

2023 Houzz & Home AUSTRALIA

Overview of Home Renovation
in 2022 and 2023



Big Ideas



UNDERTAKING ENERGY-EFFICIENT UPGRADES

Almost half of renovating homeowners cite improving energy efficiency as highly important when completing home improvements (46%) and upgrades to windows or skylights, roofing and insulation have increased steadily since 2020 (27%, 21% and 16%, compared with 20%, 16% and 12%, respectively). One in 7 renovating homeowners purchased solar power systems (15%) increasing 2 percentage points since 2020 (13%).

KITCHENS AND BATHROOMS REMAIN A PRIORITY

Interior spaces are the most popular areas to renovate (77%), followed by improvements to outdoor areas and adding extensions (57% and 18%, respectively). Kitchen and master bathroom projects remain a priority during renovations (33% and 25%, respectively) and command the highest median spend at \$30,000 and \$19,000, respectively.

UPGRADES TO HOME SYSTEMS

With more than two-fifths of the surveyed homeowners living in homes built in 1980 or earlier (42%), homeowners are focusing on home system improvements. Over a third of renovating homeowners upgraded electrical in 2022, closely followed by plumbing and cooling systems (36%, 33% and 27%, respectively).

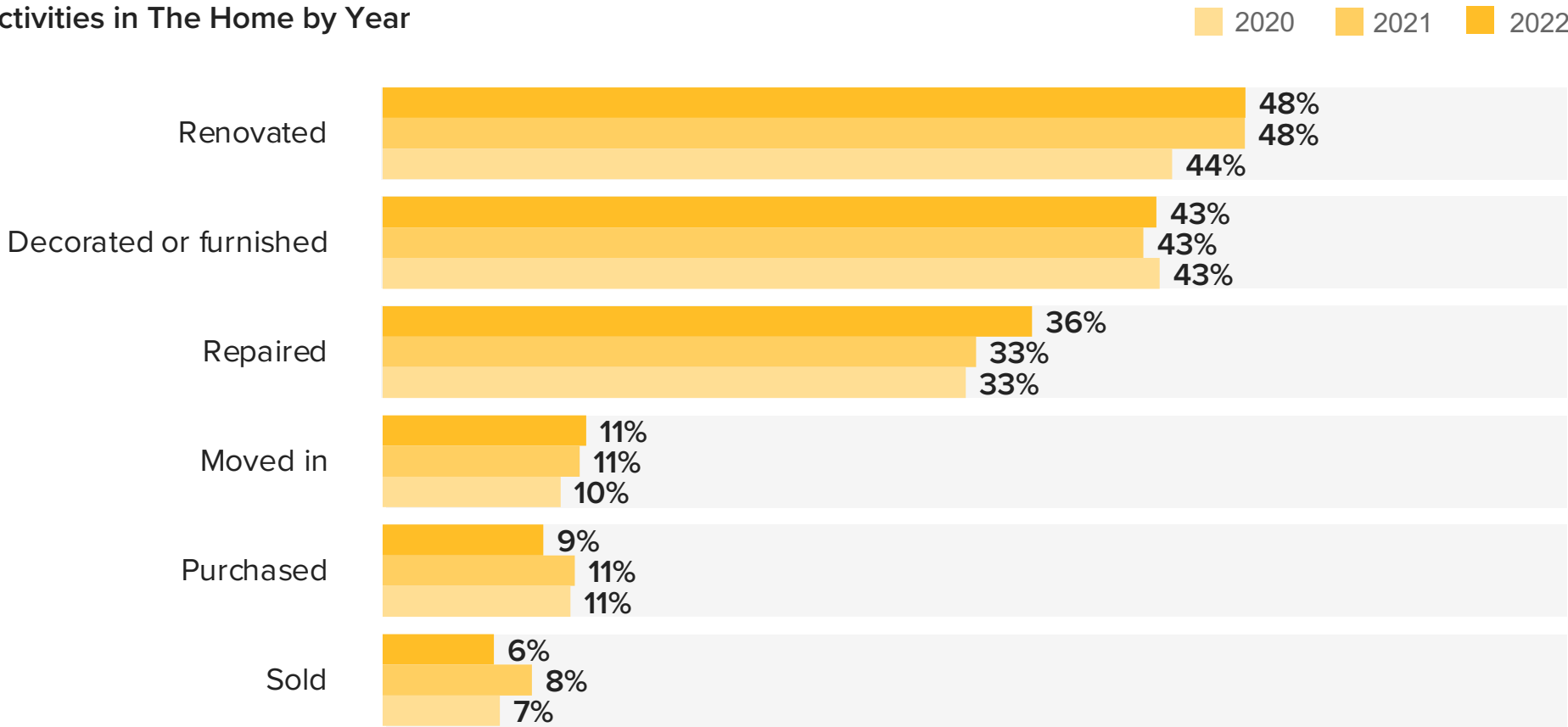
PROFESSIONAL DEMAND CONTINUES

Demand among renovating homeowners for professionals continues to grow (94%, compared with 91% in 2020). Among professionals hired, electricians, plumbers, painters, and carpenters were the most common (72%, 60%, 44% and 43%, respectively). Tile, Stone or Benchtop professionals saw the most significant increase in demand, rising 14 percentage points year on year (38%, compared to 24% in 2021).

What We Are Doing in Our Homes

Charts and tables show the frequency of activities related to the primary home in 2020, 2021 and 2022, as well as the median renovation spend per renovating homeowner in 2020, 2021 and 2022, overall and by age, as reported by homeowners on Houzz Australia.

