

Pre-Approved Cross-Border Travel in the Cascade Gateway

Report 1: Market Research



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WCCOG also acknowledges Starbucks Coffee for providing free drink coupons for drivers interviewed.

Executive Summary

Introduction

This report documents the results of research into the size and characteristics of a target market for promotion of increased use of PACE and CANPASS, the U.S. and Canadian pre-approved cross-border travel programs.

PACE and CANPASS allow pre-approved participants accelerated processing while crossing the U.S. – Canadian border at the Peace Arch Port of Entry in Blaine, Washington. Participants in the program undergo an application review and, for PACE, pay an annual fee. Once enrolled, they are given a letter and a decal for their vehicle, and are allowed access to a special lane which bypasses the often lengthy lines of regular inspection.

PACE and CANPASS have measurably increased cross-border throughput and mobility, and serve as a viable solution to at-border congestion in the Cascade Gateway. This report is the first step in a FHWA-sponsored program to promote continued growth of PACE and CANPASS, as well as make suggestions for future program improvements.

Methodology

The Whatcom County Council of Governments (WCCOG) has prepared this report based on the following sources of information:

- ◆ **Existing PACE and CANPASS user demographics:** cleansed data files from U.S. Immigration and Naturalization Service (INS) and Canada Customs and Revenue Agency (CCRA) have provided demographic information, used to develop summary statistics of current program users.
- ◆ **Southbound Peace Arch traffic surveys:** WCCOG performed 334 interviews with southbound travelers who were not members of the PACE or CANPASS programs.
- ◆ **State and federal reports:** Previous research has estimated the impact of PACE and CANPASS on cross-border congestion. Other reports have documented the impact of Canadian travel in Whatcom County, origins and destinations, and growth trends in cross-border traffic.

Demographics of Current Users

Top level findings regarding those currently enrolled in either PACE or CANPASS reveal the following:

- ◆ **Proximity to the border** correlates with demand for PACE and CANPASS, as illustrated by the high proportion of PACE and CANPASS users living in border towns (Surrey, White Rock, Bellingham, and Blaine).
- ◆ Though there is concentrated enrollment in PACE and CANPASS in the border region, a **significant number of users live over sixty kilometers away** (Vancouver and Seattle areas).
- ◆ **CANPASS has significantly higher enrollment than PACE.** Likely reasons include the recent removal of the program fee and its expansion to other regional crossings.

The Potential PACE and CANPASS Market

To develop a better understanding of the non-users of PACE and CANPASS, and more specifically, how many non-users could benefit from participation, WCCOG performed 334 interviews of motorists traveling southbound through the Peace Arch border crossing.

Of 334 drivers interviewed, 205 were found to be “eligible,” meeting the basic requirements of participation. Of these 205, 107 were further selected as “potential users” based on the number of border crossings they made each year (six or more). An estimated 32 percent of cars currently crossing through primary inspection lanes at peak hours would not only qualify for PACE but recuperate the fee in saved travel time.

Summarized characteristics of “potential users”:

- ◆ Despite the notably high rates of PACE and CANPASS use in smaller, at-border cities, the base of potential users live in the larger urban centers of Vancouver, Surrey and Richmond, B.C.
- ◆ For potential users, shopping and recreation were the primary reasons for crossing the border.
- ◆ When asked why they were not enrolled in PACE or CANPASS, a majority of potential users cited a lack of information regarding the programs. Other reasons included that it was too much work to enroll, the wait for approval was too long, it cost too much money, or that they travel with others frequently.
- ◆ The savings in wait-time is undervalued by many potential users.
- ◆ The top media choice of potential users is the *Vancouver Sun* newspaper. Over 60 percent of potential users utilized the internet every day.

Conclusions

PACE and CANPASS are programs which currently impact cross-border mobility by diverting low-risk traffic from the primary border inspection lanes, thus allowing INS and CCRA to focus efforts on higher-risk vehicles. Inspection agencies can better utilize their resources, and wait-times at the border are decreased.

An increase in PACE and CANPASS participants is not only desirable, but possible, based on the high percentage of potential users. A study by the Washington State Department of Transportation suggests that if PACE lane use were to increase from 28 percent of southbound traffic at Peace Arch to 45 percent, wait times at peak hours would drop from 45-90 minutes to a maximum of fifteen minutes. As the findings listed above indicate, there is the potential for even more than 45 percent of peak-hour traffic to be PACE and CANPASS users.

These potential users live predominantly within a fifty mile radius from the border.

The promotion of internet-based application and enrollment options for both programs would allow the programs to be better coordinated, allow for easier participation, and reach more of the target market.

PACE and CANPASS promotional efforts should focus more on recreational and shopping activity centers, as they are the main destinations for north and southbound travelers.

1. Introduction

1.1 The PACE and CANPASS programs

For the 6,000 cross-border travelers who drive between the U.S. and Canada on Interstate 5 – Highway 99 every day, line-ups and wait times for port-of-entry inspection are often long. Frequent border line-ups increase the personal cost of travel and compromise the social and economic benefits of inter-regional mobility.

The PACE (Peace Arch Crossing Entry) program for expedited border clearance of frequent cross-border travelers was started by the U.S. Immigration and Naturalization Service (INS) in 1992, along with Canada Customs & Revenue Agency's (CCRA) CANPASS program. These programs provide a dedicated commuter lane (DCL) for enrolled regular cross-border travelers as long as they pass a pre-approval background check, carry their approval letters with them, and display decals on their vehicle.

These two DCL programs have been highly successful in both providing faster service to regular border commuters and providing inspection agencies an effective mechanism for focusing efforts away from low-risk traffic. Since starting the program in British Columbia, Canada has expanded CANPASS into a national program, operating at many land ports of entry. PACE was originally developed as a regional pilot project and is one of several DCL programs administered by the U.S. INS. PACE was permanently authorized by U.S. Congress in November 1999, and continues to enlist more users.

1.2 Current and Future Impacts of PACE and CANPASS

Past analysis has shown that there is room for PACE and CANPASS to relieve more congestion at the border. A study by the Washington State Department of Transportation (WSDOT) in 1998¹ concluded that if PACE usage were to rise from 28 percent of southbound traffic at Peace Arch to 45 percent, wait times at peak hours would drop from 45-90 minutes to a maximum of 15 minutes.²

1.3 Dedicated Commuter Lane Comparisons

The United States currently has three DCL programs across the northern border. The U.S. Legislature defines a dedicated commuter lane as “a special lane...which allows an accelerated inspection for identified, low-risk travelers.” A comparison of these programs determined common goals of all pre-approved travel programs:

Pre-Approved Travel Program Goals:

- ◆ Cost-effective
- ◆ Identification and diversion of low-risk travelers
- ◆ High participant enrollment and retention
- ◆ Increased throughput efficiency

¹ Washington State Department of Transportation, Technical Memoranda - ITS Early Development Program, I-5 Seattle to Vancouver B.C., Appendix F: Border Crossing Situational Development (1998), p. F-17

² Ibid., p. F-19

In terms of the above goals:

- ◆ PACE has the highest enrollment of all DCL programs (with 45,000 participants), despite being at a border crossing with comparatively less traffic.
- ◆ PACE and CANPASS were initially designed as one, binational program. Thus PACE is the only U.S. program which works largely in accordance with the Canadian CANPASS program, holding participants in both programs to the same standards.
- ◆ While also the least expensive of U.S. DCL programs (\$25 per car per year), PACE is the only program that, because of voluminous participation, pays for itself out of locally generated program fees.

