Changing Approaches To Home Improvement

THE PROFOUND IMPACTS OF THE HOUSING BUBBLE AND TECHNOLOGY ON US HOMEOWNERS

CONSUMER SPECIALISTS

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Background

- In December 2006, Consumer Specialists conducted a study of how homeowners start their home improvement projects. Since the path that consumers start their projects has a huge influence on what they eventually do, it was valuable information for all participants in the home improvement industry.
- It turned out that the study was conducted shortly before a major recession hit the US and around the world. Unemployment rose to levels that made everyone apprehensive. A key component of the recession was a housing crisis that was deep and long. Foreclosures soared and many homes became worth significantly less than the outstanding balance on their mortgage. Homeowners had to adapt.
- Throughout this period, technology continued its rapid rate of change. Smart phones became dominant, computers cheaper & faster, and being online became a constant. People started connecting in new ways and expectations of instant access to information became the norm.
- More recently the economy rebounded, home prices recovered, and unemployment feel back to more normal levels.
- With all these changes, it became important to see how homeowners had been changed by all the factors happening in the environment.
- The current study was fielded in December 2015 to get a fresh snapshot of how homeowners approach their home improvement projects and to see how their behavior had been changed by the events of the nine years between study waves.

Organization of this Report

- The first part of this report will focus on key issues and the study's findings that are relevant. This will replace the traditional executive summary section.
  - This approach asks a series of questions about industry issues
  - The report then goes into key data that applies directly to each particular question
- The detailed results section will go over the questions in the study that were asked and the results that were generated. These results provide further depth of insight in the information in the issues section as well as many other subjects.
- For each question area you will find the following:
  - Overall results from the new study wave
  - A discussion of important changes vs. the 2006 wave
  - An analysis of any important differences broken by the following demographic, attitude and behavioral groups:
    - Region
    - Generation
    - Gender
    - Income level
    - Length of time in their home
    - Self-classification about their home improvement orientation
    - Level of home improvement spending

    If data is not presented on one of these groups, it means that the differences were not significant enough to warrant discussion.

Issues Explored

1. How has the housing crash of 2007 impacted what people are looking for when they start planning a home improvement project?
2. How has the Internet impacted how consumers find information on home improvement? What are the online resources they plan to use?
3. How do people go about finding a contractor that they hire? Has this been changed by online contractor locator services?
4. How has contractor project satisfaction changed? What behaviors seem to lead to the highest satisfaction?
5. How are the national installation companies viewed?
6. What are the key differences between generations?

Methodology

- Two waves of online research are incorporated in this report
  - The current wave, December 2015 - 1,003 U.S. homeowners
  - The base wave, December 2006 - 1,000 U.S. homeowners
- Data processing was completed in January and analysis began in February 2016.
- The for both study waves, quotas were used to balance the sample to be representative of US homeowners based on age, gender, income and region. Data for the quotas was taken from the US Census Current Population Survey.
- The questionnaire for both waves of the study was the same in flow, with minor changes made to reflect current industry specifics. No changes were made that were judged to impair comparability.
- A security screen excluded those who had any household member who was in any of the following industries:
  - An advertising agency
  - A marketing or marketing research company or department
  - A contractor involved in residential construction or repairs
  - A manufacturer or retailer of hardware or home improvement products
- Respondents had to be homeowners, 18 years old or older.
- Quality control questions were added to eliminate respondents who were not providing worthwhile responses.
- Where statistical comparisons are made in this report, they are at the 95% confidence level.

Methodology (continued)

- Generations
  - This study includes adults, 18+. That includes four generations in both study waves. The classification by generation used in this report is as follows.

	Years Born	Age in 2006	Age in 2015	Population (2015)
Matures	Prior to 1946	61+	70+	31.7 million
Boomers	1946-1964	42-60	51-69	74.9 million
Gen X	1965-1978	28-41	37-50	57.3 million
Millennials	1979-1995	11-27*	20-36	75.2 million

- DIY Orientation
  - This study uses respondent self classification in terms of their orientation to doing home improvement projects. They were asked:
    - Which one of the following best describes your personal involvement in home improvement and repair projects?
  - The following are the labels used for each group and the related response choices.
    - **Total DIY'er**; I am a total do-it-yourselfer; I do it all.
    - **Moderate DIY'er**; I do many jobs around my home, but the toughest are left for professionals.
    - **Light DIY'er**; I only take on small jobs as needed.
    - **Non DIY'er**; I call on professionals for just about everything.

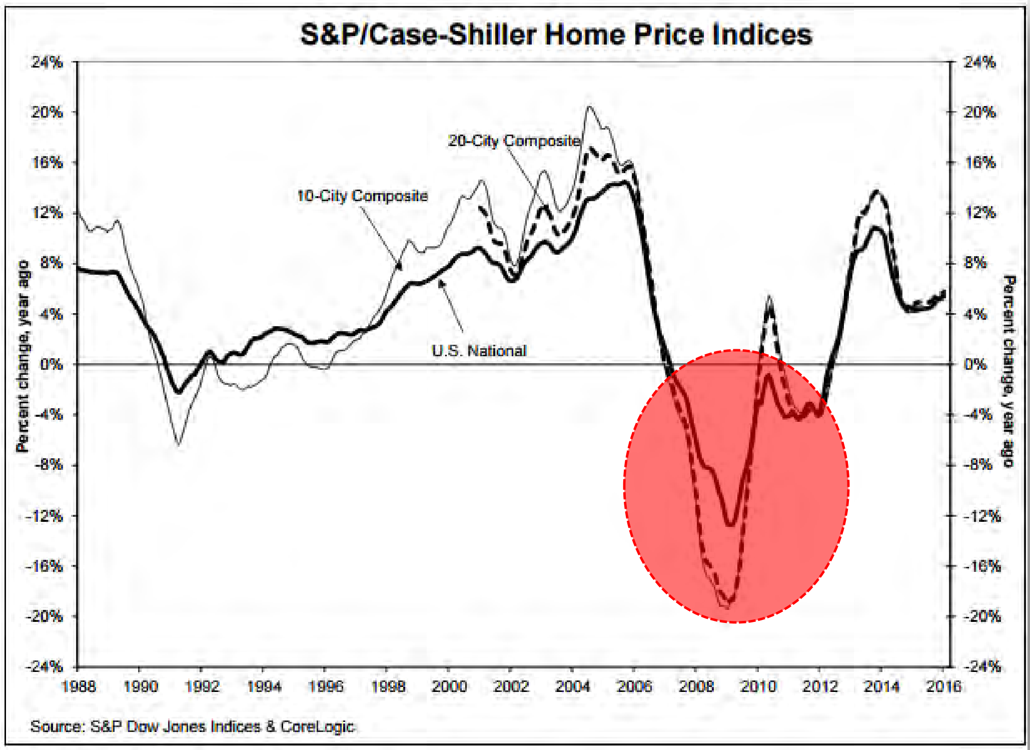
* interviews were only conducted among those 18+

Point of View
Some Major Themes In The Findings

- A lot has happened between the two waves of this study both in the environment and with technology. It appears that technology has had greater impacts than the environment.
- Homeowners view themselves similarly to what they did in 2006. How they behave however, has shifted.
  - Homeowners are more engaged in the home improvement process.
  - They want to be in control and have full information.
  - They are much more likely to use the Internet as a key tool, but still have strong ties to word-of-mouth from friends and family.
  - There are many striking differences in approaches by generation. Given the size and uniqueness of the Millennial Generation, particular attention is important.
- The Internet is at the heart of many of the changes. A computer (or smart phone) has become as important a home improvement tool as a hammer.
- Some fundamental approaches that are recommended:
  - Find ways to get your customers involved and feeling in control.
  - Use Internet based effort to connect with homeowners.
    - Use the tools they like and invest in new approaches to avoid being left behind.
    - Stretch the limits of your imagination on ways to connect and support your potential or current customers. Experiment, learn, and evolve.
    - Have the information they need and where they expect to find it.

Issues Based Summaries

How has the housing crash of 2007 impacted what people are looking for when they start planning a home improvement project?



Summary
Impact of the housing crash of 2007

- When homeowners begin to plan a home improvement project, they assign higher levels of importance to a broader variety of subjects than they did in 2006.
- Even after the housing crash of 2007, homeowners still strongly consider the impact of their projects on their home's value.
- Getting ideas on styles/appearance has greater importance to all and specifically to Boomers.
- Determining if a contractor is needed for a project has become more important overall, with Boomers, and those who consider themselves to be Total DIY'ers.
- Cost/value is still the leading selection factor when hiring a contractor, but the contractor's ability to get the job done right is a strong #2 and growing.
- Ability to get the job done right as a selection factor in hiring a contractor grew significantly in the Midwest, the West and with Gen X.

Getting information has a higher level of importance today.

- Four areas experienced significant growth in importance in 2015 compared to 2006.
  - Getting ideas on styles/appearance
  - Determining if a contractor is needed to do part or all of the project
  - The length of time needed to complete the project
  - Finding out the latest in products/materials
- There is a general trend to having greater interest in all issues relating to planning a project as the ten areas of learning studied all had some level of increase.
- An ingoing hypothesis was the decline in home prices in the 2007 -2012 period would have made homeowners less interested in the impact of home improvements on their home's value. That turns out to be generally incorrect, it fact the importance of 'impact of my home's value' had a small increase of 0.4%. This however was the smallest of the increases in the learning areas studied and it fell from 4th most important area to 7th.
- Boomers had significant growth between 2006 and 2015 in:
  - Getting ideas on styles/appearance
  - Determining if a contactor was needed
  - Finding out about the latest products
- Total DIY'ers showed significantly higher levels of importance in:
  - Determining if a contractor was needed
  - Length of time to complete the project
  - Impact on utility costs
  - Finding out about the latest products

While still caring about price, the ability to get the job done right and references/reviews are gaining importance in contractor selection.

Additional Information

- Overall cost/value remained the leading factor in selecting a contractor but it showed a small decline from 2006. A “good price” was the dominant response.
- Having the ability to get the job done right came in a close second and showed a significant increase from 2006. “Do high quality work” and “In business for many years” were the strongest expressions of this factor.
- Learning from the contractor’s previous work had statistically significant growth vs. 2006. “References” and “reviews” were the leading expressions of this area.
- Overall Reputation/Reliability had a significant decline from 2006. Here the major terms that came up were “Good reputation” and “Reliable.”
- Versus 2006 there were significant changes:
  - Increases:
    - Matures; Previous Work
    - Gen X; Can get the job done right
    - The Northeast; Previous work.
    - The Midwest and West; Can get the job done right
    - The West; Can get the job done right
    - Reputation/reliability had significant growth in all regions except the West (where it had a directional decline.)
  - Decreases:
    - Midwest; Working with the contractor.
    - West; Protection against problems

How has the Internet impacted how consumers find information on home improvement? What are the online resources they plan to use?

Summary
The Internet and where they go for information

- The Internet has moved strongly into the first position among all sources that homeowners would go to when starting to plan a home improvement project.
- Among Internet sources, home improvement retailers lead. Also very popular are general home improvement websites and how-to videos.
- Gen X and Millennials lead the way with Internet usage, but Boomers are also heavily involved. Only Matures are at much lower levels.
- When asked which is the single most important source of information, the Internet is also first, replacing friends and family.
- As the single most important source, the following Internet sources were tops:
  - Online videos
  - Home improvement retailer sites
  - General home improvement sites
- Social media has a meaningful, but not strong position for home improvement at this point. Pinterest leads followed by Facebook.

Online/Internet is now the #1 go to source for information on home improvement

Additional Information

- Friends/relatives had a directional decline as a source of information and moved from #1 to #2
- Online/Internet had a statistically significant growth from 2006 to 2015. TV advertising was the only other source to have significant growth (albeit from a much lower level).
- As the Internet rose, there were also significant declines for books, home improvement TV/cable, home magazines, manufacturer or retailer brochures, and in-store clinics.
- Higher income households use more sources
- Online/Internet and Friends/relatives are highly used sources across all segments.
- Among those likely to go online:
  - Home Improvement Retailer websites lead as a source they would use.
  - General home improvement websites as well as How to videos are planned to be used by almost ½ of online oriented homeowners.
  - Social media has meaningful interest as a source.
    - Pinterest leads with 18%
    - Facebook is second at 15%
    - Houzz, Twitter, Instagram, LinkedIn, and Tumbler are all in single digits.
- As anticipated, Gen X and Millennials have much higher usage of the Internet than Matures and to a somewhat lesser degree to Boomers. Online is #1 with all generations except Matures.

Online/Internet has surged from the #3 ranking to #1 as the single most important source of information.

Additional Information

- Online/Internet grew as the single most important source going from 17% to 24%, a statistically significant increase.
- Friends/relatives declined significantly from 23% to 20% and fell from #1 to #3.
- One of the top three sources (online, contractors and friends) are the most important single source for 2/3 of homeowners.
- For those making online their most important source, the top 3 types of websites are:
  - Online videos 23%
  - Home improvement retailer 23%
  - General home improvement sites 16%
- Of the social media sources, only Pinterest gets above a 2% share as the most important source.

