


2017

Changes in Canadian Shopping Visits to Northwest Washington, 2013-2016

Border Policy Research Institute

Follow this and additional works at: https://cedar.wvu.edu/bpri_publications

 Part of the [Economics Commons](#), [Geography Commons](#), [International and Area Studies Commons](#), and the [International Relations Commons](#)

Recommended Citation

Border Policy Research Institute, "Changes in Canadian Shopping Visits to Northwest Washington, 2013-2016" (2017). *Border Policy Research Institute Publications*. 2.
https://cedar.wvu.edu/bpri_publications/2

This Border Policy Brief is brought to you for free and open access by the Border Policy Research Institute at Western CEDAR. It has been accepted for inclusion in Border Policy Research Institute Publications by an authorized administrator of Western CEDAR. For more information, please contact westerncedar@wwu.edu.

Changes in Canadian Shopping Visits in Northwest Washington, 2013 to 2016

Volume 12, Winter 2017

www.wvu.edu/bpri

BPRI's License Plate Survey

Surveys were conducted on Thursdays, Fridays, and Saturdays on the following dates:

2013	June 8, 13, 14
	September 19, 20, 21
	December 12, 13, 14
2016	June 16, 17, 18
	September 8, 9, 10
	December 15, 16, 17

Changes in the % of Canadian plates by business type:

Retail locations in Bellingham, particularly box stores such as Ross, Costco, and Target, are heavily visited by Canadians. In 2013, more than 50% of the vehicles in these parking lots had Canadian plates—a percentage that declined at all surveyed locations in 2016. While retail stores in Bellingham saw the greatest declines, outlet malls to the south also saw declines: 22% at The Outlets in Burlington, and 13% at the Seattle Premium Outlets in Marysville. While the number of Canadian cars declined at all these locations, the number of “other” (non-Canadian) cars grew at most of them.

Casinos are also popular destinations for Canadians. The survey found that Canadian cars comprised 45% of all cars at the Silver Reef Casino in 2013. In 2016, the percentage of Canadian cars had declined marginally at all three of the casinos sampled, with a 6% decline at Silver Reef, 4% at Skagit Valley, and 2% at Tulalip. Cars designated as “other” also declined at two of the three casinos.

Introduction. In 2013, the BPRI launched a long-term study to analyze the behavior of Canadians crossing the border to shop in Northwest Washington by counting the percentage of Canadian license plates in specified shopping locations along the Interstate 5 corridor.¹ Our “license plate survey” includes data collected over the course of 6 weeks (3 days per week), for a total of 18 survey days in 2013 and 2016. This Border Policy Brief is a comparative analysis of the data collected in 2013, when the loonie averaged \$0.97 USD, and data collected in 2016 in the same locations, when the loonie averaged \$0.76 USD.

Background. The declining value of the loonie began in earnest in mid-2013, prompting a decline in cross-border traffic volumes in the Cascade Gateway by 25% from 2013 to 2016.² Previous Border Briefs analyzed the decline in cross-border traffic volumes since 2013, as well as the associated impact on retail sales tax and per capita online sales in the region.³ This analysis focuses on changes in Canadian shopping excursions both geographically (at shopping hubs along the I-5 corridor) and by business type (i.e., retail, casino, grocery).

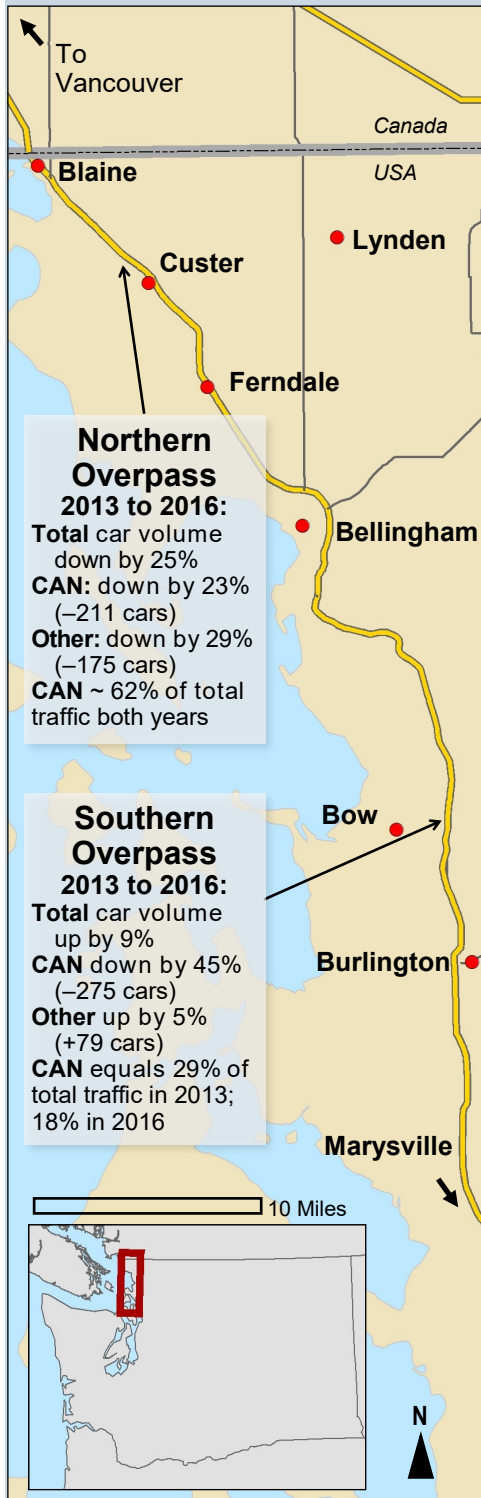
Changing Trends in Canadian Shopping Visits. The sidebar to the left highlights some overall changes in the shopping visits of Canadians from 2013 to 2016, while Table 1 on the next page displays a more detailed description of each survey location including: 1) the percentage of cars with Canadian plates; and 2) the change in volume of both Canadian cars and “other” cars (any without Canadian plates) expressed in percentage terms and raw numbers. The majority of survey locations saw declines in the total number of cars, which was largely a result of fewer Canadian visitors.

