

Consumer Behaviour Survey 2022

Survey Results for Q3 2022



Executive Summary

The Consumer Behaviour Insights Survey was launched in August and September 2022 by the City of Surrey Economic Development Division to better understand the spending habits of Surrey residents, and is used to inform businesses on how they can better serve the Surrey community. Additionally, Economic Development will be using the information provided to attract new retailers to the City to better meet residents' shopping needs. The following results are based on 1,056 complete survey responses.

In terms of overall spending patterns, Surrey residents spent more in almost every category compared to the 2019 provincial median. Most People have had to travel outside of their own town centre for entertainment and discretionary expenses. For essentials, people mostly stayed within their home town centres.

The survey also collected data on the impacts of inflation. Nearly 60% of respondents stated that they are very concerned about inflation impacts while most of their concern is regarding groceries and health care costs.

Reducing spending seems to be the top solution people are considering to cope with price increases. On the other hand, small electronics, pet food and supplies and alcohol are what respondents seem to be least concerned about.

This work also included analyzing spend leakage outside of Surrey for different spending categories and subsequently identifying potential investment opportunities in retail. Restaurant dining has the greatest retail investment opportunity in Surrey at about \$24.6 million a month as the amount which could be spent in Surrey but is currently being spent elsewhere in the region. This is followed by entertainment and recreation with \$24 million worth of unrealized investment opportunity.

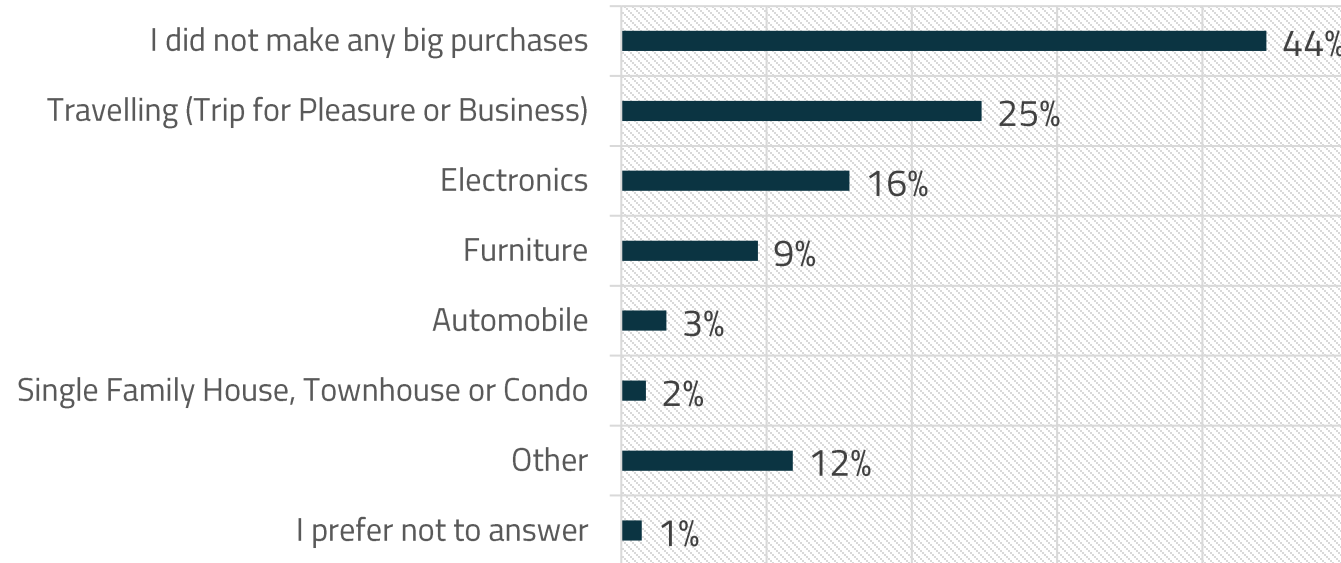
Overall, while spending is high among Surrey residents, there is not enough retail space to support the demand even when the impacts of inflation is taken into account.



Monthly Household Spending



Big Household Purchases

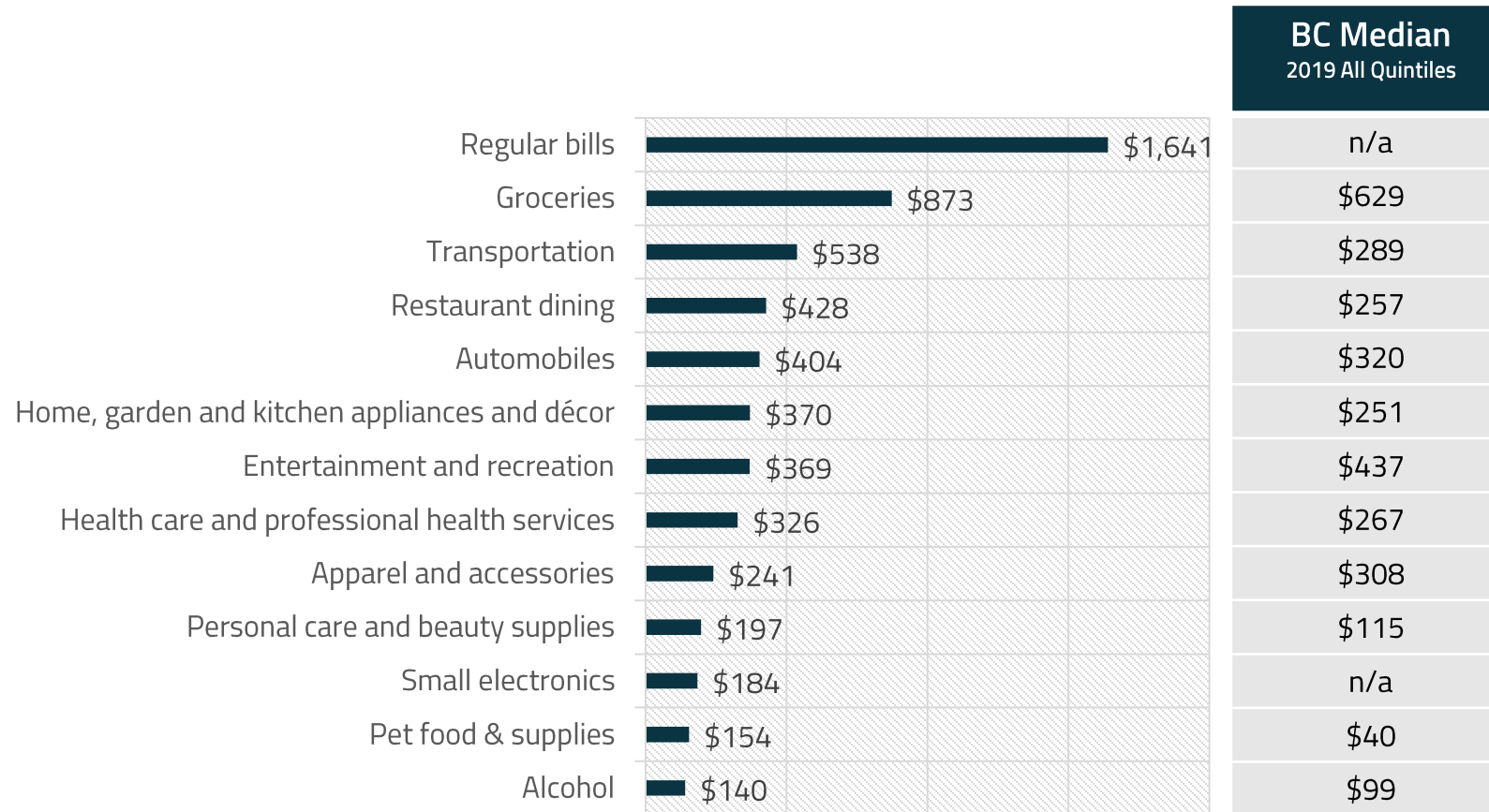


- More than half of survey respondents purchased big ticket items in June and August. Travelling makes up 25% of these purchases.
- Despite price increases and a rising inflation, 56% of respondents made big purchases in electronics, furniture, automobile and other such items.

Q: Thinking about June/August 2022, what were the one-time, big-ticket items you purchased in that month? Any item that was not part of your regular spending pattern and was relatively a big purchase.

Total participants: 1056

Average Monthly Household Purchases



- Surrey residents spent more in almost every category compared to the provincial median, except for entertainment and recreation, and apparel and accessories.
- Even with price increases considered, demand is still strong for consumer products in Surrey. This is especially true for groceries, transportation costs and restaurant dining.

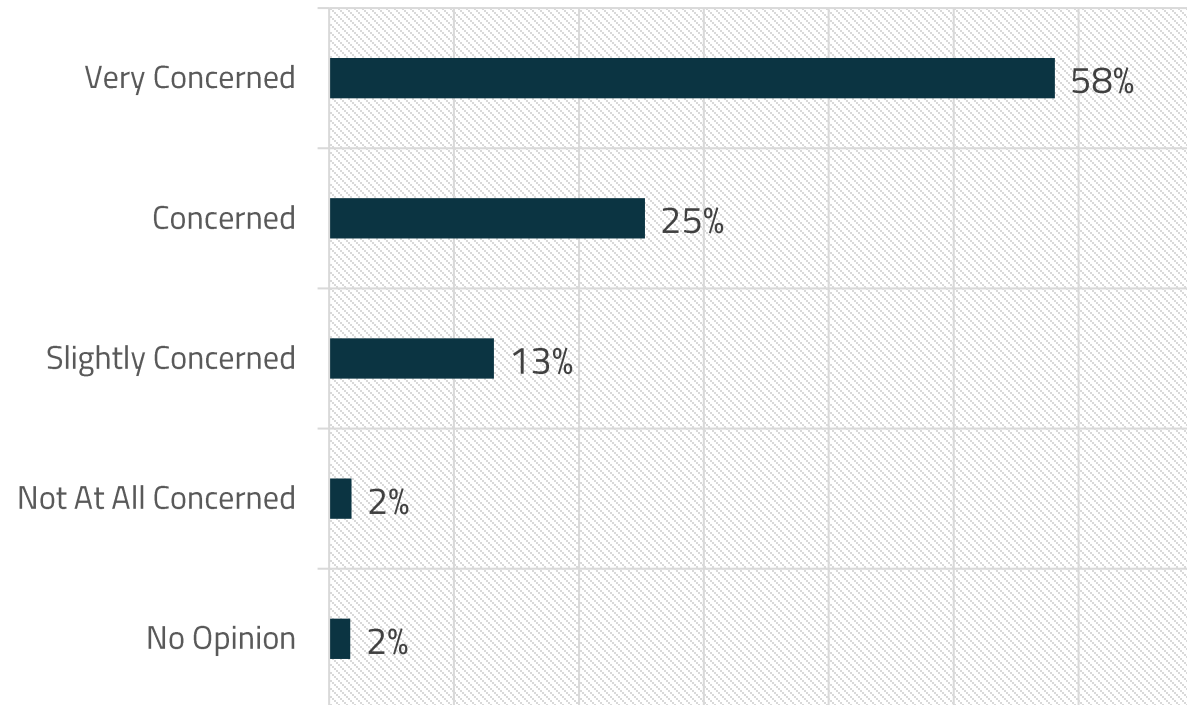
Q: During the month of June/August 2022, approximately how much did your household spend on the following product types, excluding the big-ticket items listed in the previous question? Please note that we have purposely made the maximum spend per category large (just in case) so that they could all be on the same scale.