How do people go about finding a contractor that they hire? Has this been changed by online contractor locator services?

Summary
Finding a Contractor

- Home improvement contractors have long relied on word-of-mouth to generate business. Well that turns out to be a good plan as friends and family come to the top in a number of measures.
  - They are the top source people think about going using if they had a project to do.
  - They are also a solid #2 in terms of value of information (prior personal experience being the only higher rated source).
  - They are the largest source for the last contractor hired by homeowners.
- Online sources for finding a contractor are coming on strong.
  - Online sources are now #2 in places homeowners would go to find a contractor for a future project. Share of source has grown by over 2.5x since 2006.
  - In terms of last contractor hired, online sources jumped from 8th to 3rd in ranking.
  - The only weakness is that the perception of the value of online sources in finding a contractor ranked near the bottom of all sources.
- Gen X and Millennials are more inclined toward online sources in terms of planning to use and give a higher rating to value of the information.

When asked where they would go to find a contractor, friends and family was strongest

Additional Information

- When asked how they would find a contractor, friends and family remained the #1 approach. While it declined from 51% to 46%, the change was not statistically significant.
- Online sources in total went up 2.5x going from 10% to 27%. This was a clearly significant change and an brought online into a solid #2 ranking.
- There were a number of approaches that experienced significant declines. These were:
  - Yellow Pages
  - Advertising
  - Better Business Bureau
  - Customer references
  - Interviewing/getting estimates
  - Recommendations from other contractors
- There are important generational differences in how contractors are found.
  - Gen X and Millennials are significantly more likely to use online searches than Matures and Boomers.
  - Both Friends/Family and Yellow Pages are significantly less likely to be used by Millennials vs. all other generations.
- The homeowner's DIY orientation also has a significant impact.
  - Total DIY'ers are significantly less likely to use Friends/family as a source than the other DIY classifications
  - Non DIY'ers are more likely to turn to a contractor that they used previously compared to Total and Moderate DIY'ers

Ratings for value of sources of information on contractors points to prior experience

Additional Information

- Prior experience with a pro clearly is viewed as the most valuable sources for information at a mean of 8.7, a directional increase over the 8.4 in 2006. (on a 10 point scale)
- Referrals from friends or neighbors was solidly in #2 and unchanged from the prior study.
- While showing sharp growth in top of mind consideration, online contractor locator services ranked near the bottom in terms of value.
  - Other contractor locator services (besides Angie's List and HomeAdvisor) was the lowest rated, but grew significantly from 2006
  - HomeAdvisor had a directionally higher score than did Angie's List
- Three other sources had statistically significant increases vs. 2006.
  - Contractors provided by a home improvement store
  - Recommendations from a insurance company
  - Advertising
- Meaningful regional differences included:
  - Homeowners in the West rate online locator services significantly higher than those in the Northeast and South.
  - Those in the Midwest rate Family/friends higher than those in the West.
- DIY Orientation also has an impact on the perceived value of sources of information.
  - Total DIY'ers and Moderate DIY'ers give significantly higher ratings to Yellow Pages, Advertising, and HomeAdvisor
  - Total DIY'ers have significantly lower ratings than all others for the value of 'Previous personal experience with a contractor'
- Gen X and Millennials rate many sources more highly than Matures and Boomers. These sources are, Online locator services, Yellow Pages, Advertising, Better Business Bureau, Angie's List, and Home Advisor.

How people found the last contractor they used has some familiar ways and significant changes.

Additional Information

- As has been traditionally, Referrals from Family, Friends or Neighbors is the strong #1 way people find their contractor.
- At 41%, referrals was at over double the rate of any other method of finding a contractor. It was almost the same level as in 2006.
- Previous experience with the contractor was in #2 at 19%, virtually unchanged from 2006.
- Online Contractor Services went up over 4 times at 13% compared to only 3% in 2006. This moved this approach from 8th into the 3rd position.
- There are meaningful regional differences.
  - Other online contractor services (not Angie's List nor HomeAdvisor) were strongest in the West; significantly higher than in the Northeast and Midwest.
  - Using a contractor provided through a home improvement store was significantly higher in the Midwest and South than in the Northeast and West.
  - The West was highest for use of recommendations from other contractors and significantly higher than the Northeast and Midwest.
  - HomeAdvisor was strongest in the West and weakest in the South (a significant difference).
- There are some differences when looking at those who did their last contractor project in the past year compared to those it did it longer ago. While Referrals from family, friends and neighbors leads with both sub-groups, there was a strong directional strength in using personal experience with the contractor and Angie's List as methods to choose the contractor. If the project was done longer ago, then they were significantly more likely to have used Referrals from family, friends and neighbors.
- Key generational differences were:
  - Matures and Boomers are significantly more likely than the younger generations to use previous personal experience as a means of finding a contractor.
  - Gen X was significantly more likely than Boomers to use Referrals from family, friends or neighbors, Angie's List, and Other Online Locator services.
  - HomeAdvisor was strongest with Millennials and significantly higher than Boomers.

How has contractor project satisfaction changed? What behaviors seem to lead to the highest satisfaction.

Summary
Contractor Satisfaction Improved

- Between 2006 and 2015 there was a significant improvement in how homeowners rated their satisfaction with the last contractor project.
- Negative ratings fell and the project disasters (Extremely Dissatisfied ratings) were at a very low level.
- Those that think of themselves as very knowledgeable (Total DIY'ers) had the highest levels of satisfaction with their contractors.
- Hiring a contractor previously used or getting one through a home improvement retailer lead to the highest levels of satisfaction.
- The results from contractors provided by a home improvement retailer went up significantly over the 2006 levels.

Contractor Satisfaction Has Improved

Additional Information

- Satisfaction with the last project done by a contractor had a significant increase from 2006 to 2015. (mean of 6.05 vs. 5.82)
- Some level of satisfaction (Somewhat, Very or Extremely Satisfied) grew from 89% to 93%.
- Those with a really bad experience (Extremely Dissatisfied) fell from 3% to 1% - a significant drop.
- The highest level of satisfaction was in the Northeast at 6.11, but there were no statistically significant differences between region.
- Total DIY'ers report the highest level of satisfaction with contractor projects at 6.29.

Impact of How Contractor Found on Satisfaction

Additional Information

- The two highest levels of satisfaction were for those who found their contractor by using someone they have previously used (6.35) and one provided by a home improvement store (6.36).
- Both of these approaches yielded significantly higher satisfaction than:
  - Other online contractor locator service (not HomeAdvisor nor Angie's List)
  - Yellow Pages
  - Recommendation from insurance company
  - Contractor recommendations
  - Angie's List
- In addition, using a contractor that had been previously used was significantly higher than family & friends referrals.
- Home improvement store provided contractors had a significant increase in satisfaction in 2015 over 2006.

How are the national installation companies viewed?

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Home Depot and Lowe's Improving With Installation Services

- Rating of installation services among those who have used the service climbed for all companies tested (Home Depot, Lowe's, Sears).
- Overall rating for the same companies all show a decline indicating a perceptual weakness among those who haven't used the service.
- Reported level of use all three companies went up between 2006 and 2015. The Home Depot and Lowe's increases were statistically significant.
- Sears does significantly better in terms of past usage in the Northeast and Midwest.
- Millennials are higher users of these services than Boomer's and Matures
- On a familiarity basis, Sears trails the other two companies. Home Depot and Lowe's both have over ½ who either have used their services or believe they are familiar with their services.

What are the key differences between generations?

The Generational View

- As might be expected, there are a lot of differences by generation. In this study we had both the opportunity to view a snapshot and a change over a nine year period.
- There is an overwhelming number of ways this data can be reviewed for these generational changes, and such analyses go beyond this more general report. None-the-less, the following are some highlighted summaries by generation and more information is in the detail section of this report.

Matures

- Those in the Mature generation tend to have less home improvement activity. Now aged 70+, they are less involved in home improvement.
  - Lowest level of doing a project in the past 6 months, but still 48% did a project in the past year
  - Most likely to have last used a contractor 5+ years ago
  - Report the lowest level of past year spending on home improvement
- They are less interested in doing the work themselves than other generations
  - Least interested in how-to information while the highest for interest in cost of the work
  - Highest level of considering themselves a 'Non-DIY'er'
- They are not as online oriented as other generations (particularly Gen X and Millennials), but still have meaningful use of the Internet. Thirty seven percent say they use online as a source for home improvement information and 13% say it is their single most important source. Instead of the Internet, using information from contractors is unusually high for Matures, even higher than Friends/Family which is generally #1.
- As Matures start looking for a contractor they would turn to, they agree with other generations in asking for referrals from friends/family. But Matures are uniquely high in their plans to hire contractors they have previously used. Selection criteria leads with cost (as for every generation) but evaluation of previous work by the contractor is significantly more important to them than it is for the younger generations.
- This group is significantly more likely than Gen X or Millennials to say that they have no knowledge of the home improvement services offered by three national companies.
- When choosing a description for their DIY orientation, the largest number are Moderate DIY'ers (as are other generations), but Matures have the highest concentration of Non DIY'ers.

Baby Boomers

- Until recently, the largest generation in the US, Baby Boomers are heading toward their retirement years. Aged 51-69, they are beginning a period of transition.
- Boomers are mid-range in their level of past 6 month home improvement activity and amount spent in the past 12 months. Over half, 56%, have done a project in the past year.
- Online is now the number 1 source for information for this group passing friends/family. 52% use the Internet as a source for information on home improvement and 20% see it as their most important source. When online, they use significantly fewer types of sources than Gen X or Millennials. Contractors are the most common choice as most important source of information at 24%.
- There are several areas of learning that are growing for Boomers; styles/appearance, determining if a contractor is needed, and the latest in home improvement products. While growing, all of these are mentioned less than the cost of the project.
- When going to hire a contractor, referrals from friends and family are most often sought. Online sources have moved into the second position for this generation. They see that the most valuable source of information is their previous personal experience.
- Like Matures, this group is significantly more likely than Gen X or Millennials to say that they have no knowledge of the home improvement services offered by three national companies.
- Also like Matures, Boomers are stronger than Gen X and Millennials in classifying themselves as Non DIY'ers. Nonetheless, the largest group of Boomers thinks of themselves as Moderate DIY'ers.

Gen X

- Aged 37-50 in the current study wave, Gen X, is in the middle of its peak home improvement years. They exhibit a cross in behaviors between the next generation (Millennials) and the Baby Boom generation that preceded them.
- In terms of home improvement activity, they were the second highest generation in terms of having done a project in the past 6 months. That is significantly higher than Matures or Boomers. Fully 72% of Gen X homeowners report doing at least one project in the past year. Correspondingly, they also have the 2nd highest average spending level of all the generations.
- Gen X'ers are fully involved online. It is the most common way they plan to research home improvement at 66%. Gathering info from friends and family is also quite common with this group (50%). They also use a broader range of Internet sources than every generation except Millennials. Online is their most important single source as well, significantly higher the Matures and Boomers and not far behind the Millennials.
- The top issue on their minds is project cost, but it is followed closely by how-to information and material availability. Their interest in how-to information is significantly higher than Matures and Boomers.
- If planning to hire a contractor, the most common choice is to get referrals from friends and family. Researching online comes in #2, again significantly higher than Matures and Boomers. In terms of the value of contractor information from various sources, friends and family is tops followed by personal experience.
- When making the selection of a contractor, the key issue is can they do the job right? Gen X is highest in their ranking of this factor.
- Looking at how they found the last contractor they hired, friends and family was #1. Online was the 2nd most used method and the strongest of any generation.
- Gen X has a significantly larger proportion of Total DIY'ers than does the Mature and Boomer generations. As for all other generations, the single largest percentage classified themselves as Moderate DIY'ers.

