



NEWS RELEASE

# Survey Reveals Drastic Shift in Homeowner Behavior One Year Into the Pandemic

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Two thirds (66%) of U.S. homeowners spent more than \$1,000 on home improvements and repairs in the past year, totaling an estimated \$84 billion\* in homeowner spending

PALO ALTO, Calif.--(BUSINESS WIRE)--Hippo, the home insurance group that created a new standard of care and protection for homeowners, today released findings from a national survey of 1,000 U.S. homeowners conducted with Ask Your Target Market (AYTM). The results show a significant move towards more proactive behaviors in the home, including increased customization, home improvements and repairs, compared to pre-pandemic times.

“The past year’s shift in how we live in our spaces has fundamentally changed the way we take care of our homes, with long-term effects”

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One year ago, in March 2020, the World Health Organization **declared** COVID-19 a pandemic. Since then, **16 million people** have moved into larger households while millions more have creatively reimagined their current space due to a **lack of available housing inventory**.

Hippo’s findings signal a new era of homeownership in which homeowners take on a more active role in investing in their homes, driven by an increased desire for added comfort and an inherent need to protect what has become most Americans’ largest financial asset. In the past year, twice as many homeowners spent \$10,000 or more on their home than in the previous year. Even as pandemic-fueled social restrictions decline and people begin to return to work and school, 71% of homeowners said they will continue to invest in their home with the same level of interest in proactive improvements.

Hippo's Survey Findings Include:

Homeowners are making more home improvements, upgrades and repairs

The pandemic has paved the way for increased investments made inside and outside of the home.

- 12.3% of homeowners bought a new home or property within the last year.
- More than half (54%) of homeowners have made improvements to their property since the start of the pandemic.
  - The backyard is the #1 spot for home improvements, followed by the kitchen, home office and home gym.
- 66% of homeowners spent more than \$1,000 on home improvements and/or home repairs in the past year.
- The number of people who spent more than \$10,000 on home improvements and/or home repairs doubled in the past year as compared to an average year (increased from 5% to 10%).
- 52% of homeowners said they've become more involved in taking care of their home in the past year.
  - Of this group, millennials were the most proactive in taking care of their homes (64%) signaling a strong start for this generation of up and coming homeowners.
- 71% of homeowners said that they will continue making the same amount of home improvements moving forward as they did over the past year.
- Due to increased time spent at home, 1 in 3 homeowners have repaired their plumbing in the past year, making it the #1 home repair.

Homeowners still have dreaded to-do list tasks that are neglected

While home maintenance can be a tedious task, being proactive led to less repair work and strain on homeowners in the long run. Every dollar spent on maintenance can **prevent up to \$100** of repair costs.

- 76% of homeowners have at least one task that they dread as a homeowner.
  - Cleaning the gutters was the most dreaded task, while lawn care came in a close second. The third most dreaded task as a homeowner was cleaning the oven.
  - The top three most neglected tasks include maintaining the plumbing (15.1%), heating (13.2%) and electric (12.4%)
- The U.S. Department of Home & Urban Development recommends an annual maintenance routine in order to avoid injuries and illness, and to reduce allergens. Despite this guidance, 68% of homeowners admitted to not having a home maintenance checklist or routine that they follow annually.

Homeowners are becoming more proactive with their home care responsibilities

Americans are completing approximately **511 million home maintenance jobs** each year. Nationally, homeowners are completing about 16 jobs per second.

- 1 in 3 homeowners have a home maintenance checklist or routine that they follow annually.
  - Of these motivated homeowners, 76% believe they've become even more proactive in taking care of their home in the past year.
- Homeowners in the Northeast (57%) completed the most home care tasks and repairs this year, followed by the West (53%), South (51%) and Midwest (48%).
- After completing a significant home improvement or home repair, many homeowners are missing a critical next step. More than half (53%) of homeowners said they made changes to their homes while only 40% updated their home insurance policy.
  - More than half of homeowners (55%) who did update their home insurance policy were millennials - this generation is quickly becoming the most active in their homeownership responsibilities.

