

64% of Shoppers Say 'More Discounts, Please!'

RetailMeNot Shoppers Trend Report Shows Consumers Are Optimistic About 2015 Following Widespread Holiday Shopping Discounts

More than 2 in 3 consumers (67%) shopped on Thanksgiving Day, Black Friday or Cyber Monday in 2014, an increase from just over half (58%) who did the same in 2013

Nearly 2 in 5 (38%) consumers carried over debt from their 2014 winter holiday gift purchases into 2015, with an average remaining balance of \$790

Promotions demand remains high, as nearly 2 in 3 (64%) consumers surveyed want retailers to offer more discounts in 2015 than they did in 2014

The latest edition of the RetailMeNot Shoppers Trend report found that a highly promotional 2014 holiday shopping season may have contributed to consumers buying more than their budgets could handle. According to surveys conducted in December 2014 and January 2015 by digital offers destination RetailMeNot (www.retailmenot.com), in conjunction with The Omnibus Company (www.omnibus.com), nearly 2 in 5 (38%) of these consumers carried over debt from their 2014 winter holiday gift purchases into 2015, with an average remaining balance of \$790.

Despite this holiday spending hangover, consumers surveyed are confident that in 2015 they will save more money (63%), make more money (63%) and be able to afford everything they need (61%).

The following 2014 Holiday Shopping Retrospective and 2015 Outlook reviews consumer spending and shopping behaviors, how consumers plan to shop in the coming year and what they expect from retailers.

The 2014 Consumer

Overspending was common in 2014, with more than 4 in 5 (83%) consumers surveyed saying they spent more than they expected. Among the group that admits to overspending, the most common expenses that blew their budgets were paying off bills (43%), buying holiday gifts for others (42%) and shopping for themselves (39%).

Slightly more women than men overspent (85% vs. 80%) and among those who went over budget, more men than women spent more than expected on electronics (42% vs. 31%) and vacations (36% vs. 26%), whereas more women than men spent more than expected on holiday gifts for others (39% vs. 31%).

Holiday Hangover

Nearly 2 in 5 (38%) consumers surveyed carried over debt into 2015 from their 2014 winter holiday gift purchases. This year's holiday debt hangover was worse than last year's: Among consumers who carried over holiday gift debt, the average amount this year was \$790, compared to \$588 last year*.

Among surveyed consumers who purchased holiday gifts in 2014, most used cash (66%) and debit cards (53%) to pay for their holiday loot. Similar to 2013, credit cards remained a popular form of payment this past year (61%). The use of gift cards to finance holiday purchases is on the rise: 37% used gift cards to buy presents this past year versus 32% who did so in 2013.*

Holiday Shopping Retrospective

Even though retailers' holiday promotions schedule seemed to launch well before Black Friday and 29% of consumers surveyed felt retailers offered more sale days than in previous years, this did not deter customers from also shopping well-known discount holidays during the Five Days of Savings (Thanksgiving through Cyber Monday).

According to the December 2014 survey, more than 2 in 3 consumers (67%) shopped on Thanksgiving Day, Black Friday or Cyber Monday in 2014, an increase from just over half (58%) who did the same in 2013*. Also according to the December survey:

SHOPPING BREAKOUT BY DAY

2014: 35%
2013: 23%



2014: 48%
2013: 42%



2014: 41%
2013: 34%



Brick-and-mortar retailers take note: Among Black Friday shoppers surveyed who took to the stores in both 2014 and 2013, more than half (51%) felt the crowds were smaller in 2014 and the deals were worse (34%) than the previous year.

Compared to 2013, consumers surveyed had a better online shopping experience this most recent holiday season. More than 1 in 3 winter holiday shoppers felt that online purchases were delivered faster (35%), there were more free shipping offers available (34%), and the deals were better online (30%) in 2014 than in 2013.

Retailer Promotional Tactics

Consumers surveyed recalled experiencing a variety of retailer promotional tactics this past holiday season. When shopping for holiday gifts, these consumers indicated that they observed the following:

- Retargeting: 4 in 10 believe they were served up advertisements related to products they searched for or looked at online.
- Email personalization: Approximately 1 in 3 received emails from retailers related to products they searched for or looked at online (37%) or received customized emails based on their interests (34%).
- Location-based marketing: 4 in 10 received emails, promotions or alerts for stores near them.

Do consumers welcome this degree of personalized marketing? According to the survey, just over half of consumers surveyed would find it valuable to receive personalized promotions based on past shopping habits. More than half of these consumers (54%) would find it valuable to receive promotions and alerts sent to their smartphones based on their location.