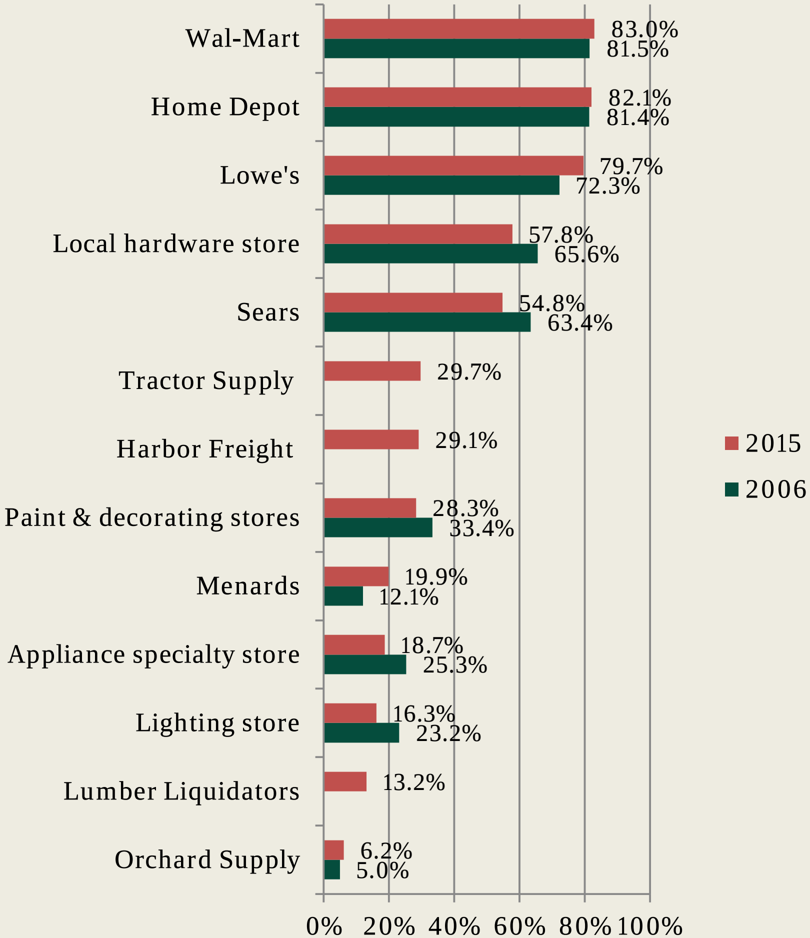
Millennials

- Ranging from 20-36 years old in the current study wave, Millennials are often in the life stage where they buy their first home. As the youngest of homeowners, they stood to have their attitudes and behaviors most impacted by the Great Recession that started in December 2007 and the housing bust. We have a good snapshot of how they currently feel. Comparisons to the prior wave are limited as there were only 36 Millennials in the 2006 study. This is due to the fact that they were only aged 11-27 at the time and accordingly were a small part of the total pool of homeowners.
- Millennials are the most active of all the generations in home improvement. Their past six month project participation is significantly higher than Matures and Boomers. At 75%, they top all other generations for doing a project in the past year. Contractor use is also high with past six month usage the highest and having never used a contractor lowest. This translates into the highest past year spending level of any generation.
- When starting to research a project, this generation is highly oriented to online sources. 74% plan to use the Internet vs. the second most popular source, friends and family, at 56%. When they go online, they use the largest number of sources, significantly higher than all other generations. With this high level of usage it makes sense that the Internet is their single most important source of information.
- When they are online, they have a unusually high level of interest in getting ideas about style and appearance. They are also strongest on wanting how-to information. Cost still are #1 for this generation, but style/appearance is a close #2.
- Online sources are their most common approach to finding a contractor in the future with 43% indicating that approach. Referrals from friends and family is second at 32% (the lowest level for this source among all the generations). The value of information is highest for personal experience and friends and family. While not as high as the previous two sources, the value of online sources gets the highest rating by this generation. When it comes down to selection of a contractor, Millennials are most concerned about the pro's ability to get the job done right.
- The last contractor they selected was most often found by referrals from friends and family. While not as strong, online sources were strongest for this generation.
- When viewing the three national installation services studied, this generation gives the highest ratings. They are also more likely to say that they have used these services in the past.
- Millennials classify themselves as Total DIY'ers more often than any other generation (significantly higher that Matures and Boomers). They also have the lowest levels of Non DIY'ers. Moderate DIY'ers are #1 for this group, but the lead for this classification is less than that for other generations.

Detailed Results

Home Improvement Retailers Close Enough To Shop

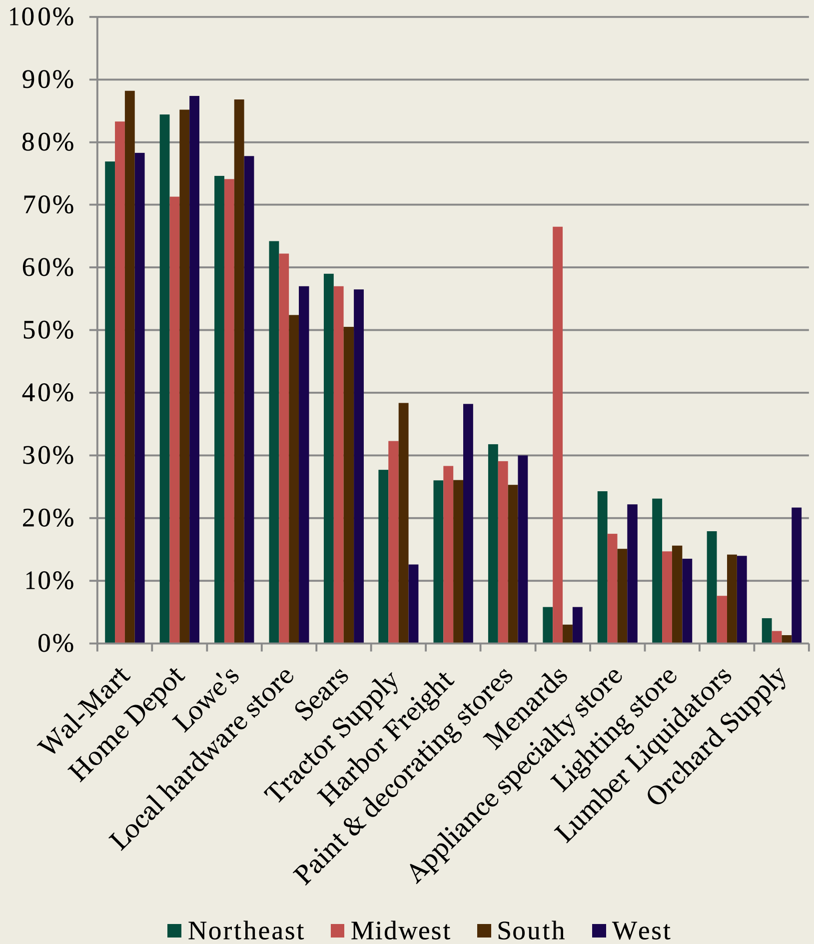
Wal-Mart, Home Depot and Lowe's all are close enough for roughly 80% of homeowners to shop at them.



S.3 Which of the following home improvement stores are close enough to you, for you to consider shipping at them? Check all that apply.

- Lowe's had significant growth between waves.
- After the top three stores, Local hardware stores and Sear's were in the mid-50% range. Both of these store types had significant declines in penetration.
- Two stores that were added to this wave, Harbor Freight and Tractor Supply both were nearly 30%
- Menard's grew significantly reaching 20%
- Appliance specialty stores and Lighting stores both fell below 20%, significant declines.

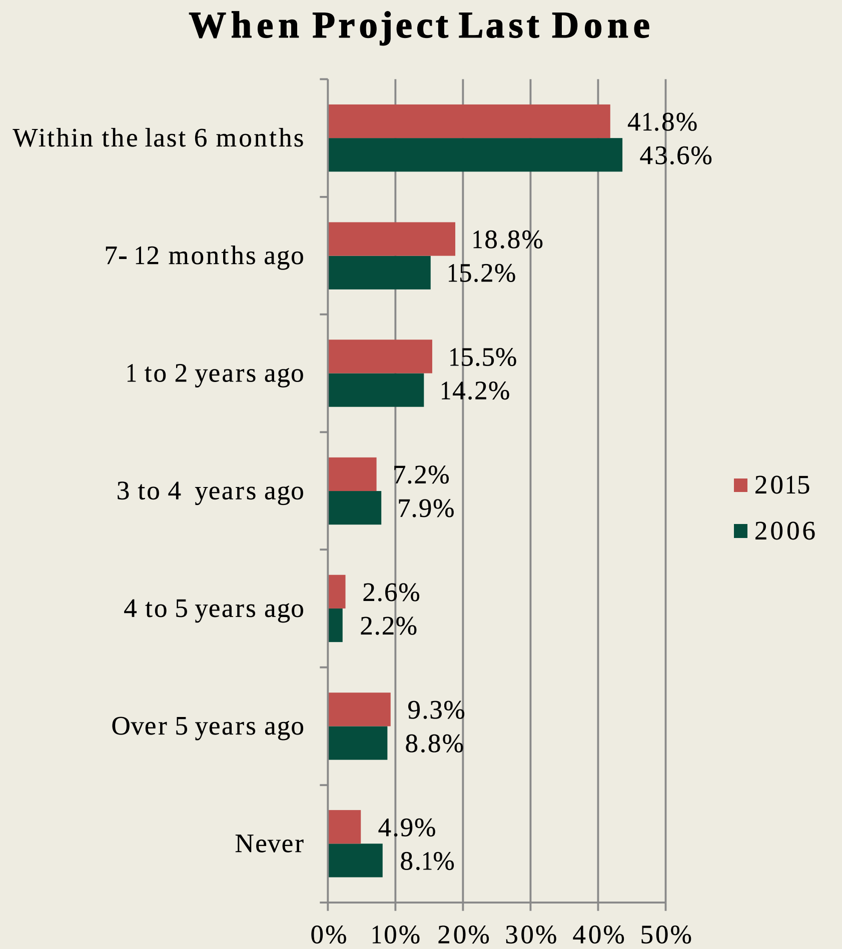
There are important regional differences with the Midwest most unique



- Menard's a Midwest chain; Orchard Supply a Western one.
- Home Depot weakest in the Midwest as is Lowe's.
- Tractor Supply is strong in South, weak in West.
- Harbor Freight is strongest in West
- Lighting stores are strongest in Northeast

Home Improvement Project Activity and Spending

In total 61% of Homeowners did a project in the past year



q.1 When was a home improvement project last done to your home? By home improvement projects we mean activities to improve, repair or maintain your home or property?

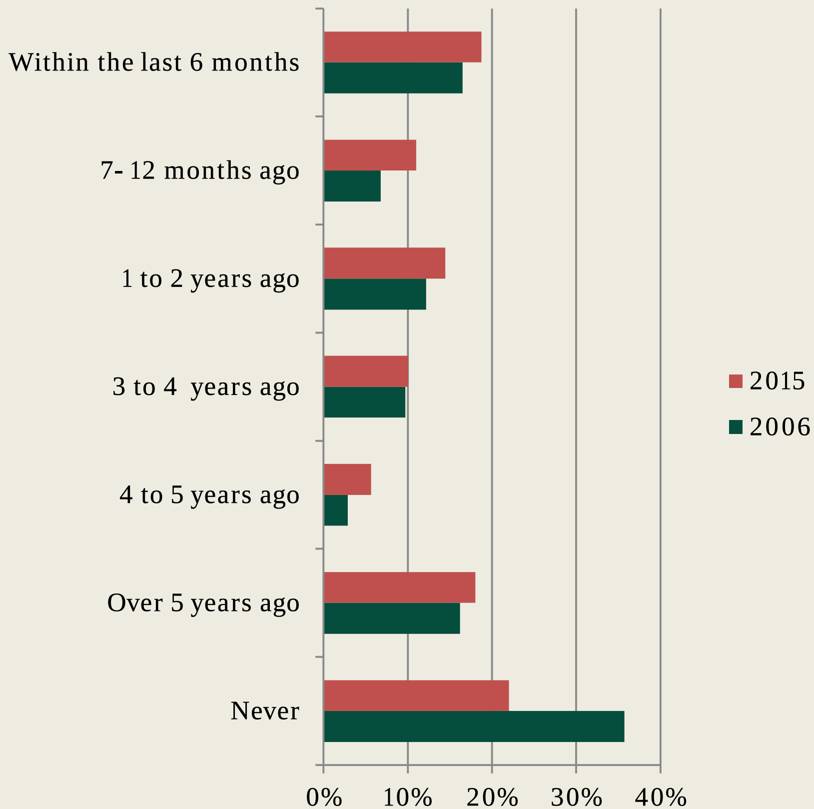
- Those doing their last project in the past six months were the largest group. As a proportion of homeowners this group fell slightly form 2006.
- There was significant growth in those doing their last project 7-12 months ago.
- In total, past year projects were done by 61% of homeowners, a small increase versus the 59% recorded in 2006.
- Those reporting never doing a project were at a low level (5%), a significant decline from the last wave.

Differences in When Project Last Done

- Generations
  - Those that did projects in the past 6 months declined with the older generations.
  - Millennials and Gen X were significantly higher than Boomers and Matures in doing projects recently.
  - Only a small portion of any generation reported not doing any projects to their home.
- Income Levels
  - Those with incomes $100,000 or higher are significantly more likely to have done a project in the past 6 months or 7-12 months ago than those earning $25,000 or less.
  - Low income ($25,000 or less) are much more likely to report doing the last project 5 years ago or having never done a project.
- Length of Time in Home
  - Those who have lived in their home for 5 years or less are significantly more likely to have done a project in the past 6 months.
  - On the other end of the scale, those who have never done a project are most likely to be in their home for 2 years or less.
- DIY Orientation
  - Those that see themselves as Total or Moderate DIY'ers are significantly more likely to have done a project in the past 6 months.
  - Almost a third (31%) of Non DIY’ers have never done a project or did the last one 5 years ago or longer.

Projects using a contractor have become more recent with 30% in the past year, a significant growth over 2006.

When last project was done using a contractor



q.2 When was a home improvement project last done to your home that involved a contractor?

