

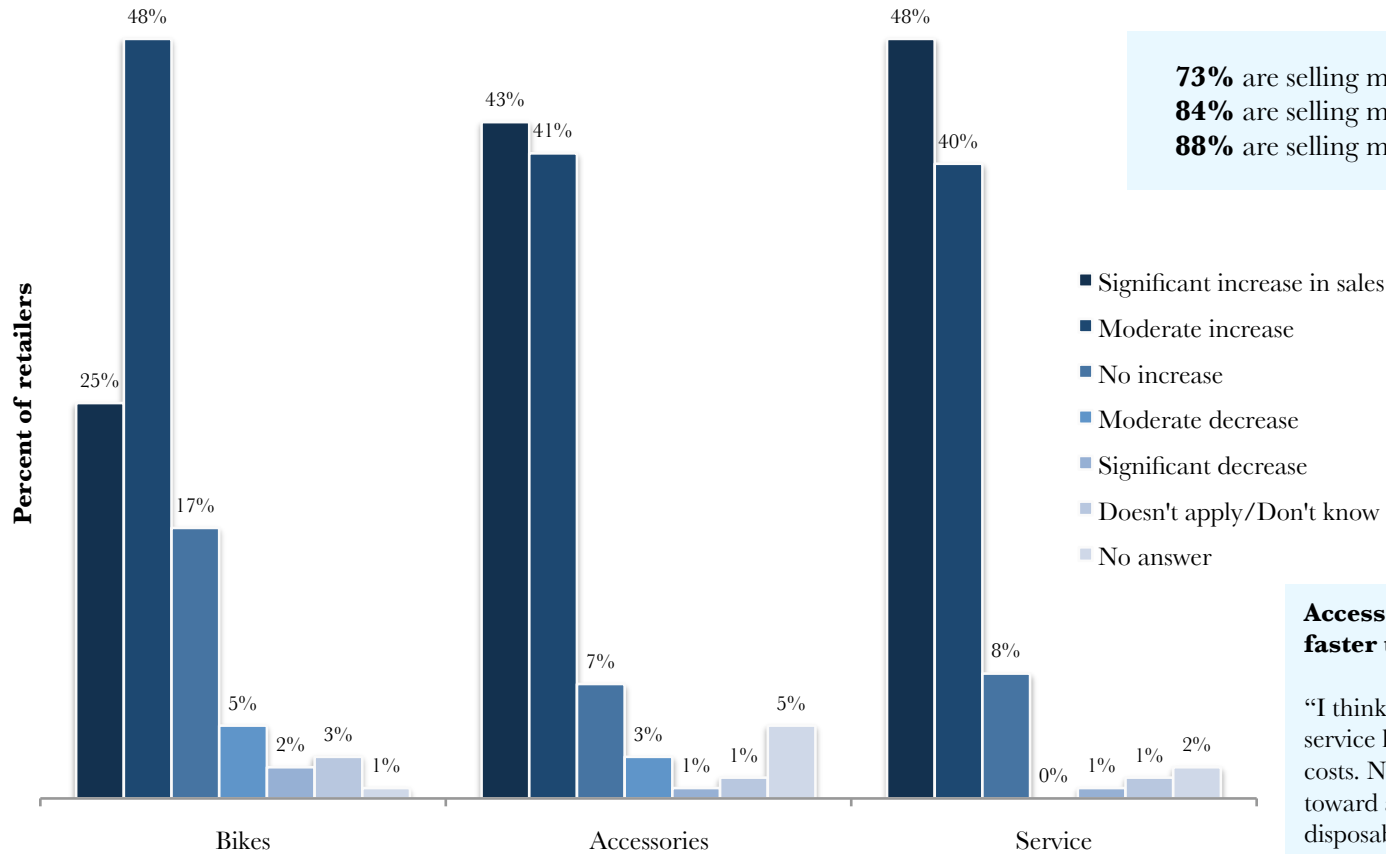
Bikes Belong Survey Report: Impact of Gas Prices on Bike Sales

August 2008

High gas prices in the U.S. are inspiring people to ride bicycles for short trips, errands, and commuting. To get a clearer picture of this trend, Bikes Belong surveyed more than 150 bicycle retailers from nearly 40 states to see if their summer 2008 sales reflected an increase in the use of bicycles for transportation.



