

Press release

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New study reveals stark regional variations in Germany's 2010 retail product line purchasing power

GfK GeoMarketing calculated Germans' regional consumer potential for around 60 retail product lines from the level of federal states down to postcodes. The "GfK Purchasing Power for Retail Product Lines 2010" study reveals stark regional differences in consumer profiles. For example, residents of the federal state of Baden-Württemberg have almost one-and-a-half as much per capita purchasing power available for watches and jewelry as residents of the federal state of Brandenburg.

GfK Purchasing Power for Retail Product Lines reveals the consumer potential for stationary- and mail-order retail. According to GfK GeoMarketing's recently updated study for 2010, Germany's per capita retail purchasing power is €5,088. The "GfK Purchasing Power for Retail Product Lines 2010" study breaks this figure down to 17 main product categories and a total of around 60 individual product lines.

"The distinguishing characteristic of our studies is the **regionalized portrait** they provide of consumer potential from the level of federal states to postcodes," explains Simone Baecker-Neuchl, head of GfK GeoMarketing's market data & research division. "As part of this process, regionalized statistical data are compiled for the inhabitants living in the corresponding areas. It's essential for retail companies to be aware of these regional differences in order to orient their product- and sales planning according to the actual demand in these areas."

Significant regional differences, even at the level of federal states

The study shows that consumer preferences vary strongly by region.

For example, the average resident of Hamburg has €121 at his or her disposal for photography- and optics-related products - 41 percent more than the average resident of Thuringia (€86) and 16 percent more than the average resident of Saarland (€104). The propensity to buy reading material is also unequally distributed: Residents of the federal states of Hamburg, Hesse, Baden-Württemberg, Bavaria and Berlin have five to eleven percent more purchasing power at their disposal for books and stationery than the average German. The densely populated metropolises of Berlin, Hamburg and Munich have the most purchasing power for the book and stationery product line, with €737 mil., €400 mil. and €369 mil. available respectively.

Luxury product lines: Divide between east and west continues

Purchasing power levels in Germany's eastern federal states continue to lag behind those in the western federal states. For example, the average resident of Baden-Württemberg has almost 50% more purchasing power available for watches and jewelry (€59) than the average resident of Brandenburg (€40). The divide in purchasing power for this product line is even greater among the top-ranked city of Hamburg (€65 per capita) and the inhabitants of the federal state of Mecklenburg-Vorpommern, who only have around €39 per person available for the purchase of watches and jewelry in 2010.

By contrast, Berliners come out just ahead of the usually first-ranked residents of Hamburg with respect to telecommunications products. Inhabitants of both city states have around 10 percent more purchasing power for telecommunications product lines - e.g., mobile phones, telephones and fax appliances - than the average German. But residents just outside of Berlin in the neighboring federal state of Brandenburg have a significantly below-average purchasing power for this product line. With a purchasing power index of 93, these residents have seven percent less than the national average and 17 percent less than the Berliners.

About the study

The "GfK Purchasing Power for Retail Product Lines 2010" study is based on various surveys and analyses of consumer shopping behavior.

GfK GeoMarketing uses this consumer information along with socio-demographic household data to create regionalized profiles via GfK POINTplus, a microgeographic databank. This makes it possible to transfer the information on consumer behavior to the regional level.

The data provide comprehensive coverage of Germany's administrative and postcode regions, from federal states, districts and municipalities to five-digit postcodes and even street segments.

Illustrations

Cartographic illustrations of purchasing power for selected product lines can be found at www.gfk-geomarketing.com/product-lines2010.

Additional information on the study can be found at www.gfk-geomarketing.com/retail-lines.

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About GfK GeoMarketing

GfK GeoMarketing is one of the largest providers of geomarketing services in Europe for customers and users from all branches of trade.

-  Consultancy and reports
-  Market data
-  Digital maps
-  Geomarketing software RegioGraph

GfK GeoMarketing is a subsidiary of the globally active GfK Group. Ranked fourth among the world's market research institutes, the GfK is represented by approximately 10,000 employees belonging to more than 115 subsidiaries located in 100 countries.