

GENERATIONAL ATTITUDES AND DEMOGRAPHICS THAT ARE SHAPING THE HOME IMPROVEMENT MARKET

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The Remodeling Market
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share of total improvement spending

	1995	1997	1999	2001	2003
Echo Boom (Born 1975-1985)	-	-	1%	2%	3%
Generation X (Born 1965-1974)	5%	9%	13%	15%	20%
Trail Baby Boom (Born 1955-1964)	24%	28%	29%	30%	30%
Lead Baby Boom (Born 1945-1954)	31%	28%	24%	26%	24%
Matures (Born 1935-1944)	19%	18%	16%	15%	13%
Seniors and Older (Born Before 1935)	21%	17%	18%	12%	10%

Source: JCHS tabulations of 1995-2003 AHS.

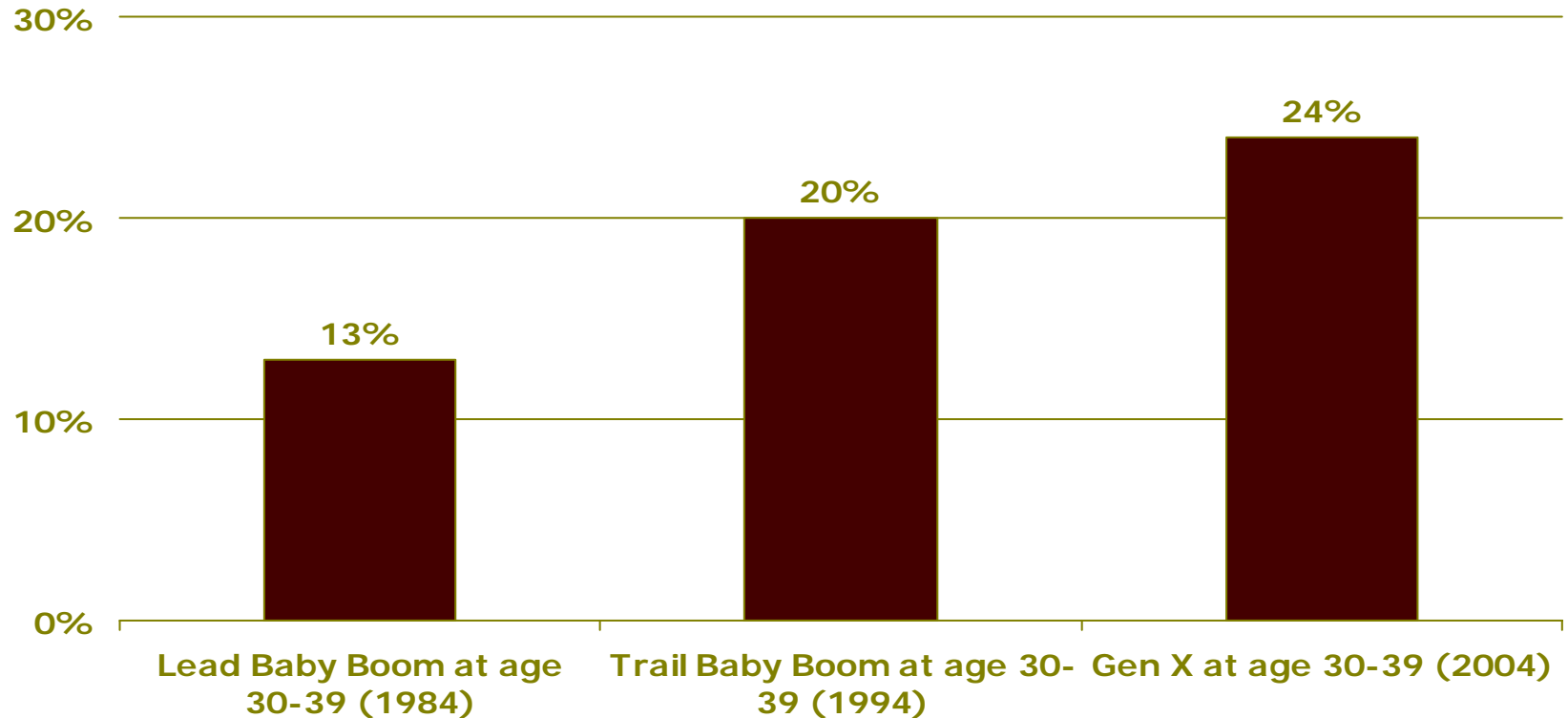
The Market is Being Shaped by Changing Demographics

- Distinctions in composition, housing patterns, and market behavior.
- These differences are a result of:
 - Life Stage
 - Generational Influence
 - Economic and Housing Conditions
- Generational dynamics have, and will continue to, shape the home improvement market.
 - Total spending and activity
 - Project types



Generation X Are Marrying Later, Having Fewer Children...

