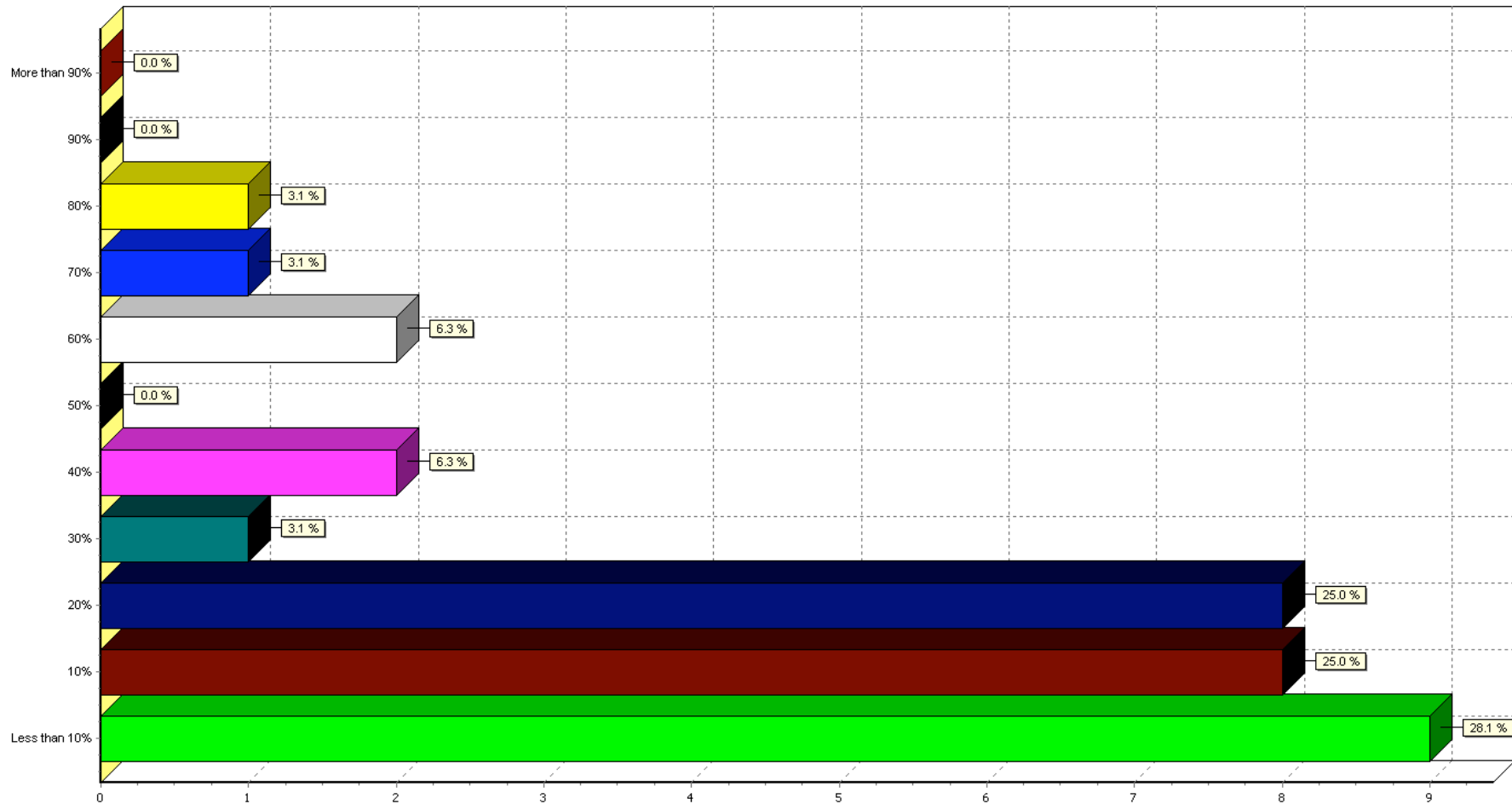
6) Approximately what level of increase in online sales do you see immediately following a catalog drop?