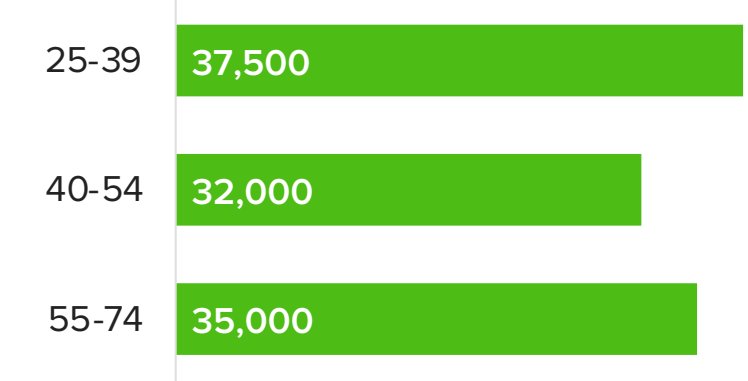
Activities in The Home by Year



Annual Renovation Spend (AUD\$)

	2020	2021	2022
MEDIAN	21,000	30,000	35,000
90TH PERCENTILE*	150,000	230,000	200,000

Median Annual Renovation Spend (AUD\$) by Generation

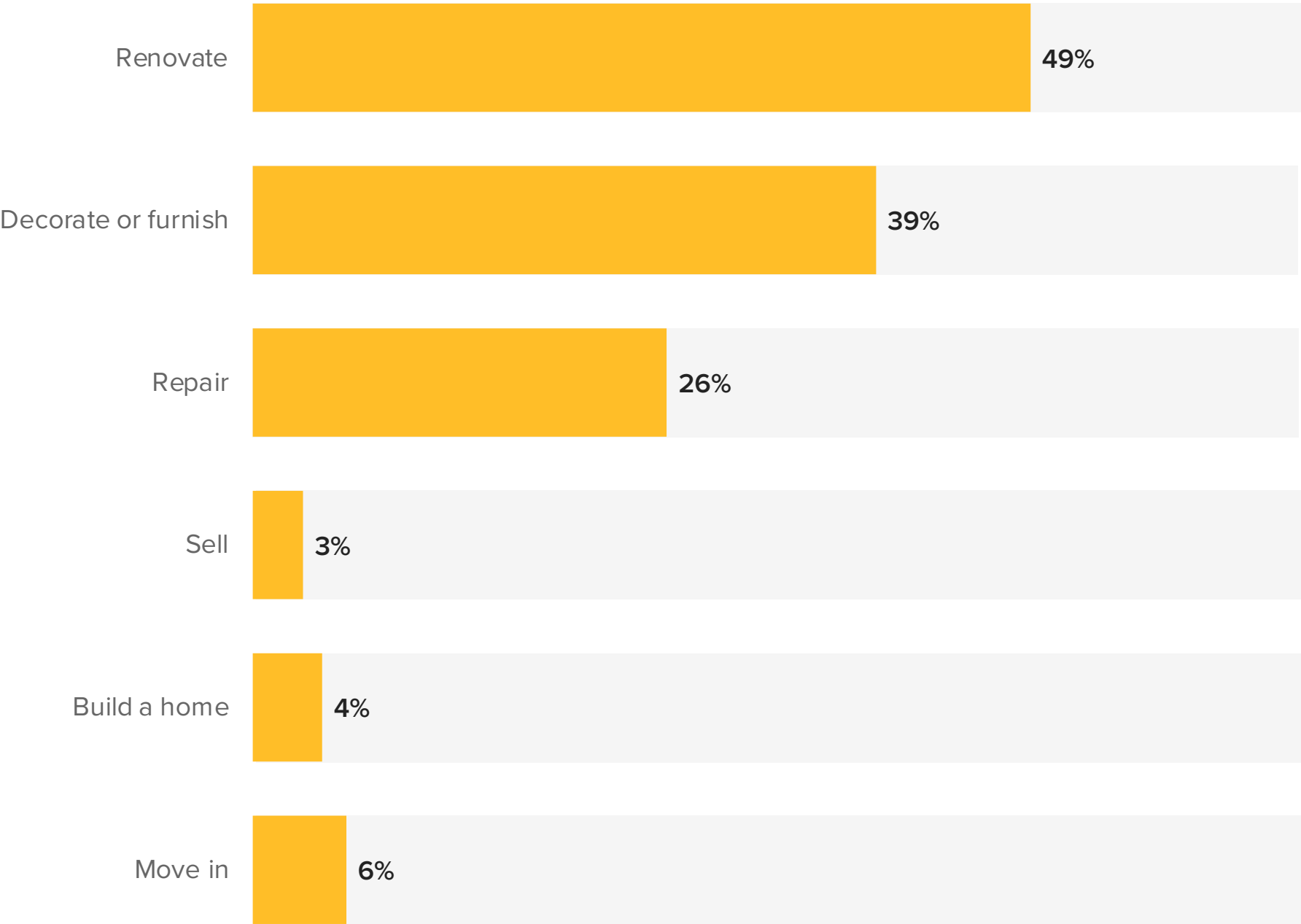


*The top 10 percent of home renovation projects by spend.

What We Are Planning for 2023

Chart shows the frequency of planned activities in 2023, related to the primary home, as reported by homeowners on Houzz Australia.