Total participants: 1056

Inflation



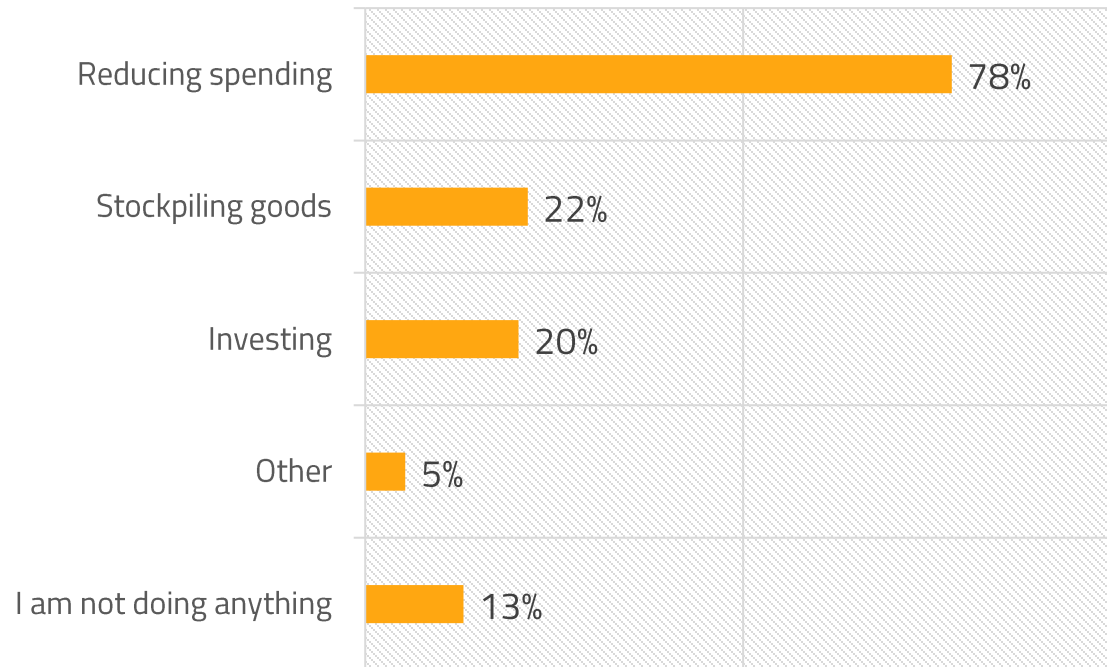
Potential Impacts of Inflation & Actions to Protect Against Price Increases



- Inflation is a top concern for residents and is changing spending patterns. 83% of respondents stated that they are concerned about inflation.

Q: Total How concerned are you about price increases on products during the next 6 months?
participants: 1056

Potential Impacts of Inflation & Actions to Protect Against Price Increases



- Reducing spending is what residents are considering to cope with inflation impacts. Stockpiling goods is another coping strategy for 22%, which could translate into a spike in demand for certain goods.

Q: Have you started doing any of the following to protect against price increases?

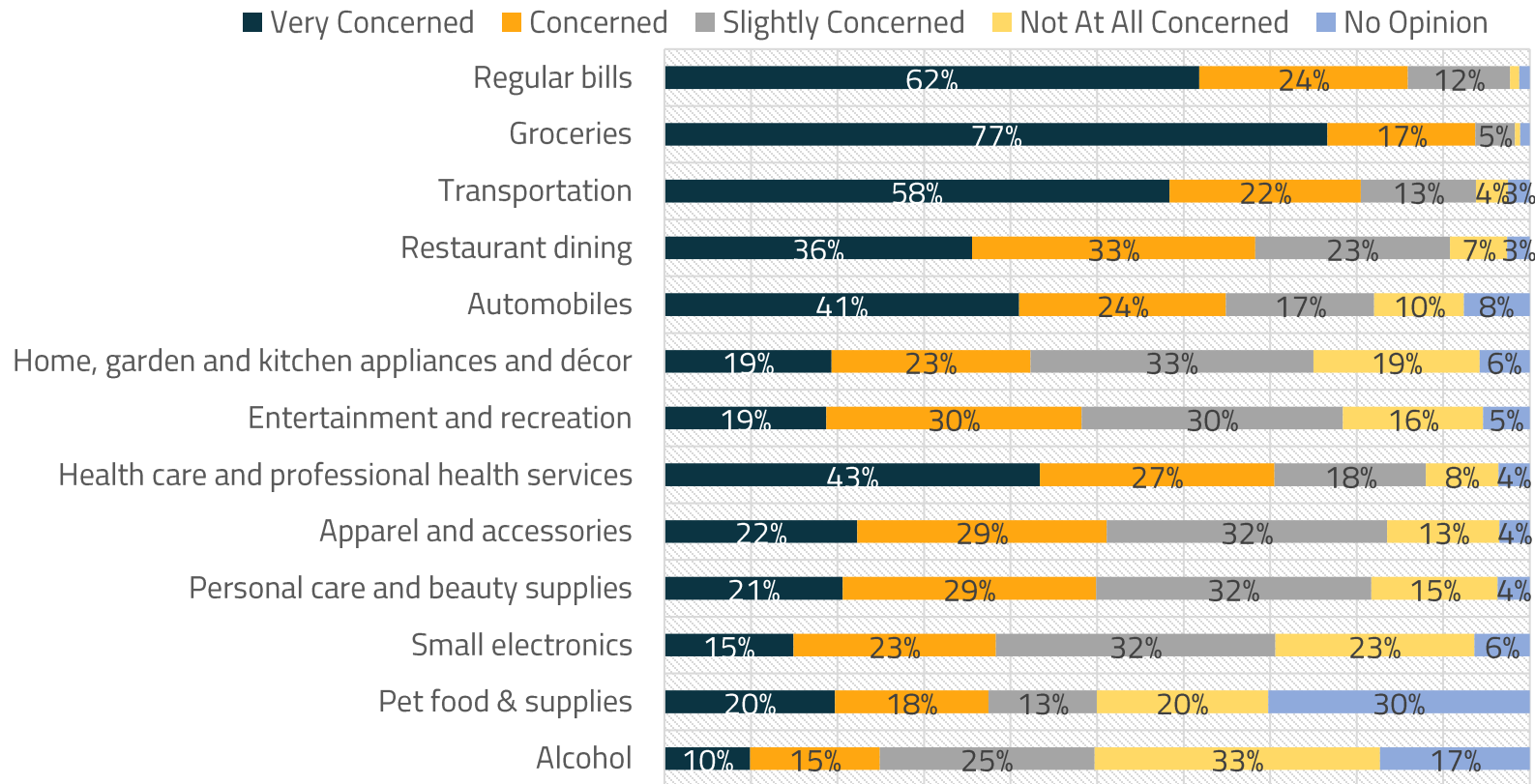
Please refer to the Verbatims file to read all the comments submitted for this question.

Total participants: 1019/60

(Those who selected Very Concerned, Concerned or Slightly Concerned in previous question, How concerned are you about price increases on products during the next 6 months?)

Level of Concern Over Price Increases by Retail Sector

(sorted in order of monthly spend)



- Essentials such as groceries and health care are what respondents were most concerned about.
- Some other products seem to be more inflation resistant. Alcohol, small electronics and pet food and supplies are among these. Less than 20% of respondents stated that they are very concerned about any of these.
- The level of concern among consumers can show subsectors less likely to be impacted due to price increases.

Q: For each of the following product types, please provide your level of concern over price increases:

Total participants: 1019

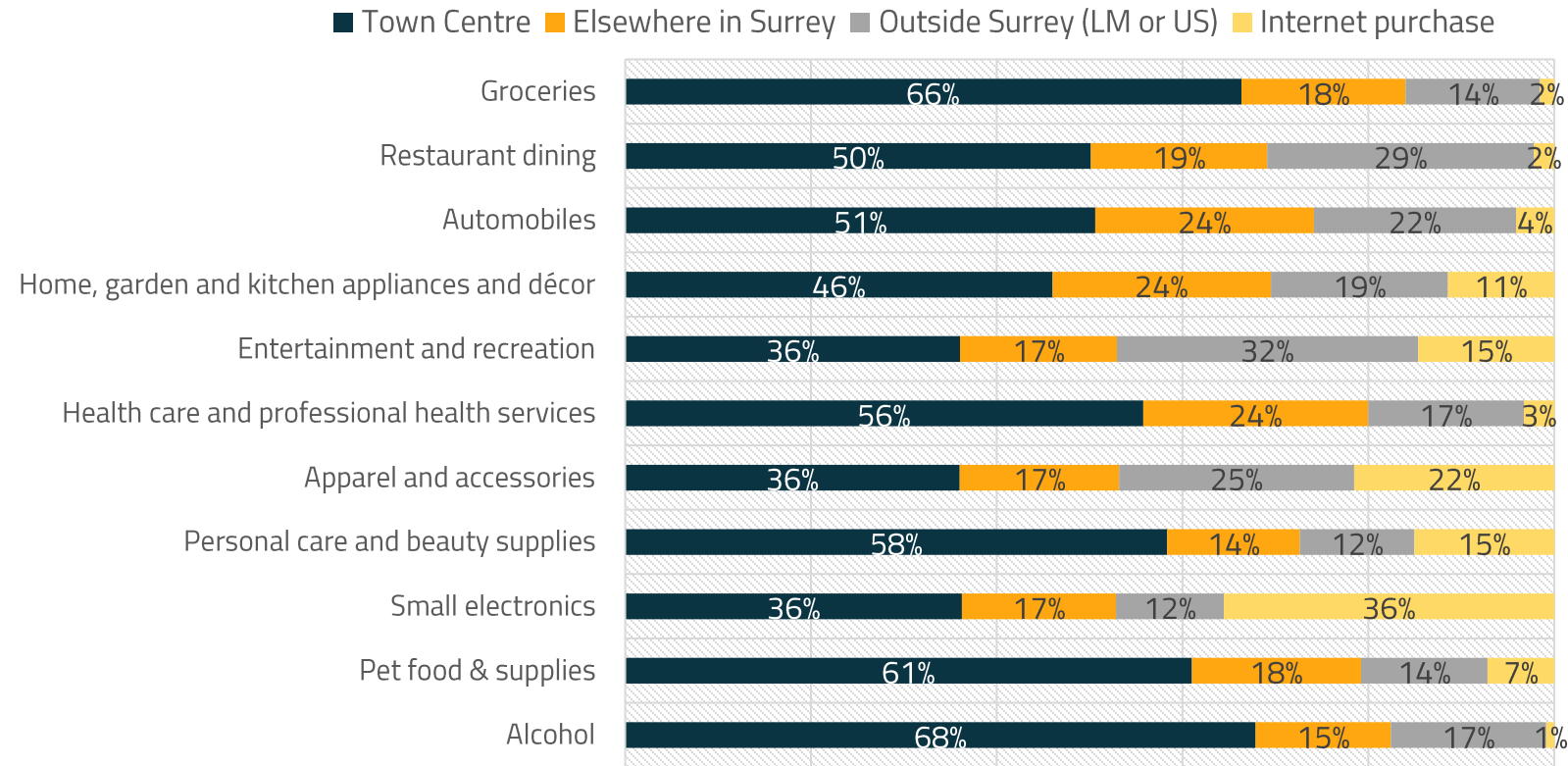
(Those who selected *Very Concerned*, *Concerned* or *Slightly Concerned* in previous question, *How concerned are you about price increases on products during the next 6 months?*)