- Never having used a contractor fell significantly from 36% to 22% in the current study.
- Over 5 years ago or never was a majority at 51.9% in 2006, but has fallen to 40% now.
- More recent use of a contractor grew some, with the 7-12 month range growing significantly.

Differences in When Last Contractor Project Done

- Regions
  - Northeast has the highest proportion of homeowners using a contractor in the past 6 months. (Significantly higher than the Midwest, the others are directional differences)
  - The Northeast has the lowest level of never using a contractor. The difference is significant vs. both the Midwest and South)
- Income Level
  - The lower the income, the more likely to have never used a contractor.
  - Use of a contractor in the past 6 months grows steadily with income levels.
- DIY Orientation
  - Almost half of Total DIY'ers have never used a contractor
  - The likelihood of having used a contractor in the past 6 months goes higher the less a homeowner is DIY oriented.
- Generations
  - Millennials and Matures have the lowest level of never using a contractor .
  - Gen X'ers are significantly more likely to have never used a contactor than Matures or Millennials.
  - Millennials are significantly more likely to have done a contractor project in the past 6 months than Matures or Boomers.
- Length of Time In Home
  - Use of a contractor in the past year is strongest among those who have lived in their home for 2 years or less.
  - Those who have lived in their homes of 21+ years are most likely to report having work done by a contractor over 5 years ago.

CONSUMER SPECIALISTS

At just shy of $3,600, spending on home improvement projects changed very little from 2006.

Mean Home Improvement Spending

q.3 Approximately how much money has your household spent on any type of home improvement projects, products, hardware, paint, tools, and lawn and garden items, NOT including lawn service, in the past 12 months?

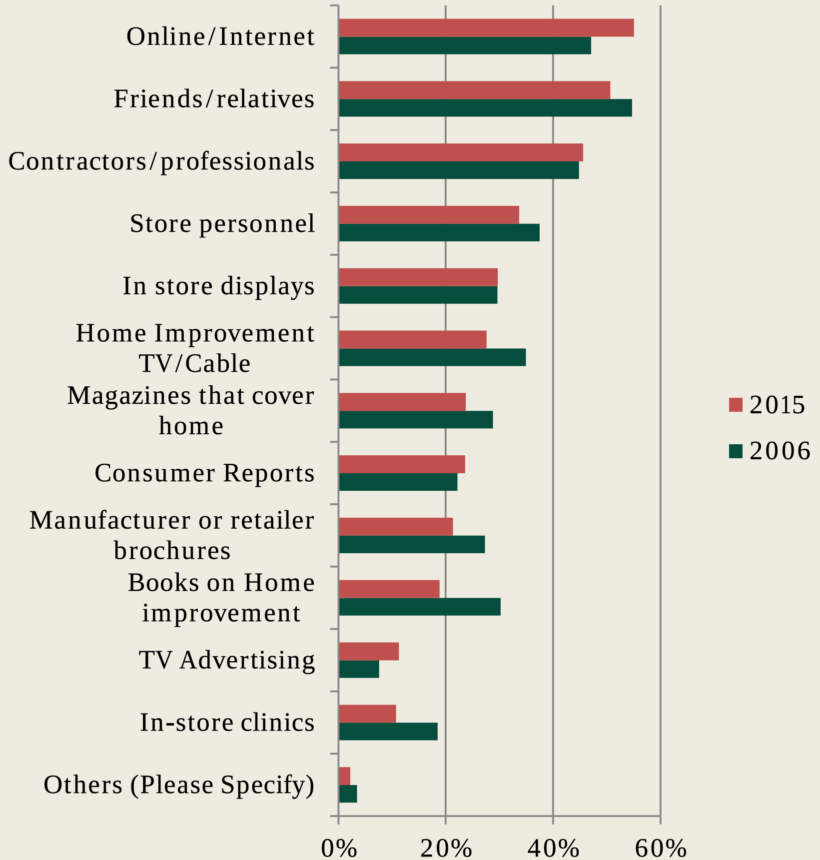
Differences in Mean Spending

- Regions
  - The Northeast leads in spending, followed by the West.
- Generations
  - Younger generations are spending more.
  - Millennials are significantly higher than Matures
- Income Levels
  - Higher Incomes = Higher Spending
  - $100k+ significantly higher than all other income levels
- Years in Home
  - The peak spending period in home ownership is 6-10 years, significantly higher than all others except 2 years or less.

Researching Home Improvement

Online is now the #1 source of information pushing friends/relatives to #2

Sources Likely To Use



q.4 If you had decided to do a home improvement project, what sources would you very likely use to gather information? Select all that apply from the following list.

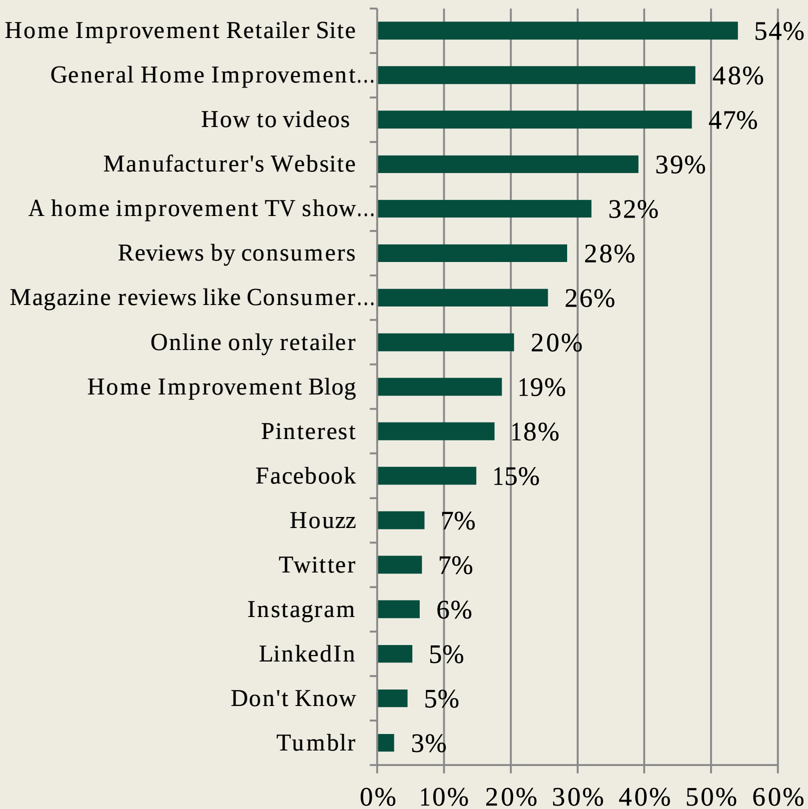
- The next tier of sources is:
  - #3 contractors/professionals
  - #4 store personnel
  - #5 in-store displays.
- Online/Internet and TV Advertising were the only two sources to have significant increases.
- Significant declines were found for:
  - Books
  - Home improvement TV/cable
  - Home magazines
  - Manufacture or retailer brochures
  - In-store clinics.

Differences in Sources of Information

- Income Level
  - Higher income households use more sources
  - Friends/relatives is the most consistently used source across income groups.
  - The highest income levels had significantly greater planned usage than the lowest income levels for In-store Clinics (+170%) and Consumer Reports (+149%)
- DIY Orientation
  - Use of Contractors/professionals as a source of information drops with increasing DIY orientation.
  - Online/Internet and Friends/relatives are highly used across all segments.
  - Home Improvement TV and Books are significantly stronger for the top 2 DIY orientations vs. the bottom 2.
- Length of Time In Home
  - A broader range of sources used by those in their homes 3- 5 years.
  - Consumer Reports, Home Improvement TV, and Home Improvement Magazines are significantly more likely to be used by those in their homes 3-5 years than those 11+ years.
- Generations
  - A number of sources skew to the younger generations
    - Online/Internet
    - TV Advertising & Cable TV Shows
- Past year Spending
  - Those spending over $2,000 are significantly more likely to use several sources:
    - Contractors/professionals (a particularly strong difference)
    - Consumer Reports
    - Home Improvement TV/Cable
    - Manufacturer or retailer brochures

For those likely to go online, Home Improvement Retailer websites lead as a source they would use.

% of Online Researchers Planning to Use



Base is 552, those who selected Online/Internet as a source they would use in Q4.

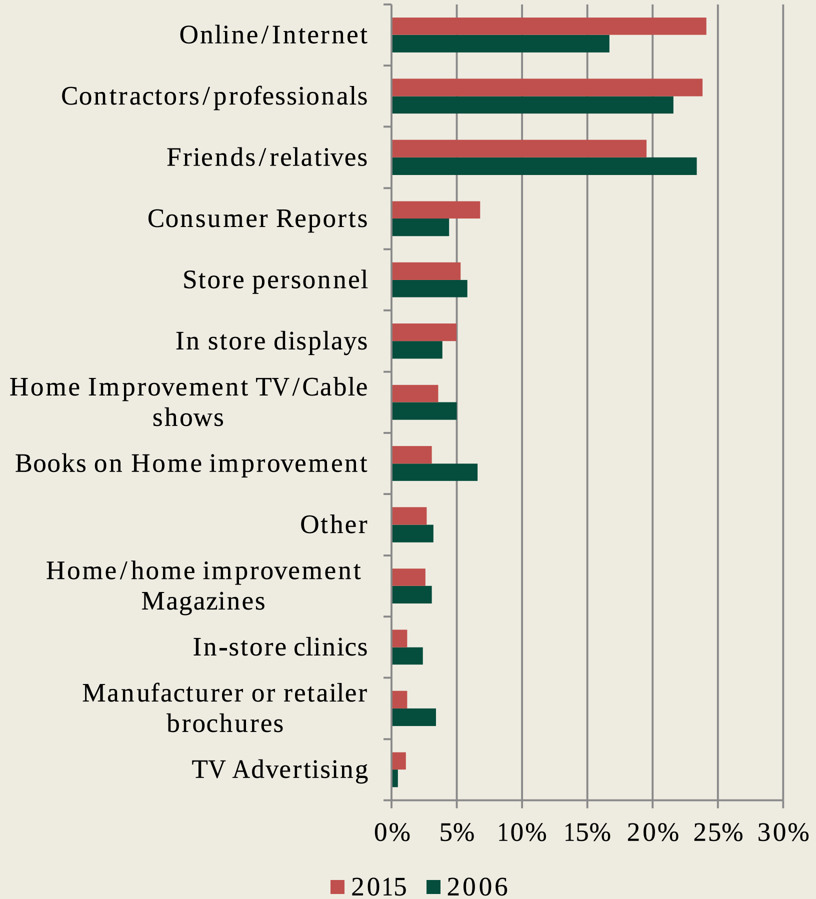
- General home improvement websites as well as How to videos are planned to be used by almost ½ of online oriented homeowners.
- Social media has meaningful interest as a source.
  - Pinterest leads with 18%
  - Facebook is second at 15%
  - Houzz, Twitter, Instagram, LinkedIn, and Tumbler are all in single digits.

New question in 2015, no historical comparison
q.4a Which of the following Online/Internet Sources would you likely use? Select all that apply.

Differences in Online Sources Used

- Generations
  - Younger generations are using a broader array of online resources
  - Millennials stand out in their use of many sources and interest in social media.
  - Generation X is broadly active online, but not up to the levels of Millennials
  - How to videos are popular with all groups except Matures.
- DIY Orientation
  - Total DIY'ers are much more likely to use social media
  - Facebook in particular is dramatically more likely to be used by those that think of themselves as a total do-it-yourselfer
  - LinkedIn, Instagram and Twitter are all significantly higher for Total DIY'ers. Interestingly Houzz doesn't show the same pattern.
  - How to videos are strong for all groups except Non DIY'ers (call on pros for about everything)

Online/Internet moved from the #3 ranking to #1 as the most important source of information.

