

# Marketing Research Group Fact Sheet: Mover Behaviour in Canada



## Key Insights:

- **15% of Canadians have either moved in the last 12 months or plan to move in the next 12 months. Movers spend \$7.5k on average for goods and services during this purchasing cycle, which is highest just before and just after the move, and then again 9 to 12 months later.**
- **Retailers and Service providers will now be able to improve campaign performance by targeting their communications to *what* movers are spending on and *when*, and by using Canada Post's products and services such as smartmoves™, Lettermail, Admail, Adcard, NCOA, Business Reply Mail and GeoPost™ Plus.**

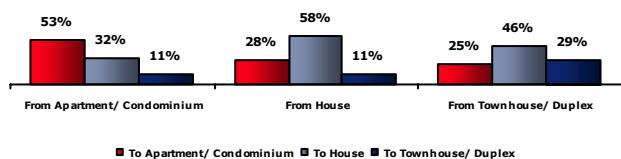
The research presented in this fact sheet was conducted by Canada Post except where noted.

## Overview of Canadian Movers:

Canadian research was conducted to obtain insights into the spending behaviour or "frenzy", exhibited by those who had moved within the last 12 months and those intending to move in the next 12 months. The study indicated that<sup>1</sup>:

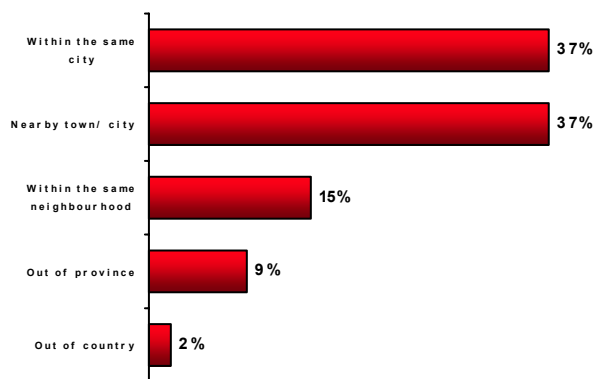
- 15% of Canadians have either moved in the past 12 months or plan to move within the next 12 months and includes 2% who have just moved and will be moving again.
- The most common number of people included in a move is 2 with the average being 2.4.
- Nearly 9 in 10 (87%) have or will be moving from an apartment/condominium (45%) or house (42%).
- Over 8 in 10 (83%) have or will be moving to an apartment/condominium (45%) or house (39%).
- Canadians tend to move to the same type of residence that they moved from. Those moving from a townhouse however, are more likely to be upgrading to a house.

Residence Moved/ Moving From by Residence Moved / Moving To



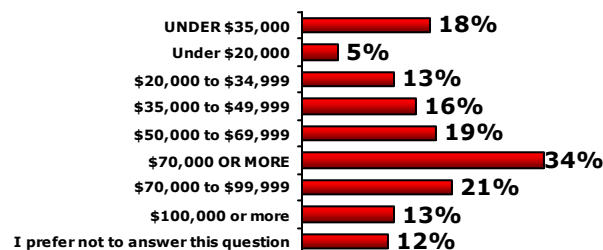
- 89% have or will move locally within the neighbourhood (15%), within the same city (37%), or to a nearby city/town (37%).

Moving Distance



- As total household income increases, so does the average amount spent on moving:
  - <\$35,000: \$3,201
  - \$35,000 to \$50,000: \$5,011
  - \$50,000 to \$70,000: \$7,549
  - \$70,000+: \$10,681

Household Income



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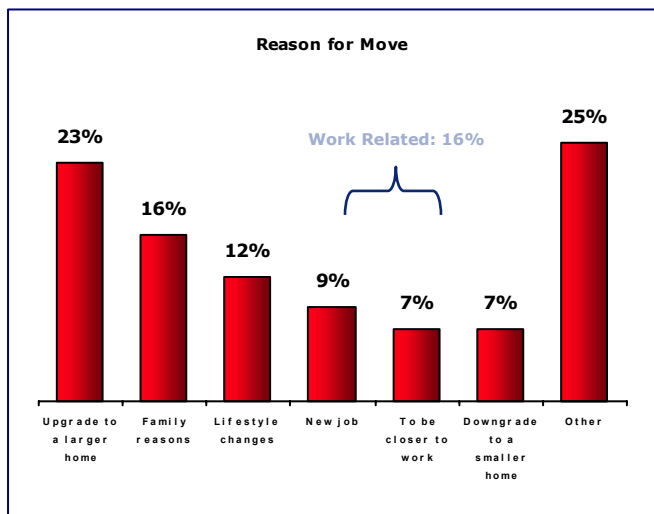
- Many purchases of products and services are made or will be made 0 to 3 months after the move:
  - Decorating accessories 52%
  - Other (smaller) appliances 50%
  - Furniture 42%
  - Maintenance 41%
  - Major appliances 39%
  - Home electronics 28%
  - Home repairs 30%

