

Cumberland County and Cross-Border Shopping

April 19, 2010

Cross border shopping survey

The Department of Finance engaged Thinkwell Research to evaluate cross border shopping habits:

- Frequency and destination of travel across border
- Reasons for choosing shopping outlets
- Amount of routine (food, gas, cigarettes) purchases across border
- Amount of major (vehicles, appliances, electronics) purchases across border

Purpose for study: establish “baseline” data to assess impacts of HST increase on Cumberland County

- Assess against respondents in Westmorland County NB

Cross Border Travel: When, Where

Question

How often do you travel to New Brunswick for shopping, business, pleasure?

Answer

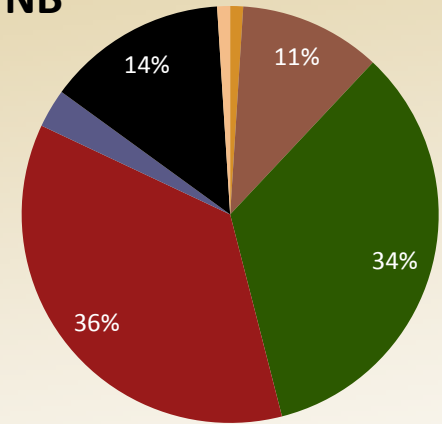
Shopping trips more frequent than business or pleasure

Main travel destinations

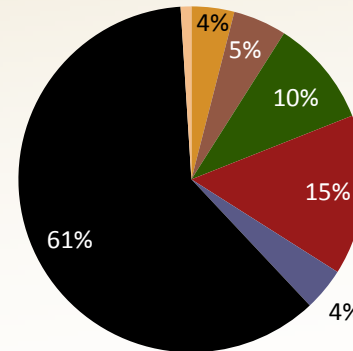
Moncton/Dieppe/Riverview: **80 per cent**

Sackville/Aulac: **18 per cent**

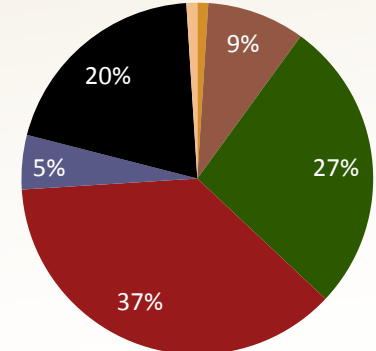
Shopping Travel in NB



Business Travel in NB



Pleasure Travel in NB



Cross Border Shopping Volume

Question

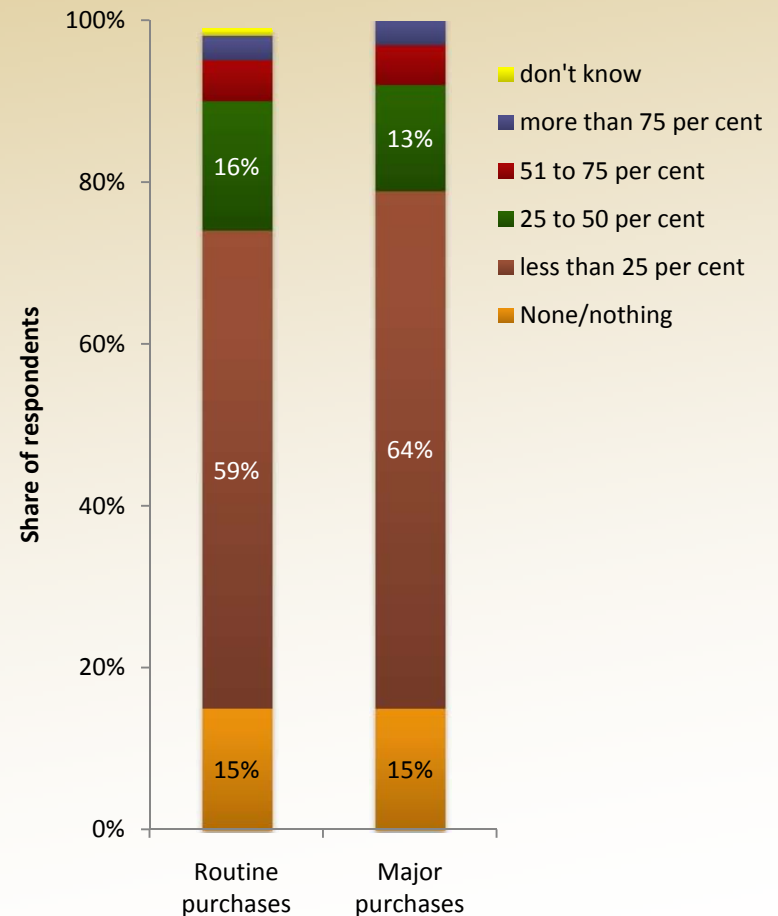
What share of your routine/major purchases do you make in NB?