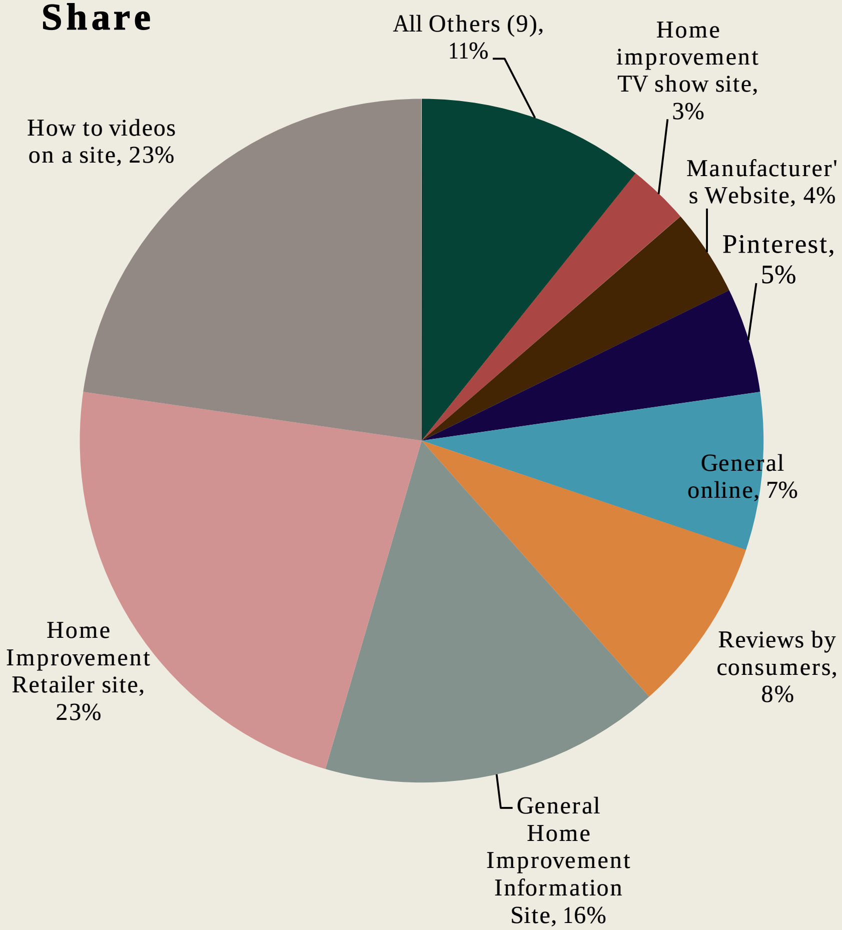


q5 Which of the following sources of information is the one most important to you? Select one from this list. (list shown was sources they had said they would use in q4 and q4a.)

- Online/Internet grew from 17% to 24%, a significant increase.
- Friends/relatives declined significantly from 23% to 20% and fell from #1 to #3.
- Also with statistically significant declines were:
  - Books on home improvement
  - In-store clinics
  - Manufacturer/retailer brochures
- Besides Online/Internet, the only other statistically significant gain was for Consumer Reports which went from 4% to 7%.
- One of the top three sources (online, contractors and friends) are the most important single source for 2/3 of homeowners.

The top 3 types of websites have a 62% share among Online/Internet sources selected as being the most important

Most important Internet Source Share



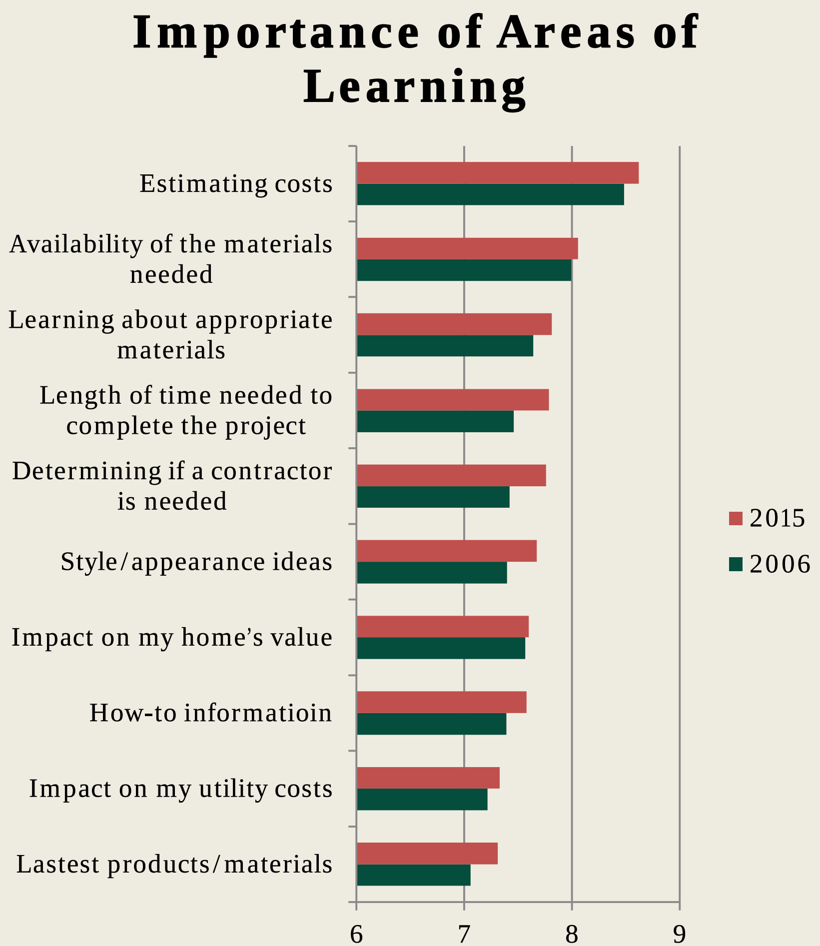
Base 242, those that selected an online/Internet source as being the one most important to them.

- The top 3 types of websites are:
  - Online videos 23%
  - Home improvement retailer 23%
  - General home improvement sites 16%
- Of the social media sources, only Pinterest gets above a 2% share
- The "All others" slice in the graph contains 9 types of sources. In total have an 11% share. They are (listed in descending order of share);
  - Online Magazine reviews
  - Facebook
  - Website of an online only retailer
  - Houzz
  - Home Improvement Blog
  - Twitter
  - LinkedIn
  - Instagram
  - Tumblr

Differences in Most Important Source

- Regions
  - Contractors/professionals are stronger in the West than in the Midwest and South
  - Home improvement TV/cable shows are stronger in the Midwest than in the Northeast and South
- DIY Orientation
  - Books on home improvement are stronger with Total DIY'ers and moderate levels
  - Light and Non DIY'ers are stronger with Contractors/professionals
- Generations
  - Contractors/professionals are strongest with Matures compared to all others
  - All Internet sources combined are significantly stronger for Gen X and Millennials than for Matures/Boomers
- Incomes
  - Low income (<$25K) are more likely than any other income group to see Friends/family as most important
  - Magazines that cover home improvement are strongest with incomes of $75-100K
- Home Improvement Spending
  - Heavy spenders are stronger with Contractors/professionals
  - Light spenders are stronger with Friends/family

Estimating Costs is tops in importance



- As in 2006, estimating the cost of the project is the most important of the issues studied. There was directional growth in its importance rating.
- Four areas experienced significant growth in 2015.
  - Getting ideas on styles/appearance
  - Determining if a contractor is needed to do part or all of the project
  - The length of time needed to complete the project
  - Finding out the latest in products/materials
- Even with the housing crisis in the intervening years, ‘impact of my home’s value’ had a directional increase in importance.

Q6 As you start planning a home improvement project, how important are each of the following areas of learning? Please rate them on a 1 to 10 scale where 1 is not at all important and 10 is extremely important.

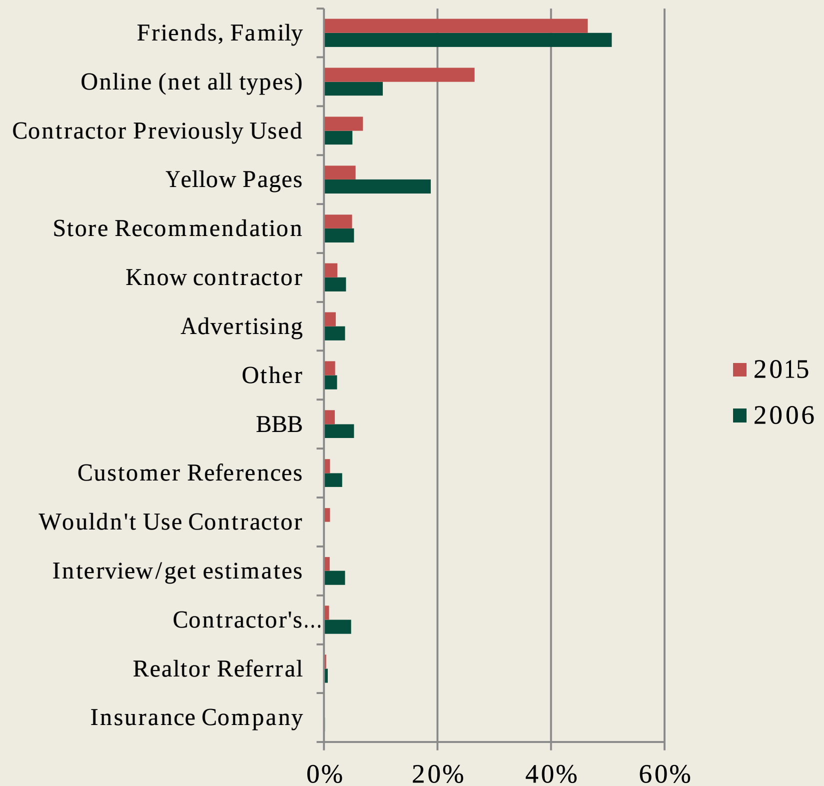
Differences in Importance of Areas of Learning

- Regions
  - There are generally only directional difference between regions
  - Information on how to do the work is significantly higher in the Midwest and West than in the Northeast
- DIY Orientation
  - Total and Moderate DIY'ers are significantly more interested in how-to information and finding out about the latest products/materials than Light and Non DIY'ers.
  - Total DIY'ers put less importance in estimating costs and determining if a contractor is needed than any of the other DIY levels.
  - When 2015 and 2006 are compared, Total DIY'ers showed significantly higher levels of importance in:
    - Determining if a contractor was needed
    - Length of time to complete the project
    - Impact on utility costs
    - Finding out about the latest products
- Generations
  - Millennials are significantly higher than all other generations in importance of ideas on styles/appearance
  - Matures have the least interest in how-to information. Gen-X and Millennials are also significantly higher than Boomers.
  - Boomers had significant growth between 2006 and 2015 in:
    - Getting ideas on styles/appearance
    - Determining if a contactor was needed
    - Finding out about the latest products
- Spending Level
  - Mid spenders and above (over $250) are significantly more interested in all areas of learning than low spenders.
  - The highest spenders (over $2,000) are also significantly higher than mid level spenders in their interest in determining if a contractor is needed and in the impact on their home's value.

Contactors - Finding Them and Satisfaction

Use of online sources to find a contractor is up 2.5X

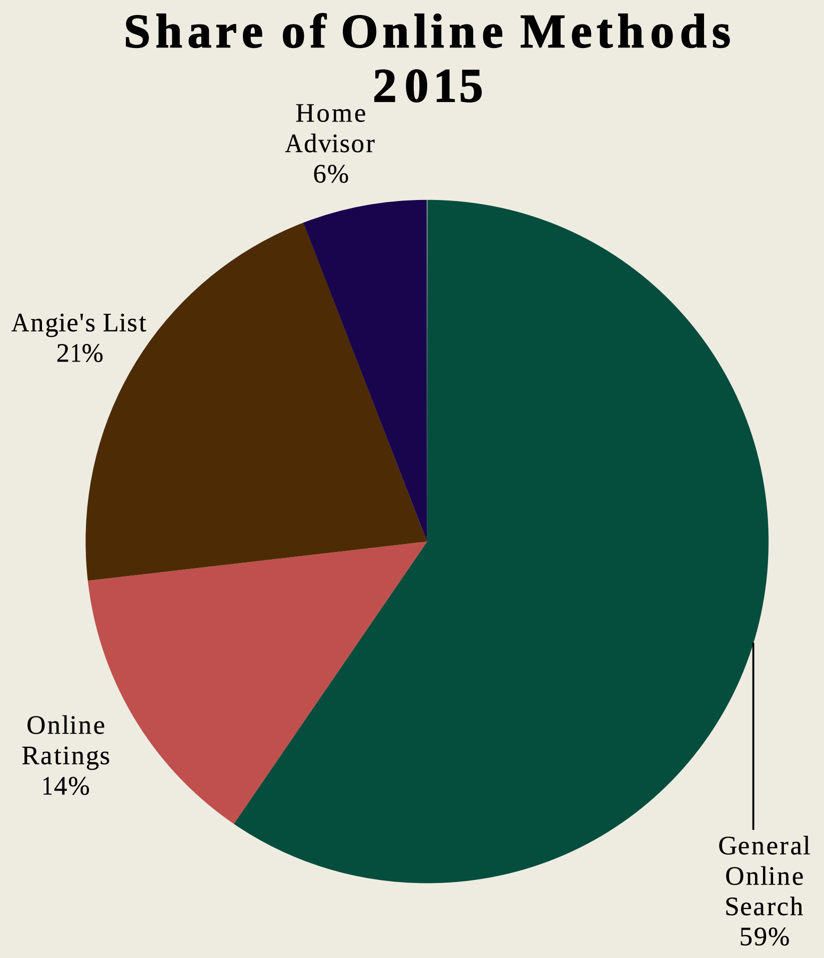
How Would Locate a Contractor



Q7 If you were planning a project that involved a contractor to do all or some of the work, how would you go about locating the one you wanted to use? Please be as specific as possible.