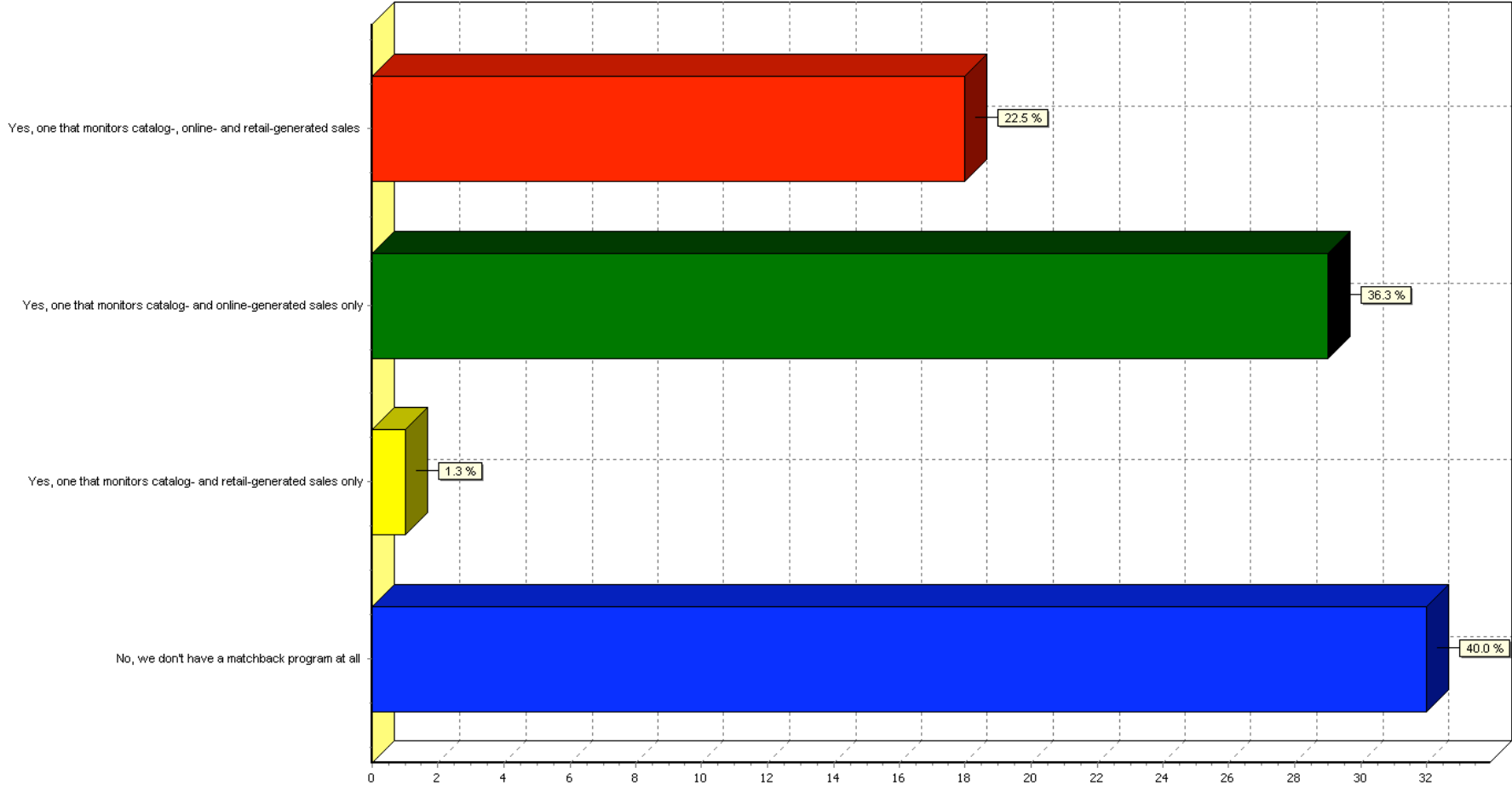
7) You indicated that your catalog generates retail sales. What percentage of your retail sales, overall, do you believe are influenced by your catalog?