1.4 Goals of Marketing PACE and CANPASS

In a region where at-border travel times and congestion are chronic, a high level of functionality and binational regulatory harmony is crucial. Both PACE and CANPASS provide assistance in alleviating at-border congestion as well as allowing federal inspection agencies to focus more on higher-risk vehicles and less on drivers with low-risk profiles. PACE and CANPASS are an important part of a comprehensive set of border-mobility improvements in this region. The goals of *marketing* the PACE and CANPASS programs are to:

- ◆ Increase awareness of PACE and CANPASS
- ◆ Increase the number of applicants to both programs
- ◆ Increase efficiency and effectiveness of U.S. and Canadian border inspections by separating pre-approved travelers from other traffic
- ◆ Decrease at-border congestion and travel-time for everyone

1.5 Contract Summary

The International Mobility and Trade Corridor Project, IMTC, is a U.S. – Canadian coalition of business and government entities that was formed in 1997 to jointly identify and pursue improvements to cross-border mobility in the Cascade Gateway. IMTC participants identified this project as a top priority.

In 1999, the U.S. Department of Transportation awarded Coordinated Border and Infrastructure Program funds to the Whatcom County Council of Governments (WCCOG) to promote expanded use and improvement of these programs. This marketing research report provides background data and information that is being used to develop a marketing plan that will promote the increased use of PACE and CANPASS. This report has been prepared by WCCOG. The Cascadia Project at the Discovery Institute, Seattle will develop the marketing plan. The Bellingham/Whatcom Chamber of Commerce will implement this marketing plan.

Funding is provided to:

- ◆ Market the PACE program in an effort to increase use and, as a result, increase the productivity of inspection resources.
- ◆ Pursue joint, U.S. – Canadian administration of PACE and CANPASS so that application processing and data management can be shared rather than duplicated.
- ◆ Pursue expansion of PACE beyond Peace Arch to other crossings where there is enough demand.
- ◆ Recommend other system improvements to PACE and CANPASS.

This report is the first of several products to be produced with the funding described. Efforts to follow on this work include:

- ◆ **Marketing Plan:** Marketing Plan for PACE & CANPASS (to be completed by the Cascadia Project)
- ◆ **Marketing Implementation:** Implementation of the PACE & CANPASS Marketing Plan (to be completed by the Bellingham/Whatcom Chamber of Commerce)
- ◆ **Summarized Report:** Suggested PACE Program Improvements (to be completed by the Whatcom County Council of Governments)
- ◆ **Study of Joint Administration:** (to be completed by the Cascadia Project)

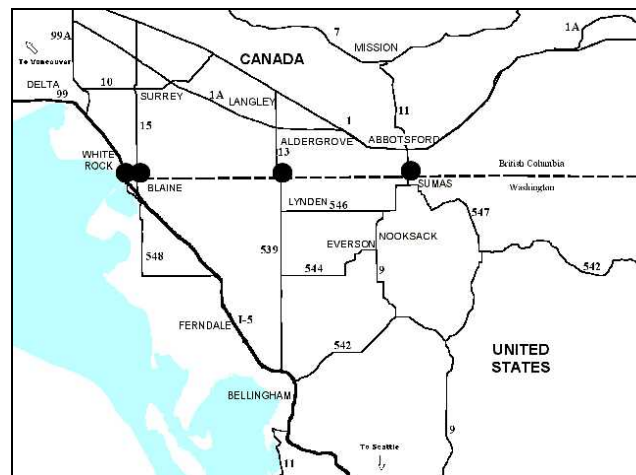
2. The Cascade Gateway

The Cascade Gateway is the term used by IMTC to refer to the four main U.S.-Canada border crossings between Whatcom County, Washington and British Columbia. The Cascade Gateway is a transportation system serving a binational border region and a trade corridor.

Table 2.0-1: Cascade Gateway Border Crossings

PORT OF ENTRY	U.S. HWY.	CANADIAN HWY.	VEHICLES ALLOWED
Peace Arch	I-5	Hwy 99	Cars
Pacific Highway	I-5 & SR 543	Hwy 8 & Hwy 15	Cars, Buses, Trucks
Lynden – Aldergrove	SR 539	Hwy 13	Cars, Buses, Limited Trucks
Sumas – Huntington	SR 9	Hwy 11 & Hwy 1	Cars, Buses, Trucks

Map 2.0-1: The Cascade Gateway Region



The following sections will provide an overview of current cross-border traffic through the Cascade Gateway and illustrate the current and potential impacts PACE and CANPASS on Cascade Gateway operations.

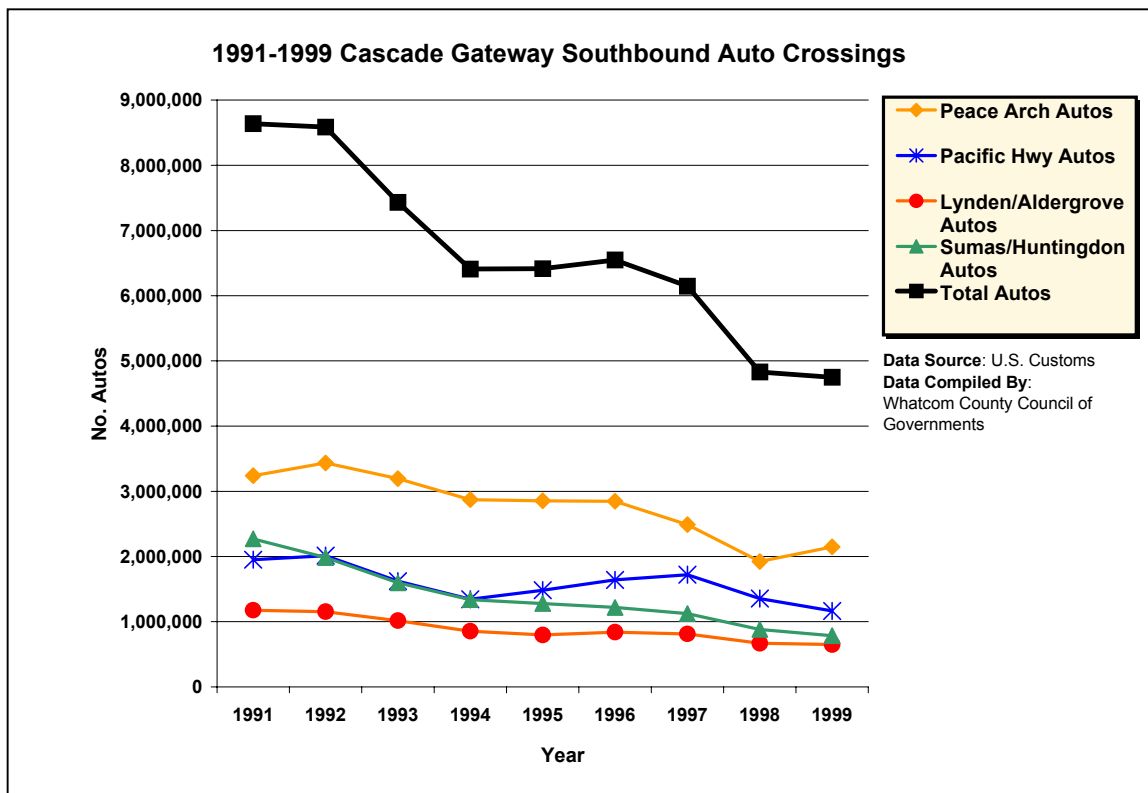
2.1 Traffic Volumes

As illustrated by Chart 2.1-1, automobile traffic volumes have fluctuated noticeably over the last decade. Much of this variability is explained by changes in the U.S. – Canada currency exchange rate. Exchange rate and travel demand are strongly related because cross-border travelers in this region are mostly Canadian, largely local, and traveling for shopping or recreation.