Answer

Majority of households make majority of purchases in NS

74 per cent of respondents make zero or less than 25 per cent of their routine purchases in New Brunswick

79 per cent of respondents make zero or less than 25 per cent of their major purchases in New Brunswick



Cross Border Shopping Trends

Question

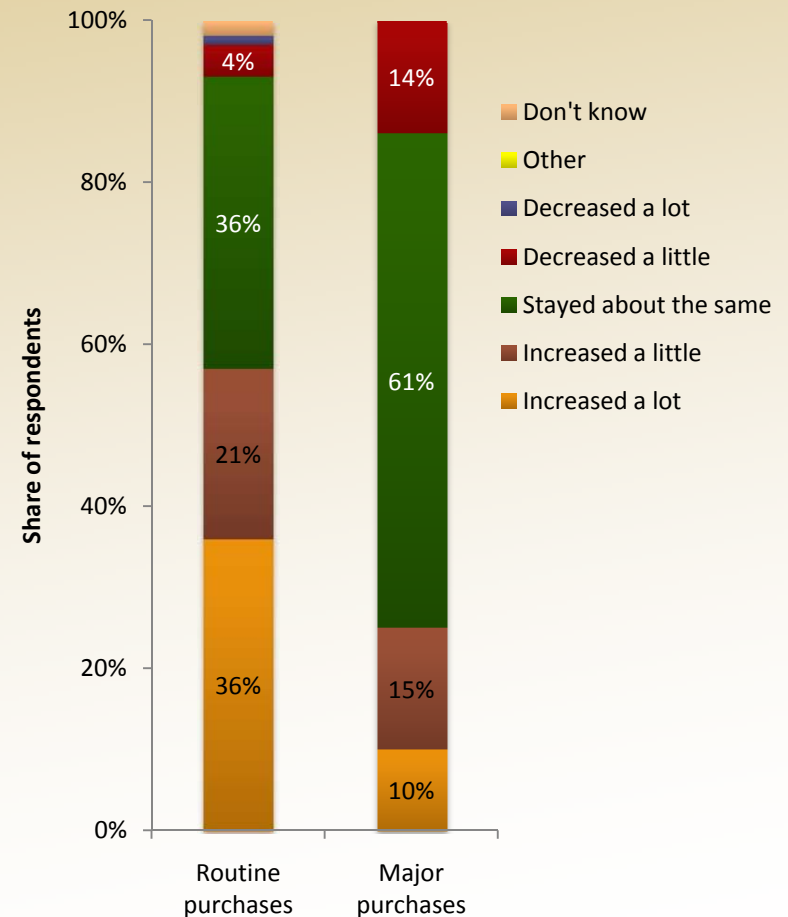
Among those who make a substantial number of cross border purchases—has this changed in the last three years?

Answer

More growth in routine purchases

57 per cent report an increase in routine purchases (smaller sample)

75 per cent report no change or decrease in major purchases (smaller sample)



