

Insights into new homes buyers 2018



Contents

01 Overview

02 A big opportunity

Justifying price and showing people how they can put their own stamp on a property are the biggest hurdles for new homes developers to overcome, but they also present clear opportunities.

07 Help women to visualise and personalise

Women tend to be put off by buying off plan, and they're more concerned with build quality and the ability to put their own personal touches on the property.

08 Show me the dream

New build developer advertising that helps people visualise what life will be like living in their new home is the most engaging for consumers.

03 Pre-families just want a home

Those who are yet to start a family just want to get a place of their own, and they're less fussy about what they get than those at other life stages. But there's a perception amongst this group that new builds are too expensive.

04 Families want it easy

Families are the largest and easiest target for new homes developers. Ease of sales process and ongoing maintenance are the key benefits this time strapped group are looking for.

09 Property portals are key

When looking for a new build home, 75% of people use portals, with 57% referring to them as their first port of call. 63% of contact with developers comes from portals, either through the portal itself or by making direct contact later on with a developer found on a portal.

10 ZPG leads the way

Many people begin their property search looking at both new build and resale homes. So ZPG's multiple portals that cover both increases their chances of finding what they want and contacting a developer.

05 For empty nesters, it's all about location

For empty nesters who want to downsize or release equity, moving to the right place with the right community is most important.

06 Empty nesters are an untapped market

While there are challenges for developers to overcome with empty nesters, the reassurance of lower running costs and a new, high tech household can be very alluring for them.

11 Room for developers to build preference

There's an opportunity for developers to increase brand awareness and consideration amongst potential buyers by understanding the needs of different target markets.

01

Overview



Key topics covered in the survey

Consumers were surveyed to uncover the following:



Different target markets

Exploring what people at different life stages are looking for from a new build home



Triggers and barriers for new homes

Understanding the pros, cons and potential barriers of buying a new home for each life stage audience



Effective messages and advertising

Analysing what the most effective messages and engaging styles of advertising are for new home developers

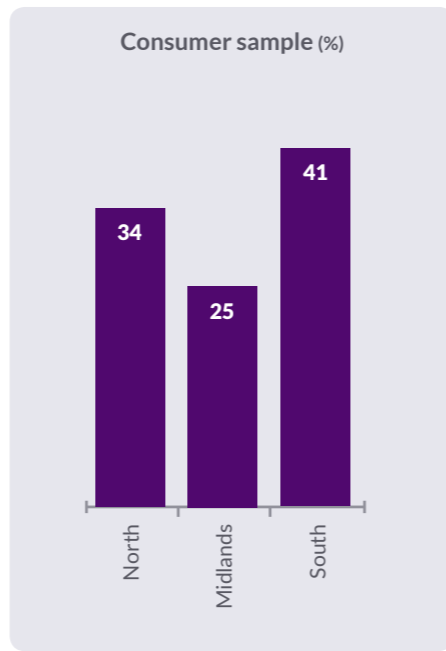


The impact of different channels

Measuring the effectiveness of different marketing channels in people's searches for new build homes

Consumer profile

A nationally representative consumer sample (not just ZPG customers) of 600 adults, all of which had either bought a home in the last year or intend to do so in the next year.



51% women ♀ 49% men ♂

23% are first home buyers

43% upsizing ↑ 22% downsizing ↓



Overview



A big opportunity

- The preference for resale homes vs new build properties is split almost equally at 36% and 37% respectively, with 27% claiming no preference.
- The sales process and ongoing maintenance of new builds is seen as easier, and they cost less to run.
- But they're also perceived as having small rooms, being too uniform and expensive for what you get.
- Messages that highlight choice, quality, and ongoing cost to run are seen as the most interesting, and the most believable.



Pre-families just want a home

- Those buyers who are yet to start a family have the least preference for the type of home they buy.
- 57% gave having their own place as the biggest motivation for buying a home.
- More so than any other group they want something ready to move into that doesn't require any work.
- Marketing messages around finance appealed most to this group, with 30% referencing the 5% deposit and 23% citing help to buy schemes as the most interesting messages.



Families want it easy

- Families are the biggest audience for developers, and they have the strongest preference for new builds, making up 47% of new home buyers.
- The main appeal of new build homes for this group is their perception of ease and convenience. 34% like that they're easy to maintain, and 31% see the sales process as simpler.
- The two key considerations of families searching for a new home are space and location.
- However, size is also a concern for this group; 33% believe new build properties are too small.



For empty nesters, it's all about location

- 53% of those who are looking to move after their children leave the family home cited moving to a preferred location as their biggest trigger.
- This group have the most requirements that are important to them when searching for a new home, with location, the neighbourhood and type of property being the top three.
- It also takes them an average of 8.3 months to find the right property, longer than any other group.



Empty nesters are an untapped market

- Empty nesters are currently the most challenging group for developers to engage, as their preference for new build properties is lowest.
- However, they seem to be more aware of the benefits of new builds than the other groups; over half of them perceive new build properties as easy to maintain, with almost as many recognising the ease of sale and lower running costs.
- Given they're most likely to engage with messages around structural guarantees and energy efficiency, focusing on these areas could help developers tap into this audience.
- They're also far less interested in financial messages around schemes and deposits than the other groups.



Help women visualise and personalise

- While women aren't as keen on buying new build properties as men, 35% still say they actively prefer new build properties to resale homes, and 26% say they have no preference. This shows that a significant proportion of women are still open to the possibility of buying new builds.
- Generally, they're more attracted to messages about the quality of the build and being shown ways to personalise their new home.
- The ability to visualise is key for women. They're less keen to buy off plan, as they prefer to see exactly what they're buying and start to plan how they'll put their own touches on the place through colours and finishes.



Show me the dream

- Our panel of respondents were shown different examples of developer advertising, ranging from 'unusual conceptual' and 'people based lifestyle' scenes helping buyers to picture their own lives in a new build property, to more 'property feature and facility' focused executions.
- The advert most liked, with 36% citing it as their favourite, focused on people rather than buildings, helping people visualise themselves in their new homes and playing to their lifestyle aspirations.
- The adverts which showed off the properties' features were also quite effective, because they helped people to picture what life would be like there.



Property portals are key

- 75% of those surveyed used property portals to search for new build properties, and saw them as a crucial part of the journey.
- 57% used portals as their first port of call when searching for a property. This was the case across all groups; the majority of empty nesters, families and pre-families all started their home buying journey on portals.
- 63% of those that get in touch with new home developers do so first via a portal, whether it's through the portal itself or by getting directly in touch with a developer that they found on one.
- Portals also have the most positive impact on home buyers' interest in a property.



ZPG leading the way

- The majority of people both researched new homes and found the home they ended up buying on one of ZPG's property portals; Zoopla, PrimeLocation or SmartNewHomes.
- 27% of those getting in touch with new homes developers did so through Zoopla, slightly more than Rightmove's 25%. Again, this is a combination of both through the portal itself, or contacting a developer found on a portal directly later on.
- 90% of people referenced Zoopla's array of online tools as being helpful to their property research and search journey.
- Those using Zoopla are more likely to contact the new build developers than users of any other portal.



Room for developers to build preference

- 42% of buyers have no preference for a developer brand when searching for a new build home as there are other factors that are seen as being more important.
- When shown a list of new build developers, few buyers said they would consider looking at any of them in particular. The property was of greater preference than the developer.
- Based on the research results, it seems that targeting appropriate messages to the different types of buyers is the best way for developers to create preference for their properties and brand.

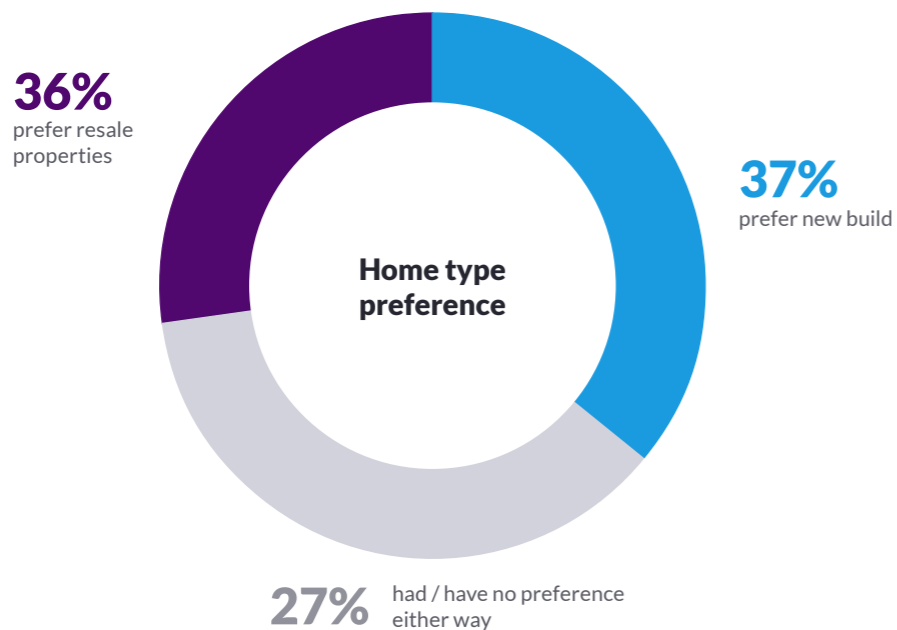
02

A big opportunity



Consumer preference towards new builds compared to resale homes is split

Almost exactly the same amount of people prefer new builds as existing homes, whilst a significant proportion show no preference.



