

Alpaca Owners and Breeders Association (AOBA)

Top Line Summary 2010 Alpaca Awareness – Wave 5

Conducted via TNS Express 8/26/10 – 8/29/10

Alpaca Awareness

Alpaca awareness rose slightly this year over last year, but has generally leveled off with little change since 2008 in contrast to the dramatic increases between 2006 and 2008. Currently 63% say they have some level of familiarity with alpacas, compared to 60% last year and 62% in 2008. This contrasts sharply with 2006 when only 52% said they were familiar with them. *It seems likely that this leveling off could be due to the reduction in our TV advertising since 2008.*

Q. 1 Please tell me how familiar you are with the following kind of farm animals....Very familiar(5), Somewhat familiar(4), Not too familiar(3), Not at all familiar(2), Never heard of them(1) .

- a. Alpacas
- b. Llamas

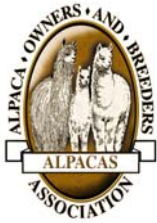
People continue to be more familiar with llamas (76%) than alpacas (63%), however, there is much less of a disparity that in the past. Awareness of llamas has declined slightly since 2006 when awareness was 80%, while alpaca awareness has grown from 52% in 2006 to 63% today.

The following table shows that nearly two thirds of the U.S. adult population (63%) has some level of familiarity with alpacas compared to 76% who are familiar with llamas. Awareness is defined as the combined net of those who are “very familiar,” “somewhat familiar,” or “not too familiar” with (alpacas/llamas). At the bottom end of the awareness scale, are those who say they are “not at all familiar” (25%) or “never heard of them” (12%).

The biggest gains have been in the decline in the “never heard of them” percentage. Only 12% now say they have never heard of alpacas compared to 24% in 2006. Still there is a wide gap compared with llamas; only 3% have never heard of a llama, the same percentage as 2006. The mean familiarity levels of alpacas (2.8) and llamas (3.2) are similar to last year.

2010 Survey

Familiarity with: Base = Total Respondents N=1,000	Alpacas	Llamas
Top 3 box (net)	63%	76%
Top 2 box (net)	29%	41%
Very familiar (5)	5	8
Somewhat familiar (4)	23	32
Not too familiar (3)	34	36
Bottom two box (net)	37%	24%
Not at all familiar (2)	25	21
Never heard of them (1)	12	3
Mean Familiarity Level	2.8	3.2



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Survey Year:

Familiarity with alpacas:*	2006	2007	2008	2009	2010
Top 3 box (net)	52%	58%	62%	60%	63%
Top 2 box (net)	26%	27%	31%	28%	29%
Very familiar (5)	3	3	5	5	5
Somewhat familiar (4)	22	23	26	24	23
Not too familiar (3)	27	31	31	31	34
Bottom two box (net)	48	42	38	40	37
Not at all familiar (2)	24	25	25	27	25
Never heard of them (1)	24	17	13	13	12
Mean Familiarity Level	2.6	2.7	2.8	2.8	2.8

* Significant differences over prior year shown in red

Demographic Differences

In looking at the *top two box* (those who are either *very* or *somewhat familiar* with alpacas), there are some significant demographic differences:

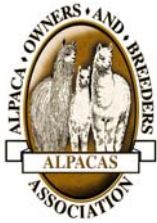
- Similar to previous years, there are regional differences with those living in the West (31%), South (30%) and Northeast (30%) more likely to be familiar with alpacas than those in the North Central states (23%).
- There are a few significant differences in age groups. The under 30 age cohort is much more likely to be familiar with alpacas than others (39% vs. 26%). This under 30 group was more than twice as likely as any other group to say they were “very familiar” with alpacas (10%). Interestingly, those under 50 years of age were twice as likely to say they had never heard of alpacas (16%) than those over 50 (7%).
- There are no significant gender differences or differences among various income levels in terms of familiarity with alpacas.
- Since the focus of our national TV advertising has been on the Dish Network for the past two years, it is not surprising that Satellite subscribers are more likely than cable subscribers to be *very/somewhat* familiar with alpacas (32% vs. 27%). Cable subscribers are far more likely than Satellite subs to say they “never heard of them” (14% vs. 9%).

Q. 2. Have you ever seen an alpaca...?

Q. 3 Please indicate where you saw the alpaca from the list below.

Base: Those who are *very/somewhat/not too familiar* with alpacas N=626

Only those who had at least some familiarity with alpacas (63%) were asked whether they had seen them on TV, in a magazine or newspaper article, or in person. Those who said they were *not at all familiar* with them or had *never heard of them* were skipped out.



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More than nine out of ten (90.7%) said they had *ever* seen an alpaca. Most had seen an alpaca on TV (63%). Over half (50.3%) had seen an alpaca in person, similar to 2008, but a significant increase over 2007 when only 43% had seen one in person. One in four had seen an alpaca in a magazine (24%) and 11% said they had seen one in a newspaper article. Only 9.3% say they have *never* seen an alpaca.

Most interesting is the steady increase in those who have seen an alpaca in person **at a farm (39%)**. Some of that increase may be the result of an increasing number of farm events as well as participation in National Alpaca Farm Day events during the past three years.