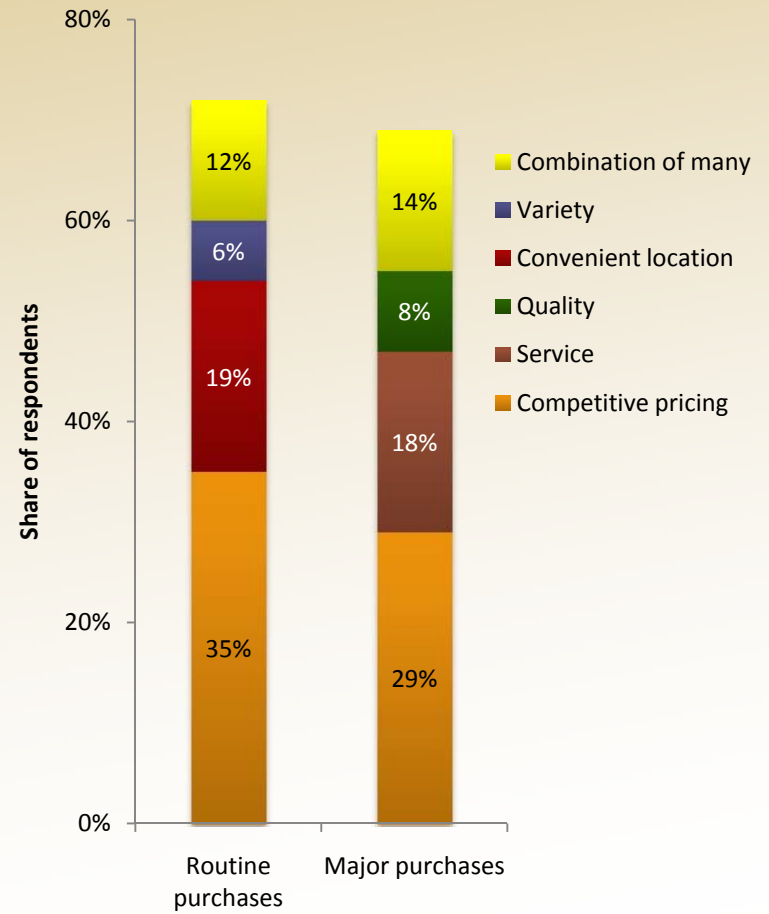
Shopping Preferences

Question

What qualities are the most important when you choose a retailer for your routine/major purchases?

Answer

Pricing is the most important, but convenience, service, quality and variety are noted



Cross Border Shopping Preferences

Question

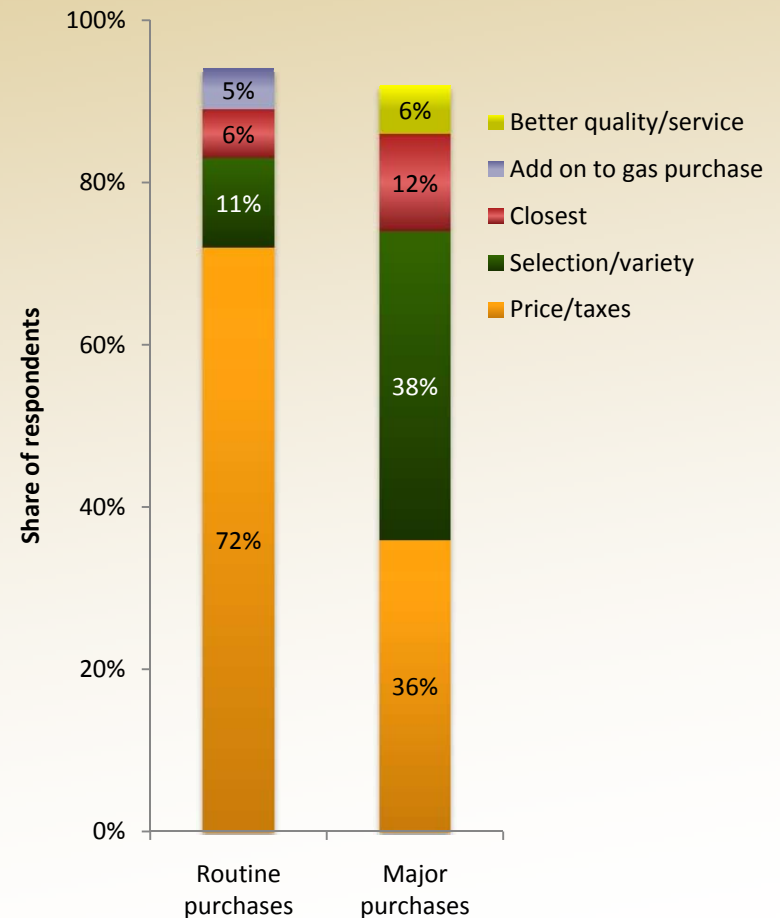
Why do you make purchases in NB?

Answer

Responses not the same as overall shopping preference

Pricing more important for routine cross-border purchases

Variety more important for major cross-border purchases



What does the study tell us?

Cross border shopping exists today

- But most households (74–79 per cent) make less than one quarter of their purchases in New Brunswick
- Regular cross-border travel—more than 1 trip per week—is rare (less than 12 per cent of households)

Overwhelming majority of cross-border shoppers' destination in Moncton area

What does the study tell us?

Prices determine cross border shopping for routine products

Selection and variety are just as important as prices for major cross-border purchases

Risks concentrated in particular sectors (routine purchases)