

7 stats you need to know about tomorrow's first-time buyers



With the end of Help to Buy on the horizon, we surveyed over 600 soon-to-be first-time buyers to find out what they make of the changes.

What else is motivating - or blocking - younger buyers from considering a new home, and how can you overcome them?

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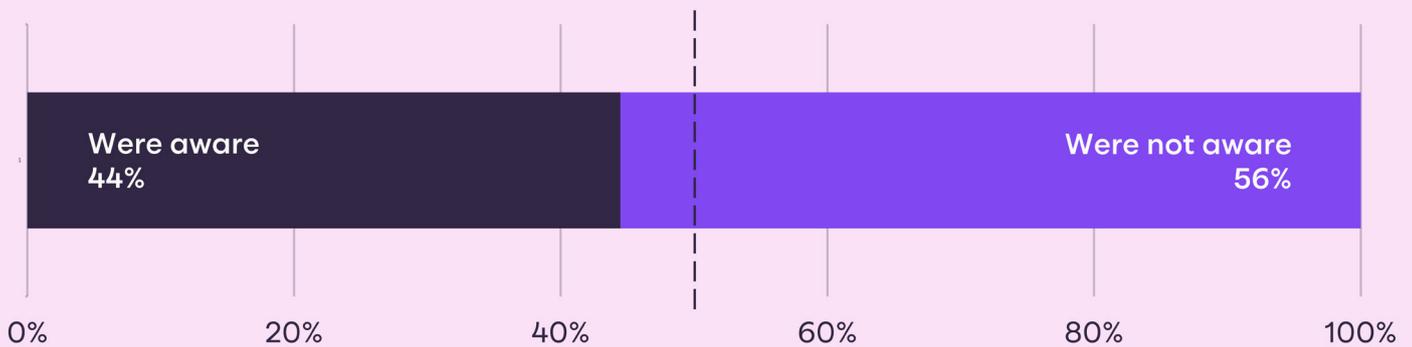
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1. Knowledge gap around end of Help to Buy to Buy

Among those we surveyed, there was a knowledge gap in terms of the end of Help to Buy. 56% of our respondents said they weren't aware that the scheme was ending in March 2023.

With just over a year to go until the change, it points towards an opportunity for builders to educate the market, and get post-2023 first-time buyers warmer to their brand.

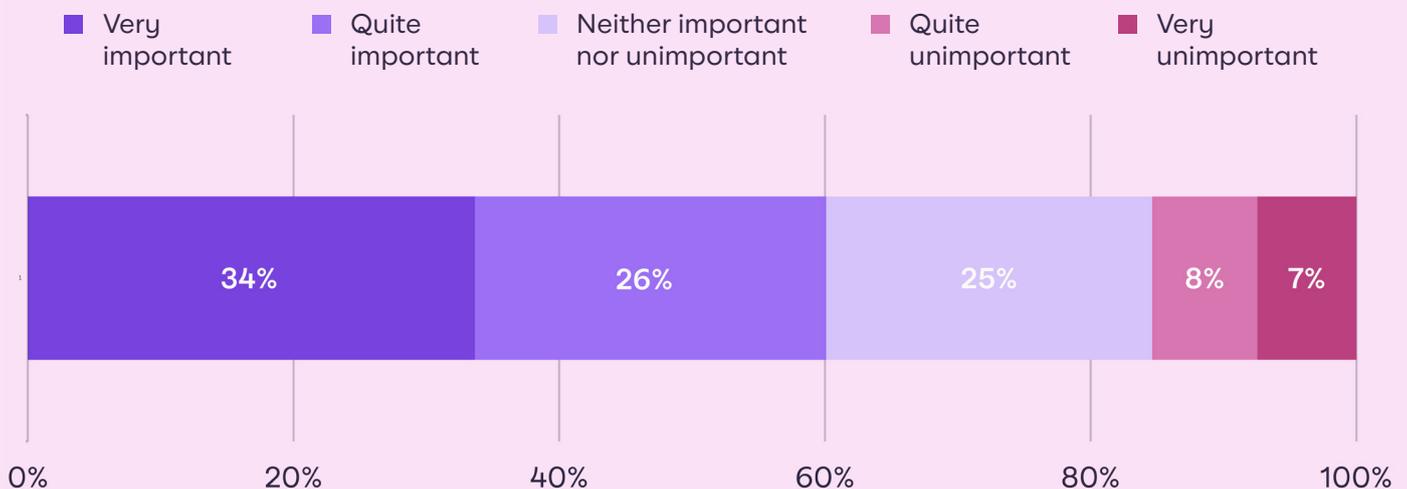
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2. Help to Buy still a big pull towards new homes

Despite the knowledge gap, Help to Buy is still a big pull for first-time buyers.