New builds are seen as easy and as costing less to run

However, there's a perception that they have small rooms, they're too uniform and they're expensive for what you get.

New build advantages (%)

- 37 The sales process is much easier
- 36 They're easy to maintain
- 32 They tend to cost less to run
- 30 You can choose your own colours and finishes
- 28 Latest technology and modern features
- 26 Their look and style tends to be very attractive
- 26 More eco-friendly than a resale home
- 22 They tend to have a good layout
- 20 They're really well built / built to a high quality spec
- 19 They're often built in desirable areas
- 18 The room sizes suit my needs
- 17 They're a really good price for what you get
- 17 There are great schemes to help you buy them
- 15 Range of sizes and number of bedrooms
- 13 They have good facilities very nearby

New build disadvantages (%)

- 37 The rooms tend to be too small
- 37 They're too uniform and samey
- 35 They're expensive for what you get
- 27 Often not well built / built to a high quality spec
- 21 The locations they tend to be built don't suit me
- 19 Size and number of bedrooms aren't suitable
- 18 Their look and style doesn't appeal to me
- 17 Can't see the final home as you have to buy off plan
- 16 I've heard bad press about new homes
- 14 They're really difficult to get as they go so quickly
- 14 They're often a bit isolated with no facilities nearby
- 13 There are all sorts of legal catches in the contracts
- 11 The process is a hassle
- 11 I don't like the layout of the homes
- 08 Takes too long between buying and moving in

VS

People are generally most engaged with messages about choice, quality and ongoing costs

Marketing messages that focus on these areas were seen as not only the most interesting, but also as the most believable.

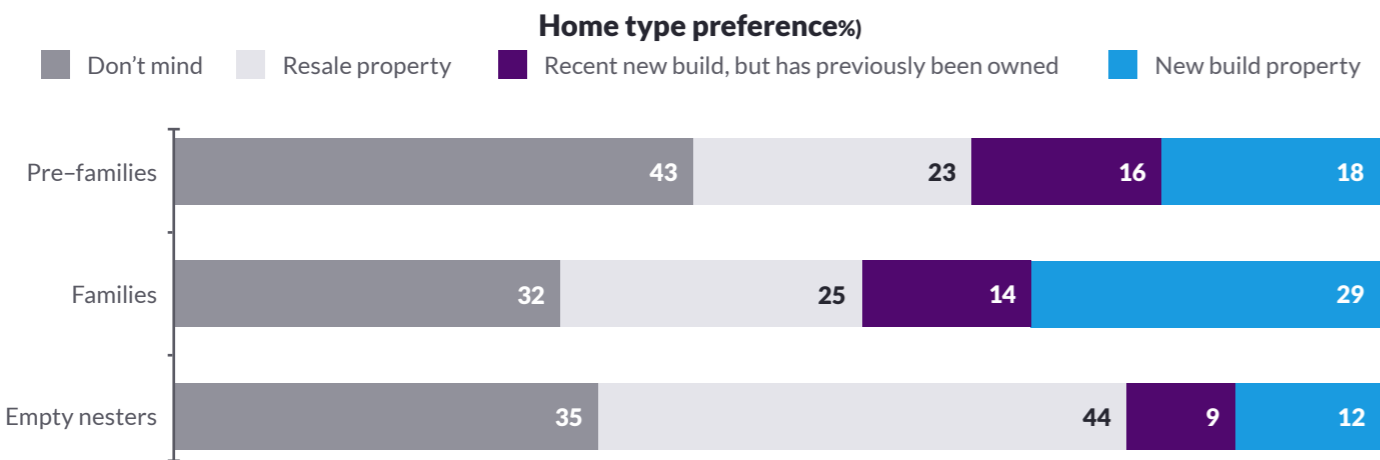
<p>Interesting and believable</p> <ul style="list-style-type: none">Comes with a 10 year structural guaranteeAll features / appliances are brand newThe home is immaculate and ready to move into60% more energy efficient than resale homesAll colours and finishes are chosen to suit your taste	<p>Interesting but less believable</p> <ul style="list-style-type: none">Built to the highest quality and stringent industry standards
<p>Not universally interesting but believable</p> <ul style="list-style-type: none">15% interest free government loan availableHelp to buy scheme availableOnly a 5% deposit needed	<p>Not universally interesting and less believable</p> <ul style="list-style-type: none">Carefully sourced materials for minimum environmental impactBuilt by skilled crafts peoplePart exchange your current propertyYour own customer services managerAssistance in sale of current homeNew community and facilities built around you

03 Pre-families just want a home



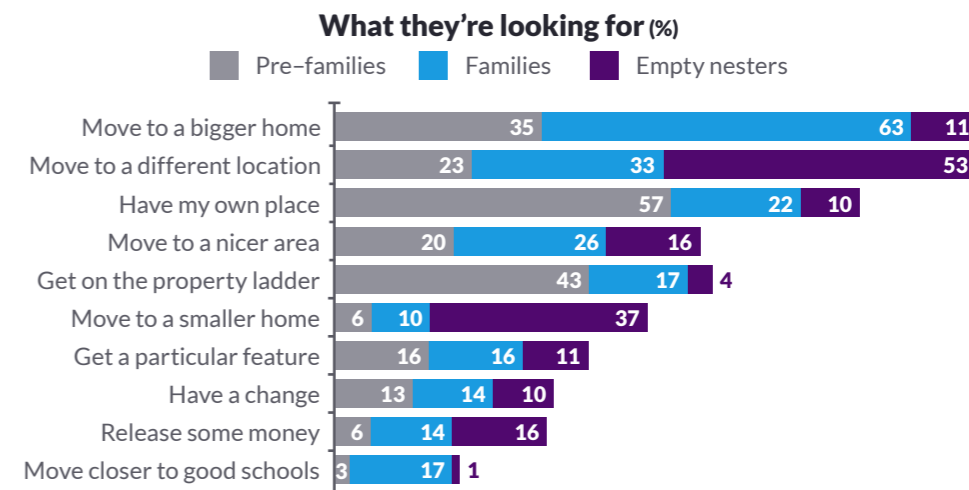
Those searching for a home who are yet to start a family were the least likely to mind what sort of home they buy

However, 34% of this group still showed a preference for new build homes.



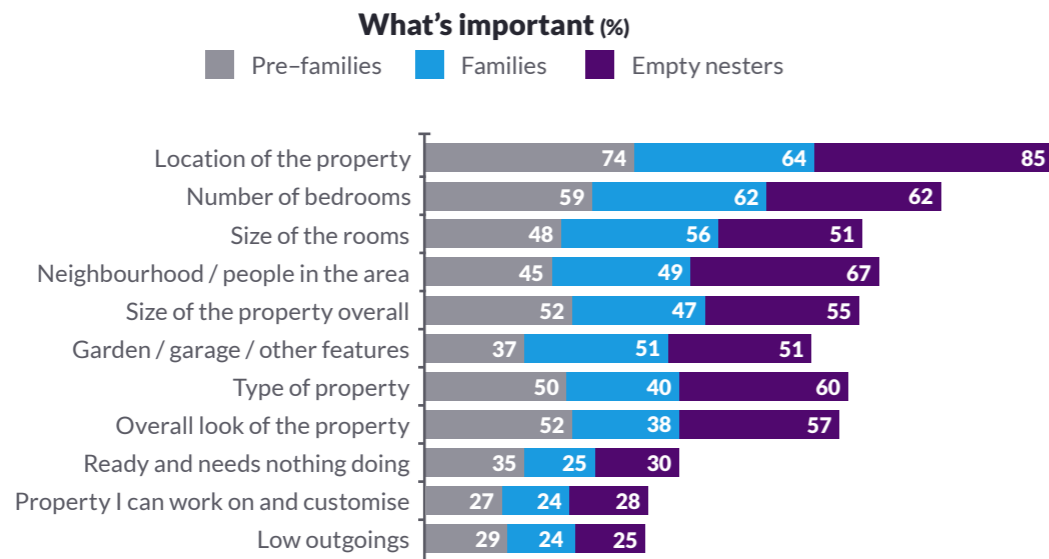
The main motivation for pre-family buyers is simply to have their own place

They're more likely to be first time buyers than the other groups, so their main concern is getting onto the property ladder.