- Friends and family is still the #1 way homeowners would find a contractor. While it declined from 51% to 46%, the change was not statistically significant.
- Online sources in total went from 10% to 27% a clearly significant change and a solid #2.
- There were a number of approaches that experienced significant declines. These were:
  - Yellow Pages
  - Advertising
  - Better Business Bureau
  - Customer references
  - Interviewing/getting estimates
  - Recommendations from other contractors

General Online Searches Dominant As The Online Source



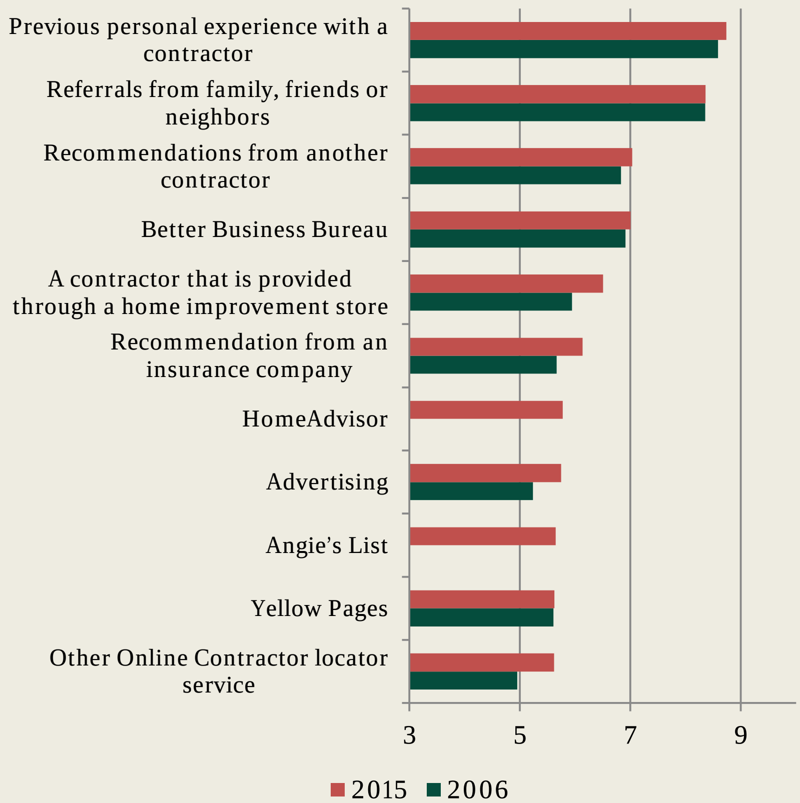
- As an open-ended question, there were a broad array of specific answers given. With the growing importance of online searches, the coding of the current survey's results included some specific types of online sources.
- Online ratings were the second most common source mentioned.
- Angie's List had over a 3 times top of mind planned usage lead over HomeAdvisor.

Differences In Methods To Find A Contractor

- Generations
  - Gen X and Millennials are significantly more likely to use online searches than Matures and Boomers.
  - Both Friends/family and Yellow Pages are significantly less likely to be used by Millennials vs. all other generations.
- DIY Orientation
  - Total DIY'ers are significantly less likely to use Friends/family as a source than the other DIY classifications
  - Non DIY'ers are more likely to turn to a contractor that they used previously compared to Total and Moderate DIY'ers
- Level of Spending
  - Those who spent over $2,000 in the past year were significantly more likely to plan to use a contractor they had previously used compared to those who spent less.

Prior experience and Referrals have the highest value ratings for sources to find contractors.

Value of Sources For Finding A Contractor



- Prior experience with a contractor clearly is viewed as the most valuable at a mean of 8.7, a directional increase over the 8.4 in 2006.
- Referrals from friends or neighbors was solidly in #2 and unchanged from the prior study.
- While showing sharp growth in top of mind consideration, online contractor locator services ranked near the bottom in terms of value.
  - Other contractor locator services (other than Angie's List and HomeAdvisor) was the lowest rated, but grew significantly from 2006
  - HomeAdvisor had a directionally higher score than did Angie's List
- Three other sources had statistically significant increases vs. 2006.
  - Contractors provided by a home improvement store
  - Recommendations from a insurance company
  - Advertising

Q8 When finding a contractor to work on a home improvement project there are a variety of sources that can be used. Please rate how valuable you believe each of the following sources is in finding a contractor on a scale of 1 to 10 where 1 is not at all valuable and 10 is extremely valuable.

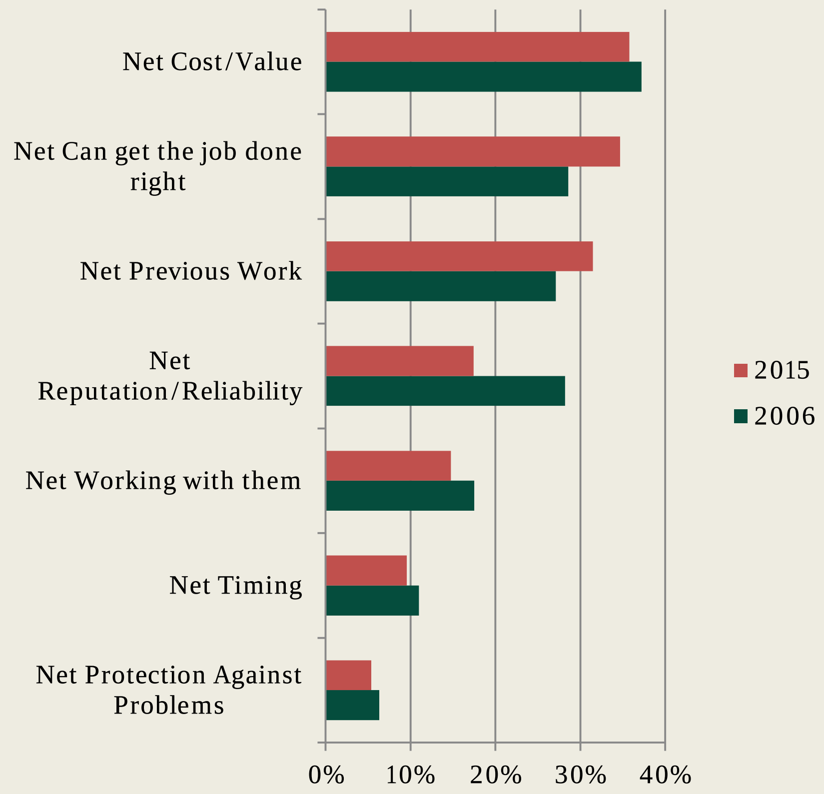
CONSUMER SPECIALISTS

Differences for Value of Sources of Information About Contractors

- Regional
  - Homeowners in the West rate online locator services significantly higher than those in the Northeast and South.
  - Those in the Midwest rate Family/friends higher than those in the West.
- DIY Orientation
  - Total DIY'ers and Moderate DIY'ers give significantly higher ratings to
    - Yellow Pages
    - Advertising
    - HomeAdvisor
  - Total DIY'ers have significantly lower ratings than all others for the value of Previous personal experience with a contractor
- Length of Time In Residence
  - Those in their homes 3-10 years have significantly higher ratings for
    - HomeAdvisor
    - Angie's List
- Generations
  - Gen X and Millennials rate many sources more highly than Matures and Boomers.
    - Online locator services
    - Yellow pages
    - Advertising
    - Better Business Bureau
    - Angie's List
    - Home Advisor
  - Matures have a significantly lower rating for Recommendations from an insurance company and BBB than all other generations
- Spending Levels
  - Those spending the least ($250 or less) have significantly lower ratings for all sources of information about contractors

Cost and Ability to get the job done right lead as factors in selecting a contractor

Most Important Factors In Selecting a Contractor



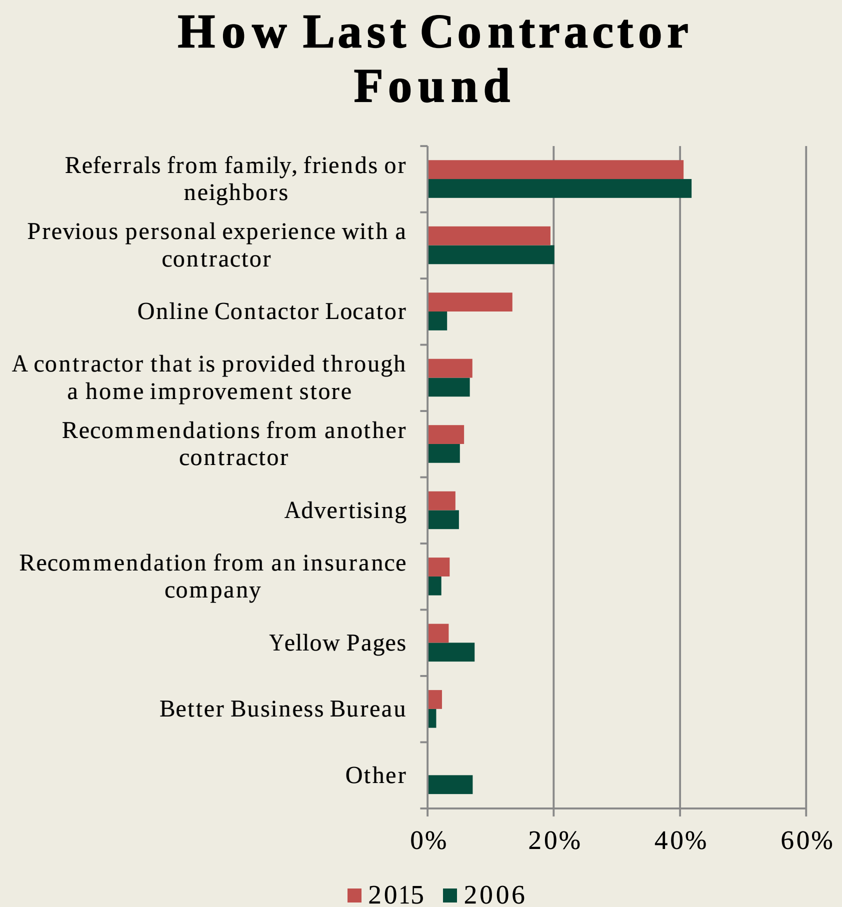
Q9 When selecting a contractor what are the most important factors to you in making your decision whom to select?

- As an open-ended question there were a wide range of responses. In total 37 different codes were generated. They were then put into 7 overall areas or "nets."
- Overall cost/value is the leading factor. It showed a small decline from 2006. A "good price" was the dominant response.
- Having the ability to get the job done right came in a close second and showed a significant increase from 2006. "Do high quality work" and "In business for many years" were the strongest expressions of this factor.
- The contractor's previous work was also strong. "References" and "reviews" were the leading expression of this area. The growth over 2006 for this factor was statistically significant.
- Overall Reputation/Reliability had a significant decline from 2006. Here the major terms that came up were "Good reputation" and "Reliable."

Differences in Important Factors in Selecting a Contractor

- Generations
  - Matures are significantly higher than Gen X and Millennials in consideration of the contractor's previous work and in the overall project timing.
  - Compared to 2006 Matures and Boomers put less importance on Reputation/Reliability.
  - Matures also were lower for Working With The Contractor
  - Increases in importance in 2015 were:
    - Matures; Net Previous Work
    - Gen X; Net Can get the job done right
- Income Level
  - Higher income level homeowners ($100k+) are more concerned with previous work than other income groups.
  - Cost/value is significantly more important to those with incomes under $75K.
  - Higher income ($100k+) homeowners had significant growth vs. 2006 for the importance of the Contractors Previous Work
- DIY Orientation
  - Total DIY'ers are significantly less interested in Previous Work than all other DIY orientations.
  - Cost/Value is significantly more often a factor for Moderate, Light and Non DIY'ers than it is for Total DIY'ers.
- Spending Level
  - Those that spend smaller amounts (less than $2,000) are significantly more likely to report that cost/value is important than higher spenders.
  - Previous work is more important to those spending over $2,000.
  - The timing of the project is significantly less important to those spending under $250.
- Regions
  - While there were no significant differences by region for the various net factors, there were significant changes from 2006 to 2015.
    - Net reputation/reliability had significant growth in all regions except the West where it had a directional decline.
    - The Northeast had significant growth for Net previous work.
    - The Midwest had significant growth for Net Can get the job done right and declines for Net Working with them.
    - The West was up for Net Can get the job done right and down for Net Protection against problems

Referrals from Family, Friends or Neighbors is the strong #1 way homeowners find a contractor



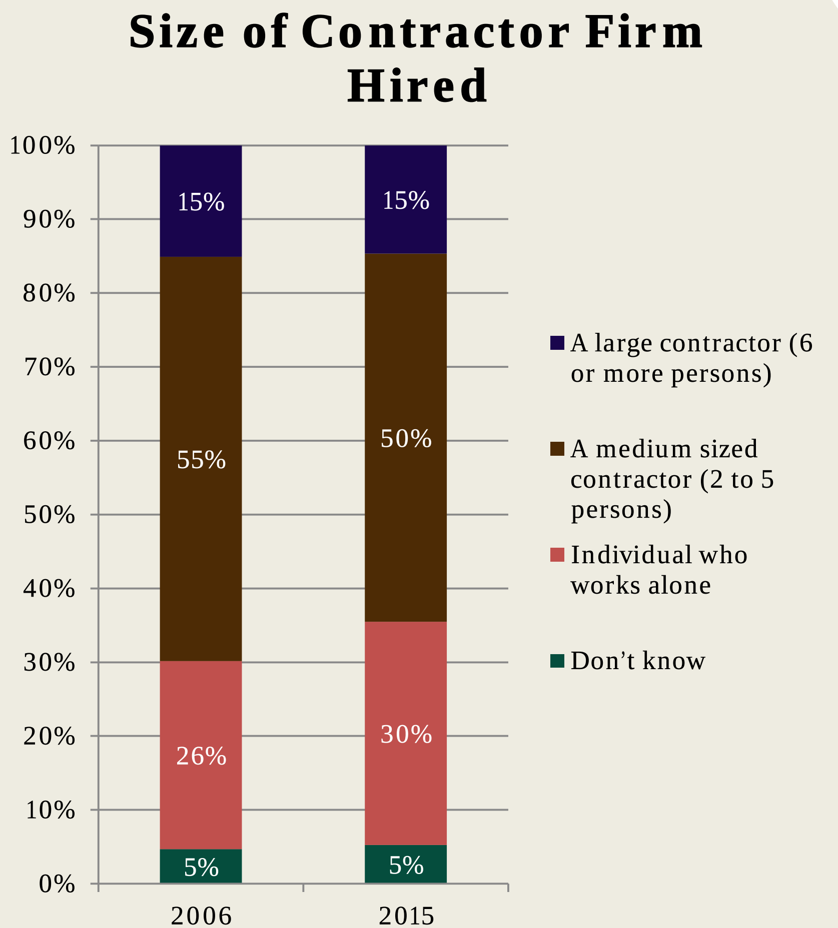
Q10 Regardless of how long ago it was, the following questions are about the last time you did a project using a contractor. How did you locate the contractor you used?