2015: A Consumer Snapshot

According to the December survey, consumers surveyed are confident that they will save more money (63%), make more money (63%) and be able to afford everything they need (61%) in 2015.

More than 1 in 5 (21%) of these consumers plan to spend more on themselves in 2015 than they did in 2014. For those who will spend more on themselves, they will do so because they think they've become savvier shoppers (35%), and they plan to use more coupons and deals (34%). Women are more apt than men (43% vs. 28%) to use coupons and deals to spend more on themselves this year.

2015: Shopper Demand

The 2015 consumer is hungry for savings. According to shoppers surveyed in January:

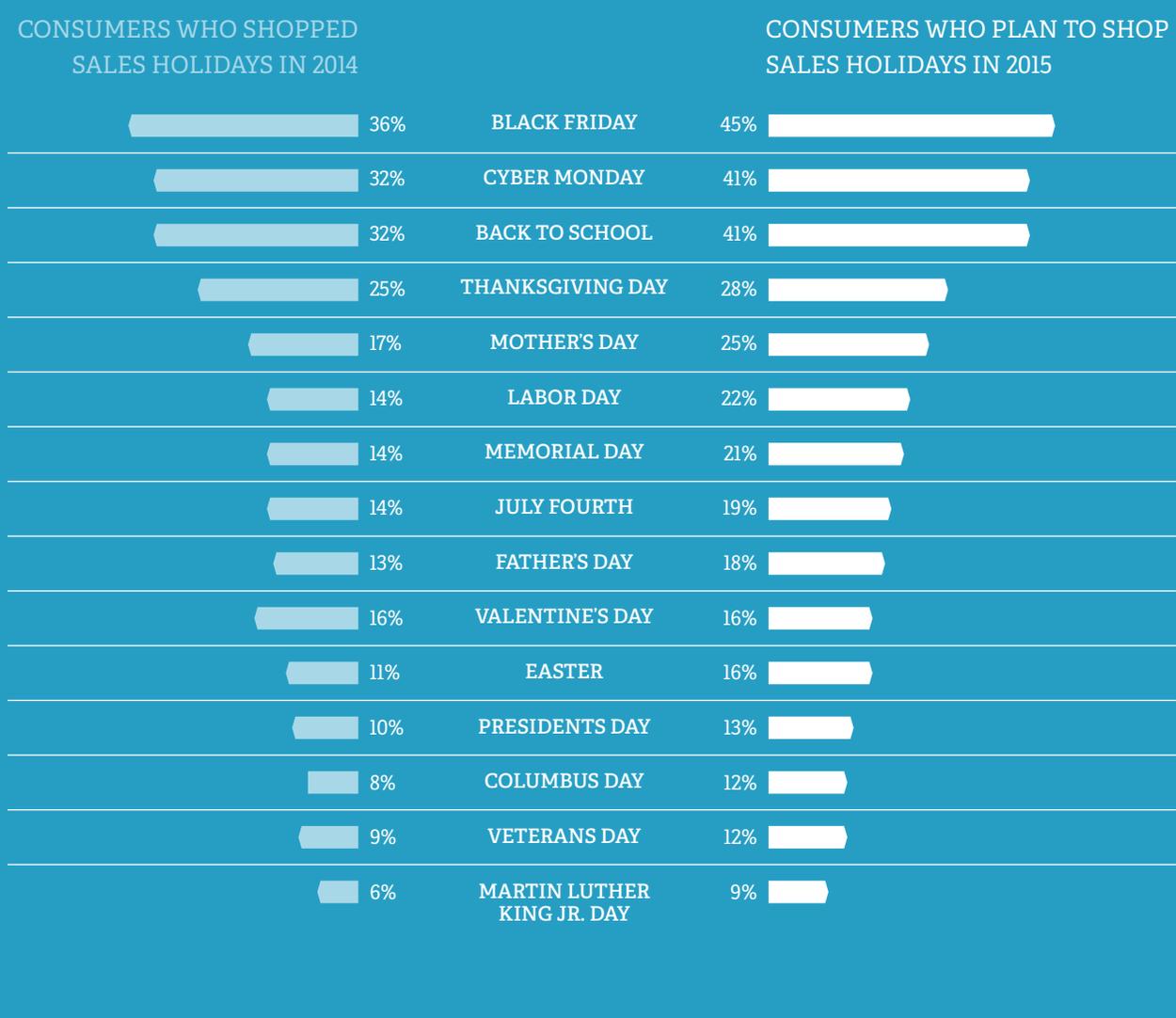
- Nearly 2 in 3 (64%) want retailers to offer more discounts in 2015 than they did in 2014
- Over half (54%) want more retailers to match competitors' prices.
- Other retail offerings that top consumers' wish lists:

- Offering cash or gift card rewards for buying products or spending certain amounts (45%)
- Providing in-store pickup to avoid shipping costs (42%)
- Accepting alternative payment methods (30%)
- Offering wider product selections online than in-store (28%)

More women than men want retailers to offer more discounts (70% vs. 59%), rewards for buying certain products or spending certain amounts (53% vs. 38%) and free ship-to-store options (48% vs. 36%).