Share never married



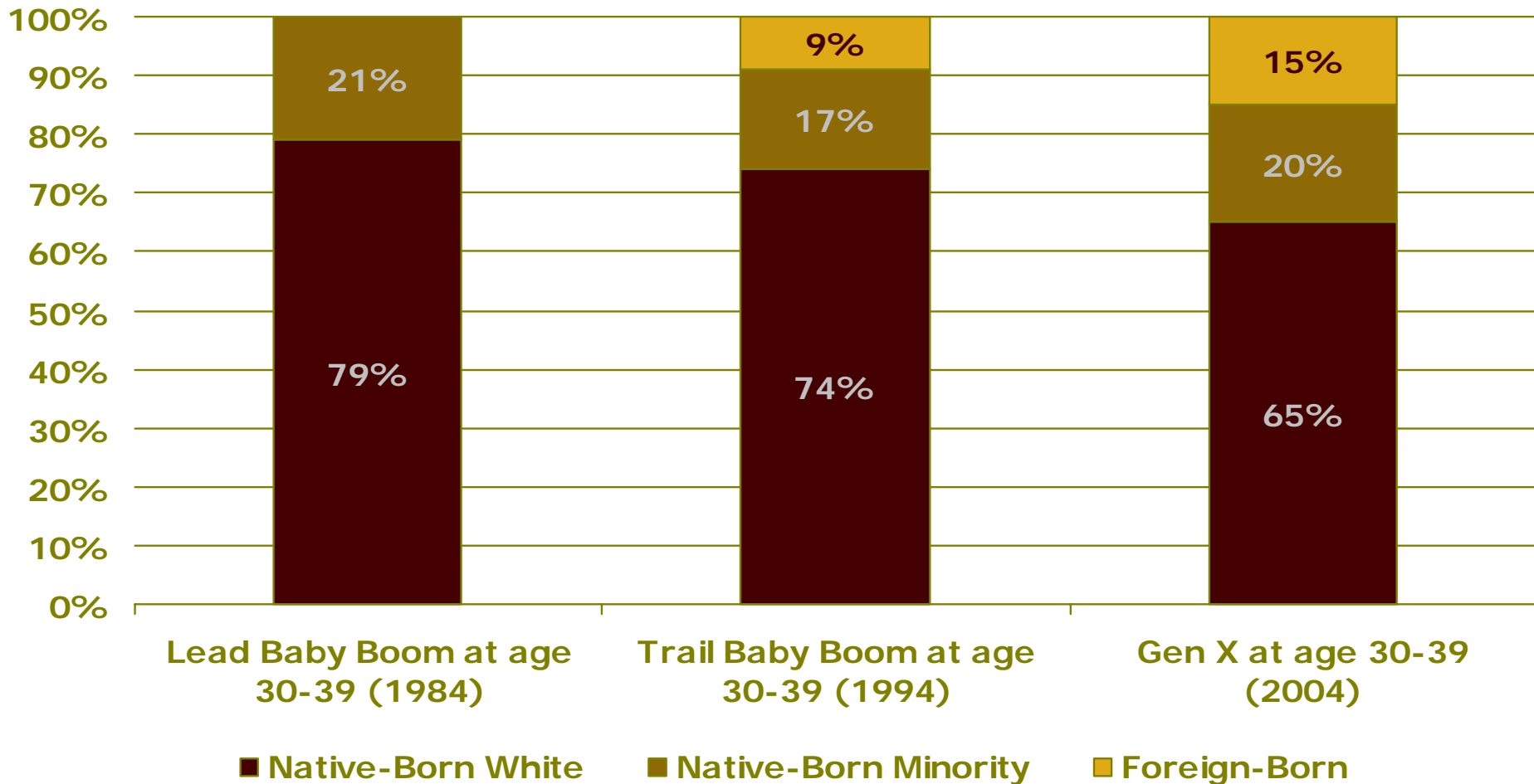
Average Number of Children:

– Lead Baby Boom: 1.77 – Trailing Baby Boom: 1.70 – Generation X: 1.66

Source: Current Population Survey, 1984, 1994, 2004



Generation X Is Far More Diverse



NOTE: Data for 1984 does not reflect differences in nativity status. For that reason, 1984 data divides all households only by racial group. However, the number of foreign-born whites is typically a small percentage, and should not impact the conclusion of these findings.