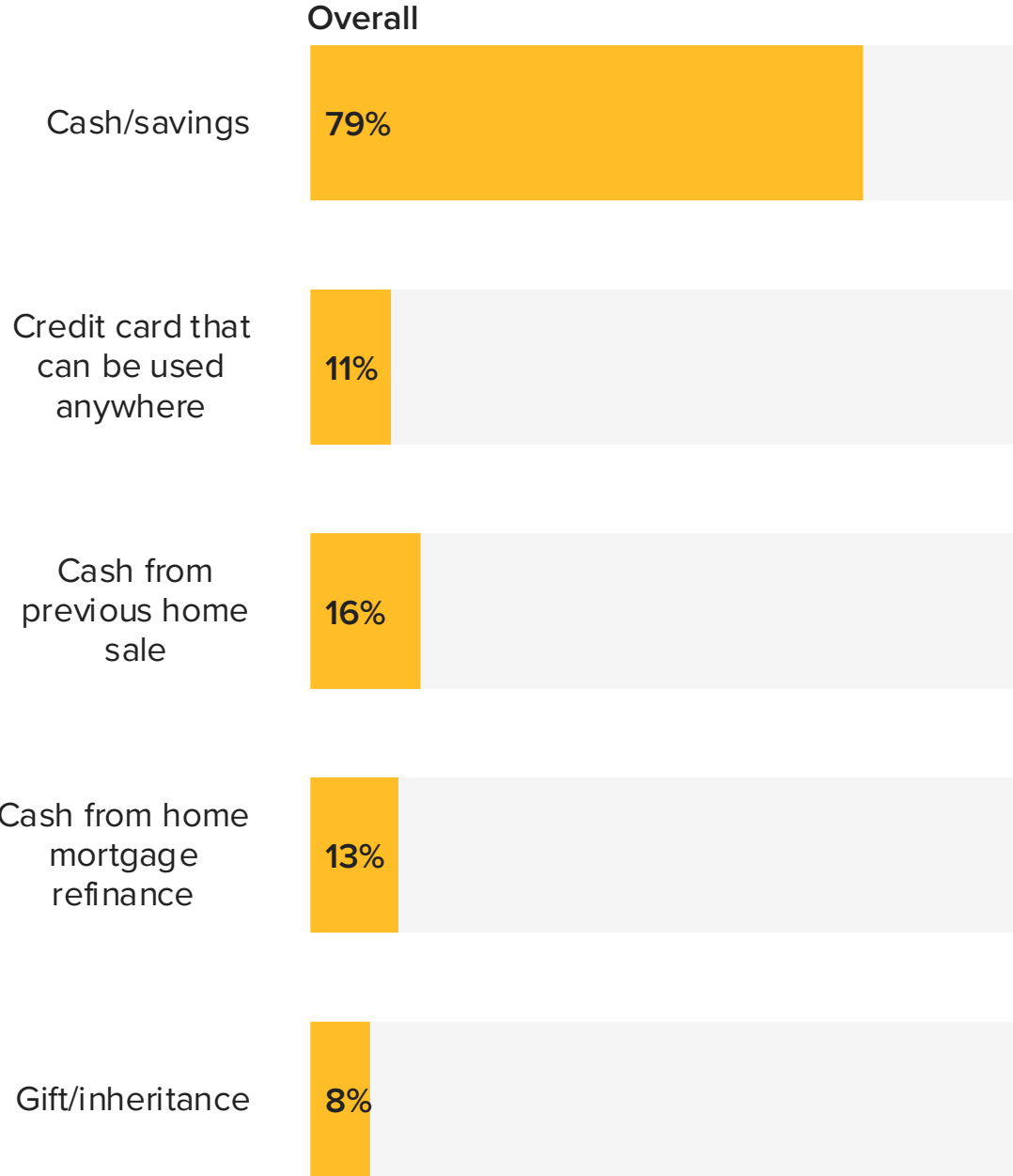
Planned Activities in The Home in 2023



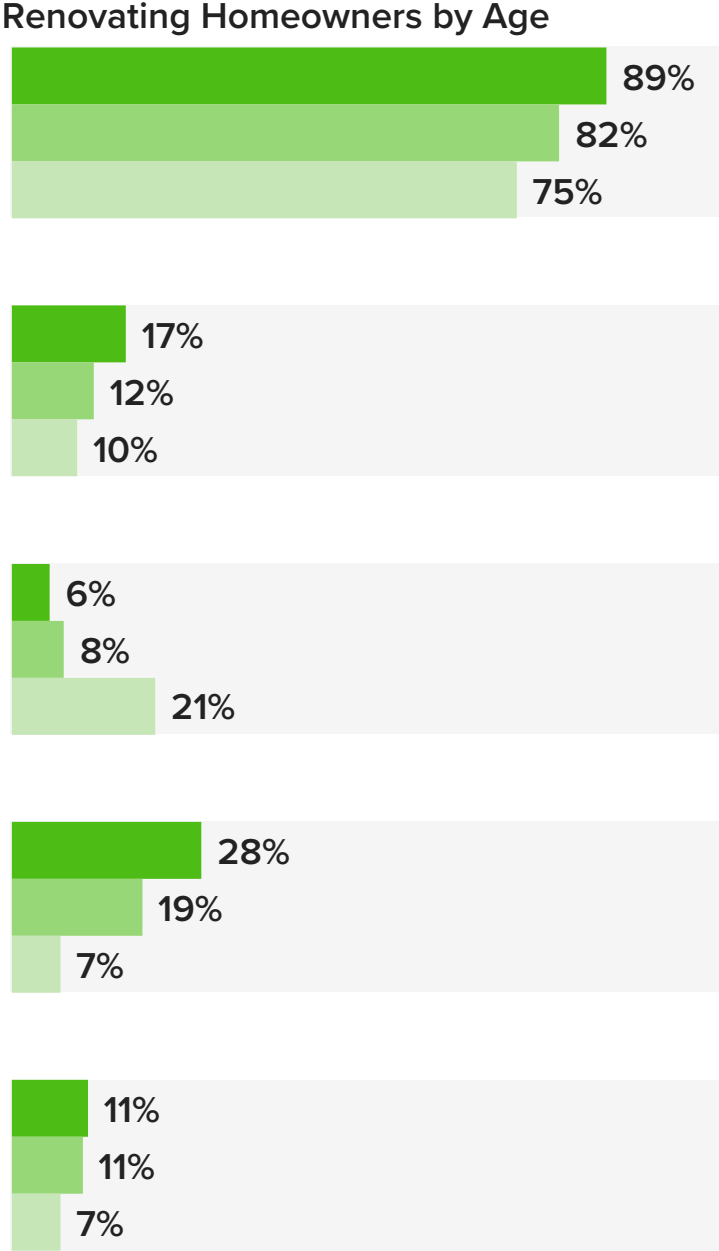
How We Are Funding Our Home Renovations

Charts show the frequency of top five funding sources for home renovations, overall and by age, as reported by homeowners who renovated their primary homes in 2022.