Spending In and Out of Surrey



Distribution of Spending

(sorted in order of monthly spend)

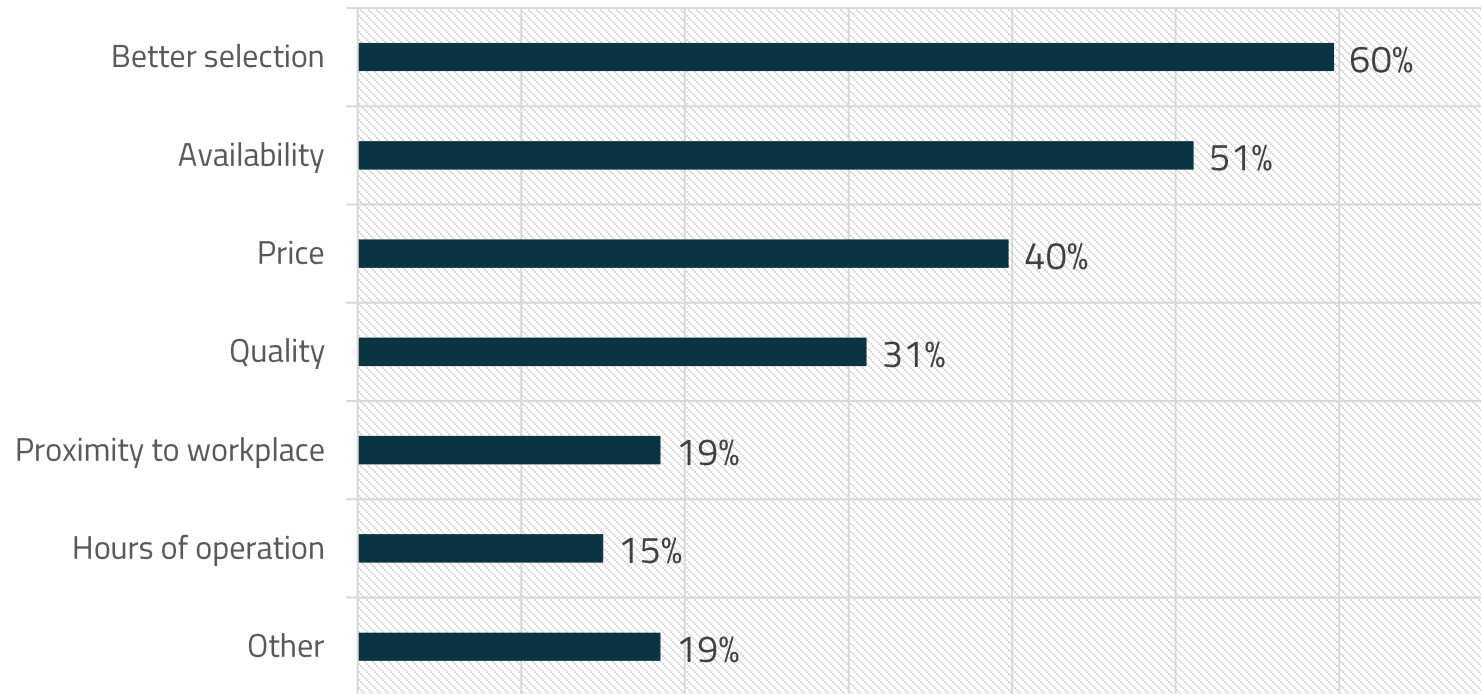


- Most people have had to travel outside of their town centre to make purchases in discretionary items, namely, home appliances and décor, entertainment and recreation, apparel and accessories, and small electronics.
- Most consumers did not travel outside of their town centres for essentials, including groceries and health care.

Q: What percentage of each of these product types did you spend in your Town Centre, other parts of Surrey, somewhere in the Lower Mainland/US or on the Internet? Your town centre refers to the area in Surrey where you live, such as Guildford or Cloverdale, etc.

Total participants: 1056

Reasons for Making Regular Purchases Outside of Surrey



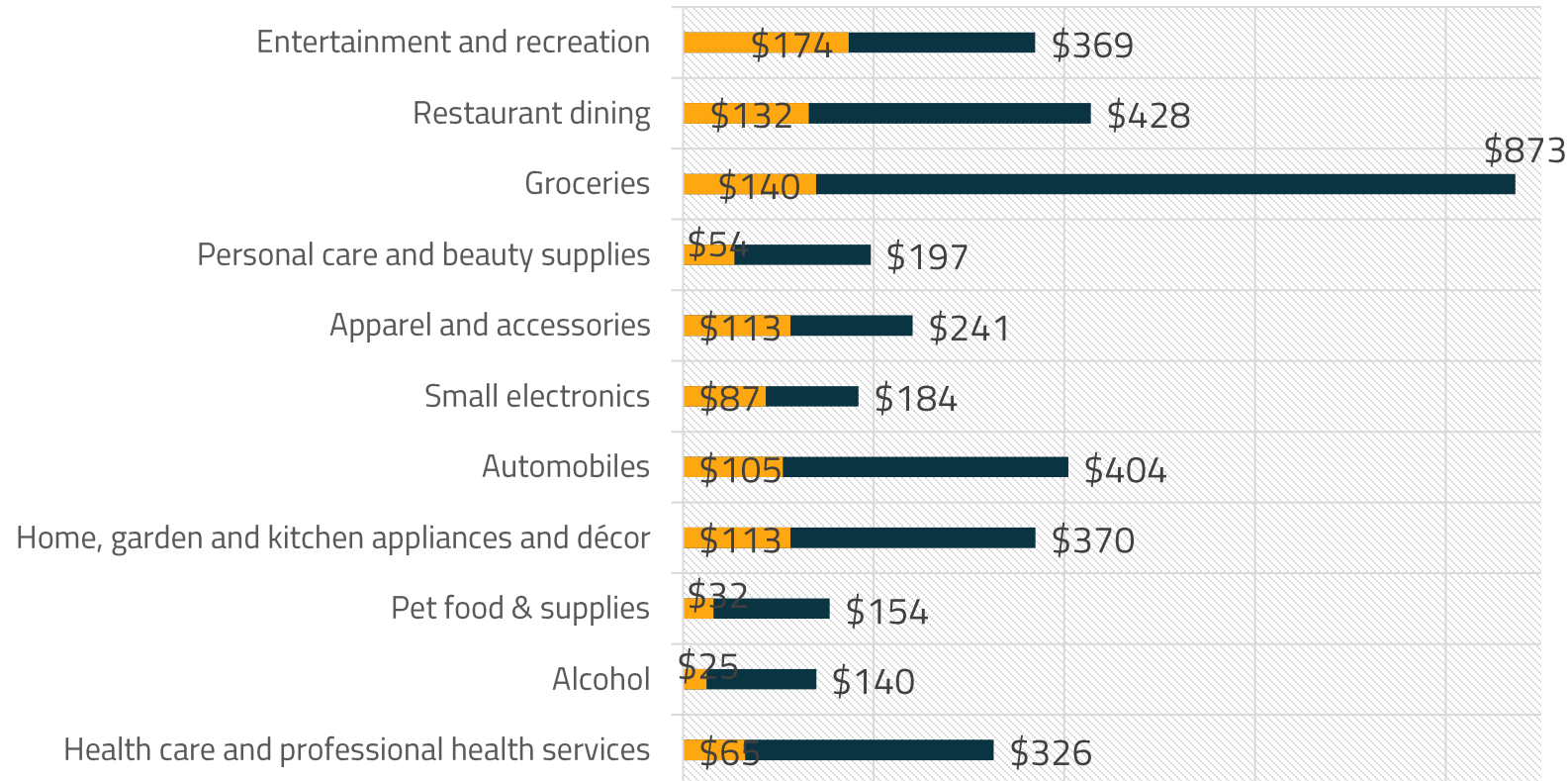
- One reason why people are not spending as much money on entertainment and recreation and apparel and accessories might be that they do not have those retail spaces in close proximity.
- Purchases outside of consumers' town centres are due to better selection of goods in retail spaces according to 60% of respondents.
- More than half stated that availability is the reason why they prefer to make purchases outside of Surrey.

Q: If you are making purchases outside of Surrey on a regular basis, please select the reason why that is? Select all that apply.

Total participants: 919/177

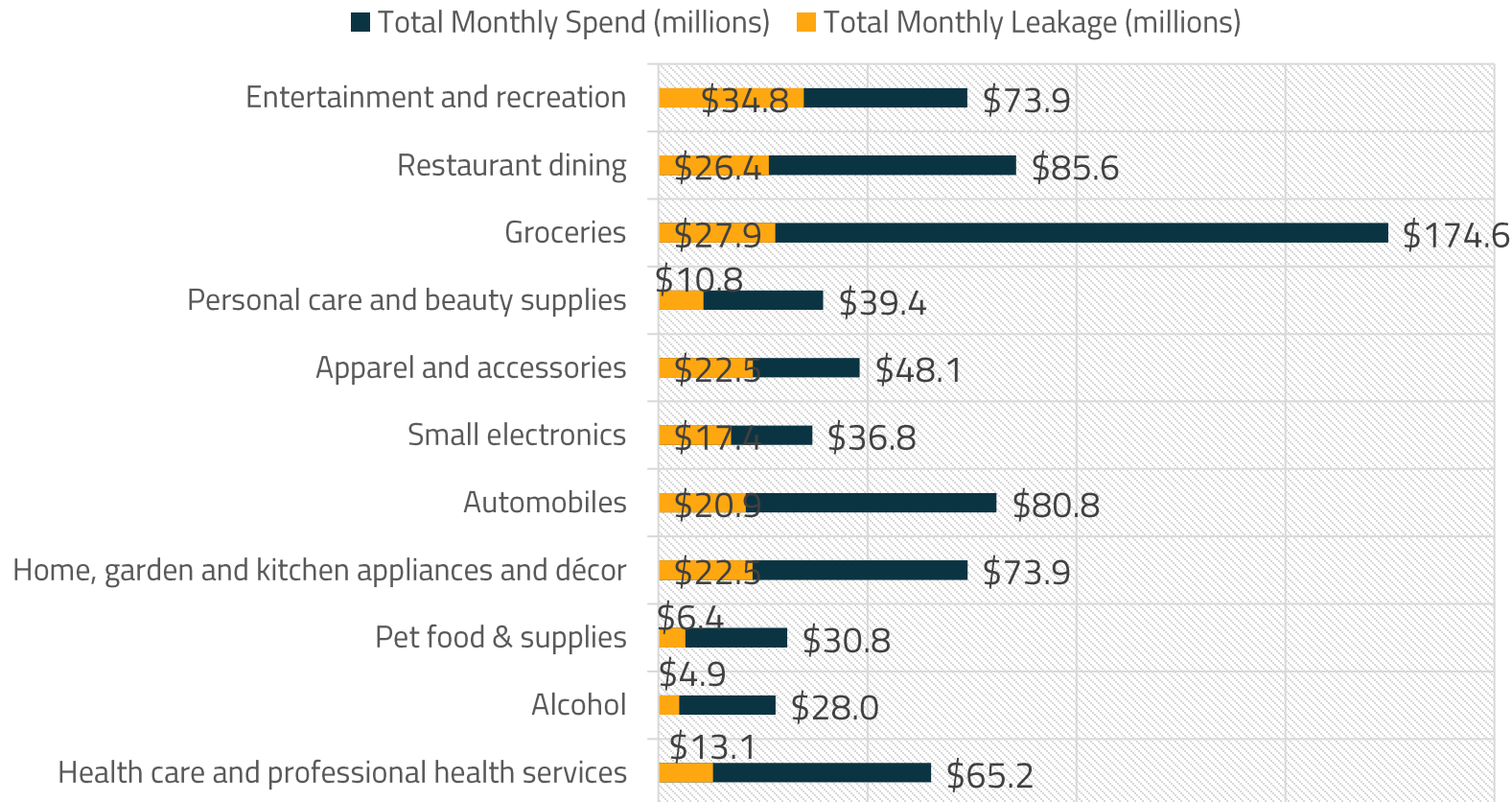
Average Household Spending

■ Average Monthly HH Spend ■ Total Monthly HH Leakage



- The survey results demonstrate a considerable leakage effect in certain spending categories.
- Leakage refers to the amount Surrey residents spent outside of Surrey on certain products. This also includes online purchases.
- For entertainment and recreation, and apparel and accessories the leakage accounts for nearly half the entire monthly household spend.