Source: Current Population Survey, 1984, 1994, 2004

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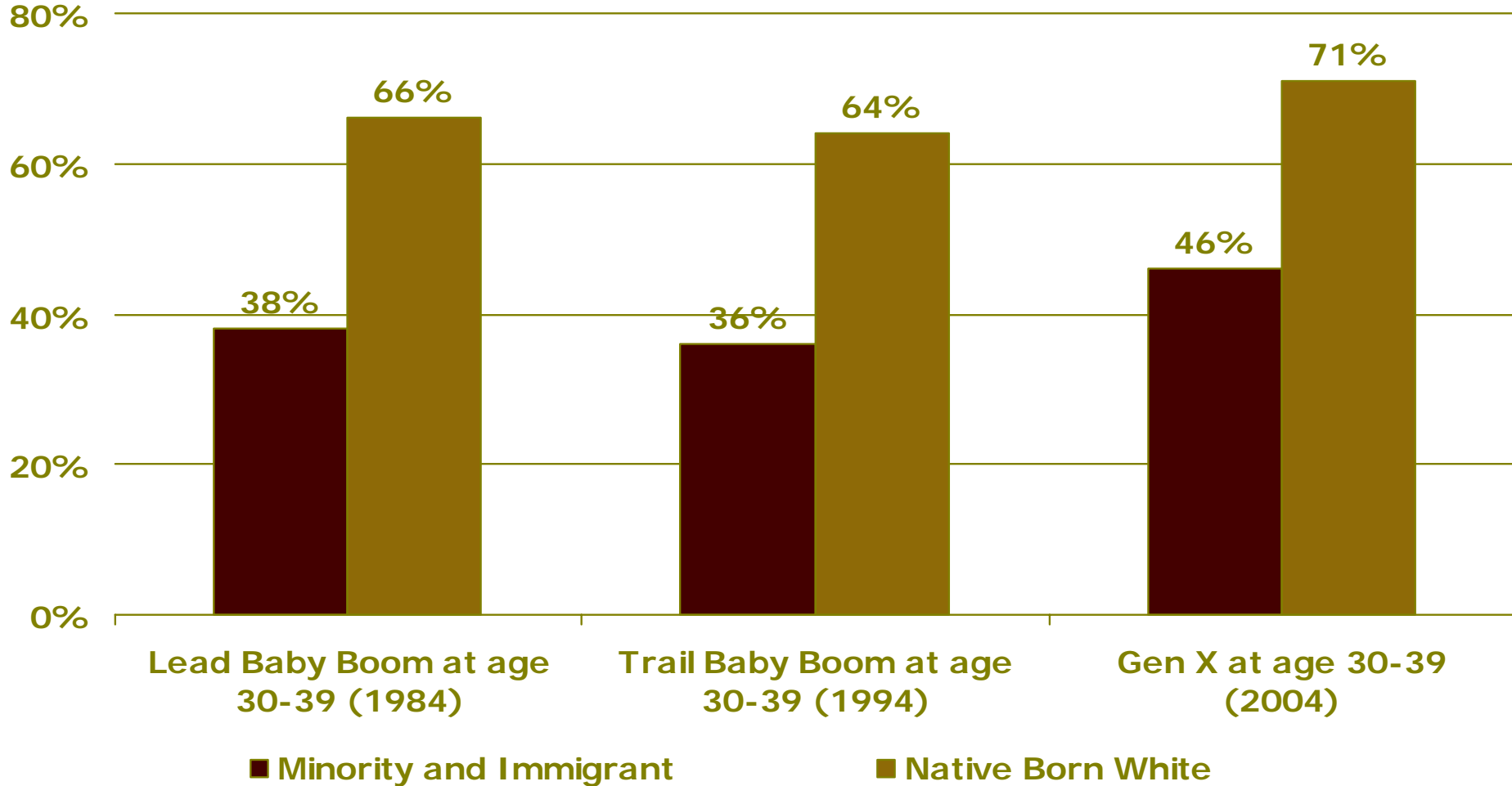
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Generation X Is Moving into Homeownership Faster