Top Five Renovation Funding Sources in 2022



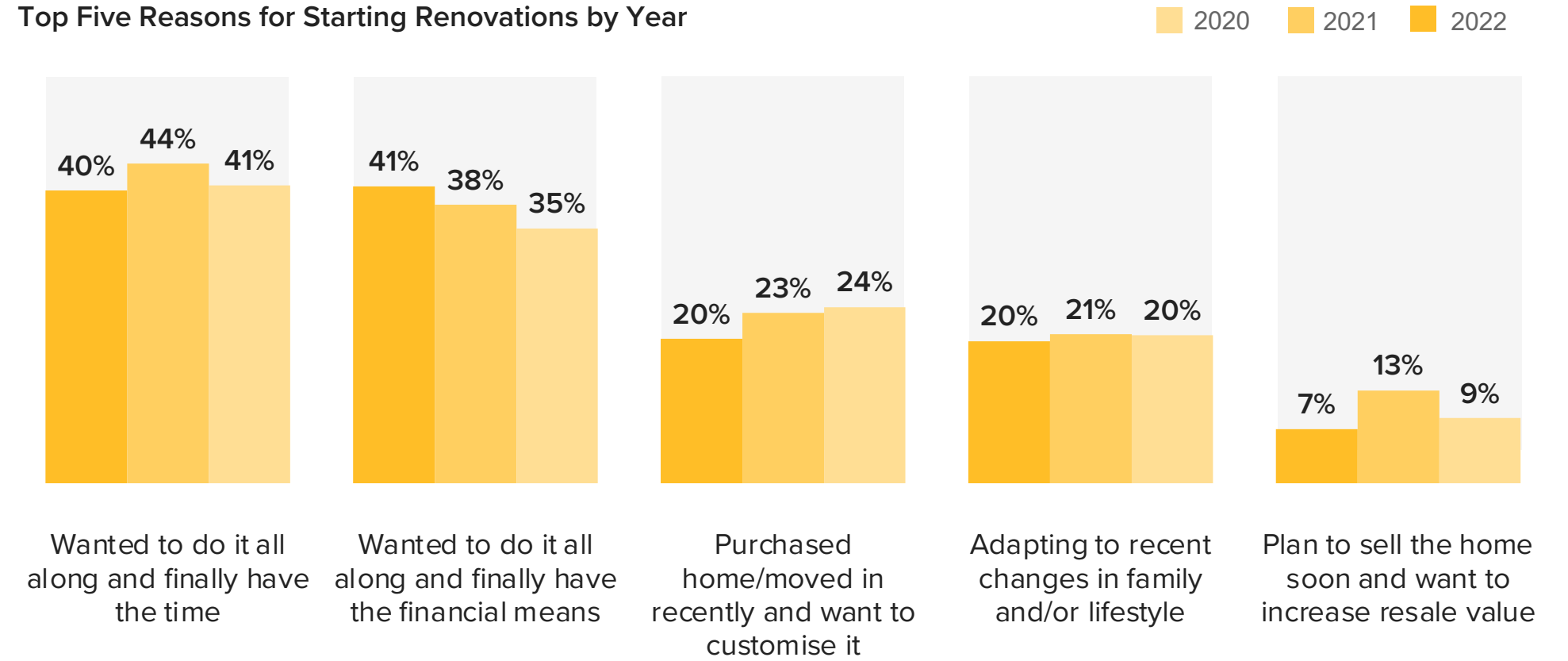
25-39 40-54 55-74



Why We Are Renovating Now

Chart and tables show the frequency of top five reasons for starting renovations, overall and by age, as reported by homeowners who renovated their primary homes in 2020, 2021 and 2022.