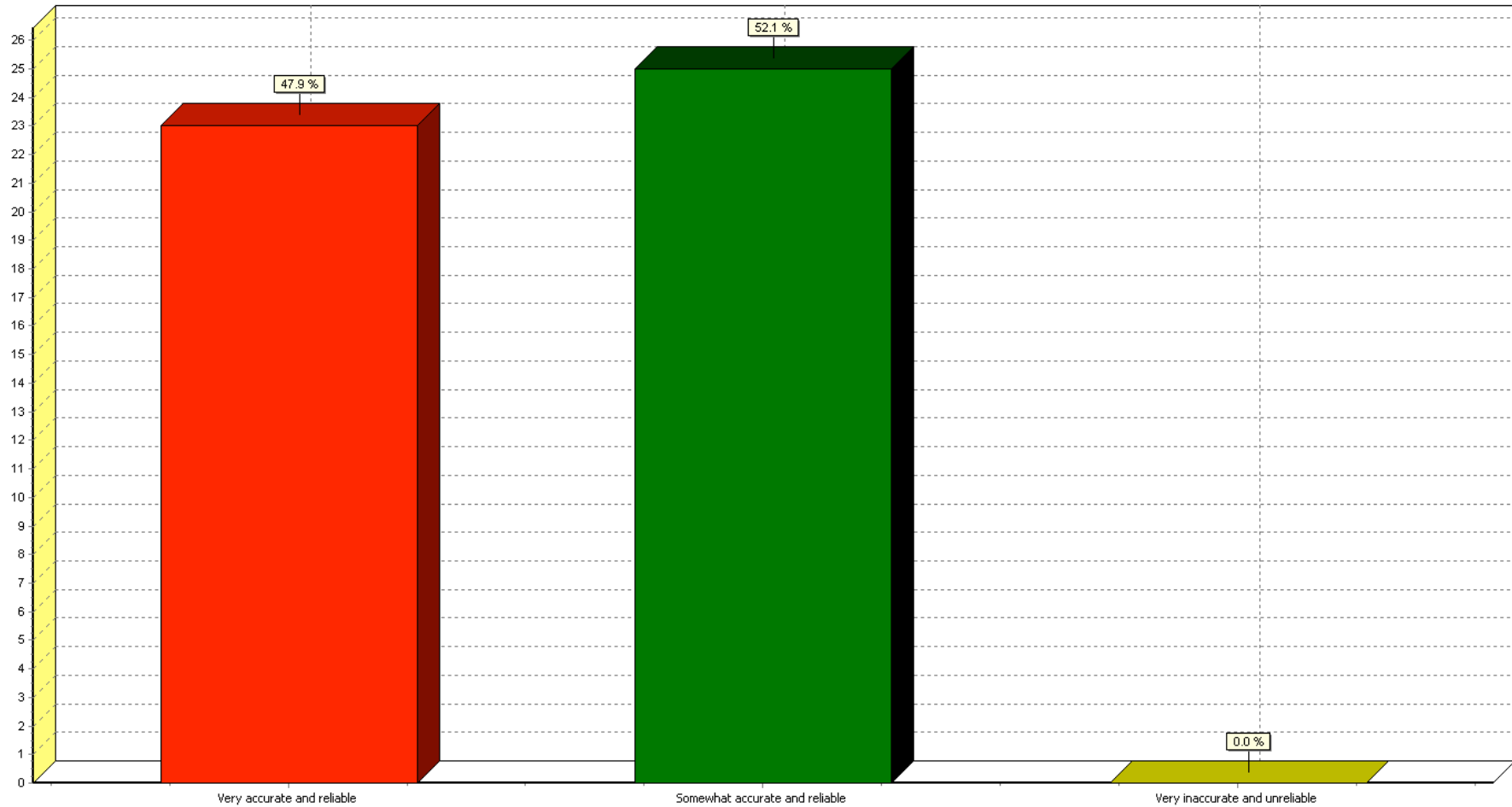
8) Approximately what level of increase in retail sales do you see immediately following a catalog drop?



