COVID-19 IMPACT ON HOME IMPROVEMENT BEHAVIORS

DIY EDITION
The Farnsworth Group
Industry-Focused Custom Research

For 30 years, we have dedicated our business to understanding Consumers and Professionals in specific industries.

• Building
• Home Improvement
• Lawn & Ranch

Our industry knowledge paired with research expertise provides research solutions that get you insightful answers to your specific needs.
Industry-Focused Custom Research

Our customized research gets you detailed information specific to your business that goes beyond internal or secondary information.

GET SPECIFIC ANSWERS ON...

Customer Usage & Attitudes
- Profile
- Satisfaction
- Channel Use
- Shopping Behavior

Product Development
- Usage
- Performance
- Pricing
- Merchandising
- Concept Testing

Brand Health
- Awareness
- Perception
- Equity
- Usage
- Messaging

Market Sizing
- Retail Volume
- Brand Share
- Distribution Structure

...FROM INDUSTRY RESEARCH EXPERTS
About the COVID-19 Home Improvement Tracker

In Partnership with: HIRI

HOME IMPROVEMENT RESEARCH INSTITUTE
Weekly DIY and Contractor Surveys

Track COVID-19 impact on project behaviors week to week by conducting the same online survey each week among active DIYers and Residential Trade Professionals.

DIY
N = 1000

- Millennials (age 24 - 39)
- Gen X (ages 40 - 54)
- Boomers (ages 55 - 70)

N = 300+ Residential Contractors

- Mix of Remodelers, General Contractors and Specialty Trades
- Even mix of <$750K in annual revenue and those doing $750K+ in annual revenue
- Even distribution across Census regions
Impacts on Current DIY Project Behavior
People Are Spending More Time Online

WEBSITE TRAFFIC INCREASES DURING QUARANTINE

**Websites**

<table>
<thead>
<tr>
<th>Websites</th>
<th>Traffic Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook.com</td>
<td>+27.0%</td>
</tr>
<tr>
<td>Netflix.com</td>
<td>+16.0%</td>
</tr>
<tr>
<td>YouTube.com</td>
<td>+15.3%</td>
</tr>
</tbody>
</table>

**Feb. 29**
First U.S. Covid-19 death

Average daily traffic

170M | 120M | 26M | 200M
Jan. 15 | March 24 | 16M | 160M
150% INCREASE IN SEARCH TERMS RELATED TO HOME DEPOT

195% INCREASE IN SEARCH TERMS RELATED TO LOWE’S
Have You Started Any New DIY Projects in or Around Your Home in the Last Week?

(Maintenance, Replacement, Repair or Remodeling Work That YOU Are Doing)
Have You **Cancelled** or **Stopped** Any DIY Projects in the Last Week for Any Reason?

- **Red** — Yes – Because of Impact Associated With COVID-19
- **Blue** — Yes – But it Didn’t Have Anything to Do With COVID-19
- **Yellow** — No – I Have Not Canceled or Stopped Any DIY Projects Lately

Provided by The Famsworth Group & the Home Improvement Research Institute (HIRI)
How Did the Impact of COVID-19 Cause You to Cancel or Stop Those DIY Project(s)? (By Age)

Provided by The Famsworth Group & the Home Improvement Research Institute (HIRI)
IMPLICATION:
Potential Price Sensitivity
Amazon Customer Satisfaction is at an All-Time Low

SOURCE: https://www.marketplacepulse.com/articles/half-a-million-unhappy-amazon-shoppers
IMPLICATION: Availability
Where did you purchase your home improvement products this month?

- In-Store
- Online - Delivered
- Online – Picked up at Store
- Did not purchase this month

Did you buy online because of COVID-19 for any reason?

- Yes
- No
How Did COVID-19 Get You to Buy Your Home Improvement Products Online Instead of in a Store?

- Health and Safety Concerns Going in Store
- Store Didn’t Have What I Needed in Stock
- Store Is Closed

Provided by The Farnsworth Group & the Home Improvement Research Institute (HIRI)
IMPLICATION:
Channel Shift
DIY activity can be seen in recent retail sales – up 8% in March YOY
Impacts on Future DIY Project Behavior
Are You Planning to Start Any DIY Projects Within the Next Few Weeks? (By Age)

**Millennials**

- Will Definitely Start Some DIY Projects Around The House
- Will Probably Start Some DIY Projects Around The House
- Will Probably NOT Start Any DIY Projects
- Not Sure

**Gen X**

- Will Definitely Start Some DIY Projects Around The House
- Will Probably Start Some DIY Projects Around The House
- Will Probably NOT Start Any DIY Projects
- Not Sure

**Boomer**

- Will Definitely Start Some DIY Projects Around The House
- Will Probably Start Some DIY Projects Around The House
- Will Probably NOT Start Any DIY Projects
- Not Sure

Provided by The Farnsworth Group & the Home Improvement Research Institute (HIRI)
Are You Planning to Spend More or Less Money Than Normal on DIY Projects Over the Next Few Weeks? (By Age)

**Millennials**

- Planning To Spend Much More
- A Little More
- Same As Usual
- A Little Less
- Planning To Spend Much Less

**Gen X**

- Planning To Spend Much More
- A Little More
- Same As Usual
- A Little Less
- Planning To Spend Much Less

**Boomer**

- Planning To Spend Much More
- A Little More
- Same As Usual
- A Little Less
- Planning To Spend Much Less

Provided by The Farnsworth Group & the Home Improvement Research Institute (HIRI)
Product Category Online Search Shifts

SEARCH VOLUME INCREASE ON GOOGLE FOR BUILDING PRODUCTS DURING MARCH 16 - APRIL 5.

<table>
<thead>
<tr>
<th>Category</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLOORING</td>
<td>51%</td>
</tr>
<tr>
<td>WINDOWS</td>
<td>43%</td>
</tr>
<tr>
<td>DOORS</td>
<td>54%</td>
</tr>
<tr>
<td>SIDING</td>
<td>120%</td>
</tr>
<tr>
<td>ROOFING</td>
<td>61%</td>
</tr>
<tr>
<td>KITCHEN &amp; BATH</td>
<td>76%</td>
</tr>
<tr>
<td>DECK &amp; PATIO</td>
<td>63%</td>
</tr>
<tr>
<td>LUMBER</td>
<td>59%</td>
</tr>
<tr>
<td>PAINT</td>
<td>700%</td>
</tr>
</tbody>
</table>

SOURCE: Google Trends & Venveo Proprietary Tracking Data Systems
Which of these projects are you planning to start in the next few weeks?
• PRICING: Pay attention to financial concerns. This may lead to price sensitivity that requires you to adjust product offering or merchandising. *Understand your customers’ hierarchy of needs.*

• AVAILABILITY: Fulfill product needs. Have what they want and deliver it how they want. There is opportunity to steal share because consumers may be more willing to switch brands or suppliers. *Understand what your customers want, when and how.*

• CHANNEL: Go where your customers are – online. Not just for shopping and info, but now more than ever for buying. *Know what information they want and give it to them.*

• There are DIY opportunities, but consumer behaviors changed overnight. The quicker you understand how they changed for your customer, your products and your channel the quicker you can meet these new needs. *Have the product, when and where they want it, at the right price (or at least 2 out of 3) and you win.*
Thank You

CONTACT:

Grant Farnsworth
gfarnsworth@thefarnsworthgroup.com