Top Five Reasons for Starting Renovations by Year



Wanted to do it all along and finally have the time

25-39	33%
40-54	39%
55-74	40%

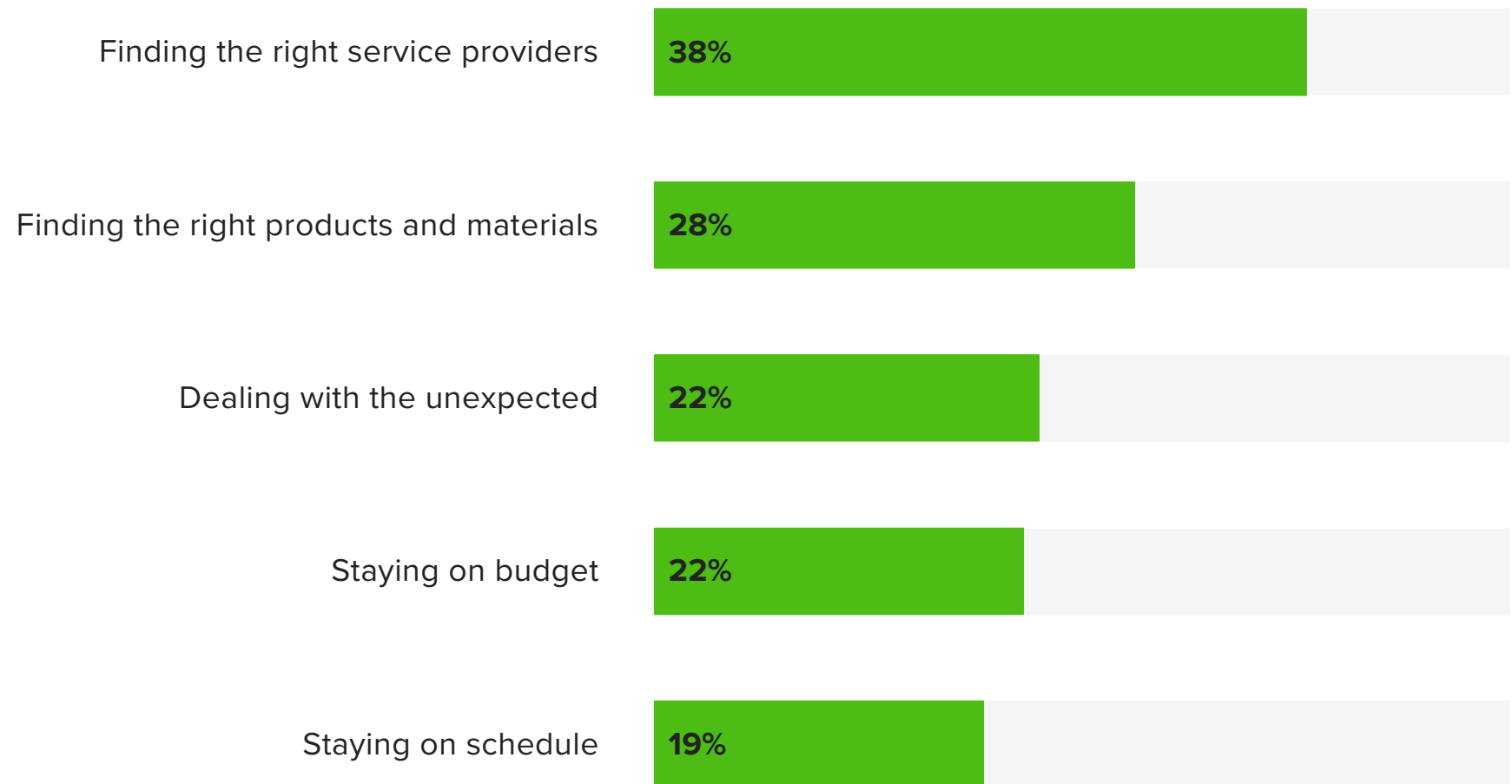
Wanted to do it all along and finally have the financial means

25-39	67%
40-54	54%
55-74	33%

What Renovation Challenges We Face

Chart and tables show the frequency of challenges during home renovations, as reported by homeowners who renovated their primary homes in 2022*.

Top 5 Challenges that come up during renovation



No Challenges

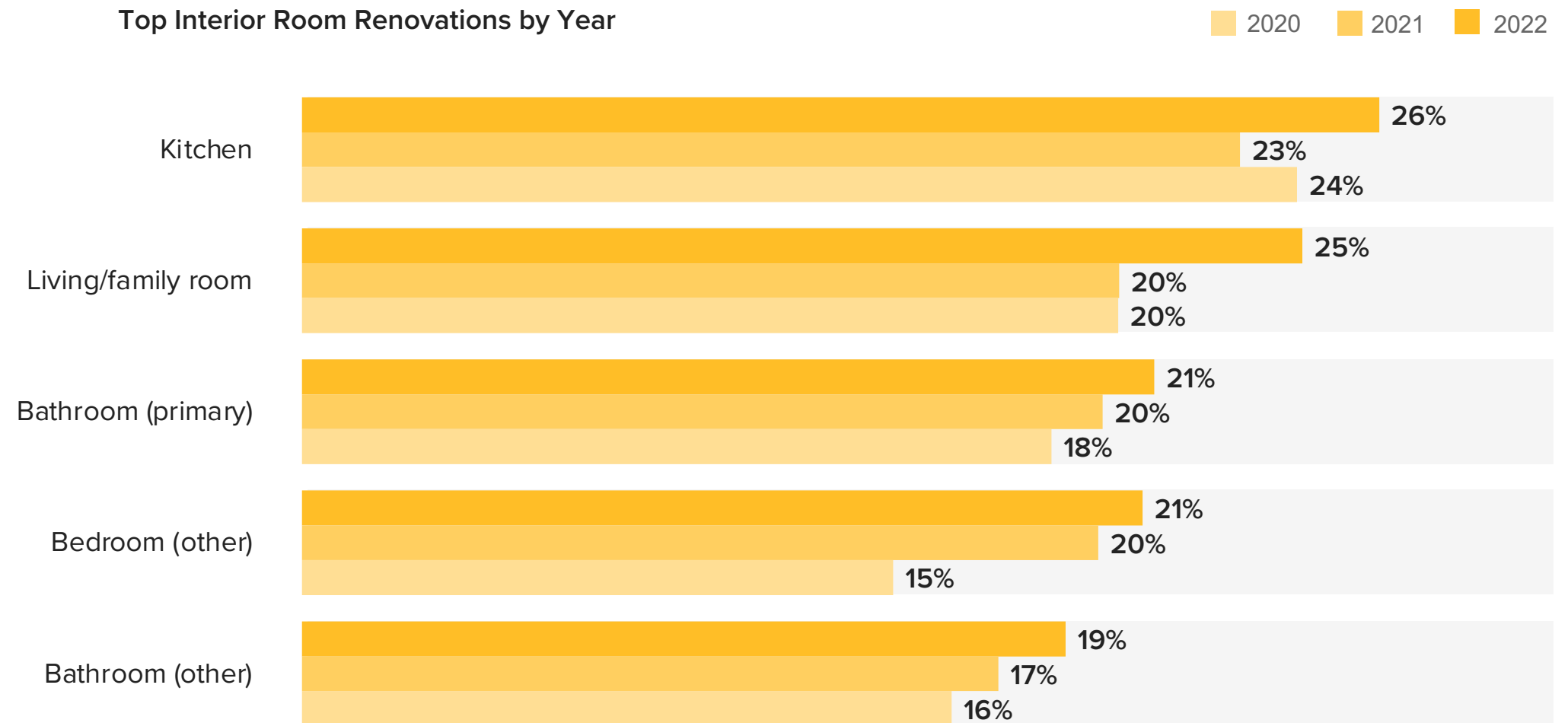
2022	6%
2020	8%

*Multiple responses (up to three) were allowed.