If we rebase those figures off the **total sample population**, we can get an accurate assessment of how well our advertising and public relations are working. Looking back at 2006, we see that about one in four people (24%) had ever seen an alpaca in person; now that number has climbed to about one in three (32%)

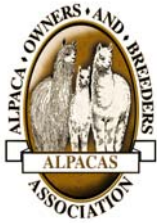
Percent who have ever seen an alpaca:	Base: Top 3 Box Familiarity (Very/ Somewhat/ Not too familiar) with alpacas 2010 N=626	Total U.S. Adult Population 2010 N=1000	Total U.S. Adult Population 2006 N=1000
Anywhere (Net)	90.7%	56.8%	44.1
On TV	63	39	31
Magazine ad or editorial	24	15	13
Newspaper article	11	7	5
Saw one in person (Net)	50	32	24
At a farm	39	24	16
Some other place	18	11	11
Never have seen an alpaca	9.3%	43.2%	55.9

Of those who had seen an alpaca in person at “some other place,” 32% mentioned seeing one at a state or county fair while 14% saw one at a farm event, 2% saw one at a fiber festival and 2% at a farmer’s market. The most frequent “other mention” was at a zoo.

Q. 4/5 The fiber from alpacas is very soft and warm and used to make many types of clothing. Have you ever owned any of the following: (alpaca coat, alpaca sweater, an alpaca scarf, alpaca gloves, some other garment)? Do you currently own. . . ?

NOTE: Q. 4 was asked only of those who were very/somewhat/not too familiar with alpacas (N=626) in the right hand column have been rebased off the entire sample to reflect the actual incidence of alpaca apparel ownership in the U.S.

- Ownership of alpaca products continues to be very low. Similar to previous years, only 11% of the total U.S. adult population has ever owned any alpaca garment and just 4.9% say they currently own some type of alpaca clothing.
- Alpaca sweaters were the item most frequently mentioned that the respondent currently owned, followed by alpaca scarves, coats and socks.



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From the data, we know that the people most likely to have owned alpaca apparel in the past or who currently own some type of alpaca garment:

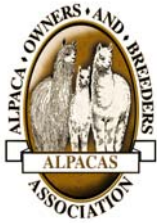
- Are under 50 years of age
- Are female
- Have incomes of \$75K+
- Have children under 18 living in the HH
- Live in the South or West
- Are cable subscribers

	Base: Top 3 Box (Very/ Somewhat/ Not too familiar with alpaca N=626	Adjusted Base: Total sample N=1000	
	Ever owned among those familiar with alpacas	Ever Owned	Currently Own
Ever owned any alpaca garment (Net)	17.8%	11.2%	4.9%
Alpaca coat	4	3	1
An alpaca sweater	10	6	2
An alpaca scarf	7	5	2
Alpaca gloves	3	2	1
Socks	4	2	1
Some other garment	2	1	1
Never/don't currently own any	82.2%	88.8%	95.1%

While alpaca awareness levels have risen substantially during the past five years, usage and purchases of alpaca apparel have not. Past and current ownership of alpaca products is still low. We need to think about ways of promoting alpaca products more effectively through our advertising and marketing programs. However, alpaca products will not become popular with consumers until they become more readily available through conventional retail outlets. We cannot expect alpaca products to be widely purchased when the only sources are online retailers, like e-Bay and Amazon, and a small number of specialty stores, farm stores and farmers' markets.

Q. 6 Which of the following types of TV service does your household currently receive?

- Similar to last year, six out of ten respondents (60%) subscribe only to cable TV, while 28% subscribe only to a satellite dish service and 1% subscribe to both. 9% have no cable TV or satellite service and 2% have no TV in the household.
- Respondents with a satellite service are much more likely to be familiar with alpacas than those with cable service (67% vs. 61%) Satellite subs are also significantly more likely to have seen an alpaca on TV (72% vs. 59% for



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cable subs). However, there was no significant difference between cable (38%) and satellite subscribers (41%) who had seen alpacas in person on a farm.

- Those in non-Metro areas (where people are much more likely to subscribe to a satellite service) were also more likely to have seen an alpaca on TV than those in Metro areas.

AOBA's ad campaign, which has been running exclusively on the Dish Network for two years, probably accounts for the differences between Satellite and Cable TV subscribers in terms of their level of alpaca awareness and their recall of seeing alpacas on TV.

	Cable TV Subs N=614	Satellite Subs N=293	Market: <2MM HHs (Non-metro) N=491	Market: 2MM+HHs (Metro) N=509
Familiarity w/Alpacas (Top 3 Box)	61%	67%	63%	62%
Familiarity w/Alpacas (Top 2 Box)	27%	32%	29%	28%
Base: Top 3 box familiarity with alpacas and:	Cable TV Subs N=377	Satellite subs N=196	Non-metro N=309	Metro N=317
Saw an Alpaca on TV	59%	72%	65%	61%
Saw in person on a farm	38	41	42	37
Ever owned an alpaca garment	21	14	17	19

- Significant differences shown in red

Methodology:

This wave is the fifth wave of the annual Alpaca Awareness Tracking Survey conducted for AOBA by TNS Global Inc, the world's largest market research firm. The study is conducted every August among an online sample of 1,000 adult respondents (18+) living in U.S. households. The sample is randomly drawn from a database of over 1 million households and consists of regional quotas. Results are weighted by age and sex to reflect the distribution of the US population. Results have a statistical reliability of $\pm 3\%$ at a 90% confidence level.

This wave was conducted online between August 26 and August 29, 2010.