The majority of retailers have sold more transportation-related bikes, accessories, and service in 2008 than in 2007.



73% are selling more bikes.
84% are selling more accessories.
88% are selling more service.

Accessories and service are selling faster than bikes:

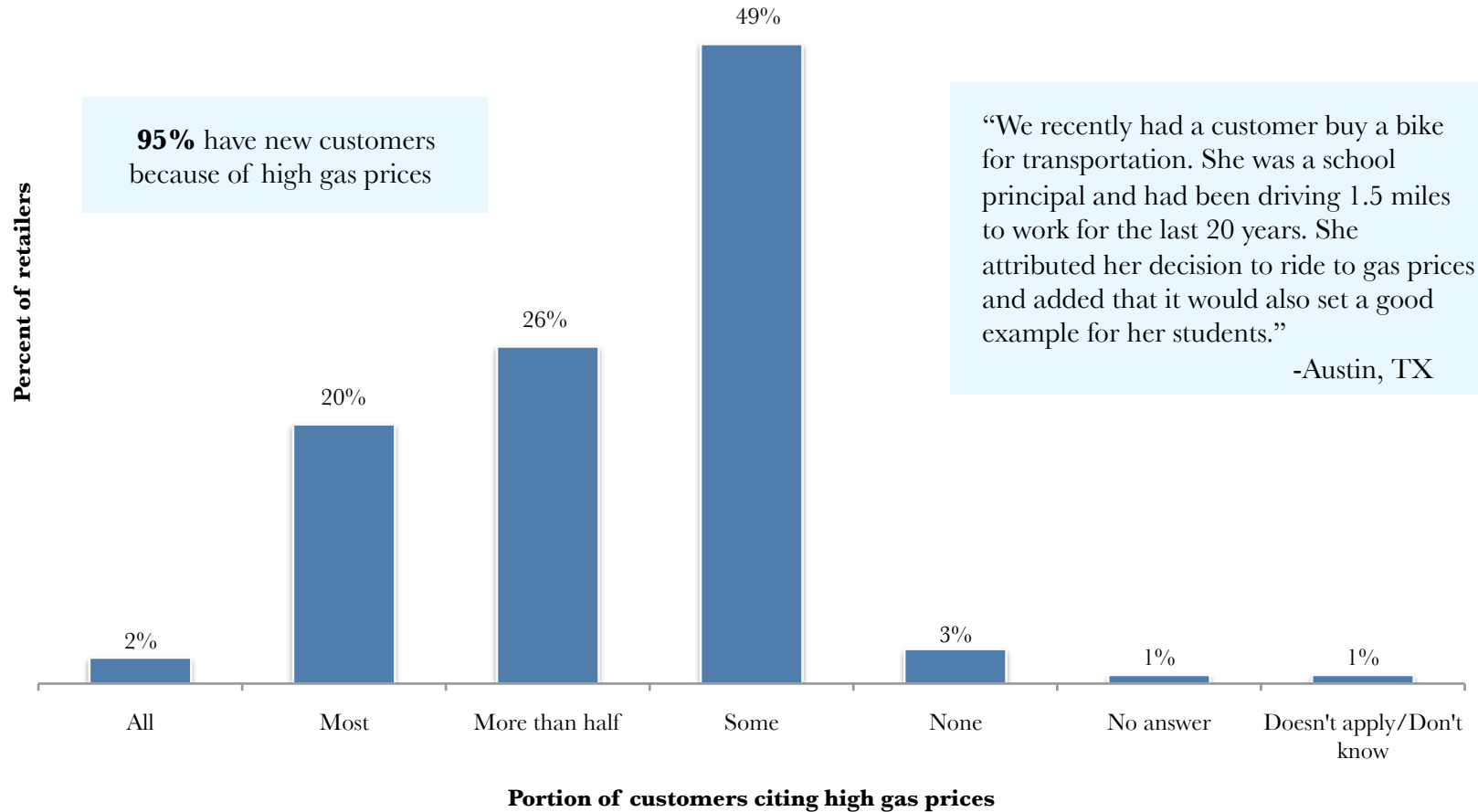
“I think in our area, accessories sales and service have benefited from higher fuel costs. New bike sales have been influenced toward a negative outcome. Less disposable income means less money to spend on things like bikes. I’ve seen an increase in used bike inquiries and customers walking in looking for bikes in lower price ranges. A lot of times [they end up] not buying because we are unable to get a price low enough.”