9) Do you have a matchback program in place?



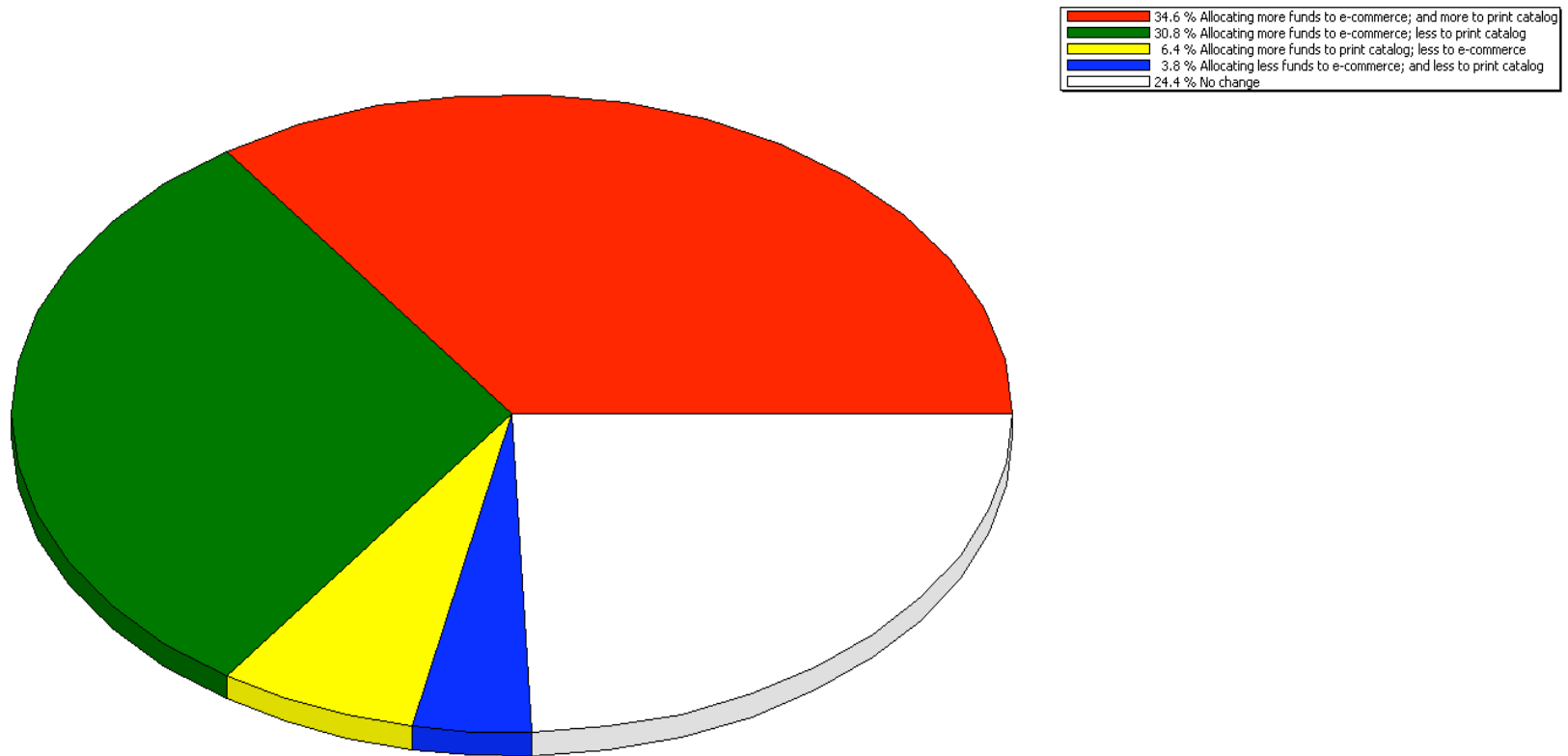
10) How would you describe the level of accuracy AND reliability of your matchback program?