Overall, consumer interest in taking advantage of sales holidays throughout 2015 is up compared to last year. Below is a list of the percentage of consumers surveyed that plan to shop the following sales holidays in 2015 compared to 2014.

RETAIL HOLIDAY DEMAND



Consumers also plan to use their devices more in 2015 to assist with shopping-related activities such as researching and purchasing a product. Close to 1 in 4 (24%) respondents plan to use their smartphones more in 2015; 20% plan to use tablets more; and almost a third (31%) expect to use computers more to shop.

Additional insights on the 2014 consumer, as provided in last year's RetailMeNot Shoppers Trend Report survey data, are available on the [RetailMeNot blog: The Year in Shopping](#).

References to survey results refer to the January 2015 survey, unless otherwise noted.

Report Methodologies

The RetailMeNot January survey was conducted between December 26, 2014, and January 1, 2015, among 1,052 U.S. residents ages 18 and over, using an email invitation and an online survey. The RetailMeNot December survey was conducted between December 6 and December 15, 2014, among 1,050 U.S. residents ages 18 and over, using an email invitation and an online survey. Quotas are set to ensure reliable and accurate representation of the entire U.S. population ages 18 and over. Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and affected by the number of interviews and the level of the percentages expressing the results. In these particular studies, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 3 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample. The margin of error for any subgroups will be slightly higher.

*About 2013 Surveys

The 2013 data noted throughout this document is from one of the following studies:

- An online study conducted between December 2 and December 6, 2013, among 1,017 U.S. residents ages 18 and over; margin of error is +/- 3.1 percentage points at the 95 percent confidence level
- An online study conducted between December 26, 2013, and January 3, 2014, among 1,014 U.S. residents ages 18 and over; margin of error is +/- 3.1 percentage points at the 95 percent confidence level
- An online study conducted between January 15 and January 22, 2014, among 1,007 U.S. residents ages 18 and over; margin of error is +/- 3.1 percentage points at the 95 percent confidence level

About RetailMeNot.com

RetailMeNot.com (<http://www.retailmenot.com>) is a leading digital offers destination that helps consumers save money. Since November 2006, our users have shared hundreds of thousands of offers from retailers. These offers are voted on by users, ensuring that quality deals rise to the top and those that are expired drop down the list. RetailMeNot.com is operated by RetailMeNot, Inc., the world's largest marketplace for digital offers. Consumers can save more at their favorite stores by downloading the RetailMeNot app at <http://www.retailmenot.com/blog/rmn-whats-new.html>.

We're out to save the world (some money).™ Consumers can follow RetailMeNot on Facebook, Twitter, Pinterest and Google+ by visiting <http://www.retailmenot.com/corp/websites>.

About RetailMeNot, Inc.

RetailMeNot, Inc. (<http://www.retailmenot.com/corp/>) operates the world's largest marketplace for digital offers. The company enables consumers across the globe to find hundreds of thousands of digital offers from their favorite retailers and brands. During the 12 months ended September 30, 2014, RetailMeNot, Inc. experienced more than 655 million visits to its websites, and during the three months ended September 30, 2014, monthly mobile unique visitors totaled 14.5 million. In 2013, RetailMeNot estimates \$3.5 billion in paid retailer sales were attributable to consumer traffic from digital offers in its marketplace. Its mobile apps have been downloaded over 18.5 million times. The RetailMeNot, Inc. portfolio includes RetailMeNot.com, the largest digital offer marketplace in the United States; RetailMeNot.ca in Canada; VoucherCodes.co.uk, the largest digital offers marketplace in the United Kingdom; Deals.com in Germany; ActiePagina.nl, a leading digital offers site in the Netherlands; Bons-de-Reduction.com and Ma-Reduc.com, leading digital offers sites in France; Poulpeo, a leading digital offers site with cash back in France; and Deals2Buy.com, a leading digital offers site in North America. RetailMeNot, Inc. is listed on the NASDAQ stock exchange under the ticker symbol "SALE." Investors interested in learning more about the company can visit <http://investor.retailmenot.com>.

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