-Peoria, IL

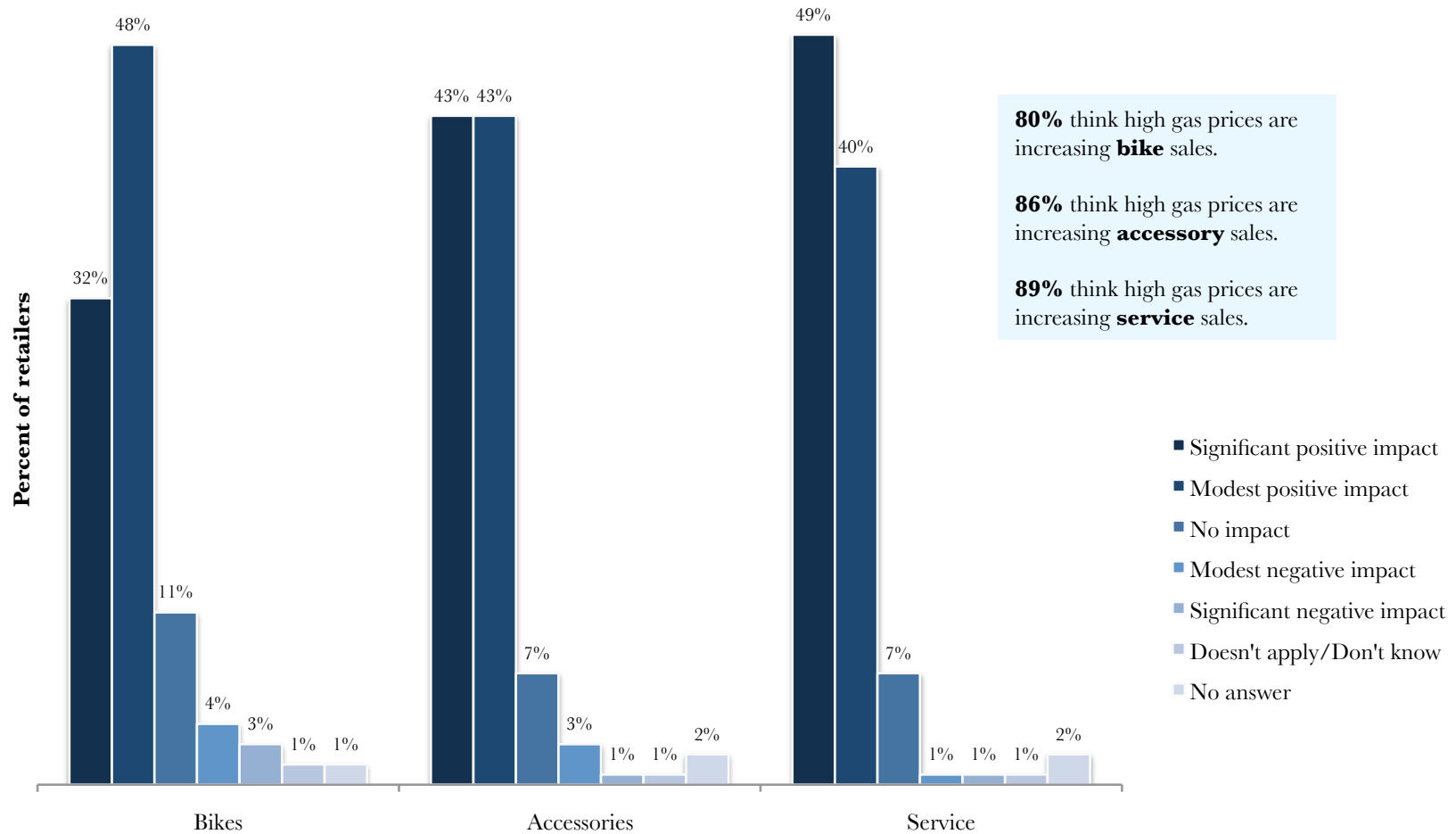
“We are selling out of baskets, racks, helmets, mirrors, and bells like never before. I have to re-order every week. I am doing so many repairs that I am restocking tubes and tires weekly. Folding bikes are selling two to four at a time. Same with our three-speed commuter bike.”