Overall Surrey Spending



- The leakage spend of each household in Surrey amounts to a substantial amount spent outside of the community overall.
- Entertainment and recreation, groceries, and restaurant dining have higher amounts being spent outside of the city and online.
- Surrey residents spend a total of \$207 million outside of the city each month. This can translate into a significant unrealized investment opportunity in Surrey, especially for products with the highest leakage spend.

Average Household Spending

Sector	Average Monthly HH Spend	Monthly HH Leakage - Outside Surrey	Monthly HH Leakage - Online	Total Monthly HH Leakage	Total HH Leakage %
Entertainment and recreation	\$369	\$120	\$54	\$174	47%
Restaurant dining	\$428	\$123	\$9	\$132	31%
Groceries	\$873	\$126	\$13	\$140	16%
Personal care and beauty supplies	\$197	\$24	\$30	\$54	27%
Apparel and accessories	\$241	\$61	\$52	\$113	47%
Small electronics	\$184	\$21	\$65	\$87	47%
Automobiles	\$404	\$88	\$17	\$105	26%
Home, garden and kitchen appliances and décor	\$370	\$70	\$42	\$113	30%
Pet food & supplies	\$154	\$21	\$11	\$32	21%
Alcohol	\$140	\$23	\$1	\$25	18%
Health care and professional health services	\$326	\$55	\$11	\$65	20%

Overall Surrey Spending

Sector	Total Monthly Spend	Monthly Leakage - Outside Surrey	Monthly Leakage - Online	Total Monthly Leakage
Entertainment and recreation	\$73,860,000	\$23,967,570	\$10,805,718	\$34,773,288
Restaurant dining	\$85,560,000	\$24,564,276	\$1,856,652	\$26,420,928
Groceries	\$174,600,000	\$25,247,160	\$2,688,840	\$27,936,000
Personal care and beauty supplies	\$39,380,000	\$4,847,678	\$5,930,628	\$10,778,306
Apparel and accessories	\$48,140,000	\$12,169,792	\$10,369,356	\$22,539,148
Small electronics	\$36,800,000	\$4,276,160	\$13,086,080	\$17,362,240
Automobiles	\$80,840,000	\$17,590,784	\$3,322,524	\$20,913,308
Home, garden and kitchen appliances and décor	\$73,940,000	\$14,085,570	\$8,451,342	\$22,536,912
Pet food & supplies	\$30,800,000	\$4,188,800	\$2,211,440	\$6,400,240
Alcohol	\$27,980,000	\$4,681,054	\$240,628	\$4,921,682
Health care and professional health services	\$65,200,000	\$10,934,040	\$2,125,520	\$13,059,560

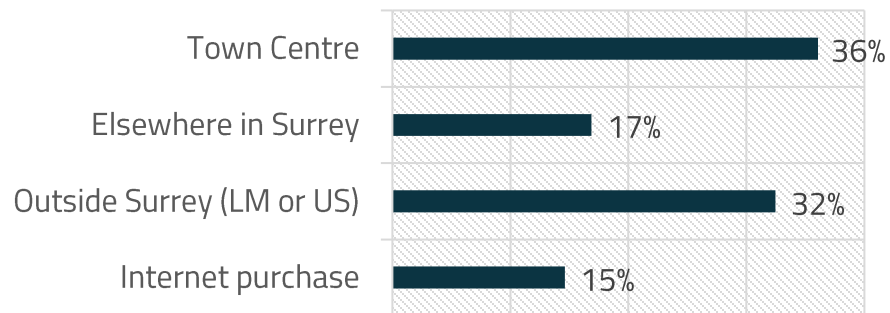
Note: Based on estimated 200,000 Surrey households

Entertainment and Recreation

Average Monthly HH Spend

\$369

Monthly HH Spend Distribution



HH Leakage

47%

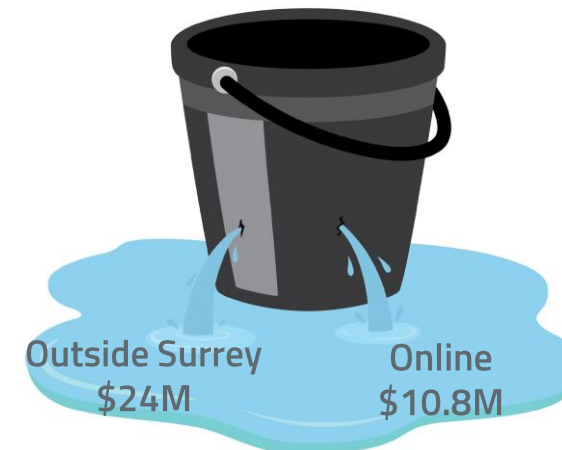
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

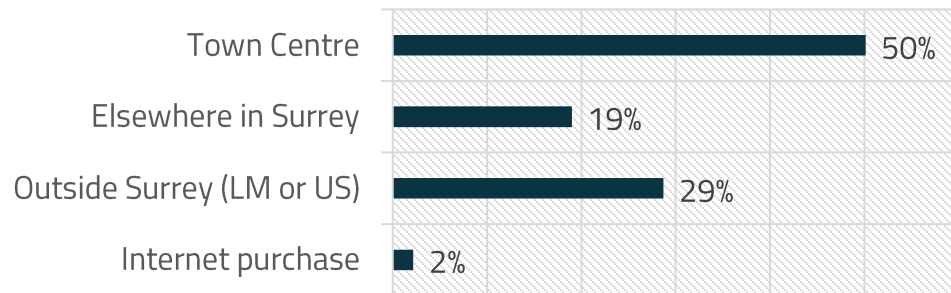
Spending on internet purchases



Restaurant Dining

Average Monthly HH Spend
\$428

Monthly HH Spend Distribution



HH Leakage
31%

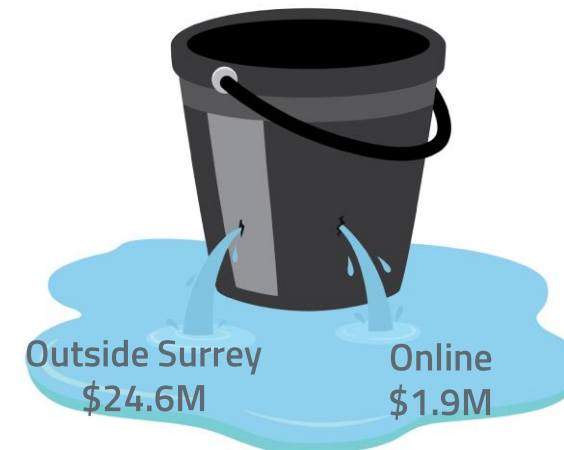
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

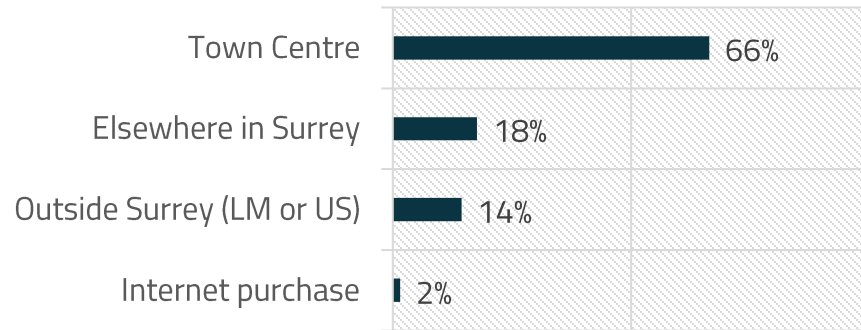
Spending on internet purchases



Groceries

Average Monthly HH Spend
\$873

Monthly HH Spend Distribution



HH Leakage
16%

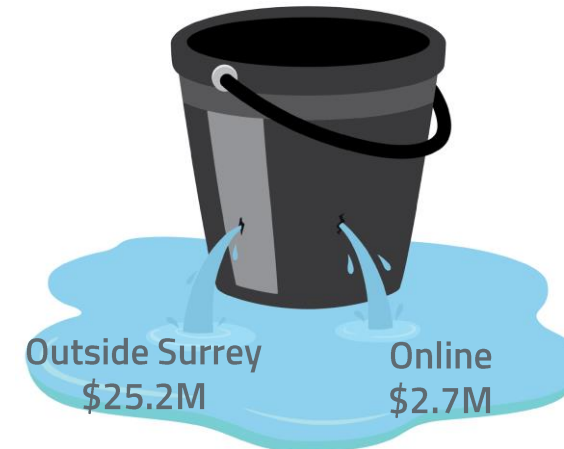
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

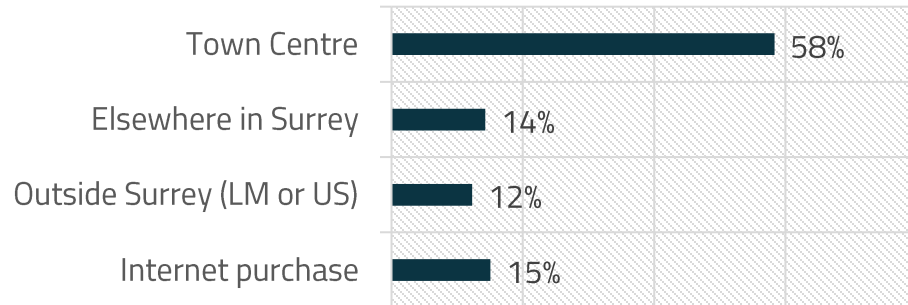
Spending on internet purchases



Personal Care and Beauty Supplies

Average Monthly HH Spend
\$197

Monthly HH Spend Distribution



HH Leakage
27%

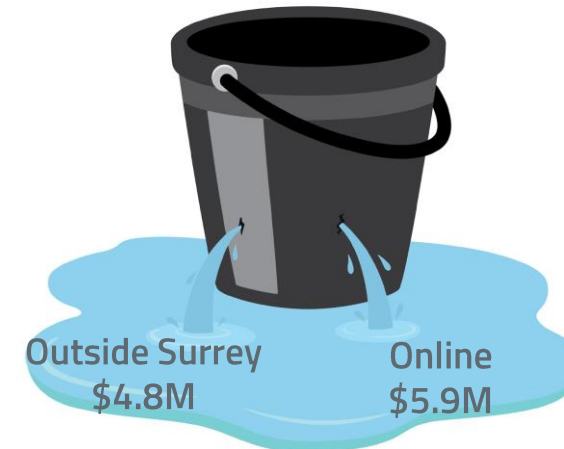
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