60% of our respondents said that the scheme was either 'quite' or 'very' important, in terms of determining whether or not they'd buy a new home.

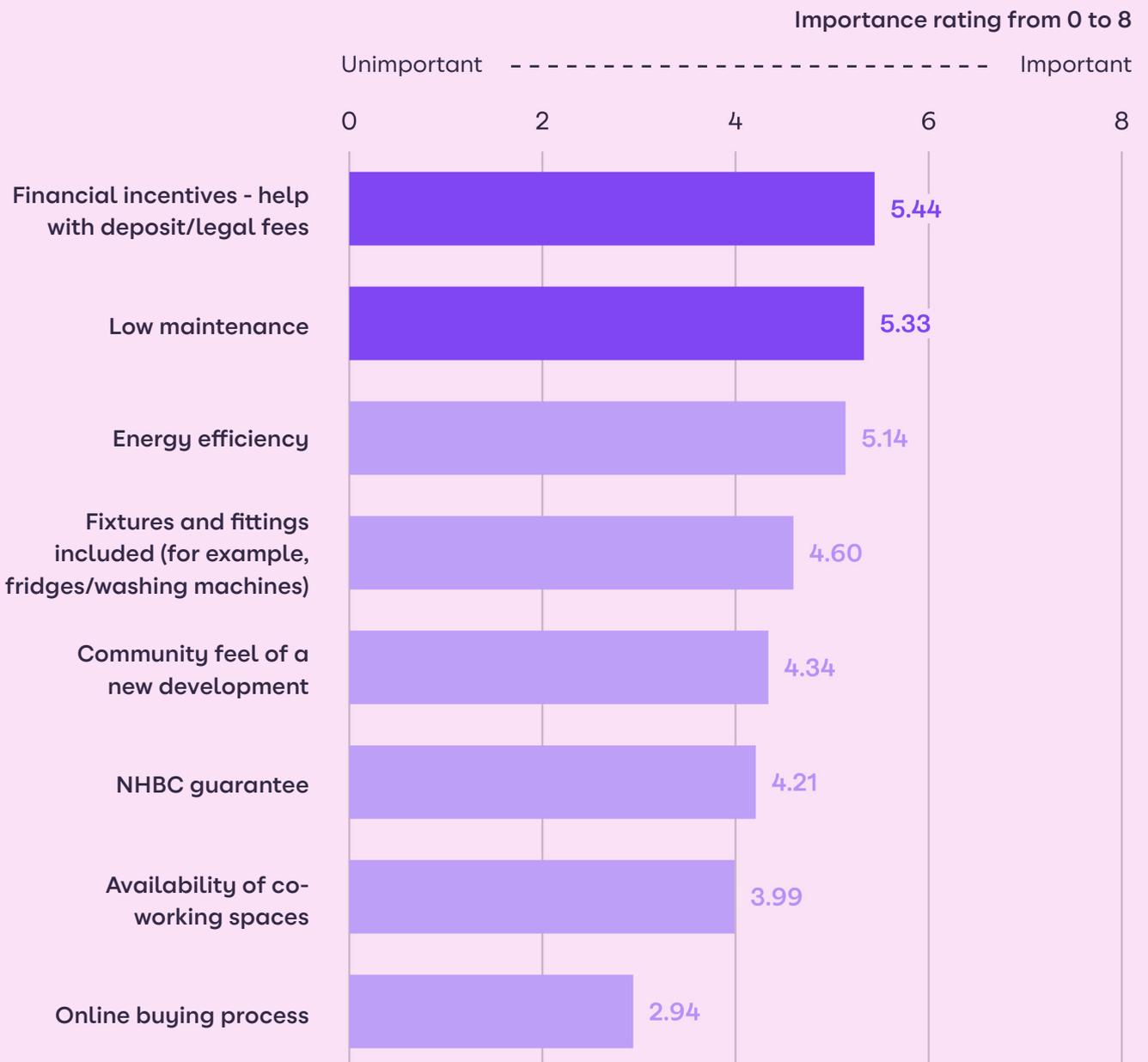


3. Tomorrow's first time buyers are looking for low maintenance

Despite the enduring importance of Help to Buy to first-time buyers, our respondents also flagged a range of other factors that would lead them to be in favour of buying a new home.