Homeownership rate

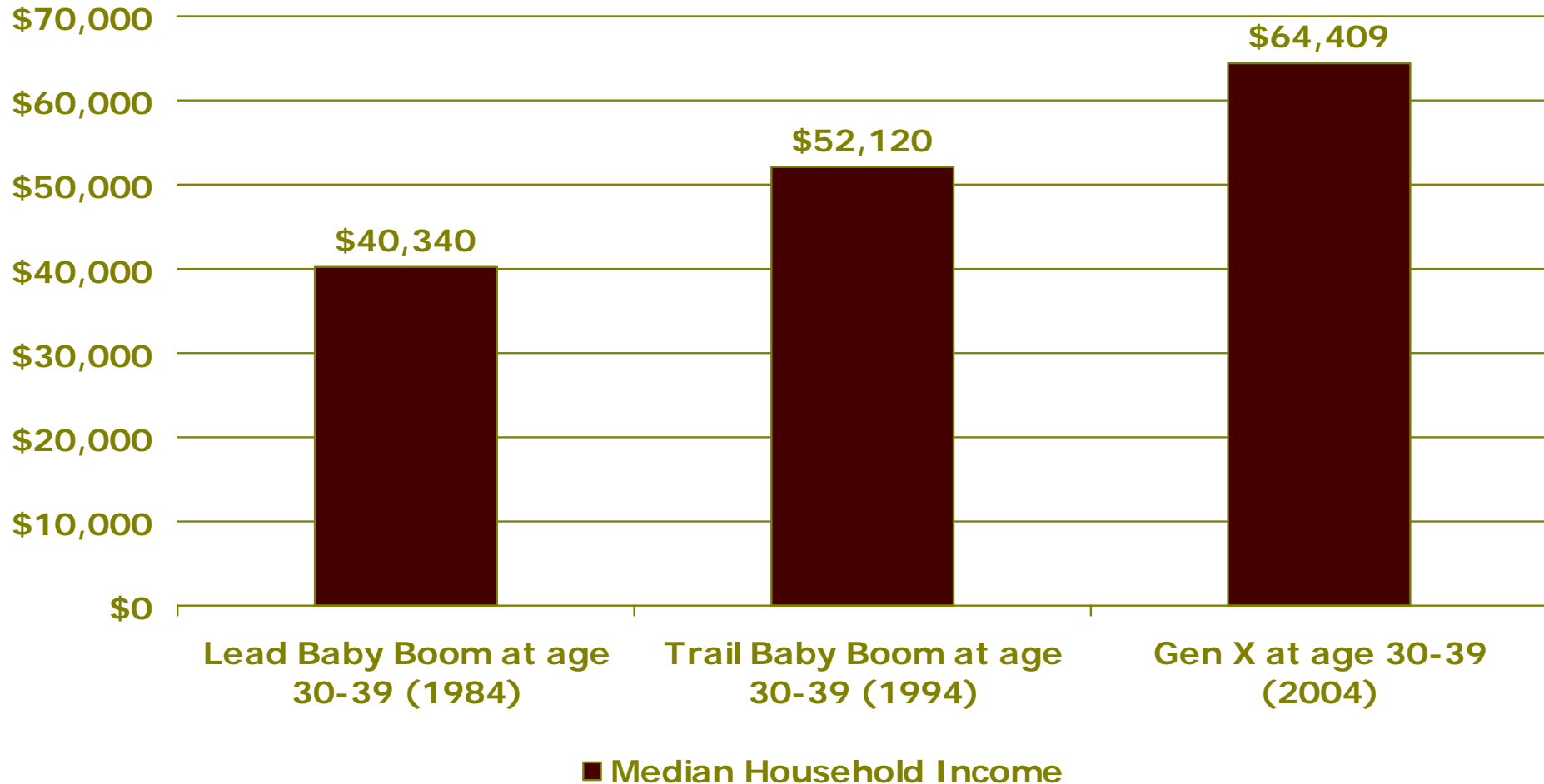


Source: Current Population Survey, 1984, 1994, 2004



Generation X Is More wealthy

2004 dollars