Bellingham is by far the most popular destination for Canadian shoppers within our survey zone. This is evident both in the parking lot survey, as well as the count of cars taken from the northern overpass near Custer (Map 1). Here, Canadian cars comprised 62% of all southbound traffic on Interstate 5 in both 2013 and 2016. In 2016, the total number of Canadian cars fell by 23%. At the overpass located south of Bellingham, Canadian cars comprised 29% of all southbound traffic in 2013 and 18% in 2016. In 2016, the total number of Canadian cars spotted fell by 45%. The differences between these sampling locations suggests that areas south of Bellingham experienced larger declines in Canadian visitation as the loonie weakened from 2013 to 2016. Thus, as the purchasing power of the Canadian dollar dropped, not only did fewer Canadians cross the border, but they did not travel as far south.

The largest declines in raw numbers of Canadian shoppers occurred in Bellingham at Bellis Fair Mall, Costco, Walmart, and Trader Joe’s, and at the Outlets in Burlington. Canadian cars at the Bellingham Ross, which had the highest percentage of Canadian cars both survey years, declined by 37%. However, Canadian cars still comprised a little over half the vehicles in that parking lot in 2016. This may be, in part, because there was no increase in other cars in that lot between 2013 and 2016. Walmart, by comparison, saw Canadian plates drop from 41% of plates in 2013 to 18% in 2016.

Map 1: Survey map with overpasses

Table 1: Change in Canadian (CAN) License Plates and Total Traffic at Survey Locations, 2013 to 2016⁴



	CAN% of Total Cars (2013)	CAN% of Total Cars (2016)	Change in Car Volume (2013 to 2016)			
			CAN Cars % [raw #]	Other Cars % [raw #]		
Blaine						
Shopping Center	40%	25%	-52%	[-122]	-2%	[-7]
Downtown	38%	32%	+1%	[+1]	+35%	[84]
Lynden						
Downtown core	12%	10%	-12%	[-11]	+9%	[57]
Safeway	10%	6%	-39%	[-37]	+4%	[4]
Custer						
The Market	18%	6%	-61%	[-34]	+30%	[75]
Ferndale						
Silver Reef Casino	45%	39%	-15%	[-89]	+9%	[69]
Bellingham						
Ross	63%	51%	-37%	[-296]	0%	[0]
Walmart	41%	18%	-61%	[-252]	+24%	[143]
Costco ⁵	59%	30%	-50%	[-374]	+69%	[349]
Fred Meyer (Bakerview)	32%	18%	-43%	[-124]	+22%	[137]
Best Buy/BedBathBeyond	19%	7%	-59%	[-70]	+18%	[94]
Bellis Fair Mall	42%	20%	-23%	[-1039]	+20%	[408]
Fred Meyer (Lakeway Dr.) ⁶	5%	3%	-36%	[-20]	-13%	[-151]
Trader Joe's	42%	23%	-55%	[-224]	+11%	[62]
Bow						
Skagit Valley Casino	14%	10%	-37%	[-53]	-3%	[-29]
Burlington						
Cascade Mall	5%	3%	-43%	[-27]	+19%	[183]
The Outlet Shoppes	37%	15%	-64%	[-189]	+18%	[94]
Costco	10%	5%	-47%	[-103]	+14%	[280]
Ross, Best Buy, BedBath Beyond, Old Navy	15%	7%	-53%	[-100]	+17%	[177]
Walmart	6%	3%	-58%	[-51]	+5%	[70]
Marysville						
Costco	4%	2%	-47%	[-24]	+7%	[91]
Kohl's, Ross	5%	5%	-20%	[-10]	-12%	[-115]
Walmart	8%	4%	-59%	[-37]	-7%	[-58]
Tulalip Casino	6%	4%	-38%	[-52]	-15%	[-332]
Seattle Premium Outlets	23%	10%	-61%	[-251]	+8%	[116]

Endnotes

1. For detailed methodology, see BPRI's [Working Paper No. 6](#), "Canadian Shoppers in Northwest Washington State."
2. Southbound traffic only. Source: U.S. Customs and Border Protection.
3. See [Winter 2015 Border Policy Brief](#) and [Winter 2016 Border Policy Brief](#), both available at www.wwu.edu/bpri/publications/border-policy-briefs.shtml.
4. Data displayed include select locations only from the license plate survey.
5. A new Costco opened prior to the December 2016 study, which could have had an impact on shopping behavior.
6. The parking lot was reconfigured prior to the 2016 sample, so a new row of parking spaces was included in the 2016 sample, although it is unlikely this had a large effect on the sample.