As well, previous research conducted in the U.S. on American purchasing behaviour before and after moving residences also found that movers generate a significant amount of revenue for local businesses:

- Homebuyers and renters in the pre and post move cycle spend approximately \$170 billion annually in the U.S. on move-related products and services<sup>2</sup>
- Targeting recent movers has been identified as an effective way for local retailers to replace the 20% to 40% annual customer turnover rates they typically experience<sup>3</sup>
- An estimated 80% of new movers will try new products and services from local businesses during the first 2 years after the move<sup>3</sup>

### Reasons for Moving:

- Nearly one quarter of movers upgrade to a larger home

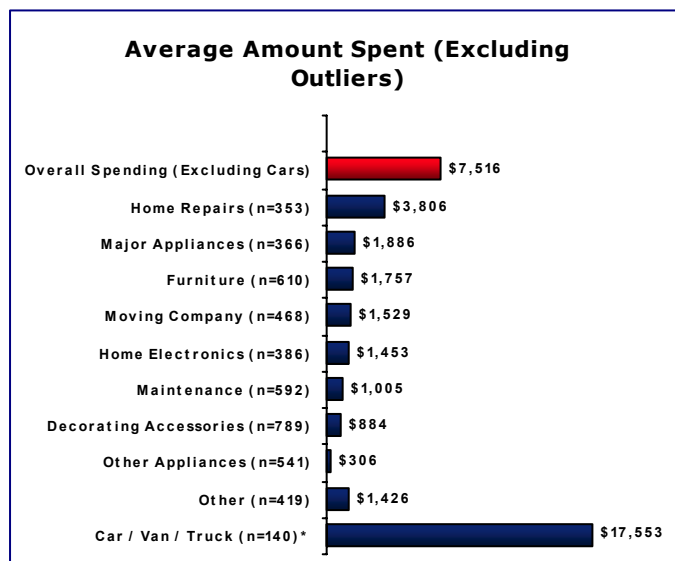


- While 18 to 34 year olds are more likely to upgrade than those over the age of 45 (27% vs. 15%), those over the age of 45 are more likely to downgrade (18% vs 3% for 18-34).

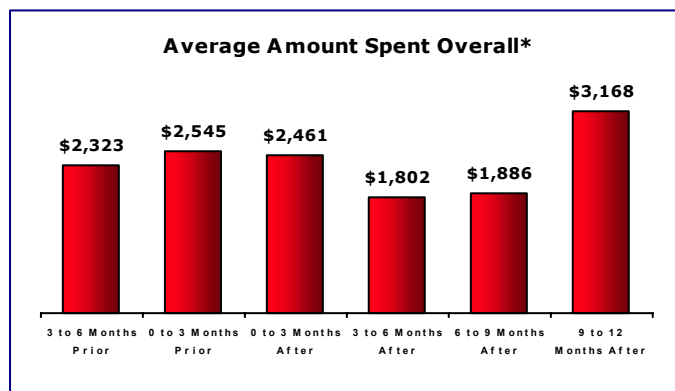
- Ontarians and Albertans are also more likely to say they have or will move for a new job than Quebecers (10% and 17% respectively vs. 4%).

### Mover Spending Behaviour:

Overall, Canadian movers spend on average \$7,516 on moving related expense (excluding outliers and vehicle purchases):

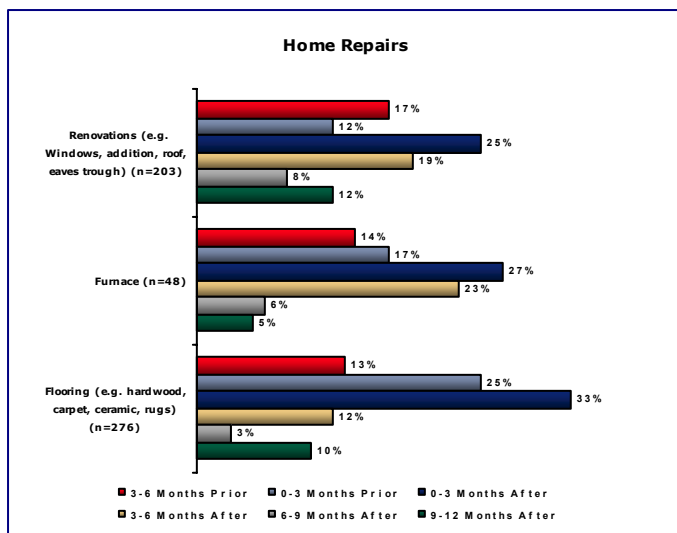


- Movers spend from 6 months prior to 12 months after a move with the highest levels of spending occurring just before or just after the move and then again 9 to 12 months later (Note: multiple responses).