They flagged new builds being low maintenance as one of the biggest pull factors towards new homes for them - above financial incentives.

Financial incentives came in as the second highest priority. But, right behind it was energy efficiency - driven by a mix of higher ecological concerns among younger buyers, plus their mindfulness that a more energy efficient home can save on bills.

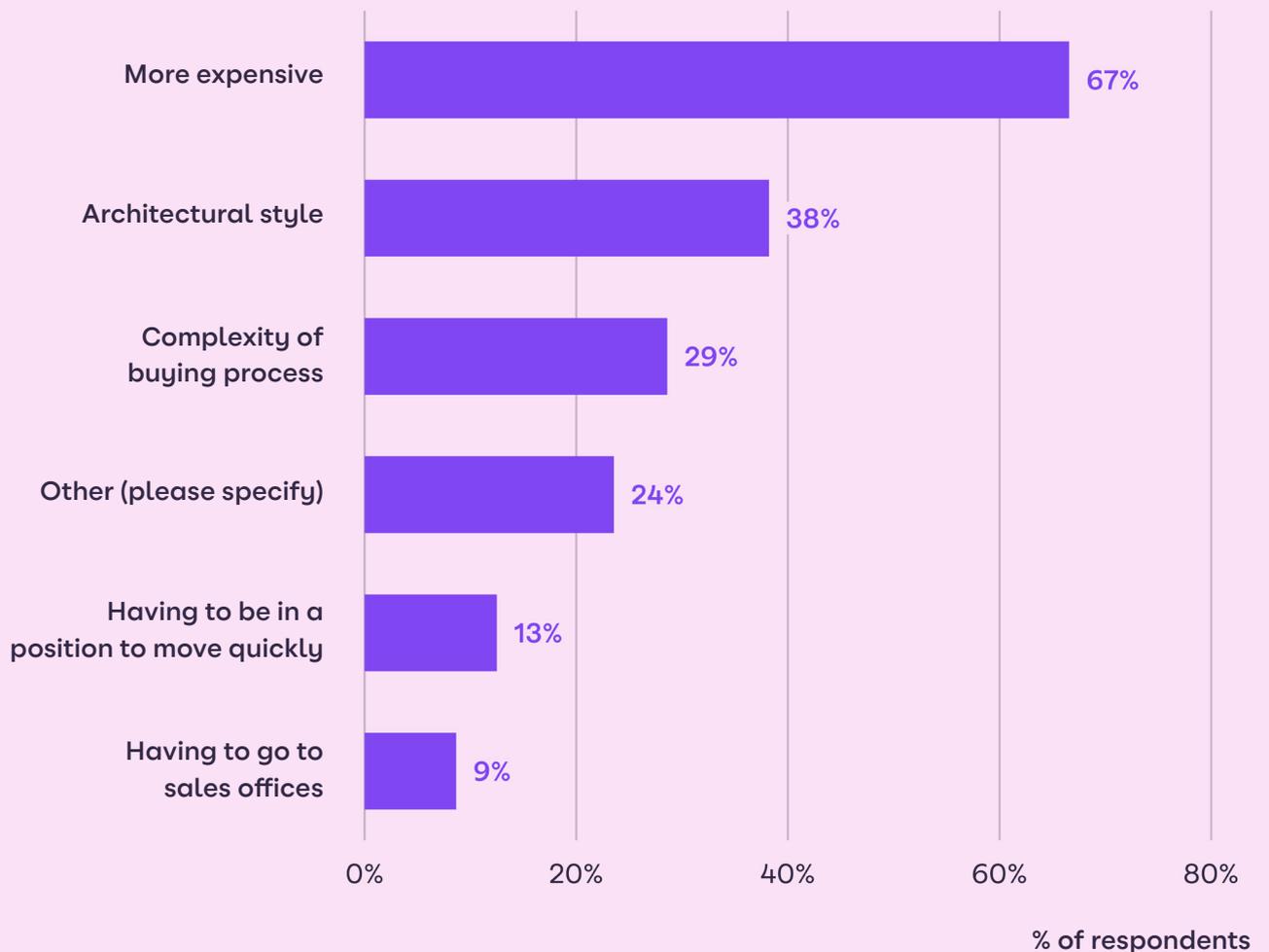


4. Helping buyers realise the value of a new home

While two-thirds of those we surveyed highlighted price as the biggest barrier for them buying a new home, this again represents an education opportunity for housebuilders,