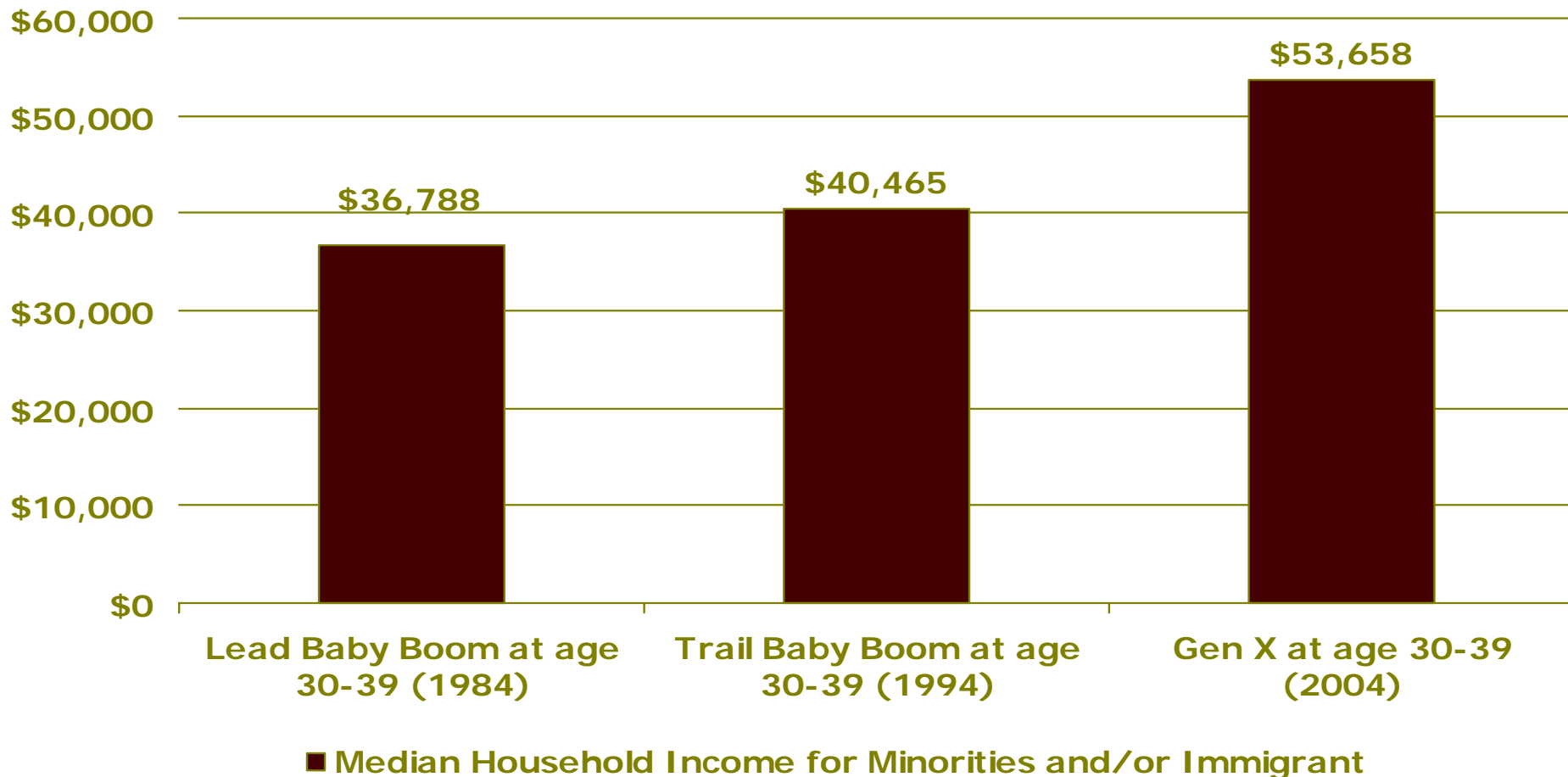


Source: Current Population Survey, 1984, 1994, 2004



Generation X Minorities and Immigrants Also Have Higher Incomes than Previous Generations

