



MARCH 2020

2020 Home Improvement Vertical Insights

**Using ADVantage for
Local Sellers**



BIA ADVantage Home Improvement \$7.8B Ad Spend

Home Improvement is a custom vertical comprised of a mix of 9 sub-verticals from Retail and General Services.



Home Improvement

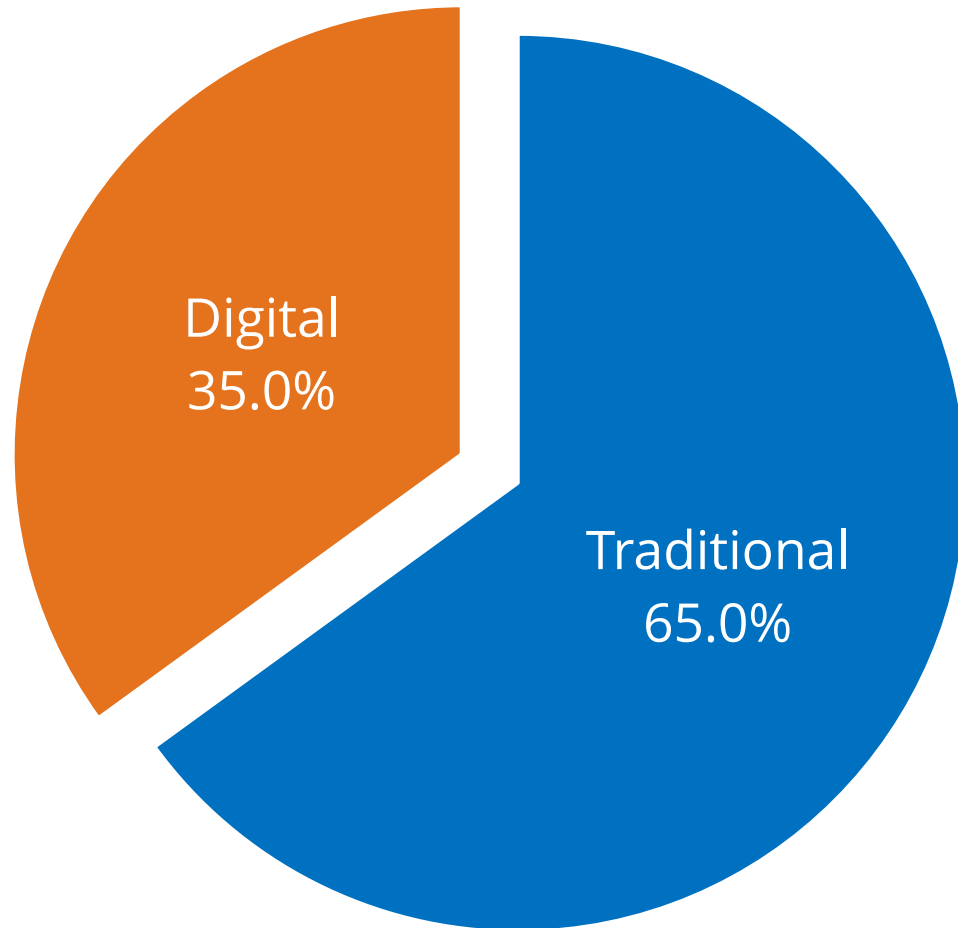
\$7,832,642

Home Centers	\$2,998,684
Plumbers and HVAC	\$1,490,618
Other Home Building Services	\$891,828
Lawn & Garden Equipment & Supplies Stores	\$744,148
Floor Covering Stores	\$555,922
Hardware Stores	\$435,927
Household Appliance Stores	\$331,202
Paint and Wallpaper Stores	\$227,520
Maintenance Services	\$156,795



ADVantage users can get this data for their market from the **Vertical Spend Report** option on the left menu

Home Improvement Will Spend \$7.8B on Local Ads in 2020



Traditional media will get 65.0 percent of the 2020 spending, down from 68.1 percent in 2019. Most spending growth will happen in digital.

Market sub-vertical reports in ADVantage can show what the traditional/digital ad spend mix looks like in your markets.



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Check ADVantage For Your Market's Digital & Traditional Spend

Home Improvement is flat for 2020. OTT and mobile show the most growth for 2020. Direct mail, while a big spender, has the biggest decrease in 2020.

ADVantage market vertical reports show you and your advertisers the digital media to reinforce your best cross channel strategies.