11) Which answer best describes the percentage of your product line carried in your catalog, on your Web site, in your stores or offered by your sales force?

(Percentages)	Catalog	Web Site	Stores	Field Sales
More than 90%	31%	56%	11%	4%
90%	8%	5%	4%	1%
80%	4%	4%	0%	3%
70%	8%	0%	4%	0%
60%	6%	1%	8%	1%
50%	6%	0%	3%	4%
40%	5%	3%	1%	0%
30%	3%	0%	3%	0%
20%	0%	3%	5%	1%
10%	3%	3%	1%	0%
Less than 10%	5%	3%	0%	0%
Not applicable	0%	0%	13%	25%

12) How will your marketing budget change in 2008 compared to 2007?



13) What do you feel are the biggest challenges facing the catalog/multichannel industry in the immediate future?

(Representative answers follow)

Catalog/Web Site Balance

- Completing the circle among all channels; truly understanding the link among all three and how customers move between the channels
- Deciding which avenue works the best and ramping up that area with fresh ideas and products that keep the consumer returning

Cost of Doing Business

- Postage costs, postal issues
- Production costs (e.g., paper cost increases)

Sales Levels

- Finding new customers
- Rising costs

Tracking Sales to Correct Channels

- Accurately measuring the source of online sales; tracking and managing online cost-per-order acquisition costs
- Tracking and determining the probable percentage of buyers influenced by Web that buy in stores, catalog buyers from the store, Web buyers from the catalog, etc

Web Site/Online Concerns

- E-mail clutter
- More effective Web marketing—reducing opt-outs by providing better and more valuable e-communications to our customers. It is harder and harder to get them to stand out in the crush of e-communications they receive
- Web generating sales on its own

Other

- Keeping up with shifting demographics
- "Do not mail" legislation
- Credit card security issues and predicting on-hand stock levels for promotional needs
- Lack of marketing expertise/commitment from our distribution channel partners—we end up carrying the water for both our own direct sales as well as for our retail accounts
- Maintaining good relations with all levels of vendors
- Moving from general to niche markets to maximize the expense of catalogs; but it's challenging to find good lists of the target market
- The economic downturn

14) What do you feel are the biggest opportunities facing the catalog/multichannel industry in the immediate future?

(Representative answers follow)

Customer Service

- Providing better service than retail and more economical than retail
- Through wider product offerings and superior customer service; helping consumers cope with hectic lives

Interaction Between Channels

- All the different mediums through which you can target, market to and drive customers to any or all of our channels
- Increasing synergies between direct mail and online marketing
- Smaller catalogs that will drive client use of Internet ordering
- Web sales bolster catalog opportunities

Targeting

- Ability to target consumers more effectively
- Niche marketing
- Getting in on the avenues that the younger generation are using most