- ◆ In 1993, approximately 75 percent of the traffic crossing to and from British Columbia was observed to be Canadian based.³
- ◆ Border towns in the United States (including Bellingham) capture 40-50 percent of Canadian traffic crossing into the U.S.⁴
- ◆ It was estimated that, in 1993, 40 percent of all British Columbia vehicles traveled to Guide Meridian, a concentration of big-box retail in Bellingham, WA.⁵

Peace Arch consistently has the highest volume of automobile traffic through the Cascade Gateway. The chart below illustrates the annual volumes of car traffic through all Cascade Gateway crossings including Peace Arch as well as the decline in automobile volumes over the last ten years. Although traffic volume has decreased, regional population growth and the likelihood of more equalized exchange rates in the future present a forecast of increasing demand for regional cross-border travel.

Chart 2.1-1: 1991-1999 Cascade Gateway Auto Crossings (Southbound)



³ Whatcom County, *An Investigation of Canadian Traffic in Whatcom County*, Washington (Prepared by JHK & Associates, 1993) p. 4.

⁴ Ibid., p. 6

⁵ Ibid.

Chart 2.1-2: 1991-1999 Cascade Gateway Auto Crossings (Northbound)

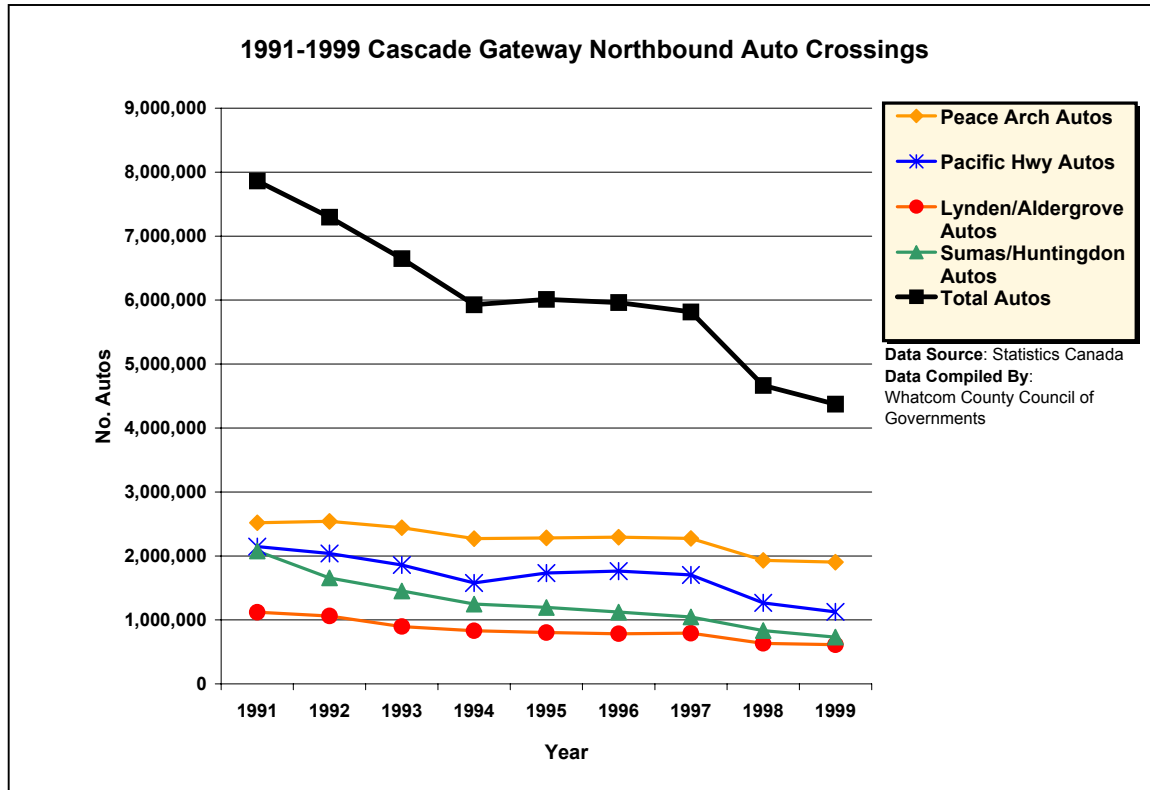
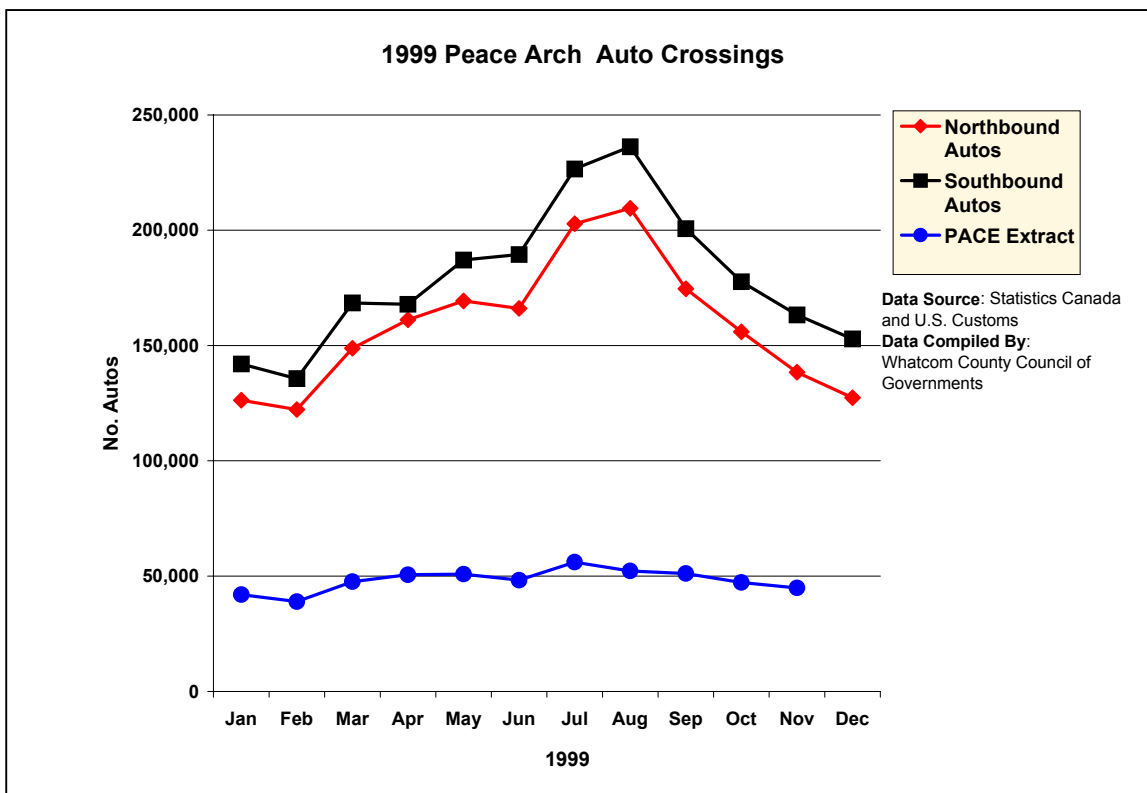


Chart 2.1-3: 1999 Peace Arch Crossings, Seasonal View



2.2 Traffic Patterns

An analysis of origins, destinations, and purposes of trips in the Cascade Gateway region was performed by the British Columbia Ministry of Transportation and Highways (B.C. MoTH) in 1995. This study categorized purposes of travel into two categories: work/business or shopping/recreational.⁶

Interviews of vehicle drivers and passengers at the Peace Arch border crossing were taken on Monday, February 13, 1995 (Northbound traffic) and Tuesday, February 14, 1995 (Southbound) from eight a.m. until six p.m.