- At 41%, referrals was over double the rate of any other method of finding a contractor. It was almost the same level as in 2006.
- Previous experience with the contractor was in #2 at 19%, virtually unchanged from 2006.
- Online Contractor Services jumped into the #3 position at 13% compared to only 3% in 2006.
- The Yellow Pages experienced a significant decline vs. 2006.

Differences in Method Last Contractor Found

- Regions
  - Other online contractor services (not Angie's List nor HomeAdvisor) were strongest in the West, significantly higher than in the Northeast and Midwest.
  - Using a contractor provided through a home improvement store was significantly higher in the Midwest and South than in the Northeast and West.
  - The West was highest for use of recommendations from other contractors and significantly higher than the Northeast and Midwest.
  - HomeAdvisor was strongest in the West and weakest in the South (a significant difference).
- When Last Project With A Contractor Was Done
  - Those that did their last project with a contractor over a year ago were significantly more likely to have used Referrals from family, friends and neighbors than those who did their last project more recently.
  - Those who did their last project within the past 12 months had a strong directional lead in using personal experience with the contractor and Angie's List as methods to choose the contractor.
- Generations
  - Matures and Boomers are significantly more likely than the younger generations to use previous personal experience as a means of finding a contractor.
  - Gen X was significantly more likely than Boomers to use Referrals from family, friends or neighbors, Angie's List, and Other Online Locator services.
  - HomeAdvisor was strongest with Millennials and significantly higher than Boomers.
- DIY Orientation
  - Total DIY'ers were significantly less likely than all other groups to use Referrals from family, friends and neighbors to find their contractor.
  - These same Total DIY'ers were significantly more likely to use HomeAdvisor than the other groups.

Medium sized contractors (2-5 persons) do half of the projects



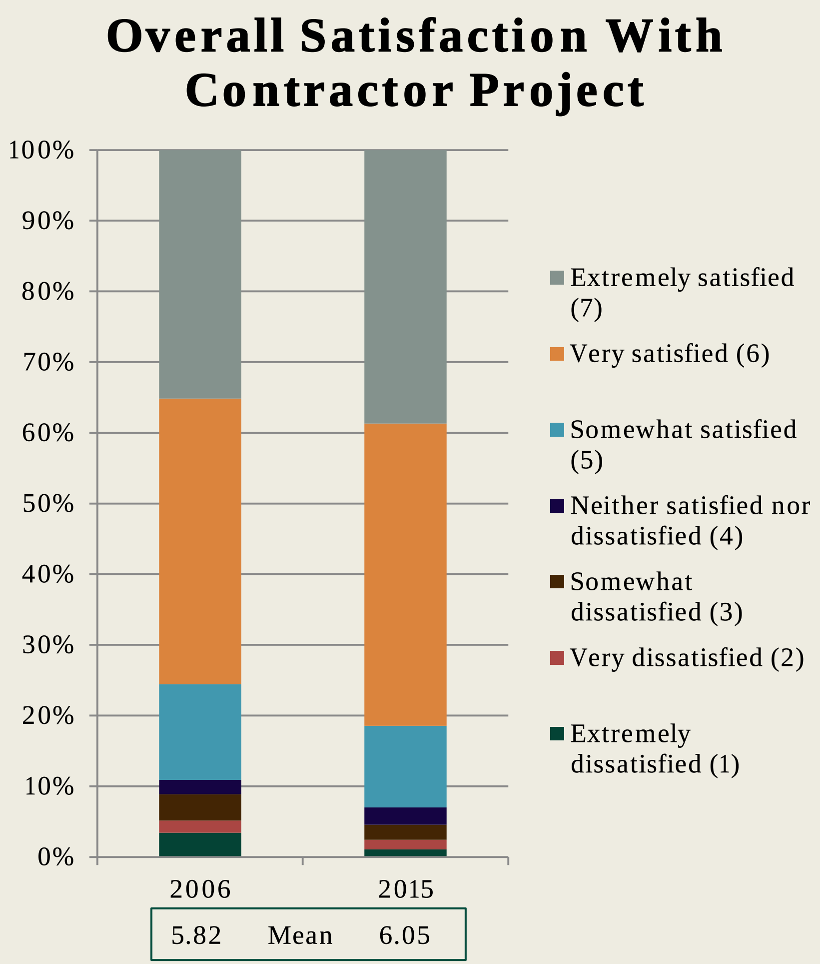
Q12 Which one best describes the contractor you used?

- 95% of homeowners know the size of the contracting firm they hired.
- There was directional growth in the proportion of projects done by individual contractors. That growth came at the expense of medium size firms.
- Larger firms (6+ person) held steady at 15% of projects.

Differences in Size of Contractor Used

- Generation
  - Boomers are significantly more likely to use a large (6+) contactor than either Gen X or Millennials.
- Region
  - While there were no significant differences by region, The West and Northeast had the highest use of individual contractors. In addition, large contractor firms had the strongest following in the Northeast.
- Years in Home
  - Those that are in their home 2 years or less are most likely to use an individual contractor. This lead was statistically significant vs. those in their homes 3-5 and 21+ years.

Satisfaction with contractor projects is high and grew significantly



Q13 How would you rate the overall satisfaction with the project that involved the contractor?

- Overall satisfaction is very high for contractor projects. The mean score was 6.05 on a 1-7 scale. This was a significant increase over the 5.82 recorded in 2006.
- Fully 93% of respondents express some level of satisfaction, up from 89% in 2006.
- There was a very positive ratio of top-two box (Extremely or Very Satisfied) at 82% to the bottom two box (Extremely or Very Dissatisfied) at 2%.
- Looking at individual rating levels, the drop from 3% to 1% for Extremely Dissatisfied was statistically significant.

Differences in Satisfaction Level With Contractor Projects

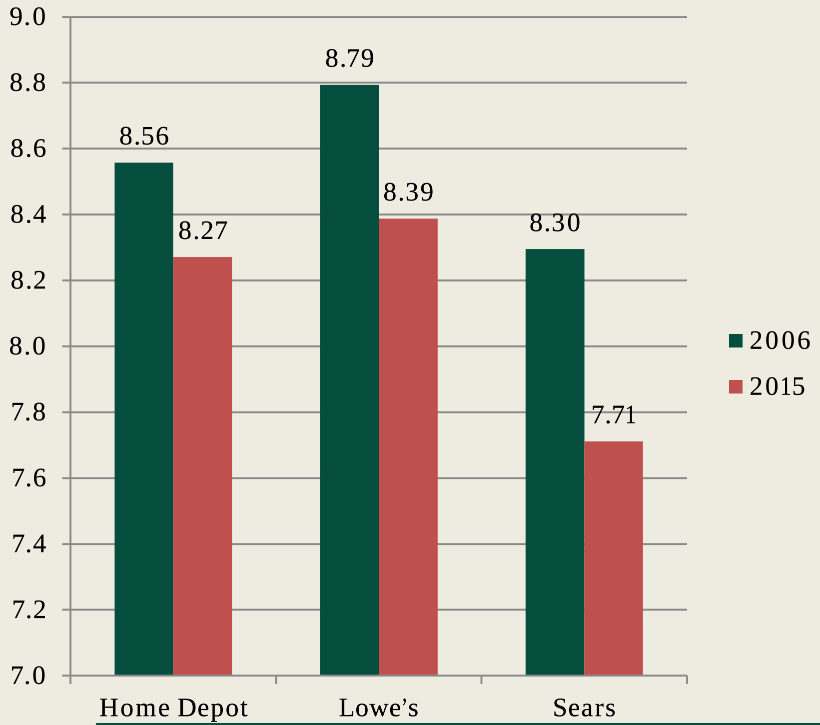
- Income Level
  - Generally satisfaction with projects doesn't change much with income level.
  - The exception is that those at the lowest income levels (<$25k) have weaker satisfaction with a significant difference between them and all other income groups other than those $50-75k.
- Regions
  - The Northeast has the highest score at 6.11, but there are no significant differences across regions.
- When Pro Project Last Done
  - Those that did their project in the past 12 months have a significantly higher satisfaction level than those that had the project done over a year ago. (6.34 vs. 5.87)
- DIY Orientation
  - Total DIY'ers have the highest level of satisfaction with their contractor projects at 6.29. This is significantly higher than Light DIY'ers who are at 5.96.
- How Contractor Found
  - The two highest levels of satisfaction were for those who found their contractor by using someone they have previously used (6.35) and one provided by a home improvement store* (6.36).
  - Working with a contractor previously used was significantly more satisfying than Referrals, Other online locator services, Yellow Pages, Insurance company recommendations, Other contractor recommendations, and Angie's List.
  - While with small bases, the satisfaction with contractors provided by a home improvement store had a significant increase from 2006 to 2015.

* Caution, small base

Perceptions of National Installation Services

Among homeowners in general, all three tested installation service providers had significant drops in mean ratings.

Mean Rating of Installation Services



824	813	772	Base Size 2015

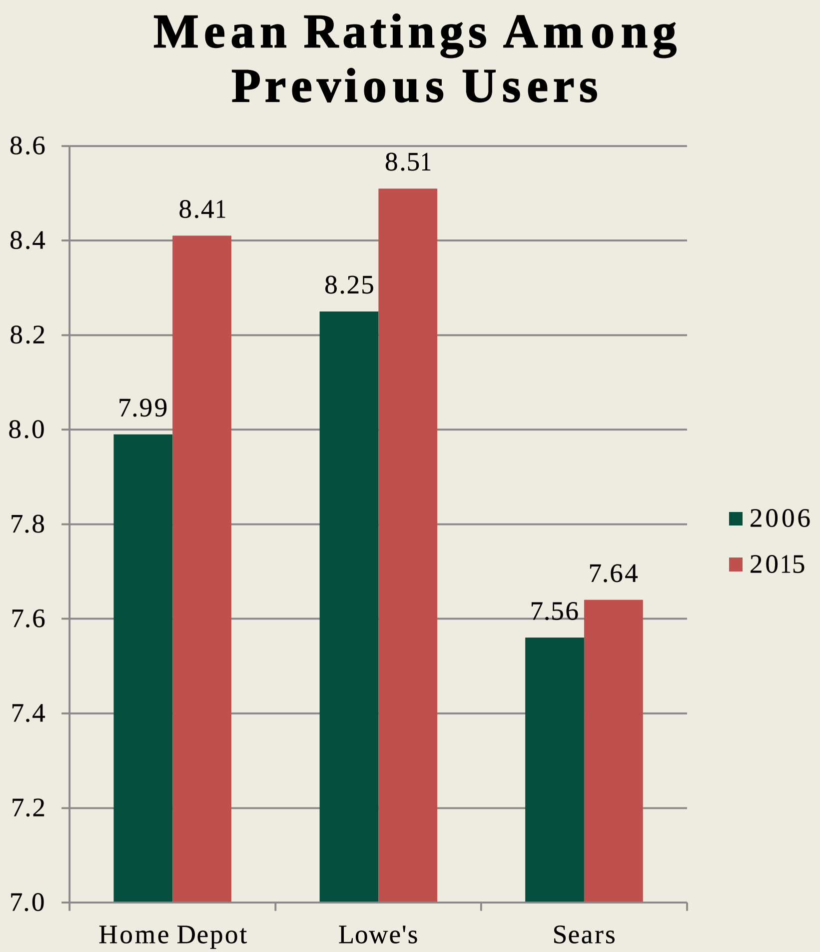
Q16 There are several national companies that offer home improvement installation services. Based on what you know and have heard about their home improvement services, please provide a rating for each company from 1 to 10 where 1 is extremely poor and 10 is excellent. (Don't Know also an answer option)