Spending on internet purchases

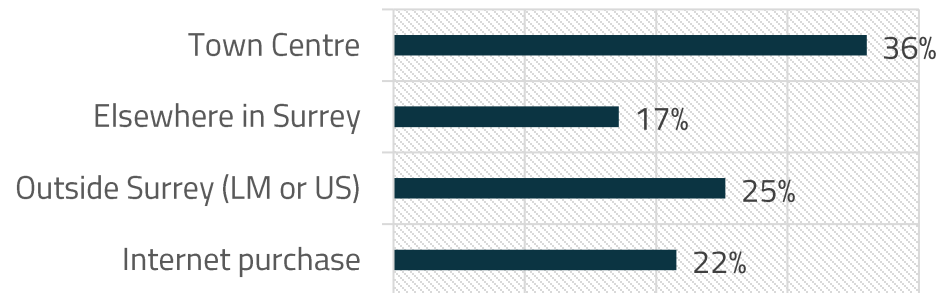


Apparel and Accessories

Average Monthly HH Spend

\$241

Monthly HH Spend Distribution



HH Leakage

47%

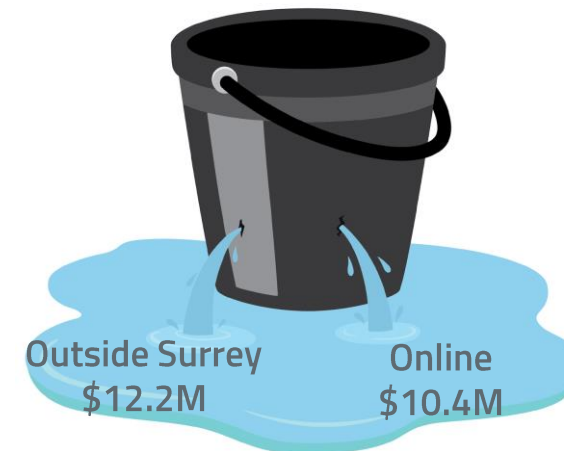
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

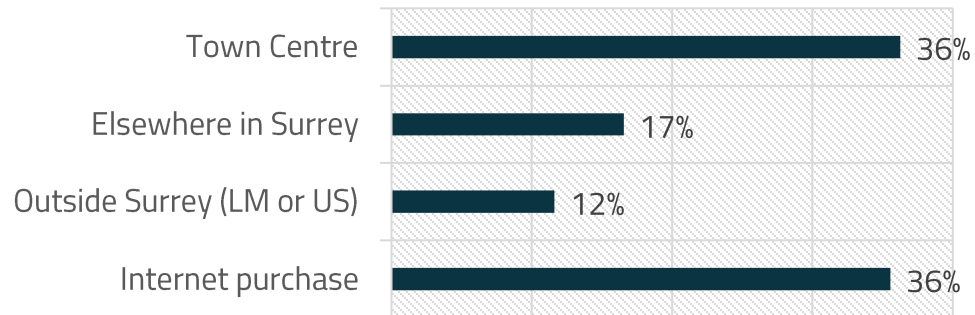
Spending on internet purchases



Small Electronics

Average Monthly HH Spend
\$184

Monthly HH Spend Distribution



HH Leakage
47%

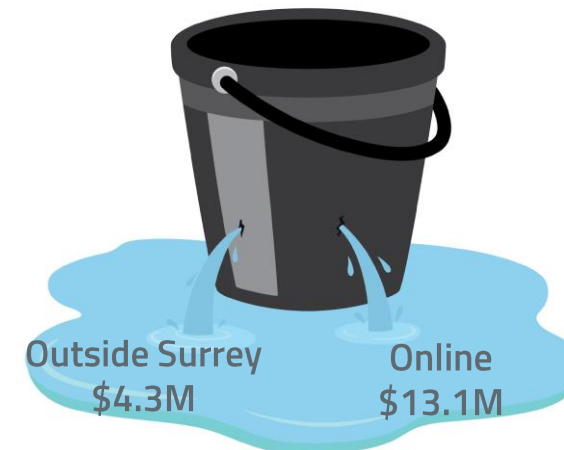
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

Spending on internet purchases

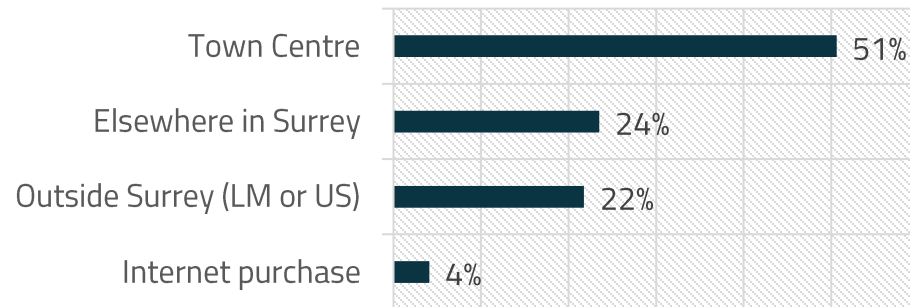


Automobiles

Average Monthly HH Spend

\$404

Monthly HH Spend Distribution



HH Leakage

26%

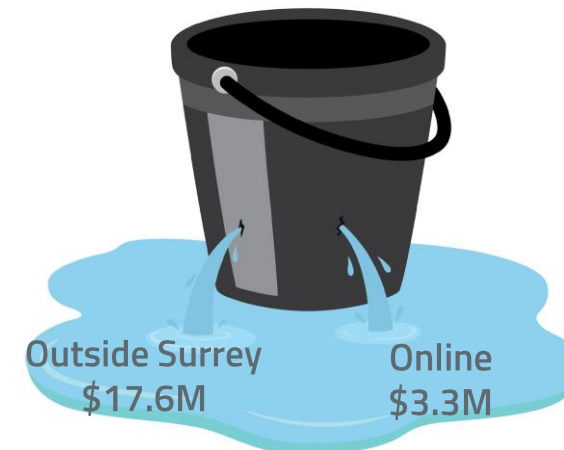
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

Spending on internet purchases

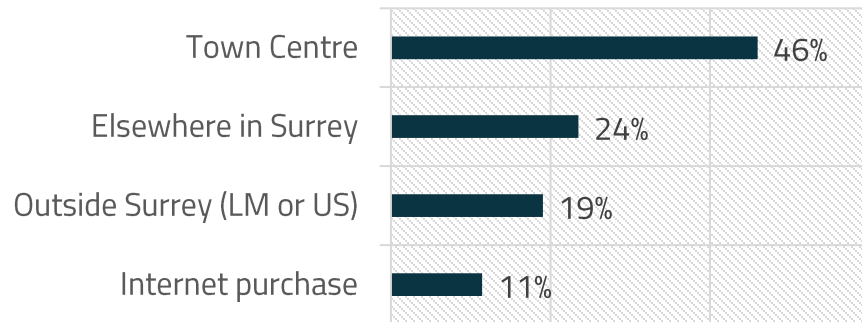


Home, Garden and Kitchen Appliances and Décor

Average Monthly HH Spend

\$370

Monthly HH Spend Distribution



HH Leakage

30%

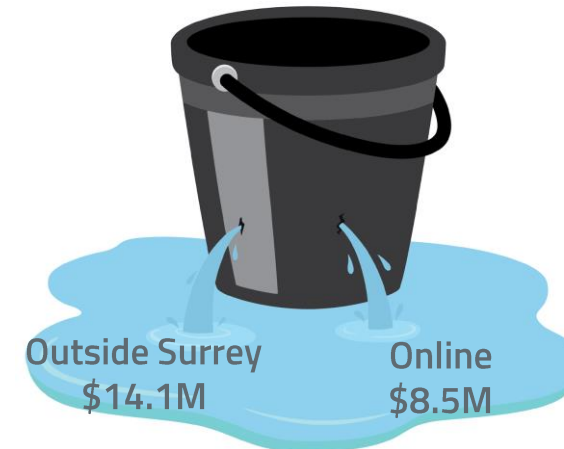
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

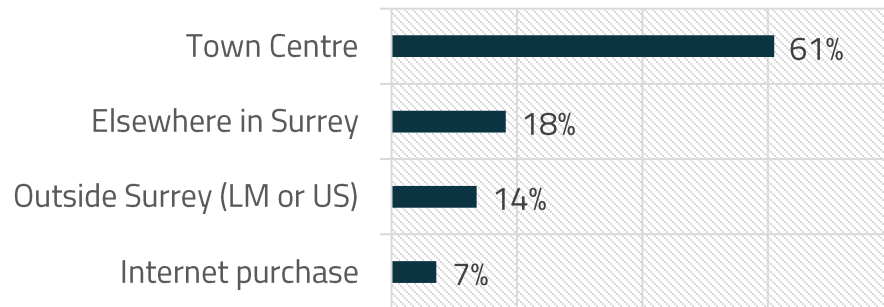
Spending on internet purchases



Pet Food and Supplies

Average Monthly HH Spend
\$154

Monthly HH Spend Distribution



HH Leakage
21%

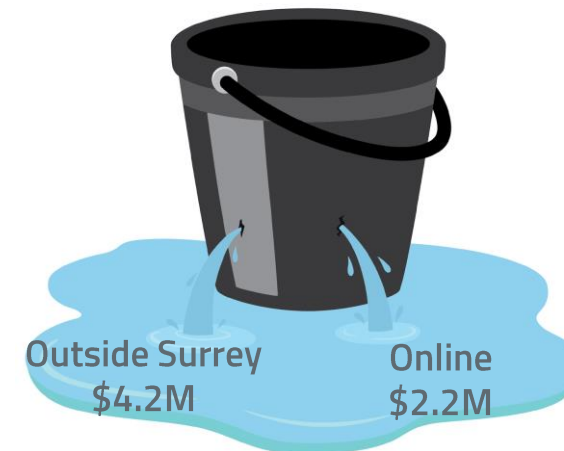
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

