

NEW STUDY REVEALS A DENSITY DIVIDE IN CANADA

Latest Consumerology Report shows big differences in values and behaviour based on city size

TORONTO, ON – November 20, 2008 – A quarterly study of consumer behaviour found significant variances in everything from basic values to buying behaviour, depending simply on how populated an area one lives in, according to advertising agency Bensimon Byrne's latest Consumerology report.

The national survey of 1500 Canadians, conducted by the Gandalf Group, offers a unique look at Canadians through the lens of population density. "This is potentially vital information for businesses and marketers trying to make their brands relevant to the mass market," said Jack Bensimon, President of Bensimon Byrne.

The *Density Divide* reveals that the one-third of all Canadians who live in cities of under 100,000 residents differ in many significant ways from the one-third who live in centres with a density greater than one million. "These findings represent a simple, but highly effective segmentation of consumers for national brand marketers. Understanding both the commonalities and differences will enable businesses to increase the relevance of their messages to all audiences," added Bensimon.

Buying Behaviour

While urbanites are the most pessimistic about the future of the economy (62 per cent believe the economy will become weaker in the next year versus 48 per cent of Canadians in smaller communities), it is residents of smaller and rural communities who are much more focused on finding bargains and paying the lowest possible price; 81 per cent consider a good deal to be very important when making a purchase, compared to 70 per cent in large urban centres. Further to that, smaller communities place much more value on shopping in Canadian stores, buying Canadian products, as well as familiarity and history with the product.

What It Means To Be Canadian

There is broadest consensus around Canada as a democratic country that respects civil liberties and provides equal access to opportunity. There is much less consensus around concepts such as multiculturalism, NATO & the western alliance and, particularly, bilingualism.

According to the report, Canadians are divided when it comes to cultural diversity. Residents of communities over one million are more likely to celebrate cultural differences with 58 per cent of urbanites considering multiculturalism to be very important to the Canadian identity versus only 48 percent of rural communities. Surprisingly, only a third of Canadians see bilingualism as central to the Canadian identity outside of Quebec, where two thirds of the population consider bilingualism to be central. Also, Christianity is no longer a defining characteristic of Canada, except in small towns. 70 per cent of rural Canadians consider Christianity to be important to the Canadian identity in contrast to 45 percent of residents in urban centres. 40 percent of those in cities over one million say they have no religion.

Personal Values and Community

Personal freedom, relationships and balancing work are central values to the vast majority of Canadians while tradition, authority and religious beliefs are of significantly less importance. Residents of small communities are more likely than others to place family time at the heart of their personal value system with 93 per cent versus 79 per cent in urban areas. While Canadians on balance are highly satisfied with the quality of life in their communities, residents of rural areas

are much less satisfied with their arts and culture options and people in cities over one million feel dissatisfied with the sense of community where they live.

Survey Highlights

- 81 per cent of Canadians who live in rural communities think it's very important to find a good deal when making a purchase.
- 68 per cent of people in rural areas place a high importance on products or stores being Canadian versus an average of 55 per cent in other areas.
- The smaller the community, the greater the concern about the Canadian dollar, crime & safety, the quality of primary education, and the price of gasoline, which still remains a big issue in smaller communities.
- Multiculturalism and cultural diversity are much more central to the largest cities and the suburbs around them.

Other Findings

In addition to the core questions of the survey, The Consumerology Report also updates key economic and other measures on a quarterly basis.

- Environmental concerns, including climate change, remain high despite the current period of economic distress, although they have more resonance in larger cities. The percentage of Canadians very concerned about the state of the environment has even increased slightly from last quarter, up to 42 per cent from 38 per cent in July.
- Overall assessments of the economy have plummeted since last quarter; 70 per cent of Canadians believe that the economy is currently in decline, which has almost doubled from last quarter and almost tripled from April, at which point 75 per cent of Canadians actually believed the country was experiencing economic growth.
- One third of Canadians say that recent news of the economy has significantly impacted their spending with more than two-thirds reporting that it has affected their spending on holiday gifts, entertainment, and travel.
- Only 5 per cent of Canadians anticipate doing much better a year from now in terms of their personal financial situations. Rural Canadians are almost 10 per cent more likely than all other density areas to expect to be doing better.

About the Survey

The Consumerology Report survey was conducted by the Gandalf Group amongst 1500 Canadians on-line. The study tracks consumer opinions about the economy, their personal financial expectations, consumer buying intention, and attitudes toward key national issues. The questionnaire was conducted in French and English between October 9th and October 17th, 2008. Results are accurate to +/-2.53% 19 times out of 20.

About Bensimon Byrne

Bensimon Byrne is a privately owned, full-service, Canadian advertising agency. Established in 1993, the agency has worked with a host of blue-chip companies and brands, producing some of Canada's most effective and memorable advertising.

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