

NEWS RELEASE

For Immediate Release

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Morpace Reports: H1N1 Flu Could Adversely Impact Holiday Shopping Season

FARMINGTON HILLS, MI (October 26, 2009) – Nearly one in five consumers say their concern over the H1N1 flu will cause them to avoid shopping on traditionally busy retail days during the 2009 holiday season, according to a recent Morpace Omnibus Study.

This concern stems from a consumer fear of being exposed to the virus which has been publicized globally over the last 12 months. Some of the Morpace respondents indicated that they were going to extraordinary lengths to avoid large crowds.

This is especially true for women (22 percent) compared to men (14 percent), said Morpace Vice President of Retail Services Tom McGoldrick.

“The impact of nearly a quarter of women not shopping on days like the Friday after Thanksgiving would have a significant impact on the revenue of retailers this year,” McGoldrick said. “We’ll see if that means consumers will spread out their shopping days over a longer period of time or if they reduce the amount of shopping they do at traditional brick-and-mortar stores.”

President Barack Obama declared the H1N1 swine flu a national emergency on Saturday.

“One strategy that retailers could take to mitigate any such impact of the H1N1 on retailers would be to promote online shopping deals and retail websites,” said Morpace Vice President of Retail Services Kirsten Denyes.

“Many of those consumers may still be willing to spend money if given the opportunity to shop from the comforts of their own homes,” Denyes said.

The Morpace study also found that respondents in households with a total income of \$100,000 or more are significantly more likely to say that fears of the H1N1 flu will not affect their holiday shopping when compared to respondents with household incomes of \$50,000 or less. Some reasons for this may include:

- A greater sense of invulnerability among high income shoppers
- More knowledge about the H1N1 flu virus among high income shoppers
- The greater likelihood of high income shoppers having healthcare coverage
- Low-income consumers being more financially vulnerable if required to take sick days

Contact Morpace for further insights and what it could mean for retailers during this holiday shopping season.

About Morpace Inc.

Morpace is a full-service survey research and consulting organization specializing in automotive, financial services, health care, retail and technology. Morpace provides global expertise and proprietary solutions in four core areas: brand and communications; consumer choice; market and product development; and satisfaction and loyalty.

Morpace, an ISO 9001:2008 certified organization, is headquartered in Farmington Hills, Michigan with offices in Irvine, California; and London, England.