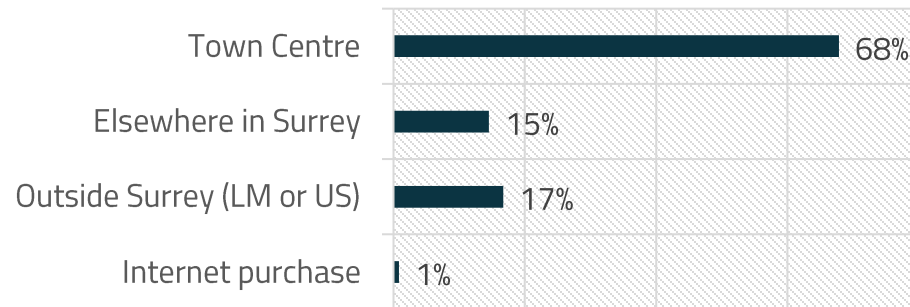
Spending on internet purchases



Alcohol

Average Monthly HH Spend
\$140

Monthly HH Spend Distribution



HH Leakage
18%

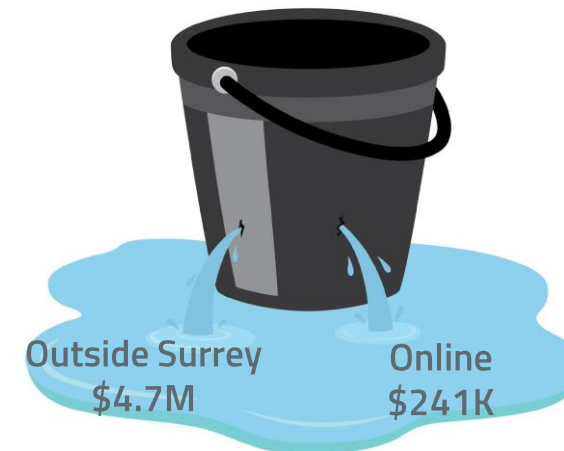
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

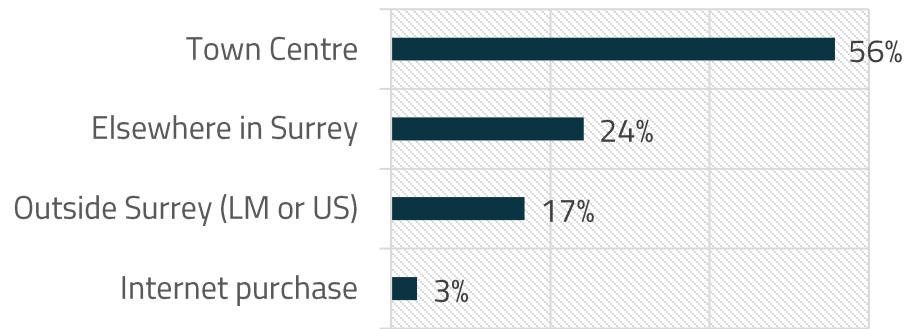
Spending on internet purchases



Health Care and Professional Health Services

Average Monthly HH Spend
\$326

Monthly HH Spend Distribution



HH Leakage
20%

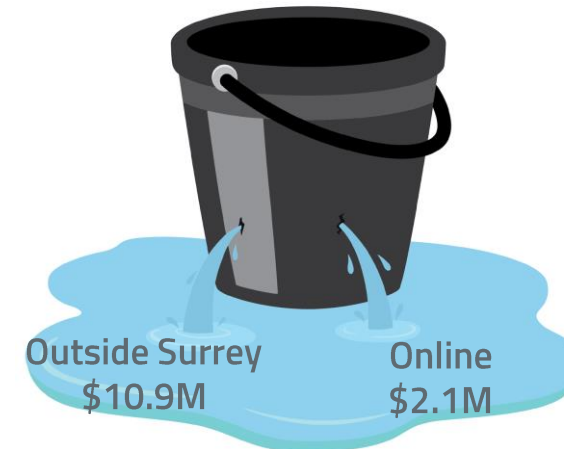
Total Monthly Leakage

Outside Surrey

Spending outside Surrey (Lower Mainland or US)