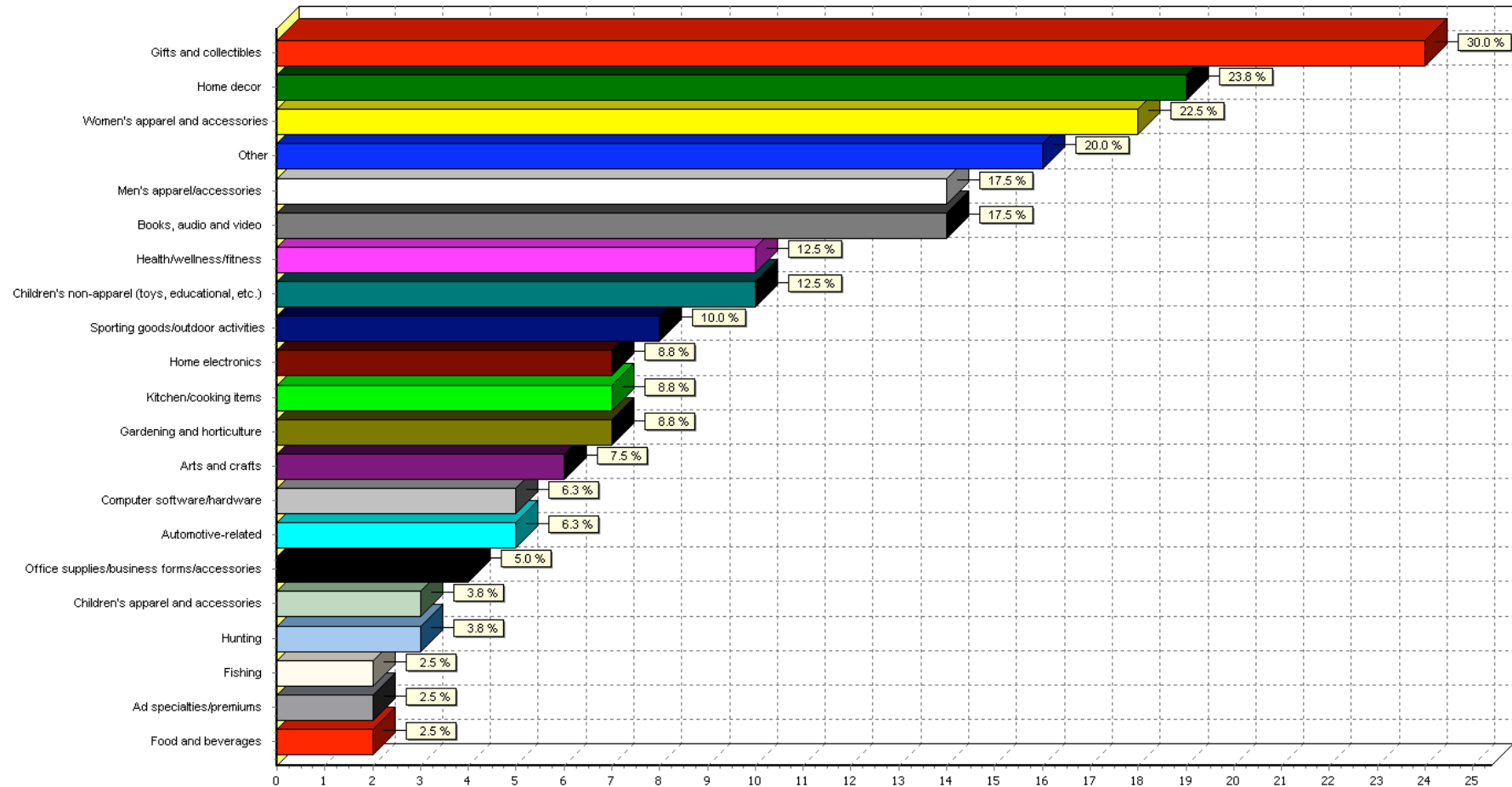
Web Site/Online Opportunities

- Ability to leverage segmentation knowledge from old paper catalog marketing to e-commerce marketing/segmentation
- Emerging media; partnering
- Growing number of online shoppers in ALL age groups
- Many online marketing opportunities are measurable unlike some traditional advertising
- The growing need for fast and convenient home shopping
- Using online capabilities to help customers deeply explore what our products can do for them, and create compelling calls to purchase complete market baskets
- We can now be available to the entire world, dealing with and attracting foreign customers is a big challenge

