



## Table of Contents

|   |           |
|---|-----------|
| <b>Introduction</b>   | <b>3</b>  |
| <b>Market Overview</b>  | <b>4</b>  |
| <b>Who's Online?</b>  | <b>6</b>  |
| <b>Broadband</b>  | <b>10</b> |
| <b>Online Shopping Trends</b>                                     | <b>13</b> |
| <b>The Multi-Channel Perspective</b>                              | <b>19</b> |
| <b>P.K. Data Inground, Aboveground &amp; Hot Tub Owner Survey</b> | <b>23</b> |
| Inground Pool Owners  | 23        |
| Aboveground Pool Owners   | 25        |
| Hot Tub Owners  | 27        |
| <b>P.K. Data Prospective &amp; Current Pool Owner Survey</b>      | <b>29</b> |
| Consumers' Attitudes  | 39        |
| <b>What this means to you</b>                                     | <b>43</b> |
| <b>Table of Figures</b>   | <b>44</b> |

©2005 P.K. Data, Inc. All rights reserved. No portion of this report may be reproduced in any form, electronic or mechanical, without the express written permission of P.K. Data.

## Table of Figures

### Charts

|  |    |
|--|----|
| Chart 1: Quarterly E-Commerce Revenue 1999-2004 (Seasonally Adjusted) .....  | 4  |
| Chart 2: E-commerce as a percent of total retail sales, 1999-2004. ....  | 5  |
| Chart 3: Percent of households with computers and Internet connections, selected years 1997-2003. ....                       | 6  |
| Chart 4: American adults with broadband at home. ....  | 10 |
| Chart 5: Broadband in the home by select demographics. ....  | 11 |
| Chart 6: Conversion rates of some big name e-tailers. ....   | 15 |
| Chart 7: Reasons people buy online. ....   | 16 |
| Chart 8: Typical use of Internet for shopping. ....  | 19 |
| Chart 9: Media impact on learning stage of purchase process. ....  | 21 |
| Chart 10: Multi-channel retailing. ....  | 22 |
| Chart 11: Information sought on pool company's website. ....   | 29 |
| Chart 12: Where chemicals are purchased. ....  | 30 |
| Chart 13: Where accessories are purchased. ....  | 31 |
| Chart 14: Satisfaction with information found on Internet. ....  | 32 |
| Chart 15: Websites visited for pool-related information. ....  | 34 |
| Chart 16: Contact as a result of website visit. ....   | 34 |
| Chart 17: Timeframe to purchase pool. ....   | 35 |
| Chart 18: Impact of economy on pool purchase decision. ....  | 35 |
| Chart 19: Other items purchased from non-pool websites. ....   | 36 |
| Chart 20: Items purchased from pool company websites. ....   | 37 |
| Chart 21: Maximum amount spent online. ....  | 37 |
| Chart 22: Consider purchasing other items online. ....   | 38 |
| Chart 23: I generally have more confidence in information received from an Internet site than from a store salesperson. .... | 39 |
| Chart 24: I generally prefer to get product information from an Internet site rather than a store salesperson. ....          | 39 |
| Chart 25: I would generally expect to get better prices on pool equipment purchased over the Internet. ....                  | 40 |
| Chart 26: Non-work Internet use, hours per week. ....  | 41 |
| Chart 27: Most often used Internet search engines. ....  | 41 |
| Chart 28: Where Internet is accessed. ....   | 42 |
| Chart 29: Respondent age. ....   | 42 |

### Tables

|  |    |
|--|----|
| Table 1: Internet penetration by user's type of household. ....  | 7  |
| Table 2: Race, ethnicity & income. ....  | 8  |
| Table 3: Internet adoption by age, gender, race and income, 2003. ....   | 9  |
| Table 4: Internet user session statistics. ....  | 9  |
| Table 5: Online activities, broadband vs. dial-up. ....  | 12 |
| Table 6: U.S. consumer online shopping and buying, 2002-2007. ....   | 13 |
| Table 7: If you needed information about a product or wanted to buy a product from a store, would you expect to be able to do so on the store's Web site? ....           | 20 |
| Table 8: If a store provides product information, but does not sell products online, are you more or less likely to go to the physical store to buy products there? .... | 20 |
| Table 9: Cross-channel shopping by select demographics. ....   | 22 |
| Table 10: Differences between traditional and Internet inground pool shoppers. ....  | 24 |
| Table 11: Similarities between traditional and Internet inground pool shoppers. ....   | 24 |
| Table 12: Differences between traditional and Internet aboveground pool shoppers. ....   | 25 |
| Table 13: Similarities between traditional and Internet aboveground pool shoppers. ....  | 26 |
| Table 14: Differences between traditional and Internet hot tub shoppers. ....  | 27 |
| Table 15: Similarities between traditional and Internet hot tub shoppers. ....   | 28 |
| Table 16: Information sought on Internet in relation to pools. ....  | 32 |