



## Best and Worst Cities for Local Holiday Shoppers

*Detroit takes top spot, while Seattle comes in last*

---

NEW YORK - November 6, 2023 - Detroit, Michigan is the best city for local holiday shoppers while Seattle, Washington is the worst, according to Bankrate's new study. Bankrate ranked the top 25 largest metropolitan statistical areas by population, based on affordability (35%: average holiday spend and sales tax rate), purchasing power (35%: average credit card debt and median income after housing costs), and retail accessibility factors (30%: retail establishments per 100,000 people and per 10,000 people) that directly impact the holiday shopping experience. To see the full ranking of all 25 metros, click here:

<https://www.bankrate.com/personal-finance/best-and-worst-holiday-shopping-cities/>

With nearly 4 in 5 (79%) Americans planning to shop this holiday season, only 39% of them will do most of their holiday shopping online, according to a previous Bankrate survey (<https://www.bankrate.com/finance/credit-cards/early-holiday-shopping/>). As a result, hundreds of millions of shoppers will do some, if not all, of their shopping in-person. When it comes to shopping locally, not every area is created equally in terms of how far similar budgets will stretch, how much money local residents have to spend on goods, and the ability to shop around and avoid crowds.

With many Americans planning to shop in-person this year, Detroit ranks as the best city for local holiday shoppers, Seattle, Washington ranks as the worst.

5 Best Cities for Local Holiday Shoppers	5 Worst Cities for Local Holiday Shoppers
1. Detroit	25. Seattle
2. Boston & Philadelphia	24. Los Angeles
4. Charlotte	22. Riverside & Miami
5. Baltimore	21. San Francisco

"If you're shopping in-person for the holidays, you've no doubt noticed how drastically prices can vary from store to store. The same concept applies to cities," says Bankrate analyst Alex Gailey. "Where you live can have a significant influence on your buying

power for gifts and holiday items because of the considerable price differences across the country.”

Detroit took the top spot with favorable rankings in affordability (1) and accessibility (1), while coming in lower for purchasing power (18). Zooming in on affordability, Detroit has the lowest prices compared to the other metros, while also having the second lowest sales tax rate (tied with Washington D.C. and Baltimore). In terms of accessibility, it also has the most retail establishments per 10,000 establishments, and third most retail establishments per capita, offering shoppers more options and less crowds. However, the city did not fare as well in purchasing power due to ranking 21st for median income after housing costs, which can limit the amount of disposable income residents have to shop with. Thankfully, Detroit residents are not as burdened with credit card debt, as Michigan residents have the lowest average credit card balance, which can alleviate some budgetary strain.

On the other hand, Seattle, Washington, had less favorable rankings for affordability (24), and retail accessibility (24), but fared better for purchasing power (4). Seattle goods are the third most expensive compared to the other metros (tied with New York), and they have the highest sales tax rate (tied with Chicago), which contributes to the low affordability ranking. When it comes to accessibility, Seattle ranked 23rd for the amount of retail establishments per 10,000 establishments and 20th for retail establishments per capita, which can cause crowding and limited shopping options. On the bright side, the city ranked 3rd for median income after housing costs, boosting its rank in purchasing power.

"Most West Coast cities have higher prices and are generally less affordable compared to other cities on our list," Gailey says. "We found that residents in cities like Detroit and Charlotte can spend significantly less to buy the equivalent of \$875, the national average that Americans will spend on gifts and holiday items this year. In other words, their dollars go a lot further."

### **Methodology:**

Bankrate's Best Cities for Local Holiday Shoppers was compiled using data from a variety of sources, including the U.S. Census Bureau, the U.S. Labor Department (BLS) and the U.S. Bureau of Economic Analysis (BEA). Bankrate analyzed the 25 largest metro areas in the U.S. based on several factors that impact a person's holiday shopping experience in their area. That includes affordability, local purchasing power and retail accessibility. Here is a breakdown of each category:

**Affordability:** To measure affordability, Bankrate calculated the amount of money needed in the 25 largest metro areas to buy the same quantity of goods and services as the 2023 national average (\$875). The average amount Americans plan to spend on gifts and holiday items this year is based on the National Retail Federation's latest consumer survey. NRF holiday spending is defined as the months of November and December. To calculate the average holiday spend in each metro, Bankrate multiplied the national average holiday spend by the metro's 2021 regional price parity index (RPP). RPPs from the BEA give a sense of how much higher or lower effective prices are in an area relative to the nation overall, as well as between cities. A higher RPP in a metro negatively affects its ranking, and a lower RPP in a metro positively affects its ranking. Bankrate also factored in total sales tax rates in the 25 largest metros, as of July 1, 2021. If a metropolitan area encompassed several cities, the largest city was chosen within a metro to represent the total sales tax rates. For example, Bankrate chose to represent the New York City sales tax rate for the New York-Jersey City-Newark metropolitan area. This category was given an overall weight of 35 percent.

**Purchasing Power:** To measure local purchasing power, Bankrate analyzed median income after housing costs in the 25 largest metros. Data on median income and median monthly housing costs were collected from the most recent American Community Survey (2022). Higher median income after housing costs in a metro positively impacts its ranking. Bankrate also used TransUnion data from March 2023 to analyze average credit card balances in the states the metropolitan areas are in. State credit card balances were averaged for metropolitan areas that cross multiple state lines. A higher credit card balance in a metro negatively impacts its ranking. This category was given an overall weight of 35 percent.

**Retail Store Accessibility:** To measure accessibility to in-person retail stores, Bankrate analyzed retail trade establishments per 100,000 people and retail trade establishments per 10,000 establishments from the U.S. Census Bureau. Retail trade establishments per 100,000 people can be an indicator of long lines and crowds. The fewer shops per capita, the more people there would be in each store creating lines and crowds. Retail trade establishments per 10,000 establishments can be an indicator of in-person retail store availability for consumers to shop around and price check. The more stores there are to shop around and price check in a given metro, the better for the consumer. This category was given an overall weight of 30 percent.

#### **About Bankrate:**

Bankrate has guided savers and spenders through the next steps of their financial journeys since 1976. Whether it's rates or information on mortgages, investing, credit cards, personal loans, insurance, taxes or retirement, the company offers various free

resources to help consumers reach their goals. From product comparison tools to award-winning editorial content, Bankrate provides objective information and actionable next steps. Bankrate also aggregates rate information from over 4,800 institutions on more than 300 financial products, with coverage in more than 600 local markets. It's why over 100 million people put their trust in Bankrate every year.

**For more information:**

Julie Guacci  
Public Relations Manager  
julie.guacci@bankrate.com  
917-368-8673

---

[Bankrate](#)