Northbound and Southbound origin and destination summaries largely mirror each other, suggesting a majority of short, regional trips across the border.⁷

Because the B.C. MoTH study was administered in February, Mt. Baker ski area was identified as a very popular destination. This does, however, point out an example of a target market for pre-approved travel.

Because a majority of cross-border traffic is locally generated and frequently crossing for shopping or recreational purposes, a high proportion of this traffic should qualify for PACE and CANPASS.

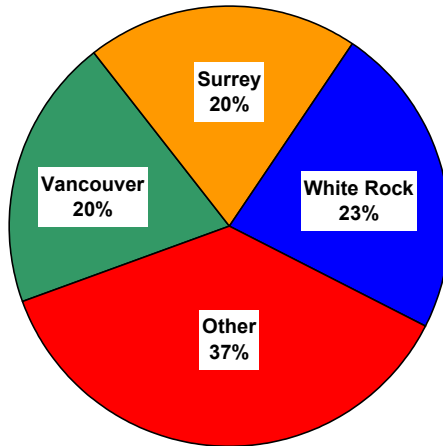
⁶ B.C. Ministry of Transportation and Highways, South Coast Region Origin/Destination Survey, February/March 1995 pgs. 3-4.

⁷ Ibid., p. 5

Chart 2.2-1: 1995 B.C. MoTH Study - Peace Arch Crossing Passenger Destinations

Northbound Destinations

1995

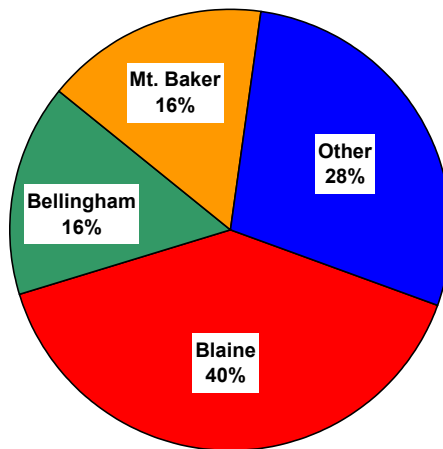


Analysis is based on traffic surveyed at the Peace Arch Crossing Northbound on Monday, Feb. 13, 1995. Figures are based on 1186 trips surveyed out of a total of 2953.

Data Source: BC MoTH
Data Compiled by: Whatcom County Council of Governments

Southbound Destinations

1995



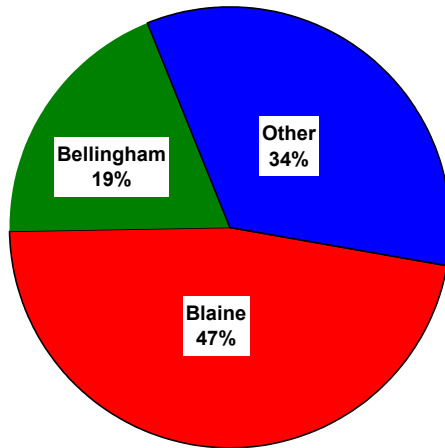
Analysis is based on traffic surveyed at the Peace Arch Crossing Southbound on Tuesday, Feb. 14, 1995. Figures are based on 1186 trips surveyed out of a total of 2953.

Data Source: BC MoTH
Data Compiled by: Whatcom County Council of Governments

Chart 2.2-2: 1995 B.C. MoTH Study - Peace Arch Crossing Passenger Origins

Northbound Origins

1995

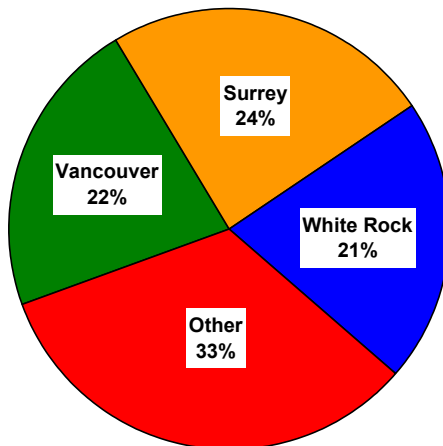


Analysis is based on traffic surveyed at the Peace Arch Crossing Northbound on Monday, Feb. 13, 1995. Figures are based on 1186 trips surveyed out of a total of 2953.

Data Source: BC MoTH
Data Compiled by: Whatcom County Council of Governments

Southbound Origins

1995



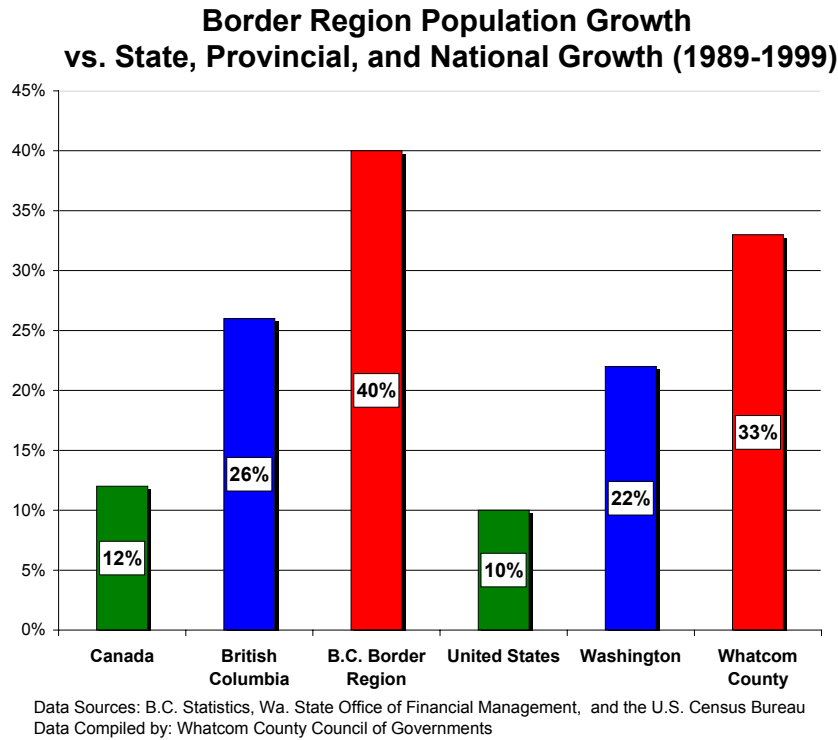
Analysis is based on traffic surveyed at the Peace Arch Crossing Southbound on Tuesday, Feb. 14, 1995. Figures are based on 1186 trips surveyed out of a total of 2953.