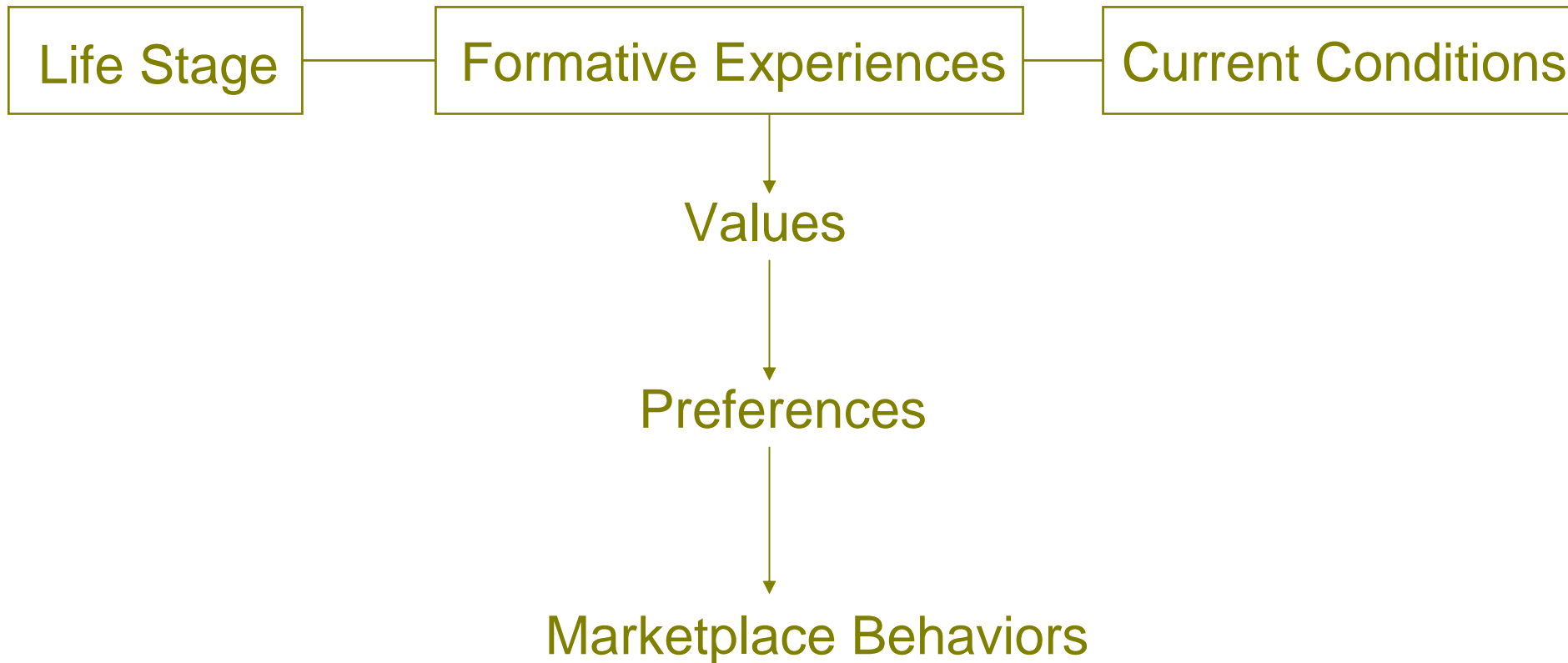
2004 dollars



Source: Current Population Survey, 1984, 1994, 2004



Generational Influences



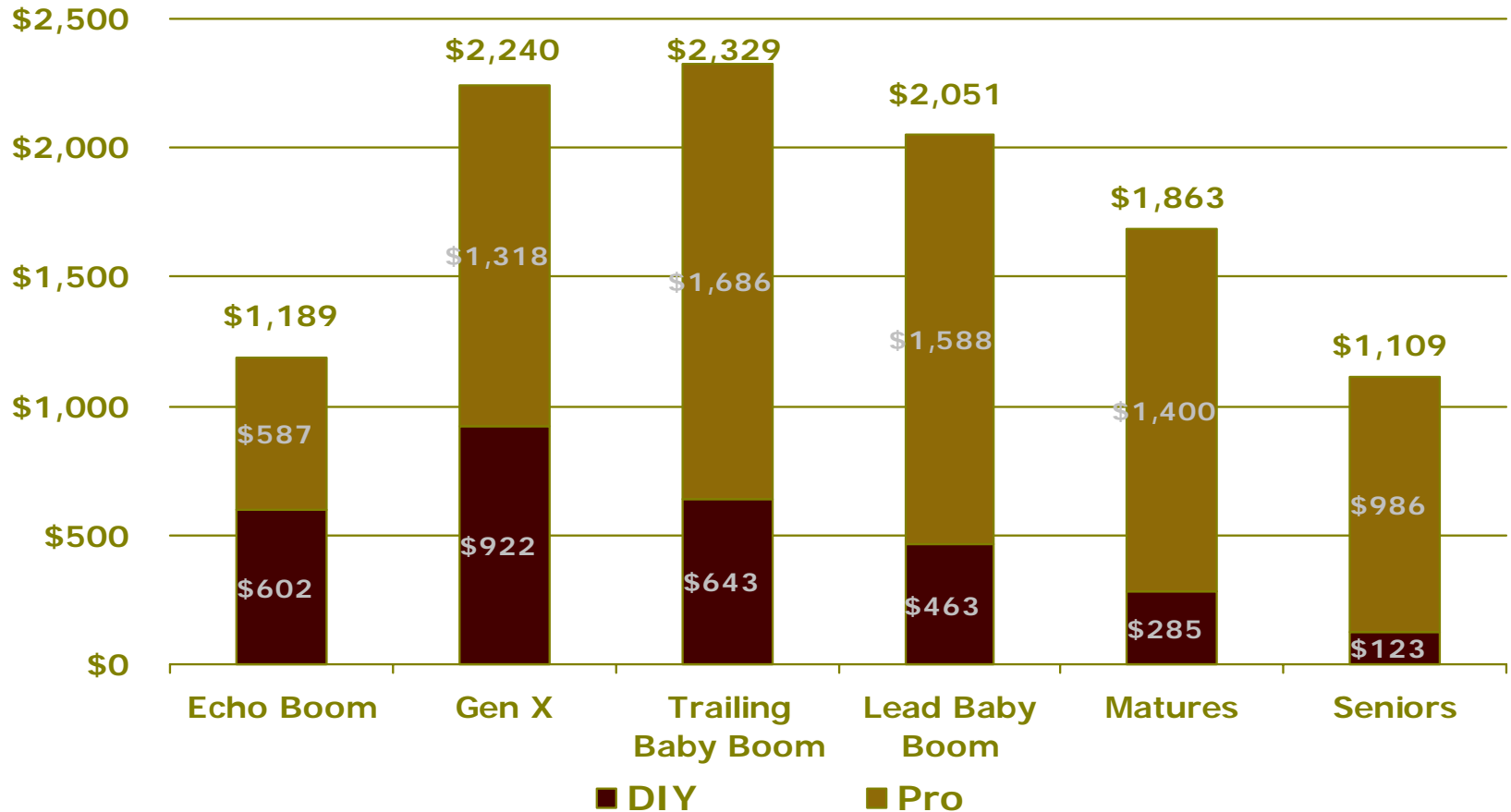
Source: JCHS tabulations of 2003 AHS.