Online

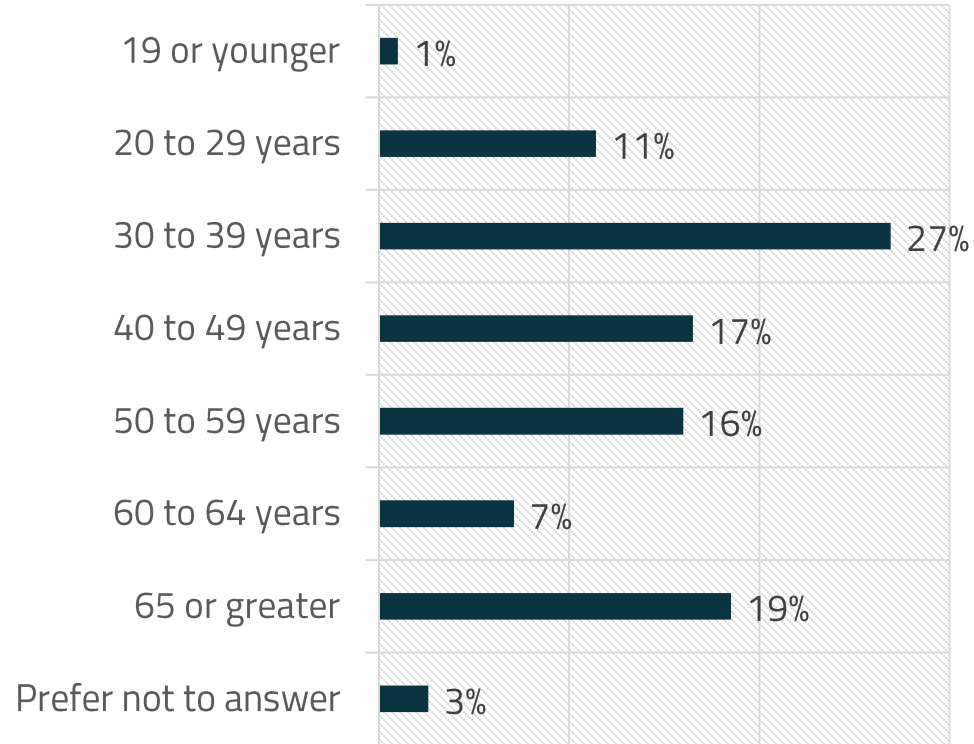
Spending on internet purchases



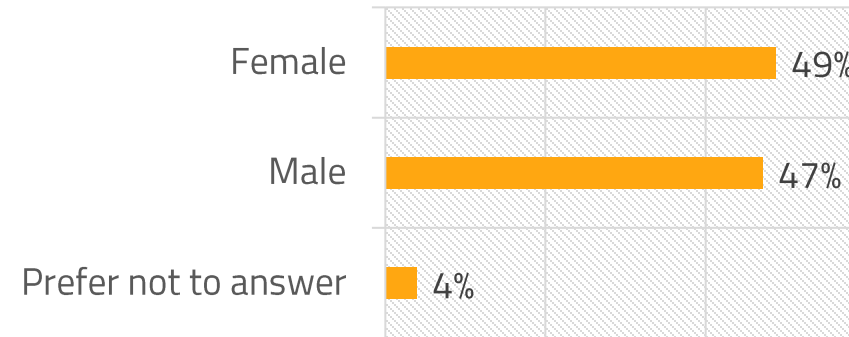
Profile of Survey Participants



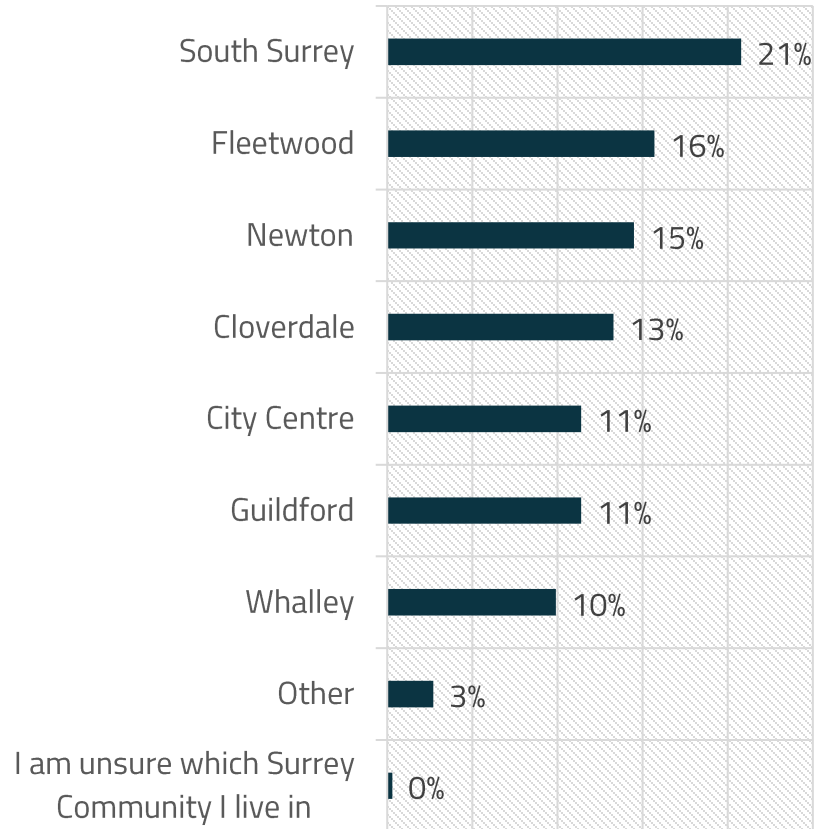
1 Gender



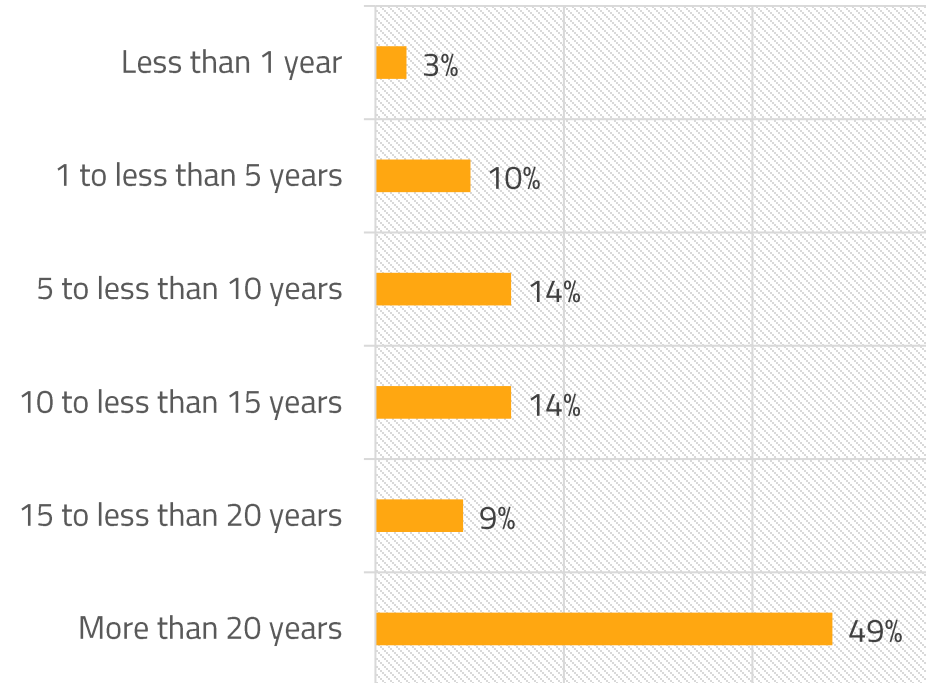
2 Age Range



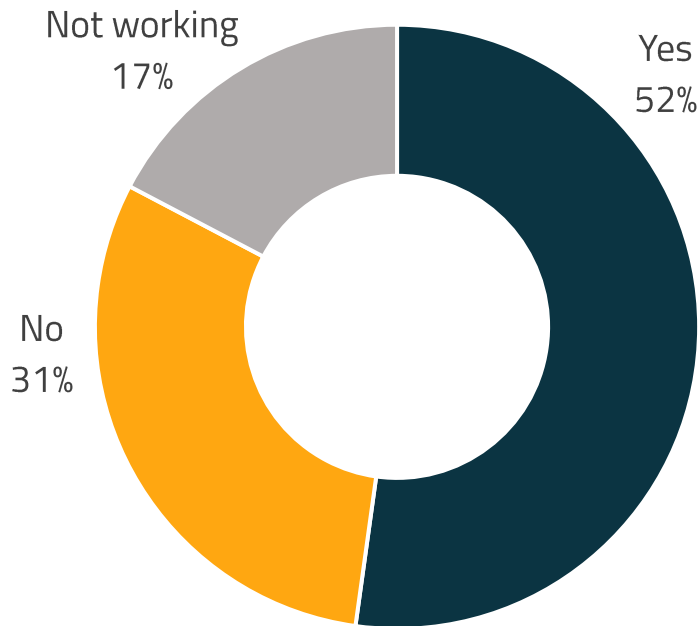
3 Surrey Community



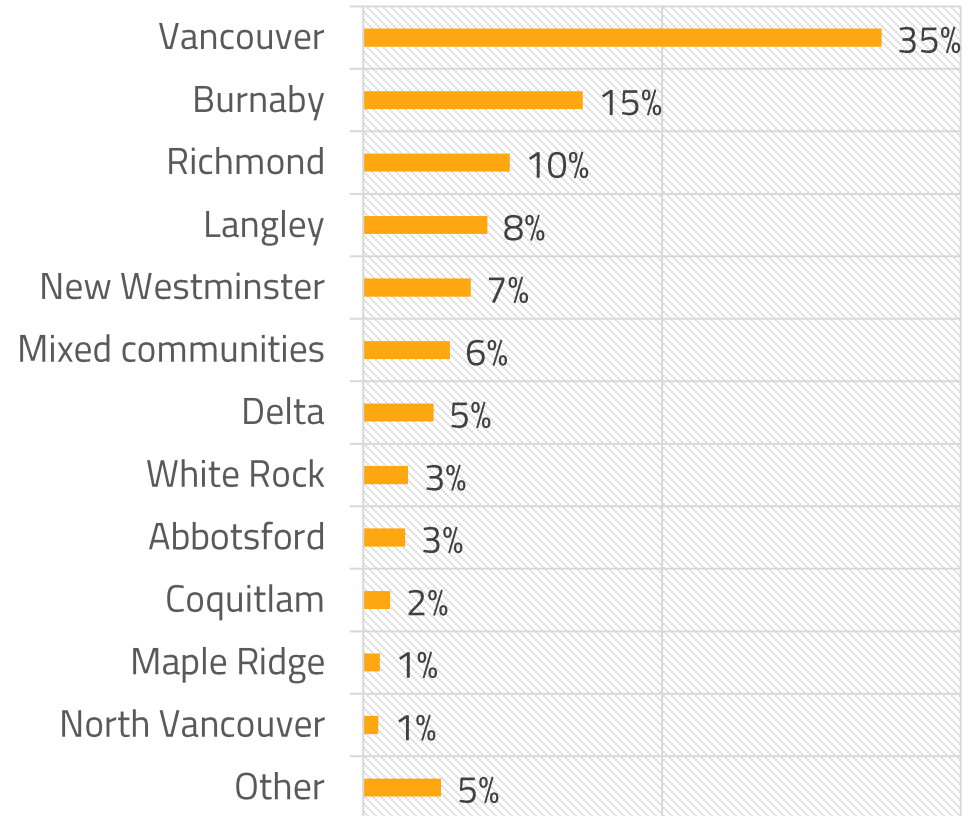
4 Years Living in Surrey



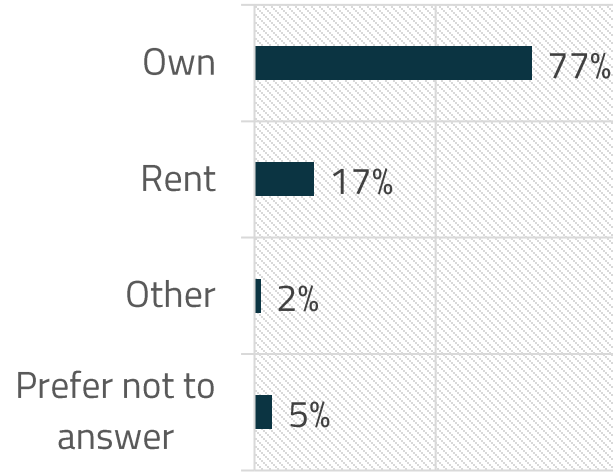
5 Work in Surrey



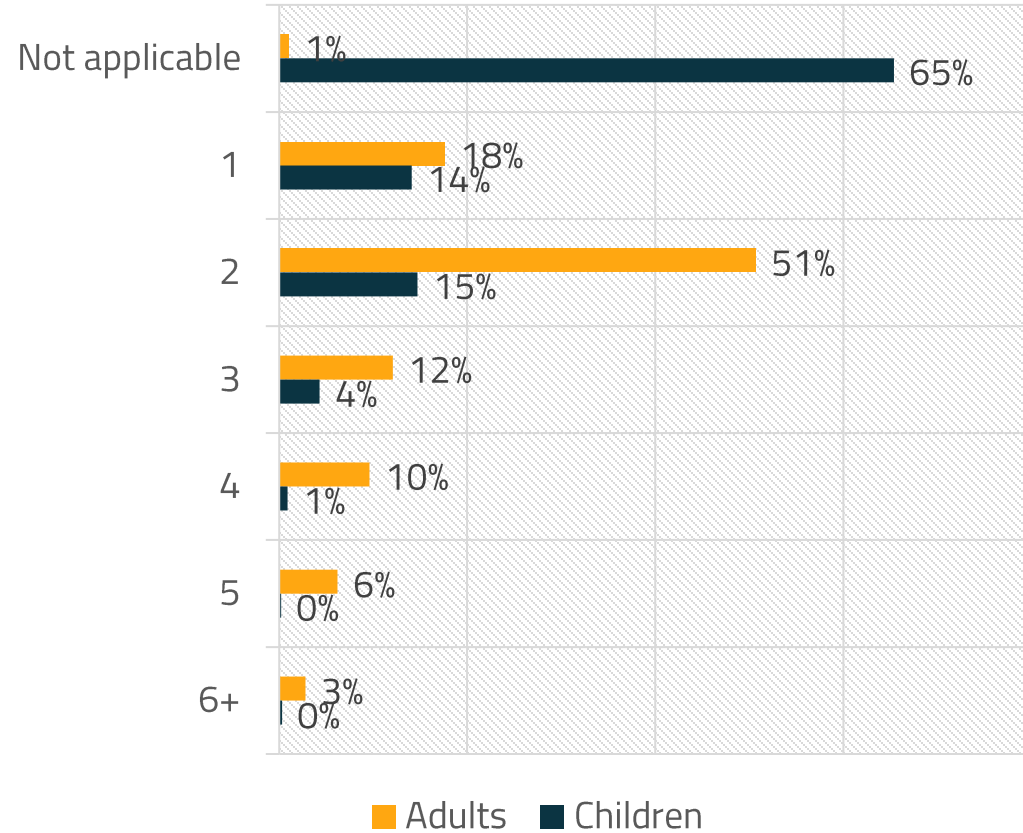
6 Work Location (outside Surrey)