Data Source: BC MoTH
Data Compiled by: Whatcom County Council of Governments

3. Regional Population

Over the last ten years, population growth rates in B.C.'s and Washington's border regions have been significantly greater than growth rates for the state, province, and countries as a whole. This growing base of travelers underscores the urgency of providing efficient, cost-effective travel options.

Chart 3.0-1: Border Region Population Growth (1989-1999)



4. Current PACE and CANPASS users

4.1 Summary Statistics

For the purposes of this report, U.S. and Canadian inspection agencies provided summarized data from current PACE and CANPASS user records.

Residence

Current user data provides a look at where participants live and the current geographic reach of the PACE and CANPASS programs.

Chart 4.1-1: Current PACE and CANPASS Participants by City

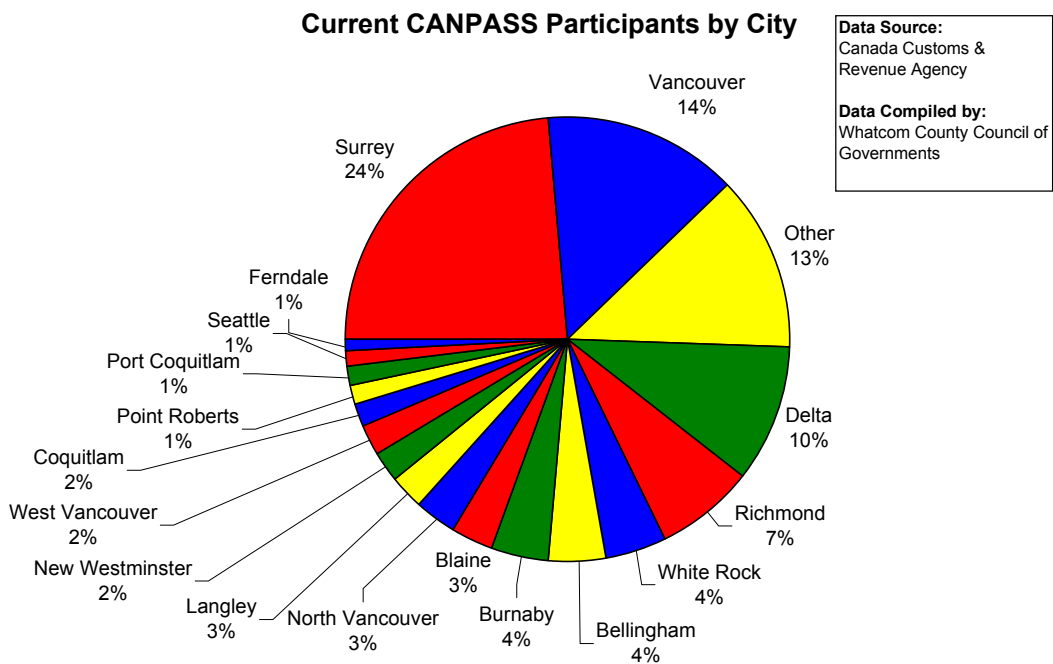
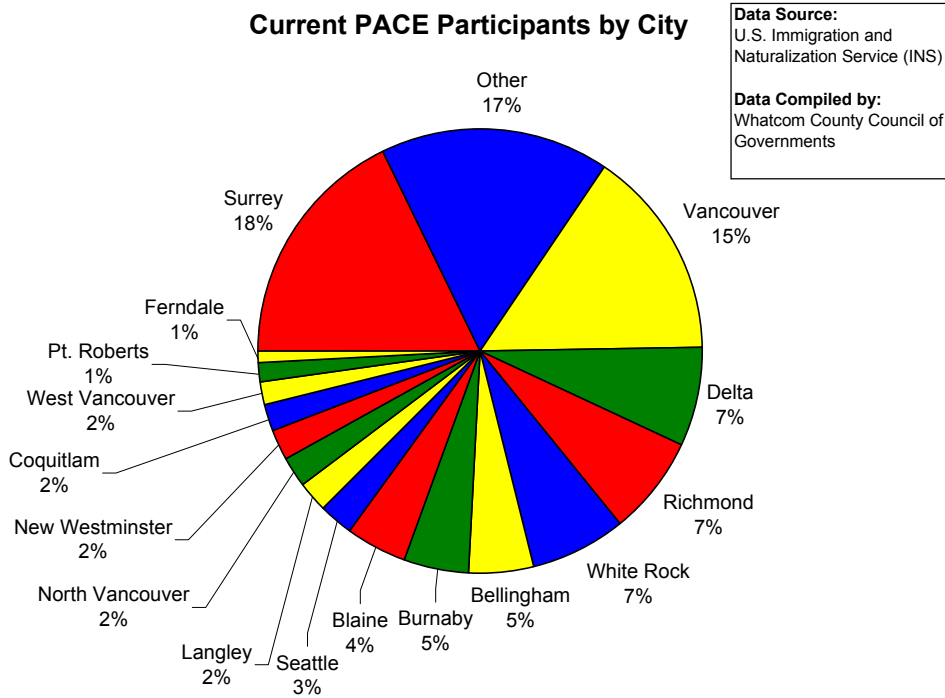


Table 4.1-1: Percentage of PACE Users per City ⁸

	No. of PACE Participants	% of Total Enrollment	City Population	% of Population in PACE
Blaine	1,298	4%	3,640	35.7%
White Rock	2,088	7%	17,573	11.9%
Ferndale	272	1%	7,925	3.4%
Langley	705	2%	24,178	2.9%
Bellingham	1,434	5%	64,070	2.2%
Delta	2,110	7%	101,098	2.1%
Surrey	5,258	17%	336,034	1.6%
North Vancouver	638	2%	44,640	1.4%
Richmond	2,097	7%	164,009	1.3%
Lynden	112	0%	8,910	1.3%
New Westminister	638	2%	54,177	1.2%
West Vancouver	465	2%	42,541	1.1%
Issaquah	87	0%	10,130	0.9%
Vancouver	4,594	15%	558,232	0.8%
Burnaby	1,361	4%	190,272	0.7%
Coquitlam	569	2%	111,534	0.5%
Whistler	30	0%	9,430	0.3%
Redmond	137	0%	43,610	0.3%
Kirkland	113	0%	44,860	0.3%
Bellevue	256	1%	106,200	0.2%
Marysville	34	0%	20,680	0.2%
Seattle	776	3%	540,500	0.1%
Everett	101	0%	86,730	0.1%
Mt. Vernon	22	0%	22,700	0.1%
Other	5,468	18%		
Total	30,663			