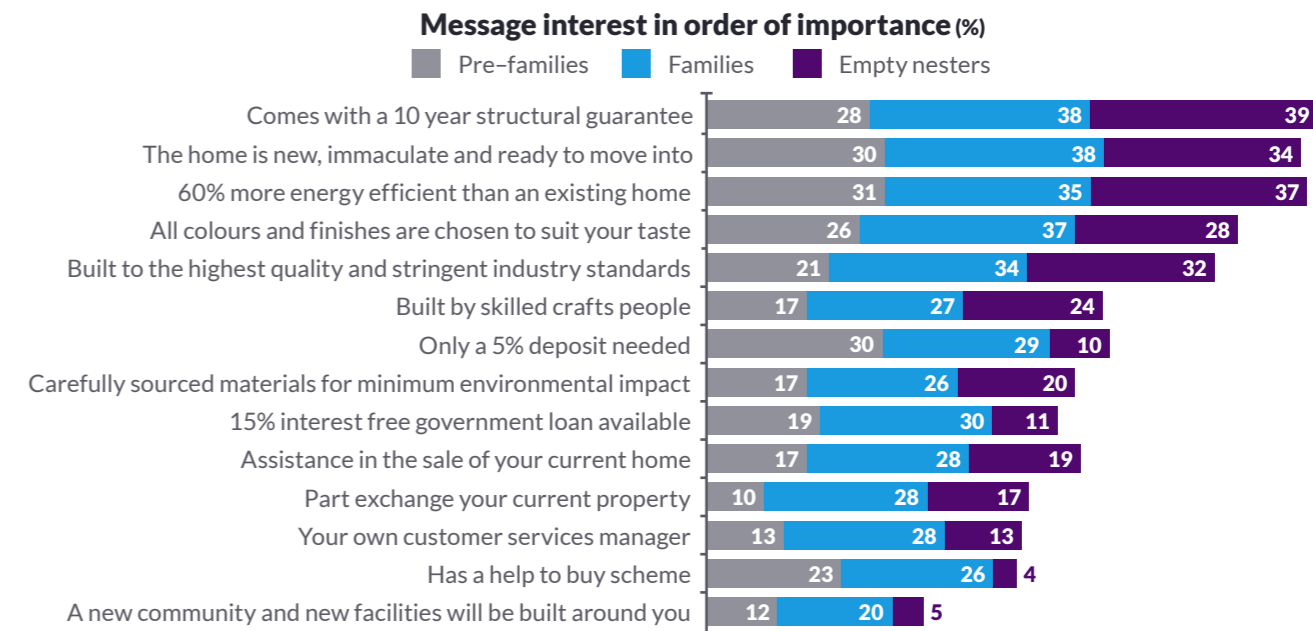
Pre-families are also more concerned about buying something that's ready to move into than the other groups

Again, due to a large proportion of them being first time buyers, the possibility of saving money on things like decorating is appealing.



They're most interested in messages that show how they can be helped onto the property ladder

Money saving methods, like low deposits, help to buy schemes and cheaper running costs are most likely to grab their attention.



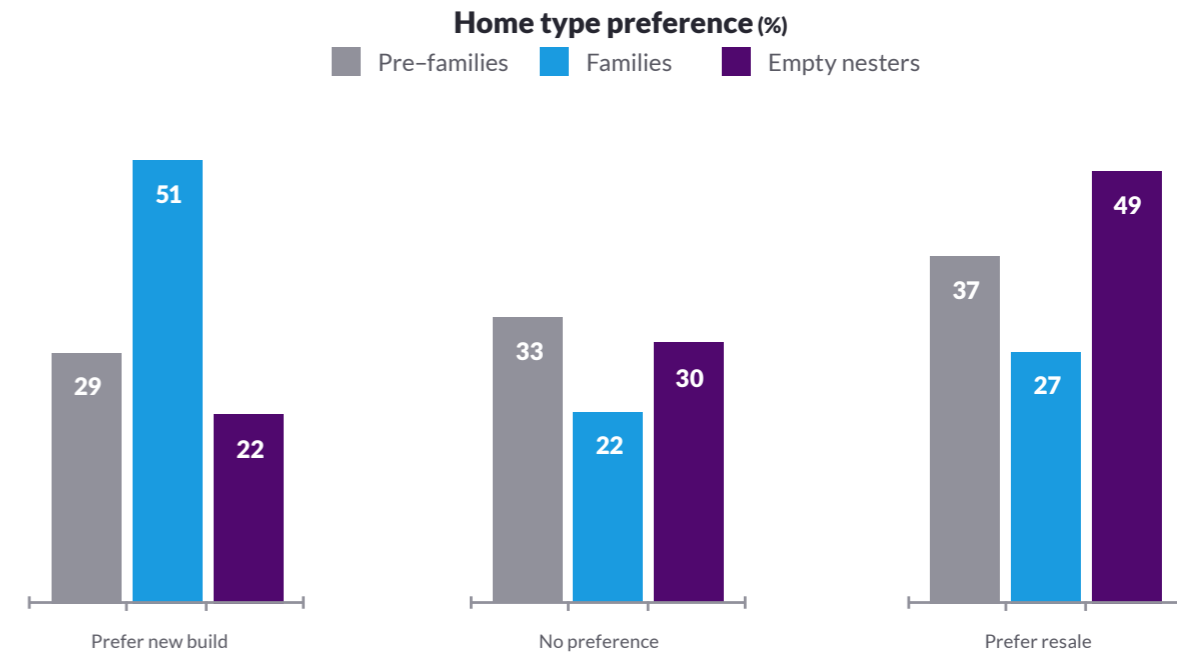
04

Families want it easy



Families buy the most new build properties

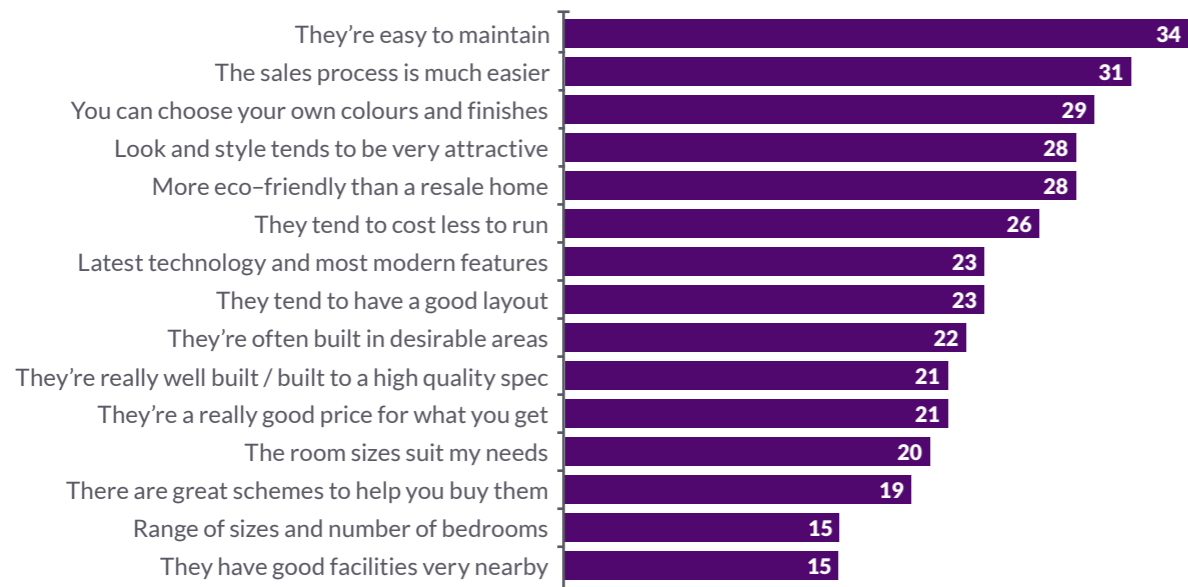
They have a stronger disposition for new builds than any other group in the market.



They like that new builds are easier to maintain and the sales process is easier

This is likely to be because they're busy and have a lot of responsibilities to manage, so convenience is key.