-Salem, MA

Almost all shops have customers who cite high gas prices as a reason for their bike transportation-related purchases.



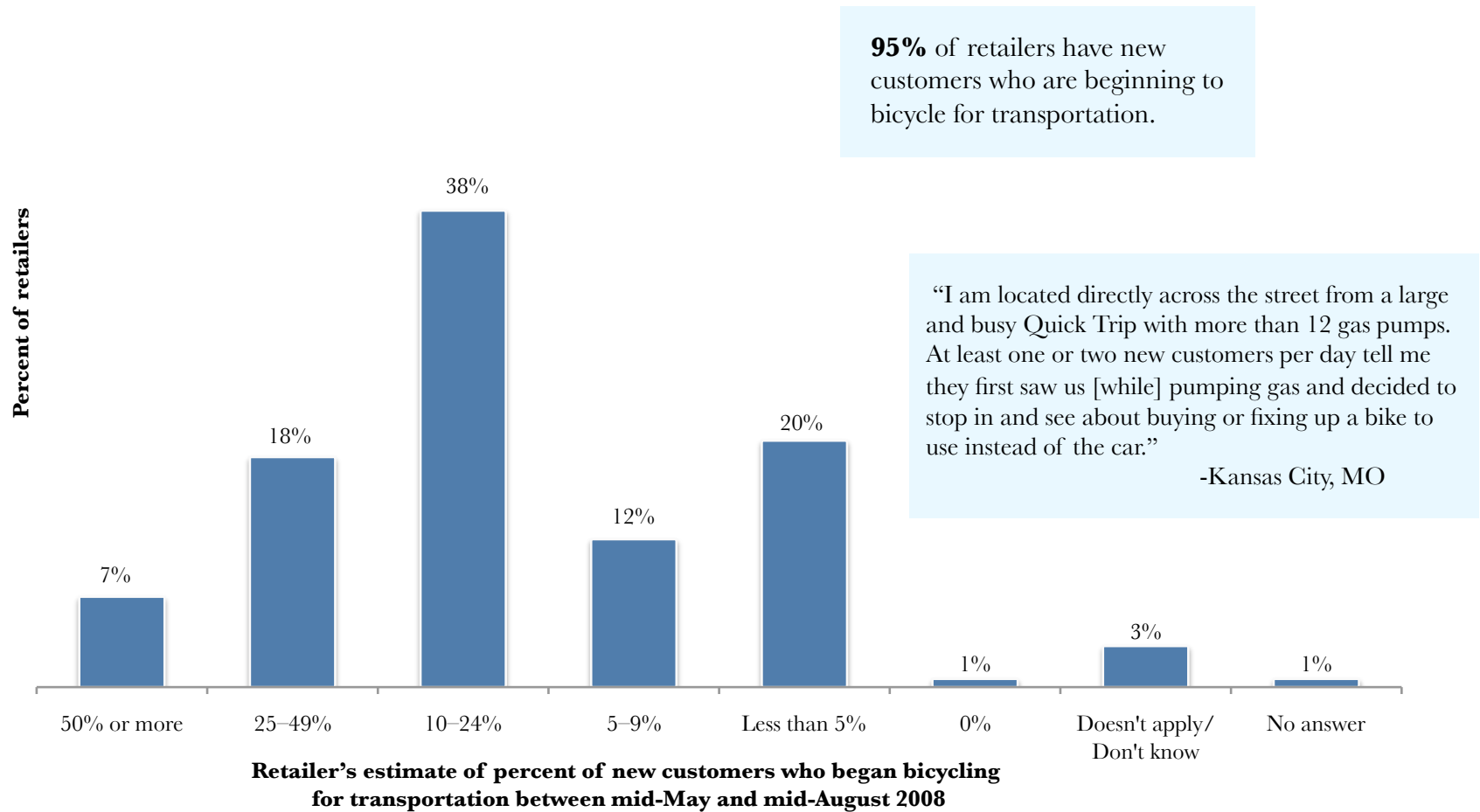
Most retailers said they believed that high gas prices are boosting transportation-related sales.