Table 4.1-2: Percentage of CANPASS Users per City

	No.CANPASS Participants	% of Total Enrollment	City Population	% of Population in CANPASS
Blaine	1,805	3%	3,640	49.6%
White Rock	2,490	4%	17,573	14.2%
Ferndale	520	1%	7,925	6.6%
Langley	1,457	3%	24,178	6.0%
Delta	5,577	10%	101,098	5.5%
Surrey	13,360	23%	336,034	4.0%
North Vancouver	1,685	3%	44,640	3.8%
Bellingham	2,395	4%	64,070	3.7%
West Vancouver	1,192	2%	42,541	2.8%
Richmond	4,224	7%	164,009	2.6%
New Westminister	1,237	2%	54,177	2.3%
Lynden	194	0%	8,910	2.2%
Issaquah	204	0%	10,130	2.0%
Vancouver	8,011	14%	558,232	1.4%
Burnaby	2,283	4%	190,272	1.2%
Coquitlam	982	2%	111,534	0.9%
Redmond	230	0%	43,610	0.5%
Bellevue	320	1%	106,200	0.3%
Kirkland	134	0%	44,860	0.3%
Mt. Vernon	64	0%	22,700	0.3%
Kelowna	118	0%	97,385	0.1%
Seattle	604	1%	540,500	0.1%
Chilliwack	124	0%	65,263	0.2%
Mission	74	0%	32,660	0.2%
Abbotsford	231	0%	114,216	0.2%
Other	7,796	14%		
Total	57,311			

⁸ **Data Sources:** U.S. Immigration & Naturalization Service; Canada Customs & Revenue Agency; B.C. Stats; Washington State Office of Financial Management.

Data Compiled by: Whatcom County Council of Governments

Age

Data from records of current PACE and CANPASS users reveals the following regarding age:

	PACE Participants	CANPASS Participants
Average age of participants:	53	46
Average age of male participants:	55	N/A
Average age of female participants:	51	N/A
Average age of passengers:	38	N/A

Total Number of Active Participants:

	PACE Participants	CANPASS Participants
Total Program Participants:	30,663	57,311
Total U.S.:	7,166	N/A
Total Canadian:	23,497	N/A
Total Passengers:	113,822	N/A

4.2 Analysis

The information provided by both U.S. Immigration and Naturalization Service (INS) and Canada Customs and Revenue Agency (CCRA) enables the following conclusions:

- ◆ Proximity to the border is a driver of demand for PACE and CANPASS, as illustrated by the high numbers of participants in Surrey, Vancouver, Delta, Richmond, and White Rock. In the U.S., the bulk of PACE/CANPASS enrollees are in Bellingham, Blaine, Seattle, Point Roberts, and Ferndale.
- ◆ Marketing efforts and advertising should be focused towards people between the ages of 30-55.
- ◆ There is concentrated enrollment in PACE and CANPASS in the border region but a significant number of users live over sixty kilometers away. Therefore, marketing should focus on the border region but not take forms that ignore the potential of enrollments by those out of the area.
- ◆ CANPASS has significantly higher enrollment than PACE. Likely reasons include the recent removal of the user-fee and that CANPASS has expanded to other regional crossings.

5. Non-users of PACE and CANPASS

5.1 Market Assessment Research

In order to develop a better understanding of how extensive the potential growth of PACE and CANPASS is, WCCOG performed 334 interviews of motorists traveling southbound through the Peace Arch border crossing. Characteristics of those found to be potential users of PACE and CANPASS were then summarized so as to define a target market and inform a marketing effort.

This information, when compared to the data of current PACE and CANPASS participants, reveals improvements to both the marketing and management of both programs.

5.1.1 Motorist interviews – Methodology

Interviews were conducted in the Southbound lanes of Peace Arch Border Crossing on the following dates:

- ◆ Friday, March 10, 2000 9.30am – 11.00am
- ◆ Friday, March 24, 2000 9.30am – 12.30pm
- ◆ Saturday, March 25, 2000 9.30am – 12.00pm

These times were chosen because they are, historically, the two highest arrival rate periods at the Peace Arch border crossing.

Vehicles with Washington or British Columbia license plates, that were cleared through primary inspection lanes, were directed by a U.S. INS agent to the secondary lanes. A WCCOG staff member asked the driver of each vehicle a series of thirteen questions (*see* Appendix I).

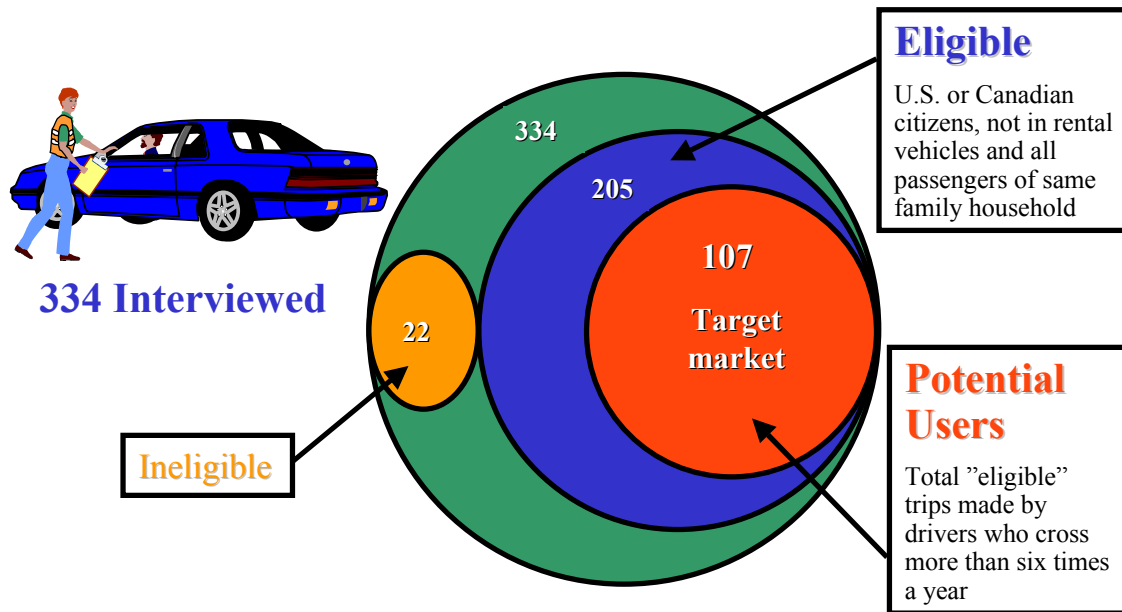
These figures summarize a sample of vehicles crossing the border. Because interviews were conducted in the early morning hours and Southbound only, there is a much higher percentage of Canadians than U.S. citizens (79% of all drivers interviewed were Canadian; 18% U.S. citizens; 3% other).

5.1.2 Motorist interviews – Summary Statistics

In order to appropriately gauge the number of potential PACE and CANPASS users traveling through the Peace Arch border crossing, several criteria were established in accordance with the requirements of the PACE and CANPASS programs. Both programs require participants to be either U.S. or Canadian citizens. In addition, multiple passengers affiliated with a PACE or CANPASS-registered vehicle must all be of the same family household.

Chart 5.1-1: Potential Users Interviewed by WCCOG

Motorist Interviews Summary



Data Source: Whatcom County Council of Governments; **Data Compiled:** southbound lanes of Peace Arch on Friday, March 10, Friday, March 24, and Saturday, March 25, 2000 from 9.30am - 12.00pm.