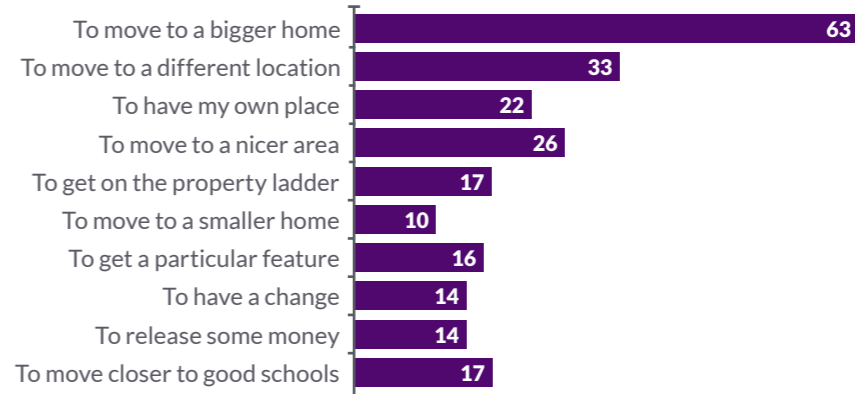
Advantages of new homes (%)



Their main motivation is getting a bigger home in a desirable area

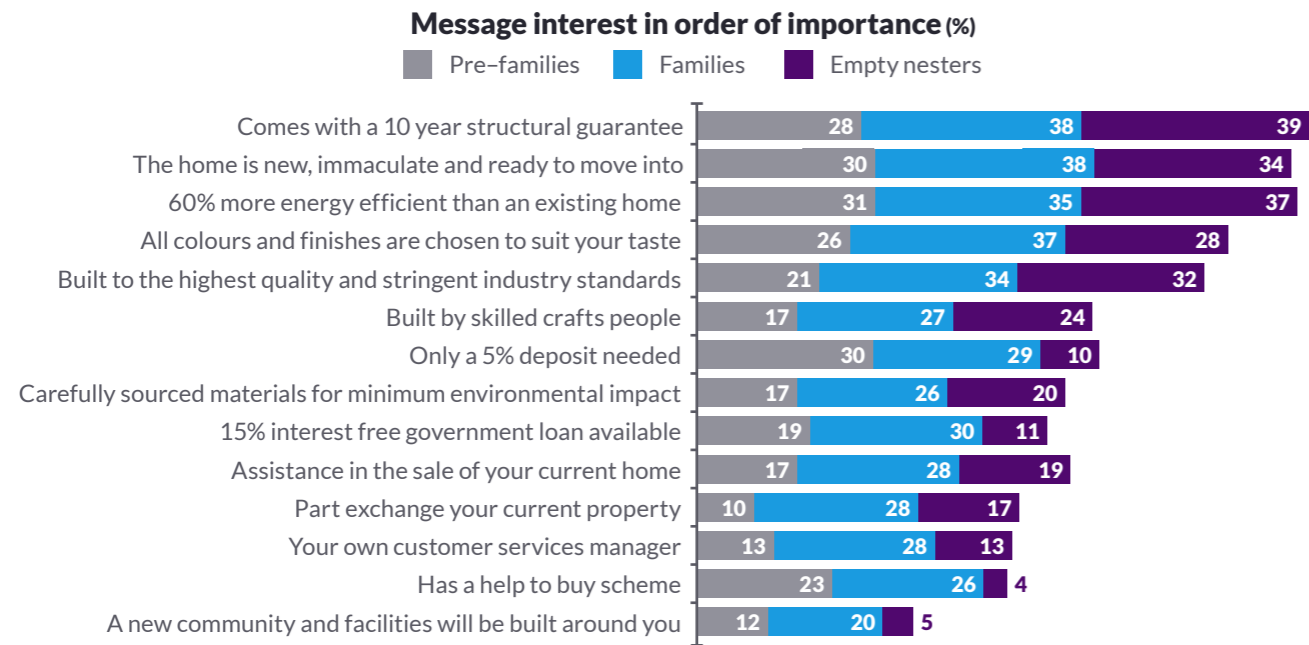
Unsurprisingly, this includes being close to good schools.

What they're looking for (%)



They respond better to messages about loans and ease than other groups

But they're significantly less interested in the quality of the build and the skill of the builders.



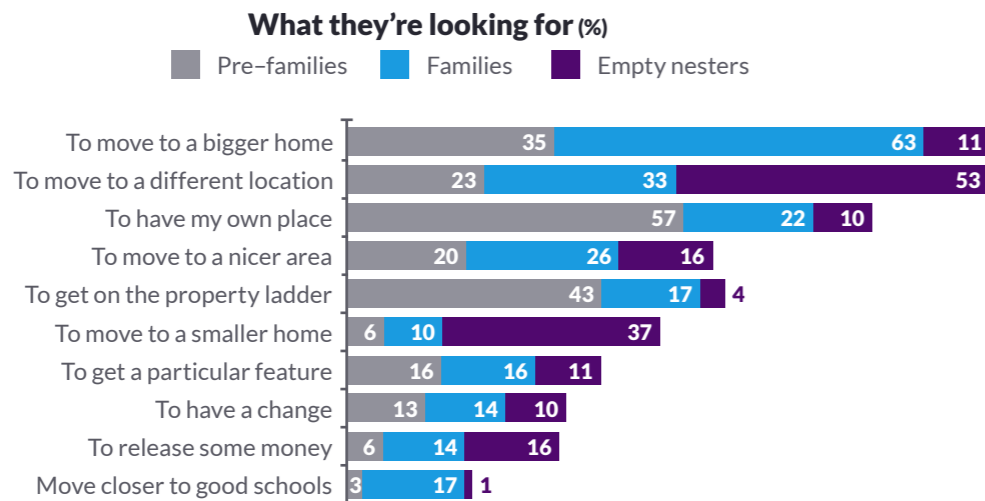
05

For empty nesters, it's all about location



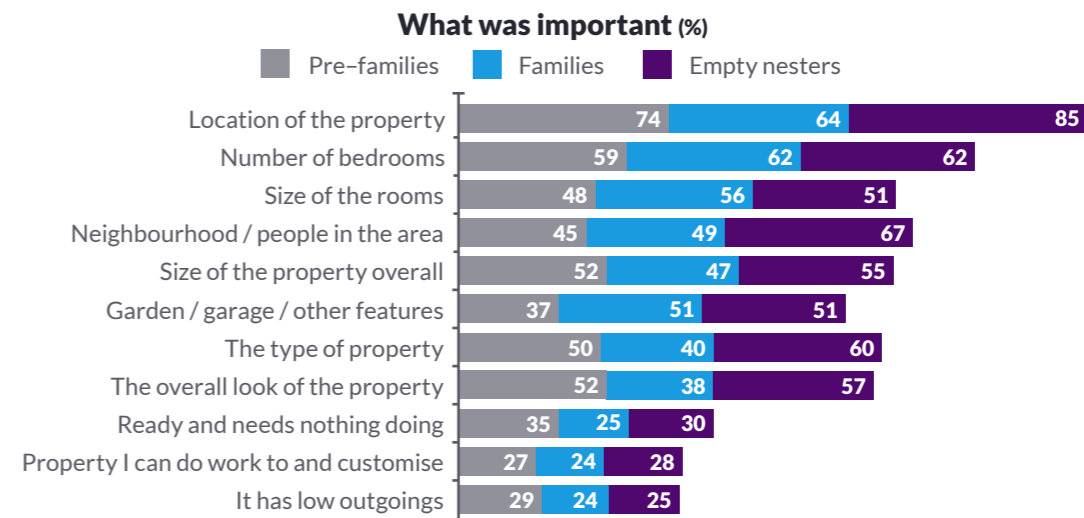
For those looking for a new home after their children move out, it's all about finding a smaller property in a good location

Unsurprisingly, the need to get onto the property ladder and have their own place aren't of great concern for this group.



Empty nesters have the longest list of things to get right, including location, neighbourhood and property type

They therefore take an average of 8 months to find a suitable property, longer than any other group.