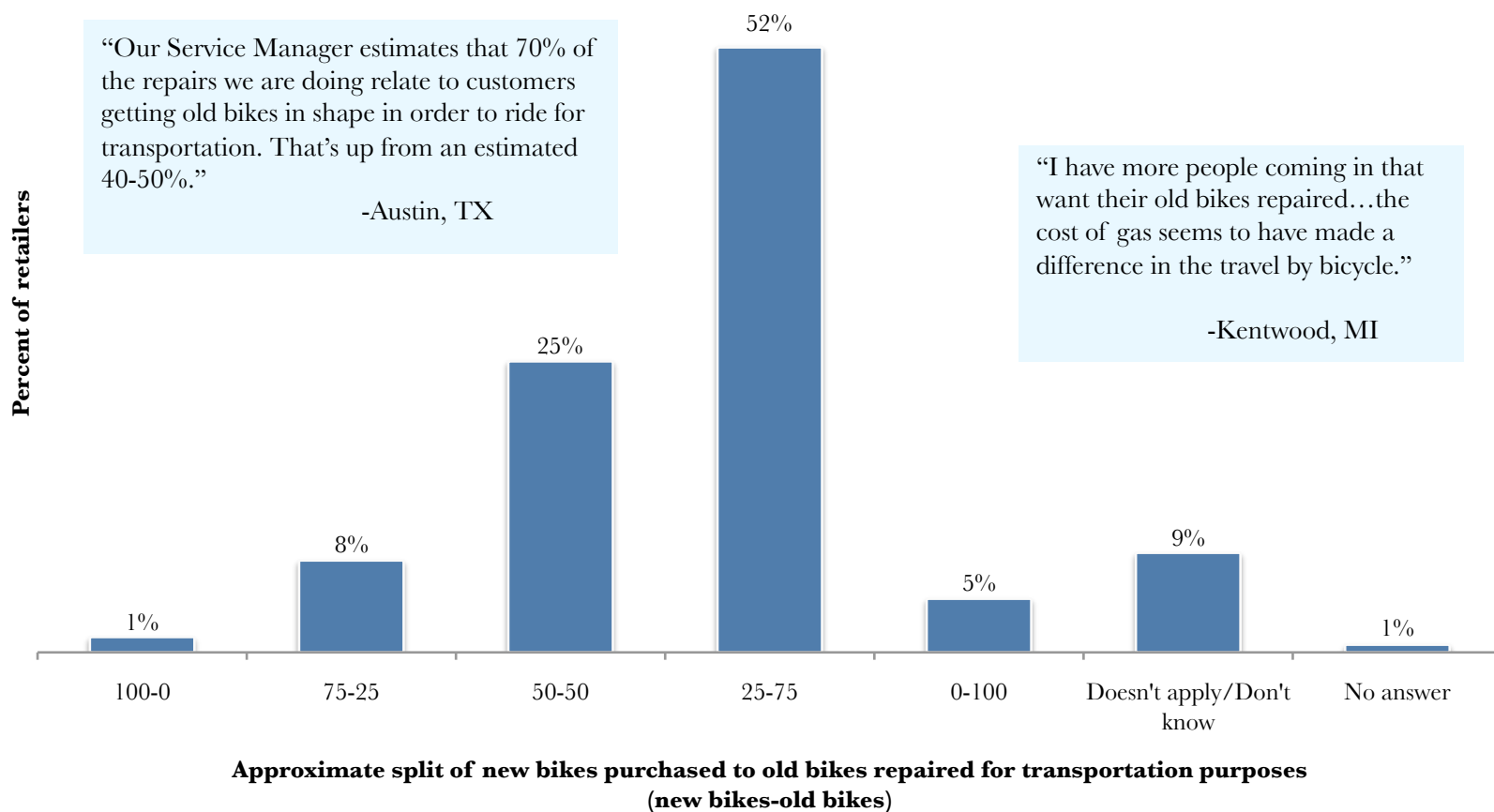
“Our labor sales have hit all time highs three months this year. We now carry accessories for commuting we never carried before. All of this is a direct result of the higher gas prices.”

-Alamogordo, NM

Nearly all shops have new customers who have recently started to bicycle for transportation.