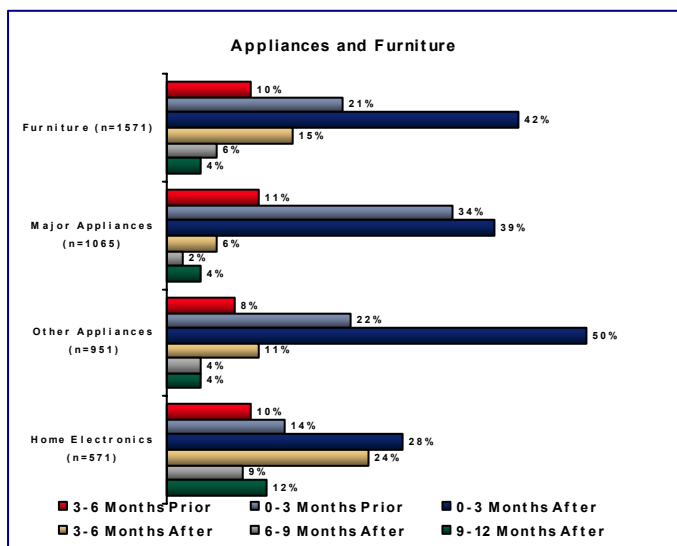


- Home repairs which include product purchases such as hardwood, carpet and rugs, as well as windows, roofing and eaves troughs, are what movers spend the most on, averaging \$3,806 per move. These expenses primarily occur 0 to 3 months after the move. Interestingly, 25% of flooring purchases by past and future movers are also likely to occur 0 to 3 months prior to a move.

## Market Research Group Fact Sheet: Mover Behaviour in Canada

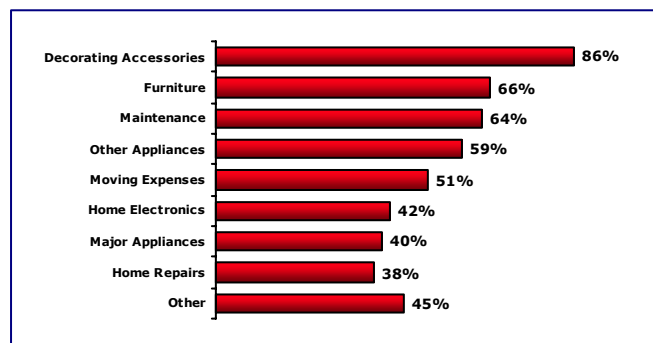


- Major appliances are the next highest products purchased by new movers averaging \$1,886, followed closely by new furniture at \$1,757 and home electronics with \$1,453. This spending also occurs primarily 0 to 3 months after a move however a large percentage of furniture (21%) and major appliances (34%) are also purchased 0 to 3 months prior to a move.

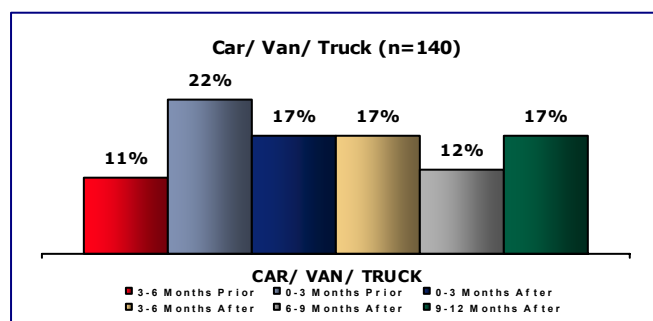


- 40% have or will purchase major appliances, especially those with two or more people included in the move (46% vs. one person: 26%).
- 42% say they have or will purchase home electronics as a result of their move with a large % of home electronics (52%) being purchased 0 to 6 months after a move.
- Men (33% vs. women: 22%) and those with a household income over \$50,000 (33% vs. <\$35,000: 14%) are also more likely to purchase a television.

- Maintenance expenses which include product purchases such as paint, wallpaper and drywall, are also high with an average of \$1,005. While the majority of spending occurs most often in the first 3 months after a move, another 27% of paint and wallpaper is also purchased 0 to 3 months prior.
- Decorating accessories are the most commonly purchased items associated with moving (86%) averaging \$884 per move.



- Other expenses, which are equally high with an average of \$1,428, include products and services such as snow blowers, patio furniture and landscaping. These purchases occur most often 0 to 3 months after moving however pools, hot tubs and recreational vehicles which are also included, tend to be acquired 6 to 12 months later.
- 15% of all movers and intended movers purchased a vehicle with 34% saying they purchased or are more likely to purchase a car, truck or van, 0 to 6 months after moving. Another 22% are more likely to purchase one just before the move whereas another 17% prefer 9 to 12 months after.



<sup>2</sup> DM News, "Movers spend \$170 billion...services", Oct. 18, 2006.

<sup>3</sup> DM News, "Local Retailers Missing Opportunity...", July 24, 2006.

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