5 months

On average for pre-families to find a property

7 months

On average for families to find a property

8 months

On average for empty nesters to find a property

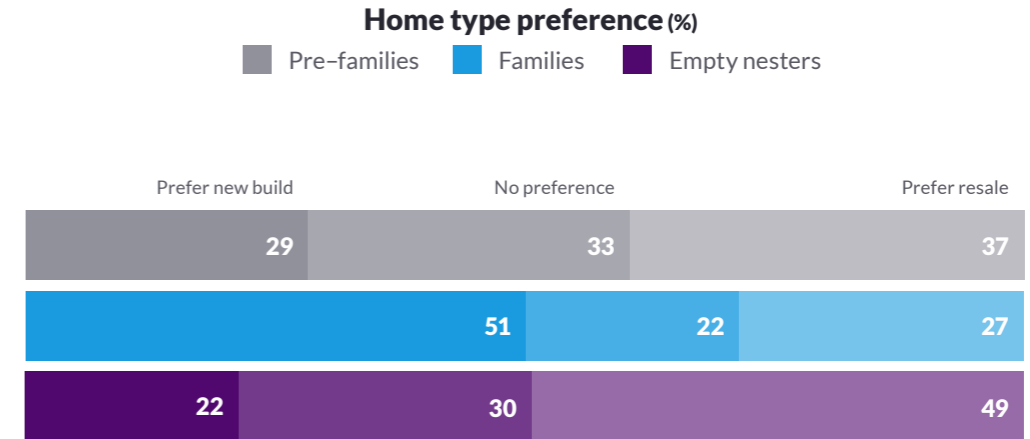
06

Empty nesters are an untapped market



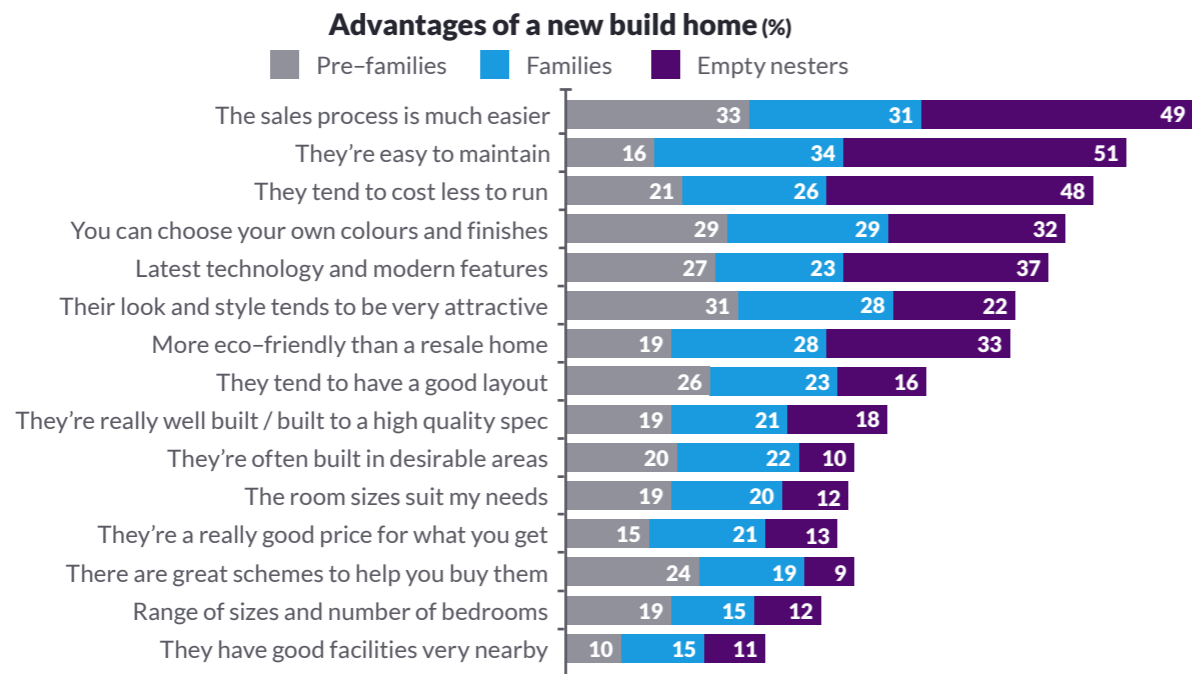
Empty nesters currently have the lowest disposition towards new homes

Almost half of them currently express a preference for resale properties, making them a tricky target but also one with great opportunity.



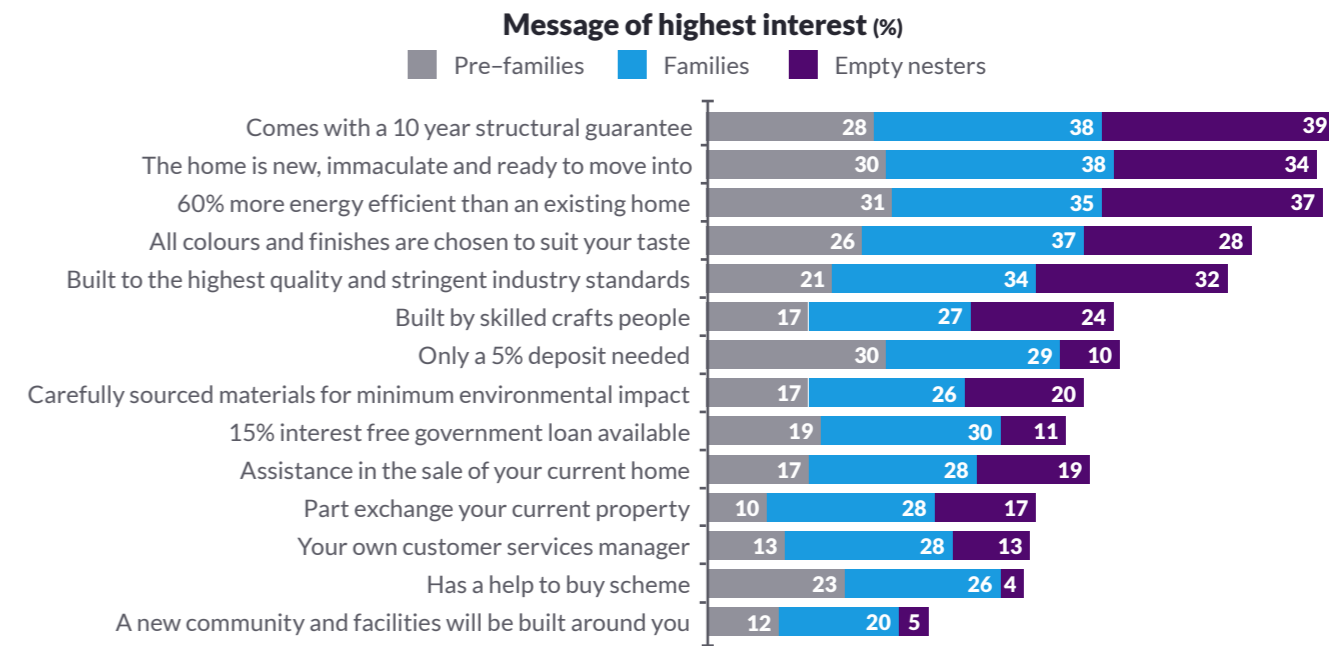
However, they also see the advantages of new build properties more than the other groups

They're well aware of the ease of buying, running and eco-friendliness of new homes.



Empty nesters are most interested in messages about guarantees and energy efficiency

Marketing messages that focus on these areas may help developers tap into this relatively disengaged demographic.



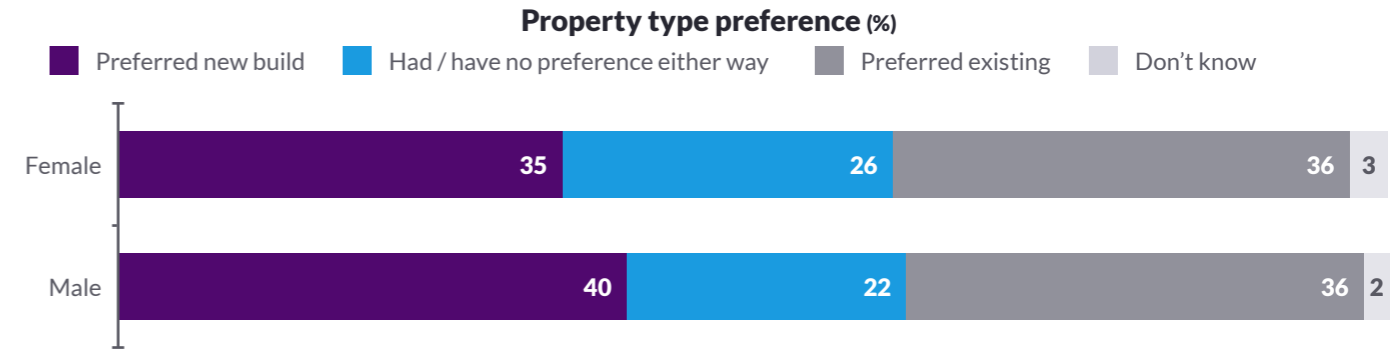
07

Help women visualise and personalise



New builds tend to appeal to women less than men

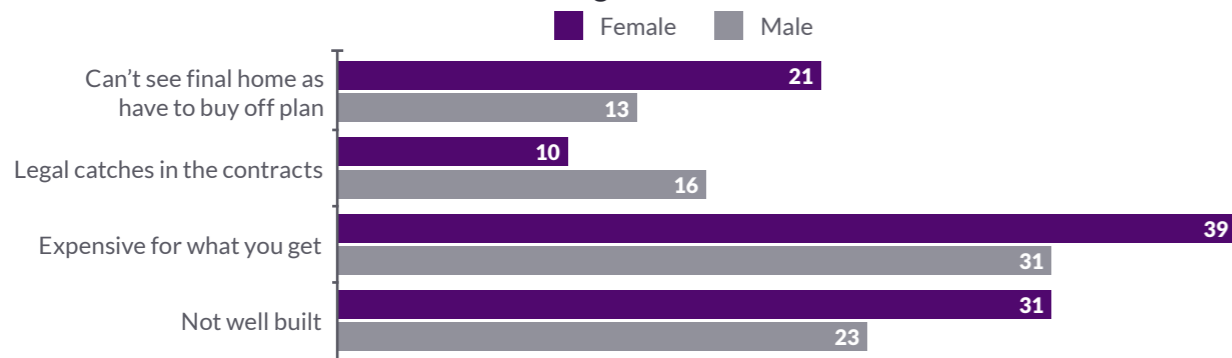
However, 26% of women claimed to have no preference either way, so a significant proportion are still open to the idea of new builds.