By highlighting the potential cost savings upfront through buyer incentives (i.e. builder contributions to stamp duty and legal fees, or homes upgrades), plus the likely savings through reduced running costs in the long term, housebuilders can help first-time buyers realise the value of a new home over a resale home.

Also, as mentioned earlier, Help to Buy has been a major lever in getting first-time buyers on the housing ladder. Housebuilders can play an important role in explaining the alternative schemes and initiatives available to first-time buyers once the government-backed scheme ends next year.



5. First time buyers want simplicity and a digital-first experience

When we asked our respondents about the other blockers that might get them to consider the resale market, two key themes emerged.

The perceived complexity of the new homes buying process was enough to deter more than 1 in 4 new homes buyers (28%).

And one in 10 told us that having to go to a sales office at all would put them off.

28%

1 in 4 new homes buyers

The perceived complexity of the new homes buying process was a deterrent.

9%

1 in 10 new homes buyers

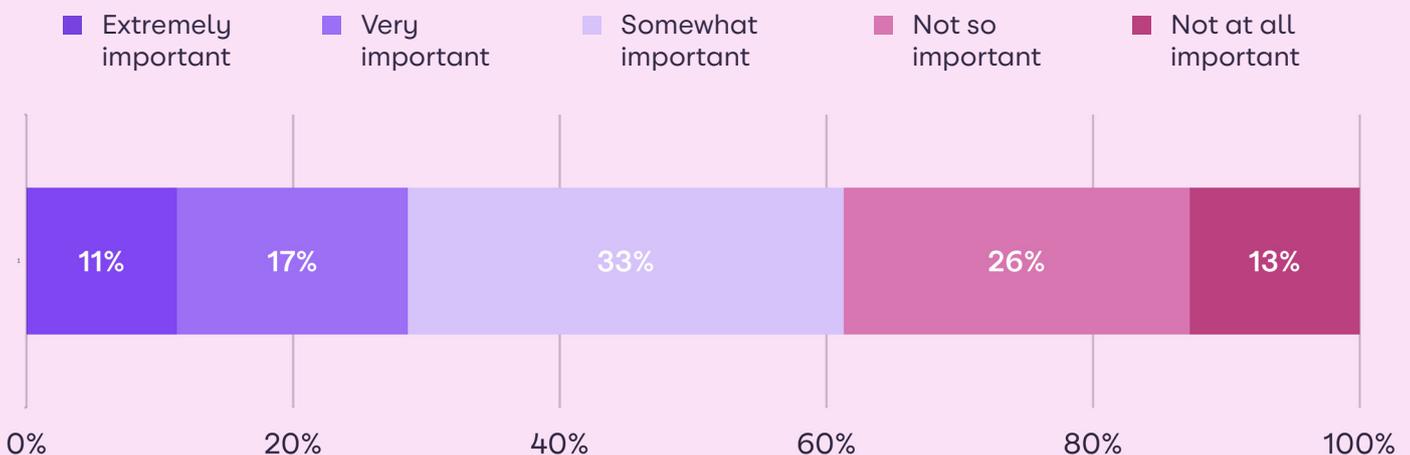
Having to go to a sales office at all would put them off.

6. Digital journeys: a priority for many, expected by even more

Over 60% of those we surveyed said that a fully online buying process was at least somewhat important to them.

And, looking further ahead as Gen-Z begins to enter the first-time buyer market, it's fair to say that those who say it's not important for them will still expect an end-to-end digital process - in the same way they book a taxi or buy a takeaway.

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7. First-time buyers willing to look further

First-time buyers are also challenging the perception of the biggest opportunities coming from within five miles of the development.

Over 70% of those we surveyed told us they'd be willing to travel further than the five-mile threshold for the right new home.

Between 5 and 10 miles appeared to be their sweet spot, with 45% reporting this was how far they'd travel.