Where We Focus Our Efforts

Charts and tables show the frequency of most popular interior room renovations in 2020, 2021 and 2022, as well as 2022 upgrades of home systems, exterior building features, and outdoor features, as reported by homeowners who renovated their primary homes.

Top Interior Room Renovations by Year



Top Home System Upgrades in 2022

Plumbing	33%
Electrical	36%
Cooling	27%

Top Exterior Feature Upgrades in 2022

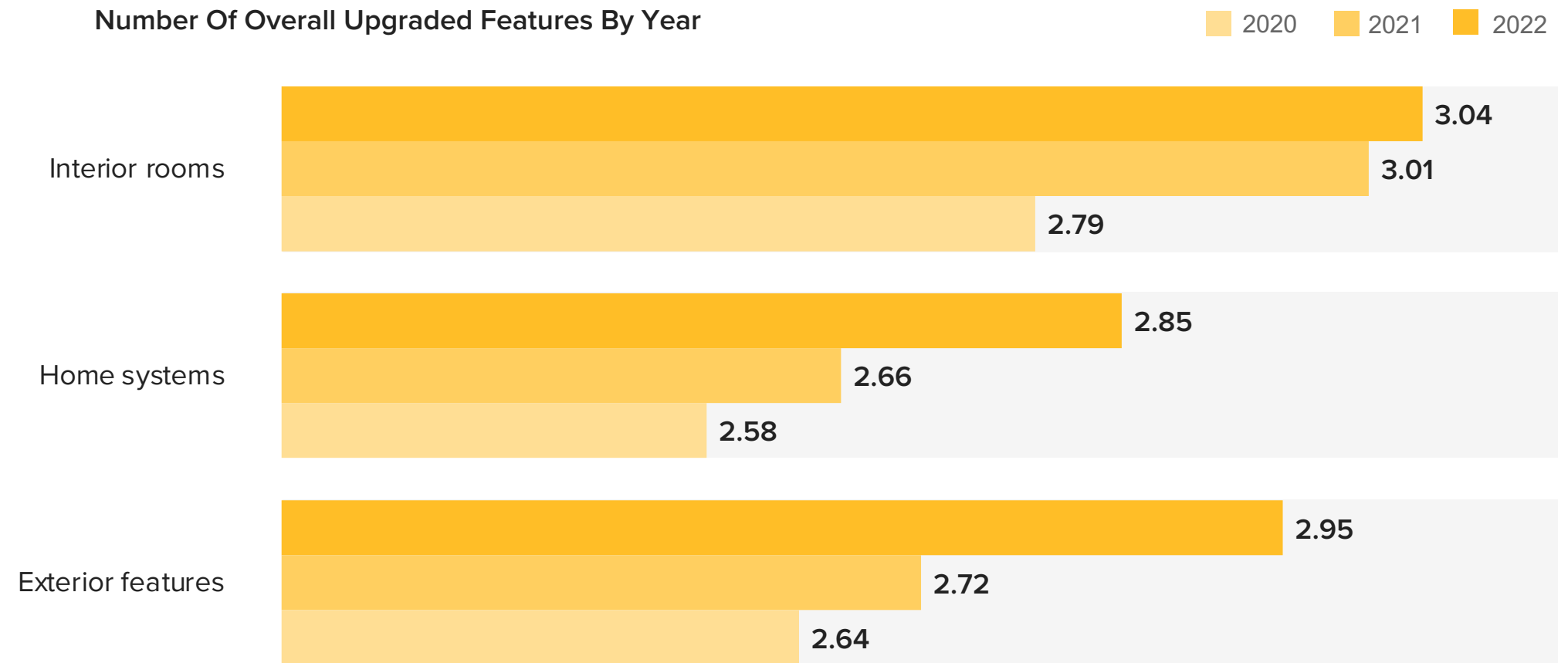
Exterior paint	30%
Gutters/drain pipes	23%
Windows or skylights	27%

Top Outdoor Feature Upgrade in 2022

Beds & borders	27%
Planters or planter boxes	26%
Lawn	21%

How Many Features We Upgrade

Charts and tables show the average number of upgrades during home renovations in 2020, 2021 and 2022 overall and by age, as reported homeowners who renovated their primary homes.