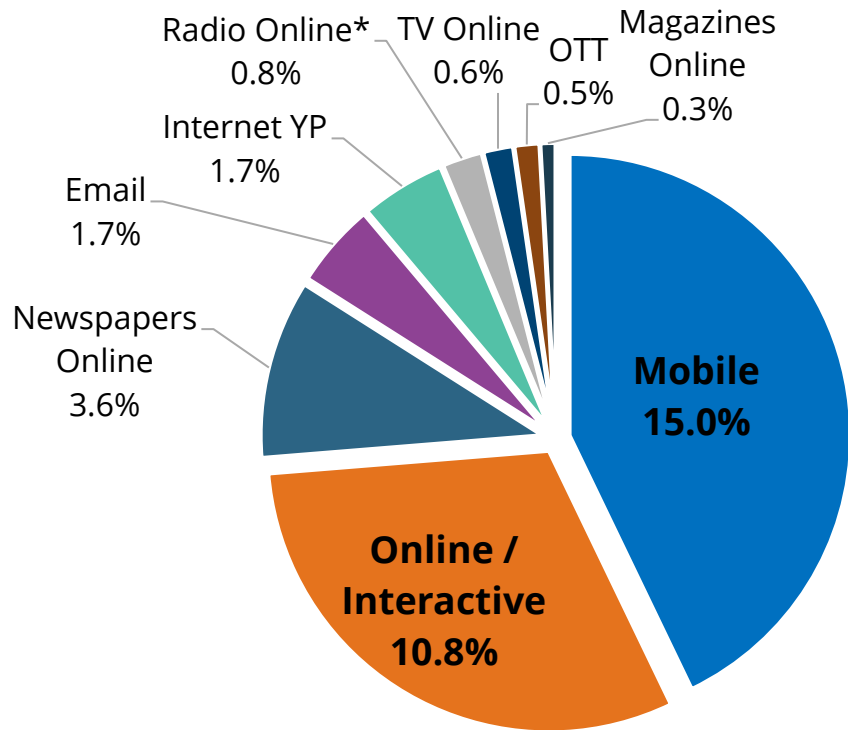
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Digital Media	2020 (\$000s)	Growth 2019-2020
OTT	\$36,044	21.1%
Mobile	\$1,178,762	17.5%
Online (Search, Display, Video)	\$845,650	4.8%

Traditional Media	2020 (\$000s)	Share
TV (Broadcast)	\$536,271	6.8%
Radio (Broadcast)	\$544,099	6.9%
Newspaper (Print)	\$491,494	6.3%
Cable TV	\$204,153	2.6%
Direct Mail	\$2,858,630	36.5%

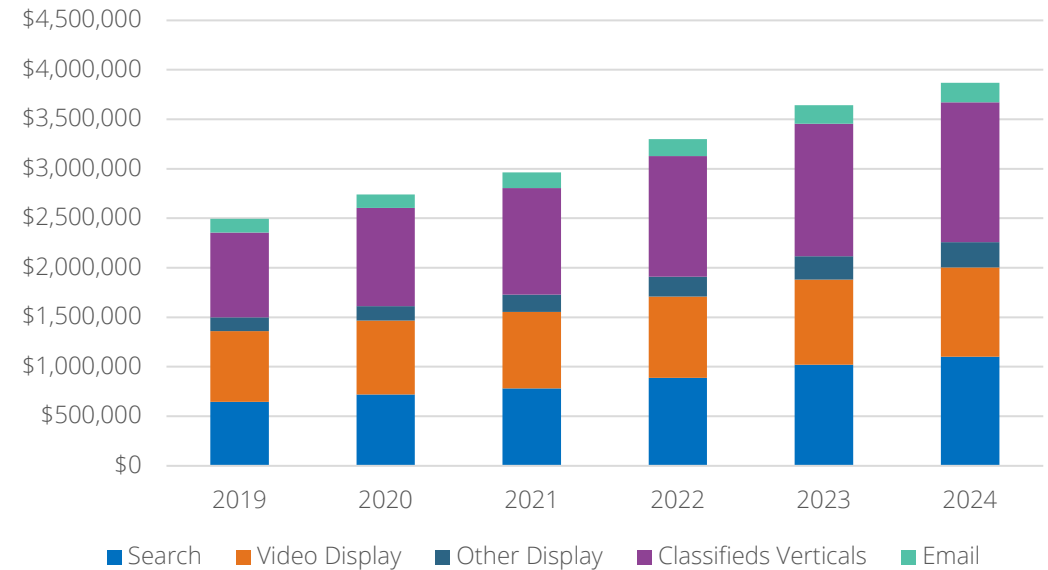
Home Improvements' Digital Spend is \$2.73B in 2020

Home Improvement advertisers have a steady shift to digital, with mobile and search leading the growth. Help them make the shift.



