**Home Improvements Market 2022**

**Many Demand-Factors Still Driving the Market**

The Home Improvement Research Institute’s (HIRI) Home Improvement Project Intent Tracking Survey revealed 76.0% of the 3,000 surveyed homeowners said they planned a home improvement project during Q4 2021, the largest percentage since Q4 2012.

The Joint Center for Housing Studies of Harvard University (JCHS) forecasts substantial home improvement spending during 2022: Q1 an 11.3% YOY increase, Q2 a 15.2% YOY increase, Q3 a 19.7% YOY increase and Q4 a 17.3% YOY increase.

Much of the demand comes from the housing market. Many delayed projects will now occur during 2022, housing prices cause some buyers to stay in their homes and consider home improvement projects and many new homes require immediate improvements.

**Consumers’ Plans to Sell or Buy a Home During the**

**Next 1 to 3 Months, September 2021–January 2022**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Plans | Sept. 2021 | Oct 2021 | Nov 2021 | Dec 2021 | Jan 2022 |
| Sell a home: Yes | 5.2% | 3.7% | 4.7% | 4.9% | 5.6% |
| Sell a home: No | 86.5% | 89.6% | 88.0% | 90.2% | 88.0% |
| Buy a home: Yes | 7.0% | 7.9% | 7.8% | 6.9% | 7.7% |
| Buy a home: No | 84.7% | 84.3% | 82.7% | 85.9% | 85.3% |

 The Farnsworth Group, January 2022 (color represents the change from the previous month)

**The Retail Perspective**

After home improvement products sales increased 13.3% during 2020, some in the industry thought 2021 couldn’t match that growth, however, sales increased another 13.0% for 2021, establishing a record two-year growth.

According to the Placer.ai Q4 2021 Retail Quarterly Index Report, smaller home improvement retailers had major increases in visits compared to Q4 2019: Tractor Supply +47.3%, Rural King +16.1%, Harbor Freight Tools +15.7% and Ace Hardware +24.0%.

By comparison, the two major home improvement retailers also experienced increases from Q4 2019, but not quite as large: The Home Depot +11.5% and Lowe’s +13.0%; however, both of their Q4 2021 visits decreased from Q4 2020 and Q3 2021.

**Building Materials and Supplies Dealers’\* Sales Comparisons, 2020–2021†**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Period | 2021 Sales | Change from 2020 | Change from 2019 | Period | 2021 Sales | Change from 2020 | Change from 2019 |
| Q1 2021 | $90.18 B | +20.7% | +28.2% | August 2021 | $35.40 B | +8.6% | +22.4% |
| Q2 2021 | $119.63 B | +16.8% | +32.0% | Sept. 2021 | $34.69 B | +6.2% | +30.1% |
| 1H 2021 | $209.80 B | +18.5% | +30.3% | Oct. 2021 | $34.98 B | +5.9% | +21.9% |
| Q3 2021 | $106.87 B | +6.7% | +25.0% | Nov. 2021 | $35.30 B | +15.2% | +34.6% |

US Census Bureau, February 2022 \*NAICS 4441 †January–November periods

**DIYers Are Ready to Work**

The Farnsworth Group’s DIY Home Improvement Monthly Tracker for January 2022 found almost half of the surveyed consumers said this was a good time to start a home improvement project: “very good time” at 13.2% and “somewhat good time” at 34.0%.

Conversely, approximately 40% said it was a bad time to hire a contractor: “very bad time” at 13.4% and “somewhat bad time” at 26.7%. 73.5% said they did not consider hiring a contractor and the #1 reason was “too expensive” at 66.6%.

Almost two-thirds of survey consumers said they would start a DIY project during the next few weeks: “will definitely start” at 32.1% and “will probably start” at 33.4%.

**Top 10 DIY Projects Consumers Are Planning to Start\*, January 2022**

|  |  |  |  |
| --- | --- | --- | --- |
| Project | Percent | Project | Percent |
| #1: Painting a room | 56.5% | #6: Landscaping, planting, etc. | 20.2% |
| #2: General home maintenance | 38.6% | #7: Cabinets | 16.1% |
| #3: Painting or staining items | 31.4% | #8: Decking or patio | 11.1% |
| #4: Flooring | 26.0% | #9: Plumbing | 10.6% |
| #5: Interior lighting | 20.8% | #10: Windows | 9.4% |

The Farnsworth Group, January 2022 \*during the next few weeks

**DIYers’ Purchase Patterns**

According to The Farnsworth Group report cited above, 75.4% of surveyed consumers said they had experienced very little materials shortages for their projects during the past month: “no materials shortages” at 50.8% and “low materials shortages” at 24.6%.

“Lumber, treated lumber and plywood” were the materials most consumers had trouble finding during the past month at 30.5%, but the difficulty had decreased almost 20 percentage points from October 2021 when it was cited by 49.3% of consumers.

The vast majority (80.4%) said they had purchased their home improvement materials in-store or at a supplier during the last month. A substantial percentage (21.2%) purchased those materials online and had them delivered to their homes.