Home Improvement Activity by Generation



Gen Xer Average Spending Already Rivals Spending by Baby Boomers

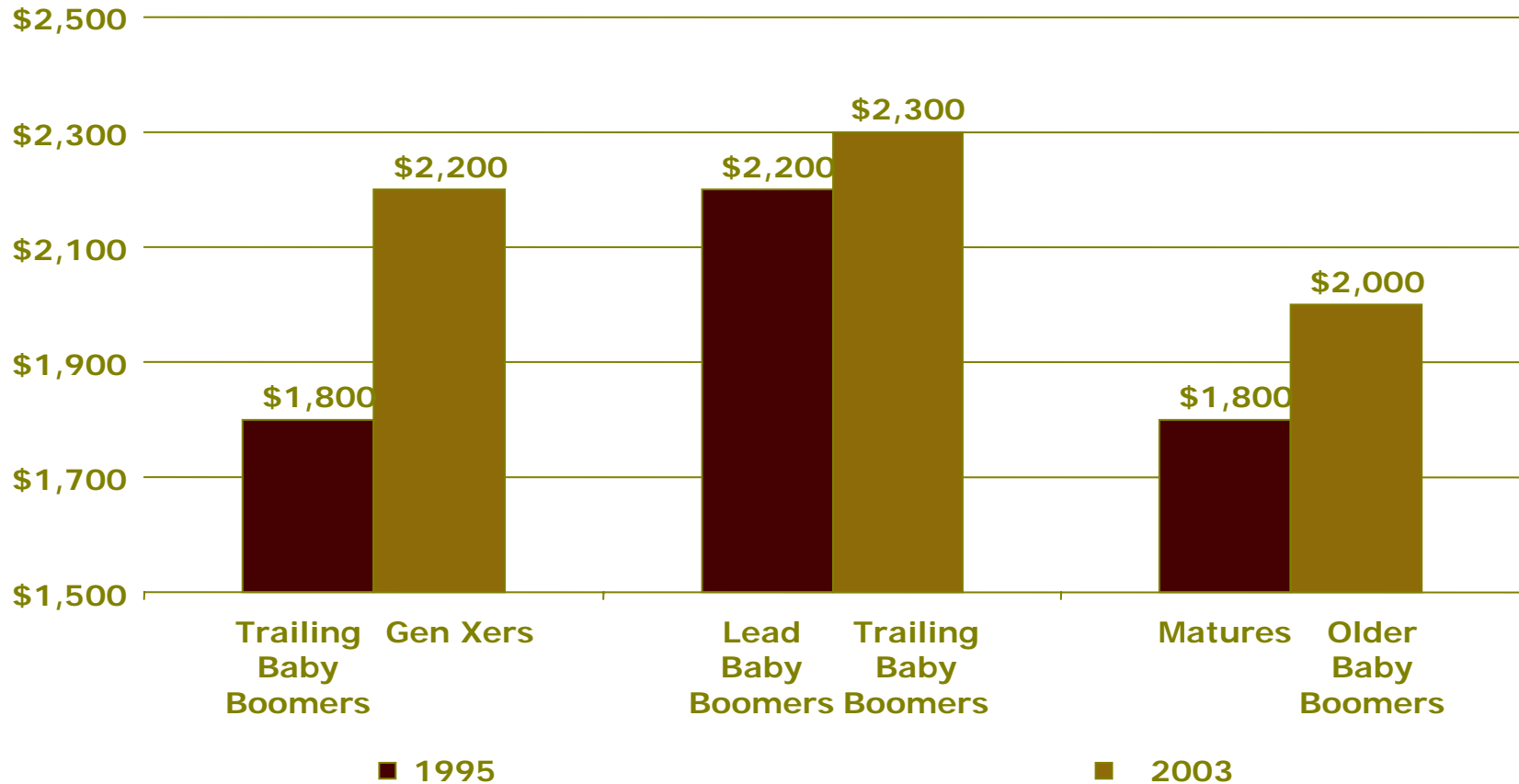
2003 Av. Household Expenditure



Source: JCHS tabulations of 2003 AHS.