Home Improvement Vertical Ad Spend (Share) 2020

Digital Ad Spend (\$000s) 2019-2024



Look at the digital mix and where mobile audiences can complement or reach campaign goals on your media.



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Home Improvements' Ad Spend in Traditional Declining

Home Improvement spending is flat for 2020 with only some digital channels growing. Looking at the verticals that make up home improvement - flooring and appliance stores show the most overall growth, but home centers have the largest share.

ADVantage market home improvement vertical reports also can show you opportunity. You can compare the ad spend to your revenue targets and look for more opportunity especially in lower cost digital.

2020 Home Improvement Vertical Breakdown (000)s- Atlanta, GA

Vertical	2019	2020	Annual Change
Home Centers	\$67,275	\$66,627	-1%
Lawn & Garden Equipment & Supplies Stores	\$11,950	\$12,027	1%
Floor Covering Stores	\$11,456	\$11,815	3%
Hardware Stores	\$8,425	\$8,481	1%
Household Appliance Stores	\$5,689	\$5,817	2%
Paint and Wallpaper Stores	\$5,485	\$5,519	1%
Plumbers and HVAC	\$27,943	\$28,201	1%
Other Home Building Services	\$16,718	\$16,872	1%
Maintenance Services	\$2,621	\$2,648	1%
TOTAL	\$157,562	\$158,007	1%



Atlanta, GA shows that most home improvement sub-verticals are not increasing much overall in spend. Make sure you are looking in ADVantage for untapped opportunities in your markets.



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Selling Strategies – Home Improvement and COVID-19

- **Services provided by home improvement businesses are of a special and often emergency nature, and most businesses will continue operating with possibly high demand on services.**
- As more state and local governments request people stay home (shelter in place) for long periods of time this could drive an increase in demand for home services. Help HVAC, plumbers, and electricians communicate their ability to provide services while following CDC and government precautions including screening customers and the use of personal protective equipment to make sure when they visit homes and businesses, they are not putting employees and customers at risk.
- **Some home improvement services will see an increase in seasonal demand (gutters, pool care, pest control, lawn and garden services, etc.) as we get into the spring/summer months.**
- Help these businesses communicate to customers their operational hours, services and supplies. If they are coming out to provide service, help businesses communicate their ability to provide services while maintaining social distancing precautions. Some may have limited operational times based on state and government guidelines that will need to part of their message to customers.

Consumers are spending more time stuck in their homes and the need for home offices and other spaces or delayed project could inspire new home projects and an excuse to get off the couch. Large purchases of big-ticket items to make home more enjoyable may increase.

Help retailers get out sales and promotions for home office, entertainment and fitness as well as home improvement stores for supplies. Local home improvement stores like Home Depot are limiting their hours of operation or only offering online order/pickup. Helping local retail and home improvement services to use digital channels to communicate that they are open and can offer alternative consulting and delivery of purchases can be helpful.

Selling Strategies from BIA's Full Home Improvement Report

Mobile is on a steep growth curve, rising 21% by 2024.

Mobile is rising from a 15.0% share of media spending to 20.5%, or \$758.7 million in spend moving into Mobile in 2024 versus 2020. Home Improvements media buyers will benefit from sales outreach to help them learn how to make effective media investments and design campaign strategies and goals to meet their needs.

Home Centers and Plumbers/HVAC are the sweet spot

Home Centers account for well over a third of media spending. Plumbers and HVAC keep their spending at about a fifth of total spending in this vertical (over half of all Home Improvement spending). Selling strategies should prioritize these accounts by understanding their evolving business needs and helping them match that to their advertising goals to make sure they're making appropriate media mix decisions.

For 2020, prioritize Floor Covering and Household Appliance Stores.

While these two sub-verticals don't spend as much as Home Centers and Plumbers/HVACs, they will increase their 2020 spending over 2019 more than the leaders. Floor Covering stores will spend \$15.7 million more in 2020 than 2019; and Appliance Stores will spend \$6.9 million more. Home Centers will decrease their spending. Plumbers will spend \$7.9 million more in 2020 but Floor Covering and Appliance stores will increase their spending twice as much in 2020.

Full Home Improvement Report Available In ADVantage

In Reports and Webinars

Questions, Feedback and Training

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