Renovating Homeowners By Age

Interior rooms

25-39	3.6
40-54	3.1
55-74	3.0

Home systems

25-39	3.6
40-54	2.9
55-74	2.8

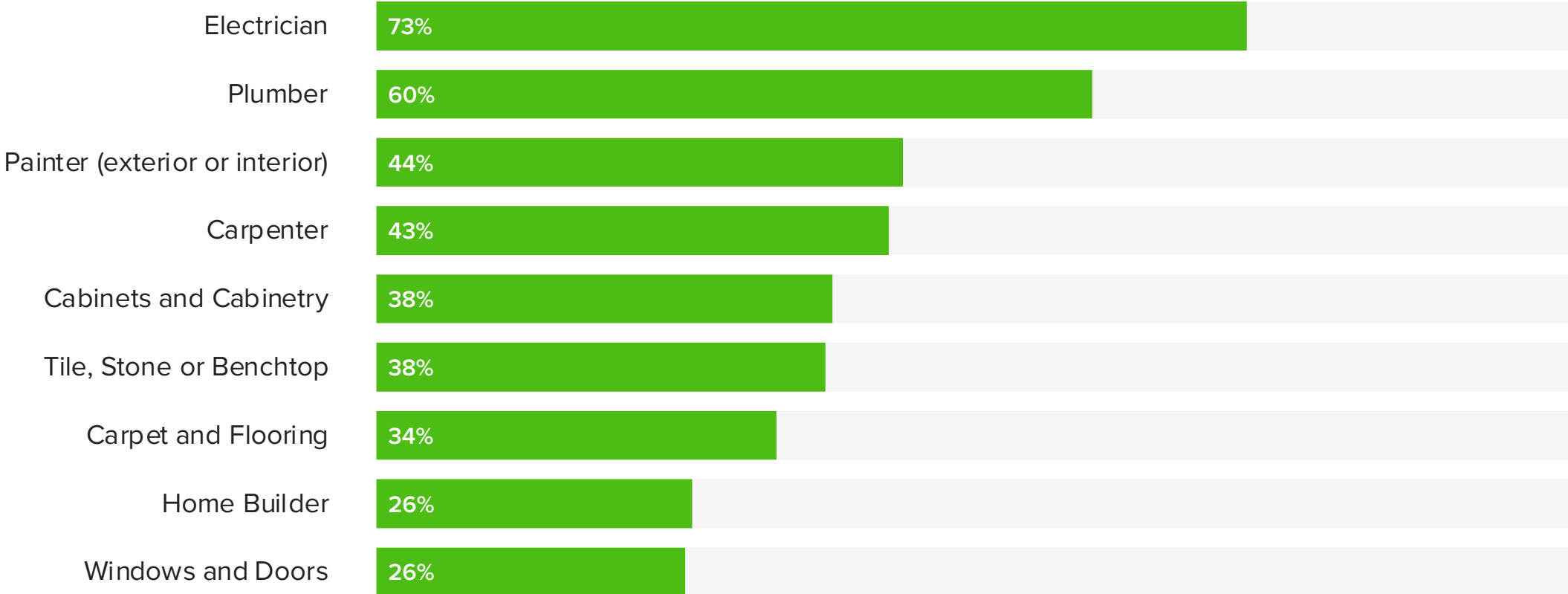
Exterior features

25-39	3.4
40-54	3.3
55-74	2.8

How We Plan Our Home Renovations

Charts and tables show the frequency of professional hiring in 2020, 2021 and 2022, overall and by age, as reported by homeowners who renovated their primary homes.

Specific Pro Hiring In 2022



Overall Pro Hiring

2022	94%
2021	94%
2020	91%

Overall Pro Hiring By Age

25-39	88%
40-54	90%
55-74	96%

Methodology



APPROACH

Houzz is an all-in-one resource for homeowners working on a home renovation or decorating project. Our large and engaged user community is able to provide unprecedented insights on the latest market trends based on users' home improvement activity. We aggregate and share these insights with the community to give people greater confidence in the choices they make for their homes, and to give home professionals greater insights into their clients' wants and needs. With these goals in mind, Houzz conducted an online quantitative survey of registered Houzz users regarding trends in home improvement and design, fielded between December 2022 and March 2023. The annual Houzz & Home study is the largest survey of residential renovating, building and decorating activity conducted. This survey covers every aspect of home renovation in 2022, from interior renovations and extensions to home systems, exterior upgrades and outdoor projects. This includes the historical and planned spends, professional involvement and motivations behind these projects, as well as activities planned for 2023.

COMPLETES AND QUALIFICATIONS

The 160-question survey gathered information from Houzz users who identified themselves as 18 years old or older and homeowners. The final sample consists of 1,581 respondents in Australia. The current report relies on a subset of responses, i.e., Australian homeowners on Houzz (n=1,511) and Australian homeowners on Houzz who renovated their primary residence in 2022 (n=698).

SAMPLING AND WEIGHTING

Data was gathered via an email sent to registered Houzz users. The link invited homeowners to tell us about their homes. Respondents were notified that aggregate findings would be shared with the larger Houzz community to help others in completing their own renovations. The final data was reviewed to ensure representation of the Houzz user populations.