Each Generation Is Outspending Its Predecessor on Home Improvement

Average expenditures in 2003 dollars

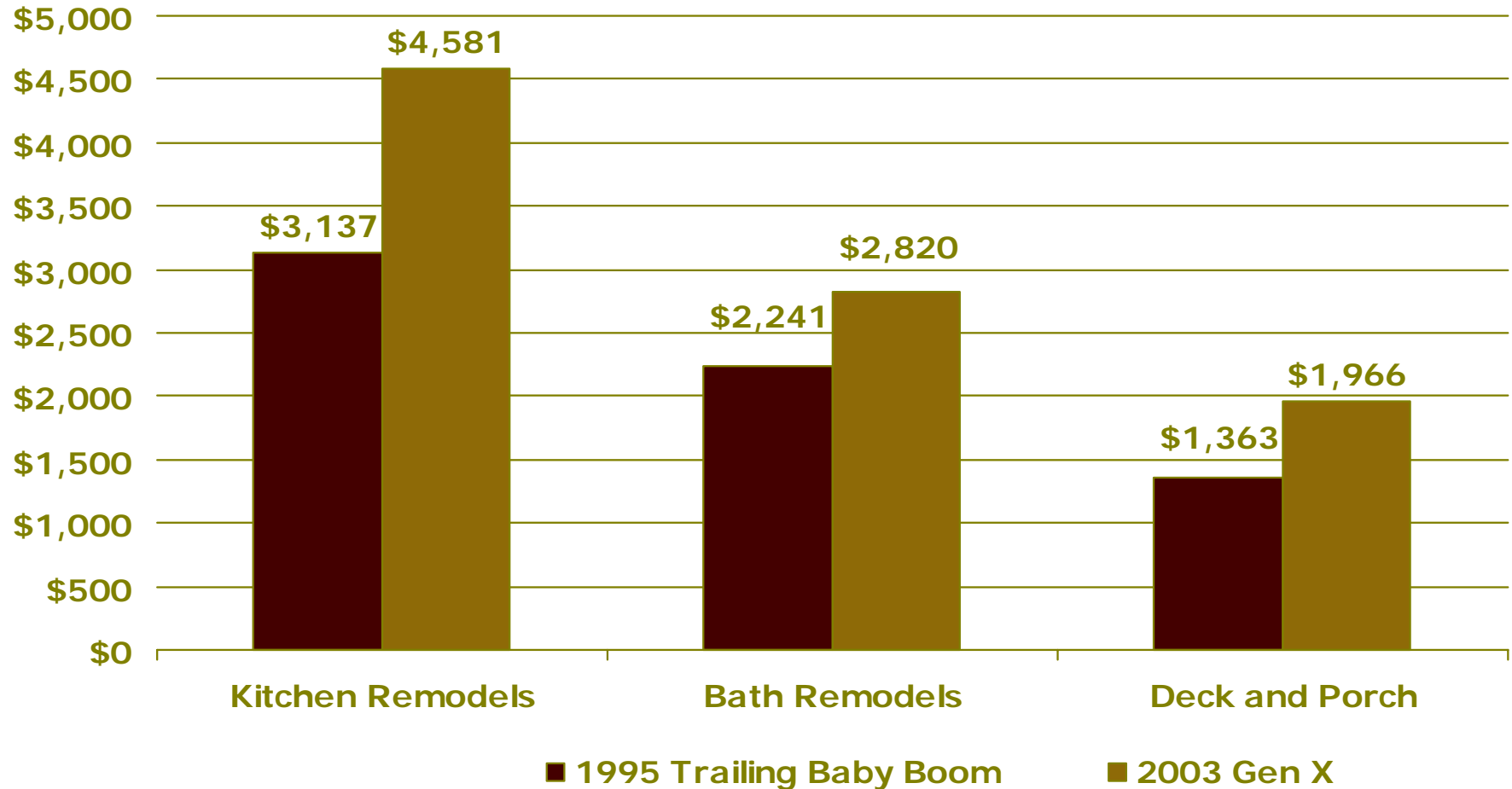


Source: JCHS tabulations of 1995 and 2003 AHS.



Average Spending for Large and Discretionary Projects Has Increased

Average expenditure per project, 2003



Source: JCHS tabulations of 1995 and 2003 AHS.

