

British Columbians And Cross-Border Shopping

Two-Thirds (66%) Have Gone Shopping In The U.S. Over The Past Year

*Most (72%) Feel No Guilt About Their Cross-Border Shopping
One-In-Six (15%) Have Lied To A Customs Agent*



Ipsos Reid

Public Release Date: November 16, 2012 8:00AM

Ipsos Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos Reid employs more than 300 researcher professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and online panels. Ipsos Reid's Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds, offering the premier suite of research vehicles in Canada – including the Ipsos Trend Report, the leading source of public opinion in the country – all of which provide clients with actionable and relevant information. Ipsos Reid is an Ipsos company, a leading global survey-based market research group.

To learn more, visit www.ipsos.ca

*For copies of other news releases, please visit:
<http://www.ipsos-na.com/news/>*

© Ipsos Reid

Vancouver • Calgary • Winnipeg • Toronto • Ottawa • Montreal

British Columbians And Cross-Border Shopping

Two-Thirds (66%) Have Gone Shopping In The U.S. Over The Past Year

*Most (72%) Feel No Guilt About Their Cross-Border Shopping
One-In-Six (15%) Have Lied To A Customs Agent*

Vancouver, B.C. — Living close to the U.S. border provides many British Columbians with ample opportunities for cross-border shopping. According to a recent study by Ipsos Reid conducted in the fall of 2012, two-thirds of British Columbians (66%) have gone shopping across the U.S. border within the past year.

In our first annual *Cross-Border Shopping Study*, Ipsos Reid examined the key factors that drive British Columbians to shop in the U.S. Among those who have crossed the border to shop, the clear majority (90%) are aware that Canadian duty-free allowances were increased on June 1, 2012. However, the high levels of awareness have not driven higher levels of shopping, as 81% of those who shopped in the past have not been shopping more in the U.S. as a result of the announcement.

Of the top five factors that drive cross-border shopping, four revolve around saving money. The study showed that British Columbians who go to the U.S. are mainly concerned about: retail price differences (66%); availability of deals from a retailer (51%); currency exchange rates (49%); and the cost to cross the border (i.e. gas, food, hotel, etc.) (39%). The only non-monetary factor that drives U.S. visitation is the variety and selection at retailers (52%).

Dave Pierzchala, Senior Vice President, Ipsos Reid in Vancouver explains, “It will be interesting to see how these numbers are impacted by the influx of American retailers to Canada. These figures suggest that Canadians will still be heading to the U.S. unless the

U.S. retailers operating in Canada offer pricing in Canadian locations that is in line with their U.S. pricing.”

In regards to Canadian nationalism, a clear majority (72%) of British Columbians feel no guilt when it comes to cross-border shopping. And although they might not feel guilty, most British Columbians don’t go so far as lying to customs about how much they spent on a cross-border shopping trip, as just one-in-six (15%) British Columbians admit to lying to a customs agent about their levels of expenditures.

Pierzchala adds, “These numbers show that Canadian retailers cannot wrap themselves in the flag especially when some Canadians are willing to risk a run-in with customs for the sake of a deal.”

These are the findings of an Ipsos Reid study fielded from October 16 to October 29, 2012. This online survey of 2,477 adult British Columbians, 18 years and older, was conducted using Ipsos Reid’s proprietary “Voice of the West Interactive Forum” – an online panel of more than 6,000 British Columbians who have been randomly recruited to match the overall characteristics of the adult residents of the province. Statistical margins of error are not applicable to online studies of this nature, however, an unweighted probability sample of this size, with a 100% response rate, would have an estimated margin of error of +/- 1.97 percentage points, 19 times out of 20. The margin of error would be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample’s regional and age/sex composition reflects that of the actual BC population according to 2011 Census data.

- 30 -

For more information on this news release, please contact:

Dave Pierzchala
Senior Vice President
Ipsos Reid
Office: 778-373-5006
Cell: 604-318-4203

*For tabular results, please visit our website at www.ipsos.ca.
News releases are available at <http://www.ipsos-na.com/news/>.*