Appendix

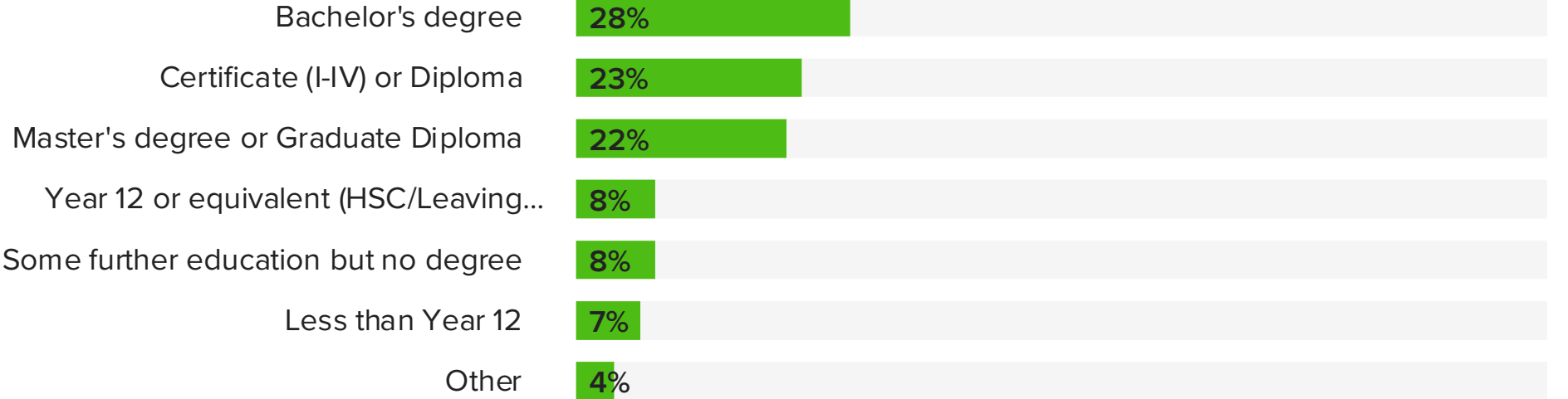


A. 2022 Renovating Homeowner Demographics

Martial Status

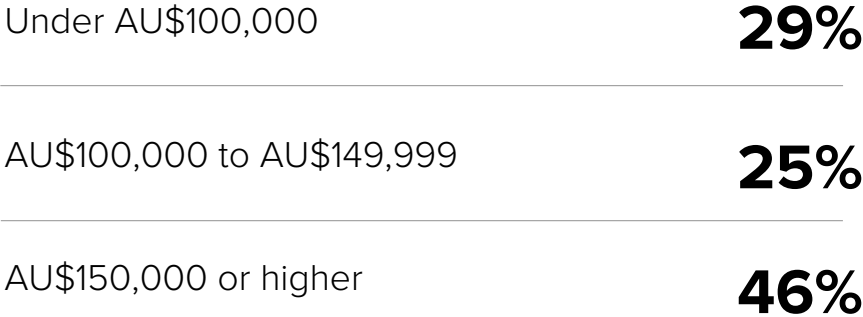


Education



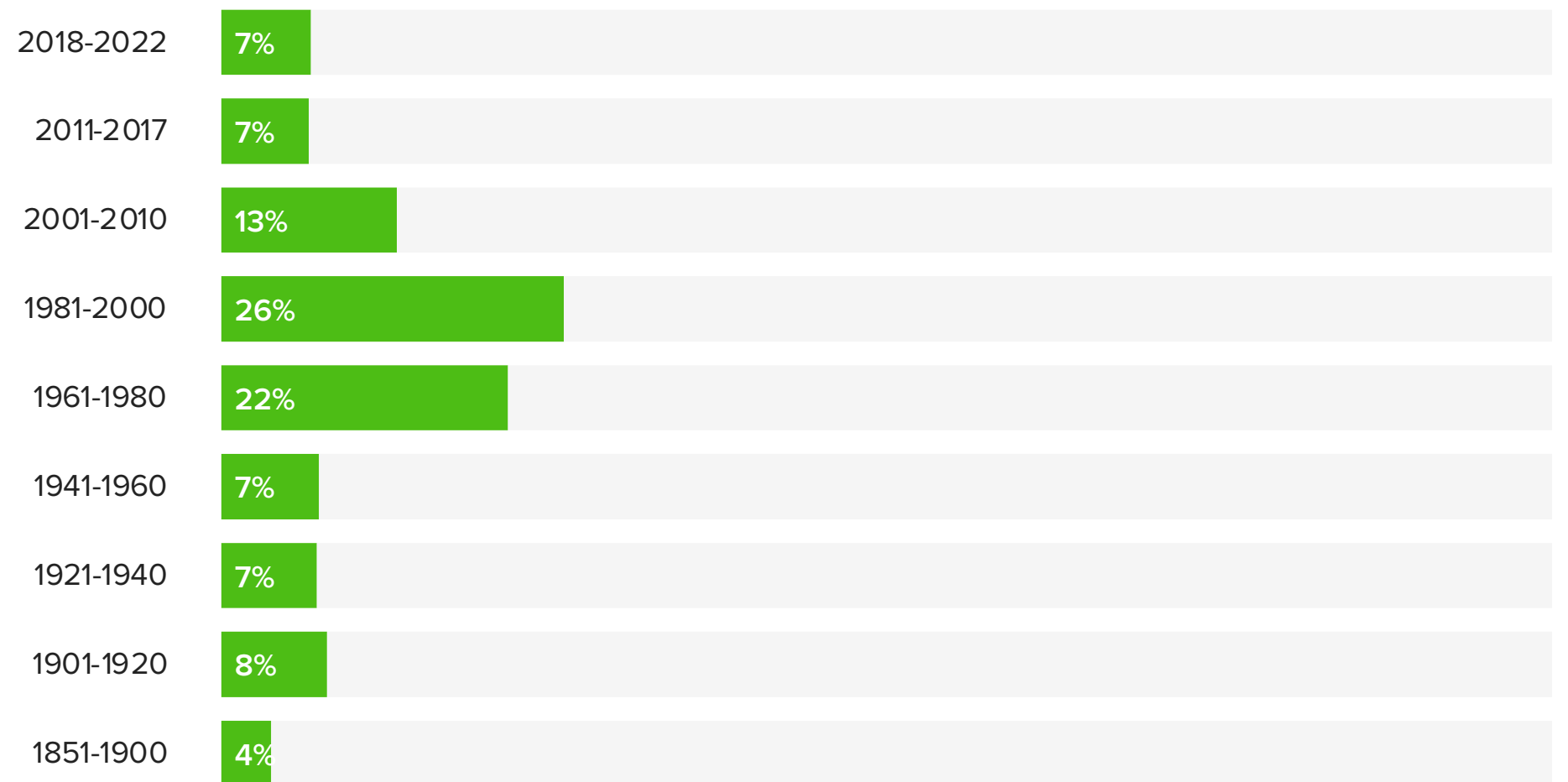
Have child(ren) living with them **39%**

Annual Household Income



B. Characteristics of Homes Renovated in 2021

Year Built



Home Type

Detached - single family	84%
Townhouse or terrace	6%
Low rise apartment (1-3 floors)	3%
Other	8%

Owner-reported Home Value

Under AU\$500,000	9%
AU\$500,000 to AU\$999,999	34%
AU\$1,000,000 or higher	57%