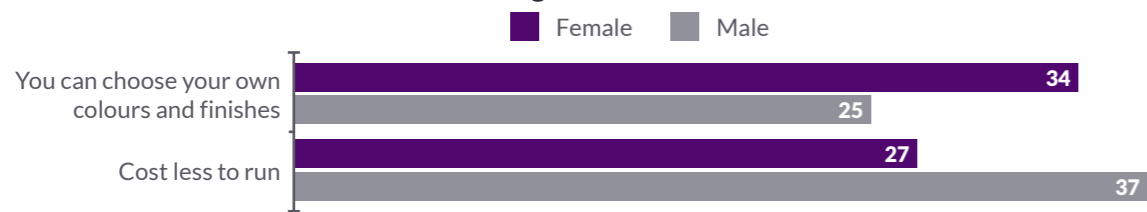
Women are put off by having to buy off plan

They like to be able to see what they're buying, and be reassured that they're getting quality and value for money.

Disadvantages of a new build home (%)



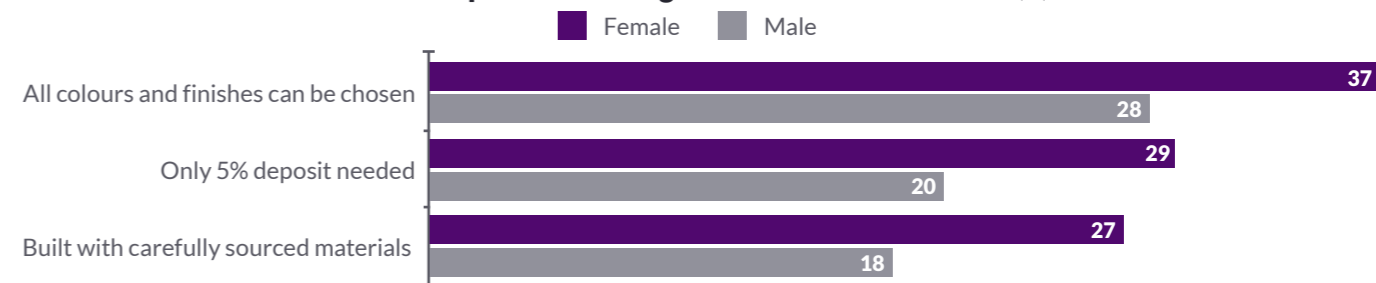
Advantages of a new build home (%)



The ability to personalise their new home is important to women

They're likely to be attracted by messages that highlight ways they can put their own stamp on a property.

Most important message about a new build home (%)



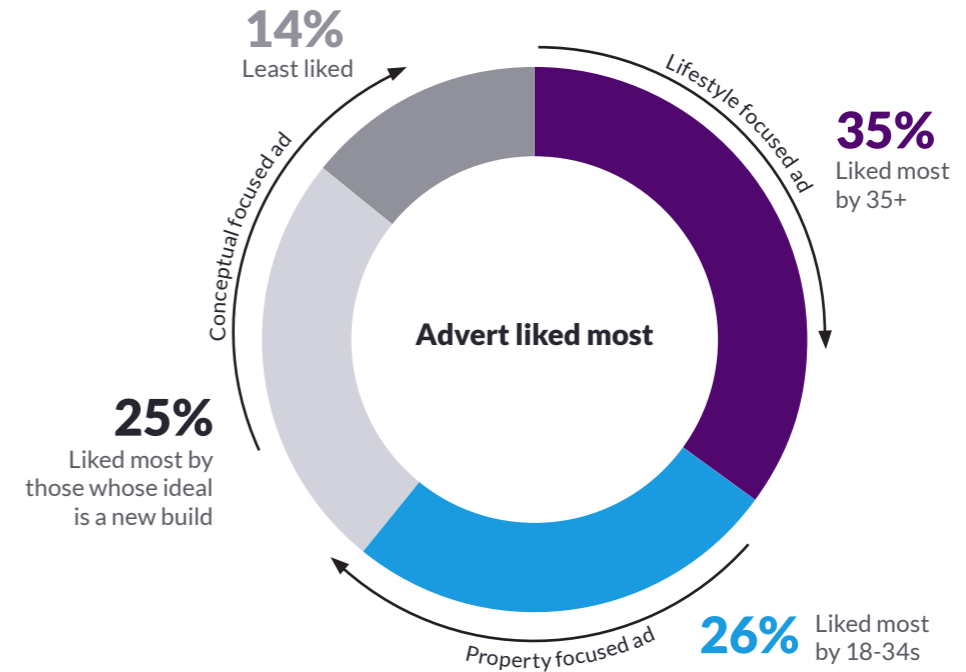
08

Show me the dream



People were shown real new homes adverts – those focusing on people and lifestyle were most liked

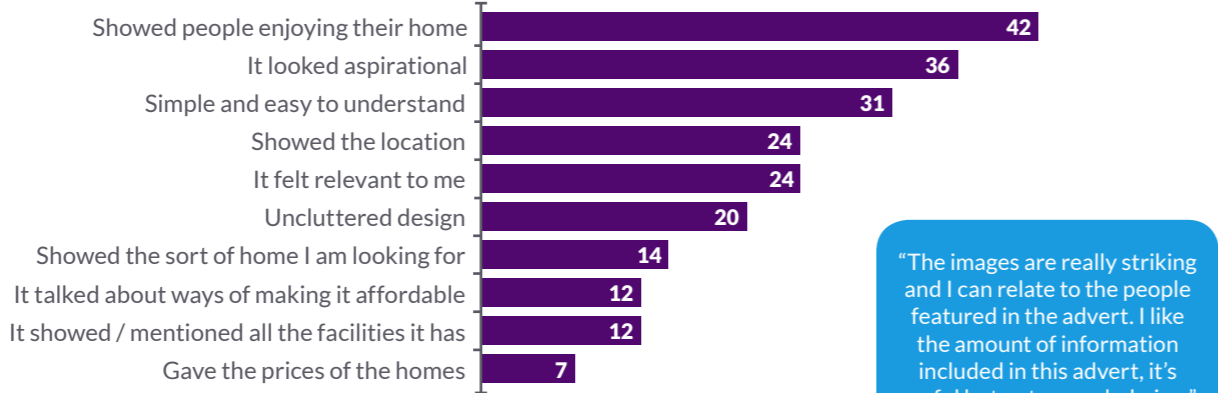
People want to visualise being in their new homes and picture the aspirational lifestyle they could have there.



Ads depicting aspirational lifestyles were seen as most appealing

By allowing people to focus on the perceived benefits of life in a new home, the advert drew attention away from statements around price.

Why people picked the advert (%)



"Shows the potential lifestyle you could have."

"The advert adds a personal touch. Seeing humans enjoying themselves, rather than just a building."

"The images are really striking and I can relate to the people featured in the advert. I like the amount of information included in this advert, it's useful but not overwhelming."

Ads highlighting the development's specific facilities were also seen as appealing

Again, they helped depict what living there would be like, allowing people to imagine themselves in the home.

"Presents the most realistic images of what I would like to see in a new property. They also offer information on the nearest facilities to the property eg train stations, which is an important factor to me."

"Shows a park in the neighbourhood and for parents that is enticing."

"I have a child so the extra facilities shown on the advert piqued my interest."

"Clear picture of the buildings and information that invites further enquiries."

"The focus is on the home and the area but also gets across the lifestyle it offers."

"Shows the property and isn't claiming to only have a few left."

"It shows a community connection."

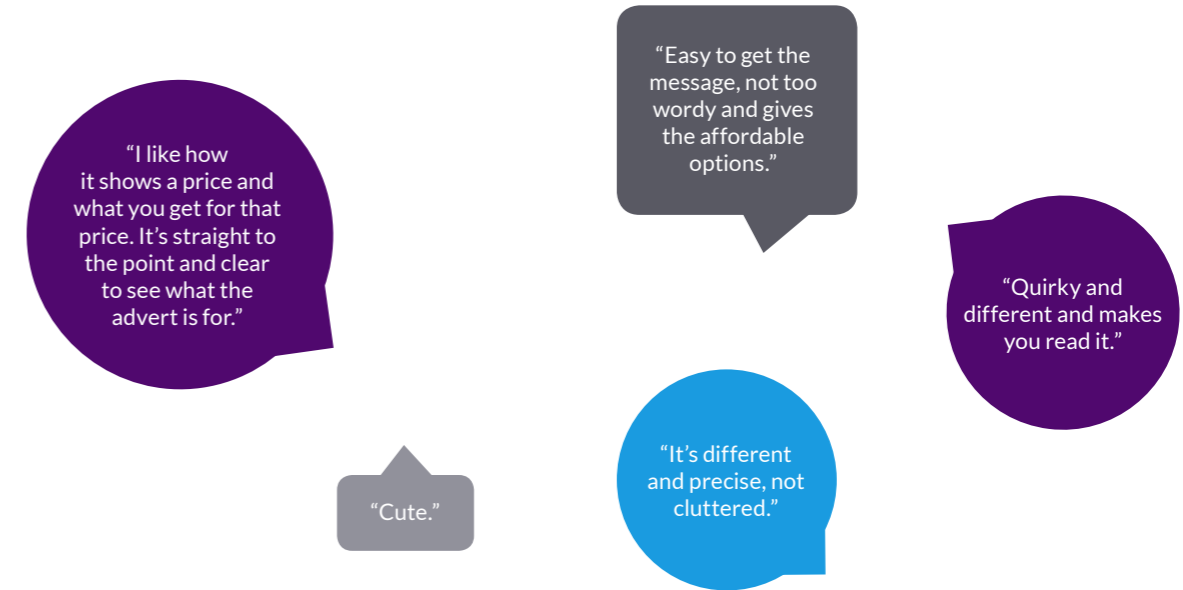
Simplicity in the adverts helped clearly depict the look of the developments, which worked well

Ads having a clean, modern and futuristic feel were also seen as appealing.