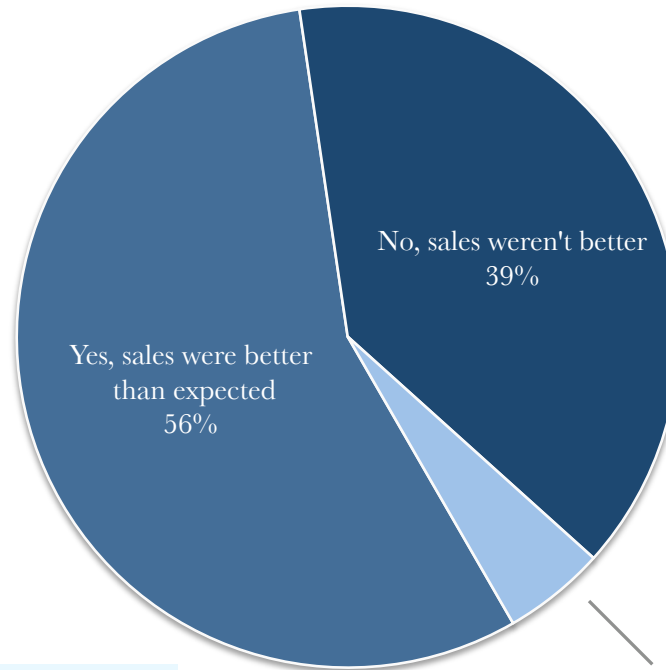


Customers who have started biking for transportation during the summer of 2008 have been more likely to bring in an old bike to be fixed than to buy a new bike.



More than half of retailers said their 2008 sales of bicycles designed for transportation have exceeded their expectations.

“Starting one week into May of 2008, our sales literally tripled.”
-Austin, TX



“Our commuter bike sales are the fastest growing category that we have. In the 17 years that I have owned my stores it was the best first quarter I’ve had.”
-Columbia, SC

“We just passed our total bike sale units from 2007 here at the end of July! High-end road bike sales are down, but hybrid, sport comfort, mountain and even kids’ bikes sales are way up!”
-Portland, ME

Doesn't apply/Don't know
5%

“Crazy [increase] in service and 25.9% in sales.”
-Lake Mary, FL

More people are starting to make short trips by bicycle than are commuting by bike to work.

“It seems that more of the purchases are for errands and less for commuting.”
-Atlanta, GA

“Most of what people are buying will help them make short trips to a store. Very little is commuting-to-work-related. So most of what we are selling is grocery bags, instead of work-related bags, like laptop computer bags.”
-Webster, TX

“I think that many people are trying to use bikes more often, but many also live simply too far away from work to have [commuting] be an option, sadly.”
-DePere, WI

Areas where commuting is perceived as most difficult are seeing less of a sales boom.

“Houston is very spread out. Many are putting the extra fuel costs right in their gas tanks so they can get to their jobs, which may be 30-40 miles from their house.”
-Houston, TX

“The metro Atlanta area is not designed for commuting and therefore we get very few doing this.”
-Buford, GA

“Our more urban store is experiencing strong growth, [while] our more suburban store is flat.”
-Natick, MA

“This market is primarily rural so distances to work can be greater than what people who do not bike now are willing to undertake. Biking marketing is primarily recreational and with the price of gas people don't have the money for recreational activities.”
-Brodhead, WI

Survey Methodology:

This survey was conducted as a SurveyMonkey online survey between July 16 and August 15, 2008. There were 152 respondents from 39 U.S. states and Washington, D.C.. Respondents were notified of the survey via a Bikes Belong e-newsletter and various bicycle retailer websites and publications.

The original survey is available at http://bikesbelong.org/urveys/Survey_Questions.pdf. Complete dataset and any other information can be requested by e-mailing kate@bikesbelong.org.

About Bikes Belong:

Bikes Belong Coalition is the U.S. bicycle industry organization dedicated to putting more people on bicycles more often. Bikes Belong lobbies to increase federal bike funding, awards grants to support innovative bike projects, promotes bicycling and its benefits, and backs crucial national efforts such as Safe Routes to School, Bicycle Friendly Communities, and the National Bike Summit. The affiliated Bikes Belong Foundation focuses on improving bicycle safety and enhancing children's bike programs.

Visit us on the web at www.bikesbelong.org.