**Adults 18+ Who Are Planning Any Home Improvement Project\* and the Building Supply Chains Where They’ve Shopped**†**, by Indices, in Selected Markets, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Building Supply Chains | West Palm Beach, FL | Chicago | Austin | Monterey-Salinas, CA | Portland, OR |
| The Home Depot | * 127
 | * 133
 | * 135
 | * 129
 | 136 |
| Lowe’s | * 144
 | * 145
 | * 131
 | * 137
 | * 136
 |
| Ace Hardware | 135 | * 132
 | * 165
 | * 145
 | * 145
 |
| True Value | * 161
 | * 149
 | * 152
 | * 164
 | * 184
 |

Based on The Media Audit’s 2021 surveys \*during the next 12 months †during the past 4 weeks

**Home Improvement Professionals’ Challenges**

The Farnsworth Group’s PRO Home Improvement Monthly Tracker for January 2022 reported almost half (48.7%) of contractors said their work had been delayed or stopped during the past month.

The top five reasons were “material availability” at 48.9%, “homeowners’ concerns with having workers in their homes” at 43.3%, “material prices” and “COVID concerns for workers” both at 25.7% and “lack of labor/workers” at 18.1%.

The top five trades home improvement contractors had trouble finding were “painters” at 27.2%, “electricians” at 26.4%, “plumbers” at 24.9%, “carpenters” at 22.4% and “builders” at 16.9%.

**Top 10 Products Home Improvement Contractors**

**Have Had Trouble Finding\*, January 2022**

|  |  |  |  |
| --- | --- | --- | --- |
| Product | Percent | Product | Percent |
| #1: Lumber, treated lumber and plywood | 44.2% | #6: Flooring | 20.1% |
| #2: Building materials (roofing, etc.) | 33.7% | #7: Paint and paint supplies | 18.3% |
| #3: Electrical supplies | 22.4% | #8: Kitchen and bath remodeling | 18.0% |
| #4: Windows and doors | 21.3% | #9: Major appliances | 14.1% |
| #5: Plumbing supplies | 20.2% | #10: Lighting and accessories | 9.9% |

The Farnsworth Group, January 2022 \*during the past month

**Adults’ Home Improvement Plans**

Analysis of data from the same five representative 2021 consumer/market surveys conducted by The Media Audit and cited on page 2 indicates almost half of adults 18+ plan any home improvement project during the next 12 months at an average of 46.8%.

The Media Audit surveys, similar to many other home improvement industry sources, identify Millennials as the primary target audience, with an average index of 109, followed by Gen Xers at 103, Silent Generation at 100, Baby Boomers at 96 and Gen Zers at 84.

Adults who identify as LGBT in these five markets are a particularly good target audience, with an average index of 105 and those with the largest incomes significantly over-index on average: $100,000–$149,999 at 150, $150,000–$199,999 at 168 and $200,000+ at 132.

**Affluent Adults 18+ Who Are Planning Any Home Improvement**

**Project\*, by Indices, in Selected Markets, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Affluent Adults | West Palm Beach, FL | Chicago | Austin | Monterey-Salinas, CA | Portland, OR |
| Empty Nesters: 45+, no kids at home, +50K+ | * 98
 | * 98
 | * 100
 | * 115
 | 121 |
| Full Nesters: kids at home, $75K+ | * 132
 | * 137
 | * 128
 | * 141
 | * 144
 |
| Baby Boomers: $100K+ income | * 125
 | * 130
 | * 96
 | * 111
 | * 153
 |
| Working women: family income $75K+ | 120 | * 116
 | * 121
 | * 112
 | * 134
 |
| Blue-collar worker: family income $75K+ | 195 | * 112
 | * 113
 | * †
 | * 126
 |
| White-collar worker: family income $100K+ | * 132
 | * 138
 | * 136
 | * 147
 | * 155
 |

Based on The Media Audit’s 2021 surveys \*during the next 12 months †insufficient data

**More Valuable Insights**

DIFM (“Do It For Me”) home-improvement consumers are often those who start a DIY project and are unable to complete it for various reasons. According to HIRI, 85% of the consumers surveyed are attracted to DIY projects, but 66% of DIY projects are completed.

According to The Farnsworth Group’s DIFM Home Improvement Monthly Tracker for January 2022, almost half of surveyed consumers said it was a good time to hire a contractor: “very good time” at 14.8% and “somewhat good time” at 31.1%. Approximately two-thirds said they hadn’t faced many, if any, challenges to finding a contractor: “no challenges” at 33.6% and “low challenges” at 33.6%.

Where DIFM home-improvement consumers purchase their project materials during the past month differs significantly from DIY consumers.

* On page 2, 80.4% said they had purchased their home improvement materials in-store or at a supplier during the last month and 21.2% purchased those materials online and had them delivered to their homes.
* Among DIFM consumers, however, 67.2% had purchased in-store or at a supplier while 32.4% purchased them online for home delivery.

**Top 10 Projects DIFM Home-Improvement**

**Consumers Are Planning to Start\*, January 2022**

|  |  |  |  |
| --- | --- | --- | --- |
| Project | Percent | Project | Percent |
| #1: Painting a room | 40.1% | #6: Landscaping, planting, etc. | 19.1% |
| #2: General home maintenance | 33.3% | #7: Cabinets | 16.7% |
| #3: Painting or staining items | 22.2% | #7: Lawn maintenance, mowing | 16.0% |
| #4: Interior lighting | 21.6% | #9: Electrical | 14.2% |
| #5: Flooring | 20.4% | #10: Decking for patio | 13.6% |

The Farnsworth Group, January 2022 \*during the next few weeks

*Sources:* Home Improvement Research Institute Website, 2/22; The Joint Center for Housing Studies of Harvard University Website, 2/22; The Farnsworth Group Website, 2/22; Placer.ai Website, 2/22; US Census Bureau Website, 2/22; The Media Audit Website, 2/22.

*Updated*: February 2022

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**Local Market and Station Information**