Eligible Users

- ◆ 205 drivers, or 61% of the total number interviewed, met eligibility requirements for applying to PACE and CANPASS. Of those drivers:
 - ◆ 161 were from Canada, 44 were from the United States
 - ◆ 146 were male drivers, 59 were female drivers

Reported Number of Border Crossings Per Year (of 205 Eligible Trips)

- ◆ More than twice a month: 13 percent
- ◆ Twice a month: 7 percent
- ◆ Once a month: 17 percent
- ◆ Once every two months: 11 percent
- ◆ Twice a year: 12 percent
- ◆ Once a year: 11 percent
- ◆ Less than once a year: 6 percent

Potential Users

PACE costs \$25 per year. To estimate the proportion of eligible users that would redeem at least \$25 of benefits from PACE or CANPASS and thus represent "Potential Users", U.S. Federal

Highway Administration’s memorandum on the cost of travel time was used⁹, along with other assumptions of cross-border travel.

Assumptions

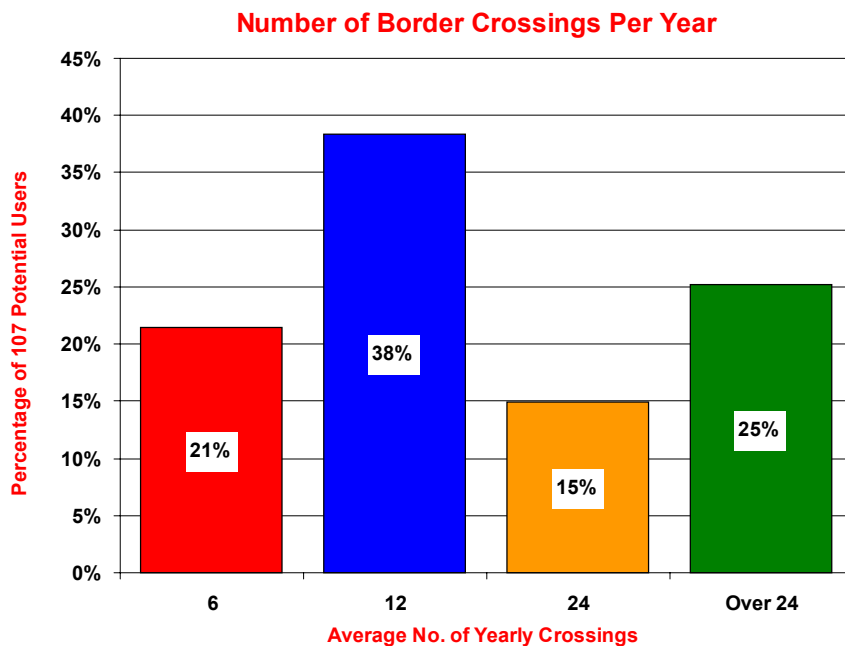
- ◆ Average wait at the border is 20 minutes
- ◆ FHWA’s hourly value of time (based on Census income averages) for personal intercity surface travel is \$11.90 per hour (note: business surface travel is valued higher at \$18.80 per hour in transit).

Conclusions

- ◆ Based on this \$11.90 figure and a 20 minute wait time for (southbound only), a person who travels six times a year across the border is “spending” \$23.76 a year on travel time.
- ◆ Thus, 107 drivers (37 percent of those interviewed) were categorized as **Potential Users** due to their eligibility and frequency of travel across the border (six or more times a year).

Target Market Characteristics

Chart 5.1-2: Average Number of Border Crossings Per Year



⁹ The Value of Travel Time: Departmental Guidance for Conducting Economic Evaluations (U.S. Department of Transportation, April 1997)

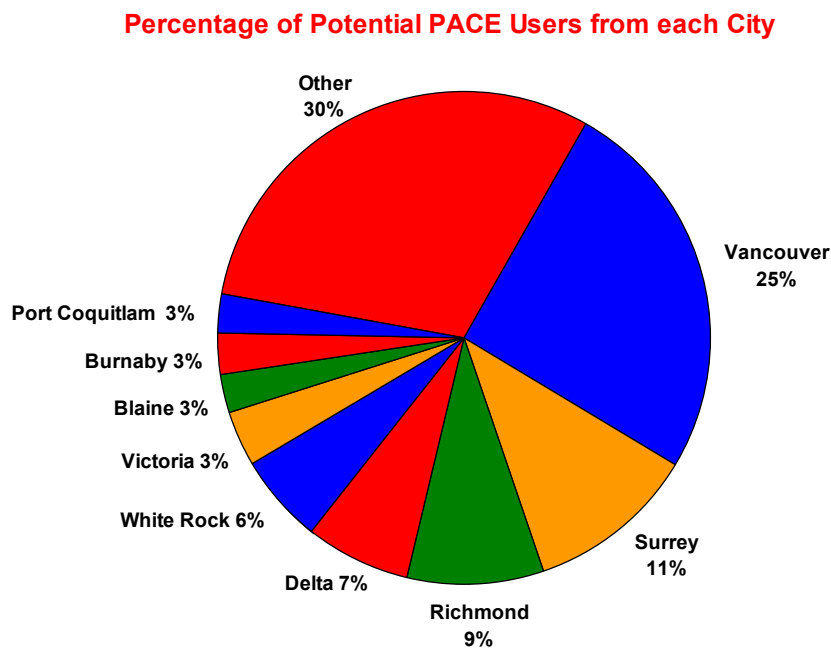
Average Age of Potential Users (of 107 Potential PACE/CANPASS Users)

- ◆ Between the ages of 40-59: 50 percent
- ◆ Between the ages of 20-39: 29 percent
- ◆ Over 60 years old: 20 percent
- ◆ Under 20 years old: 1 percent

Cities of Origin (of 107 Potential PACE/CANPASS Users)

City	% Potential Users	% Current PACE Users	% Current CANPASS Users
Vancouver, BC	25%	15%	14%
Surrey, BC	11%	17%	23%
Richmond, BC	9 %	7%	7%
Other Cities	55%		

Chart 5.1-3: Percentage of Potential Users per City

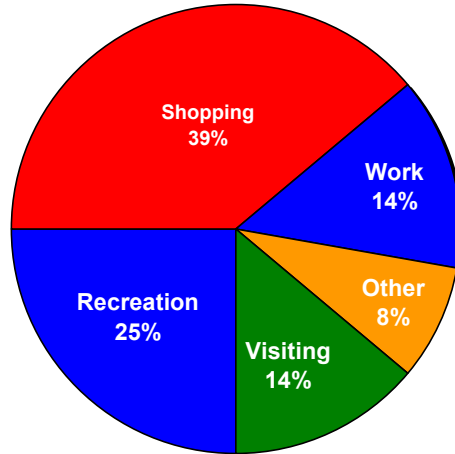


Reasons for Crossing the Border

Most potential users interviewed were crossing the border for either recreational or shopping purposes. Smaller percentages of drivers crossed for work or to visit friends or family. This illustrates a need to reach target market audiences through shopping and recreational destinations, including resorts (skiing, golfing), shopping centers (Bellis Fair Mall, Peace Arch Outlet), and downtown areas.