- Lowe's had the highest rating for installation services followed by Home Depot. Both were significantly higher in 2015 than Sears.
- Base sizes reflect those providing a rating, the balance selected Don't Know. The proportion of Don't Know responses was similar by company.
  - Home Depot 18%
  - Lowe's 19%
  - Sears 23%

Differences in Ratings for Installation Services

- Region
  - The Midwest generally had higher ratings for all of the companies. Significant differences were:
    - Home Depot rating was higher than in the Northeast and West
    - Lowe's rating was higher than in the Northeast
    - Sear's rating was higher than in the Northeast and West
- Income Levels
  - Higher income homeowners ($100k+) have the lowest ratings for all companies. These differences were significant for Lowe's vs. those with incomes less than $50k. Home Depot was significant vs. those with incomes $25-&49k.
- Generations
  - Millennials had significantly higher ratings versus at least one other generation for all of the companies.
    - Home Depot – higher than all other generations
    - Lowe's and Sears, higher than Matures
- DIY Orientation
  - Total DIY'ers had the highest ratings for each company compared to the other DIY Orientation levels.
    - The difference in rating for Home Depot between Total DIY'ers and Light DIY'ers was significant

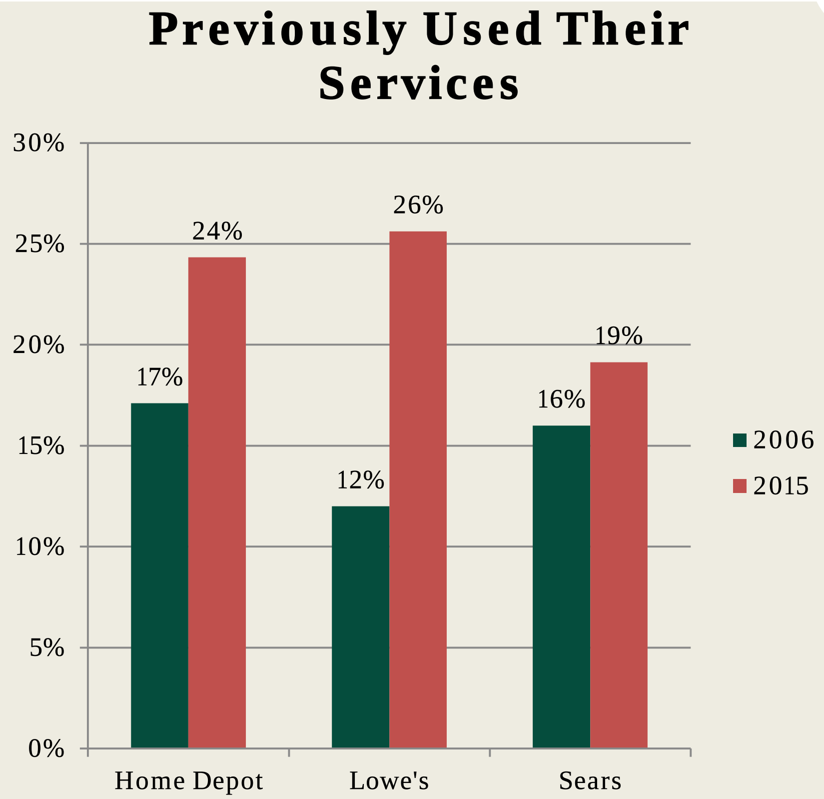
When looking at just those who have previously used the services, the picture changes to one of growth.



240	253	189	Base Size 2015

- Limiting the analysis to just prior users shows directional gains in ratings from 2006 to 2015 for all 3 companies.
- With the smaller base sizes, these changes are not statistically significant.
- In 2015, Home Depot and Lowe's had significantly higher ratings among this group than did Sears.
- The reason for the declines when looking at all homeowners is strong declines among those that have little or no knowledge of each company.

Home Depot and Lowe's had significant increases in the use of their home improvement services.



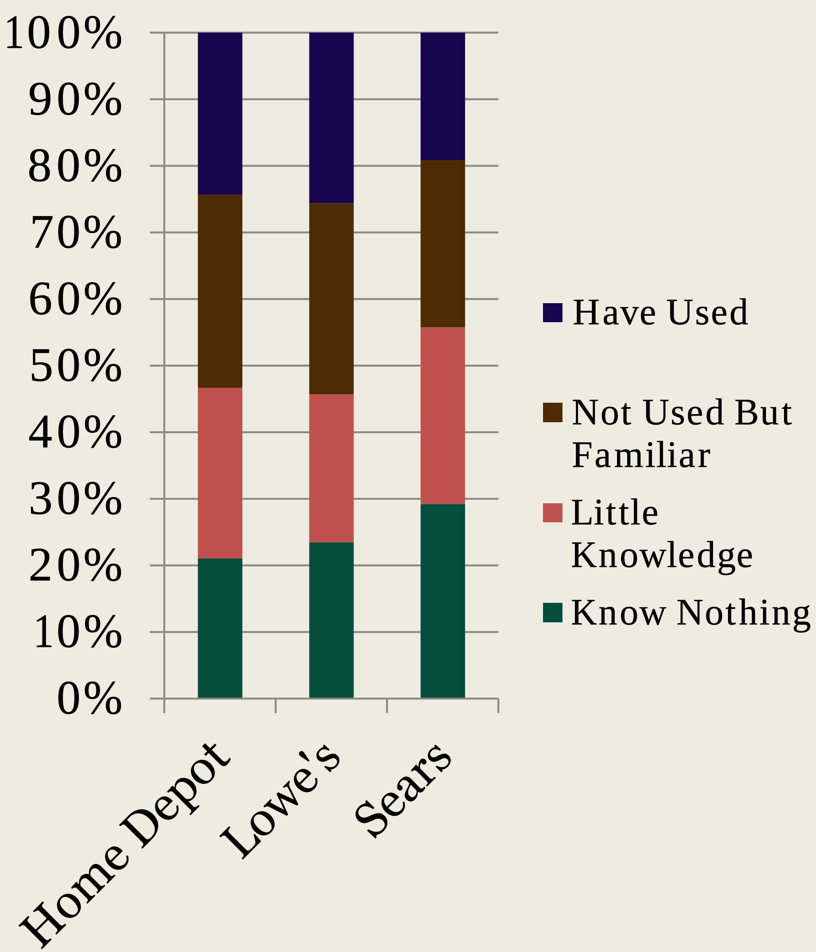
Q17 Please indicate your level of familiarity with each of the following company's home improvement installation services. (Options: Have previously used their services; Haven't used their services, but are familiar with what they offer; Have a little knowledge about their home improvement services; Know nothing about their have improvement services.)

- Past use of Lowe's home installation services over doubled reaching 26%.
- Use of Home Depot's home services also increased significantly, but grew at a lower rate than Lowe's and fell into the #2 position.

Differences in Use of Home Improvement Services

- Regions
  - Home Depot has significantly fewer past users in the Midwest than in the balance of the country.
  - Lowe's is significantly stronger in the South than in the Northeast and Midwest.
  - Sears is significantly stronger in the Northeast than in the Midwest and South.
- Generations
  - Use of these 3 home improvement companies is statistically stronger among Millennials than Boomers and Matures.
  - Use of Lowe's by Millennials is also stronger vs. Gen X
- Income Levels
  - Those with incomes of $50k or more are significantly more likely to have used all three companies home services than those earning under $25k.
- Years in Home
  - Those in their homes for 10 years or less are significantly more likely to have used Lowe's services than those in their homes over 10 years.
  - Home Depot's home services are more likely to have been used by those less than 10 years in their home compared to those 21+ years.
- DIY Orientation
  - Sears home services are less likely be have been used by Non DIY'ers than all other groups.

Home Depot & Lowe's are strongest in familiarity

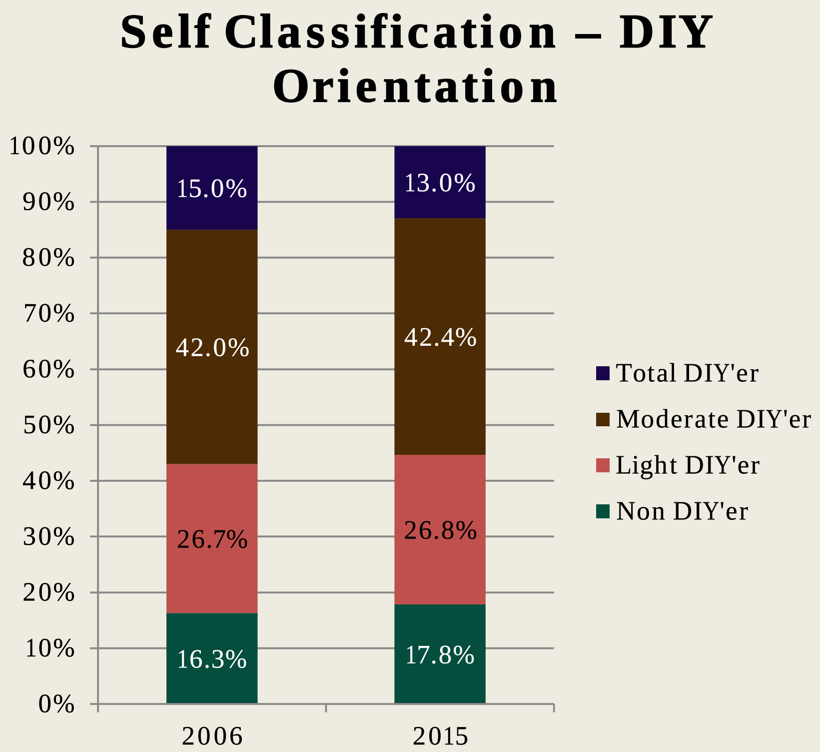


- Over half of homeowners claim to be familiar or better with home services from Home Depot (53%) and Lowe's (54%).
- Sears has the largest group of homeowners who feel they know nothing about their home improvement services.
- 56% of homeowners feel they know little or nothing about Sears services. Home Depot (47%) and Lowe's (46%) are lower.
- Compared to 2006, both Home Depot and Lowe's have had significant increases in their levels of homeowners who have previously used their services.

CONSUMER SPECIALISTS

Profile of Respondents

The largest group of homeowners are Moderate DIY'ers



- When asked to self classify as to their DIY orientation, the largest group by far was the Moderate DIY'er (I do many jobs around my home, but the toughest are left for professionals.)
- The smallest group was Total DIY'ers (I am a total do-it-yourselfer; I do it all.
- There was very little change in the proportion by DIY orientation from 2006 to 2015.

Q18 Which one of the following best describes your personal involvement in home improvement and repair projects?

Report Label	Response Selected
Total DIY'er	I am a total do-it-yourselfer; I do it all.
Moderate DIY'er	I do many jobs around my home, but the toughest are left for professionals.
Light DIY'er	I only take on small jobs as needed.
Non DIY'er	I call on professionals for just about everything.

Differences in DIY Orientation

- Regions
  - The Midwest had significantly more Moderate DIY'ers than any other region. The offset was heaviest in Light DIY'ers, where the Midwest was significantly lower than the South and West.
- Generations
  - Both Gen X and Millennials are significantly more likely to consider themselves Total DIY'ers compared to Boomers and Matures.
  - Matures and Boomers were significantly more likely to be Non-DIY'ers than Gen-X and Millennials. Matures were also higher than Boomers for this category.
- Income Levels
  - Higher income homeowners ($100k+) are significantly less likely to consider themselves to be Total DIY'er versus almost every other income level (the exception is $25-49k where the difference is directional)
- Length of Time In Home
  - Those in their home for 21 years or more are significantly more likely to be Non DIY'ers than all others.

Demographics of Respondents

Household Size	
1	17.1%
2	44.9%
3	16.6%
4	13.5%
5 or more	7.9%
Children in Household	
Yes	31.2%
No	68.8%
Age of Current Residence	
5 years or less	7.2%
6 to 10 years	11.6%
11 - 20 years	20.6%
21 - 40 years	31.0%
41 years or older	29.6%
Years Living In Current Residence	
2 years or less	8.5%
3 - 5 years	11.9%
6 - 10 years	20.7%
11 - 20 years	30.0%
21 years or more	28.9%
Marital Status	
Single, never married	14.6%
Married	66.5%
Divorced, widow or widower	18.9%

Age of Respondent	
18 - 24	1.2%
25 - 34	6.5%
35 - 44	14.8%
45 - 54	21.8%
55 - 64	24.1%
65 +	31.6%
Household Income	
Under $25,000	14.5%
$25,000 - $49,999	21.7%
$50,000 - $74,999	19.1%
$75,000 - $99,999	14.4%
$100,000 - $149,999	20.1%
$150,000 or more	10.2%
Region	
Northeast	17.2%
Midwest	25.0%
South	37.1%
West	20.6%

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