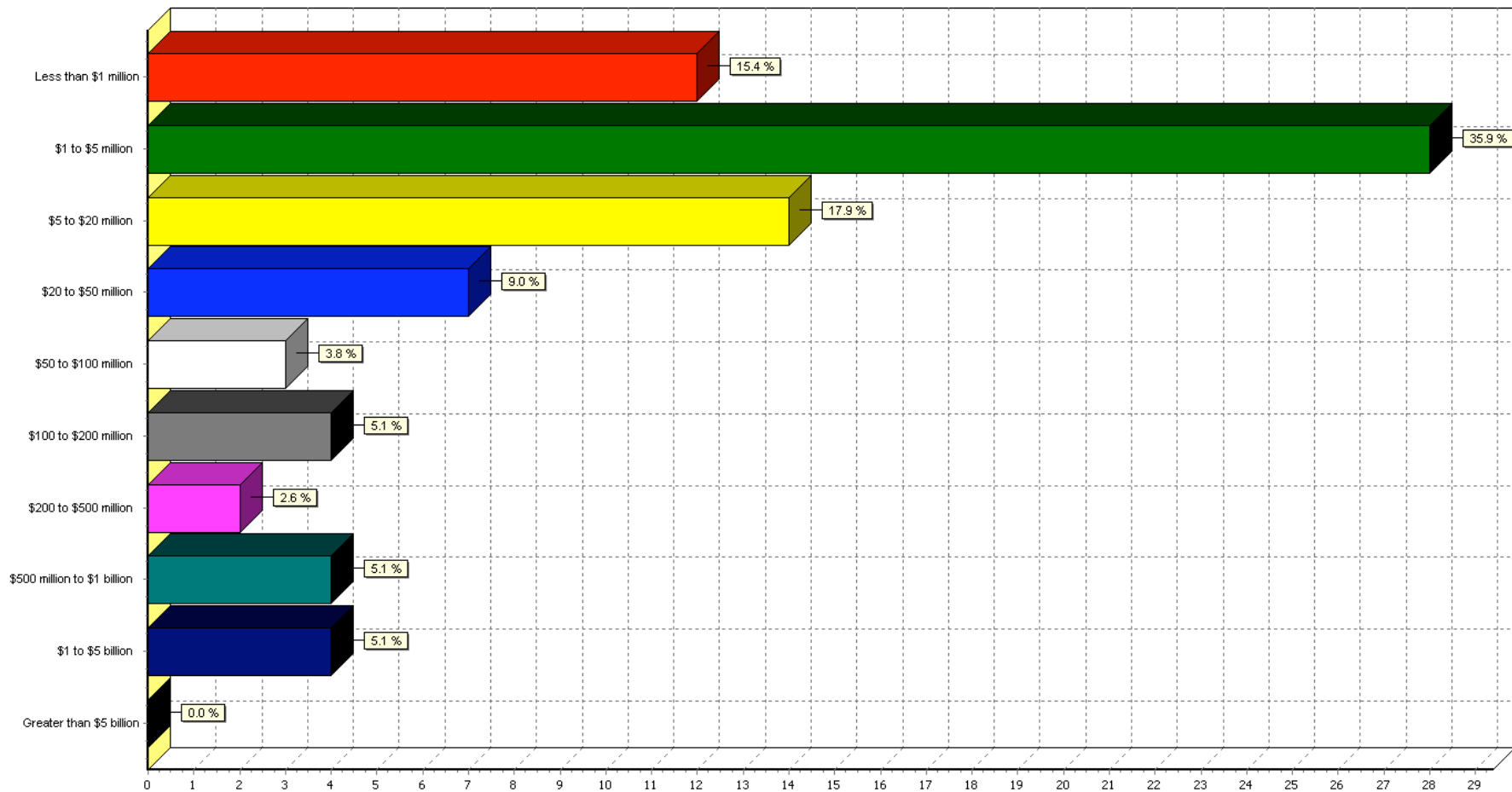
Other

- Being able to make immediate offers or changes to promotions
- Better data collection and integration; better understanding of customer and prospect performance
- Potential consolidations/mergers
- Strong branding will continue to achieve sales results

15) Please indicate which product category best describes what your catalog sells. (Please select all that apply.)



16) Please indicate your annual combined catalog and Web based sales.



17) Please select which job description best describes your role with your company.

