Consumers Have The Motivation—But Lack The Money For Home Improvement

Contributed by Mintel
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The arrival of spring brings not only warmer weather, but also spring cleaning and the undertaking of do-it-yourself (DIY) home improvement projects.

Much to the chagrin of home improvement stores, the DIY home improvement market has seen a 21% decline from 2005-2010 according to latest research from Mintel, and more than a quarter (28%) of DIYers say they would like to undertake a major renovation or addition to their home, but they just donâ€™t have the funds.

Surprisingly, the percentage of high-income consumers who canâ€™t afford renovations is even higher. Thirty-two percent of DIYers in households making between $75-99.9K say they lack the money to undertake a major home improvement project.

Meanwhile, 17% of those surveyed who have completed a DIY project in the last year say they lack the skills to tackle a major renovation and 12% say they donâ€™t have the proper tools.

â€œWhen the housing market collapsed many consumers chose to make minor improvements to their homes instead of pursuing large, complicated renovation projects that would drain their wallets,â€• says Bill Patterson, senior analyst at Mintel.

â€œHowever, positive fourth-quarter sales suggest a thawing in consumer spending and the release of some pent-up demand.â€•

According to Mintel research, despite their monetary shortcomings, consumers have a positive view of home improvement projects.

In fact, 39% of DIYers say making a major home improvement is the best long-term investment they can make.

â€œWe forecast growth to accelerate in 2011 and, presuming a stabilization of the housing market, to remain positive through 2015,â€• adds Bill Patterson.

â€œPent-up demand, ongoing need for repair and maintenance, retro-fitting, and renovations from Boomers approaching retirement and demand from Millennials should all propel DIY spending.â€•

Furthermore, 61% of consumers say theyâ€™ve completed a DIY project in the last 12 months and the average respondent has undertaken a little over four projects.

Source: Mintel Oxygen Reports

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