Conceptual adverts were the least liked, but their honesty, simplicity and originality were appreciated

Doing something different can help you stand out. As long as your key messages are clearly conveyed, getting creative may not be a bad thing, if done well.



Based on responses to the adverts, there emerged some key considerations for advertising

- 1**
Show the dream
What it will be like living there
- 2**
Keep it simple
Keep copy succinct and the layout easy to navigate
- 3**
Be honest
People saw 'last chance' statements as insincere
- 4**
Avoid jargon
'Cheesy exaggeration' that makes your ad seem contrived
- 5**
Help people visualise
What the final development will look like
- 6**
Highlight the end point
A greater home, rather than focusing on the process
- 7**
Provide enough information
To pique interest, don't include too much detail
- 8**
Show the people
The community that it's designed for

09

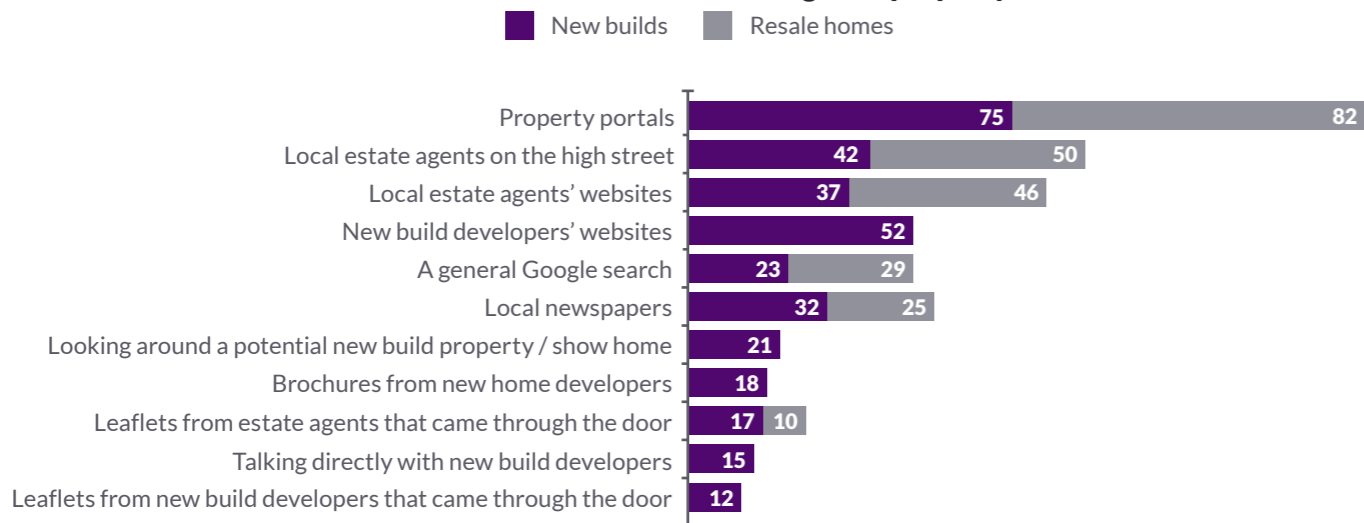
Property portals are key



Portals are a crucial part of the property search journey

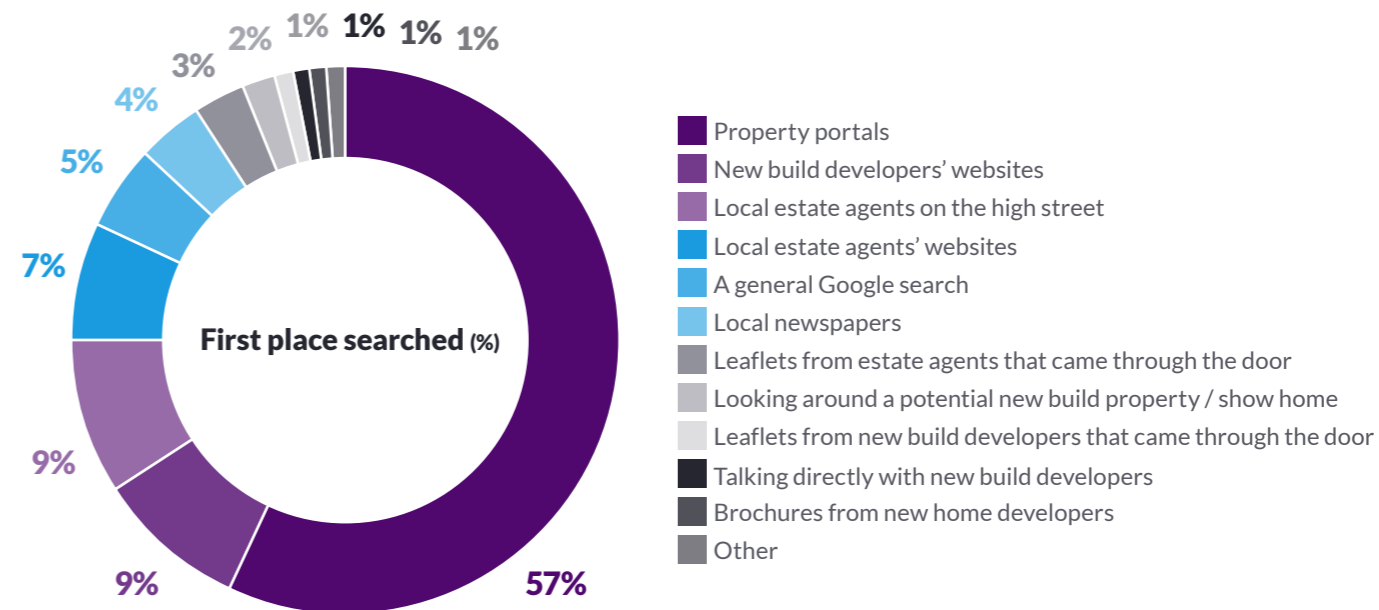
Three quarters of those looking for new build homes said they used property portals during their search.

All information sources when looking for a property (%)



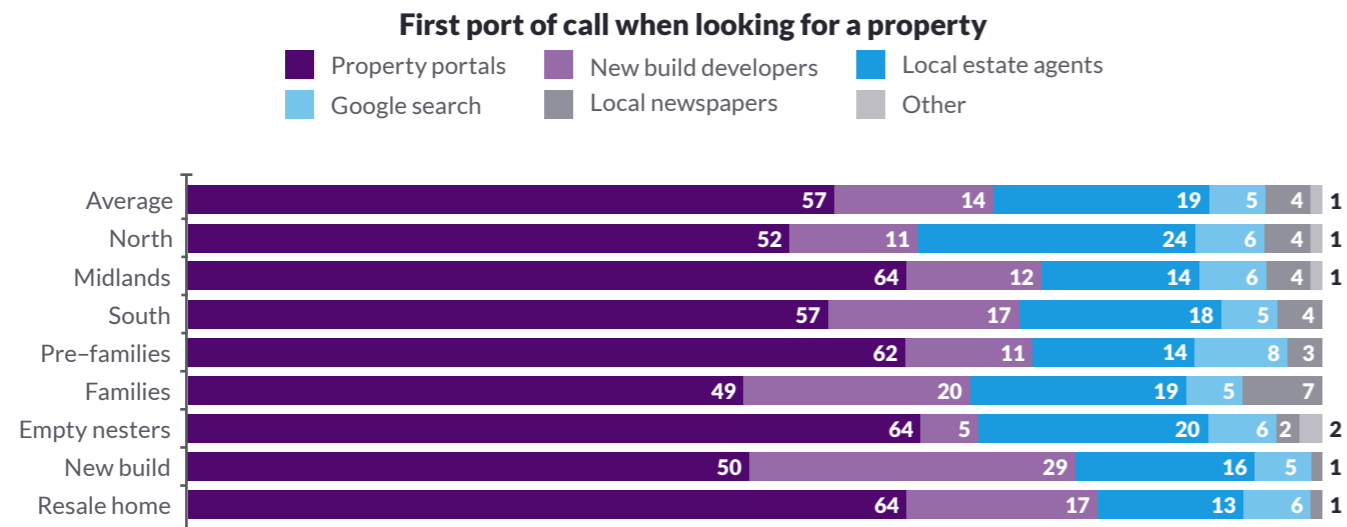
57% of people used a property portal as their first port of call when searching for a property

The majority of home hunters look on a portal in the beginning.



