

STATE OF THE INDUSTRY A Kid's Eye View!

By Nancy Zwiers

What do today's kids really want? That's the million dollar question and the KidzEyes/Funosophy 2005 Holiday Wish List Survey has the answers! More than 2,000 boys and girls ages 6-17 share their feedback on everything from their favorite gift and toy categories to their feelings on gift cards and their own spending habits in this insightful annual survey. Read on for highlights from this year's responses in the 6-11 age range.

Toys Are Tops

More than 1,000 boys and girls ages 6-11 rated their very favorite types of gifts to receive during the holiday season and it's good news for the toy industry! Toys are particularly popular with younger kids (ages 6-8), while money and electronics rank higher with older boys and girls (ages 9-11), respectively. Overall, though, toys take the cake with this age group.

Types of Gifts Kids Want Most

	% of Total Kids Ages 6-11
Toys	43%
Money	26%
Electronics	25%
Clothes	7%

TREND ALERT! This year's results mark a positive shift in kids' desires as far as the toy industry is concerned. When compared with the results of the same survey conducted last year, toys have gained more than 7 points and the gap has widened between toys and electronics, which tied as the most desired gifts to receive last year.

Boys Will Be Boys

Board games, trading cards, and hand held electronics games top boy's lists in terms of the types of toys they hope to receive this holiday season. True to form,

more than 50% of boys also selected sports equipment and toy vehicles as the types of toys they want most.

Types of Toys Boys Hope to Receive

	% of Total Boys Ages 6-11
Board Games, Trading Cards, Hand Held Electronic Games	60%
Sports Equipment/Outdoor Toys	54%
Toy Vehicles	54%
Action Figures and Accessories	46%
Building/Construction Toys	40%
Model Kits or Hobby Materials	26%
Arts & Crafts Kits and Materials	23%
Stuffed Animals	12%
None of These	8%
Dolls and Accessories	1%

And Girls Will Be Girls

Nearly 70% of girls indicated that they'd like to receive arts & crafts kits and materials as gifts, an indication that the category can look forward to a hot holiday season! More than 50% of girls surveyed were also interested in board games (see below for details on games) and dolls/dolls accessories.

Types of Toys Girls Hope to Receive

	% of Total Girls Ages 6-11
Arts & Crafts Kits and Materials	69%
Board Games, Trading Cards, Hand Held Electronic Games	59%
Dolls and Accessories	55%
Stuffed Animals	45%
Sports Equipment/Outdoor Toys	26%
Model Kits or Hobby Materials	19%
Building/Construction Toys	10%
None of These	9%
Toy Vehicles	9%
Action Figures and Accessories	8%

Games People Play

As expected, electronic hand held games top kids' lists when it comes to the types of games they'd like to receive this year. Perhaps more unexpected, though, is the ranking of family board games – tied for top placement overall and highest rankings among younger kids and girls. Exciting news for the category!

Types of Games Kids Hope To Receive

	% of Total Kids Ages 6-11
Electronic Hand Held Games	74%
Family Board Games	74%
Plug N Play TV Games	54%
Trading Card Games	41%
Another Type of Game	32%

Hot Wired

Video gaming remains as popular as ever, with video games and video game systems voted the two electronic items most kids would like to receive this holiday season. Interestingly, desire for cell phones continues to reach younger and younger kids, placing third overall in this age group.

Types of Electronics Kids Hope to Receive

	% of Total Kids Ages 6-11
Video Games	67%
Video Game System	58%
Cell Phone	42%
Computer	39%
CD Player	37%
Digital Camera	34%
DVD Player	32%
MP3 Player	32%
TV	31%

Increasingly tech savvy girls rank cell phones, digital cameras, and MP3 players highest, with video games and video game systems trailing behind.

TREND ALERT! Speaking of MP3 players, the latest craze in portable music jumped nearly 15 points with this age group since last holiday season.

Personal Properties

Top kid's licenses were also measured in this survey, split evenly between girls' and boys' properties. Star Wars remains top of mind for boys, who ranked the property number one. The toy industry's very own Bratz beat out established movie and TV-based properties as the license girls' thought kids their age would like best this holiday season.

The 411

Kids 6-11 look to the television as their top resource for gift ideas – more than 85% of kids rely on TV commercials to get ideas for their holiday wish lists. Seventy-five percent of kids get ideas in-store and 66% rely on friends for ideas. Of note is that only 5% of kids in this age group look to celebrities for gift ideas.

Ways Kids Get Holiday Gift Ideas

	% of Total Kids Ages 6-11
TV Commercials	85%
In-Store	75%
Friends	66%
Toy Catalogs	64%
Family	42%
Magazines	40%
Internet	28%
Newspaper	13%
Famous Person	5%

TREND ALERT! In-store experiences, family, and word-of-mouth (friends) have increased as a means to get holiday gift ideas. Although still a significant resource, toy catalogs have decreased in both points and rankings in comparison to last year's study.

Shop 'Till You Drop

An overwhelming percentage of kids selected general merchandise stores like Target, Wal-Mart and K-Mart as the best place for holiday shopping. Less than half as many selected Toys R Us as their favorite place to shop, followed by other toy stores and electronics stores like Best Buy and Circuit City. Also interesting is the low rating of the internet as a holiday shopping resource – although kids in this age group are surfing the net, they're not shopping there, yet.

Best Places to Buy Holiday Presents

	% of Total Kids Ages 6-11
General Merchandise Stores	57%
Toys R Us	24%
Electronics Stores	6%
Other Toy Stores	6%
Internet	4%
Bookstores	3%

Ride the Revenue Stream!

More than 40% of kids will be spending any gift cards or cash they receive as a holiday gift within one week AFTER the holidays and another 40% expect to shop in January! This is good reason for retailers to remain stocked up and ready for continued holiday shopping, even after December 25.

The complete KidzEyes/Funosophy 2005 Holiday Wish List Survey, including age and gender breakdowns, trend analyses, industry expert insights, and opportunity assessments is available for purchase from Funosophy, Inc. For details or to place your order, visit www.funosophy.com or call 562.436.5251.

KidzEyes, a specialty research service of C&R Research, conducted the online *2005 KidzEyes/Funosophy Holiday Wish List Survey* between August 9-16, 2005. The information is based on a national sampling of 2,208 boys and girls between the ages of 6-17 who are members of the KidzEyes online panel. The margin of error is +/- 2.1 percent.

Based in Chicago, C&R Research is a leading market research firm. KidzEyes is one of several specialized services of C&R Research. Using state-of-the-art, kid-friendly innovations such as the KidzEyes online panel of more than 20,000 kids and teens, KidzEyes keeps pace with the rapidly evolving children's market and offers clients a kids'-eye view of the world. Other KidzEyes services include a variety of traditional quantitative and qualitative approaches including monthly online omnibus services with kids, teens and moms. To request more information about KidzEyes call 1-800-KidzEyes (1-800-543-9393) or visit www.crresearch.com or www.kidzeysomnibus.com.

Founded in 1999 by toy industry veteran Nancy Zwiers, Funosophy is the leading consulting firm in the toy industry, called upon by toy manufacturers and video game producers alike for its talent, experience, and expertise in research, licensing, and brand consulting. Providing a synergistic blend of traditional packaged goods and toy marketing, Funosophy provides cutting edge solutions through custom consulting and decision making tools. For additional details on this survey or for more information on Funosophy, call 562.436.5251 or email info@funosophy.com.