Chart 5.1-4: Reasons for Crossing the Border

Saturday, March 25, 2000



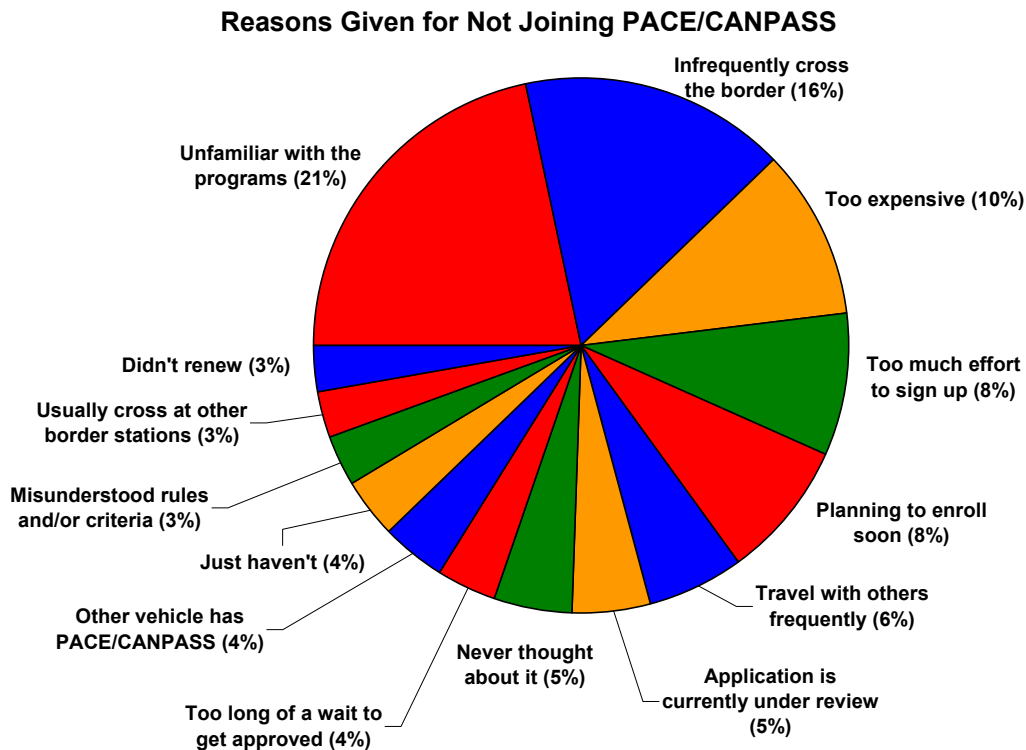
Data Source:
Whatcom County Council of Governments

**Friday, March 10, 2000
& Friday, March 24, 2000**



Data Source:
Whatcom County Council of Governments

Chart 5.1-5: Reasons for Not Joining PACE or CANPASS (of 107 Potential Users)



5.2 Analysis

The following conclusions are based on the information stated above.

- ◆ **Target Age Group:** The target age group, as defined by both the interviews and current participants, is **between 40-59**.
- ◆ **Target Geographic Locations:** Marketing efforts should be targeting travelers from cities with larger populations of potential users, including Vancouver, Surrey, and Richmond.
- ◆ **Target Border-Crossing Markets:** The predominant motivation for people crossing the border is for shopping (31-39%). The second motivation is recreation (25-32%). Since the bulk of travelers are going for these reasons, marketing efforts should focus on point-of-sales strategies and specific shopping or recreational events. Other reasons for crossing, including work (10-14%) and visiting friends or relatives (10-14%), should receive less of a focus.
- ◆ **Emphasize Availability:** Many of the respondents expressed a lack of information regarding the programs. There is a **need for more education about PACE and CANPASS**. The prevailing reason for not applying was unfamiliarity with the program (21%). Three percent of potential users were confused by eligibility criteria, believing that they could not qualify even if they applied. Given feedback regarding unfamiliarity with the program's purpose and the sense that PACE and CANPASS were for a privileged few, marketing messages need to emphasize that PACE and CANPASS are intended for any compliant, frequent traveler.

- ◆ **Marketing of Value:** The value of travel time needs to be emphasized when marketing PACE and CANPASS. 25 percent believed that PACE was too expensive, or that they do not cross often enough to justify the PACE fee, although they all reported crossing more than six times a year.
- ◆ **Providing Easier Application Methods:** Several drivers gave reasons for not applying which reflect difficulties in enrolling (7 percent said it was “too much effort”, and 7 percent intend to apply soon). This suggests the benefits of providing easier ways to apply for both programs.

6. Media and Networking Options

6.1 Potential PACE/CANPASS User Media Preferences

As part of the interviews conducted by WCCOG at the Peace Arch Border Crossing (*see* Section 5), potential PACE and CANPASS users were asked questions regarding their media preferences:

Choice of Newspapers (of 107 Potential PACE/CANPASS Users)

The following newspapers were reported as regularly read:

- ◆ The Vancouver Sun: 50 percent
- ◆ The B.C. Province: 32 percent
- ◆ The National Post: 13 percent
- ◆ The Globe and Mail: 6 percent
- ◆ The Seattle Times: 5 percent
- ◆ The Bellingham Herald: 5 percent
- ◆ Fifteen other papers read: 17 percent

Usage of the Internet (of 107 Potential PACE/CANPASS Users)

- ◆ 61 percent use the internet daily.
- ◆ 28 percent never use the internet.

6.2 Analysis

Based on reported use of the internet by potential users (61% daily usage), it is evident that marketing efforts that refer people to a web site for more information and applications would be highly appropriate. Marketing on the internet itself, such as banner advertisements and links on heavily used community and traveler-information web sites, would be sensible.

7. Conclusions

1. PACE and CANPASS can increase current system capacity in the Cascade Gateway (WSDOT Report).
2. WCCOG's non-scientific survey of non-PACE travelers estimates that 32 percent of peak-hour traffic (southbound at Peace Arch) is both eligible and would benefit from enrollment in PACE. Added to the current 28 percent of southbound cars that use PACE already, PACE could, theoretically, facilitate the entry of 60 percent of peak-hour cross-border traffic.
3. Both current and potential PACE and CANPASS users do not only live in border towns. A large percent live over 50 miles from the border in places such as Seattle (over 100 miles from the border) and Vancouver (60 miles from the border). Marketing efforts should acknowledge a wider geographic area than has been thought of in the past.
4. The promotion of internet-based application options for PACE and CANPASS would be a preferred approach for a large majority of the target market.
5. Marketing efforts should focus more on recreational and shopping activity centers than on business or work-related activities.

Appendices

Sample of the PACE/CANPASS Market Research Questionnaire

1. License Plate U.S. CAN

2. Is this a rental car?
No Yes (end survey)

3. What is your citizenship?
U.S. CAN
Other (end survey)

4. Number of Passengers (circle one):
 1
 2 3 4 5 6 7 8
Is everyone in the car a member
of the same family household?
 Yes No

5. How often do you (the driver) drive
across the border?
____ times/week ____ times/month
____ times/year

6. Driver's Gender Male Female

7. Of the following four categories, what
is your *main* reason for crossing the
border today?
 Recreation Work-related
 Shopping Other: _____

8. *This next question is about the PACE
and CANPASS pre-approved travel
lanes.*
Could you list any reasons why you
haven't signed up for the PACE or
CANPASS programs?
a) _____

9. Driver's approximate age
< 20
20-39
40-59
>60

10. What city do you live in?
_____, [B.C.] [WA]

11. What is your zip/postal code?

12. How often do you use the Internet?
 Daily
____ times/week
____ times/month
 Never/no access, etc.

13. What daily or weekly newspapers do
you read?
1. _____
2. _____

Give out beverage certificate.
Give out application(s).

THANK YOU!– Have a safe trip.

Interviewer _____
Date: _____ Time: _____