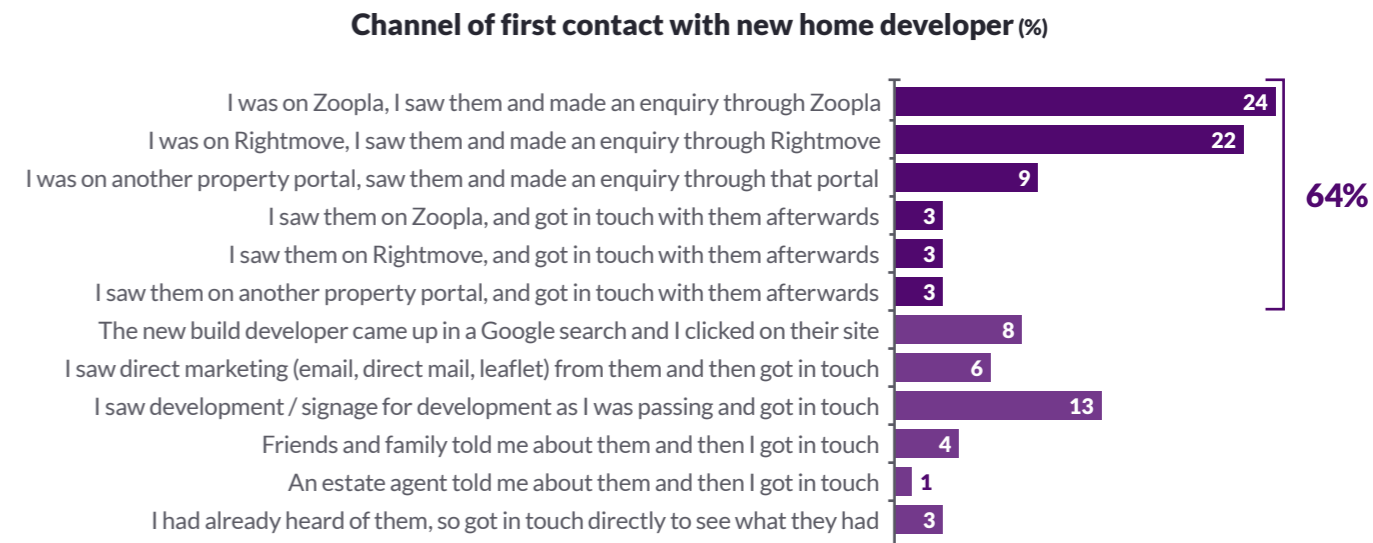
Portals were shown to be the preferred first point of reference

This was the case across the board; the majority of pre-families, families and empty nesters all started their home buying journeys on portals.



64% of those getting in touch with new home developers do so via a property portal

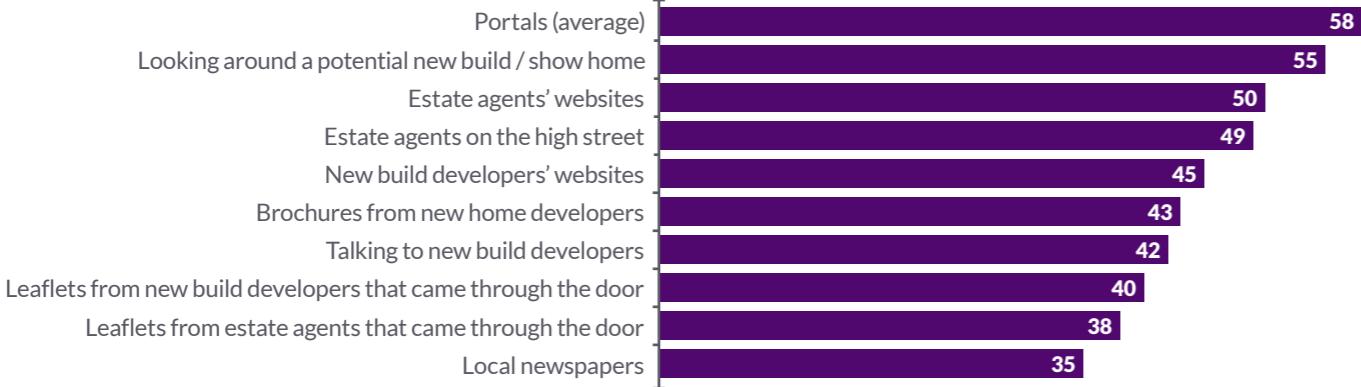
Whether it's through the portal itself, or by getting directly in touch with a developer that they found on one, most people first find the developers they contact on portals.



Portals also have the most positive impact on a person's interest in a property

However, a combined and integrated approach to marketing is important for building interest

Impact of touchpoints on interests in a property (%)

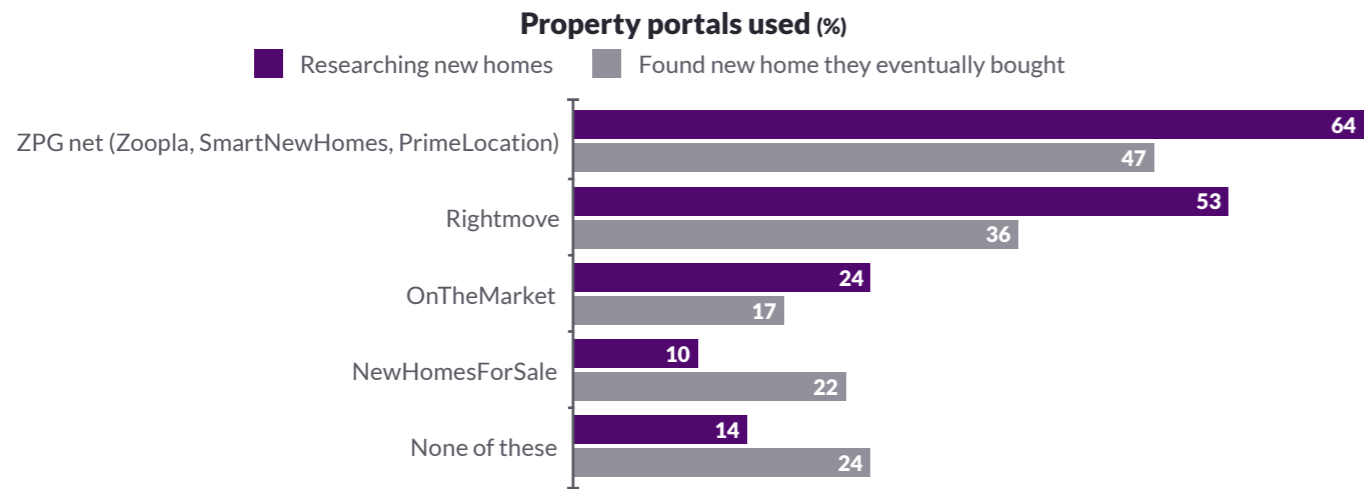


10
ZPG leading
the way



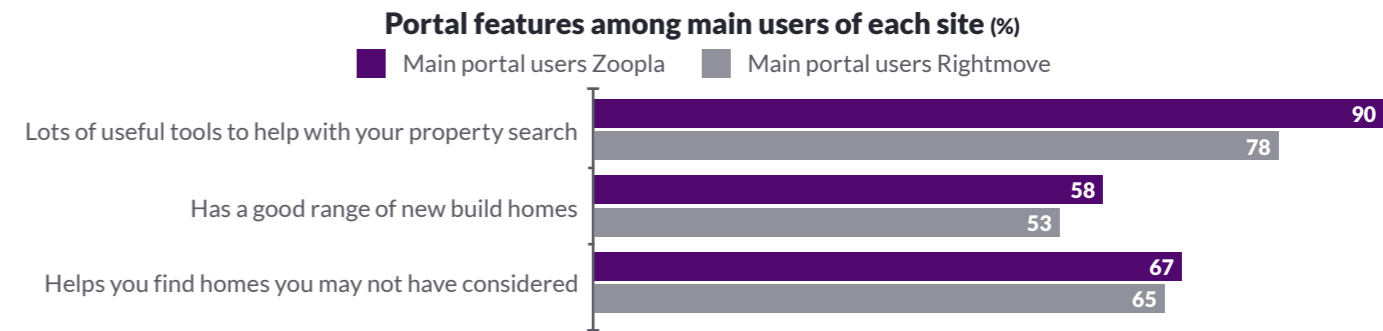
ZPG's combined portal approach comes out on top for those searching for new homes

Having portals that advertise all types of homes, combined with a specialist portal just for new builds, mirrors how consumers are searching in the market.



Zoopla is best known for having useful tools to help with the property search

Onsite tools to help consumers find, move and manage their properties are resonating well with Zoopla's users.



11

Room for developers to build preference



42% of those searching for a new build home have no preference for a developer – the property is the focus

Although awareness of the larger developers is relatively high, in comparison those that said they'd actually consider using them was low.

New home developers breakdown

■ Could name a developer ■ Had no preference ■ Have contact no one