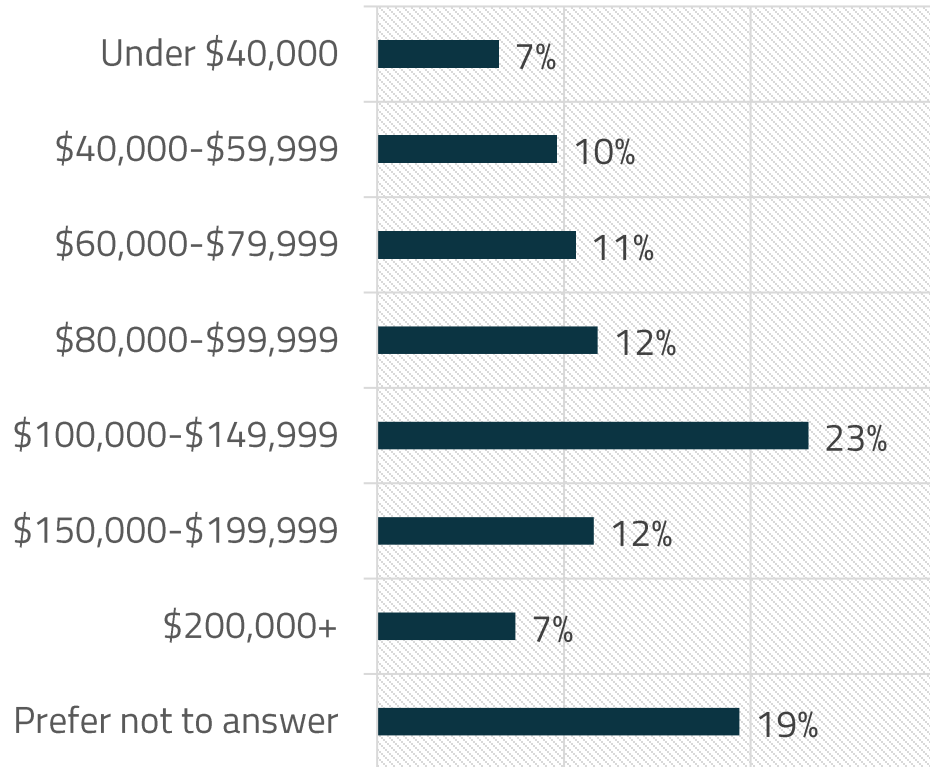
7 Tenure



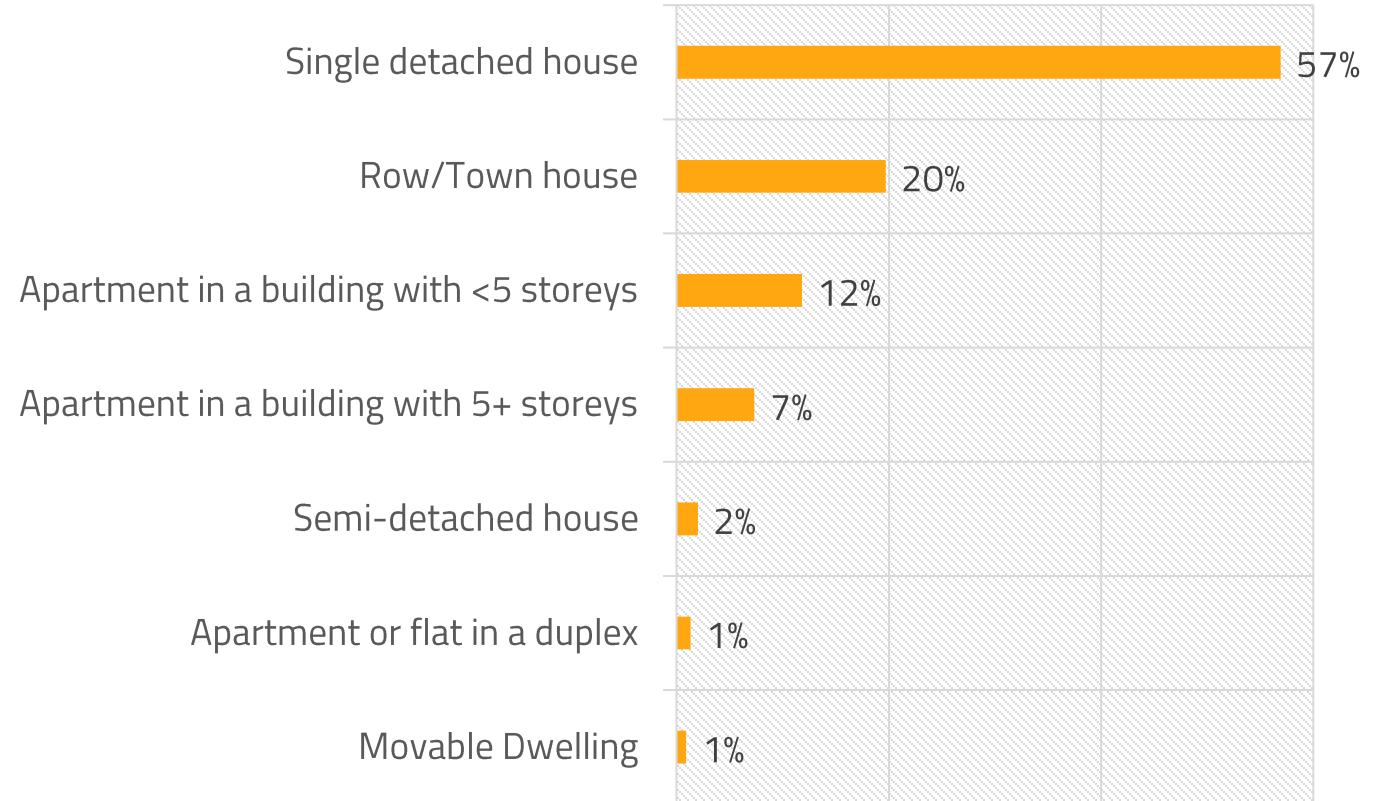
8 Household Members



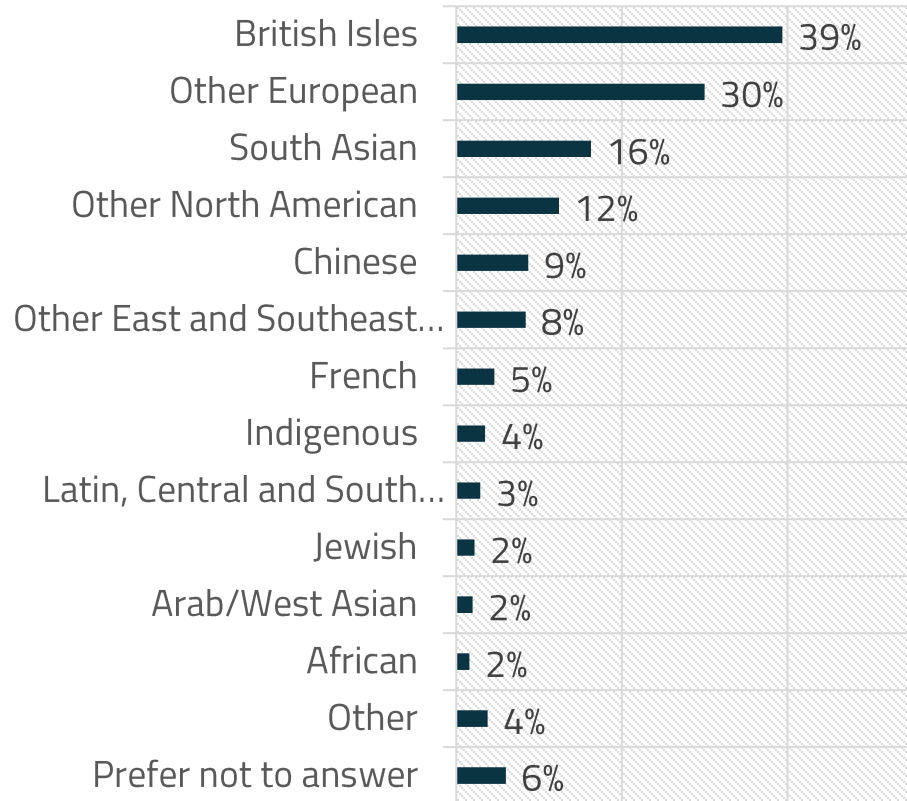
9 Household Income



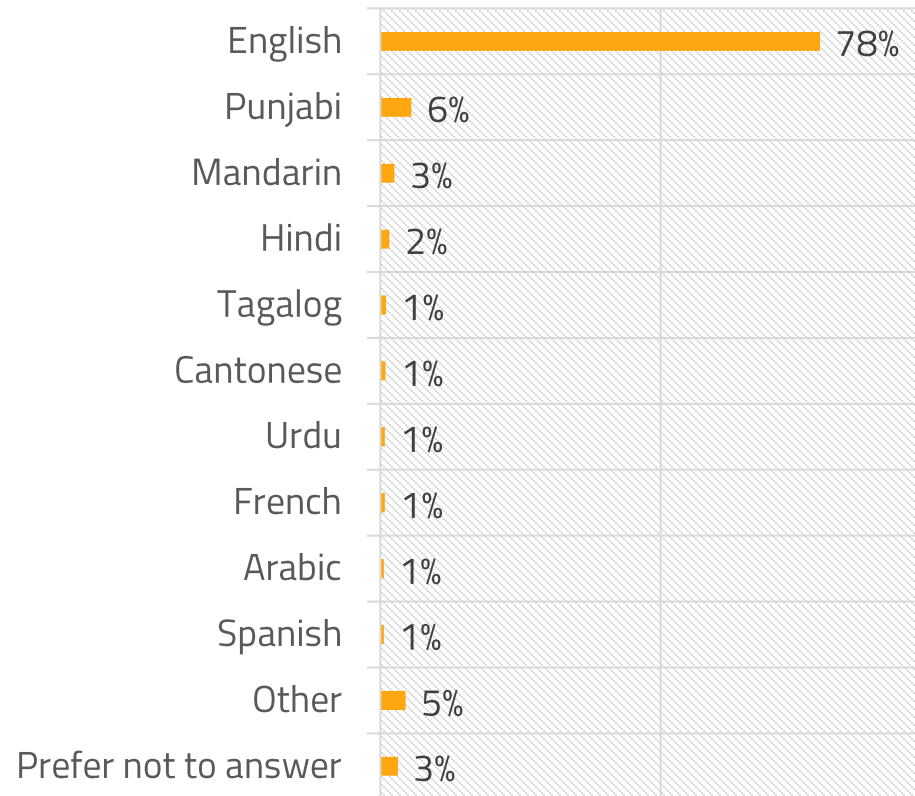
10 Housing Type



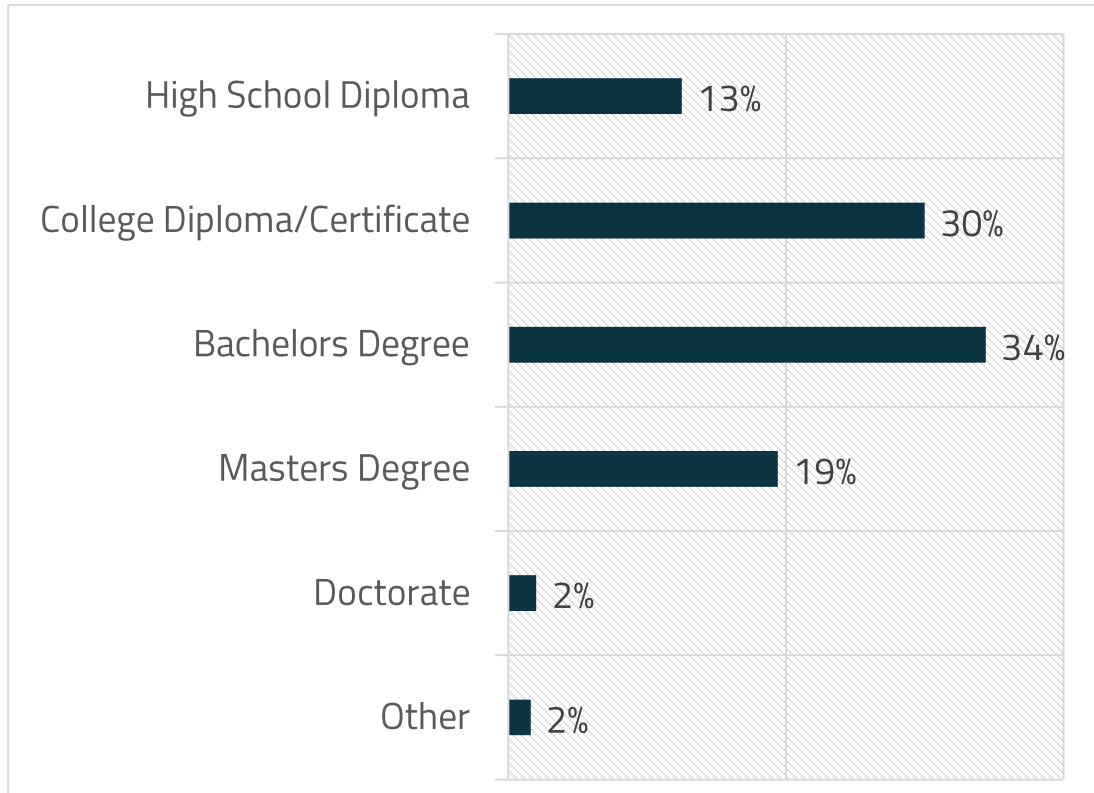
11 Ethnicity/Cultural Origins



12 Language Spoken at Home Most Often



13 Education Level



Appendix



Retail Sector Overview

Retail Sector	Products/Services Included
Entertainment and recreation	live events, movies, recreational services, etc.
Restaurant dining	food, and beverage services including restaurants, coffee shops, bubble tea and bars
Groceries	food and non-alcoholic beverages
Personal care and beauty supplies	personal grooming services, articles/ products for personal care, electrical appliances for personal care, etc.
Apparel and accessories	clothing, footwear and accessories
Small electronics	headphones, home automation, smart lighting, etc.
Transportation	fuel, ride sharing, public transportation, car rental costs and parking
Automobiles	automotive parts, accessories, maintenance, repair, and other automotive services (excluding new vehicle purchases and lease/financing bills)
Home, garden & kitchen appliances and décor	furnishings, household equipment and other related goods and services
Pet food & supplies	pet food and supplies
Alcohol	liquor store purchases and excluding dining out
Regular bills	bills & utilities (internet, phone, electricity, television, etc.), insurance, gifts and donations, mortgage/rent, etc.
Health care and professional health services	medications, dentistry, registered massage therapy, etc.