Smart Home products continue to grow in popularity

In 2010, people owned 12.5 billion connected devices; by 2025, the number of connected devices is estimated to reach **50 billion**. Increased comfort with Internet-enabled wireless devices, sleek design, and ease of use are increasing consumer adoption of smart home.

- Nearly half of homeowners (44.6%) purchased smart home products in the past year.
  - Of those, the leading smart home products purchased were smart home assistants, smart lights, and smart speakers.

Millennials took the lead in upgrading and prioritizing their work-from-home setup, compared to other generations

With millennials being the **largest generation** in the U.S. labor force, the majority of remote workers are from this age group.

- In the past year, 52% of homeowners spent money on office equipment (desk, upgraded wifi, video conferencing equipment) while 35% spent money on living room decor (lighting, living room furniture, bookshelf, accent decorations).
  - Video conferencing equipment (e.g., ring light, microphone, green screen) was purchased the most by millennials (71%), followed by Gen Z (16%).
  - 71% of millennials also purchased smart Wi-Fi compared to only 6.7% of boomers who purchased smart Wi-Fi.

- The most popular smart home devices purchased by boomers were smart home assistants (e.g., Amazon Echo, Google Home).
- Interestingly, 75% of millennials said that completing a home improvement project has enabled them to take a personal hobby to the next level.
  - During the pandemic, the personal hobby that takes the rein for millennials is producing content (e.g., music, podcasting, blogging, etc.) at 77%, followed by baking (68%) and personal fitness (65%).

“The past year’s shift in how we live in our spaces has fundamentally changed the way we take care of our homes, with long-term effects,” said Rick McCathron, President of Hippo. “Our homes are no longer places where we spend minimal time —with our households becoming the primary haven where we work, socialize and rest, we’ve discovered that more people are becoming proactive in taking care of their homes. This increase in time at home is leading to a larger amount of home improvements, and at Hippo, we’re always underscoring the importance of maintaining your home while ensuring that homeowners are getting the best possible protection when home upgrades are made.”

Hippo is playing an active role in helping homeowners maintain their homes. Hippo customers have access to Hippo Home Care, a virtual home concierge service that provides proactive home care and maintenance services. Homeowners can receive annual remote home checkups by certified Home Pros that work with customers to guide them through an inspection of certain systems around the home. Hippo Home Care has delivered thousands of home checkups and its Home Pros have performed over 11,000 preventive actions. Hippo has the most widely adopted smart home program in the U.S. homeowners insurance sector,\*\* providing homeowners with smart devices that equip them with the information to better protect their homes and access premium discounts on their home insurance policies.

## Methodology

Survey insights were collected by Hippo among 1,000 homeowners in the U.S. ages 18-65+ through AYTM (Ask Your Target Market) from February 12-17, 2021.

## About Hippo

Hippo offers a different kind of home protection company, built from the ground up to provide a new standard of care and protection for homeowners. Our goal is to make homes safer and better protected so customers spend less time worrying about the burdens of homeownership and more time enjoying their homes and the life within. Harnessing real-time data, smart home technology, and a growing suite of home services, we are creating the first integrated home protection platform. Hippo is headquartered in Palo Alto, California with offices in Austin and Dallas, Texas and insurance products available to more than 70 percent of U.S. homeowners in 32 states. Hippo

Insurance Services is a licensed property casualty insurance agent with products underwritten by various insurance companies. For more information, including licensing information, visit [www.hippo.com](http://www.hippo.com).

\*According to Statista 2020 U.S. household data <https://www.statista.com/statistics/183635/number-of-households-in-the-us/#:~:text=How%20many%20households%20are%20in,households%20in%20the%20United%20States>.

\*\*Statement attributed to Matteo Carbone, founder of the IoT Insurance Observatory

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